



OTP Bank Plc.

2007 First Half Stock Exchange Report

(English translation of the original report submitted to the Budapest
Stock Exchange)

Budapest, August 14, 2007

A decorative green wave graphic at the bottom of the page, starting from the left edge and curving upwards towards the right.

OTP BANK PLC'S STOCK EXCHANGE REPORT FOR THE FIRST HALF OF 2007

OTP Bank Plc. has prepared its consolidated and non-consolidated, non-audited IFRS report for June 30, 2007. Below we present our analysis derived from the consolidated and the unconsolidated condensed IFRS financial statements adopted by the European Union.

SUMMARY OF THE FIRST HALF OF 2007

In 2Q 2007 the major trends were similar to that of in the first quarter: apart from headline inflation the key macroeconomic indicators worked out somewhat better than the officially forecasted ones. Such a mix supported by the steadily good global liquidity and the strong risk appetite of the investor community resulted in the slight tightening of the Hungarian risk premium and the further strengthening of the local currency. (against the EUR HUF 2 appreciation and HUF 4 against the CHF, respectively) Keeping close eye on a seasonally strong wage dynamics and the high headline CPI, the Central Bank took a cautious monetary policy stance cutting the base rate only by 25 bps in June, hence in the 1H 2007 it came down to 7.75%.

The household loan demand showed no real sign of moderation, but rather a "flattening out" effect. The worsening income position took its toll in form of weakening savings, whereas consumption basically remained intact. Making use of the strengthening currency both in case of housing loans and consumer borrowing the dominant portion of newly extended loans were FX-linked, while the early prepayment of originally HUF-denominated loan products and their renewal in FX remained significant. On the saving side only those promotion campaigns could generate substantial volumes where the high nominal interest rate offers were linked to some sort of mutual fund saving products.

In most of the segments market positions of OTP Group in Hungary showed some decline: within total deposits its share (23.4%) dropped by 1.7% y-o-y; retail position declined to the same extent, while municipalities fell by 9.5% and corporate share decreased by 0.3%, respectively. In terms of total loans the Group lost 0.5%, apart from the municipalities (+5.6%) in all other categories there was some weakening. Within a year housing loan positions declined by 4.4%, and even the consumer loan share moderated by 0.4%. FX-linked consumer loan ratio grew by 2%. In terms of total assets the Group increased its market share by 1.5%.

FINANCIAL HIGHLIGHTS (IFRS consolidated):

in HUF billion	2Q 2006	1Q 2007	2Q 2007	Q-o-Q	Y-o-Y	1H 2006	1H 2007	Y-o-Y
Total assets	5,735.3	7,480.6	7,592.1	1.5%	32.4%	5,735.3	7,592.1	32.4%
Total loans and advances (gross)	3,690.6	4,714.2	4,986.6	5.8%	35.1%	3,690.6	4,986.6	35.1%
Total deposits	3,715.4	4,344.4	4,364.8	0.5%	17.5%	3,715.4	4,364.8	17.5%
Gross loan/deposit ratio	99.3%	108.5%	114.2%	5.7%	14.9%	99.3%	114.2%	14.9%
Shareholders' equity	598.7	791.9	842.4	6.4%	40.7%	598.7	842.4	40.7%
Net interest income	73.1	102.9	97.6	-5.2%	33.5%	144.5	200.5	38.8%
Net interest margin before provision	5.23%	5.65%	5.18%	-0.47%	-0.05%	5.28%	5.46%	0.18%
Net interest margin without swap	5.90%	5.25%	5.18%	-0.07%	-0.72%	5.74%	5.26%	-0.48%
Net fees and commissions	27.7	35.3	35.3	0.1%	27.3%	55.0	70.6	28.4%
Total income (with net fees)	136.5	176.4	170.2	-3.5%	24.6%	266.1	346.5	30.2%
Operating cost	76.3	94.2	101.2	7.4%	32.7%	145.7	195.5	34.2%
Cost to income ratio ¹	55.9%	53.4%	59.5%	6.6%	7.6%	54.8%	56.4%	1.7%
Pre-tax profits	56.8	60.9	62.1	2.0%	9.3%	111.1	123.0	10.7%
After tax profits	46.7	50.5	50.7	0.3%	8.4%	92.9	101.2	8.9%
EPS base (HUF)	181	196	193	-1.4%	6.5%	359	385	7.0%
EPS fully diluted (HUF)	180	195	182	-6.7%	0.9%	358	364	1.7%
Average assets	5,590.0	7,289.0	7,536.4	3.4%	34.8%	4,689.1	6,158.7	31.3%
Return on Assets	3.34%	2.77%	2.69%	-0.08%	-0.65%	3.39%	2.76%	-0.64%
Return on Equity	32.9%	25.6%	24.8%	-0.8%	-8.1%	32.4%	24.8%	-7.6%

The PAT of the core Hungarian activity (OTP Bank + OTP Mortgage Bank + OTP Building Society) reached HUF 85 billion in 1H 2007, showing an increase of 8.7% y-o-y. Within the Hungarian Group, OTP Bank had a mixed performance: gross loan volumes grew by 12.8%, and the growth could be even stronger adjusting with the substantial appreciation of the local currency. (HUF/CHF exchange rate appreciated by HUF 31.4 in the last 12 months). Net interest income grew nicely (+18.5%), within that interest revenues increased by 23.4%, but interest expenditures grew even faster (+28.1%) due to the financing costs of acquisitions. Profit after tax exceeded the corresponding period of 2006 by 8.9%.

Within the Group the contribution of foreign subsidiaries grew further. According to the half year figures 39.4% of total assets belonged to the foreign subsidiaries (1H 2006: 28.3%), their share in total loans was 40.5% (1H 2006: 26.6%), and 38.3% in total deposits (1H 2006: 27.5%), respectively. Out of the consolidated after tax profit the contribution of foreign subsidiaries reached 24% (1H 2006: 11.5%).

Within them DSK Group (together with the local SPV) 1H results improved significantly (+17.3% y-o-y). The slow start in loan generation earlier this year accelerated, especially in the corporate sector. NIM and OPEX performed in line with plans, the net fee & commission income grew by 24.2% y-o-y. Market positions of the Company remained stable.

Loan generation at ISB, Russia showed improving trends, especially in the consumer loan business, distribution channels grew, new products were introduced. Despite of the phasing out effect of POS-loans originated in last fall of 2006 gross loan volumes increased by 9.3%. Due to declining margins and weaker non-interest revenues quarterly PAT dropped.

CJSC OTP Bank had a stable loan growth, 10.7% q-o-q, within that the corporate sector exceeded the planned figures, while the retail segment slightly lagged behind the budget due to slower network enlargement. Profit after tax was in line with plans, with NIM improving q-o-q.

Out of the smaller subsidiaries, OBH had a 8.1% loan growth y-o-y, but its profit was by 7.4% lower despite of dynamic growth in 2Q (+10.1%). Lending remained robust at OBR, loan volumes grew by 121.6% y-o-y, however higher OPEX resulted in higher negative results. Gross loans at OBS increased by 13.5% and its PAT grew by 18.8%. Its market positions remained basically unchanged in major segments. CKB delivered well above the targeted volume growth and profit numbers (+21.9% and 27.8%, respectively), while the contribution of the Serbian bank despite of some improvement in 2Q lagged behind expectations.

The volume of consolidated gross loans grew by 35.1% over the corresponding period of 2006 already reflecting the effect of acquisitions. On the liability side deposits grew by 17.5% y-o-y, due to the volume increase at the OTP Building Society, OBS, DSK and CKB.

The Group reached a consolidated after tax result of HUF 101.2 billion in 1H, an increase of 8.9% y-o-y.

SUMMARY OF THE SECOND QUARTER OF 2007

In 2Q the consolidated gross loan portfolio grew by 5.8%, whereas the volume of deposits increased only by 0.5%, as a result the loan to deposit ratio of the Group reached 114.2%. Total assets exceeded HUF 7,592 billion, an increase of 1.5% q-o-q.

Profit after tax were HUF 50.7 billion, by 0.3% higher than in 1Q. Net interest income declined by 5.2%, within that interest revenues dropped by 2% and interest expenditures grew by 2.4%. As a result of a quarterly increase of 3.4% in average own equity ROE was 24.8%, by 0.8% lower q-o-q.

Within the Group the gross loan portfolio of the Hungarian core banking activity grew by 3.8%, while DSK Group captured an 8.5% loan growth, CJSC expanded by 10.7% and ISB by 9.3% respectively. The most dynamic loan growth was witnessed in CKB, Montenegro (+21.9% q-o-q) and OBR (+19.8%). Volume growth at OBS and OBH was modest, 2.1% in both cases, whereas the Serbian operation had a 1.4% decline q-o-q.

As for the profitability, DSK Group (incl. the SPV) and the Serbian subsidiary managed to increase their PAT by more than 33%, CKB had an increase of 28% q-o-q and OBH of more than 10% respectively. After tax profit of the core Hungarian banking activity dropped significantly, by 36%, however it is mainly the reflection of HUF 18.5 billion dividend paid in 1Q. CJSC OTP Bank, ISB and OBS had a decline in their quarterly PAT, whereas the loss at OBR grew almost by three times q-o-q.

POST BALANCE SHEET EVENTS

Effective from August 13, 2007, Aleksei A. Korovin has been appointed by OTP Bank as CEO of ISB. Prior to that Mr. Korovin was deputy CEO at Impexbank, Russia.

CONSOLIDATED AND NON CONSOLIDATED, NON AUDITED IFRS REPORTS OF OTP BANK PLC. FOR THE PERIOD ENDED JUNE 30, 2007

CONSOLIDATED BALANCE SHEET

On June 30, 2007 the consolidated IFRS total assets of the Bank were HUF 7,592 billion, representing a HUF 1,857 billion or 32.4% growth over the same period a year earlier. The Bank's consolidated shareholders' equity on June 30, 2007 was HUF 842.4 billion, by HUF 243.6 billion or by 40.7% higher than the consolidated shareholders' equity as of June 30, 2006. The shareholders' equity represented 11.1% of total assets. Book value per share (BVPS) amounted to HUF 3,008 on June 30, 2007.

Selected balanced sheet data of OTP Bank consolidated balanced sheet:

HUF mn	30/06/2006	31/12/2006	31/03/2007	Q-o-Q	Y-o-Y
Cash and bank	480,341	282,271	292,495	3.6%	-39.1%
Placements with other banks	456,567	760,127	654,212	-13.9%	43.3%
Financial assets at fair value	67,092	152,755	201,112	31.7%	199.8%
Trading securities	403,586	469,185	462,459	-1.4%	14.6%
Gross loans	3,690,575	4,714,236	4,986,599	5.8%	35.1%
Provisions on loans	115,140	145,822	151,767	4.1%	31.8%
Net loans	3,575,435	4,568,414	4,834,832	5.8%	35.2%
Equity investments	9,123	5,975	8,659	44.9%	-5.1%
Securities held-to-maturity	289,535	522,902	399,989	-23.5%	38.1%
Intangible assets	266,365	507,108	509,606	0.5%	91.3%
Other assets	187,219	211,886	228,746	8.0%	22.2%
ASSETS	5,735,263	7,480,623	7,592,110	1.5%	32.4%
Liabilities to credit institutions	449,774	635,637	684,414	7.7%	52.2%
Liabilities to customers	3,715,398	4,344,431	4,364,756	0.5%	17.5%
Issued securities	569,222	957,119	940,008	-1.8%	65.1%
Other liabilities	350,736	455,661	467,073	2.5%	33.2%
Subordinated loans	51,383	295,832	293,481	-0.8%	471.2%
LIABILITIES	5,136,514	6,688,680	6,749,732	0.9%	31.4%
TOTAL SHAREHOLDERS' EQUITY	598,749	791,943	842,378	6.4%	40.7%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	5,735,263	7,480,623	7,592,110	1.5%	32.4%
				%-point	%-point
Gross loans/deposits	99.3%	108.5%	114.2%	5.7%	14.9%

Volume of consolidated loans, net of allowance for possible loan losses grew by 35.2% to HUF 4,835 billion as of June 30, 2007. This represented a 5.8% growth from March 31, 2007. The share of net loans in total assets reached 63.7%, and exceeded by 1.3% that of at the end of June 30, 2006.

Within consolidated gross customer loan volume of HUF 4,987 billion (+35.1% y-o-y), corporate loans represented 37.1% (HUF 1,853 billion; +50.9% y-o-y); retail loans 57.9% (HUF 2,886.2 billion; +25.8% y-o-y) and municipality loans 5% (HUF 247.9 billion; +46.6% y-o-y), respectively. Within retail loans housing loans stood at HUF 1,619.2 billion (+21.3% y-o-y); consumer loans at 1,267 billion (+32% y-o-y). 40.5% of aggregated total loans (HUF 2,019.4 billion) were granted by the foreign subsidiaries.

The growth of gross loans (HUF 1,296 billion) of the previous 12 months resulted mainly from the consolidation of the Ukrainian, Russian, Montenegrin and Serbian subsidiaries, as well as loan growth from OTP Bank, DSK Bank, OBR, Merkantil Bank and OTP Mortgage Bank. The retail portfolio growth was mainly coming from DSK Bank + SPV (HUF 51.5 billion, +13.4%), OTP Bank (HUF 97.4 billion, +18.7%), Merkantil Bank (HUF 28.1 billion, +20.4%), OTP Mortgage Bank (HUF 18.3 billion, +2%), OBR (HUF 34.4 billion, +132.6%) and OBH (HUF 17 billion, +13.3%). Substantial retail volumes resulted from CJSC (HUF 202.7 billion), ISB (113.5 billion) and CKB (HUF 39.2 billion). Major contributors to the corporate lending were DSK Bank (HUF 41.5 billion, +36.5%), OTP Bank (HUF 44.1 billion, +4.5%) and OBR (HUF 40.1 billion, +113.5%), while in the local government sector OTP Bank had a significant contribution (HUF 70.6 billion, +43.6%).

During 2Q 2007 gross loan volume grew by 5.8% or by HUF 272.4 billion. The loan volume of OTP Bank increased by HUF 102.6 billion or by 5.8%. Within foreign subsidiaries the most dynamic volume growth was captured at CKB (+21.9%), OBR (+19.8%), CJSC (+10.7%), DSK (10.1%) and ISB (+9.3%), respectively.

IFRS consolidated gross loan volume by business lines:

HUF mn	30/06/2006	31/03/2007	30/06/2007	Q-o-Q	Y-o-Y
Corporate loans	1,227,239	1,737,804	1,852,511	6.6%	50.9%
Municipality loans	169,091	236,742	247,905	4.7%	46.6%
Retail loans	2,294,245	2,739,690	2,886,182	5.3%	25.8%
Housing loans	1,334,463	1,565,776	1,619,182	3.4%	21.3%
Consumer loans	959,783	1,173,914	1,267,000	7.9%	32.0%
Total	3,690,575	4,714,236	4,986,599	5.8%	35.1%

In the last 12 months the quality of the loan book¹ under IFRS basically remained unchanged, performing portion represented 86.3% of total and 9.4% was to-be-monitored. Non-performing loans (NPLs) were 4.3% of total, a tiny increase of 10 bps over 1H 2006. Out of the total loan book 38.9% of qualified loans and 39% of NPLs were in the books of foreign subsidiaries.

IFRS consolidated gross loan volume by qualified categories:

HUF mn	30/06/2006	31/03/2007	30/06/2007	Q-o-Q	Y-o-Y
Performing loans	3,184,945	4,063,003	4,304,918	6.0%	35.2%
To-be-monitored loans	350,074	444,705	465,796	4.7%	33.1%
Below average	35,367	42,769	44,986	5.2%	27.2%
Doubtful	49,177	73,473	75,528	2.8%	53.6%
Bad	71,012	90,285	95,370	5.6%	34.3%
Total receivables	3,690,575	4,714,236	4,986,599	5.8%	35.1%
QUALITY					
Total qualified	505,630	651,233	681,681	4.7%	34.8%
NPL	155,556	206,528	215,885	4.5%	38.8%
qualified rate	13.7%	13.8%	13.7%	-0.1%	0.0%
NPL rate	4.2%	4.4%	4.3%	-0.1%	0.1%
COVERAGE					
Provision on NPL	97,482	126,497	132,380	4.7%	35.8%
Coverage on NPL	62.7%	61.2%	61.3%	0.1%	-1.3%
Provision on qualified	110,330	139,963	145,732	4.1%	32.1%
Coverage on qualified	21.8%	21.5%	21.4%	-0.1%	-0.4%
Net loans	3,575,435	4,568,413	4,834,832	5.8%	35.2%

The consolidated loan loss provisions were HUF 151.8 billion of which HUF 145.7 billion was related to the qualified portfolio, representing 21.4% coverage over the qualified loans. HUF 132.4 billion provisioning covering HUF 215.9 billion NPLs represented 61.3% coverage ratio. During a year performing loans grew by HUF 1,120 billion, qualified loans increased by HUF 176 billion mainly due to the increase of that portfolio at Investsberbank, Merkantil Bank and the Serbian operation. NPLs increased by HUF 60.3 billion. Total provisions increased by HUF 36.6 billion y-o-y.

On the liability side, customer liabilities were HUF 4,365 billion, 17.5% higher than a year earlier. Customer deposits represented 57.5% of total liabilities (64.8% as at June 30, 2006) Out of total 26.2% of deposits came from corporate; 69% from retail and 4.8% from municipality sector customers.

