

INVESTOR INFORMATION

Vienna, 12 October 2006

Erste Bank finalises acquisition of Banca Comerciala Romana

Erste Bank der oesterreichischen Sparkassen AG (Erste Bank) today announces the completion of the acquisition of Banca Comerciala Romana S.A. (BCR). Erste Bank has acquired 61.8825%¹ of BCR's shares from the Romanian government, EBRD and IFC, against payment of EUR 3.75 billion. The funds were transferred today with Citibank acting as escrow agent. The closing of the acquisition marks the completion of a two-stage privatisation process in which nine European banks originally competed.

"We shall start to implement our ambitious new business plan tomorrow. Within the next 12 months, our clients will start to feel the benefits of BCR's membership in our group through new products and services provided at EU-quality-standards," said Andreas Treichl, CEO of Erste Bank. "With our already established EU offices we want to help our clients to get access to EU funds on favourable terms, in order to develop their businesses fast," added Treichl.

With the purchase of BCR, Erste Bank Group adds Romania, one of the strongest growth markets in the region, to its existing network in Austria, the Czech Republic, Slovakia, Hungary, Croatia, Serbia and Ukraine. With a new total of over 15.6 million customers the Group will significantly strengthen its position as one of the leading financial institutions in Central and Eastern Europe, operating in a market with almost 120 million inhabitants with a retail market share of some 15%.

Changes in the Supervisory Board of BCR

As of today, Andreas Treichl (CEO of Erste Bank) has assumed his function as the new chairman of the Supervisory Board. Manfred Wimmer (Head of Group Programme Management of Erste Bank) was appointed as vice chairman of the Supervisory Board. The other new members of the Supervisory Board, nominated by Erste Bank, are Christian Coreth (Board member of Erste Bank responsible for risk management), and Herbert Juranek (Head of Group IT of Erste Bank), thus replacing former members of AVAS (Gheorghe Ionescu and Jozsef Birtalan), EBRD (Oliver Greene) and IFC (Thomas Krayenbuehl). The former chairman of the Supervisory Board, Daniel Daianu, agreed to remain as a member of the Supervisory Board. Teodor Mihaescu (SIF Muntenia) and Mihai Fercala (SIF Transilvania) will continue to represent the SIFs on the Supervisory Board.

Romania is a strong growth market

With an average real gross domestic product (GDP) growth of 6.1 % between 2002 and 2004, a GDP per capita of around EUR 2,700 in 2004 (compared to EUR 29,000 in Austria) and a ratio of deposits to GDP of 24 % (compared to 89 % in Austria), Romania is significantly less developed than the economies and banking markets of EU countries. Erste Bank is convinced that such a low level of banking penetration will result in a substantial long-term growth potential as the Romanian market converges with the more developed parts of Europe. Considerable growth potential is expected in corporate banking, consumer credit, savings deposits, bank cards and asset management.

New Shareholders' Structure (in %)

	<u>old</u>	<u>new</u>
Romanian government	36.9	--
EBRD	12.5	--
IFC	12.5	--
Erste Bank	--	61.9
SIFs	30.1	30.1
Employees	8.0	8.0

¹ The 61.8825 % stake at BCR consists of: a 36.8825% stake from the Romanian government, 12.5% + 1 share from the EBRD and 12.5% + 1 share from the IFC.

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