

Erste Bank first to offer market cash revolving credits

Zagreb/Rijeka, November 11, 2009 – This week, Erste&Steiermärkische Bank d.d. (Erste Bank) was the first on the market to offer a new, innovative product – cash revolving credits for people who want to have a certain credit limit which they can use as needed and pay back when they can. Cash revolving credits are approved for values ranging from HRK 10,000 to HRK 50,000, with an interest rate of 11.5 to 12.95 percent per annum, depending on a client's credit standing.

The main benefit of cash revolving credits is flexibility of usage. Clients can use the credit when and to which extent they wish within the approved limit for the agreed-upon duration, i.e. up to a maximum of three years. The funds can be used in various manners: they can be transferred to a client's account at the Bank, they can be withdrawn in cash at an Erste Bank branch office, or they can be used for Erste Netbanking Internet banking, Erste mBanking mobile banking and Erste Fon phone banking.

While using the credit, clients only pay interest on the amount they actually used. During that time, clients pay a monthly instalment that consists of a percentage amount of the credit used (1.5% or 2%, i.e. a minimum of HRK 300 or 400, depending on the value of the approved credit) and the calculated interest on the amount used. With the payment of monthly instalments funds are automatically made available for new usage. Clients can also pay more than the defined monthly instalment and can thus have more money at their disposal for new use. Clients can also pay off the overall credit earlier free of charge.

After the end of the usage deadline (up to three years), the used credit amount that has not been paid off is automatically transferred to be repaid in instalments for a period of up to three, i.e. five years, depending on the amount approved. The remaining, unused credit amount is closed automatically.

“Erste Bank has always striven to be recognizable for its products and services and puts a lot of emphasis on innovation in its business activities. For example, we were the first in Croatia to introduce debit cards with chip technology, we were the first to introduce credits without guarantors, and we were amongst the first five banks in the world, and of course the first in Croatia, to offer the market complete Internet banking via mobile phones. Cash revolving credits as a unique product on the Croatian market with its specific benefits are yet another step to get closer to our clients and their financial needs”, **Zdenko Matak**, director of the Retail Sector, pointed out on this occasion.

Erste Bank continues to report above-average growth compared to the market in the most important business segments this year as well, and consequently, it has also been witnessing an increase in its market shares, which, in this more difficult year, continues the trend that the bank witnessed in previous years as well. Thus, the retail credit market dropped 3.07% in the first nine months, while Erste Bank marked an increase of 1.58%. Erste Bank's market share in this segment increased from 12.35% to 12.94%. On September 30, 2009, Erste Bank's overall retail credits amounted to HRK 14.6 billion. At the same time, Erste Bank also marked a 5.89% increase in retail deposits, while the market was up 2.12%. The Bank's market share in this segment went up from 12.19% to 12.64%, which shows once again the trust clients have in Erste Bank.

For additional information:

Erste & Steiermärkische Bank d.d., 51000 Rijeka, Jadranski trg 3a, www.erstebank.hr

Communications Department

Zagreb – **Dario Gabrić**, tel.: +385 (0)62 37 13 71; fax.:+385 (0)62 371 981; e-mail: pr@erstebank.com

Zagreb - **Nataša Vuletić**, tel.: +385 (0)62 37 15 21; fax.:+385 (0)62 371 981; e-mail: pr@erstebank.com

Zagreb – **Danijela Trbović**, tel.: +385 (0)62 37 15 31; fax.:+385 (0)62 371 981; e-mail: pr@erstebank.com

Rijeka - **Irena Loščac-Gombač**, tel.:+385 (0) 62 37 52 22; fax.:+385(0)62 375 947; e-mail: pr@erstebank.com

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S oko 2.000 zaposlenika, više od 700 tisuća klijenata koje uslužuje putem 124 poslovnice i 500 bankomata, Erste & Steiermärkische Bank d.d.predstavlja jednu od vodećih finansijskih institucija u Republici Hrvatskoj. Na dan 30.9.2009. Erste & Steiermärkische Bank d.d. imala je ukupnu aktivnu od 47,7 milijardi kuna, neto dobit od 471,9 milijuna kuna te povrat na kapital od 11,9 %.

