



OTP BANK PLC.

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

FOR THE SIX MONTH PERIOD
ENDED 30 JUNE 2008



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National Savings and Commercial 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 30 JUNE 2008
(UNAUDITED) (in HUF million)

	Note	30 June 2008	31 December 2007	30 June 2007
Cash, due from banks and balances with the National Bank of Hungary		205,298	229,644	206,220
Placements with other banks, net of allowance for placement losses		850,195	725,458	764,306
Financial assets at fair value through profit and loss	4.	195,792	123,371	71,355
Securities available-for-sale	5.	300,594	320,615	367,244
Loans, net of allowance for loan losses	6.	2,294,330	2,188,632	1,843,789
Accrued interest receivable		44,347	46,421	44,964
Investments in subsidiaries	7.	650,516	630,703	601,693
Securities held-to-maturity	8.	515,928	558,510	637,201
Premises, equipment and intangible assets, net		110,615	110,273	100,430
Other assets		<u>57,334</u>	<u>177,047</u>	<u>47,340</u>
TOTAL ASSETS		<u>5,224,949</u>	<u>5,110,674</u>	<u>4,684,542</u>
Due to banks and deposits from the National Bank of Hungary and other banks		467,906	590,748	521,908
Deposits from customers	9.	3,022,529	2,955,035	2,587,332
Liabilities from issued securities		484,996	394,196	381,308
Accrued interest payable		36,094	18,411	36,490
Other liabilities		169,020	138,111	149,094
Subordinated bonds and loans		<u>279,628</u>	<u>298,914</u>	<u>290,697</u>
TOTAL LIABILITIES		<u>4,460,173</u>	<u>4,395,415</u>	<u>3,966,829</u>
Share capital		28,000	28,000	28,000
Retained earnings and reserves		821,849	741,467	689,713
Treasury shares		<u>(85,073)</u>	<u>(54,208)</u>	<u>-</u>
TOTAL SHAREHOLDERS' EQUITY		<u>764,776</u>	<u>(715,259)</u>	<u>717,713</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>5,224,949</u>	<u>5,110,674</u>	<u>4,684,542</u>

OTP BANK PLC.
UNCONSOLIDATED CONDENSED STATEMENT OF OPERATIONS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2008
(UNAUDITED) (in HUF million)

	Note	Six month period ended 30 June 2008	Six month period ended 30 June 2007	Year ended 31 December 2007
<i>Interest Income</i>	11.	<u>276,237</u>	<u>188,777</u>	<u>395,550</u>
<i>Interest Expense</i>	11.	<u>138,441</u>	<u>99,640</u>	<u>208,680</u>
NET INTEREST INCOME	11.	137,796	89,137	186,870
Provision for loan and placement losses	6.,7.	<u>7,871</u>	<u>5,000</u>	<u>21,453</u>
NET INTEREST INCOME AFTER PROVISION FOR LOAN AND PLACEMENT LOSSES		129,925	84,137	165,417
<i>Non-Interest Income</i>		<u>62,606</u>	<u>101,104</u>	<u>179,897</u>
<i>Non-Interest Expenses</i>		<u>94,957</u>	<u>91,054</u>	<u>183,532</u>
INCOME BEFORE INCOME TAXES		97,574	94,187	161,782
Income taxes		<u>9,287</u>	<u>11,898</u>	<u>20,101</u>
NET INCOME		<u>88,287</u>	<u>82,289</u>	<u>141,681</u>
Earnings per share (in HUF)				
Basic		<u>326</u>	<u>294</u>	<u>508</u>
Diluted		<u>325</u>	<u>293</u>	<u>507</u>

OTP BANK PLC.
UNCONSOLIDATED CONDENSED STATEMENT OF CASH FLOWS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2008
(UNAUDITED) (in HUF million)

