

This academic paper discusses the historic development of the "Živnostenská banka" after the year 1989 set within the context of the development of the banking sector in the Czech Republic following the fall of the communist regime.

The introduction and the first chapters of this paper discuss briefly the history of the "Živnostenská banka" from 1869 till 1989. The following chapters focus in general on the development of the banking sector since the year 1989, deal with the privatisation of the banking sector that was carried out in a coupon form as well as in the form of direct sales to foreign investors and the consequent and changing of the ownership-structure in the 1990s. In these years, the "Živnostenská banka" experienced numerous changes in the ownership-structure as well as in the structure of the offer of bank-products. Even though that the "Živnostenská banka" has been owned by several foreign investors, who were fluctuating in the position of a majority owner, it maintained its goodwill, reputation and the position of a relatively significant competitor on the bank-product market.

In the year 2002 the "Živnostenská banka" was sold to an Italian owner who a year later became the hundred-per-cent holder. After more than a decade of a coexistence of the Czech brand "Živnostenská banka" and the Italian "UniCredito", the Italian owner has decided this year to change the Czech logo with its lighthouse. By the year 2006 the Czech brand "Živnostenská banka" ceases to be used. The conclusion of this paper focuses on the general European problem of fusions and acquisitions in the banking sector.