



**Všeobecná úverová banka, a.s.**

## **SUPPLEMENT NO. 1**

### **TO BASE PROSPECTUS DATED MAY 23, 2016**

This Supplement No.1 (hereinafter „**Supplement**“ or “**Supplement No. 1**”) to the Base Prospectus dated May 23, 2016 for debt securities issued within the offering program (hereinafter „**Base Prospectus**“), on the basis of which Všeobecná úverová banka, a.s., with the registered office at Mlynské nivy 1, 829 90 Bratislava, CRN: 31 320 155, registered in the Business Register of District Court Bratislava I, section: Sa, file no. 341/B (hereinafter “**VÚB, a.s.**“, “**Issuer**“ or “**Bank**“) is authorized to issue, in compliance with the generally binding legal regulations, individual bond issues – mortgage bonds (hereinafter “**MB**“ or “**Bonds**“) in any currency, on the basis of the information provided in the Base Prospectus as later amended (hereinafter “**Program**“). The total nominal value of all unpaid Bonds issued within Program must not exceed EUR 1 500 000 000.00 or equivalent sum in other currency. Program duration, during which VÚB, a.s., may issue individual Bonds issues within Program, is 10 years.

This Supplement No. 1 to the Base Prospectus updates the Base Prospectus dated May 23, 2016 approved by National Bank of Slovakia with ruling No. ODT-6400/2016-1 as of June 7, 2016. The information about the free of charge accessibility of the Base Prospectus was published in Hospodárske noviny on June 16, 2016 and from this day it is available in written form at the registered office of Issuer and on Issuer’s website.

All public offers announced by the date of this Supplement No. 1 based on valid Base Prospectus were closed and all Bonds were delivered to the investors.

To the date of preparation of this Supplement No. 1 Issuer did not realize the public offer of securities based on valid Base Prospectus and did not publish any Final Terms and to the date of publishing of this Supplement No. 1 will not do so, and for this reason does not state in Supplement No. 1 information about the possibility of a right of withdrawal their acceptances pursuant to Act No. 566/2001 Coll. on securities and investment services as amended, art. 125c sub-sect. 5.

In order to acquire complete information about the Issuer and Bonds offer, the Supplement No. 1 shall be read together with the Base Prospectus as later amended, Final Terms and Summaries. The words in this Supplement No. 1, starting with capital letter, shall have the meaning as defined in the Base Prospectus.

Once approved by National Bank of Slovakia, the Supplement will be published free of charge and available in written form at the registered Office of Issuer: Mlynské nivy 1, 829 90 Bratislava, in department: Balance Sheet Management and on Issuer's website: <http://www.vub.sk/informacny-servis/prospekty-cennych-papierov/>. A notification of availability will be published in daily national press.

September 8, 2016

## **RESPONSIBLE PERSONS**

Všeobecná úverová banka, a.s., represented by Ing. Elena Kohútiková, PhD., member of Management Board, and Antonio Bergaglio, member of Management Board, represents that it is liable for the information contained in the entire Supplement No. 1.

Issuer represents, that it paid due care to the Supplement No. 1 preparation, that it prepared the Supplement using its best knowledge, that information and data contained therein are up-to-date, complete, true and actual to the date of preparation thereof and that no data which may influence the meaning thereof, accurate and correct assessment of Issuer and Bonds issued by Issuer were omitted.

Bratislava, 8th of September, 2016

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Ing. Elena Kohútiková, PhD.  
Member of Management Board of VÚB, a.s.

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Antonio Bergaglio  
Member of Management Board of VÚB, a.s.

From the date of approval and publishing the announcement about the free of charge availability of the Base Prospectus the below mentioned new factors have occurred which could influence the correct assessment of Issuer and Bonds issued by Issuer.

Here below are stated only those parts of sections from the Base Prospectus, which are updated or amended.

