

**Third Supplement dated 8 November 2017
to the Prospectus dated 27 July 2017
as supplemented by the First Supplement dated 5 September 2017
and the Second Supplement dated 10 October 2017**

This document constitutes a supplement (the "Third Supplement") for the purposes of Article 13 of the Luxembourg Law on Prospectuses (as defined below) which implements Directive 2003/71/EC of the European Parliament and the Council of 4 November 2003, as amended (the "Prospectus Directive"), into the Luxembourg law to two base prospectuses of Hypo Vorarlberg Bank AG (the "Issuer"): (i) the base prospectus in respect of non-equity securities within the meaning of Article 22 No. 6 (4) of the Commission Regulation (EC) No. 809/2004 of 29 April 2004, as amended (the "Commission Regulation") and (ii) the base prospectus in respect of Pfandbriefe within the meaning of Article 22 No. 6 (3) of the Commission Regulation, as amended (together, the "Debt Issuance Programme Prospectus" or the "Prospectus").

This Third Supplement is supplemental to, and should be read in conjunction with the Debt Issuance Programme Prospectus dated 27 July 2017 as supplemented by the First Supplement dated 5 September 2017 and the Second Supplement dated 10 October 2017 (together, the "**Supplemented Prospectus**").

Hypo Vorarlberg Bank AG

EUR 6,500,000,000

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 act 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 as amended, 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 Third Supplement has been granted, with a certificate of such approval (the "**Notification**") attesting that the Third Supplement has been drawn up in accordance with the Luxembourg Law on Prospectuses. The Issuer may request the CSSF to provide competent authorities in additional host Member States within the European Economic Area with a Notification.

This Third Supplement will be published in the same way as the Debt Issuance Programme 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).

In accordance with Article 13 paragraph 2 of the Luxembourg Law on Prospectuses, where the Debt Issuance Programme Prospectus relates to an offer of Notes to the public, investors who have already agreed to purchase or subscribe for Notes before this Third Supplement is published have the right, exercisable within a time limit of two working days after the publication of this Third Supplement, until 10 November 2017, to withdraw their acceptances provided that the new factor, mistake or inaccuracy referred to in Article 13 paragraph 1 of the Luxembourg Law on Prospectuses arose before the final closing of the offer to the public and the delivery of the Notes.

This Third Supplement may only be used for the purpose for which it has been published as set out below. This Third Supplement may not be used for the purpose of an offer or solicitation by and to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation.

This Third Supplement does not constitute an offer or an invitation to subscribe for or purchase any of the Notes.

Hypo Vorarlberg Bank AG ("**Hypo Vorarlberg**", the "**Issuer**" or the "**Bank**") with its registered office in Bregenz, the Republic of Austria, is solely responsible for the information given in this Third Supplement.

The Issuer hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Third 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 Supplemented Prospectus have the same meaning in this Third Supplement unless otherwise defined herein.

This Third Supplement shall only be distributed in connection with and should only be read in conjunction with the Supplemented Prospectus.

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

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

The Issuer has confirmed to the Dealers that the Supplemented Prospectus and this Third Supplement contain all information with regard to the Issuer and the Notes which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer and the rights attaching to the Notes which is material in the context of the Programme and the issue and offering of Notes thereunder; that the information contained therein with respect to the Issuer and the Notes is accurate and complete in all material respects and is not misleading; that the opinions and intentions expressed therein with respect to the Issuer and the Notes are honestly held; that there are no other facts with respect to the Issuer or the Notes the omission of which would make the Supplemented Prospectus and this Third 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 Supplemented Prospectus or this Third Supplement or any other document entered into in relation to the Programme or any information supplied by the 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 Issuer, 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 Supplemented Prospectus or this Third Supplement, excluding the Issuer, is responsible for the information contained in the Supplemented Prospectus or this Third 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.

The purpose of this Third Supplement is to update the ratings assigned to the Issuer by Standard & Poor's Credit Market Services Europe Ltd.

Supplemental information pertaining to the Summary – Section B – Issuer

"Element B.17 – Credit Ratings of the Issuer or its debt securities" of the Summary on page 13 of the Supplemented Prospectus shall be replaced by the following information:

"B.17	Credit Ratings of the Issuer or its debt securities	<p>The Issuer is rated by Moody's Deutschland GmbH ("Moody's") and Standard & Poor's Credit Market Services Europe Ltd. ("S&P") (each a "Rating Agency")¹. As of the date of this Third Supplement, the ratings assigned to the Issuer by each Rating Agency are as follows:</p> <p>Moody's²</p> <p>Bank Deposit Rating: Baa1 / P-2</p> <p>Outlook: Stable</p> <p>Baseline Credit Assessment: Baa3</p> <p>Senior Unsecured MTN: Baa1</p> <p>Subordinate MTN – Dom. Curr.: Ba1</p> <p>Public Pfandbriefe: Aa1</p> <p>Mortgage Pfandbriefe: Aa1</p> <p>S&P²</p> <p>Long term issuer rating: A</p> <p>Short term issuer rating: A-1</p> <p>Outlook: Positive"</p>
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Supplemental information pertaining to the German Translation of the Summary – Abschnitt B – Emittentin

¹ A credit rating assesses the creditworthiness of an entity and informs an investor therefore about the probability of the entity being able to redeem invested capital. It is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

² Moody's and S&P are established in the European Community and are registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**"). The European Securities and Markets Authority publishes on its website (www.esma.europa.eu/page/List-registered-and-certified-CRAs) a list of credit rating agencies registered in accordance with the CRA Regulation. That list is updated within five working days following the adoption of a decision under Article 16, 17 or 20 of the CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.

