



Budapest Bank Group

***Budapest Bank Rt.
and subsidiaries***

Consolidated Financial Statements

31 December 2001

Budapest, April 26, 2002

Richard Pelly
Chief Executive Officer

Statistic code: 10196445652111401

| BALANCE SHEET (FINANCIAL INSTITUTIONS) | | | | in million HUF | |
|--|--------------|--|----------------|---------------------------|----------------|
| a | b | | c | d | e |
| | Description | | Previous year | Previous year Adjustments | Current year |
| 01 | I. | FINANCIAL ASSETS | 35,707 | | 33,854 |
| 02 | II. | SECURITIES (03+04) | 38,051 | | 41,805 |
| 03 | a) | available for sale | 38,051 | | 41,801 |
| 04 | b) | for investment purposes | - | | 4 |
| 05 | III. | RECEIVABLES TO FINANCIAL INSTITUTIONS (06+07+16) | 67,776 | | 52,651 |
| 06 | a) | on sight | 388 | | 1,670 |
| 07 | b) | other receivables from financial services | 67,388 | | 50,981 |
| 08 | ba) | due within one year | 64,378 | | 49,479 |
| 09 | | Of which: - subsidiaries | - | | - |
| 10 | | - affiliated companies | - | | - |
| 11 | | - National Bank of Hungary | 18,000 | | 10,066 |
| 12 | bb) | due more than one year | 3,010 | | 1,502 |
| 13 | | Of which: - subsidiaries | - | | - |
| 14 | | - affiliated companies | - | | - |
| 15 | | - National Bank of Hungary | 2,332 | | 1,502 |
| 16 | c) | receivables against financial institutions from investment services | - | | - |
| 17 | | Of which: - subsidiaries | - | | - |
| 18 | | - affiliated companies | - | | - |
| 19 | IV. | RECEIVABLES TO CUSTOMERS (20+27) | 157,388 | | 150,644 |
| 20 | a) | from financial services | 156,943 | | 150,327 |
| 21 | aa) | due within one year | 73,414 | | 70,324 |
| 22 | | Of which: - subsidiaries | - | | - |
| 23 | | - affiliated companies | - | | - |
| 24 | ab) | due more than one year | 83,529 | | 80,003 |
| 25 | | Of which: - subsidiaries | - | | - |
| 26 | | - affiliated companies | - | | - |
| 27 | b) | receivables against customers from investment services | 445 | | 317 |
| 28 | | Of which: - subsidiaries | - | | - |
| 29 | | - affiliated companies | - | | - |
| 30 | ba) | receivables to investment in stock exchange activity | 149 | | - |
| 31 | bb) | receivables to OTC investments | 168 | | - |
| 32 | bc) | receivables to customers from investment services | 53 | | 291 |
| 33 | bd) | receivables to KELER | 75 | | 26 |
| 34 | be) | receivables to other investment services | - | | - |
| 35 | V. | BONDS AND OTHER SECURITIES (36+39) | 795 | | 1,235 |
| 36 | a) | securities issued by municipalities and other government institution (excluding government securities) | - | | - |
| 37 | aa) | available for sale | - | | - |
| 38 | ab) | for investment purposes | - | | - |
| 39 | b) | securities issued by other issuers | 795 | | 1,235 |
| 40 | ba) | available for sale | 795 | | 1,235 |
| 41 | | Of which: - issued by subsidiaries | - | | 5 |
| 42 | | - issued by affiliated companies | - | | - |
| 43 | | - repurchased own shares | - | | - |
| 44 | bb) | for investment purposes | - | | - |
| 45 | | Of which: - subsidiaries | - | | - |
| 46 | | - affiliated companies | - | | - |
| 47 | VI. | SHARES AND OTHER SECURITIES (48+51) | - | | - |
| 48 | a) | shares available for sale | - | | - |
| 49 | | Of which: - subsidiaries | - | | - |
| 50 | | - affiliated companies | - | | - |
| 51 | b) | securities with variable yield | - | | - |
| 52 | ba) | available for sale | - | | - |
| 53 | bb) | for investment purposes | - | | - |
| 54 | VII. | SHARES FOR INVESTMENT PURPOSES (55+57) | 404 | | 391 |
| 55 | a) | shares for investment purposes | 404 | | 391 |
| 56 | | of which: - shares in financial institutions | 404 | | 391 |
| 57 | b) | revaluation of shares for investment purposes | - | | - |
| 58 | | of which: - shares in financial institutions | - | | - |
| 59 | VIII. | SHARES IN AFFILIATED COMPANIES FOR INVESTMENT PURPOSES (60+62+64) | 103 | | 78 |
| 60 | a) | shares for investment purposes | 88 | | 75 |
| 61 | | of which: - shares in financial institutions | - | | - |
| 62 | b) | revaluation of shares for investment purposes | - | | - |
| 63 | | of which: - shares in financial institutions | - | | - |
| 64 | c) | Equity consolidation difference | 15 | | 3 |
| 65 | ca) | subsidiaries, joint ventures | 15 | | 3 |
| 66 | cb) | associates | - | | - |
| 67 | IX. | INTANGIBLE ASSETS (68+69) | 3,032 | | 2,979 |
| 68 | a) | intangible assets | 3,032 | | 2,979 |
| 69 | b) | revaluation of intangibles | - | | - |



