



**OTP BANK PLC.**

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

***FOR THE NINE MONTH PERIOD  
ENDED SEPTEMBER 30, 2006***

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**OTP BANK PLC.**  
**UNCONSOLIDATED BALANCE SHEETS AS AT SEPTEMBER 30, 2006 (UNAUDITED) AND**  
**AS AT DECEMBER 31, 2005 (AUDITED) AND AS AT SEPTEMBER 30, 2005 (UNAUDITED)**  
(in HUF mn)

	Note	September 30, 2006	December 31, 2005	September 30, 2005
Cash, due from banks and balances with the National Bank of Hungary		434,930	379,249	450,047
Placements with other banks, net of allowance for possible placement losses		523,256	393,659	272,032
Financial assets at fair value through profit and loss	4	70,433	34,054	40,099
Securities available-for-sale	5	364,047	371,433	368,057
Loans, net of allowance for possible loan losses	6	1,750,657	1,475,508	1,388,654
Accrued interest receivable		45,570	41,276	34,909
Investments in subsidiaries	7	241,110	223,881	221,954
Securities held-to-maturity	8	551,606	521,797	451,649
Premises, equipment and intangible assets, net		81,287	105,569	99,713
Other assets		<u>57,966</u>	<u>46,447</u>	<u>51,929</u>
<b>TOTAL ASSETS</b>		<b><u>4,120,862</u></b>	<b><u>3,592,873</u></b>	<b><u>3,379,043</u></b>
Due to banks and deposits from the National Bank of Hungary and other banks		508,131	255,211	273,591
Deposits from customers	9	2,606,345	2,506,457	2,347,863
Liabilities from issued securities		218,995	202,267	124,737
Accrued interest payable		15,613	5,735	13,907
Other liabilities		110,399	102,881	107,393
Subordinated bonds and loans		<u>131,774</u>	<u>47,023</u>	<u>46,399</u>
<b>TOTAL LIABILITIES</b>		<b><u>3,591,257</u></b>	<b><u>3,119,574</u></b>	<b><u>2,913,890</u></b>
Share capital		28,000	28,000	28,000
Retained earnings and reserves		551,066	486,051	456,012
Treasury shares		<u>(49,461)</u>	<u>(40,752)</u>	<u>(18,859)</u>
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b><u>529,605</u></b>	<b><u>473,299</u></b>	<b><u>465,153</u></b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b><u>4,120,862</u></b>	<b><u>3,592,873</u></b>	<b><u>3,379,043</u></b>

**OTP BANK PLC.**  
**UNCONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS FOR THE NINE MONTH**  
**PERIODS ENDED SEPTEMBER 30, 2006 AND 2005 (UNAUDITED) AND**  
**FOR THE YEAR ENDED DECEMBER 31, 2005 (AUDITED)**  
(in HUF mn)

	Note	Nine month period ended September 30, 2006	Nine month period ended September 30, 2005	Year ended December 31, 2005
<i>Interest Income</i>	11	<u>233,370</u>	<u>212,903</u>	<u>281,402</u>
<i>Interest Expense</i>	11	<u>91,506</u>	<u>90,664</u>	<u>112,763</u>
<b>NET INTEREST INCOME</b>	11	<b>141,864</b>	<b>122,239</b>	<b>168,639</b>
Provision for possible loan and placement losses	6, 7	<u>16,882</u>	<u>12,675</u>	<u>16,435</u>
<b>NET INTEREST INCOME AFTER PROVISION FOR POSSIBLE LOAN AND PLACEMENT LOSSES</b>		<b>124,982</b>	<b>109,564</b>	<b>152,204</b>
<i>Non-Interest Income</i>		<u>144,394</u>	<u>121,898</u>	<u>158,420</u>
<i>Non-Interest Expenses</i>		<u>130,082</u>	<u>109,891</u>	<u>154,822</u>
<b>INCOME BEFORE INCOME TAXES</b>		<b>139,294</b>	<b>121,571</b>	<b>155,802</b>
Income taxes		<u>18,652</u>	<u>17,017</u>	<u>22,954</u>
<b>NET INCOME AFTER INCOME TAXES</b>		<b><u>120,642</u></b>	<b><u>104,554</u></b>	<b><u>132,848</u></b>
Earnings per share (in HUF)				
Basic		<u>454</u>	<u>386</u>	<u>492</u>
Diluted		<u>450</u>	<u>384</u>	<u>488</u>