Consolidated deposits by business lines:

HUF mn	30/06/2006	31/03/2007	30/06/2007	Q-o-Q	Y-o-Y
Corporate deposits	774,444	1,120,855	1,143,588	2.0%	47.7%
Municipality deposits	200,858	259,080	208,587	-19.5%	3.8%
Retail deposits	2,740,096	2,964,497	3,012,579	1.6%	9.9%
Total	3,715,398	4,344,432	4,364,756	0.5%	17.5%

In the last 12 months deposit growth was mainly the result of the consolidation of new subsidiaries, as well as successful deposit collection at OTP Building Society, DSK and OBR. Even though OTP Bank managed to increase its corporate deposits by HUF 105 billion, its total deposit base declined by 0.9% due to the substantial retail outflow in August 2006. Foreign subsidiaries collected 38.3% of aggregated deposits as at June 30, 2007 up from 27.5% a year earlier.

Compared to 1H 2006 consolidated corporate deposits of OTP Bank grew by HUF 369.1 billion, retail deposits by HUF 272.5 billion and municipality deposits by HUF 7.7 billion, respectively. Within foreign

¹ At the consolidation, in case of the foreign subsidiaries we used the qualified loan figures based on OTP Bank's classification standards. On the following pages, at the analysis of the network banks we show also this type of data.

subsidiaries the deposits grew most significantly at DSK, OBR and OBS (by HUF 23.7 billion, HUF 18.3 billion and HUF 17.1 billion, respectively).

Volume of issued securities was by 65.1% higher than a year earlier due to the issuance of EUR 750 million covered bonds by OTP Mortgage Bank in July 2006 and a bond issuance with similar size by OTP Bank in February 2007. The consolidated subordinated capital volume grew by HUF 242 billion y-o-y. There were no further issues in 2Q 2007.

CONSOLIDATED STATEMENT OF OPERATIONS (PROFIT AND LOSS ACCOUNT)

HUF mn	2Q 2006	1Q 2007	2Q 2007	Q-o-Q	Y-o-Y	2006 1H	2007 1H	Y-o-Y
Interest income	127,334	178,860	175,323	-2.0%	37.7%	246,588	354,183	43.6%
Interest expense	54,225	75,923	77,737	2.4%	43.4%	102,134	153,660	50.4%
Net interest income	73,109	102,937	97,586	-5.2%	33.5%	144,454	200,523	38.8%
Net interest income without swap	82,402	95,675	97,529	1.9%	18.4%	157,044	193,204	23.0%
Provision for possible loan losses	3,414	21,272	6,841	-67.8%	100.4%	9,289	28,113	202.6%
Adjusted cost of risk	3,414	11,005	6,285	-42.9%	84.1%	9,289	17,290	86.1%
Net interest income after provision	69,694	81,665	90,745	11.1%	30.2%	135,164	172,410	27.6%
Fees and commissions income	35,823	43,869	44,868	2.3%	25.3%	69,309	88,737	28.0%
Fees and commissions expense	8,093	8,599	9,556	11.1%	18.1%	14,350	18,155	26.5%
Net fees and commissions	27,729	35,270	35,312	0.1%	27.3%	54,958	70,582	28.4%
Foreign exchange gains, net	13,579	2,286	6,135	168.4%	-54.8%	19,060	8,421	-55.8%
Gain on securities, net	-1,730	1,609	5,230	225.0%	-402.4%	435	6,839	
Gain on real estate transactions	562	239	608	154.4%	8.1%	688	847	23.1%
Dividend income	352	130	475	265.4%	35.0%	508	605	19.1%
Insurance premiums	18,451	18,351	19,456	6.0%	5.4%	37,844	37,807	-0.1%
Other non-interest income	4,476	15,555	5,360	-65.5%	19.8%	8,148	20,915	156.7%
o/w income from provisions on loans before acquisition	0	10,267	556	-94.6%		0	10,823	
Total non-interest income (with net fees)	63,419	73,440	72,576	-1.2%	14.4%	121,641	146,016	20.0%
Total income (with net fees)	136,528	176,377	170,162	-3.5%	24.6%	266,095	346,539	30.2%
Personnel expenses	26,424	35,315	36,001	1.9%	36.2%	49,125	71,316	45.2%
Depreciation	6,340	8,343	9,186	10.1%	44.9%	12,925	17,529	35.6%
Insurance expenses	13,846	15,029	17,065	13.5%	23.2%	29,534	32,094	8.7%
Other non-interest expenses	29,696	35,559	38,975	9.6%	31.2%	54,103	74,534	37.8%
from this: contribution tax/special banking tax	2,760	1,633	1,690	3.5%	-38.8%	5,443	3,323	-38.9%
Operating cost	76,307	94,246	101,227	7.4%	32.7%	145,688	195,473	34.2%
Total non-interest expense	84,400	102,845	110,783	7.7%	31.3%	160,038	213,628	33.5%
Income before income taxes	56,807	60,859	62,094	2.0%	9.3%	111,118	122,953	10.7%
Income taxes	10,073	10,338	11,417	10.4%	13.3%	18,197	21,755	19.6%
from this: contribution tax/special banking tax	636	95	92	-2.8%	-85.5%	636	187	-70.6%
After tax profit	46,734	50,521	50,677	0.3%	8.4%	92,921	101,198	8.9%
				%-point	%-point			%-point
Cost/income ratio	55.9%	53.4%	59.5%	6.1%	3.6%	54.8%	56.4%	1.7%
Net interest margin before provision	5.23%	5.65%	5.18%	-0.47%	-0.05%	5.28%	5.46%	0.18%
Net interest margin without swap	5.90%	5.25%	5.18%	-0.07%	-0.72%	5.74%	5.26%	-0.48%
ROA	3.34%	2.77%	2.69%	-0.08%	-0.65%	3.39%	2.76%	-0.64%
ROE	32.9%	25.6%	24.8%	-0.8%	-8.1%	32.4%	24.8%	-7.6%

Summary of the first half of 2007

IFRS consolidated pre-tax profit was HUF 123 billion, which represented a 10.7% increase over 1H 2006. After-tax profit grew to HUF 101.2 billion, being by 8.9% higher than in the corresponding period of 2006.

The consolidated IFRS net interest income of OTP Bank was HUF 200.5 billion, 38.8% higher than for 1H 2006. This was a result of 43.6% y-o-y increase in interest income and a significant 50.4% y-o-y growth in interest expenses.

Consolidated interest income from loans amounted to HUF 268.2 billion, an increase of 49.3% y-o-y. Interest income from interbank placements grew by 38.7%. However, revenues from accounts held at NBH and other banks dropped by 52.8%.

Interest expense amounted to HUF 153.7 billion being substantially higher than in 1H 2006. The most significant increase was related to interest expenses paid to other banks (+136.1%), on customers' deposits (+83.3%), on issued securities (+72.1%) and on subordinated loans (+723.6%).

The interest income related to swap transactions was HUF 34.4 billion. Within interest expenditures swap results (loss) was lower (HUF 27 billion), thus the Group had a total net swap gain of HUF 7.3 billion vs. a loss of HUF 12.6 billion a year ago.

Net consolidated interest margin over average total assets (HUF 7,344.8 billion) was 5.46% during 1H 2007, 18 bps higher than 1H 2006. Disregarding the effects of swaps net margin was 5.26% which was 48 bps lower than a year ago.

Provisions for possible loan and placement losses were 202.6% higher than in 1H 2006 reaching HUF 28.1 billion. Considering the positive effect of provisioning release related to acquisitions – under IFRS it is reported amongst other income – the adjusted provision figure was HUF 17.3 billion. Provisioning cost as a percentage of average gross loans reached 1.19%, (the adjusted level was only 0.73%) compared to 0.53% a year earlier. (Note, that 1H 2006 provisioning cost was low as a result of one-off provisioning release related to Basel II project.)

Non-interest income was 20.7% higher than a year earlier and reached HUF 164.2 billion. Within that fee and commission income increased by 28% (HUF 19.4 billion) compared to 1H 2006. Net fees and commissions reached HUF 70.6 billion, which is 28.4% higher than a year earlier. Net profit on securities trading reached HUF 6.8 billion against a tiny HUF 0.4 billion gain in 1H 2006. It was a result of an IFRS correction on swap transactions at OTP Mortgage Bank and also a fair value adjustment of the unit-linked securities portfolio at OTP Garancia Insurance. Net gain on foreign exchange transactions was HUF 8.4 billion against a significant profit of HUF 19 billion a year ago. The volume of insurance premium (HUF 37.8 billion) was almost identical to that of a year ago, but the insurance expenses increased by 8.7%. Thus the net insurance result of HUF 5.7 billion was by HUF 2.6 billion weaker than a year ago. Other income increased significantly by HUF 12.8 billion y-o-y reaching HUF 20.9 billion. Such growth was mainly the result of the consolidation of provisions: in 2006 the Ukrainian and Russian loan portfolio was “netted” while being consolidated. If in the meantime there were provisioning release, they appeared on “other income” line. Within total income non-interest income represented 45%, by 3.5% less than a year ago.

Within the volume of operating costs of HUF 195.5 billion consolidated personnel expenses were 45.2% higher than in 1H 2006, while depreciation grew by 35.6%. Other non-interest expenses represented HUF 74.5 billion and included the marketing costs (HUF 5.6 billion) related to the image change campaign launched in late 2006, rental fees (HUF 7.3 billion), municipality taxes (HUF 5.4 billion) and the contribution tax (HUF 3.3 billion). Consolidated cost to income ratio was 56.4%, 1.7%-points higher than in 1H 2006 reflecting the funding costs of the acquisitions.

Consolidated ROA was 2.76% (3.39% in 1H 2006), while consolidated ROE reached 24.8% (32.4% in 1H 2006). Earnings per share (EPS) reached HUF 385, HUF 25 above 1H 2006. Diluted EPS equalled to HUF 364 (+HUF 6 y-o-y).

Summary of the second quarter of 2007

In 2Q 2007 the Group had HUF 97.6 billion net interest income (-5.2% q-o-q), adjusted by swap NII represented HUF 97.5 billion, by HUF 1.9 billion higher than in 1Q (+1.9% q-o-q). Net interest margin declined to 5.18% (-47 bps), the swap-adjusted NIM was 5.18% (-7 bp).

Non-interest revenues basically remained unchanged, within that net FX gains improved a lot (HUF 3.8 billion, +168.4%), and also net securities results (HUF 3.6 billion, +225%). Net fees & commissions remained flat (HUF 35.3 billion, +0.1%), insurance revenues increased by 6% reaching HUF 19.5 billion.

Operating expenses amounted to HUF 101.2 billion (+7.4%), within that personnel expenses remained well under control (+1.9%), whereas insurance expenses grew by 13.5%, other expenses by 9.6%, respectively. As a result of higher interest expenses and non-interest expenses the consolidated cost-to-income ratio grew to 59.5%, a worsening of 6.1%-points q-o-q.

The Group reached HUF 50.7 billion profit after tax which by 0.3% exceeds 1Q PAT figures. ROA was 2.69% (-8 bps q-o-q), ROE was 24.8% (-8 bps q-o-q).

OTP BANK HUNGARIAN CORE BUSINESS²

In the followings, we present the aggregated results of OTP Bank, OTP Mortgage Bank and OTP Building Society (OTP Core business). OTP Core business realised HUF 85 billion profit after tax in the first half of 2007, the aggregated total assets amounted to HUF 5,884 billion, which is 14.9% higher than a year before.

Aggregated balance sheet of OTP Bank, OTP Mortgage Bank and OTP Building Society:

HUF mn	30/06/2006	31/03/2007	30/06/2007	Q-o-Q	Y-o-Y
Cash and bank	440,999	203,329	218,998	7.7%	-50.3%
Placements with other banks	634,812	846,570	791,390	-6.5%	24.7%
Financial assets at fair value	52,076	55,305	71,413	29.1%	37.1%
Securities for sale and trading	459,723	555,868	565,423	1.7%	23.0%
Gross loans	2,566,416	2,691,984	2,793,758	3.8%	8.9%
Provisions	-26,400	-30,998	-29,840	-3.7%	13.0%
Net loans	2,540,016	2,660,986	2,763,918	3.9%	8.8%
Investments	232,389	594,980	601,693	1.1%	158.9%
Securities held-to-maturity	528,360	759,851	637,201	-16.1%	20.6%
Intangible assets	107,234	102,005	100,824	-1.2%	-6.0%
Other assets	124,754	132,005	133,146	0.9%	6.7%
ASSETS	5,120,363	5,910,899	5,884,007	-0.5%	14.9%
Liabilities to credit institutions	628,355	533,339	532,032	-0.2%	-15.3%
Deposits from customers	2,698,224	2,746,930	2,704,812	-1.5%	0.2%
Issued securities	1,032,808	1,364,673	1,344,412	-1.5%	30.2%
Other liabilities	191,512	250,448	253,685	1.3%	32.5%
Subordinated loans	51,383	293,068	290,697	-0.8%	465.7%
LIABILITIES	4,602,283	5,188,458	5,125,638	-1.2%	11.4%
TOTAL SHAREHOLDERS' EQUITY	518,080	722,441	758,369	5.0%	46.4%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	5,120,363	5,910,899	5,884,007	-0.5%	14.9%
				%-point	%-point
Gross loans to deposits	95.1%	98.0%	103.3%	5.3%	8.2%

Gross loan volume of the companies represented HUF 2,794 billion, showing 3.8% growth q-o-q and 8.9% y-o-y. The structure of the gross loan portfolio remained stable during the last quarter. On June 30, 2007, retail loans reached HUF 1,539.5 billion, representing 55.1% of total loans (1H 2006: 55.5%). The volume of the corporate loans was HUF 1,021.6 billion, representing 36.8% of total loans (1H 2006: 38.1%). Share of municipality loans was 8.3%, an increase of 6.9% q-o-q and 43.6% y-o-y.

Within retail loans the volume of housing loans grew only by a moderate 1.2% q-o-q and 2.8% y-o-y. Apart from the constantly high level of pre-payments, revaluation of FX-loans (mainly CHF denominated) through a steady Forint strengthening (HUF 31.4 y-o-y; HUF 4.1 q-o-q) also played a role in this.

During 2Q 2007 OTP approved housing loan applications with the value of HUF 45.5 billion (HUF 55.8 billion in 2Q 2006; HUF 32.3 billion in 1Q 2007) and disbursed loans of HUF 42.1 billion (HUF 52.7 billion in 2Q 2006; HUF 29.9 billion in 1Q 2007). HUF 30.7 billion new housing loans were denominated in FX which represented 72.9% of total disbursement. Clients of OTP Bank and OTP Mortgage Bank repaid HUF 29.8 billion loans in the second quarter of 2007 (HUF 26.8 billion in 2Q 2006). The repayment to average outstanding housing loans ratio was 2.7% in 2Q 2007 (2.5% in 2Q 2006 and 2.4% in 1Q 2007).

Out of the outstanding HUF 1,126.9 billion domestic housing loan book HUF 396 billion was the portion of loans originated under subsidy scheme being effective before June 2003, of which – after the first 5-year interest period – HUF 35.7 billion was transferred to the second subsidy category (valid from June 2003). The volume of loans in the second and third subsidy categories amounted to HUF 412.5 billion. The volume of FX-linked loans reached HUF 237.4 billion (21.1%). The share of FX loans within the aggregated retail loan volume reached 27.4% on June 30, 2007.

The quality of loan portfolio slightly improved in 2Q 2007. Qualified loans represented 4.2% of the total loans (1Q 2007: 4.0%), while NPL ratio was 1.6% (1Q 2007: 2.1%). The volume of provisions decreased by HUF 1,158 million over the previous quarter, as a result the coverage on qualified loans stood at 25.4%, and the NPL coverage was 54.6% compared to 45.9% at the end of 1Q 2007.

² The Bank's IFRS unconsolidated condensed financial statements are available on the website of OTP Bank (www.otpbank.hu) and the Budapest Stock Exchange (www.bse.hu).

By June 30, 2007 customer deposits amounted to HUF 2,704.8 billion, within them retail deposits representing 69.7%, corporate deposits 25.8%, municipality deposits 4.5% respectively. The volume of corporate deposits grew by 18.3% on a yearly base; municipal and retail deposit volumes decreased by 9.8% and 4.5% y-o-y, respectively. On the other hand within the retail current account deposits, the share of sight deposits increased from 42.8% in 1Q 2007 to 44.4%. The 34.1% decrease of municipal deposits was due to seasonal factors. The gross loan to deposit ratio was 103.3% at the end of June, by 8.2%-point higher than 12 months earlier.

By June 30, 2007 the total outstanding volume of covered mortgage bonds was HUF 963.1 billion, while the volume of other securities issued by OTP Bank amounted to HUF 381.3 billion.