	Six month period ended 30 June 2008	Six month period ended 30 June 2007	Year ended 31 December 2007
Income before income taxes	97,574	94,187	161,782
Income tax paid	(6,100)	(12,006)	(24,101)
Depreciation and amortization	11,285	9,995	20,035
Provision	5,100	7,592	22,372
Share-based payment	2,856	2,562	5,123
Unrealised losses on fair value adjustment of securities held-for-trading and available for sale	1,164	61	688
Unrealised (gains)/losses on fair value adjustment of derivative financial instruments	(45,040)	1,757	(1,620)
Other changes in operating assets and liabilities	<u>11,020</u>	<u>8,307</u>	<u>(62,112)</u>
Net cash provided by operating activities	<u>77,859</u>	<u>112,455</u>	<u>122,167</u>
Net cash used in investing activities	<u>(87,914)</u>	<u>(378,559)</u>	<u>(763,646)</u>
Net cash (used in)/provided by financing activities	<u>(25,771)</u>	<u>43,018</u>	<u>420,339</u>
Net decrease in cash and cash equivalents	<u>(35,826)</u>	<u>(223,086)</u>	<u>(221,140)</u>
Cash and cash equivalents at the beginning of the period	<u>73,441</u>	<u>294,581</u>	<u>294,581</u>
Cash and cash equivalents at the end of the period	<u>37,615</u>	<u>71,495</u>	<u>73,441</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	229,644	429,325	429,325
Compulsory reverse established by National Bank of Hungary	<u>(156,203)</u>	<u>(134,744)</u>	<u>(134,744)</u>
Cash and Cash equivalents opening balance	<u>73,441</u>	<u>294,581</u>	<u>294,581</u>
Cash, due from banks and balances with the National Bank of Hungary	205,298	206,220	229,644
Compulsory reverse established by National Bank of Hungary	<u>(167,683)</u>	<u>(134,725)</u>	<u>(156,203)</u>
Cash and Cash equivalents closing balance	<u>(37,615)</u>	<u>71,495</u>	<u>73,441</u>

OTP BANK PLC.
UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2008
(UNAUDITED) (in HUF million)

	Share Capital	Retained Earnings and Reserves	Treasury Shares	Total
Balance as at 1 January 2007	28,000	644,000	(1,746)	670,254
Net income	-	82,289	-	82,289
Fair value adjustment of securities available-for-sale recognised directly through equity	-	3,401	-	3,401
Share-based compensation	-	2,562	-	2,562
Profit on ICES - exchangeable bond transaction recognised through equity	-	(538)	-	(538)
Dividend for the year 2006	-	(40,320)	-	(40,320)
Profit on sale of treasury shares	-	(1,681)	-	(1,681)
Change in carrying value of treasury shares	-	-	1,746	1,746
Balance as at 30 June 2007	<u>28,000</u>	<u>689,713</u>	<u>-</u>	<u>717,713</u>
Balance as at 1 January 2008	28,000	741,467	(54,208)	715,259
Net income	-	88,287	-	88,287
Fair value adjustment of securities available-for-sale recognised directly through equity	-	(7,767)	-	(7,767)
Fair value adjustment of derivative financial instruments recognised through equity	-	-	-	-
Share-based compensation	-	2,856	-	2,856
Profit on ICES - exchangeable bond transaction recognised through equity	-	(2,478)	-	(2,478)
Effect of Treasury share transaction	-	(12)	-	(12)
Loss on sale of treasury shares	-	(504)	-	(504)
Change in carrying value of treasury shares	-	-	(30,865)	(30,865)
Balance as at 30 June 2008	<u>28,000</u>	<u>821,849</u>	<u>(85,073)</u>	<u>764,776</u>

OTP BANK PLC.
NOTES TO UNAUDITED, UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2008

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 2007 and were prepared according to the International Financial Reporting Standards.

NOTE 2: SIGNIFICANT EVENTS DURING THE SIX MONTH PERIOD ENDED 30 JUNE 2008, AND POST BALANCE SHEET EVENTS

On 9 January 2008 the Bank, the 100% owner of CJSC OTP Bank Ukraine, has increased the registered capital of its subsidiary by UAH 247,972,709 thus the share capital of CJSC OTP Bank is UAH 902,558,018.

