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Postabank: EU concludes Interim State Aid investigation

Following the completion of its investigation into State Aid relating to the banking privatisations in the Czech and the Slovak Republic, the EU Commission has now closed the Interim Procedure in its investigation regarding the privatisation of the Hungarian Postabank és Takarékpénztár in 2003. The Commission has confirmed that, with the exception of one clause relating to unknown claims in the future, the privatisation contract did not infringe EU competition rules.

The Commission has confirmed that, with the exception of one measure providing for an indemnity for unknown litigation risks stemming from the past, the financial restructuring measures of the past as well as the contractual arrangements of the privatisation of Postabank do not constitute state aid measures applicable after Hungary's accession to the European Union.

Central European banking privatisations required protection against risks from the past either in form of ring-fencing the loan portfolio (which was the case in the Czech and the Slovak Republic) or net asset value guarantees or commercial indemnities. The Hungarian Government gave such indemnities to all bidders for Postabank alike in a fair, transparent and competitive tender.

Concerning the "Indemnity for Unknown Claims" the Commission is checking whether the measure is consistent with its rescue and restructuring guidelines.

Erste Bank will continue to support the relevant authorities and is confident that a satisfactory solution will be achieved in due course.

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