Statistic code: 10196445652111401

BALANCE SHEET (FINANCIAL INSTITUTIONS)

in million HUF

| a | b | | c | d | e |
|----|--------------|--|----------------|---------------------------|----------------|
| | Description | | Previous year | Previous year Adjustments | Current year |
| 70 | X. | TANGIBLE ASSETS (71+76+81) | 22,049 | | 26,193 |
| 71 | a) | tangible assets serving the activities of financial institutions | 9,986 | | 9,983 |
| 72 | aa) | real estate | 6,108 | | 6,653 |
| 73 | ab) | technical equipment, machinery and vehicles | 3,266 | | 3,126 |
| 74 | ac) | construction-in-progress | 612 | | 204 |
| 75 | ad) | prepayments on construction-in-progress | - | | - |
| 76 | b) | tangible assets serving the non-financial activities | 12,063 | | 16,210 |
| 77 | aa) | real estate | 5 | | 3 |
| 78 | ab) | technical equipment, machinery and vehicles | 12,002 | | 15,936 |
| 79 | ac) | construction-in-progress | 56 | | 271 |
| 80 | ad) | prepayments on construction-in-progress | - | | - |
| 81 | c) | revaluation of tangible assets | - | | - |
| 82 | XI. | OWN SHARES | - | | - |
| 83 | XII. | OTHER ASSETS (84+85+88) | 5,776 | | 4,896 |
| 84 | a) | inventories | 1,407 | | 618 |
| 85 | b) | other receivables | 4,369 | | 4,278 |
| 86 | | Of which: - subsidiaries | 991 | | - |
| 87 | | - affiliated companies | - | | - |
| 88 | c) | Calculated tax claims arising from the consolidation | - | | - |
| 89 | XIII. | PREPAYMENTS | 5,062 | | 4,165 |
| 90 | a) | income accruals | 4,860 | | 4,014 |
| 91 | b) | expense accruals | 202 | | 151 |
| 92 | c) | deferred expenses | - | | - |
| 93 | | TOTAL ASSETS (01+02+05+19+35+47+54+59+67+70+82+83+89) | 336,145 | | 318,890 |
| 94 | | OF WHICH: -CURRENT ASSETS (I.+II.a)+III.c)+III.a)+III.ba)+IV.aa)+IV.b)+V.aa)+V.ba)+VI.a)+VI.ba)+XI.+XII.) | 218,954 | | 203,576 |
| 95 | | - FIXED ASSETS (II.b)+III.bb)+IV.ab)+V.ab)+V.bb)+VI.bb)+VII.+VIII.+IX.+X.) | 111,724 | | 111,149 |



