



OTP Bank Plc.

**2007 Preliminary
Stock Exchange Report**

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

Budapest, February 14, 2008

CONSOLIDATED FINANCIAL HIGHLIGHTS AND SHARE DATA

| Main components of P&L account in HUF mn | 2006 | 2007P | Y-o-Y | 4Q 2006 | 3Q 2007 | 4Q 2007 | Q-o-Q | Y-o-Y |
|---|------------------|------------------|--------------|------------------|------------------|------------------|--------------|--------------|
| Net interest income (adj) ¹ | 340,186 | 426,060 | 25.2% | 87,972 | 106,905 | 116,861 | 9.3% | 32.8% |
| Provision for possible loan losses (adj) ² | 23,997 | 42,333 | 76.4% | 7,714 | 8,133 | 16,910 | 107.9% | 119.2% |
| Net fees and commissions | 112,899 | 152,488 | 35.1% | 29,369 | 38,548 | 43,358 | 12.5% | 47.6% |
| Total other non-interest income (adj) ³ | 108,900 | 135,595 | 24.5% | 25,075 | 35,409 | 37,346 | 5.5% | 48.9% |
| Total income (with net fees) (adj)⁴ | 561,986 | 714,143 | 27.1% | 142,417 | 180,862 | 197,565 | 9.2% | 38.7% |
| Operating expenses | 319,386 | 421,790 | 32.1% | 90,164 | 105,793 | 120,524 | 13.9% | 33.7% |
| Pre-tax profits | 218,603 | 250,020 | 14.4% | 44,539 | 66,936 | 60,131 | -10.2% | 35.0% |
| After tax profits | 187,097 | 207,881 | 11.1% | 40,569 | 55,751 | 50,932 | -8.6% | 25.5% |
| Main components of balance sheet in HUF mn | 31/12/2006 | 31/12/2007 | Y-o-Y | 31/12/2006 | 30/09/2007 | 31/12/2007 | Q-o-Q | Y-o-Y |
| Total assets | 7,097,426 | 8,459,889 | 19.2% | 7,097,426 | 8,042,622 | 8,459,889 | 5.2% | 19.2% |
| Placements with other banks and securities | 602,616 | 654,122 | 8.5% | 602,616 | 678,886 | 654,122 | -3.6% | 8.5% |
| Total customer loans and advances (gross) | 4,474,702 | 5,762,417 | 28.8% | 4,474,702 | 5,280,107 | 5,762,417 | 9.1% | 28.8% |
| Liabilities to credit institutions | 660,416 | 792,260 | 20.0% | 660,416 | 764,952 | 792,260 | 3.6% | 20.0% |
| Total customer deposits | 4,232,153 | 5,036,304 | 19.0% | 4,232,153 | 4,691,641 | 5,036,304 | 7.3% | 19.0% |
| Issued securities | 781,316 | 984,755 | 26.0% | 781,316 | 947,366 | 984,755 | 3.9% | 26.0% |
| Subordinated loans | 250,726 | 301,164 | 20.1% | 250,726 | 298,749 | 301,164 | 0.8% | 20.1% |
| Total shareholders' equity | 788,213 | 893,912 | 13.4% | 788,213 | 880,753 | 893,912 | 1.5% | 13.4% |
| INDICATORS % | 2006 | 2007P | Y-o-Y | 4Q 2006 | 3Q 2007 | 4Q 2007 | Q-o-Q | Y-o-Y |
| Gross loan/deposit ratio (%) | 105.7% | 114.4% | 8.7% | 105.7% | 112.5% | 114.4% | 1.9% | 8.7% |
| Net interest margin adjusted ¹ | 5.53% | 5.48% | -0.05% | 5.30% | 5.47% | 5.67% | 0.19% | 0.36% |
| Cost/income ratio adjusted ⁵ | 56.8% | 59.1% | 2.2% | 63.3% | 58.5% | 61.0% | 2.5% | -2.3% |
| ROA | 3.0% | 2.7% | -0.4% | 2.4% | 2.9% | 2.5% | -0.4% | 0.0% |
| ROE | 28.0% | 24.7% | -3.3% | 22.6% | 25.9% | 23.0% | -2.9% | 0.4% |
| SHARE DATA | 2006 | 2007P | Y-o-Y | 4Q 2006 | 3Q 2007 | 4Q 2007 | Q-o-Q | Y-o-Y |
| EPS base (HUF) | 722 | 793 | 9.9% | 155 | 213 | 196 | -7.8% | 26.4% |
| EPS diluted (HUF) | 714 | 791 | 10.8% | 155 | 201 | 196 | -2.8% | 26.5% |
| Closing price (HUF) | 8,750 | 8,790 | 0.5% | 8,750 | 9,555 | 8,790 | -8.0% | 0.5% |
| High (HUF) | 8,750 | 10,939 | 25.0% | 8,750 | 10,939 | 9,601 | -12.2% | 9.7% |
| Low (HUF) | 5,190 | 7,680 | 48.0% | 6,630 | 8,500 | 7,680 | -9.6% | 15.8% |
| Market Capitalization (HUF billion) | 2,450 | 2,461 | 0.5% | 2,450 | 2,675 | 2,461 | -8.0% | 0.5% |

¹ Including non-interest result of swap transactions

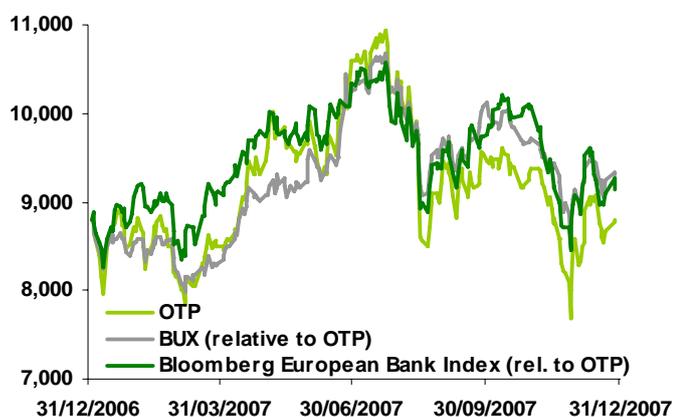
² Including income from the release of pre acquisition provisions

³ Excluding non-interest results of swaps and the release of pre-acquisition provisions

⁴ Excluding income from the release of pre acquisition provisions

⁵ Total income is reduced by the income from the release of pre-acquisition provisions

- **HUF 208 bn PAT (+11% y-o-y) close to the management target**
- **Dynamic loan and deposit growth especially in 4Q 2007**
- **Improving asset quality, sustainable coverage level**
- **Strong NII in 4Q 2007 (+9,0% q-o-q), improving in NIMs (+19 bps)**

SHARE PERFORMANCE (INDEXED)

SOLICITED MOODY'S RATING
OTP Bank (December 2007)

| | |
|-------------------------------------|-----|
| Local currency long term deposits | Aa3 |
| Foreign currency long term deposits | A2 |
| Financial strength | C+ |

OTP Mortgage Bank

| | |
|-------------------------------------|-----|
| Covered mortgage bond | Aa1 |
| Foreign currency long term deposits | A2 |
| Financial strength | C+ |

DSK Bank

| | |
|--------------------|------|
| Long term deposits | Baa3 |
| Financial strength | D |

OTP BANK PLC.'S PRELIMINARY STOCK EXCHANGE REPORT FOR 2007

OTP Bank Plc. has prepared its consolidated and non-consolidated, non-audited IFRS report for December 31, 2007. Below we present our analysis derived from the consolidated and the unconsolidated condensed IFRS financial statements adopted by the European Union.

SUMMARY OF 2007

OTP Group's 2007 performance should be assessed from two important aspects: to what extent the Bank managed to mitigate the negative effect of the Hungarian austerity package and how successful the Bank was in integrating its newly acquired subsidiaries, how did their profit contribution change over the course of last year?

Mixed macroeconomic environment

As to the operational environment of the Group, it showed significant divergence: in Hungary the framework was set mainly by a weakening consumer demand, fairly high interest levels and relatively stable local currency. In abroad, however all the countries enjoyed robust economic growth accompanied by double digit loan expansion, especially in the household sector. In many countries authorities imposed restrictions to halt buoyant lending activity.

The macroeconomic adjustment in Hungary led to a significant improvement both in the fiscal and current account balance. As a result, the local currency was much less volatile compared to 2006, the EUR/HUF exchange rate hovered around 250. On the negative side, the higher than expected headline CPI made the central bank cautious, there were only two monetary easing (25 bps each) in 2007.

The higher HUF nominal rates and the stable currency further strengthened the popularity of FX-linked loan products: out of newly originated mortgage loans (housing and home equity) the dominant proportion was FX (mainly CHF, but from September JPY, as well). As to the outstanding loan portfolio, the proportion of FX grew to 43.4% (+3.5% q-o-q). The higher than budgeted interest level had a positive effect on NIMs.

Annual profit of HUF 207.9 billion is marginally below the plan, but exceeding analysts forecasts

In 2007 the Group reached HUF 207.9 billion after tax profit which is by 11% higher than the 2006 results and by more than HUF 1 billion exceeded the analyst forecast.

While the bottom line figure is somewhat below the management original forecast of HUF 211 billion there were basically no one-off items. The earning

shortage was mainly due to the weak performance of the Serbian subsidiary, the slower start in 1-2Q at ISB, and a HUF 598 million loss on FX open position. At the same time few subsidiaries managed to over perform the original targets and the core Hungarian operation also achieved better results.

The Bank had strong fundamentals and capital position and in December 2007 Moody's confirmed the rating of OTP Bank (A) with stable outlook.

From 2H07 improving market positions in Hungary

After a series of important personal and structural changes, there was a positive turnaround in the performance of the core Hungarian business: supported by focused marketing the Bank managed to stabilize its market positions. Deposit collection was very successful (+10.6% y-o-y) parallel with OTP Fund Management gaining further market share. On the lending side the Bank concentrated its efforts on the housing and home equity loan markets and successfully launched a Global-loan product in September. As a result, in 4Q 2007 the Bank managed to disburse record level of mortgages, and its market share in FX-mortgages and consumer loans improved. The annual loan growth was 12.7%. Despite of the worsening income position of households, asset quality did not deteriorate, the NPL-ratio dropped from 2.1% in 2006 to 1.4%.

Steady improvement in subsidiaries performance

DSK once again had outstanding results both in terms of volumes and earnings. Its loan and deposit growth in almost every segment exceeded the original plans; it further strengthened its dominant corporate lending position and in 4Q managed to have a positive turnaround in terms of housing loans, as well. The volume of gross loans increased by 43.4% y-o-y, whereas deposits grew by 24.2%, while profit after tax increased by 21%, respectively. DSK's results are even more outstanding if one considers that restrictions imposed in September had an overall negative impact on the whole Bulgarian banking sector.

ISB, Russia managed to further enhance its lending activity in 4Q: due to the record level of POS loan origination NIMs were even higher. Thanks to the

new management in place, and also to the introduction of new products and wider sales and distribution channels, in 2H 2007 the bank was already on track to deliver. Lending volumes grew by 41% y-o-y. In 2007 ISB opened 7 new branches and close to 100 sales points, which is together with 46 branches of the newly acquired DNB in Rostov (November 2007) represents a significant network enlargement.

CJSC Ukraine further accelerated its branch-opening activity, as a result by end-2007 it opened 77 new branches and 17 representative offices. Loan volumes grew by 45% y-o-y, and deposits by 20%, respectively. Within that 4Q was extremely strong with 17% lending and 10% deposit taking growth. On the earning side, net interest income and net F&C revenue were falling short of the original budget due to the slower start of network extension, however that shortfall was mainly offset by lower operational expenses; bottom line earning was around budget.

As for the smaller subsidiaries, OBS had strong loan and deposit dynamism (+22.3% and +19.3% y-o-y), its after tax profit exceeded 2006 level by 28%. Lending activity at OBH was very good (+27.3%), results were basically flat to 2006.

SUMMARY OF THE FOURTH QUARTER

In Q4 gross loan volumes grew by 9.1%, while deposits by 7.3%, respectively. Total assets reached HUF 8,450 billion +5.2% on a quarterly base.

Profit after tax was HUF 50.9 billion, by 8.6% lower than in Q3. On the open FX-position the Bank realized HUF 1.5 billion loss. Net interest income adjusted by the non-interest results of swaps grew by 9.3%. As a result of a quarterly increase of 3% in average own equity ROE was 23% (-2.9% q-o-q).

Within the Group the gross loan portfolio of the Hungarian core banking activity grew by 5.9%, while deposits expanded by 7.2%. Simultaneously OTP Fund Management also achieved a 4% growth in its own managed assets. The most dynamic loan growth was witnessed at OBSr (25.6%), but lending was also strong at ISB (+18.7%), CKB (+17.8%), CJSC (+17.4%) and DSK (+14.5%). The most dynamic deposit growth was captured by OBR (+14%).

CKB had an exceptional year: loan volumes more than doubled and deposits grew nicely, as well. After tax profit exceeded the original plans. In case of OBR balance sheet developments were very good: loans grew by 60%, whereas deposits increased by more than 70% y-o-y. The annual loss was below the budgeted figure due to an efficient cost control. Chances to have a turnaround in profitability for 2008 are good. The performance of OBSr was far below the original expectations. Both the earnings and the volumes of the Serbian subsidiary were only portions of the plan and the underperformance can't be explained only by the long-lasting integration process.

No sub-prime exposure

Apart from the significant price correction of shares, the sub-prime crisis had no direct impact on the operation of the group. It has not got any structured products in its portfolio that could generate significant losses. The only bond issuances were executed in February, well before the liquidity crunch. OTP Bank's redemption profile is very healthy, it has not got any hikes in maturing debts.

As a result of significant network expansion in Ukraine and Romania, operating costs grew faster (+13.9%) than earlier, hence the cost/income ratio also increased to 60.3% (+2.6% q-o-q).

Asset quality improved, NPL-ratio declined to 4.2% (-0.2%), whereas its coverage ratio improved by 2.0% reaching 61.8%.

Within the group the most significant profit improvement was realized at OBS, ISB and DSK, while OBR and OBSr captured losses. Hungarian core banking captured a net result of HUF 32.2 billion (-4.7%).

In 4Q there were two companies established by OTP Bank in Cyprus and the Netherlands in order to refinance its foreign subsidiaries in a capital-efficient way.

On December 29, 2007 Mr. Rahimkulov announced that he held 9.76% of OTP shares through different companies of his family.

POST BALANCE SHEET EVENTS

- On January 9, 2008 there was a capital increase at CJSC Ukraine.
- On January 22, 2008 FitchRatings confirmed the rating of ISB Russia (BBB-).
- On January 22, 2008 the management of Merkantil Bank decided about the sale of its 81% stake in OTP Leasing a.s. Slovakia. The other owner, OTP Banka Slovensko will also sell its 19% stake in the company and further strengthen its market positions in Slovakia.
- On February 11, 2008 OTP bank and Groupama agreed an exclusive long term regional partnership covering the distribution of life and non-life insurance and banking products. Groupama agreed to buy from OTP Bank 100% of OTP Garancia for HUF 164 billion. Groupama also committed to acquire up to 8% of the existing shares of OTP Bank.

