

Dated 24 November 2006

Final Terms

ÖSTERREICHISCHE VOLKSBANKEN-AKTIENGESELLSCHAFT

Issue of

EUR 300,000,000 Subordinated Lower Tier II Notes due November 2016

issued under the

**Euro 6,000,000,000
DEBT ISSUANCE PROGRAMME**

The issue of the Notes is subject to an exemption from the prospectus requirement pursuant to sec 3 para 1 No 9 and 11 of the Austrian Capital Markets Act.

PART A - CONTRACTUAL TERMS

This document constitutes the Final Terms relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the "**Terms and Conditions**") set forth in the prospectus contained in the Comprehensive Programme Document dated 14 June 2006 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**") (the "**Prospectus**"). This document contains the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this document (the "**Document**" or the "**Final Terms**") and the Prospectus. The Prospectus is available for viewing at the registered seat of the Issuer and copies may be obtained free of charge from the Issuer.

The terms of this Document amend, supplement and vary the Terms and Conditions of the Notes (the "**Conditions**") set out in the Prospectus. If and to the extent the Terms and Conditions deviate from the terms of these Final Terms, the terms of the Final Terms shall prevail. The Terms and Conditions so amended, supplemented or varied together with the relevant provisions of these Final Terms will form the Conditions applicable to this Series of Notes (the "**Supplemental Conditions**").

EXECUTION VERSION

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| 1. | Consolidated Conditions / Supple- mented Conditions | Supplemented Conditions |
| 2. | Issuer: | Österreichische Volksbanken-Aktiengesellschaft |
| 3. | (i) Series Number: | 53 |
| | (ii) Tranche Number: | 1 |
| 4. | Specified Currency or Currencies: | Euro ("EUR") |
| 5. | Aggregate Principal Amount: | |
| | (i) Series: | EUR 300,000,000 |
| | (ii) Tranche: | EUR 300,000,000 |
| 6. | (i) Issue Price: | 99.863 per cent. of the Aggregate Principal Amount |
| | (ii) Net proceeds: | EUR 299,289,000 |
| 7. | Specified Denomination: | EUR 50,000 and multiples thereof |
| 8. | Minimum Transfer Volume: | Not Applicable |
| 9. | Waiver of Set-Off: | Not Applicable |
| 10. | Issue Date: | 28 November 2006 |
| 11. | Maturity Date: | The Interest Payment Date falling on or nearest to 28 November 2016 |
| 12. | Interest Basis: | <p>(i) 3 month EURIBOR plus +0.35 per cent. per annum. Floating Rate, from and including the Interest Commencement Date up to but excluding the Interest Payment Date falling on or nearest to 28 November 2011; and thereafter</p> <p>(ii) if the Notes are not redeemed on 28 November 2011, from (and including) the Interest Payment Date falling on or nearest to 28 November 2011, 3 month EURIBOR plus +0.85 per cent. per annum Floating Rate</p> <p>(further particulars are specified below)</p> |
| 13. | Redemption / Payment Basis: | Redemption at par |
| 14. | Change of Interest or Redemption / Payment Basis: | See item 12 above |
| 15. | Early Redemption at the Option of the Noteholder or the Issuer: | The Issuer has the option to redeem the Notes at par on each Interest Payment Date from (and |

including) the Interest Payment Date falling on or nearest to 28 November 2011, subject to the Issuer having given notice not less than five Business Days prior to the relevant Redemption Date.

For the purpose of the delivery of the notice, Business Day means a day other than a Saturday or a Sunday on which (i) banks are open for the business in London and Vienna and (ii) TARGET System is operating.

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| 16. | Status of the Notes (Condition 2): | Subordinated Notes |
| 17. | Date of the board approval for issuance of Notes obtained: | 13 September 2006, board approval number 282 |
| 18. | Method of distribution: | Syndicated |

PROVISIONS RELATING TO INTEREST PAYABLE (Condition 3)