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| BALANCE SHEET (FINANCIAL INSTITUTIONS) | | | | in million HUF | |
|--|-------------|--|----------------|---------------------------|----------------|
| a | b | | c | d | e |
| | Description | | Previous year | Previous year Adjustments | Current year |
| 96 | I. | LIABILITIES TO FINANCIAL INSTITUTIONS (97+98+107) | 31,445 | | 8,659 |
| 97 | a) | on sight | 9,660 | | 1,384 |
| 98 | b) | liabilities deposited for a set period of time | 21,785 | | 7,275 |
| 99 | ba) | due within one year | 18,872 | | 3,130 |
| 100 | | Of which: - subsidiaries | - | | - |
| 101 | | - affiliated companies | - | | - |
| 102 | | - National Bank of Hungary | - | | - |
| 103 | bb) | due more than one year | 2,913 | | 4,145 |
| 104 | | Of which: - subsidiaries | - | | - |
| 105 | | - affiliated companies | - | | - |
| 106 | | - National Bank of Hungary | 278 | | 2,875 |
| 107 | c) | liabilities from investments services | - | | - |
| 108 | | Of which: - subsidiaries | - | | - |
| 109 | | - affiliated companies | - | | - |
| 110 | II. | LIABILITIES TO CUSTOMERS (111+115+125) | 239,245 | | 245,332 |
| 111 | a) | saving deposit | - | | - |
| 112 | ba) | on sight | - | | - |
| 113 | ab) | due within one year | - | | - |
| 114 | ac) | due more than one year | - | | - |
| 115 | b) | other liabilities from financial services | 238,620 | | 242,195 |
| 116 | ba) | on sight | 106,573 | | 156,597 |
| 117 | | Of which: - subsidiaries | - | | - |
| 118 | | - affiliated companies | - | | - |
| 119 | bb) | due within one year | 131,161 | | 84,603 |
| 120 | | Of which: - subsidiaries | - | | - |
| 121 | | - affiliated companies | - | | - |
| 122 | bc) | due more than one year | 886 | | 995 |
| 123 | | Of which: - subsidiaries | - | | - |
| 124 | | - affiliated companies | - | | - |
| 125 | c) | liabilities from investments services | 625 | | 3,137 |
| 126 | | Of which: - subsidiaries | - | | - |
| 127 | | - affiliated companies | - | | - |
| 128 | ca) | liabilities to investment in stock exchange activity | - | | - |
| 129 | cb) | liabilities to OTC investments | 19 | | 19 |
| 130 | cc) | liabilities to customers from investment services | 582 | | 3,118 |
| 131 | cd) | liabilities to KELER | - | | - |
| 132 | ce) | liabilities to other investment services | 24 | | - |
| 133 | III. | ISSUED BONDS AND OTHER NEGOTIABLE, INTEREST-BEARING SECURITIES (134+141+148) | - | | - |
| 134 | a) | issued bonds | - | | - |
| 135 | aa) | due within one year | - | | - |
| 136 | | Of which: - subsidiaries | - | | - |
| 137 | | - affiliated companies | - | | - |
| 138 | ab) | due more than one year | - | | - |
| 139 | | Of which: - subsidiaries | - | | - |
| 140 | | - affiliated companies | - | | - |
| 141 | b) | other issued negotiable, interest-bearing securities | - | | - |
| 142 | ba) | due within one year | - | | - |
| 143 | | Of which: - subsidiaries | - | | - |
| 144 | | - affiliated companies | - | | - |
| 145 | bb) | due more than one year | - | | - |
| 146 | | Of which: - subsidiaries | - | | - |
| 147 | | - affiliated companies | - | | - |
| 148 | c) | Securities according to the accounting standards, but according to the Securities Law other negotiable, interest-bearing documents | - | | - |
| 149 | ca) | due within one year | - | | - |
| 150 | | Of which: - subsidiaries | - | | - |
| 151 | | - affiliated companies | - | | - |
| 152 | cb) | due more than one year | - | | - |
| 153 | | Of which: - subsidiaries | - | | - |
| 154 | | - affiliated companies | - | | - |
| 155 | IV. | OTHER LIABILITIES (156+160+163) | 23,329 | | 18,272 |
| 156 | a) | due within one year | 21,507 | | 17,055 |
| 157 | | Of which: - subsidiaries | - | | - |
| 158 | | - affiliated companies | - | | - |
| 159 | | - other contributions of members of saving societies | - | | - |
| 160 | b) | due more than one year | 1,747 | | 1,217 |
| 161 | | Of which: - subsidiaries | - | | - |
| 162 | | - affiliated companies | - | | - |
| 163 | c) | Calculated corporation tax liability arising from the consolidation | 75 | | - |



