

ERSTE&STEIERMÄRKISCHE BANK D.D.

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The request for the approval of the merger addressed to the Croatian National Bank has been withdrawn and will be subsequently re-filed in accordance with the Bank's business plans.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

Registered at the Commercial Court in Rijeka MBS: 040001037 · Company No./MB: 3337367 · VAT ID: HR23057039320 · IBAN: HR9524020061031262160 · SWIFT/BIC: ESBCHR22 · Equity of 1,698,417,500 HRK paid in total and divided in 16,984,175 shares, nominal value of the share is 100.00 HRK · Management Board: Christoph Schoefboeck, Borislav Centner, Martin Hornig, Slađana Jagar, Zdenko Matak · Chairman of the Supervisory Board: Willibald Cernko