

Press release

29 October 2008

On World Savings Day, Erste Group sees savings books at all-time high

- **Good old savings book at all-time high in Austria**
- **One of two Euros saved in Austria went into savings deposits in 2008**
- **51% of all Austrians consider the “savings book” to be the most appealing form of investment**
- **Trend visible also at Erste Group: deposits grew by 13.0%**

According to a recent survey conducted by the market research institute GfK Austria, 51% of all Austrians consider the savings book to be the most appealing form of investment. Thus, after more than 10 years, the savings book has overtaken the building loan (bauspar) contract (47%) in the list of most popular investment vehicles.

51% of Austrians consider the classic savings book to be the most appealing form of investment

The savings ratio, as a share of invested money from disposable income, reached 12% for the first time in 12 years this year, thus being significantly higher than the average of even Western European EU Member States¹. Just six years ago the EU average totalled just below 10%, while the Austrian savings ratio was 7.9%. The financial assets of Austrian households as of June 2008 totalled EUR 422 billion, which accounts for 148% of the Austrian GDP. of Since the beginning of the year, one of two Euros saved in Austria went into savings deposits.



"In Austria the savings book dates back as far as the Savings Banks - which means it goes back 190 years. Particularly in times of uncertainty, people rely more frequently on the soundest of all investments, which is saving", reveals Andreas Treichl, CEO of Erste Group. "This trend is visible also at Erste Group: our deposits grew by 13.0%² since September last year, with particular rates of 23.0% at Banca Commerciale Romana, 13.7% at Ceská spořitelna and 11.5% at Erste Bank Oesterreich and the Austrian savings banks."

It all began back in 1925...

The World Savings Day was first celebrated 84 years ago on 31 October 1925 by European savings banks to promote the idea of saving money among the population. It was then part of the welfare-oriented efforts of savings banks to encourage the population to save for their old age. World Savings Day played an important part in raising the volume of savings deposits in Austrian savings banks threefold between 1925 and 1930. In the heyday of the World Savings Day between 1955 and 1970 savings deposits rose a staggering 35-fold. In 1989 the UN officially declared 31 October to be World

¹ According to figures of Statistik Austria.

² Savings, term and side deposits.

Savings Day. Over the last 15 years, however, the day has again started to focus more exclusively just on Central Europe.

50 Years of the “Sparefroh“ (Happy Saver)

In 1956, the savings banks in Austria introduced a mascot for International Saving Day to remind people to save, the “Sparefroh”. They created one of the best known symbols ever in Austria, because the recognition rate climbed up to 96 %.

The Sparefroh, who’s name can be roughly translated as the “Happy Saver“, was designed in the 1950s to signal that saving not only means going without now to have more in bad times, but that one could also happily save to purchase home needs and furniture. The Sparefroh came into being at the beginning of what we now call the “economic miracle“ of the 1960s and 1970s, a period marked by a manifold increase in savings deposits that fuelled investments by businesses and consumption by private households. The little man with the red hat and yellow coin in the middle of his body was long a symbol of saving, and his name has become a common word in the German language. Even today, a thrifty person is frequently called “Sparefroh“.



**Sparefroh -
the symbol for savings**

In the subsequent 50 years, the Sparefroh became a symbol for saving, was the mascot of the largest youth magazine in Austria and came to symbolise especially thrifty people. His cult status is also underscored by the fact a 10 centimetre PEZ dispenser in a Sparefroh outfit recently changed hands for €1,300. Even though he has not been actively present for the last 20 years, The Sparefroh was celebrating a great comeback in Austria two years ago. The nostalgic element was an important factor in the re-launch: even after 20 years of total absence of Sparefroh, 83 % of respondents and even 100 % of older than 50 still recognised him. The Sparefroh was given a makeover and a new job for his 50th birthday: he is to remind people of the current importance of saving and ensuring future financial security.

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Erste Group is with its more than 54.000 employees one of the leading financial providers in CEE, serving over 16 million clients in almost 3,000 branches in 8 countries (Austria, Czech Republic, Slovakia, Romania, Hungary, Croatia, Serbia, Ukraine). As of 30 June 2008 Erste Group has reached EUR 214.2 billion in total assets, a half-year net profit of EUR 636.6 million and an after-tax ROE of 14.7%.