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| BALANCE SHEET (FINANCIAL INSTITUTIONS) | | | in million HUF | | |
|--|--|--|----------------|---------------------------|----------------|
| a | Description | | Previous year | Previous year Adjustments | Current year |
| a | b | | c | d | e |
| 164 | V. | ACCRUALS (165+166+167) | 3,523 | | 3,868 |
| 165 | a) | income accruals | 135 | | 593 |
| 166 | b) | expense accruals | 3,386 | | 3,266 |
| 167 | c) | deferred income | 2 | | 9 |
| 168 | VI. | PROVISIONS (169+170+171+172) | 4,882 | | 6,296 |
| 169 | a) | provision for pension and severance payments | - | | - |
| 170 | b) | provision on contingent and future liabilities | 2,110 | | 3,726 |
| 171 | c) | general risk provision | 2,597 | | 2,570 |
| 172 | d) | other provision | 175 | | - |
| 173 | VII. | SUBORDINATED DEBT (174+178+179) | 4,372 | | 4,372 |
| 174 | a) | subordinated loan | 3,861 | | 3,861 |
| 175 | aa) | Equity consolidation difference | 510 | | 510 |
| 176 | | Of which: - subsidiaries | - | | - |
| 177 | | - affiliated companies | - | | - |
| 178 | b) | other contributions of members of saving societies | - | | - |
| 179 | c) | other subordinated debt | 1 | | 1 |
| 180 | | Of which: - subsidiaries | - | | - |
| 181 | | - affiliated companies | - | | - |
| 182 | VIII. | SHARE CAPITAL | 19,346 | | 19,346 |
| 183 | | from which: - repurchased own shares on face value | - | | - |
| 184 | IX. | ISSUED, UNPAID SHARE CAPITAL (-) | - | | - |
| 185 | X. | SHARE PREMIUM (187+188) | 4 | | 1 |
| 186 | a) | premium from issue of shares | - | | - |
| 187 | b) | other | 4 | | 1 |
| 188 | XI. | GENERAL RESERVE | 2,993 | | 2,993 |
| 189 | XII. | RETAINED EARNINGS | 4,916 | | 5,469 |
| 190 | XIII. | CAPITAL ENGAGED | - | | 333 |
| 191 | XIV. | VALUATION RESERVE | - | | - |
| 192 | XV. | NET PROFIT (LOSS) FOR THE YEAR (+,-) | 1,333 | | 2,758 |
| 193 | XVI. | CHANGES IN SUBSIDIARIES' EQUITY (+,-) | 670 | | 732 |
| 194 | XVII. | CHANGES DUE TO THE CONSOLIDATION (+,-) | 87 | | 461 |
| 195 | a) | from debt consolidation | 6 | | - |
| 196 | b) | from internal profit consolidation | 81 | | 461 |
| 197 | XVIII. | MINORITY INTEREST | - | | - |
| 198 | TOTAL LIABILITIES AND SHAREHOLDER'S FUNDS | | 336,145 | | 318,890 |
| 199 | OF WHICH: - SHORT TERM LIABILITIES (I.a)+I.ba)+I.c)+II.aa)+II.ba)+II.bb)+II.c)+III.aa)+III.ba)+III.ca)+IV.a)) | | 288,473 | | 265,905 |
| 200 | - LONG-TERM LIABILITIES (I.bb)+II.ac)+II.bc)+III.ab)+III.bb)+III.cb)+IV.b)+VII.) | | 9,918 | | 10,728 |
| 201 | - SHAREHOLDER'S FUNDS (VIII.-IX.+X.+XI.+XII.+XIII.+XIV.+XV.+XVI.+XVII.+XVIII.) | | 29,349 | | 32,092 |