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| 19. | Fixed Rate Note Provisions: | Not Applicable |
| 20. | Floating Rate Provisions: | Applicable |
| | (i) Interest Commencement Date: | 28 November 2006 |
| | (ii) Interest Termination Date: | Maturity Date |
| | (iii) Manner in which the Interest Calculation Base is to be determined: | Screen Rate Determination |
| | (iv) Margin: | <p>(i) plus (+) 0.35 per cent. per annum, or</p> <p>(ii) if the Notes are not redeemed on the Interest Payment Date falling on or nearest to 28 November 2011, plus (+) 0.85 per cent. per annum for the following Interest Periods</p> |
| | (v) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: | Not Applicable |
| | (vi) Provisions for interest calculated on Notes divided into units: | Not Applicable |
| 21. | Additional Provisions for Reverse Floating Rate Notes, Inflation linked Notes, CMS Notes, Ratchet | Not Applicable |

| Notes | | |
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| 22. | Additional Provisions for Range Accrual Notes | Not Applicable |
| 23. | Additional Provisions for Echo/Snowball Notes | Not Applicable |
| 24. | Additional Provisions for Steeper Notes | Not Applicable |
| 25. | Additional Provisions for Switchable Notes | Not Applicable |
| 26. | Additional Provisions for Market Timing Notes | Not Applicable |
| 27. | Additional Provisions for Chooser Notes | Not Applicable |
| 28. | Additional Provisions for Coupon Booster Notes | Not Applicable |
| 29. | Additional Provisions for Credit Linked Notes | Not Applicable |
| 30. | Additional Provisions for Notes whose interest payments are linked to performance of an underlying or a basket of underlyings | Not Applicable |
| 31. | Additional Provisions for other Notes | Not Applicable |
| 32. | Provisions for Notes without interest in certain time periods | Not Applicable |
| 33. | Interest Calculation Base | Applicable |
| (i) | Screen Rate Determination: | Applicable |
| | - Relevant Time | 11:00 a.m. hours Brussels time |
| | - Interest Determination Date: | Two TARGET Business Days prior to the commencement of the relevant Interest Period |
| | - Primary Source for Floating Rate: | Reuters page EURIBOR01 |
| | - Reference Banks: | As per the Conditions |
| | - Reference Rate: | 3 month EURIBOR |
| (ii) | ISDA Determination: | Not Applicable |
| (iii) | Other provisions: | Not Applicable |

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| | (iv) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): | Calculation Agent |
| 34. | Provisions for minimum / maximum rate of interest or rate multiplier or change of interest or redemption / payment basis | Not Applicable |
| 35. | Day Count Fraction: | Actual/360 |
| 36. | Interest Payment Date(s) | Applicable |
| | (i) Specified Interest Payment Dates: | 28 February, 28 May, 28 August, and 28 November each year, from and including, 28 February 2007 to and including, the Maturity Date |
| | (ii) Interest Period Dates: | Interest Payment Dates, adjusted in accordance with the Modified Following Business Day Convention |
| | (iii) Business Day Convention: | Modified Following Business Day Convention |
| | (iv) Principal Financial Centre: | TARGET |
| | (v) Business Centres: | TARGET, London and Vienna for Interest payments |
| 37. | Provisions for Zero Coupon Note Provisions | Not Applicable |
| 38. | Interest on Partly Paid Notes or Instalment Notes | Not Applicable |
| 39. | Supplementary Capital Provisions | Not Applicable |
| | Subordinated Supplementary Capital Provisions | Not Applicable |
| 40. | Target Coupon (Condition 3a) | Not Applicable |
| 41. | Adjustment/Redemption, Market Disruption, Commercial Property Rights (Conditions 3a to 3c) | Not Applicable |

PROVISIONS RELATING TO REDEMPTION (Condition 4)

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| 42. | Final Redemption Amount | Par |
| 43. | Redemption for tax reasons (Condition 4(b)) | Applicable |
| 44. | Early Redemption at the Option of the Issuer (Condition 4(c)) | Applicable |

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| (i) | Optional Redemption Dates: | On each Interest Payment Date from (and including) the Interest Payment Date falling on or nearest to 28 November 2011 |
| (ii) | Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): | Early Redemption Amount |
| (iii) | If redeemable in part: | Not Applicable |
| | (a) Minimum Redemption Amount: | Not Applicable |
| | (b) Maximum Redemption Amount: | Not Applicable |
| (iv) | Call Option Exercise Date(s): | Not Applicable |
| (v) | Description of any other Issuer's option: | Not Applicable |
| (vi) | Notice period: | 5 TARGET, London and Vienna Business Days |
| (vii) | Description of any other Issuer's option: | Not Applicable |
| 45. | Early Redemption at the Option of the Noteholder (Condition 4(d)): | Not Applicable |
| 46. | Early Redemption Amount | As per the Conditions |
| 47. | Repurchase Option, Resale Option (Condition 4(g)) | Not Applicable |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 50. | Form of Notes: | <p>Bearer Notes</p> <p>Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for definitive Notes only in the limited circumstances specified in Condition 1.</p> |
| 51. | Financial Centre(s) or other special provisions relating to Payment Business Days: | TARGET, London and Vienna for Interest payments |
| 53. | Tax Gross up (Condition 6) | Tax Gross-up is payable for the Notes |
| 54. | Redenomination, renominatisation and reconventioning provisions: | Not Applicable |
| 55. | Consolidation provisions: | Not Applicable |