**CONSOLIDATED AND NON CONSOLIDATED, NON AUDITED IFRS REPORTS OF
OTP BANK PLC. FOR THE PERIOD ENDED DECEMBER 31, 2007**
CONSOLIDATE PROFIT & LOSS ACCOUNT

| Main components of P&L account in HUF million | 2006 | 2007P | Y-o-Y | 4Q 2006 | 3Q 2007 | 4Q 2007 | Q-o-Q | Y-o-Y |
|--|----------------|----------------|--------------|----------------|----------------|----------------|---------------|---------------|
| Interest income | 542,817 | 749,250 | 38.0% | 164,611 | 193,670 | 201,397 | 4.0% | 22.3% |
| Interest expense | 186,873 | 315,196 | 68.7% | 60,035 | 70,982 | 90,554 | 27.6% | 50.8% |
| Net interest income | 355,944 | 434,054 | 21.9% | 104,576 | 122,688 | 110,843 | -9.7% | 6.0% |
| Net interest income (adj)¹ | 340,186 | 426,060 | 25.2% | 87,972 | 106,905 | 116,861 | 9.3% | 32.8% |
| Provision for possible loan losses | 28,559 | 58,334 | 104.3% | 10,111 | 10,579 | 19,642 | 85.7% | 94.3% |
| Provision for possible loan losses (adj) ² | 23,997 | 42,333 | 76.4% | 7,714 | 8,133 | 16,910 | 107.9% | 119.2% |
| Net interest income after provision | 327,385 | 375,720 | 14.8% | 94,465 | 112,109 | 91,201 | -18.6% | -3.5% |
| Net interest income after provision (adj)^{1,2} | 316,189 | 383,727 | 21.4% | 80,259 | 98,772 | 99,951 | 1.2% | 24.5% |
| Fees and commissions income | 145,015 | 188,964 | 30.3% | 39,045 | 48,069 | 52,158 | 8.5% | 33.6% |
| Fees and commissions expense | 32,115 | 36,476 | 13.6% | 9,675 | 9,521 | 8,800 | -7.6% | -9.0% |
| Net fees and commissions | 112,899 | 152,488 | 35.1% | 29,369 | 38,548 | 43,358 | 12.5% | 47.6% |
| Foreign exchange gains, net | -11,884 | 8,672 | -173.0% | -13,262 | -10,385 | 10,636 | -202.4% | -180.2% |
| Foreign exchange gains, net(adj) ³ | 4,968 | 16,666 | 235.4% | 4,436 | 968 | 4,618 | 377.1% | 4.1% |
| Gain on securities, net | 6,901 | 5,076 | -26.4% | 2,426 | -1,556 | -207 | -86.7% | -108.5% |
| Gain on securities, net (adj) ⁴ | 5,807 | 5,076 | -12.6% | 1,332 | 2,874 | -207 | -107.2% | -115.5% |
| Gain on real estate transactions | 1,292 | 1,330 | 2.9% | 4 | 219 | 264 | 20.5% | 5939.8% |
| Dividend income | 901 | 993 | 10.2% | 12 | 361 | 27 | -92.5% | 124.2% |
| Insurance premiums | 75,554 | 83,517 | 10.5% | 15,547 | 24,477 | 21,233 | -13.3% | 36.6% |
| Other non-interest income | 24,940 | 44,014 | 76.5% | 6,141 | 8,956 | 14,143 | 57.9% | 130.3% |
| Other non-interest income (adj) ⁵ | 20,378 | 28,013 | 37.5% | 3,744 | 6,510 | 11,411 | 75.3% | 204.8% |
| from this: income from provisions on loans before acquisition | 4,562 | 16,001 | 250.7% | 2,397 | 2,446 | 2,732 | 11.7% | 14.0% |
| Total non-interest income (with net fees) | 210,604 | 296,090 | 40.6% | 40,238 | 60,620 | 89,454 | 47.6% | 122.3% |
| Total non-interest income (with net fees) (adj)⁶ | 221,800 | 288,083 | 29.9% | 54,445 | 73,957 | 80,704 | 9.1% | 48.2% |
| Total income (with net fees) | 566,548 | 730,144 | 28.9% | 144,814 | 183,308 | 200,297 | 9.3% | 38.3% |
| Total income (with net fees) (adj)⁷ | 561,986 | 714,143 | 27.1% | 142,417 | 180,862 | 197,565 | 9.2% | 38.7% |
| Personnel expenses | 106,804 | 147,701 | 38.3% | 29,717 | 36,648 | 39,737 | 8.4% | 33.7% |
| Depreciation | 26,465 | 35,747 | 35.1% | 6,684 | 8,700 | 9,518 | 9.4% | 42.4% |
| Insurance expenses | 60,866 | 69,168 | 13.6% | 13,402 | 21,115 | 15,959 | -24.4% | 19.1% |
| Other non-interest expenses | 125,252 | 169,174 | 35.1% | 40,362 | 39,330 | 55,310 | 40.6% | 37.0% |
| from this: contribution tax/special banking tax | 11,153 | 6,525 | -41.5% | 2,802 | 1,642 | 1,560 | -5.0% | -44.3% |
| Operating cost | 319,386 | 421,790 | 32.1% | 90,164 | 105,793 | 120,524 | 13.9% | 33.7% |
| Total non-interest expense | 351,502 | 458,266 | 30.4% | 99,840 | 115,314 | 129,324 | 12.1% | 29.5% |
| Income before income taxes | 218,603 | 250,020 | 14.4% | 44,539 | 66,936 | 60,131 | -10.2% | 35.0% |
| Income taxes | 31,506 | 42,139 | 33.7% | 3,970 | 11,185 | 9,199 | -17.8% | 131.7% |
| from this: contribution tax/special banking tax | 777 | 389 | -49.9% | 614 | 98 | 104 | 6.1% | -83.1% |
| After tax profit | 187,097 | 207,881 | 11.1% | 40,569 | 55,751 | 50,932 | -8.6% | 25.5% |
| INDICATORS (%) | | | | | | | | |
| Net interest margin adjusted ¹ | 5.53% | 5.48% | -0.05% | 5.30% | 5.47% | 5.67% | 0.19% | 0.36% |
| Cost/income ratio adjusted ⁸ | 56.8% | 59.1% | 2.2% | 63.3% | 58.5% | 61.0% | 2.5% | -2.3% |
| ROA | 3.04% | 2.67% | -0.37% | 2.45% | 2.85% | 2.47% | -0.38% | 0.02% |
| ROE | 28.0% | 24.7% | -3.3% | 22.6% | 25.9% | 23.0% | -2.9% | 0.4% |

¹ Including non-interest result of swap transactions

² Including income from the release of pre acquisition provisions

³ Excluding fx results of swaps

⁴ Excluding security gain results of swaps

⁵ Excluding income from the release of pre acquisition provisions

⁶ Excluding non-interest results of swaps and the release of pre-acquisition provisions

⁷ Excluding income from the release of pre acquisition provisions

⁸ Total income is reduced by the income from the release of pre-acquisition provisions

- **NII grew by 25% y-o-y, NIMs remained stable**
- **Net fee & commission income grew by 35% y-o-y**
- **Slight deterioration in efficiency and profitability**

In order to present Group level trends in a comprehensive way, the consolidated statement of operations – still showing the accounting figures – was adjusted by the following items:

- Other non interest income elements stemming from provisioning release in connection with loans originated before acquisitions have been deducted from the volume of provisions in the income statement;
- Out of FX-gains FVA of the spot leg of FX swaps has been added to Net Interest Income;
- Any earnings within net securities gain related to FX swaps have been added to NII.

IFRS consolidated pre-tax profit was HUF 250 billion, after-tax profit grew to HUF 207.9 billion, and increased by 14.4% y-o-y and 11.1%, respectively.

The consolidated adjusted net interest income of the Group reached HUF 426.1 billion, an increase of 25.2% y-o-y. Interest income from loans (without swaps) grew by 45.8%, revenues from interbank placement increased by 28.9%, while the income from securities held until maturity (their volume was HUF 317.5 billion) grew by 62%.

Within interest expenses the most significant increase was related to expenses paid on customers' deposits (+61%) and on subordinated loans (+273%).

In 2007 the adjusted net swap gain of the Group reached HUF 22.2 billion against HUF 17.8 billion a year before.

The adjusted provisioning volume grew to HUF 42.3 billion, by HUF 18.3 billion more (+76.4%) than a year ago. A Group level cost of risk was 0.83% (+0.21% y-o-y).

Non interest revenue income exceeded HUF 288 billion, representing a significant 30.2% y-o-y growth. Within that net fee & commission income grew by 35.1%, while net securities gain dropped by 12.6%. Net FX gain was around HUF 16.7 billion, including a loss of HUF 0.6 billion on open FX-position.

Net insurance income basically remained unchanged (HUF 14.4 billion), whereas the adjusted

other non-interest income picked up significantly, by 37.5% y-o-y.

Within total income non-interest income represented 40.3%, by 0.8% higher y-o-y.

The high growth of personal expenses (+38.3% y-o-y) is the reflection of the ongoing network enlargement and hiring costs.

The amount of HUF 169.2 billion (+35.1% y-o-y) in other non-interest expenses included marketing and rebranding costs (HUF 12.7 billion), the growing rental fees (HUF 16 billion), municipality taxes (HUF 11 billion) and the contribution tax (HUF 6.5 billion) which came into effect from 2007 replacing the special banking tax.

Consolidated cost-to-income ratio was 59.1%, by 2.2% higher than a year ago. The consolidated ROA was 2.7%, a decrease of 40 bps y-o-y, ROE reached 24.7% (-3.3% y-o-y). Earnings per share (EPS) reached HUF 793 (+HUF 71), diluted EPS equalled to HUF 791 (+HUF 77).

Summary of the fourth quarter

OTP Group reached HUF 50.9 billion profit after which by 8.6% falls short of Q3 PAT figures including the HUF 1.5 billion loss on open FX-position.

In Q4 the adjusted NII was HUF 116.9 billion (+9,3%). Net interest margin grew to 5.67% (+19 bp).

Non-interest income increased by 9.1%, mainly due to the HUF 4.9 billion increase in non-interest revenues. At the same time net F&C income grew by 12.5%.

Within non-interest expenditures only other expenses grew substantially (+40.6%), personal costs grew in line with budget (+8.4%). The consolidated cost-to-income ratio was 61%, by 2.5% higher than in Q3.

Profitability indicators slightly came down: the consolidated ROA was 2.5%, a decline of 40 bps, while ROE was 23.0% (-2.9% q-o-q).

CONSOLIDATED BALANCE SHEET

| Main components of balance sheet in HUF million | 31/12/2006 | 31/12/2007 | Y-o-Y | 31/12/2006 | 30/09/2007 | 31/12/2007 | Q-o-Q | Y-o-Y |
|--|------------------|------------------|--------------|------------------|------------------|------------------|-------------|--------------|
| Cash and bank | 532,625 | 346,627 | -34.9% | 532,625 | 284,855 | 346,627 | 21.7% | -34.9% |
| Placements with other banks | 602,616 | 654,122 | 8.5% | 602,616 | 678,886 | 654,122 | -3.6% | 8.5% |
| Financial assets at fair value | 110,576 | 285,995 | 158.6% | 110,576 | 237,465 | 285,995 | 20.4% | 158.6% |
| Securities available-for-sale | 489,250 | 472,314 | -3.5% | 489,250 | 484,786 | 472,314 | -2.6% | -3.5% |
| Gross loans | 4,474,702 | 5,762,417 | 28.8% | 4,474,702 | 5,280,107 | 5,762,417 | 9.1% | 28.8% |
| o/w Retail | 2,646,414 | 3,305,362 | 24.9% | 2,646,414 | 3,100,552 | 3,305,362 | 6.6% | 24.9% |
| Corporate | 1,609,989 | 2,226,216 | 38.3% | 1,609,989 | 1,947,359 | 2,226,216 | 14.3% | 38.3% |
| Municipal | 218,299 | 230,840 | 5.7% | 218,299 | 232,197 | 230,840 | -0.6% | 5.7% |
| Provisions on loans | 127,611 | 178,320 | 39.7% | 127,611 | 162,339 | 178,320 | 9.8% | 39.7% |
| Net loans | 4,347,091 | 5,584,097 | 28.5% | 4,347,091 | 5,117,768 | 5,584,097 | 9.1% | 28.5% |
| Equity investments | 70,938 | 9,974 | -85.9% | 70,938 | 9,754 | 9,974 | 2.3% | -85.9% |
| Securities held-to-maturity | 268,281 | 317,541 | 18.4% | 268,281 | 462,766 | 317,541 | -31.4% | 18.4% |
| Intangible assets | 464,716 | 540,119 | 16.2% | 464,716 | 526,685 | 540,119 | 2.6% | 16.2% |
| Other assets | 211,334 | 249,100 | 17.9% | 211,334 | 239,657 | 249,100 | 3.9% | 17.9% |
| ASSETS | 7,097,426 | 8,459,889 | 19.2% | 7,097,426 | 8,042,622 | 8,459,889 | 5.2% | 19.2% |
| Liabilities to credit institutions | 660,416 | 792,260 | 20.0% | 660,416 | 764,952 | 792,260 | 3.6% | 20.0% |
| Customer deposits | 4,232,153 | 5,036,304 | 19.0% | 4,232,153 | 4,691,641 | 5,036,304 | 7.3% | 19.0% |
| o/w Retail | 2,912,755 | 3,243,483 | 11.4% | 2,912,755 | 3,072,466 | 3,243,483 | 5.6% | 11.4% |
| Corporate | 1,098,083 | 1,496,688 | 36.3% | 1,098,083 | 1,298,648 | 1,496,688 | 15.2% | 36.3% |
| Municipal | 221,315 | 296,133 | 33.8% | 221,315 | 320,527 | 296,133 | -7.6% | 33.8% |
| Issued securities | 781,316 | 984,755 | 26.0% | 781,316 | 947,366 | 984,755 | 3.9% | 26.0% |
| Other liabilities | 384,602 | 451,494 | 17.4% | 384,602 | 459,161 | 451,494 | -1.7% | 17.4% |
| Subordinated loans | 250,726 | 301,164 | 20.1% | 250,726 | 298,749 | 301,164 | 0.8% | 20.1% |
| LIABILITIES | 6,309,213 | 7,565,977 | 19.9% | 6,309,213 | 7,161,869 | 7,565,977 | 5.6% | 19.9% |
| TOTAL SHAREHOLDERS' EQUITY | 788,213 | 893,912 | 13.4% | 788,213 | 880,753 | 893,912 | 1.5% | 13.4% |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | 7,097,426 | 8,459,889 | 19.2% | 7,097,426 | 8,042,622 | 8,459,889 | 5.2% | 19.2% |
| Loan/deposit ratio | 105.7% | 114.4% | 8.7% | 105.7% | 112.5% | 114.4% | 1.9% | 8.7% |
| Share of NPLs | 5.6% | 4.2% | -1.4% | 5.6% | 4.4% | 4.2% | -0.2% | -1.4% |
| Risk cost to average loans | 0.73% | 1.14% | 0.40% | 0.97% | 0.82% | 1.42% | 0.60% | 0.45% |
| Risk cost (adj.) to average loans | 0.62% | 0.83% | 0.21% | 0.74% | 0.63% | 1.23% | 0.59% | 0.48% |

- **Dynamic loan and deposit volume growth both on q-o-q and y-o-y base**
- **Stable liquidity position, slight increase in loan to deposit ratio**
- **Asset quality remained good with improving NPL-ratio**

IFRS consolidated total assets reached HUF 8.460 billion (+19,2%) y-o-y. The Bank's consolidated shareholders equity was HUF 894 billion (+13,4%), representing 10.6% of total assets. Book value per share (BVPS) amounted to HUF 3,193 (+HUF 377 y-o-y).

Volume of consolidated loans, net of allowance for loan losses grew by 28.5%, reaching HUF 5,584 billion (+9.1% q-o-q). The share of net loans within total assets represented 66%.

Out of gross loans (HUF 5,762.4 billion) retail loans represented the biggest portion (HUF 3,305.4 billion, 57.4%). The corporate loan book (HUF 2,226.3 billion) meant 38.6%, while municipality loans (HUF 230.8 billion) represented the smallest portion (4.0%). Within retail loans mortgage stood at HUF 1,766,2 billion and consumer loans at HUF 1,539.2 billion, respectively.

The expansion of the gross loan portfolio in Q4 was remarkable in Serbia (+26.1%) at ISB, Russia (+18,7%), CKB, Montenegro (+17.8%), CJSC, Ukraine (+17.4%) and DSK (+14.5%). Within that the Russian retail portfolio grew at a spectacular 38% rate.

Parallel with the dynamic lending activity the portfolio quality even improved: NPLs were at 4.2%. Out of the total book 42.8% of NPLs belonged to the foreign subsidiaries.

Consolidated loan loss provisions were HUF 178.3 billion (+39.7% y-o-y and +9.8% q-o-q). The total volume of NPLs represented HUF 243.4 billion (-HUF 7.8 billion y-o-y and +HUF 10.4 billion q-o-q). Thus their coverage was 61.8%.

Consolidated deposits grew nicely, too, by 19% on a yearly base and by 7.3% q-o-q. As a result the loan-to-deposit ratio increased a bit. In 4Q deposit growth was above average in Romania (+14.3%), Montenegro (+10.8%) and Ukraine (+10.2%).

It is worth mentioning that in Hungary OTP Bank focused its attention on capturing savings: it managed to increase its deposits by 7.3% in such a way that OTP Fund Management could also increase its managed assets by 4.2%.

Issued securities and subordinated loans grew by 26% and 20.1% on a yearly base. Such a growth was the result of transactions executed in 1Q, for the rest of the year the Bank did not have any capital market transaction.

Similar to previous quarters, the Bank has not got any structured assets or investments with potential mark-to market losses in its portfolio.

