



OTP BANK PLC.

**UNCONSOLIDATED CONDENSED
FINANCIAL STATEMENTS IN ACCORDANCE
WITH INTERNATIONAL FINANCIAL
REPORTING STANDARDS ADOPTED
BY THE EUROPEAN UNION**

***FOR THE THREE MONTH PERIOD
ENDED 31 MARCH 2007***



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OTP Bank Plc. prepared in accordance with
International Financial Reporting Standards adopted
by the European Union

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OTP BANK PLC.
UNCONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2007
(UNAUDITED) (in HUF million)

	31 March 2007	31 December 2006	31 March 2006
Cash, due from banks and balances with the National Bank of Hungary	201,676	429,325	515,325
Placements with other banks, net of allowance for possible placement losses	807,125	657,939	382,697
Financial assets at fair value through profit and loss	55,296	61,085	38,209
Securities available-for-sale	348,715	348,859	372,212
Loans, net of allowance for possible loan losses	1,740,036	1,751,678	1,522,240
Accrued interest receivable	49,894	44,398	39,667
Investments in subsidiaries	594,980	583,298	227,099
Securities held-to-maturity	759,850	504,111	508,793
Premises, equipment and intangible assets, net	101,602	100,721	105,172
Other assets	<u>51,367</u>	<u>25,283</u>	<u>49,058</u>
TOTAL ASSETS	<u>4,710,541</u>	<u>4,506,697</u>	<u>3,760,472</u>
Due to banks and deposits from the National Bank of Hungary and other banks	533,280	557,857	323,916
Deposits from customers	2,637,547	2,690,098	2,547,577
Liabilities from issued securities	384,354	202,050	212,521
Accrued interest payable	24,846	16,175	7,520
Other liabilities	153,695	122,398	168,854
Subordinated bonds and loans	<u>293,068</u>	<u>247,865</u>	<u>48,996</u>
TOTAL LIABILITIES	<u>4,026,790</u>	<u>3,836,443</u>	<u>3,309,384</u>
Share capital	28,000	28,000	28,000
Retained earnings and reserves	656,767	644,000	473,707
Treasury shares	<u>(1,016)</u>	<u>(1,746)</u>	<u>(50,619)</u>
TOTAL SHAREHOLDERS' EQUITY	<u>683,751</u>	<u>670,254</u>	<u>451,088</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>4,710,541</u>	<u>4,506,697</u>	<u>3,760,472</u>

OTP BANK PLC.
UNCONSOLIDATED CONDENSED STATEMENT OF OPERATIONS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2007
(UNAUDITED) (in HUF million)

	Three month period ended 31 March 2007	Three month period ended 31 March 2006	Year ended 31 December 2006
<i>Interest Income</i>	<u>95,002</u>	<u>75,259</u>	<u>331,917</u>
<i>Interest Expense</i>	<u>48,676</u>	<u>37,630</u>	<u>128,753</u>
NET INTEREST INCOME	46,326	37,629	203,164
Provision for possible loan and placement losses	<u>3,457</u>	<u>5,478</u>	<u>25,443</u>
NET INTEREST INCOME AFTER PROVISION FOR POSSIBLE LOAN AND PLACEMENT LOSSES	42,869	32,151	177,721
<i>Non-Interest Income</i>	<u>57,434</u>	<u>56,322</u>	<u>195,251</u>
<i>Non-Interest Expenses</i>	<u>43,564</u>	<u>39,201</u>	<u>185,486</u>
INCOME BEFORE INCOME TAXES	56,739	49,272	187,486
Income taxes	<u>5,609</u>	<u>5,830</u>	<u>17,298</u>
NET INCOME AFTER INCOME TAXES	<u>51,130</u>	<u>43,442</u>	<u>170,188</u>
Earnings per share (in HUF)			
Basic	<u>186</u>	<u>164</u>	<u>635</u>
Diluted	<u>186</u>	<u>163</u>	<u>629</u>