Aggregated income statement of OTP Bank, OTP Mortgage Bank and OTP Building Society:

HUF mn	2Q 2006	1Q 2007	2Q 2007	Q-o-Q	Y-o-Y	1H 2006	1H 2007	Y-o-Y
Interest income	107,288	126,941	125,960	-0.8%	17.4%	212,762	252,901	18.9%
Interest inc. swap on loans	94	1,616	868	-46.3%	820.9%	181	2,483	1272.1%
Interest inc. swap on interbank loans	10,420	17,192	12,114	-29.5%	16.3%	24,062	29,306	21.8%
Interest expense	59,451	69,883	74,182	6.2%	24.8%	114,642	144,065	25.7%
Interest exp. swap on interbank deposits	19,982	13,189	14,842	12.5%	-25.7%	37,093	28,031	-24.4%
Interest exp. swap on deposits	-354	725	1,540	112.4%	-535.3%	968	2,266	134.2%
Net interest income	47,837	57,059	51,778	-9.3%	8.2%	98,120	108,837	10.9%
Net interest income (without swaps)	56,951	52,165	55,178	5.8%	-3.1%	111,938	107,344	-4.1%
Provision for possible loan losses	6,080	4,044	1,528	-62.2%	-74.9%	11,487	5,573	-51.5%
Net interest income after provision	41,758	53,014	50,250	-5.2%	20.3%	86,633	103,264	19.2%
Fee and commission income	42,136	42,761	44,463	4.0%	5.5%	81,460	87,224	7.1%
Fee and commission expense	18,994	18,300	19,880	8.6%	4.7%	35,591	38,180	7.3%
Net fees and commissions	23,141	24,461	24,583	0.5%	6.2%	45,869	49,044	6.9%
Foreign exchange gains, net	12,942	1,541	5,515	257.8%	-57.4%	19,083	7,056	-63.0%
Gain on securities, net	-2,469	549	2,970	440.6%	-220.3%	-3,026	3,519	-216.3%
Other non-interest income	5,798	19,209	412	-97.9%	-92.9%	21,879	19,621	-10.3%
Total non-interest income	39,413	45,760	33,479	-26.8%	-15.1%	83,805	79,239	-5.4%
Total income	87,250	102,819	85,257	-17.1%	-2.3%	181,925	188,076	3.4%
Personnel expenses	16,241	17,380	18,011	3.6%	10.9%	31,187	35,391	13.5%
Depreciation	4,452	4,458	5,677	27.4%	27.5%	8,922	10,135	13.6%
Other non-interest expenses	21,933	19,409	20,128	3.7%	-8.2%	39,089	39,537	1.1%
from this: contribution/special banking tax	2,759	1,632	1,689	3.5%	-38.8%	5,441	3,321	-39.0%
Total operating expenses	42,626	41,247	43,816	6.2%	2.8%	79,198	85,063	7.4%
Income before income taxes	38,544	57,528	39,912	-30.6%	3.6%	91,240	97,440	6.8%
Income taxes	7,149	5,724	6,743	17.8%	-5.7%	13,097	12,467	-4.8%
After tax profit	31,395	51,804	33,169	-36.0%	5.7%	78,143	84,973	8.7%
				%-point	%-point			%-point
Cost/income ratio	48.9%	40.1%	51.4%	11.3%	2.5%	43.5%	45.2%	1.7%
Cost/income ratio w/o funding cost and dividend	48.9%	47.2%	49.4%	2.3%	0.5%	47.5%	48.3%	0.8%
Net interest margin	3.86%	3.94%	3.51%	-0.42%	-0.35%	4.02%	3.76%	-0.26%
Net interest margin w/o swaps & funding cost	4.59%	3.81%	3.98%	0.16%	-0.62%	4.59%	3.94%	-0.65%
ROA	2.53%	3.57%	2.25%	-1.32%	-0.28%	3.20%	2.94%	-0.27%
ROE	24.8%	28.9%	17.9%	-11.0%	-6.9%	30.2%	23.1%	-7.1%

In the first half of 2007 OTP Core business realised HUF 85 billion profit after tax, which represented an increase of 8.7% over 1H 2006. During the period OTP Core business reached HUF 108.8 billion net interest income, by 10.9% higher than a year before, but this is mainly due to the swap interest results, which are HUF 4.7 billion against HUF -12.8 billion in the first half of the previous year. Net interest income without swaps reached HUF 107.3 billion, 4.1% lower than in 1H 2006.

Net interest margin on average total assets was 3.76%, which represented a decrease of 26 bps. Net interest margin without swaps and funding cost³ was 3.94% (-65 bps y-o-y).

Net fees and commissions reached HUF 49 billion, an increase of 6.9% on a yearly base. Fee and commission income increased by 7.1%, fee and commission expenses by 7.3% y-o-y, respectively. 40% of net fees were related to deposits and current accounts, fees on loans gave 24%, fees on cards 33% of total net fees, respectively. Compared to 1H 2006, fees on loans grew most dynamically (+43%), as a result of 34% decrease in commissions paid and 29.6% increase in fees received. The received fees on loans grew mainly because of the prepayments of mortgage loans.

³ Interest paid on Lower and Upper Tier 2 capital instruments

Non-interest income (without fees and commissions) dropped by 10.3% y-o-y. There were some shifts within the components of non-interest income compared to the previous year. Net gains on foreign exchange transactions grew from HUF 19.1 billion to HUF 7.1 billion, while the gains on securities amounted to HUF 3.5 billion vs. HUF -3.0 billion in 1H 2006. The gain on securities was a result of an IFRS fair value adjustment on a hedging swap transaction. (On the other hand OTP Mortgage Bank also booked interest expenses on the same transaction.)

Operating expenses of the core business were HUF 85.1 billion, by 7.4% higher over the same period a year earlier. Within that personnel expenses and depreciation grew 13.5% and 13.6%, respectively; while other non-interest income only by 1.1%. The special banking tax booked within other non-interest expenses amounted to HUF 3.3 billion vs. HUF 5.4 billion a year ago, due to legislative changes.

The cost to income ratio was 45.2% in 1H 2007 (+1.7%-points y-o-y). The cost to income ratio calculated without dividend and funding cost was 48.3% (+80 bps y-o-y). OTP Core business' return on average assets (ROA) was 2.94% (-27 bps y-o-y), return on equity (ROE) was 23.1% (-7.1%-points y-o-y).

In 2Q 2007 OTP Core business realised HUF 51.8 billion (+8.2% y-o-y and -9.3% q-o-q) net interest income and HUF 55.2 billion (-3.1% y-o-y and +5.8% q-o-q) without swaps. While interest income volume of HUF 126.0 billion showed 0.8% drop over the previous quarter, interest expenses increased by 6.2% q-o-q. The mainly FX swap related net swap interest result was HUF -3.4 billion vs. HUF 4.9 billion in 1Q 2007. Net interest margin on average total assets was 3.51% in 2Q 2007 representing a decline of 42 bps, while net interest margin without swaps and funding cost reached 3.98%, by 16 bps higher than in the previous quarter.

Profit after tax of OTP Core business amounted to HUF 33.2 billion reaching the same level as in 1Q without dividend and showing 5.7% growth compared to 2Q 2006.

Market shares of OTP Bank showed the following:

	30/06/2006	31/03/2007	30/06/2007	Q-o-Q	Y-o-Y
Total assets	23.5%	25.3%	25.0%	-0.3%	1.5%
Loans	20.7%	20.4%	20.2%	-0.2%	-0.5%
Retail	35.8%	33.6%	32.7%	-0.9%	-3.1%
Housing	43.9%	40.7%	39.5%	-1.2%	-4.4%
HUF	52.0%	51.1%	50.9%	-0.2%	-1.1%
FX	24.0%	22.0%	21.4%	-0.5%	-2.6%
Consumer	24.9%	24.7%	24.5%	-0.2%	-0.4%
Corporate	11.2%	10.7%	10.6%	-0.1%	-0.5%
Municipal	52.2%	55.9%	57.9%	1.9%	5.6%
Deposits	25.1%	23.7%	23.4%	-0.3%	-1.7%
Retail	33.3%	31.7%	31.6%	-0.1%	-1.7%
HUF	32.8%	31.3%	31.1%	-0.2%	-1.7%
FX	36.8%	34.3%	34.8%	0.5%	-2.0%
Corporate	10.6%	10.0%	10.3%	0.3%	-0.3%
Municipal	63.3%	65.1%	53.8%	-11.3%	-9.5%

As for the financial markets in Hungary the same trends continued as in the first quarter. As a result of weaker savings, volume of households deposits stagnated, while the loan demand showed no real sign of moderation. At the same time, revaluation of FX loans and high level of early repayments resulted in a moderate growth (+3.4% q-o-q) of housing loans. Volume of consumer loans increased by 8.1% q-o-q.

OTP Group's market share decreased almost in all segments. The Group realised the largest decline of market share in municipal deposits because of seasonal reasons, while the 1.2%-points drop in share of housing loans was the result of high prepayments, also, disbursements lagged behind the market growth. In case of corporate deposits and FX consumer loans the share of OTP Group increased slightly.

CAPITAL ADEQUACY (BASED ON HAR)

The HAR shareholders' equity of OTP Bank was HUF 606.1 billion on June 30, 2007, by HUF 139.4 billion higher than a year earlier. The growth was a result of an increase of HUF 17.5 billion in general reserves, as well as HUF 176.6 billion retained earnings, which counterbalanced a HUF 4.9 billion decline in balance sheet profit and a HUF 49.8 billion drop in tied-up reserves. Non-consolidated book value of one share with face value of HUF 100 was HUF 2,164.6 on June 30, 2007.

The guarantee capital of the Bank stood at HUF 356.3 billion or HUF 376.3 billion including profit for the period. Tier 2 capital amounted to HUF 285.4 billion. With risk weighted assets of HUF 2,992.1 billion (an increase of 25.2% y-o-y) the capital adequacy ratio – calculated according to the Hungarian regulations – reached 11.91%, higher than the minimal 8% level required by the Banking Act. The ratio calculated with 2Q 2007 profit was 12.58%.

MERKANTIL GROUP

Merkantil Group's aggregated, non-consolidated total assets amounted to HUF 344.6 billion on June 30, 2007, which means an increase of 4.0% y-o-y. The aggregated loan volume reached HUF 257.9 billion (-5.5% y-o-y). The Group's aggregated, non-consolidated profit after tax reached HUF 4.0 billion in the first half of this year⁴, which is by 8.4% higher than in the first six months of 2006. First half net interest income without swaps stood practically at the same level as in 1H 2006 (HUF 9.0 billion), whereas cost of risk (HUF 1.7 billion in 1H 2007) was by 27.2% less than a year before. ROE stood at 12.8% in 1H 2007 (versus 14.7% in previous year).

Merkantil Bank's and Merkantil Car's main market, the Hungarian car-financing business continued to stagnate also in this year: according to the Hungarian Leasing Association total car-financing loans' volume increased only by 0.5% in the last 12 months in Hungary, number of contracts even shrank by 10%. Comparing to these trends, Merkantil Bank managed to outperform the market: its total car-financing loan portfolio increased by 8.4% to HUF 238.4 billion (2Q 2006: 219.9 billion), number of contracts rose by 1.7% above 192 thousands.

Portfolio quality of Merkantil Bank and Car did not deteriorate significantly despite of the maturing leasing market: qualified⁵ and non-performing loans represented 90.6% and 7.6% of total lending volume on 30 June 2007, respectively (89.5% and 6.9% in 2Q 2006). Coverage of NPL stood at 85.7% (versus 78.4% a year before).

The Group's non-car-financing leasing business gained weight in the last 12 months: its volume grew from HUF 27.4 billion to HUF 45.1 billion (but there was no further increase in the last 6 months). However, Group Members engaged in real estate and other leasing business have still a negligible contribution to the Group's financial results.

OTP GARANCIA INSURANCE

OTP Garancia realised after-tax profit of HUF 3.6 billion in 1H 2007, which was by 26% less than the HUF 4.9 billion profit in the first half of 2006 – even though latter contained a significant one-off from selling of shares. Gross premium income represented almost the same amount as a year before, whereas insurance expenses grew by 8.2%. Thus the net insurance income fell by 30% y-o-y. Insurance reserves rose by 15.1% during the last 12 months, and by 2.4% in the last quarter to HUF 169.4 billion. Within this unit-linked reserves amounted to HUF 125.9 billion (+14.4 y-o-y, +2.2% q-o-q).

OTP Garancia had market shares of 9.2% (No.4 position) on the whole market, 10.0% (No.3 position) in the life segment and 8.3% (No.3 position) in the non-life segment as at June 30, 2007.

Components of the combined ratio of OTP Garancia:

HUF mn	2Q 2006	1Q 2007	2Q 2007	Q-o-Q	Y-o-Y	1H 2006	1H 2007	Y-o-Y
Damages	-5,998	-10,864	-13,146	21.0%	119.2%	-13,318	-24,011	80.3%
Expenses	-4,256	-4,208	-4,788	13.8%	12.5%	-8,740	-8,997	2.9%
Changes in insurance reserves	-8,077	-3,745	-3,968	6.0%	-50.9%	-16,051	-7,713	-51.9%
Gross premium income	18,464	18,197	19,568	7.5%	6.0%	37,760	37,766	0.0%
Result of investments	603	1,774	3,455	94.8%	473.4%	2,084	5,229	150.9%
				%-point	%-point			%-point
Combined ratio (%)	96.02%	93.66%	94.27%	0.62%	-1.74%	95.41%	93.98%	-1.43%

⁴ This figure do not include the effect of an intragroup dividend transaction, which increases the after tax profit in the P&L of Merkantil Bank by additional HUF 3 billion, because this transaction do not influence the consolidated result of OTP Bank.

⁵ Qualified loans represent an unusual high proportion of Merkantil Bank's and Car's total lending portfolio. However, this can be explained not by poor portfolio quality, but rather by the fact, that Merkantil Bank and Car classifies all FX-based loans and dealer financing loans as "to be monitored".

Foreign insurance subsidiaries owned by OTP Garancia (OTP Garancia životná poisťovňa and OTP Garancia poisťovňa in Slovakia; DSK Garancia Life Insurance and DSK Garancia Insurance in Bulgaria, OTP Garancia Asigurari. in Romania) realised a total loss of HUF 386.5 million in 1H 2007.

OTP FUND MANAGEMENT

In 1H 2007 pre-tax earnings of OTP Fund Management reached HUF 3.5 billion, it's after tax profit was 2.8 billion representing an increase of 28.6% over the base period 2006. During the first half of the year the Company realised HUF 6.2 billion fee and commission income representing a 4.9% growth on a yearly base. In 1H 2007 fund management fees amounted to HUF 4.2 billion, thus average fee on the net asset value of funds was 1.46%.

In the first half of 2007 the volume of assets under management of investment funds in Hungary expanded by 11.2%, within the growth of managed assets in securities funds around 16%. As for the net flows, bond funds, money market funds and guaranteed funds enjoyed growing popularity amongst clients. The company's market share remained stable, at the end of June, 2007 it was 27.9% (moreover the adjusted market share was 29.6%).

In case of funds managed by OTP Fund Management, the net asset value of OPTIMA Fund comprised 23.0% of total value under management, while the net asset value of MONEY MARKET Fund reached HUF 216.3 billion, which was 4.5% higher than a quarter earlier. Assets of pension funds reached HUF 600 billion, other institutional funds under management increased to HUF 163 billion.

Evolution of Assets under Management:

	30/06/2006	31/03/2007	30/06/2007	Q-o-Q	Y-o-Y
OTP Investment Funds	579.4	578.9	634.6	9.6%	9.5%
Pension Funds	448.7	544.5	592.3	8.8%	32.0%
o/w OTP Funds	438.1	533.3	580.4	8.8%	32.5%
OTP Private Pension Fund	353.3	435.3	475.8	9.3%	34.7%
OTP Voluntary Pension Fund	81.3	93.1	99.4	6.8%	22.3%
OTP Quantum Pension Fund	0.5	0.7	0.7	3.2%	51.1%
OTP Health Care Fund	3.1	4.3	4.5	4.5%	45.4%
Other pension funds	10.5	11.2	11.9	6.3%	13.5%
Other Institutional Investors	116.1	158.8	162.9	2.5%	40.3%
Assets under management, total	1,144.2	1,282.3	1,389.8	8.4%	21.5%

During the course of 1H 2007 OTP Fund Management paid out roughly HUF 2.4 billion in forms of fees and commissions to OTP Bank. The value creation⁶ of the company in the second quarter was HUF 3.1 billion, by 9.7% higher than a quarter earlier, representing a growth of 10.6% on a yearly base.

RESULTS OF THE MAIN FOREIGN SUBSIDIARIES

DSK GROUP

On June 30, 2007 total consolidated assets of DSK Group reached HUF 886.2 billion, which represented an increase of 15.0% compared to 1H 2007 (+0.7% q-o-q). During 1H 2007 DSK realized HUF 12.3 billion after-tax profit, which is by 17.3% higher than a year before.

Main Balance Sheet items of DSK Group:

HUF mn	30/06/2006	31/03/2007	30/06/2007	Q-o-Q	Y-o-Y
Cash and bank	20,409	25,781	18,204	-29.4%	-10.8%
Placements with other banks	169,159	244,760	212,546	-13.2%	25.6%
Financial assets at fair value	10,981	8,173	7,799	-4.6%	-29.0%
Trading securities	30,157	23,123	22,573	-2.4%	-25.1%
Gross loans	498,447	545,075	591,550	8.5%	18.7%

⁶ Profit before tax + fees paid and cash given free of charge to OTP Bank

⁷ Consolidated figures of DSK Bank, POK DSK-Rodina, DSK Trans Security, DSK Tours aggregated with figures of Asset Management (SPV).

HUF mn	30/06/2006	31/03/2007	30/06/2007	Q-o-Q	Y-o-Y
Provisions	-15,862	-21,042	-21,794	3.6%	37.4%
Net loans	482,586	524,034	569,755	8.7%	18.1%
Investments	2,894	3,210	3,234	0.7%	11.7%
Securities held-to-maturity	21,939	18,709	18,809	0.5%	-14.3%
Intangible assets	24,553	24,488	25,925	5.9%	5.6%
Other assets	7,866	7,577	7,390	-2.5%	-6.0%
ASSETS	770,544	879,854	886,234	0.7%	15.0%
Liabilities to credit institutions	118,381	164,851	163,850	-0.6%	38.4%
Deposits from customers	517,276	530,956	540,994	1.9%	4.6%
Issued securities	28,826	69,680	69,152	-0.8%	-
Other liabilities	16,349	20,637	12,618	-38.9%	-22.8%
LIABILITIES	680,832	786,124	786,613	0.1%	15.5%
TOTAL SHAREHOLDERS' EQUITY	89,712	93,730	99,621	6.3%	11.0%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	770,544	879,854	886,234	0.7%	15.0%
				%-point	%-point
Gross loans to deposits	96.4%	102.7%	109.3%	6.7%	13.0%

Gross loans amounting to 66.7% of the total assets grew by 18.7% y-o-y and 8.5% q-o-q. Retail lending volume increased by 13.4% during the last 12 months (+6.6% q-o-q), within this mortgage loans soared by 44.1% (+11.5% q-o-q), consumer loans went up by 1.6% (+4.0% q-o-q) Retail lending volume reached HUF 436.3 billion on 30 June 2007, and represented 73.7% of total loans. Corporate lending rose by 36.5% y-o-y and by 14.3% q-o-q, amounted to HUF 155.0 billion representing of 26.2% of all loans. Volume of corporate loans transferred earlier to the OTP Bank Hungary decreased from HUF 26 billion in 2Q 2006 to HUF 17 billion as at June 30 2007. DSK bought back mortgage loans from OTP Bank Hungary, which was co-financed by OTP Bank and accounted in the parent bank's balance sheet. Including also the transferred corporate loans DSK's total lending volume would have increased by 16.1% y-o-y and 8.3% q-o-q to HUF 608.6 billion.

