

*This document constitutes a supplement (the "**Supplement**") for the purposes of Article 13 of Chapter 1 Part II of the Luxembourg Law on Prospectuses (as defined below) to two base prospectuses of Vorarlberger Landes- und Hypothekenbank Aktiengesellschaft (the "**Issuer**"): (i) the base prospectus in respect of non-equity securities within the meaning of Art. 22 No. 6 (4) of the Commission Regulation (EC) No. 809/2004 of 29 April 2004 (the "Commission Regulation") and (ii) the base prospectus in respect of Pfandbriefe (non-equity-securities within the meaning of Art. 22 No. 6 (3) of the Commission Regulation) (together the "**Base Prospectus**")*

Supplement to the Base Prospectus
Dated 12 August 2010

This Supplement is supplemental to, and must be read in conjunction with the Base Prospectus dated 28 May 2010.

Vorarlberger Landes- und Hypothekenbank Aktiengesellschaft

EUR 8,000,000,000
Debt Issuance Programme
(the "**Programme**")

The Issuer has requested the *Commission de Surveillance du Secteur Financier* of the Grand Duchy of Luxembourg (the "**CSSF**") in its capacity as competent authority under the Luxembourg Law relating to prospectuses for securities (*Loi relative aux prospectus pour valeurs mobilières*, the "**Luxembourg Law on Prospectuses**"), which implements the Directive 2003/71/EC of the European Parliament and the Council of 4 November 2003, to provide the competent authorities in the Federal Republic of Germany, the United Kingdom of Great Britain and Northern Ireland, the Republic of Ireland, the Republic of Austria and The Netherlands as soon as possible after approval of this supplement has been granted, with a certificate of such approval (the "**Notification**") attesting that the Supplement has been drawn up in accordance with the Luxembourg Law. The Issuer may request the CSSF to provide competent authorities in additional host Member States within the European Economic Area with a Notification.

This Supplement will be published in the same way as the Base Prospectus in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of the Issuer (www.hypovbg.at). It is valid as long as the Base Prospectus is valid.

Responsibility Statement

Vorarlberger Landes- und Hypothekenbank Aktiengesellschaft ("**Hypo Landesbank Vorarlberg**", "**Hypo Vorarlberg**" or the "**Issuer**") with its registered office in Bregenz, the Republic of Austria, is solely responsible for the information given in this Prospectus. The Issuer hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

Terms defined or otherwise attributed meanings in the Prospectus have the same meaning in this Supplement.

This Supplement shall only be distributed in connection with the Prospectus. It should only be read in conjunction with the Prospectus.

To the extent that there is any inconsistency between any statement in this Supplement and any other statement in or incorporated by reference in the Prospectus, the statements in this Supplement will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus which is capable of affecting the assessment of Notes issued under the Programme since the publication of the Prospectus.

The Issuer has confirmed to the Dealers that the Prospectus and this Supplement contains all information with regard to the Issuer and the Notes which is material in the context of the Programme and the issue and offering of Notes thereunder, the information contained therein with respect to the Issuer and the Notes is accurate in all material respects and is not misleading, the opinions and intentions expressed therein with respect to the Issuer and the Notes are honestly held, there are no other facts with respect to the Issuers or the Notes the omission of which would make the Prospectus and this Supplement misleading in any material respect; and that all reasonable enquiries have been made to ascertain all facts and to verify the accuracy of all statements contained therein.

No person has been authorised to give any information which is not contained in or not consistent with the Prospectus or this Supplement or any other document entered into in relation to the Programme or any information supplied by any Issuer or such other information as in the public domain and, if given or made, such information must not be relied upon as having been authorised by the Issuers, the Dealers or any of them.

To the extent permitted by the laws of any relevant jurisdiction, neither the Arranger nor any Dealer nor any other person mentioned in the Prospectus or this Supplement, excluding the Issuer, is responsible for the information contained in the Prospectus or this Supplement or any Final Terms or any other document incorporated therein by reference, and accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons accepts any responsibility for the accuracy and completeness of the information contained in any of these documents.