OTP BANK PLC.
UNCONSOLIDATED CONDENSED STATEMENT OF CASH FLOWS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2007
(UNAUDITED) (in HUF million)

	Three month period ended 31 March 2007	Three month period ended 31 March 2006	Year ended 31 December 2006
Income before income taxes	56,739	49,272	187,486
<i>Adjustments to reconcile income before income taxes to net cash provided by operating activities:</i>			
Income tax paid	(5,724)	(4,676)	(25,913)
Depreciation and amortization	4,392	4,399	17,391
Provision	4,609	5,295	31,431
Share-based payment	1,281	1,199	5,927
Unrealised gains on fair value adjustment of securities held-for-trading and available for sale	(60)	1,099	1,435
Unrealised (gains)/losses on fair value adjustment of derivative financial instruments	(3,376)	6,760	(13,676)
Other changes in operating assets and liabilities	<u>(23,844)</u>	<u>107</u>	<u>38,410</u>
Net cash provided by operating activities	<u>34,017</u>	<u>63,455</u>	<u>242,491</u>
Net cash used in investing activities	<u>(412,210)</u>	<u>(39,691)</u>	<u>(905,710)</u>
Net cash provided by financing activities	<u>148,156</u>	<u>105,358</u>	<u>696,756</u>
Net increase/(decrease) in cash and cash equivalents	<u>(230,037)</u>	<u>129,122</u>	<u>33,537</u>
Cash and cash equivalents at the beginning of the period	<u>294,581</u>	<u>261,044</u>	<u>261,044</u>
Cash and cash equivalents at the end of the period	<u>64,544</u>	<u>390,166</u>	<u>294,581</u>
<i>Analysis of cash and cash equivalents opening and closing balance</i>			
Cash, due from banks and balances with the National Bank of Hungary	429,325	379,249	379,249
Compulsory reverse established by National Bank of Hungary	<u>(134,744)</u>	<u>(118,205)</u>	<u>(118,205)</u>
Cash and Cash equivalents opening balance	<u>294,581</u>	<u>261,044</u>	<u>261,044</u>
Cash, due from banks and balances with the National Bank of Hungary	201,676	515,325	429,325
Compulsory reverse established by National Bank of Hungary	<u>(137,132)</u>	<u>(125,159)</u>	<u>(134,744)</u>
Cash and Cash equivalents closing balance	<u>64,544</u>	<u>390,166</u>	<u>294,581</u>

OTP BANK PLC.
UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2007
(UNAUDITED) (in HUF million)

	Share Capital	Retained Earnings and Reserves	Treasury Shares	Total
Balance as at 1 January 2006	28,000	486,051	(40,752)	473,299
Net income after income taxes	-	43,442	-	43,442
Fair value adjustment of securities available- for-sale recognised directly through equity	-	(1,956)	-	(1,956)
Share-based compensation	-	1,199	-	1,199
Dividend for the year 2005	-	(55,160)	-	(55,160)
Profit on sale of treasury shares	-	131	-	131
Change in carrying value of treasury shares	_____ -	_____ -	_(9,867)	_(9,867)
Balance as at 31 March 2006	<u>28,000</u>	<u>473,707</u>	<u>(50,619)</u>	<u>451,088</u>
Balance as at 1 January 2007	28,000	644,000	(1,746)	670,254
Net income after income taxes	-	51,130	-	51,130
Fair value adjustment of securities available- for-sale recognised directly through equity	-	1,222	-	1,222
Share-based compensation	-	1,281	-	1,281
Profit on ICES - exchangeable bond transaction recognised through equity	-	34	-	34
Dividend for the year 2006	-	(40,320)	-	(40,320)
Profit on sale of treasury shares	-	(580)	-	(580)
Change in carrying value of treasury shares	_____ -	_____ -	_ 730	_ 730
Balance as at 31 March 2007	<u>28,000</u>	<u>656,767</u>	<u>(1,016)</u>	<u>683,751</u>

OTP BANK PLC.
NOTES TO UNAUDITED, UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2007

NOTE 1: ORGANIZATION AND BASIS OF FINANCIAL STATEMENTS

1.1. General

These interim condensed financial statements had been prepared in accordance with the prescriptions of IAS 34.