On 17 January 2008 - effective from 29 November 2007 - the Bank, the 100% owner of OTP Life Annuity Ltd., has increased the registered capital of its subsidiary by HUF 5 million, the equity reserve of its subsidiary by HUF 745 million, thus the share capital of OTP Life Annuity Ltd. is HUF 505 million.

OTP BANK PLC.
NOTES TO UNAUDITED, UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2008

**NOTE 2: SIGNIFICANT EVENTS DURING THE SIX MONTH PERIOD ENDED
30 JUNE 2008, AND POST BALANCE SHEET EVENTS [continued]**

Subject to the prior approval of the Hungarian Financial Supervisory Authority, upon signing of the contractual documentation that is subject to the receipt of all necessary regulatory and competition approvals and certain other conditions, Groupama S.A. will undertake to buy 100 % of the shares in OTP Garancia Insurance Ltd. as well as to acquire the minority shares held by the local subsidiaries of OTP Bank Plc. in the Romanian, Slovak and Bulgarian subsidiaries of OTP Garancia Insurance Ltd. As a result of the transaction, Groupama S.A. will acquire 100% of both the life and non-life insurance businesses of OTP Bank Plc. in Hungary, Slovakia, Romania and Bulgaria. Furthermore, as part of the transaction and subject to certain conditions, OTP Bank Plc. and Groupama S.A. will enter into co-operation agreements allowing for (in some jurisdictions exclusive) cross-selling of banking and insurance products through the respective parties' branch networks in Hungary, Slovakia, Romania, Bulgaria, Ukraine, Russia, Serbia, Montenegro and Croatia. As part of this strategic co-operation between OTP Bank Plc. and Groupama S.A., subject to certain conditions, Groupama S.A. will undertake to buy up to 8%. of the shares in OTP Bank Plc, in two steps. In order to facilitate the transaction, subject to the agreements to be entered into by the relevant parties and the completion of the transaction, Deutsche Bank AG, London Branch will, upon completion of the transaction, deliver approximately 5% of OTP Bank Plc. shares to Groupama S.A. If the above referred conditions (such as the receipt of regulatory approvals) were not satisfied and therefore the transaction would not be completed, Deutsche Bank AG, London Branch would cash-settle the agreement entered into with OTP Bank Plc.

On 6 March 2008 the Bank, the 100% owner of OTP banka Hrvatska, has increased the registered capital of its subsidiary, thus the share capital of OTP banka Hrvatska is HRK 822,279,600.

On 6 March 2008 the Bank purchased 9.67% interest in ESS Hungary NC.

In possession of the necessary approvals the closing of the sale and purchase transaction of Donskoy Narodny Bank (DNB) was completed on 6 May 2008. According to this fact the financial closing (deal value USD 40.95 million) was also completed.

On 16 June 2008 the Bank, the 100% owner of Crnogorska Komercijalna Banka (CKB) has increased the registered capital of its subsidiary by EUR 15 million, thus the share capital of CKB is EUR 46.8 million.

NOTE 3: DIVIDENDS PAID (in HUF mn)

Dividends paid on common shares in the first half of 2008 and 2007, respectively:

	Six month period ended 30 June 2008	Six month period ended 30 June 2007
Dividends paid on common shares	<u>46</u>	<u>19</u>

OTP BANK PLC.
NOTES TO UNAUDITED, UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2008

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

	30 June 2008	31 December 2007
Securities held for trading		
Hungarian Government discounted Treasury bills	5,036	2,147
Hungarian Government interest bearing Treasury bills	549	2,406
Government bonds	59,947	47,964
Mortgage bonds	5,145	3,549
Other securities	<u>3,762</u>	<u>4,318</u>
	<u>74,439</u>	<u>60,384</u>
Derivative financial instruments designated as held for trading	<u>121,353</u>	<u>62,987</u>
Total	<u>195,792</u>	<u>123,371</u>

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

	30 June 2008	31 December 2007
Government bonds	27,650	41,773
Mortgage bonds	143,169	161,545
Other securities	<u>129,775</u>	<u>117,297</u>
	<u>300,594</u>	<u>320,615</u>

