

*Translation from the German original text
In case of doubt the German text prevails*

**Supplement to the report of the Management Board (*Vorstand*) of
Erste Bank der oesterreichischen Sparkassen AG
with its registered office in Vienna
pursuant to § 171 para 1 in connection with § 153 para 4 AktG
dated 30 August 2006**

On 30 August 2006, the Management Board (*Vorstand*) of Erste Bank der oesterreichischen Sparkassen AG ("**Erste Bank**") has published a report pursuant to § 171 para 1 in connection with § 153 para 4 AktG concerning the exclusion of the subscription rights of shareholders in the context of the planned capital increase against contributions in kind. The contributions in kind consist of up to 63,397,500 shares in Banca Comerciala Romana, Romania ("**BCR**"), which are held by employees of BCR.

Supplement concerning the issue price

The Management Board of Erste Bank resolved on 29 August 2006, subject to the authorisation of the Supervisory Board (*Aufsichtsrat*), to increase the registered capital of the company by an amount of up to EUR 24,000,000 by issuing up to 12,000,000 no-par value bearer shares (ordinary shares), excluding the subscription rights of shareholders. The issue price should correspond to the average of the unweighted closing prices of Erste Bank shares on the Vienna Stock Exchange during the last three, six, nine or twelve months prior to the day before the start of the acceptance period for the conversion offer made to BCR employees, whereby the final determination of the calculation period should be made by the Management Board after consultation with and authorisation by the Supervisory Board.

The Management Board of Erste Bank resolved on 12 September 2006, subject to the authorisation of the Supervisory Board, to determine the issue price of the new Erste Bank shares as follows: The issue price corresponds to the average of the unweighted closing prices of Erste Bank shares on the Vienna Stock Exchange during the last twelve months prior to 31 August 2006. The resulting issue price amounts to EUR 45.91 per Erste Bank share. Instead of the day before the start of the acceptance period for the conversion offer made to BCR employees, 31 August 2006 was chosen as the reference date, in order to be able to fix the conversion ratio in due time before the start of the acceptance period for the conversion offer, thereby giving the BCR employees sufficient opportunity to decide on the conversion offer based on the final conversion ratio.

The long observation period of twelve months ensures that any impact on the issue price from short term fluctuations in the share price is largely avoided.

Setting of the conversion ratio

On 29 August 2006, the Management Board further concluded that the conversion ratio of BCR shares (which will be contributed as contributions in kind) to the Erste Bank shares (which will be newly issued as a result of the capital increase) corresponds to the ratio of the price of one BCR employee share to the issue price of one Erste Bank share, whereby

shares will be commercially rounded to half shares. For this purpose, one BCR employee share will be valued at EUR 7.65. This corresponds to the price paid by Erste Bank per share when acquiring the 61.8825% of the shares in BCR.

Based on the issue price of EUR 45.91 per Erste Bank share, the conversion ratio between BCR shares and Erste Bank shares is 6.0013 to 1, rounded to 6 to 1. Thus, BCR employees will receive one new Erste Bank share for six BCR shares.

Concerning the other information and the further explanations regarding the justification of the exclusion of subscription rights in the context of the planned capital increase against contributions in kind, reference is made to the report of the Management Board published on 30 August 2006.

Vienna, September 2006

The Management Board