In accordance with Article 13 paragraph 2 of the law implementing the Prospectus Directive into Luxembourg Law (*Loi relative aux prospectus pour valeurs mobilières*), investors who have already agreed to purchase or subscribe for Notes before this Supplement is published have the right, exercisable within a time limit of minimum two working days after the publication of this Supplement, to withdraw their acceptances.

Supplemental information pertaining to the Summary

In the section "Summary of Risk Factors regarding Hypo Landesbank Vorarlberg" on pages 9, 10 of the Prospectus beginning from the second paragraph to and including paragraph "C (Bank Financial Strength Rating BFSR)" will be replaced by the following:

"Vorarlberger Landes- und Hypothekenbank Aktiengesellschaft is rated by Moody's Investors Service Inc. ("**Moody's**" or the "**Rating Agency**"). As of the date of publication of this Supplement, the ratings assigned to Vorarlberger Landes- und Hypothekenbank Aktiengesellschaft by the Rating Agencies are as follows:

Moody's:	
Bank Deposit Rating:	A1 / P-1¹
Outlook:	stable
Financial Strength Rating:	D+²
Senior Unsecured MTN – Dom. Curr.:	A1¹
Subordinate MTN – Dom. Curr.:	A2¹
Public Pfandbriefe:	Aaa

A (Long-Term Bank Deposit Rating):

Obligations rated A are considered upper-medium grade and are subject to low credit risk.

P-1 (Short-Term Bank Deposit Rating):

Banks rated Prime-1 for deposits offer superior credit quality and a very strong capacity for timely payment of short-term deposit obligations.

D (Bank Financial Strength Rating BFSR):

Banks rated D display modest intrinsic financial strength, potentially requiring some outside support at times. Such institutions may be limited by one or more of the following factors: a weak business franchise, financial fundamentals that are deficient in one or more respects; or an unpredictable and unstable operating environment."

The section "Zusammenfassung der Risikofaktoren in Bezug auf Hypo Landesbank Vorarlberg" on pages 22, 23 of the Prospectus beginning from the second paragraph to and including paragraph "C (Rating für die Bankfinanzkraft BFSR)" will be replaced by the following:

"Vorarlberger Landes- und Hypothekenbank Aktiengesellschaft wird von Moody's Investors Service Inc. ("**Moody's**" oder die "**Rating-Agentur**") bewertet. Zum Zeitpunkt der Veröffentlichung dieses Nachtrages wurden der Vorarlberger Landes- und Hypothekenbank Aktiengesellschaft von der Rating-Agentur folgende Ratings erteilt:

¹ Note: Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

² Note: Where appropriate, a "+" modifier will be appended to ratings below the "A" category and a "-" modifier will be appended to ratings above the "E" category to distinguish those banks that fall in intermediate categorie.

Moody's

Bank Deposit Rating:	A1 / P-1³:
Outlook:	stabil
Financial Strength Rating:	D+⁴
Senior Unsecured MTN – Dom. Curr.:	A1³
Subordinate MTN – Dom. Curr.:	A2³
Public Pfandbriefe:	Aaa

A (Rating für langfristige Bankdepositen)

A-geratete Verbindlichkeiten werden der „oberen Mittelklasse“ zugerechnet und bergen ein geringes Kreditrisiko.

P-1 (Rating für kurzfristige Bankdepositen)

Banken, bei denen Depositen Dritter mit Prime-1 bewertet werden, weisen eine hervorragende Kreditqualität auf und verfügen in herausragender Weise über die Fähigkeit, ihre Zahlungsverpflichtungen auf kurzfristigen Einlageverbindlichkeiten pünktlich zu erfüllen.

