

PRESS STATEMENT

Budapest, 2nd November, 2005.

Erste Bank to receive EUR 30m CEB loan

Budapest, 2nd November, 2005. – The Council of Europe Development Bank (CEB) will provide a EUR 30m refinancing loan to Erste Bank Hungary Rt. to provide financing to SMEs and local council projects. The contract was signed by officials of the two banks on 2nd November, 2005 in Budapest.

After the contract was signed Erste Bank board member and corporate division head Edit Papp said Erste was the first Hungarian bank to provide loans, available to SMEs and local authorities, refinanced by the CEB. No terms and conditions limit the SMEs' use of the loans, which are available for all initiatives aimed at creating or safeguarding jobs.

Local authorities will be eligible for the loans refinanced by the CEB for the rejuvenation of districts and urban areas, and for rural development projects. Projects aimed at improving water, gas and electricity supply, the road network, sewerage and fundamental health and educational facilities will be given a priority when evaluating applications. In the case of rural development projects the loans refinanced by the CEB will be available primarily for the construction of water, gas and electricity infrastructure, the improvement of local public transport and for road building and resurfacing.

Ms Papp added that according to plans the credit line provided by the CEB would be used up within a year. This may be guaranteed by an above-average 12 per cent increase to 6,420 by the end of the first half of the year in the number of Erste's corporate clients.

Further information:

Linda Szabó – spokesperson Erste Bank Hungary Rt.

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

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

e-mail: linda.szabo@erstebank.hu

www.erstebank.hu