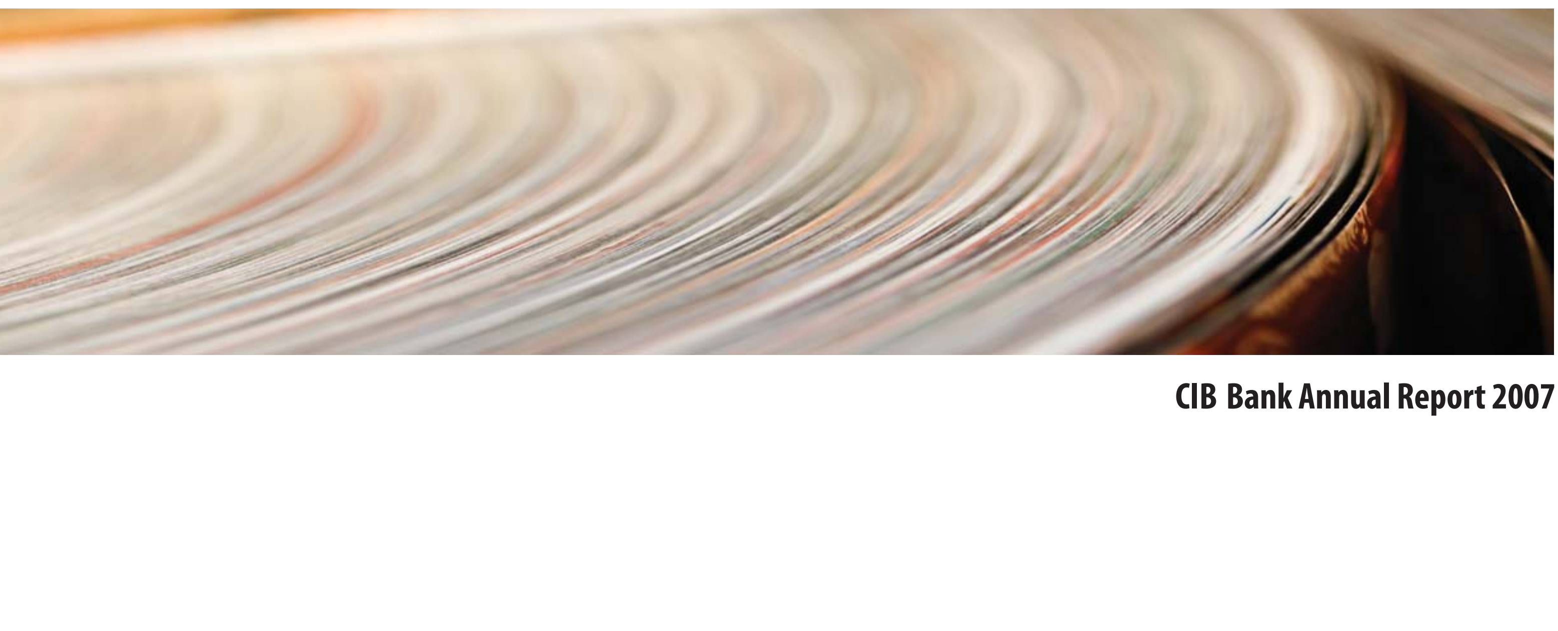
CIB BANK

CIB Bank Annual Report 2007

CIB, a bank of INTESA SANPAOLO



CIB Bank Annual Report 2007

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Message from the Chairman

A year ago, in these same columns, I reported to you the fact that CIB's parent bank, Banca Intesa, had merged with the Sanpaolo IMI group with effect from 1 January 2007. This year I can report that the latter's Hungarian subsidiary bank, Inter-Európa Bank, has merged with CIB Bank, which in 2006 had already been the third largest bank on the Hungarian market. Through the integration of the two banks' activities and the leveraging of synergies, Hungary's second largest credit institution has been formed. Although, from a legal point of view, the newly-expanded CIB Bank commenced its operations on 1 January 2008, a significant part of the year 2007 had been devoted to preparing the ground for the merger. To give you some idea of the scale of the increases involved, let me mention a few figures: the combined market share of the two institutions in terms of total assets increased by 10.7 percent, and in terms of total loans and total deposits, by 12 percent. Consolidated total assets increased by 20 percent, from HUF 2,200 billion to HUF 2,629 billion, and total loans rose by 21 percent, from HUF 1,644 billion to HUF 1,999 billion, while deposits increased by 6 percent, from HUF 1,331 billion to HUF 1,406 billion.