OTP BANK HUNGARIAN CORE BUSINESS¹

| Main components of P&L account in HUF million | 2006 | 2007P | Y-o-Y | 4Q 2006 | 3Q 2007 | 4Q 2007 | Q-o-Q | Y-o-Y |
|---|------------------|------------------|---------------|------------------|------------------|------------------|---------------|---------------|
| Net interest income | 250,705 | 233,770 | -6.8% | 72,457 | 74,079 | 50,855 | -31.4% | -29.8% |
| Net interest income (adj) ¹ | 241,153 | 242,432 | 0.5% | 58,718 | 60,636 | 61,246 | 1.0% | 4.3% |
| Provision for possible loan losses | 25,314 | 21,387 | -15.5% | 7,783 | 4,454 | 11,360 | 155.1% | 46.0% |
| Net fees and commissions | 93,158 | 102,978 | 10.5% | 23,672 | 25,508 | 28,427 | 11.4% | 20.1% |
| Other non-interest income | 49,683 | 25,509 | -48.7% | 13,847 | -14,228 | 9,542 | -167.1% | -31.1% |
| Other non-interest (adj) ¹ | 7,683 | 8,701 | 13.3% | 1,613 | 3,862 | 2,994 | -22.5% | 85.6% |
| Total income | 393,546 | 362,258 | -8.0% | 109,976 | 85,359 | 88,823 | 4.1% | -19.2% |
| Total income (adj)¹ | 341,994 | 354,111 | 3.5% | 84,003 | 90,006 | 92,666 | 3.0% | 10.3% |
| Operating cost | 174,794 | 172,268 | -1.4% | 49,044 | 41,254 | 45,951 | 11.4% | -6.3% |
| Income before income taxes | 193,438 | 168,603 | -12.8% | 53,150 | 39,651 | 31,512 | -20.5% | -40.7% |
| Income before income taxes (adj)¹ | 141,885 | 160,456 | 13.1% | 27,177 | 44,298 | 35,354 | -20.2% | 30.1% |
| Income taxes | 19,646 | 22,154 | 12.8% | -205 | 5,892 | 3,794 | -35.6% | -1946.5% |
| After tax profit | 173,792 | 146,449 | -15.7% | 53,355 | 33,758 | 27,718 | -17.9% | -48.1% |
| Main components of balance sheet in HUF million | 31/12/2006 | 31/12/2007 | Y-o-Y | 31/12/2006 | 30/09/2007 | 31/12/2007 | Q-o-Q | Y-o-Y |
| Total Assets | 5,688,590 | 6,486,229 | 14.0% | 5,688,590 | 6,130,358 | 6,486,229 | 5.8% | 14.0% |
| Placements with other banks, securities and financial assets at fair value ² | 1,806,346 | 2,254,605 | 24.8% | 1,806,346 | 2,236,348 | 2,254,605 | 0.8% | 24.8% |
| Gross customer loans³ | 2,694,689 | 3,037,488 | 12.7% | 2,694,689 | 2,867,755 | 3,037,488 | 5.9% | 12.7% |
| o/w: retail loans | 1,479,756 | 1,684,170 | 13.8% | 1,479,756 | 1,599,935 | 1,684,170 | 5.3% | 13.8% |
| corporate loans ³ | 1,004,773 | 1,138,889 | 13.3% | 1,004,773 | 1,054,812 | 1,138,889 | 8.0% | 13.3% |
| municipality loans | 210,159 | 214,428 | 2.0% | 210,159 | 213,008 | 214,428 | 0.7% | 2.0% |
| Provisions | -31,131 | -28,863 | -7.3% | -31,131 | -32,856 | -28,863 | -12.2% | -7.3% |
| Liabilities to credit institutions and issued securities | 1,750,780 | 2,119,819 | 21.1% | 1,750,780 | 1,939,214 | 2,119,819 | 9.3% | 21.1% |
| Deposits from customers | 2,790,322 | 3,086,089 | 10.6% | 2,790,322 | 2,878,963 | 3,086,089 | 7.2% | 10.6% |
| o/w: retail deposits | 1,906,468 | 1,965,938 | 3.1% | 1,906,468 | 1,876,707 | 1,965,938 | 4.8% | 3.1% |
| corporate deposits | 715,468 | 915,602 | 28.0% | 715,468 | 770,455 | 915,602 | 18.8% | 28.0% |
| municipality deposits | 168,385 | 204,550 | 21.5% | 168,385 | 231,800 | 204,550 | -11.8% | 21.5% |
| Total shareholders' equity | 712,307 | 765,351 | 7.4% | 712,307 | 776,619 | 765,351 | -1.5% | 7.4% |
| LOAN QUALITY (%) | 31/12/2006 | 31/12/2007 | Y-o-Y | 31/12/2006 | 30/09/2007 | 31/12/2007 | Q-o-Q | Y-o-Y |
| Share of NPLs ³ | 2.1% | 1.4% | -0.8% | 2.1% | 1.6% | 1.4% | -0.3% | -0.8% |
| MARKET SHARE (%) | 31/12/2006 | 31/12/2007 | Y-o-Y | 31/12/2006 | 30/09/2007 | 31/12/2007 | Q-o-Q | Y-o-Y |
| Loans | 20.6% | 19.1% | -1.5% | 20.6% | 19.4% | 19.1% | -0.3% | -1.5% |
| Deposits | 23.7% | 24.1% | 0.4% | 23.7% | 24.1% | 24.1% | 0.0% | 0.4% |
| Total Assets | 24.7% | 25.2% | 0.4% | 24.7% | 25.2% | 25.2% | 0.0% | 0.4% |
| INDICATORS (%) | 2006 | 2007P | Y-o-Y | 4Q 2006 | 3Q 2007 | 4Q 2007 | Q-o-Q | Y-o-Y |
| Gross loans to deposits | 96.6% | 98.4% | 1.9% | 96.6% | 99.6% | 98.4% | -1.2% | 1.9% |
| Net interest margin adjusted ⁴ | 5.21% | 4.80% | -0.41% | 4.79% | 4.82% | 4.72% | -0.10% | -0.07% |
| Cost/income ratio adjusted ⁵ | 51.1% | 48.6% | -2.5% | 58.4% | 45.8% | 49.6% | 3.8% | -8.8% |
| ROA | 3.4% | 2.4% | -1.0% | 3.8% | 2.2% | 1.8% | -0.5% | -2.1% |
| ROE | 28.3% | 19.8% | -8.5% | 33.3% | 17.6% | 14.4% | -3.2% | -18.9% |

¹ Including non-interest result of swaps, but excluding funding cost of Tier2 Capital and net interest income on interbank loans to subsidiaries

² Including loans to OTP Financing Cyprus and OTP Financing Netherlands

³ Excluding loans to OTP Financing Cyprus and OTP Financing Netherlands

⁴ Calculated from adjusted net interest income and total average assets adjusted by the volumes of Tier2 capital and interbank financing to subsidiaries

⁵ Calculated from adjusted total income

¹ In this section the preliminary 2007 results of OTP Bank, OTP Mortgage Bank and Building Society are aggregated – hereafter under the name of OTP core business. The Bank's IFRS unconsolidated condensed financial statements are available on the website of the Budapest Stock Exchange (www.bse.hu), on the website operated by HFSA (www.kozzetetelek.hu) and on the website of OTP Bank (www.otpbank.hu).

- **Loan growth (+6% q-o-q) supported by housing and corporate lending, significant increase in consumer loans (+11% q-o-q)**
- **Moderate margin erosion (-10 bps q-o-q)**
- **2007 after tax profit exceeded the level in 2006 due to good net F&C and decline in provisions**
- **Improving asset quality, higher coverage**

P&L developments

In the followings, we present the aggregated results of OTP Bank, OTP Mortgage Bank and OTP Building Society ("OTP Core business"). In order to present business trends in a comprehensive way, OTP Hungary Core statement of operations was adjusted by the following items:

- Interest expenses of upper and lower Tier2 issues have been deducted from NII;
- Interest revenues stemming from subsidiaries financing have been also deducted from NII;
- The result on the open FX-position has been deducted from other non-interest income;
- Dividends received from subsidiaries, as well as cash transfers have been deducted from other non-interest income;
- FX swap related revenues earlier shown as other non-interest income have been added to NII.

The detailed presentation of adjusted statement of operation is to be found within supplementary data of the Stock Exchange Report

Profit before tax of the adjusted OTP Core business grew by 13% y-o-y and reached HUF 160 billion. The main drivers of the earning growth was the increase in F&C income (+11% y-o-y), and also the lower provisions (-16% y-o-y) as a reflection of improving asset quality. Despite of lower risk costs the coverage grew substantially: the NPL coverage jumped to 53.4% from 48.8% a year ago.

In 2007 there were several margin-compression items having negative impact on NII, such as the 50 bps decline in NHB base rate, the repricing of the old mortgages and the significant prepayment, the intensifying competition in the retail segment and the intensive deposit-taking campaign by the Bank in 3Q and 4Q. As a result of those factors the whole-year NII for the core banking was basically flat to 2006 (+0.5% y-o-y), whereas the adjusted NIM contracted to 4.8% (-41 bps y-o-y).

The adjusted other non-interest income increased by 13% y-o-y, even though in 2006 there was a significant result from some one-off revenues on outsourcing tangible assets and immaterial goods.

Those missing revenue items were more than off-set by a nice margin pick up on FX-conversion (+33% y-o-y), and also due to lower FX losses.

Operating expenses of the core Hungarian business were by 1.4% smaller than in 2006. Major reason behind that was that on other expenditure line OTP paid a higher amount for special banking tax (2006: HUF 11.2 billion) versus the currently effective contribution tax (2007: HUF 6.5 billion). Personal expenses grew by 6.9% y-o-y, depreciation by 14.8%, respectively.

The main reason why profit before tax declined so sharply in 4Q to HUF 35.4 billion (-20%) was the higher provisions and the seasonally high operational costs (+11% q-o-q). NII increased by 1% reaching HUF 61.2 billion as a result of declining NIMs (-10 bps q-o-q) and growing lending volumes. Net F&C growth (+11%) was fuelled by deposit related fee income. Other non-interest income dropped sharply in 4Q (-22.5%) due to the base effect (in 3Q securities gain was substantial).

Balance sheet trends

Gross loan growth accelerated in 4Q and volumes increased by 6% vs. 2.6% in 3Q. The engine of the loan growth was the housing lending (+6% q-o-q) supported by the Global loan product, but corporate loans grew nicely, too (+8.0% q-o-q). Consumer loan disbursement remained robust: in 3Q volumes grew by 12%, while in 4Q they increased by 11%. Those loans were also part of the Global loan package in forms of home equity products. In mortgage-backed consumer loan origination the Bank achieved an all time high 4Q results: against HUF25.8 billion in 3Q, it sold HUF 53.7 billion in the last three months, within that the share of JPY was 43%.

Repricing of housing loans continued in 4Q: out of the outstanding HUF 1,200 billion domestic housing loan book HUF 361 billion was the portion of loans disbursed under subsidy scheme being effective before June 2003, of which HUF 136 billion was transferred to the second category (valid from June 2003). The volume of FX-linked loan origination was very strong in 4Q: HUF 45.3 billion against HUF 31.1 billion in 3Q. Thus the share of FX loans within the aggregated retail loan volume grew further.

The 7.2% q-o-q growth of deposits was mainly due to the corporate deposits, but retail deposits also picked up nicely (+4.8%), especially site deposit grew significantly. The q-o-q drop in municipality deposit was due to seasonal effects, their yearly growth was substantial (+21.5%).

In 4Q 2007 the total outstanding volume of covered mortgage bonds basically remained unchanged, while neither bonds, nor subordinated instruments were issued by the Bank.

Market share developments

Loan demand remained fairly strong in the Hungarian banking sector (+5.5% q-o-q and 17.1% y-o-y). However, the high early repayment of housing loans had a negative impact on the dynamism of mortgages. The housing loan market grew by 4.7% in 4Q, within that the FX-linked lending increased by 13.9%. Household demand for consumer loans and other type of lending products remained strong: home equities grew by 8.2% q-o-q.

OTP Group market share in mortgages declined by further 1.2% q-o-q as a consequence of heavy prepayment HUF-loans and the strong market

dynamism of FX-loan disbursement. OTP's share in FX-mortgages grew by 0.2% to 21.2% reflecting the success of the launch of the Global loan. Also, in case of FX-linked consumer lending the Group managed to gain further shares reaching 25.3% (+0.8% q-o-q). The position in consumer lending was 24.8% (+0.1%).

On the deposit side market became dynamic in 4Q: OTP grew by 4.7% (+7.1% y-o-y) and household volumes were significant. With such a good rush OTP managed to stop its earlier market share erosion and its positions stabilized at 31.3%.

CAPITAL ADEQUACY (BASED ON HAR)

The HAR shareholders' equity of OTP Bank was HUF 638.2 billion on December 31, 2007, by HUF 85.0 billion higher than a year earlier. In the course of 2007 there was an increase of HUF 12.1 billion in general reserves, HUF 74.3 billion in retained earnings, as well as in tied-up reserves (+HUF 52.9 billion), while balance sheet profit dropped by HUF 54.3 billion. Non-consolidated book value of one share with face value of HUF 100 was HUF 2,279.2 on December 31, 2007.

The guarantee capital of the Bank stood at HUF 331.9 billion or HUF 344.8 billion including profit for the period. Tier 2 capital amounted to HUF 291.9 billion. With risk weighted assets of HUF 3,463.3 billion (an increase of 26.9% y-o-y) the capital adequacy ratio – calculated according to the Hungarian regulations, i.e. without the quarterly earnings – reached 9.6%, higher than the minimal 8% level required by the Banking Act. The ratio calculated with 4Q 2007 profit was 10%.

MERKANTIL GROUP

Merkantil Group's aggregated, non-consolidated total assets exceeded HUF 363.1 billion on December 31, 2007, an 8.7% increase y-o-y. The aggregated gross loan volume reached HUF 274.3 billion. (+8.5% y-o-y). The group's aggregated, non-consolidated profit after tax was HUF 8.9 billion,² showing a robust 39.3% y-o-y growth. The adjusted net interest income in 2007 increased by 6.4% to HUF 21.0 billion, whereas cost of risk (HUF 3.1 billion) dropped by 16.2%. Thus the improvement of profit mainly came from the reduction of operating expenses, cost/income ratio for 2007 was 31.2% (-168 bps y-o-y). Aggregated ROE stood at 26.3%, a 1.9% improvement y-o-y. Merkantil Bank's and Merkantil Car's car financing business increased by 8.3% y-o-y and reached HUF 246.5 billion, number of contracts grew by 2.3% reaching almost 194 thousands.

Portfolio of Merkantil Bank and Car remained stable: qualified and non-performing loans represented 90.0% and 7.8% of total lending volume on December 31, 2007, respectively (against 90.5% and 7.5% a year ago). Coverage on NPL stood at 85.4% (2006: 82.3%).

Non-car-financing other Group Members had an aggregated total assets of HUF 63.1 billion (2006: 56.3%). However, the contribution of those business segments to the Group's total earnings is still negligible.

² After a deduction of the effect of intra-group dividend payment amounting to approx. HUF 3 billion

OTP GARANCIA INSURANCE

OTP Garancia Insurance realised an after-tax profit of HUF 8.1 billion in 2007 which was by 10% higher than a year ago. Gross premium income grew by 12%, less rapidly than insurance expenses (+13% y-o-y). The operating income adjusted by revenues from investment activity reached HUF 4.5 billion, a spectacular 38% y-o-y growth. Insurance reserves grew by 12% y-o-y and by 2% q-o-q reaching HUF 180.7 billion.

OTP Garancia had an increasing market share of 9.7% in total insurance income which equals to No.4

position. In the life segment the company's market share was 10.3% (No.2), whereas in non-life segment it remained No.3 with 8.9%.

Foreign insurance subsidiaries being majority owned by OTP Garancia (OTP Garancia životná poisťovňa and OTP Garancia poisťovňa in Slovakia; DSK Garancia Life Insurance and DSK Garancia Insurance in Bulgaria, and OTP Garancia Asigurari in Romania) realized a total loss of HUF 1.1 billion by HUF 0.2 billion more than in 2006.