1.2. Accounting

The Bank maintains its accounting records and prepares its statutory accounts in accordance with the commercial, banking and fiscal regulations prevailing in Hungary.

The Bank's functional currency is the Hungarian Forint ("HUF").

Some of the accounting principles prescribed for statutory purposes are different from those generally recognized in international financial markets. Certain adjustments have been made to the Bank's Hungarian unconsolidated statutory accounts in order to present the unconsolidated financial position and results of operations of the Bank in accordance with all standards and interpretations approved by the International Accounting Standards Board (IASB), which are referred to as International Financial Reporting Standards (IFRS). These standards and interpretations were previously called International Accounting Standards (IAS).

Preparing these financial statements the Bank followed the same accounting policies and methods as are applied in the annual financial statements of the year ended 31 December 2006 and were prepared according to the International Financial Reporting Standards.

NOTE 2: SIGNIFICANT EVENTS IN THE FIRST QUARTER OF 2007, AND POST BALANCE SHEET EVENTS

On 26 February 2007 the Bank issued EUR 750 million floating rate note due 2009 under the EUR 3 billion EUR Medium Term Program.

On 26 February 2007 the Bank also issued EUR 200 million 5.27% subordinated notes due 19 September 2016 under the same program.

OTP Bank Plc. has increased its shareholding in Serbian Kulska banka a.d. Novi Sad (Kulska banka) as a result of several share purchases at the Belgrade Stock Exchange during the last few months and the recently finished public offer of treasury shares. As of 20 March 2007 OTP Bank owned 92.552% of Kulska banka's registered capital.

OTP BANK PLC.
NOTES TO UNAUDITED, UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2007

NOTE 3: **DIVIDENDS PAID (in HUF mn)**

Dividends paid on common shares in the first quarter of 2007 and 2006, respectively:

	Three month Period ended 31 March 2007	Three month period ended 31 March 2006
Dividends paid on common shares	<u>19</u>	<u>4</u>

**NOTE 4: **FINANCIAL ASSETS AT FAIR VALUE THROUGH STATEMENTS OF
OPERATIONS (in HUF mn)****

	31 March 2007	31 December 2006
Securities held for trading		
Hungarian Government discounted Treasury bills	2,369	1,562
Hungarian Government interest bearing Treasury bills	3,677	5,710
Government bonds	16,253	25,744
Mortgage bonds	3,187	2,741
Other securities	<u>201</u>	<u>318</u>
	<u>25,687</u>	<u>36,075</u>
Derivative financial instruments designated as held for trading	<u>29,609</u>	<u>25,010</u>
Total	<u>55,296</u>	<u>61,085</u>

NOTE 5: **AVAILABLE-FOR-SALE SECURITIES (in HUF mn)**

	31 March 2007	31 December 2006
Government bonds	17,289	17,317
Mortgage bonds	213,612	212,419
Other securities	<u>117,814</u>	<u>119,123</u>
	<u>348,715</u>	<u>348,859</u>

OTP BANK PLC.
NOTES TO UNAUDITED, UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2007

NOTE 6: LOANS AND ALLOWANCE FOR LOAN LOSSES (in HUF mn)

	31 March 2007	31 December 2006
Short-term loans and trade bills (within one year)	557,219	585,537
Long-term loans and trade bills (over one year)	<u>1,213,118</u>	<u>1,197,162</u>
	<u>1,770,337</u>	<u>1,782,699</u>
Allowance for possible loan losses	<u>(30,301)</u>	<u>(31,021)</u>
	<u>1,740,036</u>	<u>1,751,678</u>

An analysis of the loan portfolio by type, before allowances for possible loan losses, is as follows:

	31 March 2007		31 December 2006	
Commercial loans	977,832	55%	1,004,605	56%
Municipality loans	217,595	12%	210,159	12%
Housing loans	257,597	15%	259,583	14%
Consumer loans	246,293	14%	241,479	14%
Mortgage loans	<u>71,020</u>	<u>4%</u>	<u>66,873</u>	<u>4%</u>
	<u>1,770,337</u>	<u>100%</u>	<u>1,782,699</u>	<u>100%</u>

An analysis of the allowance for possible loan losses is as follows:

	31 March 2007	31 December 2006
Balance as at 1 January	31,021	22,162
Provision for possible loan losses	3,457	25,443
Write-offs	<u>(4,177)</u>	<u>(16,584)</u>
Closing balance	<u>30,301</u>	<u>31,021</u>

OTP BANK PLC.
NOTES TO UNAUDITED, UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2007

NOTE 7: INVESTMENTS IN SUBSIDIARIES (in HUF mn)

	31 March 2007	31 December 2006
Equity investments:		
Controlling interest	595,363	583,496
Significant interest	75	75
Other	<u>783</u>	<u>786</u>
	<u>596,221</u>	<u>584,357</u>
Allowance for permanent diminution in value	<u>(1,241)</u>	<u>(1,059)</u>
	<u>594,980</u>	<u>583,298</u>

An analysis of the change in the allowance for permanent diminution in value is as follows:

	31 March 2007	31 December 2006
Balance as at 1 January	1,059	3,508
Write-offs	182	10
Credit for permanent diminution in value	<u>-</u>	<u>(2,459)</u>
Closing balance	<u>1,241</u>	<u>1,059</u>

NOTE 8: HELD-TO-MATURITY INVESTMENTS (in HUF mn)

	31 March 2007	31 December 2006
Government securities	185,216	185,088
Hungarian Government discounted Treasury bills	6,523	28,095
Bonds issued by National Bank of Hungary	277,242	-
Mortgage bonds	289,269	289,328
Other debt securities	<u>1,600</u>	<u>1,600</u>
	<u>759,850</u>	<u>504,111</u>

OTP BANK PLC.
NOTES TO UNAUDITED, UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2007

NOTE 9: DEPOSITS FROM CUSTOMERS (in HUF mn)

	31 March 2007	31 December 2006
Within one year:		
In HUF	2,192,687	2,280,834
In foreign currency	<u>433,989</u>	<u>397,523</u>
	<u>2,626,676</u>	<u>2,678,357</u>
Over one year:		
In HUF	<u>10,871</u>	<u>11,741</u>
	<u>10,871</u>	<u>11,741</u>
Total	<u>2,637,547</u>	<u>2,690,098</u>

An analysis of deposits from customers by type, is as follows:

	31 March 2007		31 December 2006	
Commercial deposits	675,857	26%	708,981	26%
Municipality deposits	182,905	7%	168,379	6%
Consumer deposits	<u>1,778,785</u>	<u>67%</u>	<u>1,812,738</u>	<u>68%</u>
	<u>2,637,547</u>	<u>100%</u>	<u>2,690,098</u>	<u>100%</u>

NOTE 10: OFF BALANCE SHEET ITEMS AND DERIVATIVE FINANCIAL INSTRUMENTS

(a) *Contingent liabilities and commitments*

	31 March 2007	31 December 2006
Commitments to extend credit	701,204	689,963
Guarantees arising from banking activities	194,886	194,189
Confirmed letters of credit	15,817	16,560
Legal disputes	5,780	5,698
Contingent liabilities related to OTP Mortgage Bank Company Plc.	33,705	30,363
Other	<u>4,244</u>	<u>3,242</u>
	<u>955,636</u>	<u>940,015</u>

OTP BANK PLC.
NOTES TO UNAUDITED, UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2007

NOTE 10: OFF BALANCE SHEET ITEMS AND DERIVATIVE FINANCIAL INSTRUMENTS [continued]