In section:

## I. SUMMARY

### Section B – Issuer Element B.12

The original text of the Base Prospectus is amended as follows:

<b>Selected key interim financial information</b>		
The selected key interim financial information from the Interim consolidated financial statements, unverified by auditor, for the period ending on June 30, 2016 prepared in compliance with the International Accounting Standard IAS 34 Interim Financial Reporting.		
<b>Consolidated statement of financial position at 30 June 2016</b> (In thousands of euro)		
	<b>June 2016</b>	<b>Dec 2015</b>
<b>Assets</b>		
Cash and balances with central banks	1,035,900	469,336
Due from banks	130,351	178,707
Financial assets at fair value through profit or loss	157,384	97,753
Derivative financial instruments	82,134	46,652
Available-for-sale financial assets	1,405,168	1,867,941
Loans and advances to customers	9,700,780	9,125,909
Held-to-maturity investments	518,583	531,742
Associates and joint ventures	15,946	17,635
Intangible assets	61,672	64,108
Goodwill	29,305	29,305
Property and equipment	104,824	105,925
Deferred income tax assets	62,661	58,804
Other assets	31,048	31,647
	<b>13,335,756</b>	<b>12,625,464</b>
<b>Liabilities</b>		
Due to central and other banks	611,336	774,354
Derivative financial instruments	69,339	62,559
Due to customers	9,357,467	8,552,684
Debt securities in issue	1,741,067	1,600,341
Current income tax liabilities	7,643	9,517
Provisions	26,133	25,313
Other liabilities	88,996	102,590
	<b>11,901,981</b>	<b>11,127,358</b>
<b>Equity</b>		
Equity (excluding net profit for the period)	1,345,567	1,334,223
Net profit for the period	88,208	163,883
	<b>1,433,775</b>	<b>1,498,106</b>
	<b>13,335,756</b>	<b>12,625,464</b>

Financial commitments and contingencies	<u>3,536,169</u>	<u>3,351,373</u>
<b>Consolidated statement of profit or loss and other comprehensive income for 6 months ended 30 June 2016 (In thousands of euro)</b>		
	<b>June 2016</b>	<b>June 2015</b>
Interest and similar income	225,766	242,313
Interest and similar expense	(27,059)	(38,711)
<b>Net interest income</b>	<b>198,707</b>	<b>203,602</b>
Fee and commission income	72,014	79,492
Fee and commission expense	(18,071)	(18,262)
<b>Net fee and commission income</b>	<b>53,943</b>	<b>61,230</b>
Net trading result	32,802	5,277
Other operating income	4,270	5,275
<b>Operating income</b>	<b>289,722</b>	<b>275,384</b>
Salaries and employee benefits	(57,747)	(55,281)
Other operating expenses	(55,534)	(51,936)
Special levy of selected financial institutions	(10,574)	(9,812)
Amortisation	(6,670)	(6,681)
Depreciation	(6,598)	(7,335)
<b>Operating expenses</b>	<b>(137,123)</b>	<b>(131,045)</b>
<b>Operating profit before impairment</b>	<b>152,599</b>	<b>144,339</b>
Impairment losses	(40,481)	(39,911)
<b>Profit from operations</b>	<b>112,118</b>	<b>104,428</b>
Share of profit of associates and joint ventures	2,724	3,875
<b>Profit before tax</b>	<b>114,842</b>	<b>108,303</b>
Income tax expense	(26,634)	(25,221)
<b>NET PROFIT FOR 6 MONTHS</b>	<b>88,208</b>	<b>83,082</b>
<b>Other comprehensive income for 6 months, after tax:</b>		
<i>Items that may be reclassified to profit or loss in the future:</i>		
Exchange difference on translating foreign operation	(15)	8
Available-for-sale financial assets	(21,797)	(13,391)
Cash flow hedges	(543)	50
<b>Other comprehensive income for 6 months, net of tax</b>	<b>(22,355)</b>	<b>(13,333)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR 6 MONTHS</b>	<b>65,853</b>	<b>69,749</b>

The Net profit and Total comprehensive income are fully attributable to owners of the parent.

In section:

### III. INFORMATION ABOUT ISSUER

#### 3.11 Financial information concerning assets and liabilities, financial situation, Issuer's profit and losses

##### 3.11.4 Interim and other financial information

The original text of the Base Prospectus is amended as follows:

##### Interim Financial Statement prepared in compliance with the IAS 34 as of 30 June, 2016

Bellow mentioned data for the first half of 2016 have been assumed from the Interim consolidated financial statements unverified by auditor, for the period ending on 30 June, 2016 prepared in compliance with the International Accounting Standard IAS 34 Interim Financial Reporting. The financial statements were attached to VUB Semiannual Report for the first half of 2016, presented to the National Bank of Slovakia on August 25, 2016. The VUB Semiannual Report is available for inspection at the registered office of the Issuer and the Release Note was published in the Hospodárske noviny on August 25, 2016.