Major components of the combined ratio at OTP Garancia Insurance:

| HUF mn | 2006 | 2007P | Y-o-Y | 4Q 2006 | 3Q 2007 | 4Q 2007 | Q-o-Q | Y-o-Y |
|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Damages | -29,851 | -49,236 | 64.9% | -7,963 | -12,622 | -12,604 | -0.1% | 58.3% |
| Expenses | -18,251 | -19,034 | 4.3% | -5,125 | -4,792 | -5,246 | 9.5% | 2.4% |
| Changes in insurance reserves | -30,511 | -19,422 | -36.3% | -5,113 | -8,228 | -3,481 | -57.7% | -31.9% |
| Net premium income | 75,600 | 84,390 | 11.6% | 15,783 | 24,944 | 21,681 | -13.1% | 37.4% |
| Result of investments | 6,292 | 7,820 | 24.3% | 2,538 | 1,736 | 855 | -50.7% | -66.3% |
| Net insurance result | 3,279 | 4,518 | 37.8% | 119 | 1,038 | 1,206 | 16.2% | 911.3% |
| | | | %-pont | | | | %-pont | %-pont |
| Combined ratio (%) | 95.66% | 94.65% | -1.02% | 99.24% | 95.84% | 94.44% | -1.40% | -4.81% |

OTP FUND MANAGEMENT

Changes in assets under management:

| HUF bn | 31/12/2006 | 30/09/2007. | 31/12/2007 | Q-o-Q | Y-o-Y |
|---------------------------------------|----------------|----------------|----------------|-------------|--------------|
| OTP Investment Funds | 543.5 | 775.1 | 813.5 | 5.0% | 49.7% |
| Pension Funds | 518.6 | 620.9 | 638.2 | 2.8% | 23.1% |
| o/w OTP Funds | 507.6 | 608.6 | 625.9 | 2.8% | 23.3% |
| Other pension funds | 11.1 | 12.3 | 12.3 | 0.2% | 11.2% |
| Other Institutional Investors | 134.3 | 166.4 | 176.9 | 6.3% | 31.7% |
| Assets under management, total | 1,196.3 | 1,562.4 | 1,628.3 | 4.2% | 36.1% |

In 2007 pre-tax earnings of OTP Fund Management reached HUF 7.8 billion, its after-tax profit was HUF 6.2 billion, a strong 18.9% y-o-y growth. In the last year the Company realized HUF 14.3 billion F&C income representing an 19.7% increase y-o-y. Fund management fees amounted to HUF 9.8 billion, thus the average fee on net asset value was 1.47%.

In 2007 the volume of assets under management of the Hungarian investment funds expanded by 25.6%, within that the growth of managed assets was by 33.1%. The Company's market share

improved nicely reaching 32.4%, while the number its clients expanded significantly, too.

Within funds managed by OTP Fund Management, the net asset value of OPTIMA Fund comprised 17.8% of total assets under management, while the net asset value of MM Fund reached HUF 257.7 billion (+8.7% q-o-q). Assets of pension funds increased further and were close to HUF 638 billion, other institutional funds under management increased to HUF 177 billion.

IFRS REPORTS OF THE MAIN SUBSIDIARIES

Note: in the following parts in case of subsidiaries where there were other non-interest income revenues from the release of provisions made in connection with loans originated before the acquisitions, we made adjustments by deducting those revenues from provisions in the income statement. Those revenues were also taken out of the other non-interest income line. Cost/income ratio was calculated with the adjusted income figures.

DSK GROUP³

Performance of DSK Group:

| Main components of P&L account in HUF mn | 2006 | 2007P | Y-o-Y | 4Q 2006 | 3Q 2007 | 4Q 2007 | Q-o-Q | Y-o-Y |
|--|----------------|------------------|--------------|----------------|----------------|------------------|--------------|--------------|
| Net Interest Income | 40,335 | 43,373 | 7.5% | 10,446 | 11,267 | 11,520 | 2.2% | 10.3% |
| Cost of risk | 8,525 | 9,116 | 6.9% | 3,144 | 2,487 | 3,146 | 26.5% | 0.1% |
| Net fees and commissions | 14,306 | 17,154 | 19.9% | 3,826 | 4,558 | 4,294 | -5.8% | 12.3% |
| Total other non-interest income | 2,650 | 2,238 | -15.6% | 1,146 | 554 | 652 | 17.8% | -43.1% |
| Total income | 57,291 | 62,764 | 9.6% | 15,418 | 16,378 | 16,466 | 0.5% | 6.8% |
| Operating expenses | 23,346 | 24,489 | 4.9% | 5,803 | 6,468 | 5,277 | -18.4% | -9.1% |
| Pre-tax profit | 25,420 | 29,159 | 14.7% | 6,470 | 7,423 | 8,043 | 8.3% | 24.3% |
| After tax profit | 21,880 | 26,471 | 21.0% | 5,788 | 6,768 | 7,415 | 9.6% | 28.1% |
| Main components of balance sheet in HUF mn | 31/12/2006 | 31/12/2007 | Y-o-Y | 31/12/2006 | 30/09/2007 | 31/12/2007 | Q-o-Q | Y-o-Y |
| Total Assets | 855,799 | 1,015,016 | 18.6% | 855,799 | 933,789 | 1,015,016 | 8.7% | 18.6% |
| Gross customer loans | 532,092 | 763,049 | 43.4% | 532,092 | 666,629 | 763,049 | 14.5% | 43.4% |
| o/w: retail | 399,703 | 540,426 | 35.2% | 399,703 | 488,825 | 540,426 | 10.6% | 35.2% |
| corporate | 132,197 | 221,601 | 67.6% | 132,197 | 176,967 | 221,601 | 25.2% | 67.6% |
| Provisions | -19,030 | -27,925 | 46.7% | -19,030 | -24,598 | -27,925 | 13.5% | 46.7% |
| Deposits from customers | 523,770 | 650,325 | 24.2% | 523,770 | 599,025 | 650,325 | 8.6% | 24.2% |
| o/w: retail | 430,964 | 519,949 | 20.6% | 430,964 | 484,432 | 519,949 | 7.3% | 20.6% |
| corporate | 71,744 | 99,612 | 38.8% | 71,744 | 89,877 | 99,612 | 10.8% | 38.8% |
| Liabilities to credit institutions, subordinated loans and issued securities | 228,304 | 229,114 | 0.4% | 228,304 | 212,033 | 229,114 | 8.1% | 0.4% |
| Total shareholders' equity | 90,209 | 124,139 | 37.6% | 90,209 | 108,286 | 124,139 | 14.6% | 37.6% |
| LOAN QUALITY (%) | 31/12/2006 | 31/12/2007 | Y-o-Y | 31/12/2006 | 30/09/2007 | 31/12/2007 | Q-o-Q | Y-o-Y |
| Share of NPLs | 3.4% | 3.2% | -0.1% | 3.4% | 3.6% | 3.2% | -0.4% | -0.1% |
| MARKET SHARE (%) | 31/12/2006 | 31/12/2007 | Y-o-Y | 31/12/2006 | 30/09/2007 | 31/12/2007 | Q-o-Q | Y-o-Y |
| Loans | 16.6% | 16.1% | -0.6% | 16.6% | 16.0% | 16.1% | 0.1% | -0.6% |
| Deposits | 14.9% | 12.3% | -2.6% | 14.9% | 13.0% | 12.3% | -0.7% | -2.6% |
| Total Assets | 14.4% | 13.8% | -0.5% | 14.4% | 13.4% | 13.8% | 0.5% | -0.5% |
| INDICATORS (%) | 2006 | 2007P | Y-o-Y | 4Q 2006 | 3Q 2007 | 4Q 2007 | Q-o-Q | Y-o-Y |
| Gross loans to deposits | 101.6% | 117.3% | 15.7% | 101.6% | 111.3% | 117.3% | 6.0% | 15.7% |
| Net interest margin | 5.61% | 4.64% | -0.97% | 4.91% | 4.95% | 4.73% | -0.22% | -0.18% |
| Cost/income ratio | 40.7% | 39.0% | -1.7% | 37.6% | 39.5% | 32.1% | -7.4% | -5.6% |
| ROA | 3.0% | 2.8% | -0.2% | 2.7% | 3.0% | 3.0% | 0.1% | 0.3% |
| ROE | 27.1% | 24.7% | -2.4% | 25.4% | 26.0% | 25.5% | -0.5% | 0.2% |

³ Consolidated figures of DSK Bank, POK DSK-Rodina, DSK Trans Security, DSK Tours aggregated with figures of Asset Management (SPV).

- **Outstandingly good, 21% y-o-y net earnings growth**
- **Steadily dynamic expansion of customer loan portfolio, leading to improving market positions in 4Q**
- **Further improvement in loan portfolio quality**
- **Operating expenses remained under close control**

In 2007, DSK group realized HUF 26.5 billion profit after tax, an increase of 21% y-o-y. Such a growth was also supported by the lower corporate tax rate in Bulgaria effective from January 1, 2007; earnings before tax grew a bit slower, by 15% y-o-y. Strong net earnings growth was mainly driven by dynamically growing net F&C income (+20% y-o-y), closely controlled operating expenses (+5% y-o-y), as well as moderately increasing risk costs (+7% y-o-y), due to improving portfolio quality.

The cumulative net interest income increased by 7.5% y-o-y. After growing by 8.3% in 3Q, NIM growth moderated to 2.2% q-o-q mainly due to two factors: there was a one off item enhancing NII in 3Q, stemming from a change in the accounting method of interest income (+HUF 0.3 billion). Secondly: as a result of mandatory reserve ratio hike by BNB from September 1 (from 8% to 12%), higher mandatory reserve requirement was prevailing throughout the whole quarter. DSK partially repriced its outstanding loan portfolio to offset this negative effect.

Due to risk management efforts like charging the current accounts of overdue clients, the quality of the loan portfolio improved steadily in 2007 (NPL ratio dropped y-o-y as well as q-o-q). As a result of such steps, despite of massive loan portfolio growth amounting to 43%, risk costs grew moderately by 7% y-o-y. NPL coverage grew to 81%, showing an improvement both on y-o-y and q-o-q basis.

Compared to 2006, net F&C income increased by 20%. 6% drop in 4Q was partly due to the repurchase of the personal loan portfolio from SPV (income earlier realised as fee was received as interest from 4Q) and partly due to the increasing fee expenses of agent sales.

Operating expenses grew by 5% y-o-y, but decreased by 18% q-o-q, mainly due to close control of personnel expenses. The latter declined from 3Q to 4Q, as a result of the one off release of personnel costs, which were accrued earlier in 2007. Disregarding the effect of this release, operating expenses would have increased by 6% q-o-q.

Similar to the previous quarters, the total assets growth of DSK Group was fuelled by a dynamic mortgage and corporate lending activity in 4Q. Mortgage loan volume grew by 19%, while corporate loans expanded by 25% q-o-q, offsetting the moderating pace of consumer loan growth, which was otherwise in line with prevailing market trends (consumer loans grew by 5.5% q-o-q). Furthermore, outstandingly good expansion of loan portfolio led to an improvement in market positions in 4Q: market share of retail loans grew by 0.6 %-point to 33.4%, while market share of corporate loans improved by 0.2 %-point to 7.3%.

Customer deposits expanded less quickly than loans (by 8.6% q-o-q), resulting in a pick-up in loan-to-deposit ratio. The latter stood at 117% at year end, after a growth of 16 %-points y-o-y.

In 4Q, DSK finished the buy-back of its earlier outsourced consumer loan portfolio from the SPV. As a result, regulatory capital requirement of DSK increased, so OTP Bank raised its capital in the amount of HUF 7.7 billion during 4Q. Moreover, to further strengthen DSK's capital position as well as to substitute interbank financing maturing in 4Q, OTP Bank provided subordinated debt to its subsidiary in the amount of HUF 50.7 billion.

INVESTSBERBANK

Performance of Investsberbank:

| Main components of P&L account in HUF mn | 2006 | 2007P | Y-o-Y | 4Q 2006 | 3Q 2007 | 4Q 2007 | Q-o-Q | Y-o-Y |
|--|----------------|----------------|--------------|----------------|----------------|----------------|--------------|--------------|
| Net Interest Income | | 51,133 | | | 10,981 | 21,599 | 96.7% | |
| Cost of risk (adjusted) ² | | 11,233 | | | 2,314 | 4,115 | 77.8% | |
| Net fees and commissions | | 15,509 | | | 4,007 | 4,592 | 14.6% | |
| Total other non-interest income (adjusted) ^{2,3} | | 1,566 | | | -1,008 | 895 | -188.8% | |
| Total income | | 68,208 | | | 13,980 | 27,087 | 93.8% | |
| Operating expenses | | 45,837 | | | 9,014 | 18,723 | 107.7% | |
| Pre-tax profit | | 11,138 | | | 2,652 | 4,248 | 60.2% | |
| After tax profit | | 7,091 | | | 1,650 | 2,532 | 53.5% | |
| Main components of balance sheet in HUF mn | 31/12/2006 | 31/12/2007 | Y-o-Y | 31/12/2006 | 30/09/2007 | 31/12/2007 | Q-o-Q | Y-o-Y |
| Total Assets | 329,326 | 431,615 | 31.1% | 329,326 | 375,369 | 431,615 | 15.0% | 31.1% |
| Gross customer loans | 215,232 | 304,410 | 41.4% | 215,232 | 256,471 | 304,410 | 18.7% | 41.4% |
| o/w: retail | 97,078 | 203,659 | 109.8% | 97,078 | 147,688 | 203,659 | 37.9% | 109.8% |
| corporate | 116,601 | 98,949 | -15.1% | 116,601 | 106,866 | 98,949 | -7.4% | -15.1% |
| Provisions | | -18,323 | | | -13,980 | -18,323 | 31.1% | |
| Deposits from customers | 253,645 | 291,183 | 14.8% | 253,645 | 264,767 | 291,183 | 10.0% | 14.8% |
| o/w: retail | 168,260 | 167,378 | -0.5% | 168,260 | 159,182 | 167,378 | 5.1% | -0.5% |
| corporate | 85,385 | 123,805 | 45.0% | 85,385 | 105,585 | 123,805 | 17.3% | 45.0% |
| Liabilities to credit institutions and issued securities | 28,464 | 81,068 | 184.8% | 28,464 | 55,529 | 81,068 | 46.0% | 184.8% |
| Total shareholders' equity | 38,338 | 41,039 | 7.0% | 38,338 | 39,662 | 41,039 | 3.5% | 7.0% |
| LOAN QUALITY (%) | 12/31/2006 | 12/31/2007 | Y-o-Y | 12/31/2006 | 30/09/2007 | 12/31/2007 | Q-o-Q | Y-o-Y |
| Share of NPLs | 7.3% | 9.7% | 2.3% | 7.3% | 10.0% | 9.7% | -0.3% | 2.3% |
| MARKET SHARE (%) | 12/31/2006 | 12/31/2007 | Y-o-Y | 12/31/2006 | 30/09/2007 | 12/31/2007 | Q-o-Q | Y-o-Y |
| Loans | | 0.3% | | | 0.3% | 0.3% | 0.0% | |
| Deposits | | 0.4% | | | 0.4% | 0.4% | 0.0% | |
| Total Assets | | 0.3% | | | 0.3% | 0.3% | 0.0% | |
| INDICATORS (%) | 2006 | 2007P | Y-o-Y | 4Q 2006 | 3Q 2007 | 4Q 2007 | Q-o-Q | Y-o-Y |
| Loan/deposit ratio | 84.9% | 104.5% | 19.7% | 84.9% | 96.9% | 104.5% | 7.7% | 19.7% |
| Cost/income ratio | | 67.2% | | | 64.5% | 69.1% | 4.6% | |
| Net interest margin | | 13.44% | | | 11.79% | 21.41% | 9.62% | |
| ROA | | 1.86% | | | 1.77% | 2.51% | 0.74% | |
| ROE | | 17.9% | | | 16.5% | 25.1% | 8.6% | |

- **Outstanding loan growth in 4Q especially in consumer lending**
- **The strongest quarterly after-tax earning**
- **Stabilizing asset quality**

In the last 3 months ISB realized HUF 2.5 billion after-tax profit, thus the total 2007 earnings reached HUF 7.1 billion. The improving q-o-q result is partially due to the improving position in securities trading, where the bank had substantial losses in 3Q. (shown as other non-interest revenue).

There were a few one-off items resulting in some changes within the structure of earnings in 4Q. In December in line with OTP's relevant IFRS methodology the bank accounted some interest revenue on past due loans accrued over the course of the year and at the same time created cushion among other non-interest expenditure.

Disregarding those items the whole-year net interest income would have been HUF 44.5 billion (in 4Q: HUF 15.0 billion, +36.4% q-o-q), hence the NIM for

2007 would have been 11.70% (4Q: 14.85%, +306 bp q-o-q).

As to the volume growth, the bank had its strongest ever quarter! Gross lending grew by 18.7% q-o-q, within that retail business increased by 37.9%. On the corporate side the decline was the result of lower repo volumes⁴; the „traditional“ corporate lending increased by 3% q-o-q.

On the deposit side the bank captured a spectacular growth in 4Q, as well: retail savings grew by 5.1%, while corporate deposits picked up by 17.3% q-o-q.

Compared to the group average, ISB's asset quality is substantially weaker, but has stabilized: NPL-ratio declined by 0.3% q-o-q and the relatively high levels (9.7%) are well off-set by high margins. The NPL coverage also increased from 43.1% in 3Q to 50.2%, respectively. This low level on Group level is basically the reflection of the consolidation effect of loans at acquisition. As to the market share of the

⁴ According to IFRS ISB accounts repo-transaction with non-bank financial institutions as corporate loans

bank, based on total assets it is far from being a significant player, but in case of consumer lending it has already come through the 1% threshold.