Budapest, April 26, 2002

Richard Pelly
Chief Executive Officer



PROFIT AND LOSS STATEMENT (FINANCIAL INSTITUTIONS)

in million HUF

| a | Description | Previous year | Previous year Adjustments | Current year |
|----|---|---------------|---------------------------|---------------|
| | b | c | d | e |
| 01 | <i>Interest income (02+05)</i> | 35,907 | | 34,496 |
| 02 | a) interest income from fixed interest-bearing securities | 6,673 | | 4,783 |
| 03 | Of which: - subsidiaries | - | | - |
| 04 | - affiliated companies | - | | - |
| 05 | b) other interest income | 29,234 | | 29,713 |
| 06 | Of which: - subsidiaries | - | | - |
| 07 | - affiliated companies | - | | - |
| 08 | <i>Interest expense</i> | 17,638 | | 13,471 |
| 09 | Of which: - subsidiaries | - | | - |
| 10 | - affiliated companies | - | | - |
| 11 | Net interest income (01-08) | 18,269 | | 21,025 |
| 12 | Dividend received (13+14+15) | 81 | | 46 |
| 13 | a) joint ventures | 60 | | - |
| 14 | b) affiliated companies | 21 | | - |
| 15 | c) other | - | | 46 |
| 16 | Fee income (17+20) | 7,635 | | 9,350 |
| 17 | a) fee income of other financial services | 7,564 | | 8,882 |
| 18 | Of which: - subsidiaries | - | | - |
| 19 | - affiliated companies | - | | - |
| 20 | b) fee income of investment services | 71 | | 468 |
| 21 | Of which: - subsidiaries | - | | - |
| 22 | - affiliated companies | - | | - |
| 23 | Fee expense (24+27) | 1,873 | | 2,401 |
| 24 | a) fee expense of other financial services | 1,871 | | 2,368 |
| 25 | Of which: - subsidiaries | - | | - |
| 26 | - affiliated companies | - | | - |
| 27 | b) fee expense of investment services (excluding expense of trading activities) | 2 | | 33 |
| 28 | Of which: - subsidiaries | - | | - |
| 29 | - affiliated companies | - | | - |
| 30 | Net income of financial services (31-34+37-41) | 3,157 | | 2,844 |
| 31 | a) income of other financial services | 3,492 | | 3,601 |
| 32 | Of which: - subsidiaries | - | | - |
| 33 | - affiliated companies | - | | - |
| 34 | b) expense of other financial services | 408 | | 929 |
| 35 | Of which: - subsidiaries | - | | - |
| 36 | - affiliated companies | - | | - |
| 37 | c) income of investment services (income of trading activities) | 378 | | 227 |
| 38 | Of which: - subsidiaries | - | | - |
| 39 | - affiliated companies | - | | - |
| 40 | - release of provision on securities available for sale | - | | - |
| 41 | d) expense of investment services (income of trading activities) | 305 | | 55 |
| 42 | Of which: - subsidiaries | - | | - |
| 43 | - affiliated companies | - | | - |
| 44 | - provision charge on securities available for sale | - | | - |
| 45 | Other income (46+49+50) | 27,150 | | 25,182 |
| 46 | a) income of non-financial and non-investment services | 22,860 | | 21,622 |
| 47 | Of which: - subsidiaries | - | | - |
| 48 | - affiliated companies | - | | - |
| 49 | b) other income | 4,272 | | 3,560 |
| 50 | c) profit increasing item due to consolidation | 18 | | |
| 51 | Operating costs (52+58) | 20,672 | | 21,362 |
| 52 | a) personal type costs | 9,986 | | 9,611 |
| 53 | aa) salaries and wages | 6,816 | | 5,535 |
| 54 | ab) other personal type costs | 832 | | 1,713 |
| 55 | of which: - social securities | 265 | | 250 |
| 56 | ac) affix of wages | 2,338 | | 2,363 |
| 57 | of which: - social securities | 2,280 | | 2,047 |