**OTP BANK PLC.**  
**UNCONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS FOR THE**  
**NINE MONTH PERIODS ENDED SEPTEMBER 30, 2006, AND 2005 (UNAUDITED) AND FOR**  
**THE YEAR ENDED DECEMBER 31, 2005 (AUDITED)**  
(in HUF mn)

	Note	Nine month period ended September 30, 2006	Year ended December 31, 2005	Nine month period ended September 30, 2005
<b>OPERATING ACTIVITIES</b>				
Income before income taxes		139,294	121,571	155,802
<i>Adjustments to reconcile income before income taxes to net cash provided by operating activities:</i>				
Income tax paid		(17,399)	(12,853)	(21,071)
Depreciation and amortization		13,448	10,848	15,244
Provision	6, 7	17,079	8,573	12,588
Share-based payment		4,331	5,122	7,497
Unrealised gains on fair value adjustment of securities held-for-trading and available for sale		1,861	65	7
Unrealised losses/(gains) on fair value adjustment of derivative financial instruments		(389)	3,764	1,868
Other changes in operating assets and liabilities		<u>(34,317)</u>	<u>(21,349)</u>	<u>(23,952)</u>
<b>Net cash provided by operating activities</b>		<b><u>123,908</u></b>	<b><u>115,741</u></b>	<b><u>147,983</u></b>
<b>Net cash used in investing activities</b>		<b><u>(462,630)</u></b>	<b><u>(253,559)</u></b>	<b><u>(557,313)</u></b>
<b>Net cash provided by financing activities</b>		<b><u>377,469</u></b>	<b><u>180,286</u></b>	<b><u>376,689</u></b>
<b>Net (increase)/decrease in cash and cash equivalents</b>		<b><u>38,747</u></b>	<b><u>42,468</u></b>	<b><u>(32,641)</u></b>
Cash and cash equivalents at the beginning of the period		<u>261,044</u>	<u>293,685</u>	<u>293,685</u>
<b>Cash and cash equivalents at the end of the period</b>		<b><u>299,791</u></b>	<b><u>336,153</u></b>	<b><u>261,044</u></b>
<i>Analysis of cash and cash equivalents opening and closing balance</i>				
Cash, due from banks and balances with the National Bank of Hungary		379,249	399,401	399,401
Compulsory reverse established by National Bank of Hungary		<u>(118,205)</u>	<u>(105,716)</u>	<u>(105,716)</u>
<b>Cash and Cash equivalents opening balance</b>		<b><u>261,044</u></b>	<b><u>293,685</u></b>	<b><u>293,685</u></b>
Cash, due from banks and balances with the National Bank of Hungary		434,930	450,047	379,249
Compulsory reverse established by National Bank of Hungary		<u>(135,139)</u>	<u>(113,894)</u>	<u>(118,205)</u>
<b>Cash and Cash equivalents closing balance</b>		<b><u>299,791</u></b>	<b><u>336,153</u></b>	<b><u>261,044</u></b>

**OTP BANK PLC.**  
**UNCONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE NINE MONTH PERIODS ENDED SEPTEMBER 30, 2006 AND 2005 (UNAUDITED)**  
(in HUF mn)

	Share Capital	Retained Earnings and Reserves	Treasury Shares	Total
<b>Balance as at January 1, 2005 (Restated)</b>	<b>28,000</b>	<b>374,860</b>	<b>(13,808)</b>	<b>389,052</b>
Net income after income taxes	-	104,554	-	104,554
Fair value adjustment of securities available-for-sale recognised directly through equity	-	9,502	-	9,502
Share-based compensation	-	5,122	-	5,122
Dividend for the year 2004	-	(41,206)	-	(41,206)
Profit on sale of treasury shares	-	3,180	-	3,180
Change in carrying value of treasury shares	-	-	(5,051)	(5,051)
<b>Balance as at September 30, 2005</b>	<b><u>28,000</u></b>	<b><u>456,012</u></b>	<b><u>(18,859)</u></b>	<b><u>465,153</u></b>
<b>Balance as at January 1, 2006</b>	<b>28,000</b>	<b>486,051</b>	<b>(40,752)</b>	<b>473,299</b>
Net income after income taxes	-	120,642	-	120,642
Fair value adjustment of securities available-for-sale recognised directly through equity	-	(8,735)	-	(8,735)
Share-based compensation	-	4,331	-	4,331
Dividend for the year 2005	-	(55,160)	-	(55,160)
Profit on sale of treasury shares	-	3,937	-	3,937
Change in carrying value of treasury shares	-	-	(8,709)	(8,709)
<b>Balance as at September 30, 2006</b>	<b><u>28,000</u></b>	<b><u>551,066</u></b>	<b><u>(49,461)</u></b>	<b><u>529,605</u></b>

**OTP BANK PLC.**  
**NOTES TO UNAUDITED, UNCONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2006**

**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 December 31, 2005 and were prepared according to the International Financial Reporting Standards.