NOTE 6: LOANS, NET OF ALLOWANCE FOR LOAN LOSSES (in HUF mn)

	30 June 2008	31 December 2007
Short-term loans and trade bills (within one year)	555,709	563,007
Long-term loans and trade bills (over one year)	<u>1,770,251</u>	<u>1,654,445</u>
	<u>2,325,960</u>	<u>2,217,452</u>
Allowance for loan losses	<u>(31,630)</u>	<u>(28,820)</u>
	<u>2,294,330</u>	<u>2,188,632</u>

OTP BANK PLC.
NOTES TO UNAUDITED, UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2008

NOTE 6: LOANS, NET OF ALLOWANCE FOR LOAN LOSSES (in HUF mn)
[continued]

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

	30 June 2008		31 December 2007	
Commercial loans	1,521,337	65%	1,446,354	64%
Municipality loans	188,267	8%	214,428	10%
Housing loans	239,055	10%	211,504	10%
Consumer loans	316,868	14%	280,925	13%
Mortgage loans	<u>60,433</u>	<u>3%</u>	<u>64,241</u>	<u>3%</u>
	<u><u>2,325,960</u></u>	<u>100%</u>	<u><u>2,217,452</u></u>	<u>100%</u>

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

	30 June 2008	31 December 2007
Balance as at 1 January	28,820	31,021
Allowance for loan losses	7,870	21,453
Write-offs	<u>(5,060)</u>	<u>(23,654)</u>
Closing balance	<u><u>31,630</u></u>	<u><u>28,820</u></u>

OTP BANK PLC.
NOTES TO UNAUDITED, UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2008

NOTE 7: INVESTMENTS IN SUBSIDIARIES (in HUF mn)

	30 June 2008	31 December 2007
Equity investments:		
Controlling interest	650,981	630,805
Significant interest	73	75
Other	<u>986</u>	<u>938</u>
	<u>652,040</u>	<u>631,818</u>
Allowance for permanent diminution in value	<u>(1,524)</u>	<u>(1,115)</u>
	<u>650,516</u>	<u>630,703</u>

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

	30 June 2008	31 December 2007
Balance as at 1 January	1,115	1,059
Allowance for permanent diminution in value	<u>409</u>	<u>56</u>
Closing balance	<u>1,524</u>	<u>1,115</u>

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

	30 June 2008	31 December 2007
Government securities	165,694	172,125
Hungarian Government discounted Treasury bills	347	341
Bonds issued by National Bank of Hungary	81,942	97,085
Mortgage bonds	<u>267,945</u>	<u>288,959</u>
	<u>515,928</u>	<u>558,510</u>

OTP BANK PLC.
NOTES TO UNAUDITED, UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2008

NOTE 9: DEPOSITS FROM CUSTOMERS (in HUF mn)

	30 June 2008	31 December 2007
Within one year:		
In HUF	2,327,762	2,462
In foreign currency	<u>684,502</u>	<u>483,208</u>
	<u>3,012,264</u>	<u>2,945</u>
Over one year:		
In HUF	<u>10,265</u>	<u>9,780</u>
	<u>10,265</u>	<u>9,780</u>
Total	<u>3,022,529</u>	<u>2,955</u>

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

	30 June 2008		31 December 2007	
Commercial deposits	1,025,969	34%	906,160	31%
Municipality deposits	163,883	5%	204,545	7%
Consumer deposits	<u>1,832,677</u>	<u>61%</u>	<u>1,844,330</u>	<u>62%</u>
	<u>3,022,529</u>	<u>100%</u>	<u>2,955,035</u>	<u>100%</u>

NOTE 10: OFF BALANCE SHEET ITEMS AND DERIVATIVE FINANCIAL INSTRUMENTS

(a) *Contingent liabilities and commitments*

	30 June 2008	31 December 2007
Commitments to extend credit	727,871	749,015
Guarantees arising from banking activities	252,309	255,406
Confirmed letters of credit	222	5,892
Legal disputes	6,221	5,708
Contingent liabilities related to OTP Mortgage Bank Company Plc.	52,726	38,702
Other	<u>628</u>	<u>5,178</u>
	<u>1,039,977</u>	<u>1,059,901</u>