Of course, in a report about the year 2007 I need to give an account of the results that were achieved by CIB Bank when it was preparing for the merger but was still operating in its previous framework. As I mentioned, the bank posted what were again excellent results in 2007. Total assets increased by 21 percent, from HUF 1,874 billion to HUF 2,276 billion, profit after tax was up 13 percent, from HUF 25.4 billion to HUF 28.6 billion, loans by 21 percent, from HUF 1,417 to HUF 1,709 (and within this total, retail loans were up 38 percent, from HUF 210.5 billion to HUF 289.5 billion), while deposits grew by 8 percent, from HUF 1,091 billion to HUF 1,178 billion. The number of customers grew by 11 percent to approach 630,000, and customers using our internet banking service increased by 38 percent, while at the end of 2007 CIB Bank had secured itself an extensive presence through 140 sales outlets around the country, consisting of its branches and representative offices.

Beyond the tireless work of the members of the CIB family, an essential role in our success was played by our parent company, which remained steadfast in its support of our further growth and development. In the wake of the merger, Intesa Sanpaolo has become one of Italy's leading banking groups, and at the same time one of Europe's largest financial institutions. As a result of the merger, its presence in Central-Eastern Europe has expanded to no less than ten countries – Hungary, Slovakia, Croatia, Serbia, Bosnia-Herzegovina, Slovenia, Albania, Romania, Russia and Ukraine. The aim is for the subsidiary banks to be among the leaders in their respective countries, and to achieve a substantial market share. In Hungary, Slovakia, Croatia, Serbia and Albania, these banks are already among the top three.

To appreciate the achievements of 2007, it is important to remember that CIB posted truly excellent results in macroeconomic circumstances that were notably less favourable than usual. True, we had expected that in the wake of the strict program of fiscal consolidation that had begun in the second half of 2006 and took full effect in the second half of 2007 the pace of economic growth would slow. The sluggish demand in the public sector and falling real incomes had the impact that had been expected. What we had not been able to predict, however, was the fall in agricultural output due to inclement weather. The real economy proved to be a force for growth, however, with industrial output and goods exports pulling the rest of the economy behind them. Changes in global investor sentiment influenced the forint exchange rate, and created a volatile interest and yield environment, while funding generally became more expensive on the international markets.

These trends were reflected in CIB Bank's operations in rather interesting ways. The high volume of industrial and export activity may help explain why our corporate loan portfolio expanded by 19 percent. At the same time, households were keen to maintain their earlier consumption levels, and this may be why the retail loan portfolio and within this, the portfolio of housing loans, rose so substantially – by 38 and 37 percent respectively.

CIB, now the country's second largest bank, can look forward to 2008 with cautious optimism. The knots in the economy caused by the austerity measures have been partially untangled, there may soon be a modest increase in real wages and capital investments, while exports could well remain a force for further growth.

At the same time, however, the slowdown in the US and European economies will continue to ensure a challenging external environment.

As Intesa Sanpaolo expands abroad, so CIB Bank's operations are becoming increasingly international: it can promote its clients' business relations; it can represent their interests in the European Union as well as in the candidate-member countries and in the countries bordering the EU. The subsidiary banks will be adopting a consistent corporate image in 2008, and will transform into a more closely-knit network, which should be of great help to cross-border businesses and to citizens moving freely within the region. I am convinced that CIB's extensive professional know-how and solidly embedded presence in Europe will stand it in good stead for competing in the global market.

To ensure that our customers remain convinced of this too, we make every effort to provide up-to-date, user-friendly and rapidly available services, and a modern IT infrastructure that keeps pace with the latest technical innovations.

Our staff, who bore admirably the additional burdens of the merger year while at the same time improving the position of the bank in what was a fiercely competitive market, deserve our heartfelt thanks and respect. I would also like to thank you for your selfless and at the same time highly creative intellectual work. But as we all know, a larger CIB means larger challenges lie ahead of us in 2008 than ever before.

Dr. György Surányi
Chairman of the Board, Head of CEE Region, Intesa Sanpaolo S.p.A.

Message from the CEO

CIB Bank implemented the largest and most complex project of its almost three-decade history last year, when in the space of just over half a year it merged with Inter-Európa Bank. The employees of the two institutions were able to welcome in the new year as the staff of what legally and in terms of its IT systems was already a single bank. The merger required an additional 230 man-years worth of work from the bank's staff, of which they carried out a total of 1,000 man-hours over a period of just five days between the end of 2007 and the beginning of 2008! I think we can all be proud of the fact that we met this exceptional challenge successfully.
While implementing the tasks that accompanied the merger, CIB also fulfilled its business targets: it increased its asset portfolio at a pace well above the market average – by 21 percent – and managed to surpass the record profit of the previous year by 13 percent. In terms of several indicators, Inter-Európa Bank – which I also headed from July of last year – produced similarly good results, despite the fact that the situation of the merging institution was more difficult than that of the host.
The question arises: is it really something to be taken for granted that despite the additional pressures that accompanied the merger and despite conditions of exceptionally fierce competition such outstanding performance still be achieved? I think not. And to have succeeded nonetheless, this certainly needed something extra, something beyond the desire to earn a daily wage: faith in ourselves and in each other, and the enthusiasm that comes from being involved in something great.
However, we cannot afford to be complacent, since as we know full well, the ultimate success of the merger will depend on what we do this year.

