

PRESS RELEASE

Budapest, 25th June, 2007

Erste Bank offers new 'zero charge' loan

Housing loan with a 0 per cent handling fee

Budapest, 25th June, 2007 – Erste Bank Hungary launches a housing loan with a 0 per cent handling fee today. The market-priced housing loan, which comes with an interest rate period of six months, is Swiss franc-denominated.

Erste Bank retail division head Imre Sztanó said loan products with a 0 per cent handling fee were extremely popular, because monthly instalments were substantially lower than for other loans. For instance, a market priced 20-year HUF 5m housing loan with a 0 per cent handling fee comes with a monthly instalment of only HUF 35,769 (total charge for credit: 6.52 per cent), which is much lower than the monthly instalment on a comparable loan.

The minimum loan is a Swiss franc-denominated sum corresponding to HUF 500,000, and the maximum loan is a Swiss franc-denominated sum corresponding to HUF 50m if collateral is secured. In case of an income-based loan, there is no ceiling, and the loan amount is determined by the combined value of the property or properties offered as collateral and the household income. The loan is also available on a collateral basis alone.

Erste Bank has also cut starting costs: the bank has waived the valuation and notary's fees, which are normally included in the disbursement commission. If clients receive their wages on an account held with Erste Bank, and have arranged two standing orders, they receive a further discount on the disbursement commission.

Clients are eligible for a period of grace when repaying the loan with a 0 per cent handling fee and the loan can be used in a combined construction, with, for instance, a home savings fund or a life insurance product.

Mr Sztanó said due to its product development drive, Erste Bank maintained its leading position on the market for housing loans, and its share of the market was constantly growing. Over 20 per cent of all new housing loans are extended by Erste Bank. As a result, Erste Bank has carved out a 10.5 per cent share of the market for retail loans, an 11.7 per cent share of the market for housing loans in Q1 2007.

Further information:

Adrienn Illés – Communications specialist
Erste Bank Hungary Nyrt.
1138 Budapest, Népfürdő u. 24-26.
Tel: (06 1) 268 4371 Mobile: (+36) 20 468 8709
Fax: (06 1) 268 4085
e-mail: adrienn.illes@erstebank.hu

Linda Szabó – Spokesperson
Erste Bank Hungary Nyrt.
1138 Budapest, Népfürdő u. 24-26.
Tel: (06 1) 268 4347 Mobile: (+36) 20 468 8782
Fax: (06 1) 268 4085
e-mail: linda.szabo@erstebank.hu