

ZAGREB STOCK EXCHANGE
Ivana Lučića 2a
10 000 Zagreb

Bonds
ISIN: HRRIBAO22BE0
HRRIBAO23BA6

Official Market, Zagreb Stock Exchange

**CROATIAN FINANCIAL SERVICES
SUPERVISORY AGENCY (HANFA)**
Franje Račkog 6
10 000 Zagreb

OTS HINA

Zagreb, December 12, 2018

**SUBJECT: Notice on withdrawal of the request for the approval of the merger of the company
ERSTE FACTORING d.o.o.**

ERSTE&STEIERMÄRKISCHE BANK d.d. with its headquarters in Rijeka, Jadranski trg 3/a, (hereinafter: the Bank) announced on July 30, 2018 the intention of acquiring shares in the company ERSTE FACTORING d.o.o. (hereinafter: the Company) from ERSTE GROUP BANK AG, in the total nominal amount of 21,250,200.00 HRK representing 25.00% of the equity of the Company and the intention of merging the Company on condition that the Bank obtains the approval of the Croatian Financial Services Supervisory Agency and the Croatian National Bank.

In accordance with the decisions of the Bank's competent bodies, the Bank acquired the above-mentioned shares in the Company and obtained the consent of the Croatian Financial Services Supervisory Agency for the merger of the Company with the Bank.

The request for the approval of the merger addressed to the Croatian National Bank has been withdrawn and will be subsequently re-filed in accordance with the Bank's business plans.

ERSTE&STEIERMÄRKISCHE BANK d.d.