Share of qualified loans represented 4.8% (5.3% in 1Q 2007). The NPL ratio was 3.8% (1Q 2007: 3.8%). The coverage on qualified loans stood at 64.9%, the NPL coverage was 78.1%. Because of prudential reasons, DSK creates provisions even on performing loans, the volume of which stood at HUF 3.4 billion on June 30, 2007.

Customer deposits were HUF 541 billion representing a slight increase of 1.9% q-o-q and 4.6% y-o-y. The proportion of retail deposits in total deposits was 82.8% (on June 30, 2006 84.5%). Loan to deposit ratio of DSK changed to 109.3% from 96.4% at the end of June 30, 2006 (including sold loans the ratio changed from 101.4% to 112.5%).

Main P&L items of DSK Group:

HUF mn	2Q 2006	1Q 2007	2Q 2007	Q-o-Q	Y-o-Y	1H 2006	1H 2007	Y-o-Y
Interest income	13,560	15,225	15,622	2.6%	15.2%	25,610	30,848	20.4%
Interest expense	3,570	5,046	5,215	3.3%	46.1%	6,437	10,261	59.4%
Net interest income	9,990	10,179	10,407	2.2%	4.2%	19,173	20,586	7.4%
Provision for possible loan losses	1,165	2,557	926	-63.8%	-20.5%	3,394	3,483	2.6%
Net interest income after provision	8,825	7,622	9,481	24.4%	7.4%	15,779	17,103	8.4%
Fee and commission income	3,751	4,119	4,666	13.3%	24.4%	7,086	8,785	24.0%
Fee and commission expense	251	239	244	1.8%	-3.1%	400	483	20.9%
Net fees and commissions	3,499	3,880	4,422	14.0%	26.4%	6,687	8,302	24.2%
Foreign exchange gains, net	126	125	186	48.0%	46.8%	244	311	27.6%
Gain on securities, net	-38	157	129	-18.2%	-438.7%	130	286	120.7%
Other non-interest income	102	170	265	55.8%	159.9%	394	435	10.4%
Total non-interest income (with net fees)	3,689	4,332	5,001	15.4%	35.6%	7,454	9,334	25.2%
Total income	13,680	14,511	15,408	6.2%	12.6%	26,627	29,920	12.4%
Personnel expenses	2,562	1,979	2,153	8.8%	-16.0%	4,055	4,132	1.9%
Depreciation	598	674	726	7.8%	21.4%	1,178	1,401	18.8%
Other non-interest expenses	3,342	3,381	3,830	13.3%	14.6%	5,638	7,211	27.9%
Total operating expenses	6,502	6,034	6,710	11.2%	3.2%	10,872	12,744	17.2%
Income before income taxes	6,013	5,920	7,772	31.3%	29.3%	12,361	13,693	10.8%
Income taxes	919	651	753	15.6%	-18.1%	1,881	1,404	-25.4%
After tax profit	5,094	5,270	7,019	33.2%	37.8%	10,481	12,289	17.3%
				%-point	%-point			%-point
Cost/income ratio	47.5%	41.6%	43.5%	2.0%	-4.0%	40.8%	42.6%	1.8%
Net interest margin (before provisioning)	5.69%	4.69%	4.71%	0.02%	-0.97%	5.66%	4.73%	-0.94%
ROA	2.90%	2.43%	3.18%	0.75%	0.28%	3.10%	2.82%	-0.27%
ROE	24.3%	22.9%	29.0%	6.1%	4.8%	26.0%	26.0%	-0.1%

In 1H 2007 DSK Group realised HUF 20.6 billion profit before tax, which was by 7.4% higher than in 1H 2006. The Group's interest income increased by 20.4% y-o-y, interest expense was almost 60% higher than a year before. Net interest margin on average total assets stood at 4.73% in the first half of the year, which was by 94 bps less than in the same period of 2006. Disregarding the result of loans sold, the NIM would be 5.33%, while the decline of the margin would be 65 bps.

Net fees and commissions rose by 24.2% y-o-y to HUF 8.3 billion in 1H 2007. The growth of fee and commission income was mainly induced by dynamic (+23.4% y-o-y) increase of fees from card business, whereas on the expense side the expansion of deposit and c/a transaction fees (+50.9% y-o-y) were sizable. Disregarding the result of loans sold, net interest income would have increased by 7.1% to HUF 21.1 billion, net fees and commissions by 8.7% to HUF 6.2 billion, respectively.

Operating costs amounted to HUF 12.7 billion in the first half of the year (+17.2% y-o-y). Within this personnel costs rose only by 1.9%, but other non-interest costs went up by 27.9%. Disregarding sold loans, other non-interest expenses would have amounted to HUF 5.7 billion (+10% y-o-y). The Group's cost to income ratio stood at 42.6% in the 1H 2007, and it was by 1.8 %-points higher than a year before. Disregarding sold loans, cost to income ratio would have increased from 38.4% to 39.7%.

In 2Q 2007 DSK Group's after-tax profit accounted for HUF 7.0 billion, which was by 33.2% higher than in 1Q 2007 and by 37.8% more than for the same period a year before. The Group realised in the second quarter interest income of HUF 15.6 billion and interest expense of HUF 5.2 billion, thus its net interest income amounted to HUF 10.4 billion. Net interest margin on average total assets represented 4.71%, which equals to an increase of 2 bps q-o-q, but to a decrease of 97 y-o-y. Disregarding the result of loans sold, the NIM would have been 5.33% (+5 bps q-o-q, -68 bps y-o-y).

Operating costs - without the effect of sold loans - amounted to HUF 6 billion in 2Q 2007 (+13.2% q-o-q, -1.3% y-o-y). Within this personnel costs were by 8.8% higher compared to 1Q 2007, but decreased by 16% y-o-y. Cost to income ratio in the second quarter of this year stood at 43.5% (+2.0%-point q-o-q, -4.0%-point y-o-y), without sold loans at 40.8% (+2.3%-point q-o-q, -2.2%-point y-o-y).

Evolution of DSK Bank's market shares:

	30/06/2006	30/09/2006	31/12/2006	31/03/2007	30/06/2007
Deposits	15.8%	15.6%	14.9%	15.2%	14.9%
Retail deposits	22.9%	22.8%	21.8%	21.6%	21.4%
BGN deposits	37.1%	36.6%	35.2%	34.8%	34.4%
FX deposits	11.0%	11.3%	11.3%	11.1%	11.0%
Corporate deposits	7.2%	7.1%	7.2%	7.2%	6.9%
Municipal deposits	10.0%	8.7%	9.7%	10.5%	8.6%
Loans	17.4%	17.0%	16.6%	16.5%	16.4%
Retail loans	36.3%	33.6%	33.0%	33.1%	32.5%
Housing loans	29.2%	29.5%	28.6%	28.8%	27.8%
Consumer loans	39.9%	35.6%	35.7%	35.8%	35.6%
Corporate loans	7.7%	7.3%	7.3%	7.2%	7.3%
Municipal loans	2.7%	1.5%	1.8%	2.2%	2.1%
Total Assets	14.2%	14.4%	14.4%	14.3%	14.3%

DSK Bank kept its 14.3% market share by total assets and dominant position in the retail segment despite of slight decrease of market shares. In the second quarter of 2007 the Bank increased the number of ATM and POS-terminals by 31 and 178, respectively. The number of branches grew by 5 to 374.

INVESTSBERBANK

On June 30, 2007 total assets of Investsberbank represented HUF 370 billion, with an increase of 12.5% over the previous quarter. Profit before tax reached HUF 4.2 billion, while profit after tax was HUF 2.9 billion.

Main components of Investsberbank's balance sheet:

HUF mn	31/03/2007	30/06/2007	Q-o-Q
Cash and bank	16,709	19,234	15.1%
Placements with other banks	14,069	30,193	114.6%
Financial assets at fair value	64,705	68,856	6.4%
Trading securities	92	90	-2.0%

HUF mn	31/03/2007	30/06/2007	Q-o-Q
Gross loans	216,115	236,320	9.3%
Provisions	-8,632	-10,864	25.9%
Net loans	207,483	225,456	8.7%
Intangible assets	18,806	19,432	3.3%
Other assets	6,864	6,412	-6.6%
ASSETS	328,727	369,673	12.5%
Liabilities to credit institutions	12,367	42,160	240.9%
Deposits from customers	254,982	261,445	2.5%
Issued securities	13,185	10,331	-21.6%
Other liabilities	4,530	5,035	11.1%
Subordinated loans	4,040	10,580	161.9%
LIABILITIES	289,105	329,552	14.0%
TOTAL SHAREHOLDERS' EQUITY	39,623	40,121	1.3%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	328,727	369,673	12.5%
			%-point
Gross loans to deposits	84.8%	90.4%	5.6%

The gross loan portfolio represented 64% of the total assets. The volume of gross loans amounted to HUF 236.3 billion, within that corporate loans comprised 51.2% (HUF 121 billion), retail loans – mainly (97%) consumer loans – 48% (HUF 113.5 billion). The total loan book grew by 9.3% q-o-q, with the corporate and retail loans growing by HUF 14.2 billion and by HUF 6 billion, respectively. In the consumer (POS) finance business ISB increased the number of its selling agents, a new incentive system has been introduced, and thus loan origination rose by 35-40% on y-o-y basis. Fundamentals of mortgage lending have been set up as well.

Provisions amounted to HUF 10.9 billion. Within the total loan book the qualified portfolio represented 35.4%, while NPLs were at 7.3%. Their coverage stood at 12.9% and 56.4%, respectively. The cost of risk on the average loan book was 4.26% (+97 bps q-o-q).

Deposits from customers represented 71% of total liabilities and reached HUF 261.4 billion (+2.5% q-o-q). Within that the volume of retail deposits reached HUF 168 billion (64%), the volume of corporate loans was HUF 94 billion (36%). Total shareholders' equity of the Bank was HUF 40.1 billion at the end of June, 2007, by 1.3% higher q-o-q.

Main components of Investsberbank's P&L account (IFRS):

HUF mn	1Q 2007	2Q 2007	Q-o-Q	1H 2007
Interest income	16,220	13,153	-18.9%	29,373
Interest expense	6,304	4,516	-28.4%	10,821
Net interest income	9,916	8,637	-12.9%	18,552
Provision for possible loan losses	8,827	2,318	-73.7%	11,144
Adjusted cost of risk	1,773	3,031	71.0%	-
Net interest income after provision	1,089	6,319	480.4%	7,408
Fees and commissions income	4,237	3,530	-16.7%	7,767
Fees and commissions expense	524	332	-36.6%	856
Net fees and commissions	3,713	3,197	-13.9%	6,910
Foreign exchange gains, net	242	294	21.5%	536
Gain on securities, net	465	525	12.8%	990
Other non-interest income	7,526	-1,033	-113.7%	6,494
o/w income from provisions on loans before acquisition	7,054	-714	-110.1%	6,341
Total non-interest income (with net fees)	11,946	2,984	-75.0%	14,930
Total income	21,862	11,620	-46.8%	33,483
Personnel expenses	5,918	4,351	-26.5%	10,269
Depreciation	1,236	776	-37.2%	2,012
Other non-interest expenses	3,356	2,463	-26.6%	5,819
Total operating expenses	10,510	7,590	-27.8%	18,100
Income before income taxes	2,525	1,713	-32.2%	4,238
Income taxes	508	821	61.7%	1,329
After tax profit	2,017	892	-55.8%	2,909
			%-point	
Cost/income ratio	48.1%	65.3%	17.2%	54.1%
Net interest margin (before provisioning)	12.05%	9.89%	-2.16%	10.62%
ROA	2.45%	1.02%	-1.43%	1.66%
ROE	20.7%	8.9%	-11.8%	14.8%

In 1H 2007 the Bank realized HUF 18.6 billion net interest income, the net interest margin on average total assets reached 10.62%. Within the total non-interest income of HUF 14.9 billion, fee and commission income

amounted to HUF 7.8 billion, other non-interest income to HUF 6.5 billion. Latter steemed mostly from write-backs of provisions, which were accounted before the consolidation of ISB into the OTP Group. Net fees and commissions were HUF 6.9 billion. Within the total amount of non-interest expenses (HUF 18.1 billion) personell costs reached HUF 10.3 billion. Cost to income ratio was 54.1%. ISB's return on equity equalled to 14.8%, ROA was 1.66%.

In the second quarter, ISB reached after tax profit of HUF 892 million, which was by 56% less than in 1Q 2007. Interest income and expense decreased by 18.9% and 28.4% q-o-q, respectively, thus net interest income deteriorated by 12.9%. Net interest margin on average assets represented 9.89%, which is by 216 bps lower than in 1Q 2007. Operating costs amounted to HUF 7.6 billion, which represented a 27.8% decrease compared to first quarter. Cost to income ratio stood at 65.3% (+17.2% q-o-q).

At the end of 2Q the Bank operated 109 branches (+4 q-o-q), the number of employees at Investsberbank was 6.091. While the network enlargement is lagging behind the budget, all the sites of 35-40 branches planned to be opened in 2007 have been choosen. In line with the management's intention few regional banks have been identified as potential purchase targets, due diligence is proceeding.

Set-up of the new top management has been finished: a new CEO was appointed on August 13, and new executives responsible for HR and back-office operations have been employed. Introduction of the new incentive system, development of new products and enhancement of distribution channels, professional education of selling agents have been processed or are being processed, collection of overdue credits improved significantly. These achievements will be reflected in the results of the next periods.

CJSC OTP BANK

On June 30, 2007 total assets of the Ukrainian CJSC OTP Bank were HUF 487 billion representing a growth of 6.7% on a quarterly base. The Bank realized approximately HUF 10 billion pre-tax profit, while profit after tax was HUF 7.3 billion, in the second quarter alone it was HUF 3.3 billion.

Main balance sheet items of CJSC OTP Bank:

HUF mn	31/03/2007	30/06/2007	Q-o-Q
Cash and bank	6,779	7,666	13.1%
Placements with other banks	54,368	39,475	-27.4%
Trading securities	4,777	7,083	48.3%
Gross loans	383,638	424,834	10.7%
Provisions	-1,202	-1,491	24.1%
Net loans	382,436	423,343	10.7%
Investments	10	10	0.0%
Intangible assets	4,729	5,123	8.3%
Other assets	3,128	4,246	35.7%
ASSETS	456,228	486,945	6.7%
Liabilities to credit institutions	248,438	275,474	10.9%
Deposits from customers	142,313	141,764	-0.4%
Other liabilities	12,959	9,622	-25.8%
Subordinated loans	6,340	6,252	-1.4%
LIABILITIES	410,050	433,113	5.6%
TOTAL SHAREHOLDERS' EQUITY	46,177	53,833	16.6%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	456,228	486,945	6.7%
			%-point
Gross loans to deposits	269.6%	299.7%	30.1%

At the end of June, 2007 customer loans represented 87.2%, and placements with other banks were 8.1% of total assets. The volume of customer deposits lagged behind the volume of loans, practically, due to the financing policy of the former parent company. Typically, the collection of deposit did not enjoy priority on the Ukrainian market, and as a consequence, deposits from customers were only 29.1% of total assets. The funding needs of the Bank were mainly ensured by interbank loans; its volume amounted to HUF 275.5 billion, representing 56.6% of total assets (1Q 2007: 54.5%).

At the end of June, 2007 retail loans represented 47.7% of total loan portfolio (1Q 2007: 44.2%), while corporate loans were 52.3% (1Q 2007: 55.8%). The distribution of deposits was similar to loans, retail deposits comprised 51.0% of total (1Q 2007: 50.1%), while corporate deposits reached 49.0% (1Q 2007: 49.9%).

During the last quarter the quality of loan portfolio remained stable in case of CJSC OTP Bank. The qualified ratio reached 3.0%, while NPL ratio was 2.6%. During the second quarter the coverage on qualified and non-performing loans improved. The coverage on qualified loans reached 11.6% (1Q 2007: 10.8%), in case of non-performing loans this ratio was 13.4% (1Q 2007: 12.7%).

Main P&L items of CJSC OTP Bank:

HUF mn	1Q 2007	2Q 2007	Q-o-Q	1H 2007
Interest income	12,288	13,405	9.1%	25,692
Interest expense	5,692	6,206	9.0%	11,898
Net interest income	6,596	7,198	9.1%	13,794
Provision for possible loan losses	592	308	-48.1%	900
Adjusted cost of risk	-333	270	-181.2%	-63
Net interest income after provision	6,004	6,891	14.8%	12,894
Fees and commissions income	1,075	1,073	-0.2%	2,148
Fees and commissions expense	171	218	27.1%	389
Net fees and commissions	903	855	-5.3%	1,759
Foreign exchange gains, net	377	335	-11.2%	712
Gain on securities, net	-2	-5	147.5%	-8
Other non-interest income	1,075	229	-78.7%	1,304
o/w income from provisions on loans before acquisition	925	38	-95.9%	962
Total non-interest income (with net fees)	2,353	1,414	-39.9%	3,767
Total income	8,949	8,612	-3.8%	17,561
Personnel expenses	1,652	1,768	7.0%	3,421
Depreciation	257	394	53.5%	651
Other non-interest expenses	1,100	1,562	42.1%	2,662
Total operating expenses	3,009	3,725	23.8%	6,733
Income before income taxes	5,348	4,580	-14.4%	9,928
Income taxes	1,365	1,249	-8.5%	2,614
After tax profit	3,983	3,330	-16.4%	7,313
			%-point	
Cost/income ratio	33.6%	43.3%	9.6%	38.3%
Net interest margin (before provisioning)	5.94%	6.11%	0.17%	6.00%
ROA	3.58%	2.82%	-0.76%	3.18%
ROE	35.6%	26.6%	-8.9%	30.1%

In the first half of 2007 CJSC OTP Bank realized close to HUF 14 billion net interest income, thus net interest margin reached 6.00%. The gross loan volume of the Bank constantly expanded during the last period, meanwhile about HUF 962 million was realised as a non-interest income from provisions on loans before acquisitions. On the other hand, non-interest expenses of the Bank increased significantly, mainly due to the marketing costs related to the rebranding and other costs of branch expansion.

