



PRESS STATEMENT

Budapest, 11th October, 2005.

New financial services offered by Magyar Posta

Budapest, 11th October, 2005. – Over the coming year Magyar Posta Rt. And Erste Bank Hungary Rt. will open a large number of new on-line post offices suitable for the provision of financial services. As part of the strategic cooperation of the two companies Magyar Posta's own financial products are available at some two hundred post offices, a number which will be boosted to 320 by the first quarter of 2006 according to the companies' plans. At the same time the range of products on offer will also expand: current accounts, personal loans and investment units will be joined by further investment and credit products offered at post offices.

Magyar Posta Rt. and Erste Bank Hungary Rt. signed a memorandum of agreement on strategic cooperation in December 2004 as a part of which Magyar Posta entered the market for financial services and introduced a comprehensive range of its branded products – “Posta banking services” – in its network. Products introduced under the new brand name are available in Magyar Posta offices only, allowing clients to manage their banking and postal affairs at the same time. In the course of the cooperation Magyar Posta provided the infrastructure and human resources, while Erste Bank provided a background for financial services.

Magyar Posta Rt. CEO Pál Szabó said as a result of the agreement with Erste Bank Magyar Posta has built up its own base of banking clients, and has successfully introduced modern financial services to small communities, which had up till now been shut off from such opportunities. The number of current accounts held at post offices reaches almost 60,000,. Sales of investment units were especially successful, with deposits of HUF 5bn amassed in the financial market fund Magyar Posta Pénzpiaci Alap in nine months.

Erste Bank Hungary Rt. chairman-CEO Péter Kisbenedek added that results achieved so far have shown that the bank and Magyar Posta successfully developed a viable product, and Erste Bank's professional experiences in retail banking enabled them to keep up with client demands. Products to be introduced in the future will be developed according to the demands of the postal network, and the bank will provide comprehensive intensive professional support to Magyar Posta in the course of the cooperation.

So far some two thousand postal employees have been trained to sell the financial products, and the extension of the on-line network, which consists of 200 units, will begin shortly. According to plans with the extensive national sales network the number of current accounts managed by Magyar Posta will reach 400,000 to 450,000 within five years, which will make Magyar Posta an important service provider on the Hungarian financial market.

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