PROFIT AND LOSS STATEMENT (FINANCIAL INSTITUTIONS)

in million HUF

| | Description | Previous year | Previous year Adjustments | Current year |
|----|--------------------------------------|---------------|---------------------------|--------------|
| a | b | c | d | e |
| 58 | b) other operating costs (materials) | 10,686 | | 11,751 |

**PROFIT AND LOSS STATEMENT (FINANCIAL INSTITUTIONS)**

in million HUF

| a | Description | Previous year | Previous year Adjustments | Current year |
|----|--|----------------|---------------------------|---------------|
| | b | c | d | e |
| 59 | Depreciation | 3,967 | | 3,239 |
| 60 | Other expenses (61+64+65) | 23,582 | | 25,701 |
| 61 | a) expenses of non-financial and non-investment services | 15,698 | | 18,544 |
| 62 | Of which: - subsidiaries | - | | - |
| 63 | - affiliated companies | - | | - |
| 64 | b) other expenses | 7,884 | | 7,157 |
| 65 | c) profit decreasing item due to consolidation | - | | - |
| 66 | Provision charge on receivables and contingent and future liabilities (67+68) | 3,933 | | 3,893 |
| 67 | a) provision charge on receivables | 1,681 | | 2,265 |
| 68 | b) provision on contingent and future liabilities | 2,252 | | 1,628 |
| 69 | Release of provision on receivables and on contingent and future liabilities (70+71) | 710 | | 1,438 |
| 70 | a) release of provision on receivables | 142 | | 1,426 |
| 71 | b) release of provision on contingent and future liabilities | 568 | | 12 |
| 72 | Provision charge on securities portfolio | - | | 17 |
| 73 | Release of provision on securities portfolio | 3 | | - |
| 74 | NET INCOME OF FINANCIAL SERVICES | 2,979 | | 3,272 |
| 75 | of which: - NET INCOME OF FINANCIAL AND INVESTMENT SERVICES (11+12+16-23+30+49-51-59-64-65-66+69-72+73) | - 4,183 | | 194 |
| 76 | - NET INCOME OF NON-FINANCIAL AND NON-INVESTMENT SERVICES (46-61) | 7,162 | | 3,078 |
| 77 | Extraordinary revenues | 3,227 | | 1,347 |
| 78 | Extraordinary expenditures | 4,266 | | 1,644 |
| 79 | Net profit (loss) of extraordinary items (77-78) | - 1,039 | | - 297 |
| 80 | Profit before taxation (74±79) | 1,940 | | 2,975 |
| 81 | Taxation | 296 | | 209 |
| 82 | Tax difference due to consolidation | 52 | | - |
| 83 | Profit after taxation (80-81-82) | 1,592 | | 2,766 |
| 84 | Charge and release of general reserves (+,-) | 26 | | - |
| 85 | Dividend and profit-sharing payable | 233 | 754 | 8 |
| 86 | of which: - subsidiaries | - | | - |
| 87 | - affiliated companies | - | | - |
| 88 | Net profit (loss) for the year (±83±84+85) | 1,333 | | 2,758 |

Budapest, April 26, 2002

Richard Pelly

Chief Executive Officer