D (Rating für die Bankfinanzkraft BFSR)

D-geratete Banken verfügen über eine nur schwach ausgeprägte eigene Finanzkraft, die es eventuell erforderlich macht, gelegentlich externe Unterstützung in Anspruch zu nehmen. Der Handlungsspielraum entsprechend bewerteter Institute kann durch folgende Faktoren eingeschränkt sein: anfällige Geschäftsstruktur, in einer oder mehrerer Hinsicht schwache finanzwirtschaftliche Verfassung, unsicheres oder instabiles operatives Umfeld."

Supplemental information pertaining to the Risk Factors

In the section "Risk Factors - Risk Factors regarding Hypo Landesbank Vorarlberg" on page 37 of the Prospectus beginning from paragraph four to and including paragraph "C (Bank Financial Strength Rating)" will be replaced by the following:

"Vorarlberger Landes- und Hypothekbank Aktiengesellschaft is rated by Moody's Investors Service Inc. ("**Moody's**" or the "**Rating Agency**"). As of the date of publication of this supplement, the ratings assigned to Vorarlberger Landes- und Hypothekbank Aktiengesellschaft by the Rating Agency are as follows:

³ Hinweis: Moody's verwendet in den Ratingkategorien Aa bis Caa zusätzlich numerische Unterteilungen. Der Zusatz "1" bedeutet, dass eine entsprechend bewertete Bank in das obere Drittel der jeweiligen Ratingkategorie einzuordnen ist, während "2" und "3" das mittlere bzw. untere Drittel anzeigen.

⁴ Hinweis: Moody's verwendet in den Ratingkategorien unterhalb von A zusätzlich ein „+“ und oberhalb von E zusätzlich ein „-“, wo dies angebracht erscheint, um Feinabstufungen zwischen stärkeren und schwächeren Banken innerhalb derselben Kategorie kenntlich zu machen.

Moody's:

Bank Deposit Rating:	A1 / P-1⁵
Outlook:	stable
Financial Strength Rating:	D+⁶
Senior Unsecured MTN – Dom. Curr.:	A1⁵
Subordinate MTN – Dom. Curr.:	A2⁵
Public Pfandbriefe:	Aaa

Rating Definitions by Moody's:**A (Long-Term Bank Deposit Rating):**

Obligations rated A are considered upper-medium grade and are subject to low credit risk.

P-1 (Short-Term Bank Deposit Rating):

Banks rated Prime-1 for deposits offer superior credit quality and a very strong capacity for timely payment of short-term deposit obligations.

D (Bank Financial Strength Rating BFSR):

Banks rated D display modest intrinsic financial strength, potentially requiring some outside support at times. Such institutions may be limited by one or more of the following factors: a weak business franchise, financial fundamentals that are deficient in one or more respects; or an unpredictable and unstable operating environment."

⁵ Note: Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

⁶ Note: Where appropriate, a "+" modifier will be appended to ratings below the "A" category and a "-" modifier will be appended to ratings above the "E" category to distinguish those banks that fall in intermediate categorie.

Issuer

Vorarlberger Landes- und Hypothekenbank
Aktiengesellschaft
Hypo-Passage 1
6900 Bregenz
Republic of Austria

Arranger

Deutsche Bank Aktiengesellschaft
Große Gallusstraße 10–14
60272 Frankfurt am Main
Federal Republic of Germany

Fiscal and Paying Agent

(for Notes other than Pfandbriefe in bearer form)

Deutsche Bank Aktiengesellschaft
Trust & Securities Services
Große Gallusstraße 10–14
60272 Frankfurt am Main
Federal Republic of Germany

Austrian Fiscal Agent

(for Pfandbriefe in bearer form)

Vorarlberger Landes- und Hypothekenbank
Aktiengesellschaft
Hypo-Passage 1
6900 Bregenz
Republic of Austria

Listing and Paying Agent in the Grand Duchy of Luxembourg

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Grand Duchy of Luxembourg