

PRESS RELEASE

Interest rate on SCALE from 7 – 20% Banca Intesa stimulating continual savings in dinars

- Interest rate increasing each month and after 12 months reaches 20 %
- Cash at hand any time
- Simple procedure with no need to visit the Bank

Belgrade (2 September 2008) – Banca Intesa launched a new savings product with the aim of stimulating continual savings in RSD named SCALE which enables savers the monthly increase of the initial deposit with the interest rate reaching 20% upon the expiry of a 12-month term. Thus, the citizens can save according to their current financial abilities, increasing the deposit and interest rate with new payments and with the possibility to withdraw cash at any time. A special facility includes the possibility to increase savings through transfer of funds by means of a standing order from any type of RSD or FX accounts in a fixed amount without the need to visit the Bank in person to make a new payment. Both resident and non-resident natural entities may place SCALE deposits by presenting an ID card to open a dinar account at any of 220 branches of Banca Intesa and place the minimal initial deposit of RSD 5,000 (for clients who hold Intesa Hit current account), i.e. RSD 10,000 (for other clients).

According to Mr Dejan Tešić, the EB member of Banca Intesa, considering the strong dinar currency in the course of this year as well as considerably higher interest rates, saving in domestic currency is more profitable under the current market conditions. For example, if you term a deposit of EUR 1,250, after the expiry of term period of 6 months calculated interest amounts EUR 25.67 and if for the same period you deposit RSD 100 000, which is dinar countervalue of the said amount, the calculated net interest reaches RSD 6,066.

Initial interest rate for the first month amounts 7%, and by every new monthly payment, in the minimal amount of RSD 2,000 (for Intesa Hit current account holders), i.e. RSD 5,000 (for other citizens) the interest rate increases by 1 percentage point, i.e. passes onto the next level with even more attractive interest rate. Each single payment within an accounting period may not exceed the total of five initial deposits and the interest is calculated and accrued to the principal upon the expiry of each monthly time depositing. Deposit account holder is not obliged to make a new payment which practically means that if you do not effect a new payment within a month, the applicable interest rate shall be the one relating to the level accomplished after the last payment. In case no payments are made during the entire 12-month –time–deposit period, the interest is calculated at the rate of 7%, the same as for the initial deposit.

INTEREST RATE RANGE FOR SCALE SAVINGS												
Payments within the accounting period (month*)	1	2	3	4	5	6	7	8	9	10	11	12
INTEREST RATE	7%	8%	9%	10%	11%	12%	13%	14%	15%	16%	17%	20%

* Payments in each accounting period include interest rate movements within the scale given.

Banca Intesa is among the leading banks on the domestic market in terms of savings volume with total deposits amounting EUR 868 million and market share of almost 15%. In comparison with the end of 2007, deposits were increased for almost EUR 100 million i.e. by 12%.