In the second quarter of 2007 the Ukrainian subsidiary reached HUF 13.4 billion (+9.1% q-o-q) interest income and HUF 6.2 billion (+9.0% q-o-q) interest expenses, thus net interest income was HUF 7.2 billion. Pre-tax profit of the Bank decreased by 16.4%, as a consequence ROE was 26.6%, while ROA was 2.82%, respectively.

Evolution of CJSC OTP Bank's market shares:

	31/12/2006	31/03/2007	30/06/2007
Deposits	2.1%	2.0%	1.8%
Retail deposits	1.8%	1.6%	1.6%
HRK deposits	0.8%	0.8%	0.8%
FX deposits	2.8%	2.7%	2.5%
Corporate deposits	2.6%	2.5%	2.1%
Loans	4.0%	3.8%	3.7%
Retail loans	5.4%	5.1%	4.7%
Housing loans	11.9%	11.7%	10.6%
Consumer loans	2.3%	2.1%	1.9%
Corporate loans	3.3%	3.2%	3.2%
Total Assets	3.5%	3.3%	3.0%

At the end of June 2007 the market share of CJSC OTP Bank was 3.0% by total assets, and 1.6% in retail deposits, within that the Bank had a 2.5% share on FX deposit market. CJSC OTP Bank had a prominent market share in case of housing loans, it reached 10.6%.

In the first half of 2007 the Bank operated 78 branches and 58 ATMs. The number of employees was 2.432 on June 30, 2007.

OTP BANK ROMANIA

Total assets of OTP Bank Romania reached HUF 203.9 billion on June 30, 2007, by 85% higher than a year ago. Growth dynamics presented in RON would have been somewhat higher, since HUF weakened by 5% against the Romanian currency in the last 3 months.

Main balance sheet items of OTP Bank Romania:

HUF mn	30/06/2006	31/03/2007	30/06/2007	Q-o-Q	Y-o-Y
Cash and bank	4,867	2,531	3,310	30.8%	-32.0%
Placements with other banks	34,618	54,030	51,157	-5.3%	47.8%
Trading securities	795	301	393	30.6%	-50.6%
Gross loans	61,245	113,296	135,724	19.8%	121.6%
Provisions	-862	-1,118	-1,135	1.5%	31.7%
Net loans	60,383	112,178	134,589	20.0%	122.9%
Investments	588	1,141	1,170	2.6%	99.0%
Securities held-to-maturity	39	554	585	5.7%	1382.9%
Intangible assets	8,284	9,482	10,483	10.6%	26.6%
Other assets	663	7,746	2,248	-71.0%	239.3%
ASSETS	110,236	187,963	203,936	8.5%	85.0%
Liabilities to credit institutions	56,680	121,091	124,427	2.8%	119.5%
Deposits from customers	32,495	39,269	50,840	29.5%	56.5%
Other liabilities	1,480	3,429	4,617	34.7%	212.1%
LIABILITIES	90,654	163,788	179,884	9.8%	98.4%
TOTAL SHAREHOLDERS' EQUITY	19,582	24,175	24,052	-0.5%	22.8%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	110,236	187,963	203,936	8.5%	85.0%
				%-point	%-point
Gross loans to deposits	188.5%	288.5%	267.0%	-21.6%	78.5%

Growth of total assets was still supported by loan expansion: OBR's gross lending volume more than doubled compared to 1H 2006. This dynamics is even higher, if we include also mortgage loans HUF 26 billion, which has been transferred so far from OBR to OTP Bank Hungary, in order to mitigate the effect of the strict mandatory reserve rules of the National Bank of Romania. HUF 14.5 billion of this volume was transferred in the second quarter of 2007. Including also the transferred portfolio the growth rate of the total gross lending volume would have been 164.0% y-o-y (+29.5% q-o-q).

OBR's growth dynamics in mortgage loans continued to outperform the market: the Bank's total mortgage lending portfolio represented HUF 36 billion (of which HUF 26 billion have been transferred to OTP Bank) and thus OBR controls 4.4% of the whole market. However, the largest part (46%) of OBR's lending portfolio consists of corporate loans, their volume amounted to HUF 75.5 billion on June 30, 2007. (Beside, significant amount of corporate loans, which are arranged by OBR, are partially or fully financed by OTP Hungary). As a new development in Romanian lending activity, National Bank of Romania eased retail lending criteria in the last quarter abolishing the rule, which constrained the maximal potential instalment ratio of private persons to 40% of their monthly salary. This could further enhance the competition among banks in this market segment.

Portfolio quality improved: proportion of qualified loans decreased to 54.5% from 79.6% a year before, this was caused by the slight decline in share of FX loans. NPLratio⁸ went down to 2.8% (2Q 2006: 5.3%). Coverage ratio of NPL was still quite low as at June 30, 2007 (5.5%), what can be explained by Romanian regulation specialities.

The Bank's deposit volume increased in the last quarter significantly, by 29.5% to HUF 50.9 billion, as a result of OBR's deposit collecting campaign in June.

⁸ OBR classifies FX loans automatically to the "to be monitored" category.

Profit and loss account of OTP Bank Romania:

HUF mn	2Q 2006	1Q 2007	2Q 2007	Q-o-Q	Y-o-Y	1H 2006	1H 2007	Y-o-Y
Interest income	1,158	2,415	2,776	15.0%	139.8%	1,979	5,191	162.4%
Interest expense	473	1,373	1,812	32.0%	283.4%	782	3,185	307.4%
Net interest income	685	1,042	964	-7.5%	40.7%	1,197	2,007	67.6%
Provision for possible loan losses	159	198	-46	-123.2%	-128.9%	343	152	-55.7%
Net interest income after provision	526	845	1,010	19.6%	91.9%	854	1,855	117.3%
Fees and commissions income	416	699	490	-30.0%	17.6%	704	1,189	68.9%
Fees and commissions expense	121	343	327	-4.7%	170.7%	172	670	289.7%
Net fees and commissions	296	356	163	-54.3%	-44.9%	532	519	-2.4%
Foreign exchange gains, net	394	444	574	29.4%	45.8%	489	1,018	108.3%
Gain on securities, net	0	96	167	73.8%	-	0	264	-
Other non-interest income	2	4	-52			151	-48	-131.9%
Total non-interest income	691	901	852	-5.4%	23.3%	1,172	1,753	49.6%
Total income	1,376	1,943	1,816	-6.5%	32.0%	2,369	3,759	58.7%
Personnel expenses	1,059	874	1,613	84.5%	52.4%	1,686	2,487	47.5%
Depreciation	223	301	298	-0.8%	33.7%	398	599	50.7%
Other non-interest expenses	931	1,052	1,377	30.9%	48.0%	1,555	2,429	56.2%
Total operating expenses	2,213	2,227	3,289	47.7%	48.6%	3,639	5,515	51.6%
Income before income taxes	-996	-482	-1,426	196.1%	43.3%	-1,614	-1,908	18.2%
Income taxes	88	7	36	382.2%	-59.5%	53	43	-18.2%
After tax profit	-1,084	-489	-1,462	198.9%	34.9%	-1,667	-1,952	17.1%
				%-point	%-point			%-point
Cost/income ratio	160.8%	114.6%	181.1%	66.5%	20.3%	153.6%	146.7%	-6.9%
Net interest margin (before provisioning)	3.10%	2.19%	1.97%	-0.22%	-1.13%	2.89%	2.02%	-0.87%
ROA	-4.91%	-1.03%	-2.99%	-1.96%	1.92%	-4.03%	-1.96%	2.06%
ROE	-25.4%	-8.0%	-24.3%	-16.3%	1.2%	-20.0%	-15.9%	4.1%

OBR's net interest income exceeded HUF 2 billion in 1H 2007, which is an increase of 67.6% compared to last year. However, net interest margin deteriorated significantly to almost two-third of that in 1H 2006. Risk cost (1H 2007: HUF 152 million) amounted only to the half of the corresponding figure in the first half of 2006.

On the cost-side: personnel costs in the first six months increased by 47.5% to HUF 2.5 billion compared to 1H 2006, mainly due to the expansion of branch network. OBR's before tax loss stood at HUF 1.9 billion in 1H 2007, which is by 18% higher than a year before.

Estimated market shares⁹ of OTP Bank Romania:

	30/06/2006	30/09/2006	31/12/2006	31/03/2007	31/05/2007
Deposits	0.48%	0.56%	0.56%	0.53%	0.56%
Retail deposits	0.51%	0.60%	0.57%	0.54%	0.56%
RON deposits	0.42%	0.50%	0.49%	0.44%	0.48%
FX deposits	0.68%	0.78%	0.71%	0.71%	0.71%
Corporate deposits	0.45%	0.52%	0.55%	0.53%	0.55%
Loans	1.02%	1.38%	1.57%	1.72%	1.89%
Retail loans	1.11%	1.75%	2.04%	2.07%	2.19%
Housing loans	1.67%	3.69%	3.75%	3.96%	4.40%
Consumer loans	0.96%	1.25%	1.59%	1.60%	1.68%
Corporate loans	0.96%	1.11%	1.24%	1.45%	1.65%
Total Assets	1.0%	1.3%	1.5%	1.5%	

OBR opened two new branches in the last quarter, and thus it operates 73 branches and 85 ATM in Romania. Growth of client numbers was in line with lending volume increase: the expansion dynamics exceeded 130% during the last 12 months (1H 2007: approx. 114 thousands). Number of employees rose to 278 (by 72 q-o-q).

⁹ Since market share data for June were not available, we present end of May figures.

OTP BANKA HRVATSKA

On June 30, 2007 total assets of OTP banka Hrvatska reached HUF 375.3 billion; its profit after tax was HUF 1.648 million in 1H 2007.

Main balance sheet items of OTP banka Hrvatska:

HUF mn	30/06/2006	31/03/2007	30/06/2007	Q-o-Q	Y-o-Y
Cash and bank	4,692	8,038	8,976	11.7%	91.3%
Placements with other banks	98,683	107,571	107,167	-0.4%	8.6%
Trading securities	39,428	33,624	29,899	-11.1%	-24.2%
Gross loans	199,128	210,949	215,325	2.1%	8.1%
Provisions	-1,647	-2,639	-3,014	14.2%	83.0%
Net loans	197,480	208,310	212,310	1.9%	7.5%
Investments	2,738	2,635	2,694	2.3%	-1.6%
Securities held-to-maturity	618	542	539	-0.5%	-12.8%
Intangible assets	10,249	9,272	9,467	2.1%	-7.6%
Other assets	5,417	4,252	4,239	-0.3%	-21.8%
ASSETS	359,306	374,242	375,290	0.3%	4.4%
Liabilities to credit institutions	42,390	61,938	56,866	-8.2%	34.2%
Deposits from customers	276,467	268,315	272,429	1.5%	-1.5%
Other liabilities	7,983	8,023	8,804	9.7%	10.3%
LIABILITIES	326,840	338,276	338,098	-0.1%	3.4%
TOTAL SHAREHOLDERS' EQUITY	32,467	35,966	37,192	3.4%	14.6%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	359,306	374,242	375,290	0.3%	4.4%
				%-point	%-point
Gross loans to deposits	72.0%	78.6%	79.0%	0.4%	7.0%

On June 30, 2007 57.4% of total assets or HUF 215.3 billion were customer receivables, and 28.6% or HUF 107.2 billion were interbank receivables. The gross loan volume of OBH increased by 8.1% y-o-y.

Composition of gross loan portfolio remained stable. Within that the volume of retail loans expanded by 4.5% q-o-q reaching HUF 144.6 billion, its share in the total loan book increased to 67.1% at the end of 2Q 2007. Corporate loans represented 32.6% of the total book, their volume decreased by 2.6% reaching HUF 70.3 billion.

The quality of the loan book remained good, the rate of qualified and non-performing loans did not change significantly. While the qualified portion was 1.7%; NPL ratio was 1.4%. The coverage of the qualified book improved reaching 57.5% (1Q 2007: 48.0%), as a result of a slight increase of qualified loans (+2.4%), and a provision volume growth of 22.6%.

The volume of customer deposits expanded by 1.5% on a quarterly base, representing HUF 272.4 billion, while on a yearly base indicating 1.5% moderate decline. Out of total customer deposits the share of retail deposits increased marginally from 82.0% at the end of March 2007 to 82.8% by June 30, 2007. The volume of corporate deposits increased by HUF 2.6 billion during the second quarter representing 15.4% of the total volume (1Q 2007: 16.6%). The gross loan to deposits ratio reached 79.0% (at the end of June 2006 it was 72.0%).

P&L account of OTP banka Hrvatska:

HUF mn	2Q 2006	1Q 2007	2Q 2007	Q-o-Q	Y-o-Y	1H 2006	1H 2007	Y-o-Y
Interest income	4,607	5,008	5,127	2.4%	11.3%	8,722	10,135	16.2%
Interest expense	1,804	2,233	2,339	4.8%	29.7%	3,286	4,573	39.2%
Net interest income	2,804	2,775	2,788	0.5%	-0.6%	5,436	5,563	2.3%
Provision for possible loan losses	595	467	361	-22.8%	-39.4%	1,238	827	-33.2%
Adjusted cost of risk	595	12	-28		-104.6%	1,238	-15	-101.2%
Net interest income after provision	2,209	2,308	2,428	5.2%	9.9%	4,199	4,735	12.8%
Fees and commissions income	1,029	905	1,062	17.4%	3.2%	1,913	1,967	2.8%
Fees and commissions expense	376	294	319	8.6%	-15.0%	693	614	-11.4%
Net fees and commissions	653	611	743	21.6%	13.7%	1,220	1,354	10.9%
Foreign exchange gains, net	283	231	288	24.4%	1.5%	481	519	7.8%
Gain on securities, net	1	4	2	-40.5%	73.8%	88	6	-93.4%
Other non-interest income	901	430	558	29.9%	-38.0%	1,365	988	-27.6%
o/w income from provisions on loans before acquisition	0	455	388	-14.6%		0	843	!
Total non-interest income (with net fees)	1,838	1,275	1,591	24.7%	-13.5%	3,154	2,866	-9.1%
Total income	4,642	4,050	4,379	8.1%	-5.7%	8,591	8,429	-1.9%

HUF mn	2Q 2006	1Q 2007	2Q 2007	Q-o-Q	Y-o-Y	1H 2006	1H 2007	Y-o-Y
Personnel expenses	1,362	1,152	1,171	1.7%	-14.0%	2,481	2,323	-6.4%
Depreciation	189	205	211	3.2%	11.8%	358	416	16.1%
Other non-interest expenses	1,179	1,245	1,554	24.8%	31.8%	2,278	2,799	22.9%
Total operating expenses	2,730	2,601	2,936	12.9%	7.5%	5,117	5,537	8.2%
Income before income taxes	1,317	982	1,082	10.2%	-17.8%	2,236	2,065	-7.7%
Income taxes	269	198	219	10.7%	-18.7%	457	416	-8.8%
After tax profit	1,047	785	863	10.1%	-17.6%	1,779	1,648	-7.4%
				%-point	%-point			%-point
Cost/income ratio	58.4%	64.2%	67.1%	2.8%	8.6%	59.6%	65.7%	6.1%
Net interest margin (before provisioning)	3.26%	3.01%	2.98%	-0.03%	-0.29%	3.31%	3.01%	-0.30%
ROA	1.22%	0.85%	0.92%	0.07%	-0.30%	1.08%	0.89%	-0.19%
ROE	13.6%	9.4%	9.4%	0.0%	-4.1%	11.3%	9.7%	-1.6%

In the first half of 2007 OBH realised HUF 2.1 billion profit before tax – concerning the second quarter it was HUF 1.1 billion – by 7.7% below the figure of the first half a year earlier. Net interest income of the Bank was higher by 2.3% over the same period of 2006, while net interest margin was 3.01% representing a 30 bps decrease.

Net fees and commissions were 10.9% higher than a year before, due to the decrease of fee and commission expenses (-11.4%) together with the moderate expansion of fees and commission income (+2.8%) Non-interest income decreased by 9.1% y-o-y, within that there was a significant net loss on securities portfolio (HUF -82 million) as a result of a re-adjustment of its value. During the first half of the year the volume of risk cost was HUF 827 million, at the same time HUF 843 million (in the second quarter it was HUF 388 million) was released from the provisions on loans, made before the acquisition, so the adjusted cost of risk reached HUF 15.4 million. Operating expenses were higher by 8.2% over the same period a year earlier. The cost to income ratio increased by 610 bps reaching 65.7%, while ROA was 0.89% and ROE was 9.7%, respectively.

In the second quarter of 2007 the net interest income of the Bank was HUF 2.8 billion, meanwhile non-interest income was approximately HUF 1.6 billion, mainly it was the effect of the releasing from the provision on loans before acquisition. The cost to income ratio reached 67.1% representing a 280 bps increase on a quarterly base.