The interim consolidated financial statements unverified by auditor, for six months ending on 30 June, 2016 are intergrated in a form of reference to VUB Semiannual Report for the first half of 2016, to which this financial statements are attached (see the part „List of used cross-references“ in the Base Prospectus) and are available on Issuer's website ([www.vub.sk](http://www.vub.sk)).

##### Consolidated statement of financial position at 30 June 2016 (In thousands of euro)

	June 2016	Dec 2015
<b>Assets</b>		
Cash and balances with central banks	1,035,900	469,336
Due from banks	130,351	178,707
Financial assets at fair value through profit or loss	157,384	97,753
Derivative financial instruments	82,134	46,652
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Held-to-maturity investments	518,583	531,742
Associates and joint ventures	15,946	17,635
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Property and equipment	104,824	105,925
Deferred income tax assets	62,661	58,804
Other assets	31,048	31,647
	13,335,756	12,625,464
<b>Liabilities</b>		
Due to central and other banks	611,336	774,354
Derivative financial instruments	69,339	62,559
Due to customers	9,357,467	8,552,684
Debt securities in issue	1,741,067	1,600,341
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Provisions	26,133	25,313
Other liabilities	88,996	102,590
	11,901,981	11,127,358
<b>Equity</b>		
Equity (excluding net profit for the period)	1,345,567	1,334,223

Net profit for the period	88,208	163,883
	1,433,775	1,498,106
	13,335,756	12,625,464
Financial commitments and contingencies	3,536,169	3,351,373

**Consolidated statement of profit or loss and other comprehensive income  
for 6 months ended 30 June 2016  
(In thousands of euro)**

	<b>June 2016</b>	<b>June 2015</b>
Interest and similar income	225,766	242,313
Interest and similar expense	(27,059)	(38,711)
<b>Net interest income</b>	198,707	203,602
Fee and commission income	72,014	79,492
Fee and commission expense	(18,071)	(18,262)
<b>Net fee and commission income</b>	53,943	61,230
Net trading result	32,802	5,277
Other operating income	4,270	5,275
<b>Operating income</b>	289,722	275,384
Salaries and employee benefits	(57,747)	(55,281)
Other operating expenses	(55,534)	(51,936)
Special levy of selected financial institutions	(10,574)	(9,812)
Amortisation	(6,670)	(6,681)
Depreciation	(6,598)	(7,335)
<b>Operating expenses</b>	(137,123)	(131,045)
<b>Operating profit before impairment</b>	152,599	144,339
Impairment losses	(40,481)	(39,911)
<b>Profit from operations</b>	112,118	104,428
Share of profit of associates and joint ventures	2,724	3,875
<b>Profit before tax</b>	114,842	108,303
Income tax expense	(26,634)	(25,221)
<b>NET PROFIT FOR 6 MONTHS</b>	88,208	83,082
<b>Other comprehensive income for 6 months, after tax:</b> <i>Items that may be reclassified to profit or loss in the future:</i>		
Exchange difference on translating foreign operation	(15)	8
Available-for-sale financial assets	(21,797)	(13,391)
Cash flow hedges	(543)	50
	(22,355)	(13,333)

<b>Other comprehensive income for 6 months, net of tax</b>		
<b>TOTAL COMPREHENSIVE INCOME FOR 6 MONTHS</b>	<b>65,853</b>	<b>69,749</b>

The Net profit and Total comprehensive income are fully attributable to owners of the parent.

