



**European Bank**  
for Reconstruction and Development



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## **EBRD spurs lending to small and medium size businesses via Erste Bank Hungary**

*€100 million loan for on-lending to small and medium companies*

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The EBRD and Erste Bank Hungary have joined forces to increase the availability of finance to small and medium-sized companies in Hungary.

The EBRD is providing a senior loan of €100 million to Erste Bank Hungary, the second largest retail bank in Hungary, for on-lending to small and medium enterprises (SMEs).

In the current global downturn, supporting the real economies in the central and eastern European region, including Hungary, is a key priority for the EBRD.

The EBRD credit line to Erste Bank Hungary will be used to provide sub-loans of up to €1.5 million to Hungarian private independent small and medium-sized companies, with a maximum number of 249 employees and a maximum turnover of €50 million.

“In the current challenging environment, the EBRD is increasing its cooperation with the banking sectors in countries of its operations. With this loan we are hoping to stimulate confidence in the Hungarian economy and the further development of SMEs with much needed lending to the sector”, said Peter Reiniger, EBRD’s Business Group Director for Central Europe and the Western Balkans.

“The agreement with the EBRD will enable us to make broader approach in financing the Hungarian SMEs, which is particularly important in these harsh times. Our aim is to help our existing and prospective SME customers surpass the current turbulent environment and continue their activity. We regard the funds provided by the EBRD as an additional opportunity to achieve this”, said Edit Papp, Chairperson and CEO of Erste Bank Hungary.

The EBRD financing offered to Erste Bank Hungary is a part of the Bank’s joint initiative with the World Bank and the European Investment Bank to provide €24.5 billion in support of the banking sectors in the region and the real economies hit by the financial crisis.

The EBRD has committed more than €1.77 billion in new funds for the financial institutions sector in countries of its operations so far in 2009.

Since the beginning of its operation in Hungary, the EBRD has invested over €2.6 billion across more than 100 projects in the infrastructure, corporate, energy and financial sectors.

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*The EBRD, owned by 61 countries and two intergovernmental institutions, is supporting the development of market economies and democracies in countries from central Europe to central Asia. [www.ebrd.com](http://www.ebrd.com)*

*Erste Bank Hungary has grown to be one of the biggest banks in the Hungarian market according to its branch network and number of clients. The financial institution serves nearly 900,000 customers in its nationwide network of 203 branches, and operates in addition more than 400 ATMs and about 3000 POS terminals. As of 31 December 2008 Erste Bank Hungary has reached HUF 2.630 billion in total assets, and a net profit of HUF 32.3 billion. In 2008 Erste Bank Hungary has been voted as “The Most Engaging Bank” on the MasterCard ‘Bank of the Year’ competition and in 2009 it won the “Superbrand” award. [www.erstebank.hu](http://www.erstebank.hu)*