Market shares of OTP banka Hrvatska showed following:

	30/06/2006	30/09/2006	31/12/2006	31/03/2007	30/06/2007
Deposits	4.6%	4.5%	4.5%	4.5%	4.4%
Retail deposits	5.5%	5.5%	5.5%	5.5%	5.5%
HRK deposits	4.0%	3.8%	3.9%	5.9%	5.9%
FX deposits	6.1%	6.4%	6.3%	5.4%	5.4%
Corporate deposits	2.2%	2.2%	2.5%	2.5%	2.4%
Municipal deposits	3.0%	3.1%	3.2%	2.6%	2.9%
Loans	3.2%	3.2%	3.2%	3.3%	3.3%
Retail loans	3.9%	3.9%	3.9%	4.1%	4.3%
Housing loans	4.9%	4.8%	4.8%	4.8%	4.9%
Consumer loans	3.4%	3.4%	3.4%	3.7%	3.9%
Corporate loans	3.0%	2.9%	2.8%	2.8%	2.7%
Municipal loans	0.3%	0.3%	0.3%	0.1%	0.1%
Total Assets	3.4%	3.5%	3.5%	3.5%	3.5%

OTP banka Hrvatska has approximately 400 thousands customers, handled 299 thousands retail accounts. The number of cards issued by the Bank since end of 2Q 2006 decreased by 14% to 303 thousands, within that the number of credit cards was about 33 thousands, which shows a 23.3% y-o-y growth.

On June 30, 2007 OBH operated 97 branches, 100 ATMs (2Q 2006: 91) and 958 POS terminals (2Q 2006: 922). The number of employees reached 1,009 people, 48 people increase y-o-y and 5 people increase q-o-q.

OTP BANKA SLOVENSKO

On June 30, 2007 OBS's total assets were HUF 337.6 billion representing a 6.1% growth compared to June 30, 2006. Pre-tax profits were HUF 700 million, by 18.8% higher on a yearly base.

Main balance sheet data of OBS:

HUF mn	30/06/2006	31/03/2007	30/06/2007	Q-o-Q	Y-o-Y
Cash and bank	3,965	4,467	4,034	-9.7%	1.8%
Placements with other banks	98,757	91,168	93,145	2.2%	-5.7%
Financial assets at fair value	4,185	983	285	-71.1%	-93.2%
Gross loans	180,301	200,255	204,701	2.2%	13.5%
Provisions	-3,319	-2,849	-3,090	8.4%	-6.9%
Net loans	176,982	197,405	201,611	2.1%	13.9%
Investments	816	1,052	824	-21.7%	0.9%
Securities held-to-maturity	25,873	29,953	29,290	-2.2%	13.2%
Intangible assets	5,897	6,475	6,312	-2.5%	7.0%
Other assets	1,840	2,255	2,094	-7.1%	13.8%
ASSETS	318,314	333,758	337,595	1.1%	6.1%
Liabilities to credit institutions	49,142	38,068	38,648	1.5%	-21.4%
Deposits from customers	190,748	199,020	207,859	4.4%	9.0%
Issued securities	52,898	65,647	61,737	-6.0%	16.7%
Other liabilities	6,533	9,836	8,376	-14.8%	28.2%
LIABILITIES	299,321	312,570	316,620	1.3%	5.8%
TOTAL SHAREHOLDERS' EQUITY	18,994	21,187	20,975	-1.0%	10.4%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	318,314	333,758	337,595	1.1%	6.1%
				%-point	%-point
Gross loans to deposits	94.5%	100.6%	98.5%	-2.1%	4.0%

The volume of gross loans reached HUF 204.7 billion with an increase of 13.5%, representing 60.6% of total assets (2Q 2006: 56.6%). Out of total loans, corporate lending represented 67.7% (at the end of June, 2006 it was 67.7%), their volume increased by 13.5% y-o-y. The retail lending book grew by 12.8% on a yearly base, with housing loans increasing by 6.6% and consumer loans by 46.4%, respectively. They represented about 30% of gross loan book.

During the last year the qualified loan ratio and NPL ratio (4.8%) remained stable. The coverage on qualified loans reached 27.0%, while coverage on non-performing loans represented 27.5%. On a quarterly base the quality of loan portfolio slightly deteriorated: the qualified portion increased from 4.2% to 4.8%, while NPLs moderated from 29.0% to 27.5%.

At the end of June 2007, deposits stood at HUF 207.9 billion; of which retail deposits represented 41.4%, HUF 86 billion (+17.9% y-o-y). Corporate deposit of HUF 77.3 billion represented 37.2% of total deposits, whereas the volume of deposits from municipalities amounted to HUF 44.6 billion. Volume of issued securities grew by 16.7% y-o-y to HUF 61.7 billion representing 18.3% of total liabilities 16.8% as at June 30, 2006). Deposits to total liabilities increased to 61.6% (2Q 2006: 59.9%); their volume expanded by 9% y-o-y. Loans to deposits ratio stood at 98.5% on June 30, 2007, by 4%-points higher than a year earlier. Shareholders' equity increased by 10.4% to HUF 21 billion during a year.

Main P&L data of OBS:

HUF mn	2Q 2006	1Q 2007	2Q 2007	Q-o-Q	Y-o-Y	1H 2006	1H 2007	Y-o-Y
Interest income	3,505	4,245	4,327	1.9%	23.4%	6,477	8,572	32.3%
Interest expense	1,679	2,290	2,363	3.2%	40.8%	2,961	4,653	57.2%
Net interest income	1,827	1,956	1,964	0.4%	7.5%	3,517	3,920	11.4%
Provision for possible loan losses	1,016	587	275	-53.1%	-72.9%	1,203	862	-28.4%
Adjusted cost of risk	1,016	413	274	-33.6%	-73.0%	1,203	687	-42.9%
Net interest income after provision	811	1,369	1,689	23.4%	108.3%	2,313	3,057	32.2%
Fees and commissions income	640	731	658	-10.1%	2.8%	1,189	1,389	16.8%
Fees and commissions expense	155	129	162	25.4%	4.3%	303	291	-4.0%
Net fees and commissions	485	602	496	-17.7%	2.4%	886	1,098	24.0%
Foreign exchange gains, net	237	163	283	73.8%	19.2%	397	445	12.2%
Gain on securities, net	-75	0	-117		55.7%	-171	-117	-31.6%
Other non-interest income	687	200	80	-59.7%	-88.3%	731	280	-61.7%
o/w income from provisions on loans before acquisition	0	174	1	-99.4%		0	175	
Total non-interest income (with net fees)	1,334	965	742	-23.1%	-44.4%	1,843	1,707	-7.4%
Total income	3,160	2,921	2,706	-7.4%	-14.4%	5,360	5,626	5.0%

HUF mn	2Q 2006	1Q 2007	2Q 2007	Q-o-Q	Y-o-Y	1H 2006	1H 2007	Y-o-Y
Personnel expenses	807	765	949	24.1%	17.6%	1,568	1,714	9.3%
Depreciation	190	218	237	8.9%	25.0%	344	455	32.4%
Other non-interest expenses	901	863	1,033	19.7%	14.6%	1,655	1,895	14.5%
Total operating expenses	1,898	1,845	2,219	20.3%	16.9%	3,567	4,064	13.9%
Income before income taxes	246	489	211	-56.7%	-14.1%	589	700	18.8%
Income taxes	0	0	0			0	0	
After tax profit	246	489	211	-56.7%	-14.1%	589	700	18.8%
				%-point	%-point			%-point
Cost/income ratio	60.1%	63.2%	82.0%	18.8%	22.0%	66.6%	72.2%	5.7%
Net interest margin (before provisioning)	2.41%	2.37%	2.34%	-0.03%	-0.07%	2.42%	2.37%	-0.06%
ROA	0.32%	0.59%	0.25%	-0.34%	-0.07%	0.41%	0.42%	0.02%
ROE	5.3%	9.4%	4.0%	-5.4%	-1.3%	6.5%	6.8%	0.3%

In 1H 2007 OBS reached HUF 700 million profit before tax, which is by 18.8% higher than in 1H 2006. Net interest income increased by 11.4% on a yearly base. Based on average total assets, the net interest margin was 2.37%, a decrease of 6 bps y-o-y.

Non-interest revenues decreased by 7.4%, within that fee and commission income expanded by 16.8% y-o-y. Net fees and commissions were by 24% higher than in the 1H 2006. Operating expenses exceeded the volume of the base period by 13.9%. Within that category personnel expenses increased by 9.3% y-o-y. Cost to income ratio grew to 72.2% in 1H 2007, by 5.7%-points more than a year ago. Return on average assets reached 0.42% and return on equity was 6.8%.

In the second quarter of 2007 profit after tax of the Bank decreased significantly, by 56.7%. Within that net interest income remained stable (+0.4%), net fees and commissions moderated by 17.7%, while operating expenses were higher by 20.3%, respectively. The net interest margin slightly moderated (-3 bps) on a quarterly base, but the cost efficiency of the Bank deteriorated: the cost to income ratio was 82%. ROA was 0.25%, ROE was 4%.

Market shares of the Bank showed the following:

	30/06/2006	30/09/2006	31/12/2006	31/03/2007	30/06/2007
Deposits	4.6%	4.5%	4.5%	4.5%	4.4%
Retail deposits	5.5%	5.5%	5.5%	5.5%	5.5%
HRK deposits	4.0%	3.8%	3.9%	5.9%	5.9%
FX deposits	6.1%	6.4%	6.3%	5.4%	5.4%
Corporate deposits	2.2%	2.2%	2.5%	2.5%	2.4%
Municipal deposits	3.0%	3.1%	3.2%	2.6%	2.9%
Loans	3.2%	3.2%	3.2%	3.3%	3.3%
Retail loans	3.9%	3.9%	3.9%	4.1%	4.3%
Housing loans	4.9%	4.8%	4.8%	4.8%	4.9%
Consumer loans	3.4%	3.4%	3.4%	3.7%	3.9%
Corporate loans	3.0%	2.9%	2.8%	2.8%	2.7%
Municipal loans	0.3%	0.3%	0.3%	0.1%	0.1%
Total Assets	3.4%	3.5%	3.5%	3.5%	3.5%

In terms of market share the Bank's position remained stable. Number of clients amounted to 163 thousands, while the number of cards issued was over 103 thousands. The Bank operated 114 ATMs (2Q 2006: 111), 452 POS terminals (2Q 2006: 477) and had 90 branches at the end of June 2007 (2Q 2006: 82). At the end of the period number of employees reached 805 people.

OTP BANKA SRBIJA

OTP Bank merged its three Serbian subsidiaries on May 21, 2007, and operates further under the name OTP banka Srbija. The "new" bank had total assets of HUF 99.8 billion as at June 30, 2007, which was by HUF 13 billion lower than that of the three predecessor banks together at the end of 2006. This decrease was caused by the decline of the interbank placements.

Main balance sheet items of OTP banka Srbija:

HUF mn	31/03/2007	30/06/2007	Q-o-Q
Cash and bank	1,867	1,745	-6.5%
Placements with other banks	43,760	36,716	-16.1%
Financial assets at fair value	147	262	77.5%
Trading securities	665	685	3.0%
Gross loans	50,524	49,792	-1.4%
Provisions	-2,272	-3,333	46.7%
Net loans	48,252	46,459	-3.7%
Investments	213	190	-10.7%
Securities held-to-maturity	900	1,068	18.7%
Intangible assets	9,480	10,242	8.0%
Other assets	2,371	2,446	3.2%
ASSETS	107,656	99,814	-7.3%
Liabilities to credit institutions	23,232	18,022	-22.4%
Deposits from customers	43,398	40,523	-6.6%
Other liabilities	3,756	2,767	-26.3%
LIABILITIES	70,386	61,312	-12.9%
TOTAL SHAREHOLDERS' EQUITY	37,269	38,502	3.3%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	107,656	99,814	-7.3%
			%-point
Gross loans to deposits	116.4%	122.9%	6.5%

The new bank has not started its expansion phase yet, since most of the efforts were focused on the executing of the merge. Gross loan volume of OTP banka Srbija represented HUF 49.8 billion, of which 54.4% was provided to the corporate sector, the rest mostly to retail clients. Within this latter category consumer loans dominated, mortgage loan portfolio is still very small with its total volume of HUF 2 billion.

Proportion of qualified loans reached 52.6%, the same ratio for NPL was 17.3%. Both of these values exceeded OTP Group's average. Coverage of NPL accounted for 33.8%.

On the liability side, customer deposits reached HUF 40.5 billion, thus gross loan to deposits ratio was 122%. Within customer deposits corporate deposits represented 34%, retail deposits amounted to 56%.

Profit and loss account of OTP banka Srbija:

HUF mn	1Q 2007	2Q 2007	Q-o-Q	1H 2007
Interest income	2,441	2,464	0.9%	4,906
Interest expense	597	861	44.3%	1,458
Net interest income	1,845	1,603	-13.1%	3,448
Provision for possible loan losses	2,166	1,045	-51.7%	3,211
Adjusted cost of risk	506	203	-60.0%	709
Net interest income after provision	-321	558	-273.8%	237
Fees and commissions income	700	645	-7.8%	1,345
Fees and commissions expense	62	66	6.4%	128
Net fees and commissions	638	579	-9.1%	1,217
Foreign exchange gains, net	-234	385	-264.4%	151
Gain on securities, net	2	3	25.9%	5
Other non-interest income	2,601	1,765	-32.1%	4,365
o/w income from provisions on loans before acquisition	1,660	843	-49.2%	2,502
Total non-interest income	3,006	2,732	-9.1%	5,738
Total income	4,851	4,336	-10.6%	9,186
Personnel expenses	902	783	-13.2%	1,685
Depreciation	164	171	4.0%	335
Other non-interest expenses	1,245	1,843	48.0%	3,088
Total operating expenses	2,311	2,797	21.0%	5,107
Income before income taxes	374	494	32.2%	868
Income taxes	2	0		2
After tax profit	371	494	33.0%	866
			%-point	
Cost/income ratio	47.6%	64.5%	16.9%	55.6%
Net interest margin (before provisioning)	6.68%	6.18%	-0.49%	6.47%
ROA	1.34%	1.91%	0.56%	1.62%
ROE	4.0%	5.2%	1.2%	4.6%

OTP banka Srbija reached after tax profit of HUF 866 million in 1H 2007. However, this result was influenced significantly by write-backs of provisions, which have been made before the consolidation of the three predecessor banks. These write-backs were accounted as non-interest income in a total value of HUF 2.5 billion during the first half of the year.

Estimated market shares of OTP banka Srbija:

	31/03/2007	30/06/2007
Deposits	2.47%	2.16%
Retail deposits	1.50%	1.36%
CSD deposits	2.83%	2.62%
FX deposits	1.36%	1.24%
Corporate deposits	3.31%	2.80%
Municipal deposits	9.89%	11.00%
Loans	2.59%	2.23%
Retail loans	1.64%	1.56%
Housing loans	0.00%	0.00%
Consumer loans	1.39%	0.00%
Corporate loans	3.17%	2.64%
Municipal loans	1.55%	1.20%
Total Assets	2.57%	2.25%

OTP banka Srbija issued more than 189,000 cards, of which approx. 25% were credit cards. The Bank had 96 branches, 63 ATMs and more than 2,500 POS terminals. Number of employees amounted to 1,200.

CRNOGORSKA KOMERCIJALNA BANKA

CKB was consolidated in 1Q 2007 for the first time. Since that the Bank's total assets increased by 15.6% to HUF 186.0 billion. This growth was induced mainly by the expansion of lending portfolio (+21.9% q-o-q).

IMain balance sheet items of CKB:

HUF mn	31/03/2007	30/06/2007	Q-o-Q
Cash and bank	9,937	11,135	12.1%
Placements with other banks	38,399	38,207	-0.5%
Financial assets at fair value	52	52	-0.8%
Trading securities	43	43	-0.8%
Gross loans	106,364	129,608	21.9%
Provisions	-124	-480	287.0%
Net loans	106,241	129,128	21.5%
Securities held-to-maturity	261	259	-0.8%
Intangible assets	4,076	4,065	-0.3%
Other assets	1,981	3,143	58.7%
ASSETS	160,990	186,031	15.6%
Liabilities to credit institutions	16,016	11,971	-25.3%
Deposits from customers	131,794	155,396	17.9%
Other liabilities	4,530	6,501	43.5%
Subordinated loans	0	2,951	
LIABILITIES	152,340	176,819	16.1%
TOTAL SHAREHOLDERS' EQUITY	8,650	9,213	6.5%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	160,990	186,031	15.6%
			%-point
Gross loans to deposits	80.7%	83.4%	2.7%

Montenegrin banking sector shows a strong expansion this year: total assets grew by 30% in the first 4 months of 2007, their profitability improved, as well. CKB increased especially dynamically its retail lending portfolio, by 44% to HUF 39 billion in the last 3 months (the dynamics of growth and the volumes both were equally distributed between housing and consumer loans). Corporate loans rose by 22% to HUF 83.4 billion. These figures are well above the planned ones.

Qualified and non-performing loans represented 18.4% and 5.0% of the total lending volume, respectively (vs. 10.2% and 3.8% in 1Q 2007¹⁰). Coverage of non-performing loans was also low, 1.6% because of the consolidation effects – net value of CKB's loans before consolidation became gross values after the consolidation – in 1Q 2007.

On the liability side the growth rate of deposits (+17.9% q-o-q) was lower than that of the loans, however it exceeded expectations. OTP Bank provided subordinated loans amounting to EUR 12 million to CKB, in order to ensure capital base for further expansion.

¹⁰ Figures of 1Q 2007 announced in May have been corrected ex post according to classification methods of OTP Bank.

