

## Press Release

For business editors  
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### Commerzbank sells Hungarian subsidiary to Erste Bank

- **Contract signed for sale of Commerzbank Zrt. to Erste Group's Hungary Zrt.**
- **Commerzbank and Erste Group reach cooperation agreement for accompanying corporate customers in selected Central and Southeastern European countries**
- **CEO Manfred Knof: "We are consistently aligning our international network with the needs of our core customers."**

Commerzbank AG will sell its 100% subsidiary Commerzbank Zrt. to Erste Bank Hungary Zrt. Both banks signed a contract to this effect today. As part of its "Strategy 2024", Commerzbank announced in February that it would adjust its foreign presence. "We are consistently aligning our international network with the needs of our core customers and are focussing on international businesses with reference to Germany. We will continue to be the strong international banking partner in the most important trade corridors of the German economy but will need fewer own locations than before," Chairman of the Board of Managing Directors of Commerzbank Manfred Knof explained.

The transaction in Hungary is still subject to the approval of the antitrust and banking supervisory authorities. It has been agreed to not disclose the purchase price. The closing of the sale and thus the start of the operative implementation of the transaction is planned for the second half of 2022. At the same time, a comprehensive cooperation agreement signed between Commerzbank and Erste Group will also enter into force. With this partnership, Commerzbank will be able to offer its corporate customers easy access to selected markets in Central and Southeastern Europe via its cooperation partner Erste Group. Commerzbank will remain present in Eastern Europe with its own locations in Poland, the Czech Republic, and Russia.

#### **Focus on customer orientation**

Commerzbank Zrt., based in Budapest, was founded in 1993 as one of the first subsidiaries of West German banks in Hungary. Over the course of its almost 30-year history, the Hungarian subsidiary of Commerzbank has successfully established itself in the market with a comprehensive range of products for corporate clients. In addition to international customers, the Commerzbank subsidiary serves Hungarian SMEs and large customers with a team of about 100 employees. The main income is generated by the credit and trade finance and currency business. The bank is profitable and total assets amounted to approximately HUF400 billion (approximately €1 billion) in 2020.

Michael Kotzbauer, Member of the Board of Managing Directors responsible for the Business Segment Corporate Clients, said: “With the sale, we are becoming more efficient and with the cooperation agreement, we will continue to guarantee our customers access to the Hungarian market via Erste Group.” Kotzbauer further emphasised: “We are sure that with Erste Bank Hungary Zrt., we have found a buyer who is close to us in terms of culture, offers convincing products and services for our customers, and with whom we can execute a smooth transition for everyone involved in a cooperative manner.”

Erste Bank Hungary covers the entire spectrum of financial services. Measured by the number of customers, branches, and ATMs, it ranks among the top three banks in Hungary. Erste Bank Hungary has been a member of Erste Group, one of the largest providers of financial services in the eastern part of the EU, since 1997.

Bernd Spalt, Chief Executive Officer of Erste Group: “This acquisition is an important step for our corporate business in Hungary and perfectly complements our existing customer base in this segment. In addition, it will allow our clients to benefit from the excellent product knowledge, especially in fields of cash management and trade finance, that Commerzbank’s strong track record in Hungary ensures. Coming on the back of our purchase of the Hungarian online broker Random Capital earlier this year, this newest acquisition marks a further step in our pursuit of a targeted growth strategy in Central and Eastern Europe.”

### **Streamlining of foreign network progressing**

For Commerzbank, the sale of its Hungarian subsidiary is a further step to the strategic streamlining of its presence abroad. The Bank plans on exiting 15 foreign locations by 2024. In Europe, these are the offices in Barcelona, Bratislava, Brussels, and Luxembourg, and, in Asia, Hong Kong. The Dubai office will continue as a representative office in the future. In addition, the network of international correspondent banks will be reduced from around 1,600 to around 1,300. The Bank had initially expected to pull out of 3 locations in the current year.

In the first nine months, however, the locations in Baku, Belgrade, Kuala Lumpur, and Jakarta have already been closed. With its presence in almost 40 countries in the future, the Bank remains present wherever it is important for its customers.

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**About Commerzbank**

Commerzbank is the leading bank for the German Mittelstand and a strong partner for around 30,000 corporate client groups and around 11 million private and small-business customers in Germany. The Bank's two Business Segments – Private and Small-Business Customers and Corporate Clients – offer a comprehensive portfolio of financial services. Commerzbank transacts approximately 30 per cent of Germany's foreign trade and is present internationally in almost 40 countries in the corporate clients' business. The Bank focusses on the German Mittelstand, large corporates, and institutional clients. As part of its international business, Commerzbank supports clients with German connectivity and companies operating in selected future-oriented industries. Following the integration of Comdirect, private and small-business customers benefit from the services offered by one of Germany's most advanced online banks combined with personal advisory support on site. Its Polish subsidiary mBank S.A. is an innovative digital bank that serves approximately 5.5 million private and corporate customers, predominantly in Poland, but also in the Czech Republic and Slovakia. In 2020, Commerzbank generated gross revenues of some €8.2 billion with almost 48,000 employees.

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**Disclaimer and Forward-Looking Statement**

This release contains forward-looking statements. Forward-looking statements are statements that are not historical facts. In this release, these statements concern inter alia the expected future business of Commerzbank, efficiency gains and expected synergies, expected growth prospects and other opportunities for an increase in value of Commerzbank as well as expected future financial results, restructuring costs and other financial developments and information. These forward-looking statements are based on the management's current plans, expectations, estimates and projections. They are subject to a number of assumptions and involve known and unknown risks, uncertainties and other factors that may cause actual results and developments to differ materially from any future results and developments expressed or implied by such forward-looking statements. Such factors include the conditions in the financial markets in Germany, in Europe, in the USA and other regions from which Commerzbank derives a substantial portion of its revenues and in which Commerzbank holds a substantial portion of its assets, the development of asset prices and market volatility, especially due to the ongoing European debt crisis, potential defaults of borrowers or trading counterparties, the implementation of its strategic initiatives to improve its business model, the reliability of its risk management policies, procedures and methods, risks arising as a result of regulatory change and other risks. Forward-looking statements therefore speak only as of the date they are made. Commerzbank has no obligation to update or release any revisions to the forward-looking statements contained in this release to reflect events or circumstances after the date of this release.