

For Immediate Release**1 December 2000****Erste pays second and final tranche in Ceska sporitelna acquisition**

Erste Bank¹, one of the leading retail banks in Central Europe, yesterday paid the second and final tranche of the amount due for its acquisition of leading Czech retail bank Ceska sporitelna. The second tranche, paid to the Czech National Property Fund (NPF) on 30 November 2000, amounted to EUR 250 million (CZK 8.9 billion²/ ATS 3.4 billion).

This results in a total purchase price of EUR 530.1 million (CZK 18.9 billion²/ ATS 7.3 billion), which represents a decrease of 2.4% (EUR 12.9 million) as compared to the initially agreed purchase price of EUR 543 million (CZK 19.4 billion/ ATS 7.5 billion). This decrease is due to a discounting agreement, whereby the second tranche was discounted at 4.75% p.a. for the period remaining until 31 December 2001, which was the final payment date. The NPF exercised its right to call payment at the earliest possible time according to the terms of the acquisition contract.

The first tranche amounting to EUR 280 million (CZK 10.0 billion/ATS 3.9 billion) - including the deposit of EUR 50 million that was paid by Erste Bank upon signing a contract in March 2000, was transferred to the NPF on August 3, 2000 which was the day of closing.

The final purchase price implies a price/book ratio of 1.52, based on the relevant consolidated net asset value (RCNAV) of Ceska sporitelna, amounting to EUR 672 million (CZK 24.0 billion/ATS 9.25 billion) as of year-end 1999.

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² EUR 1 = CZK 35.69 (exchange rate agreed upon in the Share Purchase Agreement)