CJSC OTP BANK

Performance of CSJC OTP Bank:

| Main components of P&L account in HUF mn | 2006 ⁵ | 2007P | Y-o-Y | 4Q 2006 | 3Q 2007 | 4Q 2007 | Q-o-Q | Y-o-Y |
|--|-------------------|----------------|--------------|----------------|----------------|----------------|---------------|--------------|
| Net Interest Income | 4,362 | 29,104 | | 4,362 | 7,370 | 7,940 | 7.7% | 82.0% |
| Cost of risk (adjusted) | 650 | -76 | | 650 | -227 | 213 | -194.0% | -67.1% |
| Net fees and commissions | 625 | 4,310 | | 625 | 1,415 | 1,137 | -19.7% | 81.9% |
| Total other non-interest income (adjusted) | 2,281 | 1,850 | | 2,281 | 232 | 571 | 146.0% | -74.9% |
| Total income | 7,267 | 35,264 | | 7,267 | 9,017 | 9,648 | 7.0% | 32.8% |
| Operating expenses | 2,848 | 16,096 | | 2,848 | 4,164 | 5,199 | 24.8% | 82.5% |
| Pre-tax profit | 3,769 | 19,244 | | 3,769 | 5,080 | 4,236 | -16.6% | 12.4% |
| After tax profit | 2,611 | 13,975 | | 2,611 | 3,633 | 3,028 | -16.6% | 16.0% |
| Main components of balance sheet in HUF mn | 31/12/2006 | 31/12/2007 | Y-o-Y | 31/12/2006 | 30/09/2007 | 31/12/2007 | Q-o-Q | Y-o-Y |
| Total Assets | 432,623 | 622,606 | 43.9% | 432,623 | 538,486 | 622,606 | 15.6% | 43.9% |
| Gross customer loans | 365,793 | 530,659 | 45.1% | 365,793 | 452,031 | 530,659 | 17.4% | 45.1% |
| o/w: retail | 163,869 | 213,660 | 30.4% | 163,869 | 218,479 | 213,660 | -2.2% | 30.4% |
| corporate | 201,923 | 316,999 | 57.0% | 201,923 | 233,552 | 316,999 | 35.7% | 57.0% |
| Provisions | -645 | -3,431 | 432.1% | -645 | -1,854 | -3,431 | 85.1% | 432.1% |
| Deposits from customers | 148,752 | 178,151 | 19.8% | 148,752 | 161,731 | 178,151 | 10.2% | 19.8% |
| o/w: retail | 71,054 | 83,969 | 18.2% | 71,054 | 74,876 | 83,969 | 12.1% | 18.2% |
| corporate | 77,648 | 94,176 | 21.3% | 77,648 | 86,843 | 94,176 | 8.4% | 21.3% |
| Liabilities to credit institutions and issued securities | 227,642 | 363,222 | 59.6% | 227,642 | 300,096 | 363,222 | 21.0% | 59.6% |
| Total shareholders' equity | 43,365 | 65,531 | 51.1% | 43,365 | 55,397 | 65,531 | 18.3% | 51.1% |
| LOAN QUALITY (%) | 12/31/2006 | 12/31/2007 | Y-o-Y | 12/31/2006 | 30/09/2007 | 12/31/2007 | Q-o-Q | Y-o-Y |
| Share of NPLs | 2.1% | 1.1% | -1.0% | 2.1% | 2.7% | 1.1% | -1.6% | -1.0% |
| MARKET SHARE (%) | 12/31/2006 | 12/31/2007 | Y-o-Y | 12/31/2006 | 30/09/2007 | 12/31/2007 | Q-o-Q | Y-o-Y |
| Loans | 4.0% | 3.7% | -0.4% | 4.0% | 3.5% | 3.7% | 0.1% | -0.4% |
| Deposits | 2.1% | 1.8% | -0.3% | 2.1% | 1.9% | 1.8% | -0.1% | -0.3% |
| Total Assets | 3.5% | 3.1% | -0.4% | 3.5% | 3.0% | 3.1% | 0.1% | -0.4% |
| INDICATORS (%) | 2006 | 2007P | Y-o-Y | 4Q 2006 | 3Q 2007 | 4Q 2007 | Q-o-Q | Y-o-Y |
| Gross loans to deposits | 245.9% | 297.9% | 52.0% | 245.9% | 279.5% | 297.9% | 18.4% | 52.0% |
| Cost/income ratio | 39.2% | 45.6% | 6.5% | 39.2% | 46.2% | 53.9% | 7.7% | 14.7% |
| Net interest margin | 6.05% | 5.52% | -0.53% | 6.05% | 5.75% | 5.47% | -0.28% | -0.58% |
| ROA | 3.62% | 2.62% | -0.97% | 3.62% | 2.83% | 2.09% | -0.75% | -1.53% |
| ROE | 36.1% | 25.7% | -10.5% | 36.1% | 26.6% | 20.0% | -6.6% | -16.1% |

- **Annual after-tax earnings of around HUF 14 billion, above market dynamism of loan growth in 4Q**
- **Growing external funding needs, significant increase in interbank facilities**
- **Accelerating network expansion, 77 new branches opened in 2007**

Total asset of CJSC OTP Bank reached HUF 622.6 billion at the end of December 2007, app. 3.1% of total banking assets in Ukraine.

The bank realized almost HUF 14 billion profit after tax, o/w HUF 3 billion in 4Q. The performance in the last 3 months was somewhat weaker than in 3Q, due to FX-moves (the local currency weakened against the euro and HUF), and also the moderate growth of NII. While lending volumes grew dynamically during 2007, deposits could not keep

pace with the market, the main reason being the less attractive pricing compared to market average. As a result, there was a shift within liabilities to more expensive interbank facilities; their share in total assets represented almost 60% at the end of 2007.

Lending growth was exceptional (+45.1% y-o-y), especially in housing loan and corporate sectors. The loan portfolio quality improved significantly, parallel with the volume expansion, and due to partial recovery of two bigger scale bad corporate exposures in 4Q. Despite of provisioning release the coverage of NPL-loans grew and the NPL-ratio dropped to 1.1%.

The network enlargement picked up significantly in 4Q and during 2007 the bank opened 77 new branches altogether. The number of employees grew steadily, as well, in 4Q alone 527 people were hired. Such an intensive growth took its toll through

⁵ In 2006 only the result of November-December has been consolidated.

the heavy increase in operational expenses (+25% q-o-q).

As a reflection of its outstanding performance the bank received several awards, such as „The Best Bank of the Year” (by Kyev Post), „The Most Stylish

Bank” and „The Best Customer Service Provider” (by Delo).

In order to strengthen the capital position of the bank, OTP Bank injected HUF 13.5 billion into CJSC bringing the registered capital to HUF 34.3 billion.

OTP BANK ROMANIA

Performance of OTP Bank Romania:

| Main components of P&L account in HUF mn | 2006 | 2007P | Y-o-Y | 4Q 2006 | 3Q 2007 | 4Q 2007 | Q-o-Q | Y-o-Y |
|---|----------------|----------------|--------------|----------------|----------------|----------------|---------------|---------------|
| Net Interest Income | 3,429 | 5,603 | 63.4% | 1,163 | 1,861 | 1,735 | -6.8% | 49.1% |
| Cost of risk (adjusted) | 383 | 595 | 55.3% | -463 | 459 | -17 | -103.6% | -96.4% |
| Net fees and commissions | 1,227 | 1,001 | -18.4% | 381 | 58 | 424 | 635.4% | 11.3% |
| Total other non-interest income (adjusted) | 1,825 | 3,515 | 92.6% | 315 | 1,386 | 896 | -35.3% | 184.9% |
| Total income | 6,481 | 10,120 | 56.1% | 1,859 | 3,305 | 3,056 | -7.5% | 64.3% |
| Operating expenses | 8,756 | 12,348 | 41.0% | 3,016 | 3,168 | 3,664 | 15.6% | 21.5% |
| Pre-tax profit | -2,658 | -2,823 | 6.2% | -694 | -323 | -592 | 83.5% | -14.7% |
| After tax profit | -2,784 | -2,827 | 1.5% | -783 | -245 | -630 | 157.3% | -19.5% |
| Main components of balance sheet In HUF mn | 12/31/2006 | 12/31/2007 | Y-o-Y | 12/31/2006 | 30/09/2007 | 31/12/2007 | Q-o-Q | Y-o-Y |
| Total Assets | 193,412 | 250,199 | 29.4% | 193,412 | 236,431 | 250,199 | 5.8% | 29.4% |
| Gross customer loans | 101,295 | 162,910 | 60.8% | 101,295 | 160,578 | 162,910 | 1.5% | 60.8% |
| o/w: retail | 51,039 | 67,225 | 31.7% | 51,039 | 74,328 | 67,225 | -9.6% | 31.7% |
| corporate | 50,256 | 95,685 | 90.4% | 50,256 | 86,250 | 95,685 | 10.9% | 90.4% |
| Provisions | -928 | -1,734 | 86.7% | -928 | -1,777 | -1,734 | -2.4% | 86.7% |
| Liabilities to credit institutions and issued securities | 125,555 | 146,583 | 16.7% | 125,555 | 141,887 | 146,583 | 3.3% | 16.7% |
| Deposits from customers | 40,996 | 70,729 | 72.5% | 40,996 | 61,890 | 70,729 | 14.3% | 72.5% |
| o/w: retail | 18,396 | 34,301 | 86.5% | 18,396 | 30,721 | 34,301 | 11.7% | 86.5% |
| corporate | 22,600 | 36,428 | 61.2% | 22,600 | 31,169 | 36,428 | 16.9% | 61.2% |
| Total shareholders' equity | 25,041 | 25,308 | 1.1% | 25,041 | 27,432 | 25,308 | -7.7% | 1.1% |
| LOAN QUALITY (%) | 12/31/2006 | 12/31/2007 | Y-o-Y | 12/31/2006 | 30/09/2007 | 31/12/2007 | Q-o-Q | Y-o-Y |
| Share of NPLs | 3.6% | 10.5% | 6.9% | 3.6% | 6.0% | 10.5% | 4.5% | 6.9% |
| MARKET SHARE (%) | 12/31/2006 | 12/31/2007 | Y-o-Y | 12/31/2006 | 30/09/2007 | 30/11/2007 | Q-o-Q | Y-o-Y |
| Loans | 1.6% | 2.1% | 0.5% | 1.6% | 2.0% | 2.1% | 0.1% | 0.5% |
| Deposits | 0.6% | 0.8% | 0.2% | 0.6% | 0.7% | 0.8% | 0.1% | 0.2% |
| Total Assets | 1.5% | 1.7% | 0.2% | 1.5% | 1.4% | 1.7% | 0.3% | 0.2% |
| INDICATORS (%) | 2006 | 2007P | Y-o-Y | 4Q 2006 | 3Q 2007 | 4Q 2007 | Q-o-Q | Y-o-Y |
| Loan/deposit ratio | 247.1% | 230.3% | -16.8% | 247.1% | 259.5% | 230.3% | -29.1% | -16.8% |
| Cost/income ratio | 135.1% | 122.0% | -13.1% | 162.2% | 95.9% | 119.9% | 24.0% | -42.3% |
| Net interest margin | 2.76% | 2.53% | -0.23% | 2.68% | 3.38% | 2.85% | -0.53% | 0.17% |
| ROA | -2.24% | -1.27% | 0.96% | -1.80% | -0.44% | -1.04% | -0.59% | 0.77% |
| ROE | -14.4% | -11.2% | 3.1% | -12.1% | -3.8% | -9.6% | -5.8% | 2.5% |

- **Total loss less than expected**
- **Dynamic network expansion with 28 new branches opened in 4Q**
- **Strong growth in lending and deposits volume**
- **Deteriorating credit quality**

OBR's loss in 2007 amounted to HUF 2.8 billion, which equals the same level as in 2006. This loss is smaller than expected mainly because of some one-off items (e. g. selling of shares in 3Q). Also in 4Q there was an unexpected recovery of a significant written-off loan, and therefore risk costs became negative in the last quarter and increased only by 55.3% y-o-y – despite of the deteriorating portfolio quality.

Comparison of net interest and fee income in the different periods is difficult because of a change in accounting standards⁶, but the sum of those income items increased together by 41.8% from 2006 to 2007.

Gross loan volume expanded dynamically. In 2007 OBR transferred (corporate and retail) loans amounting to HUF 47 billion to OTP Bank (o/w HUF 22 billion in 4Q). Taking also the transferred loans into consideration, gross loan volume grew by more than 100% y-o-y (+13% q-o-q). OBR has relative

⁶ Since 3Q some fee income items have been accounting as interest income. However, in 4Q OBR received for transferred loans a one-off fee from OTP Bank, and therefore net fee income increased significantly q-o-q.

strong positions in mortgage lending with a market share of approx. 4%.

Credit expansion was accompanied by deterioration of portfolio quality: NPL rose from 6.0% in 3Q to 10.5% at the end of 2007, the y-o-y deterioration was even worse. Although deterioration occurred mainly in "below average" and "doubtful" categories and it reflected also some cyclical and technical

reasons, the worsening of the portfolio quality can not be denied. Coverage of NPLs remained low (1.9%).

On the liability side, deposits kept increasing dynamically (+14.3% q-o-q). Expansion of distribution network accelerated in 4Q, OBR opened 28 new branches, thus the Bank has 104 branches altogether.

OTP BANKA HRVATSKA

Performance of OTP banka Hrvatska:

| Main components of P&L account in HUF mn | 2006 | 2007P | Y-o-Y | 4Q 2006 | 3Q 2007 | 4Q 2007 | Q-o-Q | Y-o-Y |
|--|----------------|----------------|--------------|----------------|----------------|----------------|---------------|---------------|
| Net Interest Income | 11,139 | 11,727 | 5.3% | 2,739 | 3,066 | 3,098 | 1.1% | 13.1% |
| Cost of risk (adjusted) | 311 | 490 | 57.5% | -20 | 153 | 353 | 130.5% | |
| Net fees and commissions | 2,572 | 3,137 | 22.0% | 656 | 846 | 937 | 10.7% | 42.8% |
| Total other non-interest income (adjusted) | 1,742 | 1,518 | -12.9% | 393 | 458 | 390 | -14.9% | -0.8% |
| Total income | 15,453 | 16,381 | 6.0% | 3,788 | 4,370 | 4,425 | 1.2% | 16.8% |
| Operating expenses | 10,772 | 11,425 | 6.1% | 2,749 | 2,742 | 3,146 | 14.8% | 14.5% |
| Pre-tax profit | 4,370 | 4,466 | 2.2% | 1,059 | 1,476 | 926 | -37.3% | -12.6% |
| After tax profit | 3,468 | 3,554 | 2.5% | 832 | 1,183 | 723 | -38.9% | -13.2% |
| Main components of balance sheet in HUF mn | 31/12/2006 | 31/12/2007 | Y-o-Y | 31/12/2006 | 30/09/2007 | 31/12/2007 | Q-o-Q | Y-o-Y |
| Total Assets | 364,118 | 422,251 | 16.0% | 364,118 | 397,155 | 422,251 | 6.3% | 16.0% |
| Gross customer loans | 197,329 | 251,186 | 27.3% | 197,329 | 227,275 | 251,186 | 10.5% | 27.3% |
| o/w: retail | 126,940 | 161,339 | 27.1% | 126,940 | 151,165 | 161,339 | 6.7% | 27.1% |
| corporate | 69,864 | 89,404 | 28.0% | 69,864 | 75,634 | 89,404 | 18.2% | 28.0% |
| Provisions | -2,239 | -4,118 | 83.9% | -2,239 | -3,487 | -4,118 | 18.1% | 83.9% |
| Deposits from customers | 275,695 | 307,540 | 11.6% | 275,695 | 285,230 | 307,540 | 7.8% | 11.6% |
| o/w: retail | 222,996 | 248,739 | 11.5% | 222,996 | 235,384 | 248,739 | 5.7% | 11.5% |
| corporate | 47,644 | 52,303 | 9.8% | 47,644 | 43,568 | 52,303 | 20.0% | 9.8% |
| Liabilities to credit institutions and issued securities | 49,874 | 64,021 | 28.4% | 49,874 | 62,844 | 64,021 | 1.9% | 28.4% |
| Total shareholders' equity | 30,609 | 40,326 | 31.7% | 30,609 | 39,406 | 40,326 | 2.3% | 31.7% |
| LOAN QUALITY (%) | 12/31/2006 | 12/31/2007 | Y-o-Y | 12/31/2006 | 30/09/2007 | 31/12/2007 | Q-o-Q | Y-o-Y |
| Share of NPLs | 1.5% | 1.4% | 0.0% | 1.5% | 1.3% | 1.4% | 0.1% | 0.0% |
| MARKET SHARE (%) | 12/31/2006 | 12/31/2007 | Y-o-Y | 12/31/2006 | 30/09/2007 | 31/12/2007 | Q-o-Q | Y-o-Y |
| Loans | 3.2% | 3.3% | 0.2% | 3.2% | 3.3% | 3.3% | 0.1% | 0.2% |
| Deposits | 4.5% | 4.2% | -0.3% | 4.5% | 4.3% | 4.2% | -0.1% | -0.3% |
| Total Assets | 3.5% | 3.4% | 0.0% | 3.5% | 3.5% | 3.4% | -0.1% | 0.0% |
| INDICATORS (%) | 2006 | 2007P | Y-o-Y | 4Q 2006 | 3Q 2007 | 4Q 2007 | Q-o-Q | Y-o-Y |
| Gross loans to deposits | 71.6% | 81.7% | 10.1% | 71.6% | 79.7% | 81.7% | 2.0% | 10.1% |
| Cost/income ratio | 69.7% | 69.7% | 0.0% | 72.6% | 62.7% | 71.1% | 8.4% | -1.5% |
| Net interest margin | 3.36% | 2.98% | -0.38% | 3.00% | 3.18% | 3.02% | -0.15% | 0.03% |
| ROA | 1.05% | 0.90% | -0.14% | 0.91% | 1.23% | 0.71% | -0.52% | -0.21% |
| ROE | 11.3% | 10.0% | -1.3% | 10.6% | 12.4% | 7.2% | -5.1% | -3.4% |

- **Despite of the restrictive measures, the yearly profit growth was stable**
- **Strong loan growth in retail and corporate segment**
- **Interbank financing becoming more important**

On December 31, 2007 after tax profit of OBH group reached HUF 3.6 billion with a yearly increase of 2.5%. The stable growth of after tax profit was mainly due to the moderate, but steady increase of net interest income (+5.3 y-o-y), while net commission income expanded significantly (+22.0% y-o-y) as a consequence of growing earnings in card business.

