



Erste Bank appoints CEO of Bank Austria-Creditanstalt Bratislava to Management Board of Slovenská sporiteľňa

Transformation in Slovenská sporiteľňa on track

Erste Bank(1) today announced the appointment of one additional member to the Management Board of Slovenská sporiteľňa ("CSLSP") to enforce the team. Regina Ovesny-Straka (41) will join the Board after the closing of the transaction and following the formal approval by the Slovak authorities.

Mrs. Ovesny-Straka is currently CEO of Bank Austria-Creditanstalt, a.s., Bratislava. Born in Vienna she has been active in the Slovak Republic since 1994, and played an important role in building up of Creditanstalt's local operations and in the subsequent merger with Bank Austria's regional subsidiary.

This appointment forms part of the transformation process of Slovenská sporiteľňa ("CSLSP"), which began at the start of 2001, and is proceeding according to Erste Bank's plans. Other notable steps include:

- The installation of a number of transformation teams
- The commencement of a management audit process to assess the top management team (Board and 2nd level managers). This process will be finalised by the end of February.

The final composition of the Management Board of SLSP will be announced on closing (transfer of shares) of the acquisition. This is expected to take place in March 2001. The first time consolidation of SLSP's financials into the financial statements of Erste Bank will be retroactive as of Jan. 1st 2001.

Background information on Erste Bank is attached. For further information please contact:

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Background Information on Erste Bank

Highlights

Erste Bank is one of the ten largest European retail banks and the clear leader in Central European retail banking by number of customers. Erste Bank and its 66 partners in the Austrian savings bank sector together serve over 8 million customers in Central Europe.

Key financials

The Erste Bank Group had total assets of EUR 73.1 billion at 30.9.2000 (2). Customer deposits reached over EUR 31.5 billion, while the credit volume stood at EUR 32.1 billion.

Customer and product focus

The Erste Bank Group's customer focus is on the retail market as well as small to medium-sized enterprises. The product focus is moving increasingly towards higher margin commission-based business where Erste Bank has achieved particular success, including asset management, insurance and leasing.

Strategy

Erste Bank has four basic strategic objectives:

- (i) to exploit its core business potential in Austria and focus on its key competencies,
- (ii) to build on its role as the lead bank of the Austrian savings banks sector and to seek increasingly closer

cooperation and coordination within the sector, with the sharing of resources and responsibilities, creating synergies for the parties in terms of cost reduction and revenue growth,

(iii) to grow its business in an extended home market in Central Europe with a potential customer base of some 40 million people and maintain its position as the leading retail financial institution in that market, and

(iv) to offer the premier on-line access to innovative products across its extended home market.

Recent achievements

The pioneering partnership approach adopted in Austria has enabled Erste Bank to leverage its core competencies across the large distribution network offered by the Austrian savings banks, offering new sources of growth potential in a mature market.

Within only three years, Erste Bank has successfully implemented plans announced in 1997 of acquiring or establishing significant operations in the neighbouring markets of Central Europe. The largest acquisitions in the region were in the Czech Republic and neighbouring Slovakia. In January 2000 Erste Bank acquired a majority stake in Česká spořitel'na, the leading Czech retail bank with 3.5 million customers. At the beginning of 2001 Erste Bank signed an agreement to acquire a majority stake in Slovenská spořitel'na, the largest bank in the Slovak Republic with 1.8 million customers.

Through these and other recent acquisitions, Erste Bank has significantly enhanced its attractiveness as a distribution partner for the insurance industry and international mutual fund managers.

(1) Erste Bank der oesterreichischen Sparkassen AG Group

(2) Pro forma figure including the recently acquired Slovak bank Slovenská spořitel'na, a.s.