

PRESS RELEASE

Budapest, 8 July 2010

Erste Bank: Preferential forex rate and additional discounts for Swiss franc debtors

Budapest, 8 July 2010 – As of 15 July, Erste Bank Hungary Nyrt. provides all retail customers holding Swiss franc denominated debts with HUF 5 discount off the repayment exchange rate on the day the monthly repayments are due. In addition to the forex rate discount, the financial institution waives contract modification fees to support customers in financial distress, ensuring them easier access to the bailout solution that has been designed for them.

Imre Sztanó, Deputy CEO in charge of the bank's retail division, has said the extraordinary firming of the Swiss franc in recent weeks must have caused permanent difficulties for a number of customers with debts denominated in the Alpine currency, leading the bank to give customers holding retail mortgages or personal loans denominated in the Swiss franc a discount of HUF 5 off exchange rates. In addition to the preferential exchange rate, to be applied on the due date at the time (on the account conversion "we sell" rate), the bank now charges no contract modification fees to help debtors in a position of financial emergency access the bailout packages devised by the bank (loan insurance, maturity extension, suspension of payment, etc.).

Imre Sztanó has underlined Erste Bank Hungary Nyrt. has been among the first since the outbreak of the crisis to implement easier conditions to support customers that have encountered financial hardships, and lowered the interest rates of existing Swiss franc mortgages repeatedly. The extent of the reduction was 0.3 and 0.8 per cent depending on the product type, as a result of which the interest rates of Erste Bank's CHF-denominated loans had dropped to pre-crisis levels before the spring was over.

On the basis of the recently published bill and substantive information released by the Ministry of National Economy in the meantime, Erste Bank Hungary Nyrt. has decided to continue to provide micro businesses with forex loans that are secured with real estate as collateral either fully or partly.

In case of in-progress retail contracts with the loan applications already approved, the bank continues to disburse loans in the original currency, provided the loan contracts are signed before the law becomes effective. In respect of retail forex loan applications that were received before 1 July 2010 but have not been decided yet, the loan assessment will be made in forints and in case of an affirmative result the loan will be disbursed in forints only.

With effect from 1 July 2010, Erste Bank Hungary has not received new loan applications for mortgages denominated in currencies other than the forint.

Further information:

Ms. Adrienn Illés – Communication Specialist
Erste Bank Hungary Nyrt.
1138 Budapest, Népfürdő u. 24-26.
Phone: (06 1) 268 4371 Mobile: (+36) 20 468 8709
Fax: (06 1) 373 2705
E-mail: adrienn.illes@erstebank.hu

Ms. Emese Danks –Director of Communication
Erste Bank Hungary Nyrt.
1138 Budapest, Népfürdő u. 24-26.
Phone: (06 1) 268 4347 Mobile: (+36) 30 499 6358
Fax: (06 1) 373 2705
E-mail: emese.danks@erstebank.hu