In the last quarter the volume of risk cost increased significantly over the end of 2006 because of the higher provisioning, but due to the active control of personal expenses (+1.8% y-o-y), depreciation and other non-interest expenses the negative impact of higher provisioning cost was mitigated.

The volume of deposits from customers increased on a yearly base by 11.6%, which was below the market average. In the last quarter there was a rapid growth in the corporate segment (+20.0% q-o-q), while the increase of retail deposits was moderate. During the whole year OBH focused on deposit taking since the mandatory reserve requirements are fairly punitive in case of foreign interbank financing.

Local restrictions on loan growth were modified several times during 2007, and at the end of December CNB announced that the banks are released from subscription of treasury bills in case of growth higher than 12% for the year. OBH used that opportunity and increased its loan portfolio dynamically, thus the volume of gross loans reached HUF 251.2 billion (+27.3% y-o-y).

In order to mitigate the negative impact of loan growth limits the Bank focused its lending activity on

higher margin retail products. As a result, both the volume of mortgages and consumer loans increased (+6.9% and 6.6% q-o-q), and the net interest income on those products grew, too.

The portfolio quality remained stable, the share of NPLs is below the group average. The coverage of NPLs stood at 64.9%

OTP BANKA SLOVENSKO

Performance OTP Banka Slovensko:

| Main components of P&L account in HUF mn | 2006 | 2007P | Y-o-Y | 4Q 2006 | 3Q 2007 | 4Q 2007 | Q-o-Q | Y-o-Y |
|--|----------------|----------------|--------------|----------------|----------------|----------------|---------------|--------------|
| Net Interest Income | 7,576 | 8,419 | 11.1% | 2,081 | 2,170 | 2,329 | 7.3% | 11.9% |
| Cost of risk (adjusted) | 1,500 | 1,154 | -23.1% | 215 | 596 | -129 | -121.6% | -159.8% |
| Net fees and commissions | 1,936 | 2,290 | 18.3% | 564 | 540 | 651 | 20.6% | 15.4% |
| Total other non-interest income (adjusted) | 1,555 | 1,404 | -9.7% | 421 | 637 | 334 | -47.5% | -20.5% |
| Total income | 11,067 | 12,112 | 9.4% | 3,066 | 3,347 | 3,315 | -1.0% | 8.1% |
| Operating expenses | 7,541 | 8,765 | 16.2% | 2,041 | 2,243 | 2,458 | 9.6% | 20.4% |
| Pre-tax profit | 2,030 | 2,194 | 8.1% | 813 | 508 | 986 | 94.1% | 21.3% |
| After tax profit | 2,030 | 2,601 | 28.2% | 813 | 508 | 1,394 | 174.5% | 71.5% |
| Main components of balance sheet in HUF mn | 31/12/2006 | 31/12/2007 | Y-o-Y | 31/12/2006 | 30/09/2007 | 31/12/2007 | Q-o-Q | Y-o-Y |
| Total Assets | 325,226 | 368,806 | 13.4% | 325,226 | 353,347 | 368,806 | 4.4% | 13.4% |
| Gross customer loans | 189,901 | 232,286 | 22.3% | 189,901 | 228,611 | 232,286 | 1.6% | 22.3% |
| o/w: retail | 58,225 | 70,412 | 20.9% | 58,225 | 64,954 | 70,412 | 8.4% | 20.9% |
| corporate | 126,175 | 154,980 | 22.8% | 126,175 | 154,819 | 154,980 | 0.1% | 22.8% |
| Provisions | -3,693 | -2,975 | -19.5% | -3,693 | -3,316 | -2,975 | -10.3% | -19.5% |
| Deposits from customers | 190,304 | 227,126 | 19.3% | 190,304 | 221,680 | 227,126 | 2.5% | 19.3% |
| o/w: retail | 80,610 | 93,644 | 16.2% | 80,610 | 88,718 | 93,644 | 5.6% | 16.2% |
| corporate | 85,965 | 92,243 | 7.3% | 85,965 | 88,078 | 92,243 | 4.7% | 7.3% |
| Liabilities to credit institutions and issued securities | 104,740 | 107,370 | 2.5% | 104,740 | 102,274 | 107,370 | 5.0% | 2.5% |
| Total shareholders' equity | 20,309 | 23,627 | 16.3% | 20,309 | 21,808 | 23,627 | 8.3% | 16.3% |
| LOAN QUALITY (%) | 12/31/2006 | 12/31/2007 | Y-o-Y | 12/31/2006 | 30/09/2007 | 12/31/2007 | Q-o-Q | Y-o-Y |
| Share of NPLs | 4.4% | 3.9% | -0.5% | 4.4% | 4.3% | 3.9% | -0.4% | -0.5% |
| MARKET SHARE (%) | 12/31/2006 | 12/31/2007 | Y-o-Y | 12/31/2006 | 30/09/2007 | 12/31/2007 | Q-o-Q | Y-o-Y |
| Loans | 4.0% | 4.0% | 0.0% | 4.0% | 4.0% | 4.0% | 0.0% | 0.0% |
| Deposits | 2.8% | 2.9% | 0.1% | 2.8% | 2.9% | 2.9% | 0.1% | 0.1% |
| Total Assets | 3.2% | 2.8% | -0.3% | 3.2% | 2.9% | 2.8% | -0.1% | -0.3% |
| INDICATORS (%) | 2006 | 2007P | Y-o-Y | 4Q 2006 | 3Q 2007 | 4Q 2007 | Q-o-Q | Y-o-Y |
| Loan/deposit ratio | 99.8% | 102.3% | 2.5% | 99.8% | 103.1% | 102.3% | -0.9% | 2.5% |
| Cost/income ratio | 68.1% | 72.4% | 4.2% | 66.6% | 67.0% | 74.1% | 7.1% | 7.6% |
| Net interest margin | 2.62% | 2.43% | -0.19% | 2.60% | 2.51% | 2.58% | 0.07% | -0.02% |
| ROA | 0.70% | 0.75% | 0.05% | 1.01% | 0.59% | 1.54% | 0.96% | 0.53% |
| ROE | 10.8% | 11.8% | 1.0% | 16.3% | 9.5% | 24.5% | 15.0% | 8.2% |

- **Annual loan growth over 22%**
- **After-tax profit increased by 28%**
- **Improving asset quality**
- **Stable NIMs**

Total assets of OBS grew by 13.4% and reached HUF 368.8 billion. Profit after tax increased by 28.2% y-o-y and by 174.5% q-o-q.

The main factors behind such a dramatic growth were the improvement in operating income (NII grew by 7.3% q-o-q, net F&C increased by 20.6%),

some provision releases, efficient cost control and a significant deferred tax item.

The lower volume of provisions both on a quarterly and yearly base is a reflection of the improving loan quality as well as the less risky nature of home equity loans. Gross loan volumes grew by 22.3% y-o-y, whereas deposits were by 19.3% higher.

The loan quality remained stable, even improved: the NPL-ratio was 3.9% (-0.4% q-o-q), their coverage somehow decreased (27.2%).

OTP BANKA SRBIJA

Performance of OTP banka Srbija:

| Main components of P&L account in HUF mn | 2007P | 3Q 2007 | 4Q 2007 | Q-o-Q |
|---|---------------|--------------|--------------|---------------|
| Net Interest Income | 6,118 | 1,399 | 1,271 | -9.1% |
| Cost of risk (adjusted) | 748 | -459 | 498 | |
| Net fees and commissions | 2,244 | 468 | 559 | 19.5% |
| Total other non-interest income (adjusted) | 7,037 | 904 | 4,114 | 354.9% |
| Total income | 15,399 | 2,771 | 5,944 | 114.5% |
| Operating expenses | 14,030 | 3,170 | 5,753 | 81.5% |
| Pre-tax profit | 621 | 60 | -307 | |
| After tax profit | 621 | 62 | -307 | |

| Main components of balance sheet in HUF mn | 31/12/2007 | 30/09/2007 | 31/12/2007 | Q-o-Q |
|--|----------------|---------------|----------------|--------------|
| Total Assets | 110,371 | 99,063 | 110,371 | 11.4% |
| Gross customer loans | 63,161 | 50,094 | 63,161 | 26.1% |
| o/w: retail | 22,091 | 27,157 | 22,091 | -18.7% |
| corporate | 40,958 | 22,784 | 40,958 | 79.8% |
| Provisions | -4,322 | -3,640 | -4,322 | 18.7% |
| Deposits from customers | 38,090 | 35,762 | 38,090 | 6.5% |
| o/w: retail | 24,549 | 23,060 | 24,549 | 6.5% |
| corporate | 12,512 | 11,670 | 12,512 | 7.2% |
| Liabilities to credit institutions and issued securities | 30,683 | 21,200 | 30,683 | 44.7% |
| Total shareholders' equity | 39,077 | 39,182 | 39,077 | -0.3% |

| LOAN QUALITY (%) | 31/12/2007 | 30/09/2007 | 31/12/2007 | Q-o-Q |
|------------------|------------|------------|------------|-------|
| Share of NPLs | 16.6% | 23.1% | 16.6% | -6.5% |

| MARKET SHARE (%) | 31/12/2007 | 30/09/2007 | 31/12/2007 | Q-o-Q |
|------------------|------------|------------|------------|-------|
| Loans | 2.3% | 2.0% | 2.3% | 0.3% |
| Deposits | 1.6% | 1.7% | 1.6% | -0.1% |
| Total Assets | 2.1% | 2.1% | 2.1% | 0.1% |

| INDICATORS (%) | 2007P | 3Q 2007 | 4Q 2007 | Q-o-Q |
|---------------------|--------|---------|---------|--------|
| Loan/deposit ratio | 165.8% | 140.1% | 165.8% | 25.7% |
| Cost/income ratio | 91.1% | 114.4% | 96.8% | -17.6% |
| Net interest margin | 5.47% | 5.63% | 4.86% | -0.77% |
| ROA | 0.55% | 0.25% | -1.17% | -1.42% |
| ROE | 1.8% | 0.6% | -3.1% | -3.8% |

- **2007 was the “year of the integration”**
- **Volume growth accelerated in 2H, especially in 4Q**
- **Profitability and efficiency well below the expected levels**

OTP banka Srbija reached a negative profit of HUF 307 million in 4Q, and a moderate PAT of HUF 621 million in 2007. Profitability was negatively effected by the Bank's open FX position, which resulted in a loss of HUF 400 million last year. The accounting specialities of this position caused also significant distortions in P&L structure in 4Q: both non-interest incomes and expenses showed a material (but rather technical) increase.⁷ Closing of this open FX position has started last year and will be finished at the beginning of 2008.

Integration of the three ancestor banks took longer time and was more expensive than expected.

However, volumes has started to growth since the middle of 2007, this dynamics became strong especially in 4Q. Gross lending volume was higher by 26.1% at the end of 2007 compared to 3Q (+6.5% q-o-q increase in deposits). Loan growth by business lines is distorted by the fact, that the Bank put SME loans amounting to HUF 7 billion from retail to the corporate portfolio in the last quarter.

Portfolio quality remained weak because of the “inherited” bad loans, however it shows an improving trend (partially because of the strong volume growth). NPL coverage (35.4% as at December 31, 2007, +8.2% q-o-q) is still below the Group's average, but this is caused by the consolidation effect.

⁷ OTP banka Srbija does not account results from open FX position as net FX gain or loss, but as non interest income and expense, separately.

CRNOGORSKA KOMERCIJALNA BANKA

Performance of CKB:

| Main components of P&L account in HUF mn | 2007P | 3Q 2007 | 4Q 2007 | Q-o-Q |
|--|----------------|----------------|----------------|---------------|
| Net Interest Income | 4,220 | 1,150 | 1,278 | 11.1% |
| Cost of risk (adjusted) | 906 | 264 | 155 | -41.4% |
| Net fees and commissions | 3,672 | 882 | 1,183 | 34.1% |
| Total other non-interest income (adjusted) | 373 | 77 | 96 | 24.6% |
| Total income | 8,265 | 2,110 | 2,557 | 21.2% |
| Operating expenses | 4,949 | 1,147 | 1,879 | 63.9% |
| Pre-tax profit | 2,410 | 699 | 523 | -25.1% |
| After tax profit | 2,243 | 643 | 464 | -27.8% |
| Main components of balance sheet in HUF mn | 31/12/2007 | 30/09/2007 | 31/12/2007 | Q-o-Q |
| Total Assets | 260,579 | 234,113 | 260,579 | 11.3% |
| Gross customer loans | 183,361 | 155,986 | 183,361 | 17.5% |
| o/w: retail | 57,399 | 48,091 | 57,399 | 19.4% |
| corporate | 119,839 | 100,947 | 119,839 | 18.7% |
| Provisions | -1,409 | -655 | -1,409 | 115.2% |
| Deposits from customers | 210,660 | 190,198 | 210,660 | 10.8% |
| o/w: retail | 104,470 | 96,622 | 104,470 | 8.1% |
| corporate | 94,142 | 81,772 | 94,142 | 15.1% |
| Liabilities to credit institutions and issued securities | 27,987 | 24,533 | 27,987 | 14.1% |
| Total shareholders' equity | 10,578 | 10,009 | 10,578 | 5.7% |
| LOAN QUALITY (%) | 31/12/2007 | 30/09/2007 | 31/12/2007 | Q-o-Q |
| Share of NPLs | 1.3% | 0.9% | 1.3% | 0.4% |
| MARKET SHARE (%) | 31/12/2007 | 30/09/2007 | 31/12/2007 | Q-o-Q |
| Loans | 33.1% | 34.6% | 33.1% | -1.5% |
| Deposits | 40.9% | 41.6% | 40.9% | -0.7% |
| Total Assets | 36.0% | 36.9% | 36.0% | -0.9% |
| INDICATORS (%) | 2007P | 3Q 2007 | 4Q 2007 | Q-o-Q |
| Loan/deposit ratio | 87.0% | 82.0% | 87.0% | 5.0% |
| Cost/income ratio | 59.9% | 54.3% | 73.5% | 19.1% |
| Net interest margin | 2.13% | 2.19% | 2.07% | -0.12% |
| ROA | 1.13% | 1.22% | 0.75% | -0.47% |
| ROE | 27.3% | 26.8% | 18.0% | -8.7% |

- **Spectacular profit growth, after tax earnings doubled y-o-y**
- **Dynamic loan growth (+18% q-o-q)**
- **Strong market positions in all major segments**

CKB's annual after-tax profit exceeded HUF 2.2 billion, twice as big as it was before the consolidation. Such a strong result helped to capture an extremely good ROE (27.3%) within the Group. The main driver of earnings was the exceptionally strong volume growth: in most of the lending and deposit categories volumes increased twofold or even more.

Since the whole Montenegrin banking sector had a similarly robust year, CKB's corporate position somehow weakened, however the bank managed to

strengthen its retail positions: number of customers reached almost 250 thousands. In most of the market segments CKB still remained the leading player.

Asset quality deteriorated a bit as volumes kept growing, at end-2007 NPL-ratio reached 1.3% (+0.4% q-o-q), compared to the Group average it is still at a low level. The bad loan coverage ratio stood only at 8.5%, again lower than the group average due to the consolidation effect at acquisition.