56. Other terms or special conditions: Not Applicable

57. Other final terms: Not Applicable

DISTRIBUTION

58. (i) If syndicated, names and addresses of Lead Manager(s) and Manager(s): **ABN AMRO Bank N.V.**
250 Bishopsgate
EZ EC2M 4AA
London
United Kingdom

Société Générale
17 Cours Valmy
92987 Paris la Défense
France

**Österreichische Volksbanken-
Aktiengesellschaft**
Peregringasse 3
A-1090 Vienna
Austria

(ii) Date of Subscription Agreement: 24 November 2006

(iii) Stabilising Agent: ABN AMRO Bank N.V.

(iv) Dealer's commission: 0.10 per cent. of the Aggregate Principal Amount

(v) Notification Process for allotted amount: Not Applicable

59. If not syndicated, name of Dealer: Not Applicable

60. Market Making: Not Applicable

61. Additional selling restrictions: Not Applicable

OPERATIONAL INFORMATION

62. ISIN Code: XS0275528627

63. Common Code: 027552862

64. Clearing Systems: Euroclear Bank S.A./N.V. (Euroclear Operator),
1. Boulevard du Roi Albert II, B-1210 Brussels

Clearstream Banking société anonyme, Luxembourg,
42 Avenue JF Kennedy, L-1855 Luxembourg

65. Principal Paying Agent: BNP Paribas Securities Services, Luxembourg Branch

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| 66. | Additional Paying Agent(s) (if any): | Applicable |
| | Paying Agent, if Notes are listed on a stock exchange | Österreichische Volksbanken-Aktiengesellschaft |
| 67. | Calculation Agent: | Österreichische Volksbanken-Aktiengesellschaft |
| 68. | Applicable TEFRA Rules: | D-Rules |
| 69. | Website for notices: | Not Applicable |
| 70. | Governing Law: | Austrian law |
| 71. | Binding Language: | English |
| 72. | The aggregate principal amount of Notes has been translated into Euro at the rate of [amount] [currency] = 1 Euro, producing the sum of: | Not Applicable |

LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the Euro 6,000,000,000 Debt Issuance Programme of 14 June 2006.

NO MATERIAL ADVERSE CHANGE STATEMENT

There has been no significant change in the financial condition of Österreichische Volksbanken-Aktiengesellschaft or the Group since 30 June 2006 and no material adverse change in the financial condition of Österreichische Volksbanken-Aktiengesellschaft or the Group since 14 June 2006.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms which is to be read together with the Prospectus referred to above.

Österreichische Volksbanken-Aktiengesellschaft

By:

By:

Robert Hengl

Duly authorised

Martin Fuchsbauer

Duly authorised

PART B - OTHER INFORMATION

1. LISTING

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| Listing: | Vienna Stock Exchange |
| Admission to trading: | Application has been made for the Notes to be admitted to trading on the Second Regulated Market (<i>Geregelter Freiverkehr</i>) with effect from the Issue Date. |
| Estimate of total expenses related to admission to trading: | approximately EUR 2,500 |

2. RATINGS

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| Ratings: | Notes of the type being issued under the Programme have been rated A3 (stable) by Moody's. |
| Post Issuance Information: | The Issuer will not provide any post-issuance information in relation to the underlying. |

3. NOTIFICATION

The FMA has provided the competent authorities of Hungary, the Czech Republic, the Slovak Republic, Slovenia, Luxembourg and Germany with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive.

4 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

5 REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

Not Applicable.

6 HISTORIC INTEREST RATES

Details of historic 3 month EURIBOR rates can be obtained from Reuters page EURIBOR01.