

Takeover of Intermarket Bank fixed

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The takeover of the largest Austrian factoring bank, Intermarket Bank, was fixed today (closing). Erste Bank der oesterreichischen Sparkassen AG (Erste Bank Oesterreich) acquired a stake of 56.2% in Intermarket Bank AG from the Polish BRE Bank, a subsidiary of Commerzbank. The takeover of a further 10% from the Austrian credit insurer Coface will be completed by the end of July. Erste Bank will then own 88.6% of Intermarket Bank. The remaining shareholders are Steiermärkische Sparkasse (7.0%) and Kärntner Sparkasse (4.4%).

Furthermore, with the closing of this deal Erste Bank Hungary will also acquire a 50% stake in Magyar Factor from BRE Bank, making Magyar Factor 100% subsidiary of Erste Group. It has been agreed not to disclose the amount paid.

“Erste Bank has a high strategic interest in the enlargement of its corporate business. The takeover of Intermarket Bank fits in perfectly with our strategy,” explained Peter Bosek, Member of the Management Board of Erste Bank Oesterreich for Retail and Corporates.

Intermarket Bank is Austria’s largest factoring bank with a volume of receivables of EUR 3.6 billion. Factoring is bridge financing for the short-term trade receivables of companies. A factoring bank often also assumes the default risk for the supplier. The benefit for the bank: a risk premium; the benefit for the supplier: immediate liquidity (disposable funds). It is not infrequent for suppliers to receive payment for their goods up to six months after delivery.