**OTP BANK PLC.**  
**NOTES TO UNAUDITED, UNCONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2006**

**NOTE 2:      **SIGNIFICANT EVENTS IN THE NINE MONTH PERIOD OF 2006,****  
****AND POST BALANCE SHEET EVENTS****

Based on the authorization of the Annual General Meeting of 2005, the Bank repurchased 1,000,000 pieces of own shares between January 1 and 25, 2006 at an average price of HUF 7,405.

On October 24, 2005 the Bank made a binding bid for purchasing the 89,39% of the shares of Niska Banka a.d. registered in Serbia. The purchase agreement was signed on December 23, 2005 at the price of EUR 14,21 million. The transaction was closed March 7, 2006.

On March 31, 2006 the Bank made a contract on buying the 75.1% of the shares of the privately owned Zepter banka a.d. Beograd registered in Serbia. The purchase price of HUF 41,305 million will be offset after obtaining the necessary approvals.

On June 1, 2006 the Bank signed the sale and purchase agreement for the acquisition of a 100% stake in Raiffeisenbank Ukraine (RBUA), the 100% subsidiary of raiffeisen International Bank-Holding AG.. OTP will pay a purchase price of EUR 650 million for the bank. The closing of the transaction and the transfer of the purchase price will happen in possession of the necessary governmental approvals, expectedly in September 2006.

On July 3, 2006 the Bank signed the sale and purchase agreement for the acquisition of a 96.4 percent share package of the Investerbank Group in Moscow, the capital of the Russian Federation. OTP Bank is expected to transfer the 90 percent of the USD 477 million (EUR 373 million) purchase price in possession of the required Russian and Hungarian regulatory approvals at the closing of the transaction, in autumn of 2006, while 10 percent will be deposited for a term of one year to cover any guarantee claims.

On July 7, 2006 the Bank signed the sale and purchase agreement on acquiring a majority interest in Kulska banka a.d. Novi sad (Kulska banka). The Bank pays a purchase price of EUR 118.6 million for the 67% share package, and it is scheduled to be paid at the time of closing the transaction in October 2006, in possession of the necessary approvals.

On July 17, 2006 the Bank submitted a binding bid for the purchase of a majority 69,9% share stake in Romanian Casa de Ecomii si Consemnatiuni C.E.C.-S.A (CEC).

On August 18, 2006 the Bank submitted a binding bid to purchase up to 80% share stake of Montenegro's Crnogorska komercijalna banka AD (CKB).

On August 30, 2006 the Bank updated it's EMTN Program (European Medium Term Note Program) and increased the Program amount from EUR 1 billion to EUR 3 billion.



**OTP BANK PLC.**  
**NOTES TO UNAUDITED, UNCONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2006**

**NOTE 2:      SIGNIFICANT EVENTS IN THE NINE MONTH PERIOD OF 2006,  
AND POST BALANCE SHEET EVENTS [continued]**

Under the EMNT Program on September 12, 2006 the Bank issued fixed rated subordinated bonds in a total nominal value of EUR 300 million to finance the current acquisitions of the Bank. The EUR 300 million nominal value bonds were issued at 100.00% of the face value with September 19 as payment date, and September 19, 2016 as maturity date. The bonds bears a coupon of 5.27%, with annual interest payments.

On September 15, 2006 the Bank submitted a bidding bid for the acquisition of a 100% shareholding in Croatia-based Diner Club Adriatic d.d. (DCA).

On October 19, 2006 the Bank sold 14.5 million shares owned by OTP Group through an issue of Income Certificates Exchangeable for Shares („ICES“). Within the transaction 10 million shares owned by OTP Bank, and 4.5 million shares owned by OTP Fund Management Ltd. were sold during the underwriting period of ICES on the weighted average market price (HUF 7,080) of the Budapest Stock Exchange. The shares have been purchased by Opus Securities S.A., which issued exchangeable bond with a total face value of EUR 514,274,000 backed by those shares. The exchangeable bonds have been sold at 32% premium over the selling price of the shares. The EUR denominated exchangeable bonds are without final maturity and the investors can exercise the conversion right between the 6<sup>th</sup> and 10<sup>th</sup> year. The bonds are carrying fix coupon of 3.95% during the first 10 years thereafter the Issuer has the right to buy back the bonds at face value. Following the 10<sup>th</sup> year the bonds are carrying a coupon of 3 month Euribor +3%. Proceeds from the transaction are partially going to finance the purchase of Investsberbank and Raiffeisenbank Ukraine.