Profit and loss account of CKB:

HUF mn	1Q 2007	2Q 2007	Q-o-Q	1H 2007
Interest income	2,063	2,608	26.4%	4,671
Interest expense	1,380	1,499	8.6%	2,879
Net interest income	683	1,109	62.5%	1,792
Provision for possible loan losses	126	360	185.3%	486
Net interest income after provision	557	749	34.6%	1,306
Fees and commissions income	965	1,115	15.6%	2,080
Fees and commissions expense	218	256	17.1%	474
Net fees and commissions	747	860	15.1%	1,606
Foreign exchange gains, net	69	66	-3.5%	135
Other non-interest income	41	23	-43.6%	65
Total non-interest income	857	949	10.8%	1,806
Total income	1,540	2,059	33.7%	3,598
Personnel expenses	446	473	5.9%	919
Depreciation	96	95	-1.3%	191
Other non-interest expenses	345	468	35.4%	813
Total operating expenses	888	1,035	16.6%	1,923
Income before income taxes	525	663	26.2%	1,189
Income taxes	27	26	-2.6%	53
After tax profit	498	637	27.8%	1,135
			%-point	
Cost/income ratio	57.7%	50.3%	-7.4%	53.5%
Net interest margin (before provisioning)	1.84%	2.56%	0.71%	2.23%
ROA	1.34%	1.47%	0.12%	1.41%
ROE	27.5%	28.5%	1.0%	30.1%

CKB reached after tax profit of HUF 1.1 billion in 1H 2007, which is by 16% higher than the Bank's whole 2006-year profit. According to the deterioration of the portfolio quality risk costs increased significantly in the last quarter, but this could be counterbalanced by the growth of net interest income. Comparing to other Group Members CKB has a high proportion (45%) of net fee income within its total income, thus the Bank – together with its increasing net interest margin – showed good performance indicators in the 1H 2007 (ROE: 30.2%, ROA: 1.41%).

Estimated market shares¹¹ of CKB:

	31/12/2006	31/03/2007	31/05/2007
Deposits	41,5%	42,0%	41,3%
Loans	38,3%	37,7%	36,0%
Total assets	37,9%	37,5%	36,4%

CKB's branch network expanded by 1 to 34 branches during the last quarter, number of POS terminals also increased significantly by 13.8% to above 1,500. CKB issued 162 thousand cards till June 30, 2007, of which 10% were credit cards. The Bank had more than 226,000 retail and 16,800 corporate clients. Number of employees was 329 on June 30, 2007 (+9 q-o-q).

STAFF LEVEL AND OTHER INFORMATION

The closing staff number of the whole group was 29,035 persons as of June 30, 2007, during the second quarter the staff increased by 500 persons. Year-on-year growth was 10,130 persons due to the consolidation of the new foreign subsidiaries and a reclassification at ISB.

The closing number of OTP Bank staff was 8,245 on June 30, 2007, 244 more than at the end of June, 2006 and 41 persons more than at the end of March, 2007. In the second quarter of 2007 the staff in the branch network decreased by 58 people, in the headquarters the number of staff increased by 101 persons.

	30/06/2006	31/03/2007	30/06/2007	Q-o-Q	Y-o-Y
OTP BANK					
Closing staff (persons)	8,001	8,204	8,245	0.5%	3.0%
Average staff (persons)	7,936	8,171	8,198	0.3%	3.3%
Per capita total assets (HUF mn)	494.4	574.2	568.2	-1.0%	14.9%
Per capita profit after tax quarterly (HUF mn)	4.0	6.3	10.0	60.4%	148.2%

¹¹ Latest market shares figures for June 2007 are not available yet.

	30/06/2006	31/03/2007	30/06/2007	Q-o-Q	Y-o-Y
GROUP					
Closing staff (persons)	18,905	28,535	29,035	1.8%	53.6%
Average staff (persons)	18,668	28,098	28,802	2.5%	54.3%
Per capita consolidated total assets (HUF mn)	375.4	262.2	261.5	-0.3%	-30.4%
Per capita consolidated profit after tax quarterly (HUF mn)	2.5	1.8	1.76	-2.1%	-29.7%

Branch network of OTP Group grew by 42 branches in the first half of 2007, of which 13 branches were opened in Ukraine. In Russia only 4 new branches started their operation, however further 35-40 sites are already chosen, where branch opening is expected in the following months. ATM and POS network of the Group widened further, the number of issued cards grew significantly in case of CJSC OTP Bank, OBR and DSK.

	June 30, 2007						Change YTD					
	Bank branches	ATMs	POSs	Bank cards (th)	Number of clients (th)	Staff (closing)	Bank branches	ATMs	POSs	Bank cards	Number of clients	Staff (closing)
OTP Bank	408	1,923	29,466	4,042	4,746	8,245	0	36	2,207	-51	-49	76
DSK Bank	374	698	1,950	1,418	3,552	4,083	8	58	223	101	186	-20
OTP Banka Slovensko	90	114	452	103	163	805	4	2	11	1	4	33
OTP banka Hrvatska	97	100	958	303	423	1,009	1	1	-40	-70	10	17
OTP Bank Romania	73	85	73	56	114	919	7	10		22	36	124
CJSC OTP Bank	78	58	100	108	139	2,432	13	9		19	18	411
Investsberbank	109	126	6,303	1,854	880	6,091	4					743
OTP banka Srbija	96	63	2,552	191	183	1,200	4					545
CKB	34	66	1,589	168	244	329	1					
Network banks total	951	1,310	13,977	4,201	5,698	18,639	42	80	194	73	254	1,853
Group total (aggregated)	1,359	3,233	37,140	8,242	10,444	29,035	42	344	6,381	2,185	158	2,169

PERSONAL AND ORGANIZATIONAL CHANGES

In the second quarter of 2007 Csaba Lantos, member of the Board of Directors, Deputy CEO terminated his employment with the Bank based on mutual agreement and resigned from all of his position within the bank effective from June 30, 2007. The Chairman and CEO appointed Antal Kovács as Deputy CEO in charge of the Retail Division effective from 1 July. Mr. Antal Kovacs was previously the head of South-Transdanubian Region of the Bank; he is the member of Supervisory Board.

There was neither change in the composition of the Supervisory Board nor in the Auditor of OTP Bank.

Budapest, August 13, 2007

OTP Bank Plc.

FINANCIAL DATA

NON-CONSOLIDATED AND CONSOLIDATED IFRS BALANCE SHEET

in HUF million	OTP Bank			Consolidated		
	30/06/2007	30/06/2006	change	30/06/2007	30/06/2006	change
Cash, due from banks and balances with the National Bank of Hungary	206,220	430,981	-52.2%	292,495	480,341	-39.1%
Placements with other banks, net of allowance for possible placement losses	764,306	519,884	47.0%	654,212	456,567	43.3%
Financial assets at fair value through profit and loss	71,355	52,075	37.0%	201,112	67,092	199.8%
Securities held-for-trading	40,481	41,346	-2.1%	169,971	56,191	202.5%
Fair value adjustment of derivative financial instruments	30,874	10,729	187.8%	31,141	10,901	185.7%
Securities available-for-sale	367,244	349,041	5.2%	462,459	403,586	14.6%
Loans, net of allowance for possible loan losses	1,843,789	1,634,571	12.8%	4,834,832	3,575,435	35.2%
Accrued interest receivable	44,964	36,761	22.3%	64,352	39,502	62.9%
Investments in subsidiaries	601,693	232,389	158.9%	8,659	9,123	-5.1%
Securities held-to-maturity	637,201	528,360	20.6%	399,989	289,535	38.1%
Premises, equipment and intangible assets, net	100,430	106,576	-5.8%	509,606	266,365	91.3%
Other assets	47,340	65,114	-27.3%	164,394	147,717	11.3%
TOTAL ASSETS	4,684,542	3,955,752	18.4%	7,592,110	5,735,263	32.4%
Due to banks and deposits from the National Bank of Hungary and other banks	521,908	453,455	15.1%	684,414	449,774	52.2%
Deposits from customers	2,587,332	2,610,123	-0.9%	4,364,756	3,715,398	17.5%
Liabilities from issued securities	381,308	225,638	69.0%	940,008	569,222	65.1%
Accrued interest payable	36,490	10,228	256.8%	78,790	32,377	143.4%
Other liabilities	149,094	125,595	18.7%	388,283	318,360	22.0%
Subordinated bonds and loans	290,697	51,383	465.7%	293,481	51,383	471.2%
TOTAL LIABILITIES	3,966,829	3,476,422	14.1%	6,749,732	5,136,514	31.4%
SHARE CAPITAL	28,000	28,000	0.0%	28,000	28,000	0.0%
RETAINED EARNINGS AND RESERVES	689,713	501,557	37.5%	870,790	629,514	38.3%
Retained earnings and reserves without earnings	607,424	426,023	42.6%	769,773	536,518	43.5%
Reserves	582,152	411,095	41.6%	617,433	524,217	17.8%
Fair value adjustment of securities available-for-sale and of derivative financial instruments recognised directly through equity	8,680	4,060	113.8%	3,567	1,433	148.9%
Fair value adjustment of share based payments	16,592	10,868	52.7%	16,592	10,868	52.7%
Additional reserve (issued capital element)				132,181		
Retained earnings	82,289	75,534	8.9%	101,017	92,996	8.6%
TREASURY SHARES	0	-50,227	-100.0%	-61,537	-59,739	3.0%
MINORITY INTEREST				5,125	974	
TOTAL SHAREHOLDERS' EQUITY	717,713	479,330	49.7%	842,378	598,749	40.7%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	4,684,542	3,955,752	18.4%	7,592,110	5,735,263	32.4%

NON-CONSOLIDATED AND CONSOLIDATED IFRS PROFIT AND LOSS ACCOUNT

in HUF million	OTP Bank			Consolidated		
	1H 2007	1H 2006	change	1H 2007	1H 2006	change
Loans	96,821	76,508	26.6%	268,236	179,696	49.3%
Interest income without swap	94,338	76,327	23.6%	265,750	179,515	48.0%
Results of swaps	2,483	181		2,486	181	
Placements with other banks	45,130	29,611	52.4%	43,009	31,014	38.7%
Interest income without swap	18,831	6,989	169.4%	11,095	6,951	59.6%
Results of swaps	26,299	22,622	16.3%	31,914	24,063	32.6%
Due from banks and balances with the National Bank of Hungary	5,947	12,946	-54.1%	6,439	13,653	-52.8%
Securities held-for-trading	1,689	821	105.7%	4,014	1,103	263.9%
Securities available-for-sale	12,249	13,033	-6.0%	16,119	12,070	33.5%
Securities held-to-maturity	26,941	20,057	34.3%	16,366	9,052	80.8%
Total Interest Income	188,777	152,976	23.4%	354,183	246,588	43.6%
Due to banks and deposits from the National Bank of Hungary and other banks	31,735	38,658	-17.9%	37,696	41,330	-8.8%
Interest expenses without swap	9,937	4,019	147.3%	12,896	5,462	136.1%
Losses of swaps	21,798	34,639	-37.1%	24,800	35,868	-30.9%
Deposits from customers	53,467	35,229	51.8%	84,309	45,993	83.3%
Interest expenses without swap	51,201	34,261	49.4%	82,028	45,025	82.2%
Losses of swaps	2,266	968	134.1%	2,281	968	
Liabilities from issued securities	6,731	2,935	129.3%	23,774	13,817	72.1%
Subordinated bonds and loans	7,707	951	710.4%	7,831	951	723.4%
Other entrepreneurs				50	44	13.6%
Total Interest Expense	99,640	77,773	28.1%	153,660	102,135	50.4%
NET INTEREST INCOME	89,137	75,203	18.5%	200,523	144,453	38.8%
Provision for possible loan losses	5,000	11,552	-56.7%	28,023	9,289	201.7%
Provision for possible placement losses	0	0		90	0	
Provision for possible loan and placement losses	5,000	11,552	-56.7%	28,113	9,289	202.6%
NET INTEREST INCOME AFTER PROVISION FOR POSSIBLE LOAN AND PLACEMENT LOSSES	84,137	63,651	32.2%	172,410	135,164	27.6%
Fees and commissions	75,495	71,337	5.8%	88,737	69,309	28.0%
Foreign exchange gains and losses, net	7,015	17,843	-60.7%	8,421	19,060	-55.8%
Gains and losses on securities, net	-975	-3,406	-71.4%	6,839	435	
Gains and losses on real estate transactions, net	-6	82	-107.3%	847	688	23.1%
Dividend income and gains and losses of associated companies	18,578	15,081	23.2%	605	508	19.1%
Insurance premiums				37,807	37,844	-0.1%
Other	997	6,669	-85.1%	20,915	8,148	156.7%
Total Non-Interest Income	101,104	107,606	-6.0%	164,171	135,992	20.7%
Fees and commissions	10,515	9,207	14.2%	18,155	14,351	26.5%
Personnel expenses	35,026	30,383	15.3%	71,316	49,125	45.2%
Depreciation and amortization	9,995	8,785	13.8%	17,529	12,925	35.6%
Insurance expenses				32,094	29,534	8.7%
Other	35,518	35,432	0.2%	74,534	54,103	37.8%
Total Non-Interest Expense	91,054	83,807	8.6%	213,628	160,038	33.5%
INCOME BEFORE INCOME TAXES	94,187	87,450	7.7%	122,953	111,118	10.7%
Income taxes	11,898	11,916	-0.2%	21,755	18,197	19.6%
INCOME AFTER INCOME TAXES	82,289	75,534	8.9%	101,198	92,921	8.9%
Minority interest				-181	75	
NET INCOME	82,289	75,534	8.9%	101,017	92,996	8.6%

NON-CONSOLIDATED AND CONSOLIDATED IFRS CASH-FLOW STATEMENT

in HUF million	OTP Bank			Consolidated		
	1H 2007	1H 2006	change	1H 2007	1H 2006	change
OPERATING ACTIVITIES						
Income before income taxes	94,187	87,450	7.7%	122,953	111,118	10.7%
Adjustments to reconcile income before income taxes to net cash provided by operating activities						
Income tax paid	-12,006	-11,675	2.8%	-19,614	-15,465	26.8%
Depreciation and amortization	9,995	8,785	13.8%	17,529	12,925	35.6%
Provision for loan and placement losses	7,592	12,175	-37.6%	32,559	7,619	327.3%
Net increase in insurance reserves				8,306	17,357	-52.1%
Share-based compensation	2,562	2,765	-7.3%	2,562	2,765	-7.3%
Unrealised losses on fair value adjustment of securities held of trading	61	3,206	-98.1%	62	-3,192	-101.9%
Unrealised losses / (gains) on fair value adjustment of derivative financial instruments	1,757	15,294	-88.5%	908	16,222	-94.4%
Changes in operating assets and liabilities	8,308	-20,426	-140.7%	-60,192	-67,011	-10.2%
Net cash provided by operating activities	112,456	97,574	15.3%	105,073	82,338	27.6%
INVESTING ACTIVITIES						
Net cash used in investing activities	-378,559	-311,884	21.4%	-495,531	-445,413	11.3%
FINANCING ACTIVITIES						
Net cash provided by financing activities	43,017	253,052	-83.0%	149,423	349,974	-57.3%
Net (decrease) / increase in cash and cash equivalents	-223,086	38,742		-241,035	-13,101	
Cash and cash equivalents at the beginning of the period	294,581	261,044	12.8%	396,658	361,996	9.6%
Cash and cash equivalents at the end of the period	71,495	299,786	-76.2%	155,623	348,895	-55.4%
DETAILS OF CASH AND CASH EQUIVALENTS						
Cash, due from banks and balances with the National Bank of Hungary	429,325	379,249	13.2%	532,625	483,191	10.2%
Compulsory reserve established by the National Bank of Hungary	-134,744	-118,205	14.0%	-135,967	-121,195	12.2%
Cash and equivalents at the beginning of the period	294,581	261,044	12.8%	396,658	361,996	9.6%
Cash, due from banks and balances with the National Bank of Hungary	206,220	430,981	-52.2%	292,495	480,341	-39.1%
Compulsory reserve established by the National Bank of Hungary	-134,725	-131,195	2.7%	-136,872	-131,446	4.1%
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	71,495	299,786	-76.2%	155,623	348,895	-55.4%

Ownership structure of OTP Bank Plc.

