

Erste Bank 'A/A-1' Ratings Unchanged On Announced New Holding Structure

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FRANKFURT (Standard & Poor's) Dec. 14, 2006—Standard & Poor's Ratings Services said today that its 'A/A-1' counterparty credit ratings on Erste Bank der oesterreichischen Sparkassen AG (Erste Bank) remain unchanged following the bank's announcement of plans to optimize the group's organizational structure. Standard & Poor's expects that the organizational changes are aimed at increasing the group's efficiency and transparency, and should not have wider implications on the group's business focus and its role within the Austrian savings banks sector.

Under the group's planned legal structure, Erste Bank will become a holding company, but will retain its own operating banking activities, mainly treasury, corporate finance, and investment banking. In addition, the proposed spin-off of the Austrian retail and small and midsize enterprise business into a fully owned separate legal entity (Erste Bank Austria) should not materially increase Erste Bank's reliance on dividends from subsidiaries. Profit contributions to the group from the operations that will form Erste Bank Austria are modest, and to date have already been partially derived from subsidiaries, such as the majority-owned savings banks and retail-driven specialized financial service providers.

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