This is also the reason, why despite making higher provisions in 4Q (HUF 647 million) compared to previous quarters (partial recovery of bad loans originated prior to the acquisition), there were significant provisioning releases, hence the cost of risk even declined by 41.4% q-o-q.

The significant increase in operating cost in 4Q was the result of year-end bonus payments.

STAFF LEVEL AND OTHER INFORMATION

The closing staff number of the whole group was 33,085 persons as of December 31, 2007, during the fourth quarter the staff increased by 2,553 persons, year-on-year growth was 6,219 persons. In 4Q there was a rapid staff expansion at ISB (+1,514 people) and CJSC (+527 people).

The closing number of OTP Bank staff was 8,512 on December 31, 2007, 343 more than at the end of December, 2006 and 142 persons more than at the end of December, 2007. In the fourth quarter of 2007 the staff in the branch network decreased by 34 people, in the headquarters the number of staff increased by 56 persons.

| | 31/12/2006 | 30/09/2007 | 31/12/2007 | Q-o-Q | Y-o-Y |
|---|------------|------------|------------|--------|--------|
| OTP BANK | | | | | |
| Closing staff (persons) | 8,169 | 8,370 | 8,512 | 1.7% | 4.2% |
| Average staff (persons) | 8,017 | 8,237 | 8,281 | 0.5% | 3.3% |
| Per capita total assets (HUF mn) | 551.7 | 584.8 | 599.7 | 2.5% | 8.7% |
| Per capita profit after tax quarterly (HUF mn) | 6.3 | 3.9 | 3.2 | -18.4% | -49.5% |
| GROUP | | | | | |
| Closing staff (persons) | 26,866 | 30,532 | 33,085 | 8.4% | 23.1% |
| Average staff (persons) | 24,535 | 29,370 | 30,999 | 5.5% | 26.3% |
| Per capita consolidated total assets (HUF mn) | 264.2 | 263.4 | 255.7 | -2.9% | -3.2% |
| Per capita consolidated profit after tax quarterly (HUF mn) | 1.7 | 1.9 | 1.6 | -13.4% | -0.6% |

Network of OTP Group grew by 190 branches in 2007, of them most of the branches (77) were opened in Ukraine. Parallel with the network extension there was a significant staff increase, as well in the Ukraine. In coming months new

branches will be opened. ATM and POS network of the Group widened further, the number of issued cards grew significantly in case of CJSC OTP Bank, ISB and DSK.

| | December 31, 2007 | | | | | Change YTD | | | | | | |
|---------------------------------|-------------------|--------------|---------------|-----------------|--------------------------------|-----------------|---------------|------------|---------------|--------------|-------------------|-----------------|
| | Bank branches | ATMs | POSs | Bank cards (th) | Number of banking clients (th) | Staff (closing) | Bank branches | ATMs | POSs | Bank cards | Number of clients | Staff (closing) |
| OTP Bank | 409 | 1,981 | 31,877 | 3,991 | 4,758 | 8,512 | 1 | 94 | 4,618 | -55 | -37 | 343 |
| DSK Bank | 375 | 789 | 2,397 | 1,510 | 3,630 | 4,023 | 9 | 149 | 670 | 193 | 264 | -80 |
| OTP Banka Slovensko | 90 | 115 | 483 | 107 | 169 | 783 | 4 | 3 | 42 | 5 | 9 | 11 |
| OTP banka Hrvatska | 100 | 119 | 1,066 | 323 | 434 | 1,024 | 4 | 20 | 68 | -50 | 22 | 32 |
| OTP Bank Romania | 104 | 100 | 80 | 77 | 140 | 998 | 38 | 25 | | 44 | 63 | 203 |
| CJSC OTP Bank (Ukraine) | 158 | 99 | 257 | 135 | 168 | 3,500 | 93 | 50 | | 46 | 47 | 1,479 |
| Investsberbank | 110 | 148 | 1,986 | 1,981 | 880 | 8,368 | 32 | | | | | 3,020 |
| OTP banka Srbija | 100 | 171 | 2,455 | 140 | 182 | 1,174 | 8 | | | | | 519 |
| CKB | 34 | 74 | 1,905 | 175 | 268 | 423 | 1 | | | | | |
| Subsidiaries total | 1,071 | 1,615 | 10,629 | 4,448 | 5,872 | 20,293 | 189 | 247 | 780 | 237 | 404 | 5,184 |
| Group total (aggregated) | 1,480 | 3,596 | 42,506 | 8,439 | 10,630 | 33,085 | 190 | 734 | 11,747 | 2,429 | 343 | 6,219 |

PERSONAL AND ORGANIZATIONAL CHANGES

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

Budapest, February 14, 2008

FINANCIAL DATA

NON-CONSOLIDATED AND CONSOLIDATED IFRS BALANCE SHEET

| in HUF million | OTP Bank | | | Consolidated | | |
|---|------------------|------------------|--------------|------------------|------------------|--------------|
| | 31/12/2007 | 31/12/2006 | change | 31/12/2007 | 31/12/2006 | change |
| Cash, due from banks and balances with the National Bank of Hungary | 223,700 | 429,325 | -47.9% | 346,627 | 532,625 | -34.9% |
| Placements with other banks, net of allowance for possible placement losses | 725,457 | 657,939 | 10.3% | 654,122 | 602,615 | 8.5% |
| Financial assets at fair value through profit and loss | 123,371 | 61,085 | 102.0% | 285,995 | 110,576 | 158.6% |
| Securities held-for-trading | 60,384 | 36,075 | 67.4% | 222,061 | 84,867 | 161.7% |
| Fair value adjustment of derivative financial instruments | 62,987 | 25,010 | 151.8% | 63,934 | 25,709 | 148.7% |
| Securities available-for-sale | 320,615 | 348,859 | -8.1% | 472,314 | 489,250 | -3.5% |
| Loans, net of allowance for possible loan losses | 2,188,631 | 1,751,678 | 24.9% | 5,584,097 | 4,347,091 | 28.5% |
| Accrued interest receivable | 46,429 | 44,398 | 4.6% | 63,919 | 54,223 | 17.9% |
| Investments in subsidiaries | 630,679 | 583,298 | 8.1% | 9,974 | 70,939 | -85.9% |
| Securities held-to-maturity | 558,510 | 504,111 | 10.8% | 317,541 | 268,280 | 18.4% |
| Premises, equipment and intangible assets, net | 110,602 | 100,721 | 9.8% | 540,119 | 464,716 | 16.2% |
| Other assets | 176,272 | 25,283 | 597.2% | 185,181 | 157,111 | 17.9% |
| TOTAL ASSETS | 5,104,266 | 4,506,697 | 13.3% | 8,459,889 | 7,097,426 | 19.2% |
| Due to banks and deposits from the National Bank of Hungary and other banks | 584,804 | 557,857 | 4.8% | 792,260 | 660,417 | 20.0% |
| Deposits from customers | 2,955,035 | 2,690,098 | 9.8% | 5,036,304 | 4,232,153 | 19.0% |
| Liabilities from issued securities | 394,196 | 202,050 | 95.1% | 984,755 | 781,315 | 26.0% |
| Accrued interest payable | 18,411 | 16,175 | 13.8% | 62,454 | 46,011 | 35.7% |
| Other liabilities | 137,915 | 122,398 | 12.7% | 389,040 | 338,591 | 14.9% |
| Subordinated bonds and loans | 298,914 | 247,865 | 20.6% | 301,164 | 250,726 | 20.1% |
| TOTAL LIABILITIES | 4,389,275 | 3,836,443 | 14.4% | 7,565,977 | 6,309,213 | 19.9% |
| SHARE CAPITAL | 28,000 | 28,000 | 0.0% | 28,000 | 28,000 | 0.0% |
| RETAINED EARNINGS AND RESERVES | 741,199 | 644,000 | 15.1% | 974,730 | 820,819 | 18.8% |
| Retained earnings and reserves without earnings | 600,141 | 473,812 | 26.7% | 767,175 | 633,768 | 21.0% |
| Reserves | 577,728 | 452,636 | 27.6% | 619,461 | 480,903 | 28.8% |
| Fair value adjustment of securities available-for-sale and of derivative financial instruments recognised directly through equity | 3,260 | 7,146 | -54.4% | -1,921 | 3,324 | -157.8% |
| Fair value adjustment of share based payments | 19,153 | 14,030 | 36.5% | 19,153 | 14,030 | 36.5% |
| Additional reserve (issued capital element) | | | | 130,482 | 135,511 | |
| Retained earnings | 141,058 | 170,188 | -17.1% | 207,555 | 187,051 | 11.0% |
| TREASURY SHARES | -54,208 | -1,746 | 3004.7% | -114,001 | -63,716 | 78.9% |
| MINORITY INTEREST | | | | 5,183 | 3110 | |
| TOTAL SHAREHOLDERS' EQUITY | 714,991 | 670,254 | 6.7% | 893,912 | 788,213 | 13.4% |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | 5,104,266 | 4,506,697 | 13.3% | 8,459,889 | 7,097,426 | 19.2% |

NON-CONSOLIDATED AND CONSOLIDATED IFRS PROFIT AND LOSS ACCOUNT

| in HUF million | OTP Bank | | | Consolidated | | |
|---|----------------|----------------|---------------|----------------|----------------|--------------|
| | 2007P | 2006 | change | 2007P | 2006 | change |
| Loans | 199,770 | 167,058 | 19.6% | 569,418 | 387,653 | 46.9% |
| Interest income without swap | 194,803 | 166,161 | 17.2% | 563,801 | 386,756 | 45.8% |
| Results of swaps | 4,967 | 897 | 453.7% | 5,617 | 897 | 526.2% |
| Placements with other banks | 104,976 | 73,004 | 43.8% | 95,688 | 79,409 | 20.5% |
| Interest income without swap | 41,928 | 20,339 | 106.1% | 22,625 | 17,558 | 28.9% |
| Results of swaps | 63,048 | 52,665 | 19.7% | 73,063 | 61,851 | 18.1% |
| Due from banks and balances with the National Bank of Hungary | 11,754 | 24,053 | -51.1% | 12,792 | 25,937 | -50.7% |
| Securities held-for-trading | 2,808 | 2,189 | 28.3% | 7,272 | 2,593 | 180.4% |
| Securities available-for-sale | 24,952 | 25,485 | -2.1% | 34,145 | 28,746 | 18.8% |
| Securities held-to-maturity | 51,298 | 40,128 | 27.8% | 29,935 | 18,479 | 62.0% |
| Total Interest Income | 395,558 | 331,917 | 19.2% | 749,250 | 542,817 | 38.0% |
| Due to banks and deposits from the National Bank of Hungary and other banks | 65,939 | 36,492 | 80.7% | 75,931 | 41,028 | 85.1% |
| Interest expenses without swap | 22,471 | 11,567 | 94.3% | 31,089 | 14,195 | 119.0% |
| Losses of swaps | 43,468 | 24,925 | 74.4% | 44,842 | 26,833 | 67.1% |
| Deposits from customers | 110,504 | 81,167 | 36.1% | 172,296 | 106,927 | 61.1% |
| Interest expenses without swap | 106,884 | 78,855 | 35.5% | 168,643 | 104,549 | 61.3% |
| Losses of swaps | 3,620 | 2,312 | 56.6% | 3,653 | 2,378 | 53.6% |
| Liabilities from issued securities | 16,151 | 6,722 | 140.3% | 50,197 | 34,321 | 46.3% |
| Subordinated bonds and loans | 16,086 | 4,372 | 267.9% | 16,657 | 4,464 | 273.1% |
| Other entrepreneurs | | | | 115 | 133 | -13.5% |
| Total Interest Expense | 208,680 | 128,753 | 62.1% | 315,196 | 186,873 | 68.7% |
| NET INTEREST INCOME | 186,878 | 203,164 | -8.0% | 434,054 | 355,944 | 21.9% |
| Provision for possible loan losses | 21,453 | 25,443 | -15.7% | 58,297 | 28,559 | 104.1% |
| Provision for possible placement losses | 0 | 0 | | 37 | 0 | |
| Provision for possible loan and placement losses | 21,453 | 25,443 | -15.7% | 58,334 | 28,559 | 104.3% |
| NET INTEREST INCOME AFTER PROVISION FOR POSSIBLE LOAN AND PLACEMENT LOSSES | 165,425 | 177,721 | -6.9% | 375,720 | 327,385 | 14.8% |
| Fees and commissions | 153,359 | 147,668 | 3.9% | 188,964 | 145,015 | 30.3% |
| Foreign exchange gains and losses, net | 633 | -14,465 | -104.4% | 8,672 | -11,884 | -173.0% |
| Gains and losses on securities, net | 2,232 | 870 | | 5,076 | 6,900 | -26.4% |
| Gains and losses on real estate transactions, net | -54 | 77 | -170.1% | 1,330 | 1,292 | 2.9% |
| Dividend income and gains and losses of associated companies | 18,920 | 16,252 | 16.4% | 993 | 901 | 10.2% |
| Insurance premiums | | | | 83,517 | 75,554 | 10.5% |
| Other | 4,599 | 44,849 | -89.7% | 44,014 | 24,940 | 76.5% |
| Total Non-Interest Income | 179,689 | 195,251 | -8.0% | 332,566 | 242,718 | 37.0% |
| Fees and commissions | 20,612 | 21,163 | -2.6% | 36,476 | 32,116 | 13.6% |
| Personnel expenses | 71,018 | 65,405 | 8.6% | 147,701 | 106,804 | 38.3% |
| Depreciation and amortization | 20,035 | 17,391 | 15.2% | 35,747 | 26,464 | 35.1% |
| Insurance expenses | | | | 69,168 | 60,866 | 13.6% |
| Other | 72,037 | 81,527 | -11.6% | 169,174 | 125,251 | 35.1% |
| Total Non-Interest Expense | 183,702 | 185,486 | -1.0% | 458,266 | 351,501 | 30.4% |
| INCOME BEFORE INCOME TAXES | 161,412 | 187,486 | -13.9% | 250,020 | 218,602 | 14.4% |
| Income taxes | 20,354 | 17,298 | 17.7% | 42,139 | 31,506 | 33.7% |
| INCOME AFTER INCOME TAXES | 141,058 | 170,188 | -17.1% | 207,881 | 187,096 | 11.1% |
| Minority interest | | | | -326 | -45 | 624.4% |
| NET INCOME | 141,058 | 170,188 | -17.1% | 207,555 | 187,051 | 11.0% |

NON-CONSOLIDATED AND CONSOLIDATED IFRS CASH-FLOW STATEMENT

| in HUF million | OTP Bank | | | Consolidated | | |
|--|-----------------|-----------------|----------------|-------------------|-------------------|---------------|
| | 2007P | 2006 | change | 2007P | 2006 | change |
| OPERATING ACTIVITIES | | | | | | |
| Income before income taxes | 161,412 | 187,486 | -13.9% | 250,020 | 218,602 | 14.4% |
| Adjustments to reconcile income before income taxes to net cash provided by operating activities | | | | | | |
| Income tax paid | -24,101 | -25,913 | -7.0% | -44,117 | -47,072 | -6.3% |
| Depreciation and amortization | 20,035 | 17,391 | 15.2% | 35,747 | 26,464 | 35.1% |
| Provision for loan and placement losses | 22,372 | 31,431 | -28.8% | 72,520 | 34,463 | 110.4% |
| Net increase in insurance reserves | 0 | 0 | | 20,024 | 32,253 | -37.9% |
| Share-based compensation | 5,123 | 5,927 | -13.6% | 5,123 | 5,927 | -13.6% |
| Unrealised losses on fair value adjustment of securities held of trading | 688 | 1,435 | -52.1% | 695 | 1,465 | -52.6% |
| Unrealised losses / (gains) on fair value adjustment of derivative financial instruments | -1,620 | -13,676 | -88.2% | -31,874 | -17,137 | 86.0% |
| Changes in operating assets and liabilities | -193,986 | 38,410 | -605.0% | -163,910 | -35,857 | 357.1% |
| Net cash provided by operating activities | -10,077 | 242,491 | -104.2% | 144,228 | 219,108 | -34.2% |
| INVESTING ACTIVITIES | | | | | | |
| Net cash used in investing activities | -631,757 | -905,710 | -30.2% | -1,260,739 | -1,078,120 | 16.9% |
| FINANCING ACTIVITIES | | | | | | |
| Net cash provided by financing activities | 414,750 | 696,756 | -40.5% | 908,097 | 893,674 | 1.6% |
| Net (decrease) / increase in cash and cash equivalents | -227,084 | 33,537 | | -208,414 | 34,662 | |
| 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 | 67,497 | 294,581 | -77.1% | 188,244 | 396,658 | -52.5% |
| 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% |
| Mandatory 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 | 223,700 | 429,325 | -47.9% | 346,627 | 532,625 | -34.9% |
| Compulsory reserve established by the National Bank of Hungary | -156,203 | -134,744 | 15.9% | -158,383 | -135,967 | 16.5% |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | 67,497 | 294,581 | -77.1% | 188,244 | 396,658 | -52.5% |