**Consolidated statement of cash flows for 6 months ended 30 June 2016**  
(In thousands of euro)

	<b>June 2016</b>	<b>June 2015</b>
<b>Cash flows from operating activities</b>		
Profit before tax	114,842	108,303
Adjustments for:		
Amortisation	6,670	6,681
Depreciation	6,598	7,335
Securities at fair value through profit or loss, debt securities in issue and FX differences	31,031	(7,119)
Items related to share of profit of associates and joint ventures	1,690	670
Interest income	(225,766)	(242,313)
Interest expense	27,059	38,711
Sale of property and equipment	(85)	(4)
Impairment losses and similar charges	48,035	54,150
Interest received	261,535	272,909
Interest paid	(33,851)	(46,023)
Tax paid	(32,365)	(20,977)
Due from banks	104,773	421,765
Financial assets at fair value through profit or loss	(58,851)	(221,960)
Derivative financial instruments (assets)	(36,025)	13,343
Available-for-sale financial assets	416,267	(281,649)
Loans and advances to customers	(620,881)	(366,753)
Other assets	823	(1,458)
Due to central and other banks	(162,708)	(87,795)
Derivative financial instruments (liabilities)	6,780	594
Due to customers	807,923	334,137
Other liabilities	(11,854)	(14,853)
<i>Net cash used from/(used in) operating activities</i>	<b>651,640</b>	<b>(32,306)</b>
<b>Cash flows from investing activities</b>		
Purchase of intangible assets and property and equipment	(14,106)	(8,139)
Disposal of property and equipment	4,441	1,516
<i>Net cash used in investing activities</i>	<b>(9,665)</b>	<b>(6,623)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of debt securities	236,252	200,000
Repayments of debt securities	(124,712)	(89,870)
Purchase of treasury shares	-	(88)
Dividends paid	(130,334)	(89,538)
<i>Net cash (used in)/ from financing activities</i>	<b>(18,794)</b>	<b>20,504</b>
Net change in cash and cash equivalents	623,181	(18,425)
Cash and cash equivalents at the beginning of the year	491,586	429,187
<b>Cash and cash equivalents at 30 June</b>	<b>1,114,767</b>	<b>410,762</b>

**Consolidated statement of changes in equity for 6 months ended 30 June 2016**  
(In thousands of euro)

	Share capital	Share premium	Treasury shares	Legal reserve fund	Retained earnings	Translation of foreign operation	Available-for-sale financial assets	Cash flow hedges	Total
<b>At 1 January 2015</b>	430,819	13,636	-	99,633	853,415	(9)	31,537	(885)	1,428,146
Total comprehensive income for 6 months, net of tax	-	-	-	-	83,082	8	(13,391)	50	69,749
Dividends to shareholders	-	-	-	-	(89,538)	-	-	-	(89,538)
Reversal of dividends distributed but not collected	-	-	-	-	147	-	-	-	147
Other	-	-	-	-	(16)	15	-	-	(1)
Sale of treasury shares	-	-	(88)	-	-	-	-	-	(88)
<b>At 30 June 2015</b>	<u>430,819</u>	<u>13,636</u>	<u>(88)</u>	<u>99,633</u>	<u>847,090</u>	<u>14</u>	<u>18,146</u>	<u>(835)</u>	<u>1,408,415</u>
<b>At 1 January 2016</b>	430,819	13,719	-	99,902	927,622	22	27,271	(1,250)	1,498,105
Total comprehensive income for 6 months, net of tax	-	-	-	-	88,208	(15)	(21,797)	(543)	65,853
Dividends to shareholders	-	-	-	-	(130,334)	-	-	-	(130,334)
Reversal of dividends distributed but not collected	-	-	-	-	149	-	-	-	149
Legal reserve fund	-	-	-	270	(270)	-	-	-	-
Other	-	-	-	-	25	(23)	-	-	2
<b>At 30 June 2016</b>	<u>430,819</u>	<u>13,719</u>	<u>-</u>	<u>100,172</u>	<u>885,400</u>	<u>(16)</u>	<u>5,474</u>	<u>(1,793)</u>	<u>1,433,775</u>

In section:

### III. INFORMATION ABOUT ISSUER

#### 3.14 Documents for inspection

The original text of the Base Prospectus is amended as follows:

- Interim consolidated financial statements for six months ended 30 June 2016 prepared in compliance with the International Accounting Standard IAS 34 Interim Financial Reporting

In section:



### III. INFORMATION ABOUT ISSUER

#### 3.15 List of used cross-references

The original text of the Base Prospectus is amended as follows:

3. The Interim consolidated financial statements for six months ended 30 June 2016, unverified by auditor, prepared in compliance with the International Accounting Standard IAS 34 Interim financial Reporting (see the information in part of the Base Prospectus „3.11 Financial information concerning assets and liabilities, financial situation, Issuer’s profit and losses“), which is attached to the VUB Semiannual Report for first half of 2016 under Act on Securities („VUB Semiannual Report for first half of 2016“). This Base Prospectus shall be read along with the above mentioned VUB Semiannual Report for first half of 2016, which is integrated to and forming a part of this Base Prospectus. Other parts of VUB Semiannual Report for first half of 2016, which are not integrated to the Base Prospectus in form of references, are not relevant to investors.