OTP BANK PLC.
NOTES TO UNAUDITED, UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2008

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

(b) Derivatives

	30 June 2008	31 December 2007
Foreign currency contracts designated as held for trading		
Assets	185,839	97,699
Liabilities	<u>190,978</u>	<u>99,161</u>
Net	<u>5,139</u>	<u>(1,462)</u>
Net fair value	<u>(4,816)</u>	<u>(649)</u>
Foreign exchange swaps and interest rate swaps designated as held for trading		
Assets	2,458,584	2,063,109
Liabilities	<u>2,241,199</u>	<u>1,980,414</u>
Net	<u>217,385</u>	<u>82,695</u>
Net fair value	<u>63,542</u>	<u>15,413</u>
Interest rate swaps designated in hedge accounting relationships		
Assets	13,883	20,041
Liabilities	<u>11,819</u>	<u>17,320</u>
Net	<u>2,064</u>	<u>2,721</u>
Net fair value	<u>(1,040)</u>	<u>1,478</u>
Option contracts		
Assets	140,173	123,467
Liabilities	<u>140,279</u>	123,520
Net	<u>(106)</u>	<u>(53)</u>
Net fair value	<u>27,114</u>	<u>25,900</u>
Option contracts		
Assets	128	123,467
Liabilities	<u>128</u>	123,520
Net	<u>-</u>	<u>(53)</u>
Net fair value	<u>11</u>	<u>25,900</u>
Forward security agreements designated as held for trading		
Assets	44	<u>175</u>
Liabilities	<u>-</u>	<u>175</u>
Net	<u>44</u>	<u>-</u>
Net fair value	<u>17</u>	<u>(1)</u>

As at 30 June 2008, the Bank has derivative instruments with positive fair values of HUF 124,155 million and negative fair values of HUF 39,327 million. Corresponding figures as at 31 December 2007 are HUF 65,296 million and HUF 23,155 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 SIX MONTH PERIOD ENDED 30 JUNE 2008

NOTE 11: NET INTEREST INCOME (in HUF mn)

	Six month period ended 30 June 2008	Six month period ended 30 June 2007	Year ended 31 December 2007
Interest income			
Loans	110,343	96,821	199,770
Placements with other banks	123,899	45,130	104,968
Due from banks and balances with			
National Bank of Hungary	6,671	5,947	11,754
Securities held-for-trading	2,367	1,689	2,808
Securities available-for-sale	9,750	12,249	24,952
Debt securities held-to-maturity	<u>23,207</u>	<u>26,941</u>	<u>51,298</u>
<i>Total Interest Income</i>	<u>276,237</u>	<u>188,777</u>	<u>395,550</u>
Interest expense			
Due to banks and deposits from the National			
Bank of Hungary and other banks	52,240	31,735	65,939
Deposits from customers	67,238	53,467	110,504
Liabilities from issued securities	10,609	6,731	16,151
Subordinated bonds and loans	<u>8,354</u>	<u>7,707</u>	<u>16,086</u>
<i>Total Interest Expense</i>	<u>138,441</u>	<u>99,640</u>	<u>208,680</u>
NET INTEREST INCOME	137,796	89,137	186,870

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 administered mortgage loans with recourse to OTP Mortgage Bank Company Ltd. of HUF 27,810 million and HUF 64,486 million during the six month period ended 30 June 2008 and 2007 (including interest). The book value of these receivables were HUF 27,781 million and 66,919 million.

During the six month period ended 30 June 2008 the Bank received HUF 17,958 million fees and commission from OTP Mortgage Bank Company Ltd. For the three month period ended 30 June 2007 such fees and commissions were HUF 25,719 million. Such fees and commissions are related to loans originated by the Bank and sold to OTP Mortgage Bank Company Ltd.