(b) Derivatives

	31 March 2007	31 December 2006
Foreign currency contracts designated as held for trading		
Assets	41,470	37,825
Liabilities	<u>42,290</u>	<u>38,653</u>
Net	<u>(820)</u>	<u>(828)</u>
Net fair value	<u>(366)</u>	<u>(482)</u>
Foreign exchange swaps and interest rate swaps designated as held for trading		
Assets	1,037,855	951,605
Liabilities	<u>1,001,902</u>	<u>921,045</u>
Net	<u>35,953</u>	<u>30,560</u>
Net fair value	<u>16,960</u>	<u>13,871</u>
Interest rate swaps designated in hedge accounting relationships		
Assets	19,325	19,611
Liabilities	<u>17,154</u>	<u>18,286</u>
Net	<u>2,171</u>	<u>1,325</u>
Net fair value	<u>1,247</u>	<u>1,072</u>
Option contracts		
Assets	7,635	9,436
Liabilities	<u>8,729</u>	<u>10,477</u>
Net	<u>(1,094)</u>	<u>(1,041)</u>
Net fair value	<u>391</u>	<u>423</u>
Forward security agreements designated as held for trading		
Assets	26	149
Liabilities	<u>26</u>	<u>149</u>
Net	<u>-</u>	<u>-</u>
Net fair value	<u>(1)</u>	<u>3</u>

As at 31 March 2007, the Bank has derivative instruments with positive fair values of HUF 31,610 million and negative fair values of HUF 13,379 million. Corresponding figures as at 31 March 2006 are HUF 26,977 million and HUF 12,090 million.

Positive fair values of derivative instruments designated as hedge accounting relationships are included in other assets, while positive fair values of derivative instruments designated as held for trading are included in financial assets at fair value through statements of operations. Negative fair values of derivative instruments are included in other liabilities.

OTP BANK PLC.
NOTES TO UNAUDITED, UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2007

NOTE 11: NET INTEREST INCOME (in HUF mn)

	Three month period ended 31 March 2007	Three month period ended 31 March 2006	Year ended 31 December 2006
Interest income			
Loans	47,858	36,846	167,058
Placements with other banks	24,651	15,828	73,004
Due from banks and balances with National Bank of Hungary	3,196	5,832	24,053
Securities held-for-trading	671	316	2,189
Securities available-for-sale	6,029	6,686	25,485
Debt securities held-to-maturity	<u>12,597</u>	<u>9,751</u>	<u>40,128</u>
<i>Total Interest Income</i>	<u>95,002</u>	<u>75,259</u>	<u>331,917</u>
Interest expense			
Due to banks and deposits from the National Bank of Hungary and other banks	15,781	18,821	36,492
Deposits from customers	26,514	17,005	81,167
Liabilities from issued securities	2,723	1,346	6,722
Subordinated bonds and loans	<u>3,658</u>	<u>458</u>	<u>4,372</u>
<i>Total Interest Expense</i>	<u>48,676</u>	<u>37,630</u>	<u>128,753</u>
NET INTEREST INCOME	46,326	37,629	203,164

NOTE 12: RELATED PARTY TRANSACTIONS

The Bank enters into transactions for services with a number of subsidiaries. Such transactions are conducted at rates which approximate market conditions.

The Bank sells non-performing loans to a work-out subsidiary. Such loans are transferred at amounts which approximate the net carrying value of such loans.

The Bank under a syndication agreement administrated mortgage loans with recourse to OTP Mortgage Bank Company Ltd. of HUF 37,136 million and HUF 42,422 million the three month periods ended 31 March 2007 and 2006 (including interest). The book value of these receivables were HUF 37,089 million and HUF 42,399 million.

During the three month period ended 31 March 2007 the Bank received HUF 12,863 million fees and commission from OTP Mortgage Bank Company Ltd. For the three month period ended 31 March 2006 such fees and commissions were HUF 11,930 million. Such fees and commissions are related to loans originated by the Bank and sold to OTP Mortgage Bank Company Ltd.