

Erste Bank Hungary Rt profit according to Hungarian Accounting Standards exceeds ten billion

Budapest, 12th August, 2005 – Erste Bank Hungary's H1 report, prepared according to Hungarian Accounting Standards showed a trend of improvement: according to preliminary consolidated, non-audited figures, Erste Bank's total assets grew to HUF 1,134bn, and its pre-tax profit exceeded the HUF 10bn mark.

Erste Bank chairman-CEO Péter Kisbenedek said: the H1 report also showed that the Postabank acquisition started to bear its first "fruits", and the bank successfully availed of synergies and good profit opportunities created – even at group level – by the increased size after the merger.

Although Erste Bank's total assets (calculated on the basis of Erste Bank and Postabank's combined 2004 total assets) grew by a little more than 1 per cent from the end of the year, the merged bank's efficiency improved substantially. General administrative costs rose hardly faster than the inflation rate, while revenues (especially commission-type revenues) rose substantially. It is primarily due to this that the bank's pre-tax profit rose 64 per cent from HUF 6.1bn at the end of the year to HUF 10bn.

In the intensifying market competition next to the growing importance of electronic services the branch network still plays an important role. Therefore Erste Bank Hungary plans to increase the number of its branch offices from the current 143 to 160 by the end of the year.

Background figures (30th June, 2005)

Number of branches:	143
Number of ATMs:	331
Number of POSs:	646
Number of employees:	2 235

Further information::

Linda Szabó – spokeswoman Erste Bank Hungary Rt

1075 Budapest, Rumbach S. u. 19-21.

Tel: (+36-1) 268-4347 Mobile: (+36) 20-468-8782 Fax: (+36-1) 484-2135; (+36-1)268-4085

e-mail: linda.szabo@erstebank.hu

www.erstebank.hu