**OTP BANK PLC.**  
**NOTES TO UNAUDITED, UNCONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2006**

**NOTE 3:     **DIVIDENDS PAID****

Dividends paid on common shares in the nine month period of 2006 and 2005, respectively:

	Nine month period ended September 30, 2006	Nine month period ended September 30, 2005
Dividends paid on common shares	<u>55,112</u>	<u>41,233</u>

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

	September 30, 2006	December 31, 2005
Securities held for trading		
Hungarian Government discounted Treasury bills	13,435	160
Hungarian Government interest bearing Treasury bills	6,162	1,485
Government bonds	35,539	19,743
Mortgage bonds	2,988	2,356
Other securities	<u>459</u>	<u>199</u>
	<u>58,583</u>	<u>23,943</u>
Derivative financial instruments designated as held for trading	<u>11,850</u>	<u>10,111</u>
Total	<u>70,433</u>	<u>34,054</u>

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

	September 30, 2006	December 31, 2005
Government bonds	17,592	67,567
Hungarian Government discounted Treasury bills	-	7,858
Mortgage bonds	241,776	253,365
Other securities	<u>104,679</u>	<u>42,643</u>
	<u>364,047</u>	<u>371,433</u>

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

**OTP BANK PLC.**  
**NOTES TO UNAUDITED, UNCONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2006**

	September 30, 2006	December 31, 2005
Short-term loans and trade bills (within one year)	633,730	605,390
Long-term loans and trade bills (over one year)	<u>1,144,824</u>	<u>892,280</u>
	<u>1,778,554</u>	<u>1,497,670</u>
Allowance for possible loan losses	<u>(27,897)</u>	<u>(22,162)</u>
	<u>1,750,657</u>	<u>1,475,508</u>

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

	September 30, 2006		December 31, 2005	
Commercial loans	1,027,762	58%	902,696	60%
Municipality loans	196,005	11%	131,107	9%
Housing loans	256,962	14%	210,150	14%
Consumer loans	258,003	15%	226,153	15%
Mortgage loans	<u>39,822</u>	<u>2%</u>	<u>27,564</u>	<u>2%</u>
	<u>1,778,554</u>	<u>100%</u>	<u>1,497,670</u>	<u>100%</u>

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

	September 30, 2006	December 31, 2005
Balance as at January 1	22,162	19,810
Provision for possible loan losses	16,882	16,436
Write-offs	<u>(11,147)</u>	<u>(14,084)</u>
Closing balance	<u>27,897</u>	<u>22,162</u>

**OTP BANK PLC.**  
**NOTES TO UNAUDITED, UNCONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2006**

**NOTE 7: INVESTMENTS IN SUBSIDIARIES (in HUF mn)**

	September 30, 2006	December 31, 2005
Equity investments:		
Controlling interest	241,309	226,453
Significant interest	75	75
Other	<u>786</u>	<u>861</u>
	<u>242,170</u>	<u>227,389</u>
Allowance for permanent diminution in value	<u>(1,060)</u>	<u>(3,508)</u>
	<u>241,110</u>	<u>223,881</u>

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

	September 30, 2006	December 31, 2005
Balance as at January 1	3,508	5,417
Write-offs	(2,458)	-
Provision/(credit) for permanent diminution in value	<u>10</u>	<u>(1,909)</u>
Closing balance	<u>1,060</u>	<u>3,508</u>

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

	September 30, 2006	December 31, 2005
Government securities	186,984	201,380
Hungarian Government discounted Treasury bills	73,586	29,962
Mortgage bonds	289,436	289,755
Other debt securities	<u>1,600</u>	<u>700</u>
	<u>551,606</u>	<u>521,797</u>

**OTP BANK PLC.**  
**NOTES TO UNAUDITED, UNCONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2006**

**NOTE 9: DEPOSITS FROM CUSTOMERS (in HUF mn)**

	September 30, 2006	December 31, 2005
Within one year:		
In HUF	2,194,364	2,190,095
In foreign currency	<u>399,639</u>	<u>298,767</u>
	<u>2,594,003</u>	<u>2,488,862</u>
Over one year:		
In HUF	<u>12,342</u>	<u>17,595</u>
	<u>12,342</u>	<u>17,595</u>
Total	<u>2,606,345</u>	<u>2,506,457</u>