"Element B.17 – Kreditratings der Emittentin oder ihrer Schuldtitel" of the German Translation of the Summary on page 33 of the Supplemented Prospectus shall be replaced by the following information:

"B.17	Kreditratings der Emittentin oder ihrer Schuldtitel	<p>Die Emittentin ist von Moody's Deutschland GmbH ("Moody's") und Standard & Poor's Credit Market Services Europe Ltd. ("S&P") geratet³. Zum Zeitpunkt der Veröffentlichung dieses Dritten Nachtrags stellen sich die Ratings für die Emittentin wie folgt dar:</p> <p>Moody's⁴</p> <p>Bankeinlagen Rating: Baa1 / P-2</p> <p>Ausblick: Stabil</p> <p>Baseline Credit Assessment: Baa3</p> <p>Nicht nachrangige Fremdmittel: Baa1</p> <p>Nachrangige Fremdmittel: Ba1</p> <p>Öffentliche Pfandbriefe: Aa1</p> <p>Hypothekarische Pfandbriefe: Aa1</p> <p>S&P⁴</p> <p>Langfristiges Emittentenrating: A</p> <p>Kurzfristiges Emittentenrating: A-1</p> <p>Ausblick: Positiv</p>
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Supplemental information pertaining to Risk Factors – Risk Factors regarding Hypo Vorarlberg

The second paragraph in the section "Risk Factors – Risk Factors regarding Hypo Vorarlberg" on pages 49 to 50 of the Supplemented Prospectus shall be replaced by the following information:

"Hypo Vorarlberg is rated by Moody's Deutschland GmbH ("**Moody's**") and Standard & Poor's Credit Market Services Europe Ltd. ("**S&P**") (each a "**Rating Agency**"). As of the date of this Third Supplement, the ratings assigned to Hypo Vorarlberg by each Rating Agency are as follows:

³ Ein Kreditrating ist eine Einschätzung der Kreditwürdigkeit einer Rechtsperson und informiert den Anleger daher über die Wahrscheinlichkeit mit der die Rechtsperson in der Lage ist, angelegtes Kapital zurückzuzahlen. Es ist keine Empfehlung Wertpapiere zu kaufen, zu verkaufen oder zu halten und kann jederzeit durch die Ratingagentur geändert oder zurückgenommen werden.

⁴ Moody's und S&P haben ihren Sitz in der Europäischen Gemeinschaft und sind gemäß der Verordnung (EG) Nr. 1060/2009 des Europäischen Parlaments und des Rates vom 16. September 2009 über Ratingagenturen, in der jeweils geltenden Fassung, (die "**Ratingagentur-Verordnung**") registriert. Die Europäische Wertpapier und Marktaufsichtsbehörde veröffentlicht auf ihrer Website (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) ein Verzeichnis der nach der Ratingagentur-Verordnung registrierten Ratingagenturen. Dieses Verzeichnis wird innerhalb von fünf Werktagen nach Annahme eines Beschlusses gemäß Artikel 16, 17 oder 20 der Ratingagentur-Verordnung aktualisiert. Die Europäische Kommission veröffentlicht das aktualisierte Verzeichnis im Amtsblatt der Europäischen Union innerhalb von 30 Tagen nach der Aktualisierung.

Moody's⁵:

Bank Deposit Rating:	Baa1 / P-2
Outlook:	Stable
Baseline Credit Assessment:	Baa3
Senior Unsecured MTN:	Baa1
Subordinate MTN – Dom. Curr.:	Ba1
Public Pfandbriefe:	Aa1
Mortgage Pfandbriefe:	Aa1

S&P⁵:

Long term issuer rating:	A
Short term issuer rating:	A-1
Outlook:	Positive"

The subsection "Risk Factors – Risk Factors regarding Hypo Vorarlberg – Rating Definitions by S&P:" on page 50 of the Supplemented Prospectus shall be replaced by the following information:

"A (Long term issuer rating):

An "A" rating assigned by S&P means that the Issuer has a strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions. The ratings from "AA" to "CCC" may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

A-1 (Short term issuer rating):

An obligor rated "A-1" has strong capacity to meet its financial commitments. It is rated in the highest category by S&P Global Ratings. Within this category, certain obligors are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitments is extremely strong."

Supplemental information pertaining to Hypo Vorarlberg Bank AG as Issuer

The section "Hypo Vorarlberg Bank AG as Issuer – RECENT DEVELOPMENTS AND OUTLOOK – Rating of Hypo Vorarlberg – S&P" on page 354 of the Supplemented Prospectus shall be replaced by the following information:

"On 31 October 2017, the rating agency S&P announced a new rating for Hypo Vorarlberg. The Bank was given a credit rating of A for long-term senior debt and A-1 for short-term senior debt, with a positive outlook."

⁵ Moody's and S&P are established in the European Community and are registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**"). The European Securities and Markets Authority publishes on its website (www.esma.europa.eu/page/List-registered-and-certified-CRAs) a list of credit rating agencies registered in accordance with the CRA Regulation. That list is updated within five working days following the adoption of a decision under Article 16, 17 or 20 of the CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.

ADDRESSES

Issuer

Hypo Vorarlberg Bank AG
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Fiscal and Paying Agent

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Issuer Services
Taunusanlage 12
60325 Frankfurt am Main
Federal Republic of Germany

Austrian Fiscal Agent

(for Notes (including Pfandbriefe) in bearer form with an Austrian International Securities Identification Number (ISIN) for which OeKB acts as Clearing System)

Hypo Vorarlberg Bank AG
Hypo-Passage 1
6900 Bregenz
Republic of Austria

Listing Agent in the Grand Duchy of Luxembourg

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