Description of owner	Total equity					
	January 1, 2007			June 30, 2007		
	Ownership	Voting rights	No of shares	Ownership	Voting rights	No of shares
Domestic institution/company	7.3%	11.9%	20,532,012	11.4%	11.5%	31,956,799
Foreign institution/company	86.1%	79.7%	241,020,631	80.7%	81.4%	226,054,437
Domestic individual	1.0%	1.7%	2,856,043	3.1%	3.2%	8,816,808
Foreign individual	0.0%	0.0%	52,842	0.1%	0.1%	167,362
Employees, senior officers	3.0%	4.9%	8,391,992	2.0%	2.0%	5,691,804
Treasury shares	0.8%	0.0%	2,120,560	0.8%	0.0%	2,168,560
Government held owner	0.3%	0.5%	825,921	0.3%	0.3%	944,230
International Development Institutions	1.5%	1.4%	4,200,000	1.5%	1.5%	4,200,000
Other	0.0%	0.0%	0	0.0%	0.0%	0
TOTAL	100.0%	100.0%	280,000,001	100.0%	100.0%	280,000,000

Number of treasury shares held in the year under review

	January 1	March 31	June 30	September 30	December 31
Company	22,000	120,310	70,000		
Subsidiaries	2,098,560	2,098,560	2,098,560		
TOTAL	2,120,560	2,218,870	2,168,560		

Shareholders with over 5% stake

Name	Number of shares	Ownership	Voting rights
Bank of New York	42,710,189	15.3%	15.4%
Julius Baer	16,562,857	5.9%	6.0%
Megdet, Timur and Ruszlan Rahimkulov	15,467,905	5.5%	5.6%

Changes in the headcount (number of persons) employed by the Bank and the subsidiaries

	End of reference period	Current period opening	Current period closing
Bank	8,001	8,169	8,245
Consolidated	18,905	26,866	29,035

Senior officers, strategic employees and their shareholding of OTP shares

Type ¹	Name	Position	No. of shares held
IT	Dr. Sándor Csányi ²	Chairman and CEO	200,000
IT	Mr. Mihály Baumstark	Member	50,000
IT	Dr. Tibor Bíró	Member	44,000
IT	Mr. Péter Braun	Member	651,905
IT	Dr. István Kocsis	Member	83,500
IT	Mr. Csaba Lantos	Member, Deputy CEO	80,116
IT	Dr. Sándor Pintér	Member	25,350
IT	Dr. Antal Pongrácz	Member, Deputy CEO	230,000
IT	Dr. László Utassy	Member	90,000
IT	Dr. József Vörös	Member	115,000
FB	Mr. Tibor Tolnay	Chairman	80,580
FB	Dr. Gábor Horváth	Member	10,000
FB	Mr. Antal Kovács	Member	17,000
FB	Dr. Gábor Nagy	Member	130,000
FB	Ms. Klára Vécsei	Member	6,000
SP	Dr. István Gresa	Deputy CEO	63,758
SP	Dr. László Urbán	Deputy CEO	0
SP	Mr. Ákos Takáts	Deputy CEO	143,347
SP	Mr. László Wolf	Deputy CEO	807,640
TOTAL No. of shares held by management:			2,828,196

¹ Employee in strategic position (SP), Board Member (IT), Supervisory Board Member (FB)

² Number of OTP shares owned by Mr. Csányi directly or indirectly: 3,302,000

SUPPLEMENTARY DATA

MAIN BALANCE SHEET ITEMS OF OTP GROUP MEMBERS BY GEOGRAPHICAL SEGMENTS:

HUF billion 30/06/2007	OTP Core Business	OTP Group Hungary (aggregated)	DSK Group in Bulgaria	CJSC OTP Bank (Ukraine)	Invest- sberbank (Russia)	OTP Group in Romania	OTP banka Hrvatska	OTP Group in Slovakia	OTP banka Srbija	CKB	Group total (aggregated)	Consoli- dated	Foreign subsidiaries	Share of foreign subsidiaries
Gross loans	2,794	3,069	592	425	236	136	215	236	50	130	5,088	4,987	2,019	40.5%
Provisions	-30	-51	-22	-1	-11	-1	-3	-4	-3	0	-97	-152	-47	30.7%
Net loans	2,764	3,019	570	423	225	135	212	231	46	129	4,991	4,835	1,973	40.8%
Deposits	2,705	2,713	541	142	261	51	272	208	41	155	4,384	4,365	1,671	38.3%
Subordinated debt (Tier 2)	291	292	0	6	11	0	0	0	0	3	312	293	20	6.7%
Shareholder's equity	759	861	101	54	40	26	37	24	39	9	1,191	842	330	39.2%
Total Assets	5,884	6,557	889	487	370	207	375	376	100	186	9,546	7,592	2,990	39.4%

Q/Q, % 30/06/2007	OTP Core Business	OTP Group Hungary (aggregated)	DSK Group in Bulgaria	CJSC OTP Bank (Ukraine)	Invest- sberbank (Russia)	OTP Group in Romania	OTP banka Hrvatska	OTP Group in Slovakia	OTP banka Srbija	CKB	Group total (aggregated)	Consoli- dated	Foreign subsidiaries	Share of foreign subsidiaries
Gross loans	3.8%	3.5%	8.5%	10.7%	9.3%	19.8%	2.1%	2.1%	-1.4%	21.9%	5.5%	5.8%	8.7%	1.1%
Provisions	-3.7%	-0.8%	3.6%	24.1%	25.9%	1.5%	14.2%	5.7%	46.7%	287.0%	5.3%	4.1%	12.9%	2.4%
Net loans	3.9%	3.5%	8.7%	10.7%	8.7%	20.0%	1.9%	2.0%	-3.7%	21.5%	5.5%	5.8%	8.6%	1.0%
Deposits	-1.5%	-1.6%	1.9%	-0.4%	2.5%	29.5%	1.5%	4.4%	-6.6%	17.9%	0.4%	0.5%	3.8%	1.2%
Subordinated debt (Tier 2)	-0.8%	-0.8%		-1.4%	161.9%						2.3%	-0.8%	90.6%	3.2%
Shareholder's equity	5.0%	5.6%	6.1%	16.6%	1.3%	-0.7%	3.4%	-1.9%	3.3%	6.5%	5.5%	6.4%	5.2%	-0.4%
Total Assets	-0.5%	-0.2%	0.7%	6.7%	12.5%	8.4%	0.3%	1.1%	-7.3%	15.6%	1.1%	1.5%	4.0%	1.0%

Y/Y, % 30/06/2007	OTP Core Business	OTP Group Hungary (aggregated)	DSK Group in Bulgaria	CJSC OTP Bank (Ukraine)	Invest- sberbank (Russia)	OTP Group in Romania	OTP banka Hrvatska	OTP Group in Slovakia	OTP banka Srbija	CKB	Group total (aggregated)	Consoli- dated	Foreign subsidiaries	Share of foreign subsidiaries
Gross loans	8.9%	7.2%	18.7%			121.6%	8.1%	12.5%			32.7%	35.1%	107.9%	14.2%
Provisions	13.0%	10.8%	37.4%			31.7%	83.0%	5.2%			41.9%	31.8%	104.5%	10.9%
Net loans	8.8%	7.1%	18.1%			122.9%	7.5%	12.6%			32.5%	35.2%	108.0%	14.3%
Deposits	0.2%	0.3%	4.6%			56.5%	-1.5%	9.0%			17.6%	17.5%	63.6%	10.8%
Subordinated debt (Tier 2)	465.7%	450.8%									488.1%	471.2%		6.7%
Shareholder's equity	46.5%	40.4%	12.3%			20.7%	14.6%	18.6%			52.3%	40.7%	95.3%	11.0%
Total Assets	14.9%	13.9%	15.1%			83.7%	4.4%	6.0%			29.6%	32.4%	85.7%	11.3%

MAIN P&L DATA OF OTP GROUP MEMBERS BY GEOGRAPHICAL SEGMENTS:

HUF million 30/06/2007	OTP Core Business	OTP Group Hungary (aggregated)	DSK Group in Bulgaria	CJSC OTP Bank (Ukraine)	Invest- sberbank (Russia)	OTP Group in Romania	OTP banka Hrvatska	OTP Group in Slovakia	OTP banka Srbija	CKB	Group total (aggregated)	Consoli- dated	Foreign subsidiaries	Share of foreign subsidiaries
Net Interest Income	108,837	129,993	20,621	13,794	18,552	2,053	5,563	4,692	3,448	1,792	200,509	200,523	70,515	35.2%
Cost of risk	-5,573	-7,647	-3,483	-900	-11,144	-152	-827	-998	-3,211	-486	-28,849	-28,113	-21,202	75.4%
Income from pre-acq provi	0	0	0	962	6,341	0	843	175	2,502	0	10,823	10,823	10,823	100.0%
Cost of risk (adj)	-5,573	-7,647	-3,483	63	-4,804	-152	15	-823	-709	-486	-18,026	-17,290	-10,379	60.0%
Fee income	87,224	95,386	8,798	2,148	7,767	1,189	1,967	1,508	1,345	2,080	122,189	88,737	26,803	30.2%
Fee expenses	-38,180	-45,560	-603	-389	-856	-805	-614	-894	-128	-474	-50,324	-18,155	-4,764	26.2%
Net fees	49,044	49,826	8,195	1,759	6,910	384	1,354	614	1,217	1,606	71,865	70,582	22,039	31.2%
Other non-interest income	30,195	84,859	1,611	2,008	8,020	1,825	1,513	1,203	4,521	200	105,760	75,434	20,901	27.7%
Total income	188,076	264,678	30,427	17,561	33,483	4,262	8,429	6,509	9,186	3,598	378,134	346,539	113,456	32.7%
Operating expenses	-85,063	-139,272	-13,210	-6,733	-18,100	-6,339	-5,537	-5,135	-5,107	-1,923	-201,357	-195,473	-62,085	31.8%
Pre-tax profit	97,440	117,760	13,734	9,928	4,238	-2,229	2,065	376	868	1,189	147,928	122,953	30,168	24.5%
After tax profit	84,973	101,869	12,326	7,313	2,909	-2,272	1,648	376	866	1,135	126,170	101,198	24,301	24.0%

YY, % 30/06/2007	OTP Core Business	OTP Group Hungary (aggregated)	DSK Group in Bulgaria	CJSC OTP Bank (Ukraine)	Invest- sberbank (Russia)	OTP Group in Romania	OTP banka Hrvatska	OTP Group in Slovakia	OTP banka Srbija	CKB	Group total (aggregated)	Consoli- dated	Foreign subsidiaries	Share of foreign subsidiaries
Net Interest Income	10.9%	13.2%	7.4%			68.3%	2.3%	10.1%			38.1%	38.8%	132.7%	14.2%
Cost of risk	-51.5%	-41.7%	2.6%			-55.7%	-33.2%	-24.8%			47.3%	202.6%	227.8%	5.8%
Income from pre-acq provi														
Cost of risk (adj)	-51.5%	-41.7%	2.6%			-55.7%	-101.2%	-38.0%			-7.9%	86.1%	60.5%	-9.6%
Fee income	7.1%	6.9%	24.0%			68.9%	2.8%	20.6%			21.8%	28.0%	141.5%	14.2%
Fee expenses	7.3%	5.7%	5.3%			221.2%	-11.4%	25.0%			11.0%	26.5%	111.6%	10.6%
Net fees	6.9%	8.0%	25.7%			-15.3%	10.9%	14.8%			30.7%	28.4%	149.1%	15.1%
Other non-interest income	-20.4%	-6.1%	31.7%			74.2%	-21.8%	-11.9%			9.9%	13.1%	259.6%	19.0%
Total income	3.4%	5.3%	13.0%			56.6%	-1.9%	5.7%			27.6%	30.2%	152.4%	15.8%
Operating expenses	7.4%	6.4%	16.6%			56.2%	8.2%	12.0%			28.8%	34.2%	144.2%	14.3%
Pre-tax profit	6.8%	9.7%	12.4%			32.7%	-7.7%	52.3%			22.8%	10.7%	130.9%	12.8%
After tax profit	8.7%	11.5%	19.3%			31.2%	-7.4%	65.4%			23.7%	8.9%	128.1%	12.5%

NON-CONSOLIDATED HAR BALANCE SHEETS

in HUF million	OTP Bank		
	30/06/2006	30/06/2007	change
1. Cash in hand, balances with central banks	430,981	206,220	-52.2%
2. Treasury bills	206,791	426,645	106.3%
3. Loans and advances to credit institutions	537,474	753,604	40.2%
4. Loans and advances to customers	1,651,243	1,876,422	13.6%
5. Debt securities including fixed-income securities	599,370	601,992	0.4%
6. Shares and other variable-yield securities	7,914	197,999	2401.9%
7. Shares and participating interest as financial fixed assets	737	812	10.2%
8. Shares and participating interest in affiliated undertakings	170,735	297,210	74.1%
9. Intangible assets	75,294	261,009	246.7%
10. Tangible assets	75,844	69,222	-8.7%
11. Own shares	50,227	0	-100.0%
12. Other assets	25,573	34,482	34.8%
13. Prepayments and accrued income	55,629	81,103	45.8%
TOTAL ASSETS	3,887,812	4,806,720	23.6%
From this: - CURENT ASSETS	1,549,252	1,686,883	8.9%
- FIXED ASSETS	2,282,931	3,038,734	33.1%
1. Liabilities to credit institutions	348,943	521,805	49.5%
2. Liabilities to customers	2,595,825	2,788,330	7.4%
3. Liabilities from issued debt securities	260,146	403,982	55.3%
4. Other liabilities	71,987	64,695	-10.1%
5. Accruals and deferred income	54,367	64,852	19.3%
6. Provisions	38,512	65,934	71.2%
7. Subordinated liabilities	51,383	291,033	466.4%
8. Subscribed capital	28,000	28,000	0.0%
9. Subscribed but unpaid capital (-)	0	0	
10. Capital reserves	52	52	0.0%
11. General reserves	73,802	91,349	23.8%
12. Retained earnings (accumulated profit reserve) (+)	262,467	439,033	67.3%
13. Legal reserves	51,424	1,640	-96.8%
14. Revaluation reserve	0	0	
15. Profit or loss for the financial year according to the balance sheet (+)	50,904	46,015	-9.6%
16 .Difference from exchange rate (+,-)	0	0	
TOTAL LIABILITIES	3,887,812	4,806,720	23.6%
From this: - SHORT-TERM LIABILITIES	2,841,415	3,108,188	9.4%
- LONG-TERM LIABILITIES	486,869	961,657	97.5%
- EQUITY (CAPITAL AND RESERVES)	466,649	606,089	29.9%

NON-CONSOLIDATED HAR PROFIT AND LOSS ACCOUNT

in HUF million	OTP Bank		change
	1H 2006	1H 2007	
1. Interest received and interest-type income	148,076	191,725	29.5%
2. Interest paid and interest-type expenses	55,216	100,044	81.2%
Interest difference	92,860	91,681	-1.3%
3. Incomes from securities	15,081	18,578	23.2%
4. Fees and Commission received	70,755	74,835	5.8%
5. Fees and Commission paid	9,151	11,455	25.2%
6. Profit or loss from financial transactions	5,679	-1,952	-134.4%
7. Other incomes from business	93,534	88,783	-5.1%
8. General administration expenses	48,282	56,973	18.0%
9. Depreciation and amortization	11,869	10,386	-12.5%
10. Other expenses from business	111,910	102,194	-8.7%
11. Write-off of loans and provision for contingent and future liabilities	17,153	17,400	1.4%
12. Reversal of write-off of loans and credit for contingent and future liabilities	13,327	17,814	33.7%
12/A. Difference between the creation and write-off of general risk provision	-4,248	-3,226	-24.1%
13. Write-off of securities for investing purposes, signifying a creditor relationship, equity investments in associated or other company	1,333	4,503	237.8%
14. Reversal of write-off of securities for investing purposes, signifying a creditor relationship, and equity investments in associated or other company	78	3	-96.2%
15. Result of ordinary business activities	87,368	83,605	-4.3%
Including: - RESULT OF FINANCIAL AND INVESTMENT SERVICES	86,327	82,804	-4.1%
- RESULT OF NON-FINANCIAL AND INVESTMENT SERVICES	1,041	801	-23.1%
16. Extraordinary revenues	5,364	23,252	333.5%
17. Extraordinary expenses	267	23,666	8763.7%
18. Extraordinary profit or loss	5,097	-414	-108.1%
19. Profit or loss before tax	92,465	83,191	-10.0%
20. Tax liabilities	10,861	12,308	13.3%
21. After-tax profit or loss	81,604	70,883	-13.1%
22. Formation and utilization of general reserves (±)	-8,160	-7,088	-13.1%
23. Use of accumulated profit reserve for dividends and profit-sharings	0	0	
24. Dividends and profit-sharings paid (approved)	22,540	17,780	-21.1%
25. Balance-sheet profit or loss figure	50,904	46,015	-9.6%

SELECTED NON-CONSOLIDATED FINANCIAL DATA

in HUF million	OTP Bank		
	1H 2006	1H 2007	change
Interest from interbank accounts	33,414	47,389	41.8%
Interest from retail accounts	43,880	49,381	12.5%
Interest from corporate accounts	28,364	40,310	42.1%
Interest from municipal accounts	4,725	8,561	81.2%
Interest from bonds	33,858	40,603	19.9%
Interest from mandatory reserves	3,835	5,481	42.9%
Total interest income	148,076	191,725	29.5%
Interest to interbank accounts	16,981	33,968	100.0%
Interest on retail accounts	23,911	31,605	32.2%
Interest on corporate accounts	7,849	16,637	112.0%
Interest on municipal accounts	2,589	3,529	36.3%
Interest on bonds	2,935	6,599	124.8%
Interest on subordinated loan	951	7,706	710.3%
Total interest expense	55,216	100,044	81.2%
Net interest income	92,860	91,681	-1.3%
Fees & commissions income	71,230	75,278	5.7%
Fees & commissions paid	9,151	11,455	25.2%
Net fees & commissions	62,079	63,823	2.8%
Securities trading	512	-1,269	-347.9%
Forex trading	7,818	1,074	-86.3%
Losses/Gains on property transactions	93	2	-97.8%
Other	6,663	1,281	-80.8%
Non interest income	77,165	64,911	-15.9%
<i>Ratio of non interest income</i>	<i>45.4%</i>	<i>41.5%</i>	<i>-3.9%</i>
Total income	170,025	156,592	-7.9%
Personnel costs	27,864	32,381	16.2%
Depreciation	7,406	5,923	-20.0%
Other costs	30,443	36,532	20.0%
Operating costs	65,713	74,836	13.9%
<i>Cost/income ratio</i>	<i>38.6%</i>	<i>47.8%</i>	<i>9.1%</i>
Operating income	104,312	81,756	-21.6%
Diminution in value, provisions and loan losses	17,434	12,402	-28.9%
Dividend received	15,081	18,578	23.2%
Accounting for acquisition goodwill	-4,053	-4,272	5.4%
Special financial institution tax for the year 2005	-5,441	-469	-91.4%
Pre-tax profit	92,465	83,191	-10.0%
Taxes	10,861	12,308	13.3%
Tax rate	11.7%	14.8%	3.0%
After tax profits	81,604	70,883	-13.1%

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OTP Bank Plc.

Postal address: P.O.Box: 501 Budapest H-1876 Hungary

Phone: +36 1 473 5460

Fax: +36 1 473 5951

E-mail: investor.relations@otpbank.hu

Internet: www.otpbank.hu