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

	September 30, 2006		December 31, 2005	
Commercial deposits	648,653	25%	474,052	19%
Municipality deposits	220,134	8%	161,993	6%
Consumer deposits	<u>1,737,558</u>	<u>67%</u>	<u>1,870,412</u>	<u>75%</u>
	<u>2,606,345</u>	<u>100%</u>	<u>2,506,457</u>	<u>100%</u>

**NOTE 10: OFF BALANCE SHEET ITEMS AND DERIVATIVE FINANCIAL INSTRUMENTS**

***(a) Contingent liabilities and commitments***

	September 30, 2006	December 31, 2005
Commitments to extend credit	684,095	566,647
Guarantees arising from banking activities	147,124	132,369
Confirmed letters of credit	18,612	10,540
Legal disputes	5,357	3,410
Contingent liabilities related to OTP Mortgage Bank Company Plc.	31,159	49,452
Other	<u>224</u>	<u>164</u>
	<u>886,571</u>	<u>762,582</u>

**OTP BANK PLC.**  
**NOTES TO UNAUDITED, UNCONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2006**

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

***(b) Derivatives***

	September 30, 2006	December 31, 2005
Foreign currency contracts designated as held for trading		
Assets	45,667	39,329
Liabilities	<u>46,428</u>	<u>40,570</u>
Net	<u>(761)</u>	<u>(1,241)</u>
Net fair value	<u>329</u>	<u>(856)</u>
Foreign exchange swaps and interest rate swaps designated as held for trading		
Assets	802,816	612,543
Liabilities	<u>790,817</u>	<u>601,539</u>
Net	<u>11,999</u>	<u>11,004</u>
Net fair value	<u>(431)</u>	<u>2,210</u>
Interest rate swaps designated in hedge accounting relationships		
Assets	16,350	12,031
Liabilities	<u>16,455</u>	<u>14,023</u>
Net	<u>(105)</u>	<u>(1,992)</u>
Net fair value	<u>714</u>	<u>(687)</u>
Option contracts		
Assets	9,467	-
Liabilities	9,637	-
Net	<u>(170)</u>	<u>-</u>
Net fair value	<u>465</u>	<u>-</u>
Forward security agreements designated as held for trading		
Assets	280	-
Liabilities	280	-
Net	<u>-</u>	<u>-</u>
Net fair value	<u>(21)</u>	<u>-</u>

As at September 30, 2006, the Bank has derivative instruments with positive fair values of HUF 13,086 million and negative fair values of HUF 12,030 million. Corresponding figures as at December 31, 2005 are HUF 10,146 million and HUF 9,479 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 NINE MONTH PERIOD ENDED SEPTEMBER 30, 2006**

**NOTE 11: NET INTEREST INCOME (in HUF mn)**

	Nine month period ended September 30, 2006	Nine month period ended September 30, 2005
Interest income		
Loans	120,201	110,639
Placements with other banks	43,014	26,902
Due from banks and balances with National Bank of Hungary	18,729	22,692
Securities held-for-trading	1,785	1,799
Securities available-for-sale	19,632	22,677
Debt securities held-to-maturity	<u>30,009</u>	<u>28,194</u>
<i>Total Interest Income</i>	<u>233,370</u>	<u>212,903</u>
Interest expense		
Due to banks and deposits from the National Bank of Hungary and other banks	30,030	22,791
Deposits from customers	55,067	65,877
Liabilities from issued securities	4,756	842
Subordinated bonds and loans	<u>1,653</u>	<u>1,154</u>
<i>Total Interest Expense</i>	<u>91,506</u>	<u>90,664</u>
<b>NET INTEREST INCOME</b>	<b>141,864</b>	<b>122,239</b>

**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 115,382 million and HUF 96,198 million the nine month periods ended September 30, 2006 and 2005 (including interest). The book value of these receivables were HUF 115,308 million and HUF 96,053 million.

During the nine month period ended September 30, 2006 the Bank received HUF 37,376 million fees and commission from OTP Mortgage Bank Company Ltd. For the nine month period ended September 30, 2005 such fees and commissions were HUF 38,472 million. Such fees and commissions are related to loans originated by the Bank and sold to OTP Mortgage Bank Company Ltd.

The Bank sold HUF 10,153 million book value real estates to OTP Property Investment Fund on September 29, 2006. The fund is managed by OTP Property Investment Management Fund Ltd, in which the Bank has 51% ownership. The selling price of the real estates was HUF 14,196 million which was the fair value of such properties. Majority of the sold real estates are and will be rented by the Bank. The Bank has a call option for the sold properties with a strike price which will be the fair value of the property at the time of the possible exercise.