Ownership structure of OTP Bank Plc.

| Description of owner | Total equity | | | | | |
|--|-----------------|---------------|--------------------|-------------------|---------------|--------------------|
| | January 1, 2007 | | | December 31, 2007 | | |
| | % | % | Qty | % | % | Qty |
| Domestic institution/company | 7.3% | 11.9% | 20,532,012 | 5.5% | 5.7% | 15,395,349 |
| Foreign institution/company | 86.1% | 79.7% | 241,020,631 | 83.8% | 86.4% | 234,776,578 |
| Domestic individual | 1.0% | 1.7% | 2,856,043 | 3.9% | 4.0% | 10,857,968 |
| Foreign individual | 0.0% | 0.0% | 52,842 | 0.0% | 0.0% | 72,730 |
| Employees, senior officers | 3.0% | 4.9% | 8,391,992 | 2.0% | 2.1% | 5,598,027 |
| Treasury shares | 0.8% | 0.0% | 2,120,560 | 2.9% | 0.0% | 8,179,328 |
| Government held owner | 0.3% | 0.5% | 825,921 | 0.3% | 0.3% | 920,030 |
| 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% | 280,000,010 |

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 | 1,918,238 | 6,080,768 |
| Subsidiaries | 2,098,560 | 2,098,560 | 2,098,560 | 2,098,560 | 2,098,560 |
| TOTAL | 2,120,560 | 2,218,870 | 2,168,560 | 4,016,798 | 8,179,328 |

Shareholders with over 5% stake

| Name | Number of shares | Ownership | Voting rights |
|-------------------------------------|------------------|-----------|---------------|
| Bank of New York | 33,574,837 | 12.0% | 12.4% |
| Julius Baer | 28,595,389 | 10.2% | 10.5% |
| Megdet, Timur és Ruszlan Rahimkulov | 27,336,549 | 9.8% | 10.1% |

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 | 8,169 | 8,169 | 8,512 |
| Consolidated | 26,866 | 26,866 | 33,085 |

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 | Mihály Baumstark | member | 50,000 |
| IT | Dr. Tibor Bíró | member | 44,000 |
| IT | Péter Braun | member | 599,905 |
| IT | Dr. István Kocsis | member | 83,500 |
| IT | Dr. Sándor Pintér | member | 49,350 |
| IT | Dr. Antal Pongrácz | member, Deputy CEO | 230,000 |
| IT | Dr. László Utassy | member | 90,000 |
| IT | Dr. József Vörös | member | 115,000 |
| FB | Tibor Tolnay | Chairman | 80,580 |
| FB | Dr. Gábor Horváth | member | 10,000 |
| FB | Antal Kovács | member, Deputy CEO | 33,000 |
| FB | Dr. Gábor Nagy | member | 130,000 |
| FB | Klára Vécsei | member | 4,000 |
| SP | Dr. István Gresa | Deputy CEO | 63,758 |
| SP | Dr. László Urbán | Deputy CEO | 539 |
| SP | Ákos Takáts | Deputy CEO | 143,347 |
| SP | László Wolf | Deputy CEO | 807,640 |
| TOTAL No. of shares held by management: | | | 2,734,619 |

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

CALCULATION OF ADJUSTED LINES OF OTP CORE'S PROFIT AND LOSS STATEMENT

| Main components of P&L account in HUF million | 2006 | 2007 P | Y-o-Y | 4Q 2006 | 3Q 2007 | 4Q 2007 | Q-o-Q | Y-o-Y |
|---|----------------|----------------|---------------|----------------|---------------|---------------|---------------|---------------|
| Net interest income | 250,705 | 233,770 | -6.8% | 72,457 | 74,079 | 50,855 | -31.4% | -29.8% |
| (-) Interest expense of Tier2 capital | -4,372 | -16,086 | 267.9% | -2,719 | -4,167 | -4,213 | 1.1% | 55.0% |
| (-) Net interest income of subsidiary financing | 2,356 | 4,159 | 76.5% | 1,794 | 1,931 | 158 | -91.8% | -91.2% |
| (+) Non-interest result of swaps | -11,568 | -3,266 | -71.8% | -14,664 | -15,678 | 6,336 | -140.4% | -143.2% |
| Net interest income (adj) ¹ | 241,153 | 242,432 | 0.5% | 58,718 | 60,636 | 61,246 | 1.0% | 4.3% |
| Provision for possible loan losses | 25,314 | 21,387 | -15.5% | 7,783 | 4,454 | 11,360 | 155.1% | 46.0% |
| Net fees and commissions | 93,158 | 102,978 | 10.5% | 23,672 | 25,508 | 28,427 | 11.4% | 20.1% |
| Other non-interest income | 49,683 | 25,509 | -48.7% | 13,847 | -14,228 | 9,542 | -167.1% | -31.1% |
| (-) o/w Non-Interest result of swaps | -11,568 | -3,266 | -71.8% | -14,664 | -15,678 | 6,336 | -140.4% | -143.2% |
| (-) Dividends and cash received free of charge | 53,569 | 18,996 | -64.5% | 26,898 | 358 | 12 | -96.5% | -100.0% |
| (-) Result of open strategic EUR position | 0 | -598 | 0.0% | 0 | -2,770 | -1,476 | -46.7% | 0.0% |
| (-) Non-interest income of subsidiary financing | 0 | 1,677 | 0.0% | 0 | 0 | 1,677 | 0.0% | 0.0% |
| Other non-interest (adj) ² | 7,683 | 8,701 | 13.3% | 1,613 | 3,862 | 2,994 | -22.5% | 85.6% |
| Total income | 393,546 | 362,258 | -8.0% | 109,976 | 85,359 | 88,823 | 4.1% | -19.2% |
| Total income (adj)³ | 341,994 | 354,111 | 3.5% | 84,003 | 90,006 | 92,666 | 3.0% | 10.3% |
| Operating cost | 174,794 | 172,268 | -1.4% | 49,044 | 41,254 | 45,951 | 11.4% | -6.3% |
| Income before income taxes | 193,438 | 168,603 | -12.8% | 53,150 | 39,651 | 31,512 | -20.5% | -40.7% |
| Income before income taxes (adj)³ | 141,885 | 160,456 | 13.1% | 27,177 | 44,298 | 35,354 | -20.2% | 30.1% |
| Income taxes | 19,646 | 22,154 | 12.8% | -205 | 5,892 | 3,794 | -35.6% | -1946.5% |
| After tax profit | 173,792 | 146,449 | -15.7% | 53,355 | 33,758 | 27,718 | -17.9% | -48.1% |

¹ Unadjusted net interest income minus funding cost of Tier2 capital, minus net interest income on interbank loans to subsidiaries, plus non-interest result of swaps

² Unadjusted other non interest income minus non-interest result of swaps, minus received dividends and cash transfers, minus the result of strategic open FX position, minus non interest income of subsidiary financing

³ Calculated from adjusted net interest income and adjusted total other non-interest income

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

| HUF billion 31/12/2007 | 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 | 3,345 | 3,639 | 763 | 531 | 304 | 163 | 251 | 267 | 63 | 183 | 6,165 | 5,762 | 2,526 | 43.8% |
| Provisions | -29 | -52 | -28 | -3 | -18 | -2 | -4 | -4 | -4 | -1 | -116 | -178 | -65 | 36.4% |
| Net loans | 3,316 | 3,587 | 735 | 527 | 286 | 161 | 247 | 264 | 59 | 182 | 6,048 | 5,584 | 2,461 | 44.1% |
| Deposits | 3,086 | 3,094 | 650 | 178 | 291 | 71 | 308 | 227 | 38 | 211 | 5,068 | 5,036 | 1,974 | 39.2% |
| Subordinated debt (Tier 2) | 299 | 301 | 51 | 6 | 13 | 0 | 0 | 0 | 0 | 3 | 373 | 301 | 72 | 23.9% |
| Shareholder's equity | 765 | 879 | 126 | 66 | 41 | 28 | 40 | 27 | 39 | 11 | 1,256 | 894 | 377 | 42.2% |
| Total Assets | 6,486 | 7,205 | 1,018 | 623 | 432 | 254 | 422 | 412 | 110 | 261 | 10,736 | 8,460 | 3,531 | 41.7% |

| Q-o-Q, % 31/12/2007 | 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 | 16.6% | 15.2% | 14.5% | 17.4% | 18.7% | 1.5% | 10.5% | 1.6% | 26.1% | 17.5% | 14.4% | 9.1% | 13.2% | 1.6% |
| Provisions | -12.2% | -6.0% | 13.5% | 85.1% | 31.1% | -2.4% | 18.1% | -21.5% | 18.7% | 115.2% | 6.3% | 9.8% | 18.7% | 2.7% |
| Net loans | 17.0% | 15.6% | 14.5% | 17.1% | 18.0% | 1.5% | 10.4% | 2.1% | 26.7% | 17.1% | 14.5% | 9.1% | 13.0% | 1.5% |
| Deposits | 7.2% | 7.2% | 8.6% | 10.2% | 10.0% | 14.3% | 7.8% | 2.5% | 6.5% | 10.8% | 7.6% | 7.3% | 8.4% | 0.4% |
| Subordinated debt (Tier 2) | 1.0% | 1.0% | 0.0% | -8.5% | 23.3% | 0.0% | 0.0% | 0.0% | 0.0% | 1.0% | 17.5% | 0.8% | 270.9% | 17.4% |
| Shareholder's equity | -1.5% | -0.5% | 14.3% | 18.3% | 3.5% | -5.2% | 2.3% | 7.6% | -0.3% | 5.7% | 2.0% | 1.5% | 8.3% | 2.7% |
| Total Assets | 5.8% | 5.4% | 8.7% | 15.6% | 15.0% | 6.1% | 6.3% | 4.5% | 11.4% | 11.3% | 6.8% | 5.2% | 9.9% | 1.8% |

| Y-o-Y, % 31/12/2007 | 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 | 24.1% | 22.7% | 43.4% | 45.1% | 41.4% | 60.8% | 27.3% | 21.0% | 305.0% | | 33.6% | 28.8% | 53.3% | 7.0% |
| Provisions | -7.3% | 2.8% | 46.7% | 432.1% | 0.0% | 86.7% | 83.9% | -24.2% | | | 49.2% | 39.7% | 132.4% | 14.5% |
| Net loans | 24.5% | 23.1% | 43.3% | 44.4% | 32.9% | 60.6% | 26.6% | 22.1% | 282.6% | | 33.4% | 28.5% | 51.9% | 6.8% |
| Deposits | 10.6% | 10.6% | 24.2% | 19.8% | 14.8% | 72.5% | 11.6% | 19.3% | 67.5% | | 19.2% | 19.0% | 35.6% | 4.8% |
| Subordinated debt (Tier 2) | 20.6% | 20.5% | 0.0% | -15.1% | 210.9% | 0.0% | 0.0% | 0.0% | 0.0% | | 43.2% | 20.1% | 578.7% | 19.7% |
| Shareholder's equity | 7.4% | 8.1% | 36.9% | 51.1% | 7.0% | 3.2% | 31.7% | 16.2% | 344.3% | | 16.7% | 13.4% | 43.4% | 8.8% |
| Total Assets | 14.0% | 13.2% | 18.6% | 43.9% | 31.1% | 29.4% | 16.0% | 13.0% | 218.6% | | 20.1% | 19.2% | 36.9% | 5.4% |

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

| HUF million 12/31/2007 | 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 | 233,770 | 271,384 | 43,435 | 29,104 | 51,133 | 5,705 | 11,727 | 10,048 | 6,118 | 4,220 | 432,872 | 434,054 | 161,488 | 37.2% |
| Net interest Income (adj) | 230,504 | 263,390 | 43,435 | 29,104 | 51,133 | 5,705 | 11,727 | 10,048 | 6,118 | 4,220 | 424,878 | 426,060 | 161,488 | 37.9% |
| Cost of risk | -21,387 | -25,234 | -9,116 | -2,981 | -18,754 | -595 | -1,847 | -1,650 | -4,112 | -1,398 | -65,688 | -58,334 | -40,454 | 69.3% |
| Income from pre-acq prov. | 0 | 0 | 0 | 3,057 | 7,521 | 0 | 1,357 | 209 | 3,364 | 492 | 16,001 | 16,001 | 16,001 | 100.0% |
| Cost of risk (adj) | -21,387 | -25,234 | -9,116 | 76 | -11,233 | -595 | -490 | -1,441 | -748 | -906 | -49,687 | -42,333 | -24,453 | 57.8% |
| Fee income | 177,405 | 196,006 | 18,396 | 5,368 | 17,366 | 2,717 | 4,409 | 3,234 | 2,496 | 4,890 | 254,882 | 188,964 | 58,876 | 31.2% |
| Fee expenses | -74,427 | -90,652 | -1,490 | -1,058 | -1,856 | -1,856 | -1,272 | -1,823 | -252 | -1,218 | -101,479 | -36,476 | -10,826 | 29.7% |
| Net fees | 102,978 | 105,354 | 16,905 | 4,310 | 15,509 | 861 | 3,137 | 1,412 | 2,244 | 3,672 | 153,404 | 152,488 | 48,050 | 31.5% |
| Other non-interest income | 28,775 | 152,254 | 3,706 | 1,850 | 1,566 | 4,634 | 1,518 | 2,660 | 7,037 | 373 | 175,598 | 135,595 | 23,344 | 17.2% |
| Total income | 362,258 | 520,997 | 64,046 | 35,264 | 68,208 | 11,199 | 16,381 | 14,120 | 15,399 | 8,265 | 753,880 | 714,143 | 232,882 | 32.6% |
| Operating expenses | -172,268 | -289,937 | -25,814 | -16,096 | -45,837 | -14,094 | -11,425 | -11,102 | -14,030 | -4,949 | -433,285 | -421,790 | -143,348 | 34.0% |
| Pre-tax profit | 168,603 | 205,826 | 29,116 | 19,244 | 11,138 | -3,490 | 4,466 | 1,573 | 621 | 2,410 | 270,904 | 250,020 | 65,078 | 26.0% |
| After tax profit | 146,449 | 176,668 | 26,428 | 13,975 | 7,091 | -3,494 | 3,554 | 1,971 | 621 | 2,243 | 229,057 | 207,881 | 52,389 | 25.2% |

| Y-o-Y, % 12/31/2007 | 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 | -6.8% | -5.5% | 7.7% | | | 62.2% | 5.3% | 9.6% | | | 21.4% | 21.9% | 132.9% | 17.7% |
| Net interest Income (adj) | -3.6% | -2.9% | 7.7% | | | 62.2% | 5.3% | 9.6% | | | 24.7% | 25.2% | 132.9% | 17.5% |
| Cost of risk | -15.5% | -11.5% | 6.9% | | | 55.3% | -11.0% | -15.3% | | | 55.2% | 104.3% | 193.4% | 21.1% |
| Income from pre-acq prov. | | | | | | | -23.1% | -77.4% | | | 250.7% | 250.7% | 250.7% | 0.0% |
| Cost of risk (adj) | -15.5% | -11.5% | 6.9% | | | 55.3% | 57.5% | 41.0% | | | 31.6% | 76.4% | 165.0% | 19.3% |
| Fee income | 4.8% | 5.7% | 20.1% | | | 41.3% | 8.8% | 5.9% | | | 20.8% | 30.3% | 130.3% | 13.5% |
| Fee expenses | -2.2% | -0.5% | 8.6% | | | 106.4% | -14.0% | -0.3% | | | 4.8% | 13.6% | 86.9% | 11.6% |
| Net fees | 10.5% | 11.7% | 21.3% | | | -15.9% | 22.0% | 15.1% | | | 34.5% | 35.1% | 143.0% | 14.0% |
| Other non-interest income | -53.0% | -24.2% | 4.0% | | | 67.9% | -12.9% | 25.9% | | | -17.0% | 24.5% | 114.3% | 7.2% |
| Total income | -8.0% | -8.0% | 10.7% | | | 53.4% | 6.0% | 12.9% | | | 13.1% | 27.1% | 132.9% | 14.8% |
| Operating expenses | -1.4% | -6.4% | 6.4% | | | 44.6% | 6.1% | 5.1% | | | 17.3% | 32.1% | 140.4% | 15.3% |
| Pre-tax profit | -12.8% | -9.8% | 16.2% | | | 23.4% | 2.2% | 69.8% | | | 4.4% | 14.4% | 109.0% | 11.8% |
| After tax profit | -15.7% | -10.4% | 22.8% | | | 18.3% | 2.5% | 152.0% | | | 2.9% | 11.1% | 107.4% | 11.7% |

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