

Half-yearly flash report of MKB Bank Zrt. in 2007

Pursuant to ss. 52-53 and 55 of Act CXX of 2001 on the Capital Market (Capital Market Act) MKB Bank Zrt. (Budapest, V. Váci utca 38) has prepared the following half-yearly flash report on for the business year 2007.

Based on s.53(1) of the Capital Market Act, the issuer is liable for the contents of the half-yearly flash report. Pursuant to the foregoing, we, the undersigned, in our capacity as authorised signatories of MKB Bank Zrt. do hereby declare that all data and information contained in the half-yearly flash report are true and correct, no information necessary for investors to make an informed judgement of the issuer has been omitted.

Pursuant to ss. 55 (1) of Act CXX of 2001 on the Capital Market the issuer shall be liable for any and all damage caused by his failure to meet the obligation of regular and extraordinary disclosure of information.

A.) Economic data of the Company:

Balance sheet of MKB Bank Zrt (preliminary, non-audited, in HUF million)

	June 30, 2006	June 30, 2007	Change as compared to prior year %
ASSETS			
Cash balances	152 286	43 238	-71,6%
Hungarian Government bonds	52 631	94 404	+79,4%
Amounts due from banks	97 406	107 531	+10,4%
Loans and advances to customers	1 339 964	1 471 899	+9,8%
Bonds, including fixed-interest securities	34 857	26 422	-24,2%
Shares and other variable yield securities	5 026	4 724	-6,0%
Investments	361	353	-2,2%
Shares in affiliated companies	84 766	121 846	+43,7%
Intangibles	5 422	9 799	+80,7%
Property and equipment	2 024	2 071	+2,3%
Own shares	0	0	-
Other assets	4 193	19 151	+356,7%
Prepayments and accrued income	14 742	25 752	+74,7%
TOTAL ASSETS:	1 793 678	1 927 190	+7,4%
LIABILITIES			
Amounts due to banks	451 204	478 392	+6,0%
Current and deposit accounts	908 990	941 486	+3,6%
Liabilities from issued debt securities	195 873	184 733	-5,7%
Other liabilities	31 340	47 281	+50,9%
Accruals and deferred income	10 605	24 375	+129,8%
Provisions	19 144	8 661	-54,8%
Subordinated debts	39 470	63 934	+62,0%
Share capital	12 451	13 568	+9,0%
Capital reserve	38 335	71 628	+86,8%
Retained earnings	65 737	57 024	-13,3%
Legal reserves	1 035	3 923	+279,0%
Revaluation reserve		1 355	
General reserve	14 329	15 463	+7,9%
Profit for the period	5 165	15 367	+197,5%
TOTAL LIABILITIES:	1 793 678	1 927 190	+7,4%

Income Statement of MKB Bank Zrt (preliminary, non-audited, in HUF million)

	June 30, 2006	June 30, 2007	Change as compared to prior year %
Interest income	58 927	58 822	-0,2%
Interest expense	33 365	36 928	+10,7%
Net interest income	25 562	21 894	-14,3%
Dividend income	125	1 040	+732,0%
Commission and fee income	8 602	8 812	+2,4%
Commission and fee expense	2 140	2 840	+32,7%
Net profit or net loss from financial operations	11 041	19 385	+75,6%
Other income	7 287	7 923	+8,7%
General and administration costs	17 644	19 593	+11,0%
Depreciation	678	1 127	+66,2%
Other expense	15 513	6 353	-59,0%
Net impairment for loan losses and provisions for contingent liabilities	-9 192	-10 842	+18,0%
General risk provisioning, net	83	566	+581,9%
Net impairment for investment bonds, investments and shares in affiliated companies	10	12	+20,0%
Profit or loss on ordinary activities	7 543	18 877	+150,3%
Exceptional profit / loss (+/-)	-662	-23	-96,5%
Profit before taxation	6 881	18 854	+174,0%
Taxation	1 716	3 487	+103,2%
Profit after taxation	5 165	15 367	+197,5%

MKB Bank Zrt. does hereby inform its honoured investors that the above half-yearly flash report has been prepared on the basis of non-audited, unconsolidated accounts.¹ The profit after taxation has been calculated in consideration of tax base adjustments and a tax rate of 24% (16% corporate tax and 8% extra tax) + 4% solidarity tax (calculated time-proportionately as from September 2006 in consideration of the correction items) (reckoned tax). The 2007 half-yearly flash report is available for review from September 15, 2007 during business hours in the cashier-desk hall at MKB Bank Zrt.'s head office (Budapest, V. Váci utca 38).

B.) Changes at the Company

- The Ordinary Annual Meeting of the Company's Shareholders held on March 26th, 2007 (hereinafter: AGM) was informed that as of April 30, 2006 Dr Christian M. Büttner, member of the Supervisory Board and as of the date of the AGM in 2007 Mr Stefan W. Ropers, member of the Board of Directors have handed in their resignation.

¹ MKB Bank Zrt in its statements prepared according to the Hungarian accounting rules evaluates its assets at fair value as from January 01 2007.

- The General Meeting was also informed that the mandate of Mr Jochen Bottermann, Dr Balogh Imre and Ms Bolla Csilla as members of the Board of Directors and Dr Siegfried Naser as member of the Supervisory Board as well as the mandate of Ms Nagy Nóra and Mr Kovács Péter as members of the Supervisory Board representing the employees of the Company will expire. The General Meeting re-elected Mr Jochen Bottermann and Dr Balogh Imre as well as Ms Bolla Csilla for a period of three years, until 31 March 2010 as members of the Board of Directors and Dr Siegfried Naser as member of the Supervisory Board.
- The General Meeting elected Mr Thomas Christian Buchbinder as member of the Board of Directors of MKB for a period of three years until March 31, 2010.
- The General Meeting pursuant to the nomination of the Employees Council elected Ms Asbóthné Tóth Éva and Dr Kotulyák Éva as members of the Supervisory Board of MKB representing the employees of the Company for a period of three years until March 31 2010.
- In the period between 30 June 2006 and 30 June 2007 there were no changes in the ownership structure of MKB Bank Zrt. effecting 5% of base capital.
- In the period between 30 June 2006 and 30 June MKB Bank Zrt. opened 8 new branches and closed one branch after merger, so the number of branch offices in the reference period increased from 61 to 68.
- In the period between 30 June 2006 and 30 June 2007 the number of employees of MKB Bank Zrt. increased from 1804 to 1865.
- MKB Bank as from 26 June 2007 operates in the form of a close company limited by shares.
- The State Supervision of Financial Organisations in its decision No E-III/400.173/2007 dated 14 August 2007 released MKB Bank Zrt. from the obligation of data supply to the public in respect of MKB-shares.

Budapest, 30 August 2007

MKB BANK ZRT.