In his statement the chairman of our board has presented CIB's performance in numbers. For this reason I do not wish to dwell on the figures, but to mention a few developments that – in my opinion – point the way to the path we will be treading in the future. CIB is traditionally very strong in large-corporate as well as project financing, and until now it is as this type of a bank that it has appeared in the public eye. In the last year, however, the SME business contributed a larger share to the revenues of the corporate division than did the other two flagship business lines combined. This promises to be a very important source of momentum for us in terms of future growth, and our success here should encourage us to focus even more consciously and intently on this critical slice of the market.
Our increasingly sizable retail division expanded its loan portfolio by 38 percent last year. While this was well above the average performance of the other banks, it was below our own previous results and the results of some of our competitors in 2007. This is another warning signal that we would do well not to ignore.
These days there is an increasing expectation with regard to banks that they should bring their services ever closer to their customers. Naturally this is a requirement that we cannot ignore, and that we have no intention of ignoring: we have already committed considerable resources to expanding our sales network, and will continue to do so. We plan to have increased the number of our sales outlets from 141 as at 31 December 2007 to around 200 by the end of this year.

Our leasing subsidiary has confidently headed the list of leasing companies in terms of market share for the seventh year now. We have announced this with great gusto and satisfaction at every possible occasion. I think the time has now come for us not just to praise the CIB Leasing Group, but to learn from them. Because anyone who has been leading the field so decisively for so many years must know a thing or two, something which – provided it is suitably adapted – is worth copying and incorporating into the bank's practices.

Last year was not only about business for the CIB Group. Even when we were the third largest participant in the banking market, the issue of social, economic and environmental responsibility already occupied us. The growth in size and the change in our ranking that resulted from the merger have brought these issues even more to the fore. Thanks to the efforts we have made in this area, last year CIB became the most accountable of all banks in Hungary. Thus, while we carried out our daily work, we also strove to do so in a transparent and traceable manner, and we are committed to continuing to do so in the future.

There is another accolade that I equally regard as of significance and value: the Bank of the Year 2007 award. As the manager of a profit-oriented organisation, I cannot be, and am certainly not, indifferent to the kind of performance we are delivering as a business. What we are offering to our several hundred thousand customers, customers who vote for us with their wallets, and how we are offering it, is of essential import. A 100-member independent panel of judges last year decided that what we are offering is good, and how we are doing it is well. The bar is high, and there is no doubt that we can achieve our ambitious goals only if we pay attention to the needs of our customers even better than we have done until now.

We have always tried – within the limits of our abilities and our opportunities – to take account of the sensitive balances that sustain our world, and within it, our micro-world. We have searched for the balance between our customers' expectations and our own resources, as we have in our relations with our colleagues as people and human resources, as well as in our complex independencies with nature and society. A good example of this is the two awards mentioned above.

I am certain that this search for a balance is set to become even more important in the future. Besides excellent products and attractive terms and conditions, lasting success will only be possible through a strategy and a corporate culture that rest on a set of solid and clear values.

We at CIB are working on it.

Dr. László Török
CEO

Board of Directors and Executive Officers

Board of Directors

Dr. György Surányi
Chairman, Intesa Sanpaolo Group

Paolo Baessato
Intesa Sanpaolo Group

Dr. László Török
Chief Executive Officer
CIB Bank Ltd.

Massimo Pierdicchi
Intesa Sanpaolo Group

Paolo Sarcinelli
Intesa Sanpaolo Group

Imre Bertalan
First Deputy Chief Executive Officer
CIB Bank Ltd.

Supervisory Committee

Norbert Becker
Chairman, Intesa Sanpaolo Group

Antonio Stillittano
Intesa Sanpaolo Group

Daniele Fanin
CIB Bank Ltd.

Andrea Wéber
CIB Bank Ltd.

Management Committee

Dr. László Török
Chief Executive Officer

Gábor Farkas
Deputy Chief Executive Officer
Corporate Division

Tibor Galambos
Chief Executive Officer
CIB Leasing Group

Attila Cselőtei
Senior Managing Director
IT Division

László Magyar
Senior Managing Director
Corporate Communication and Governance Division

László Vér
Managing Director
Human Resources Management Division

Imre Bertalan
First Deputy Chief Executive Officer
Finance, Risk and Operations Division

Sándor Sebők
Deputy Chief Executive Officer
Treasury and Fund Management Division

Zsuzsanna Kozák
Senior Managing Director
Retail Division

Judit Lamboy
Senior Managing Director
Sales Division

Daniele Fanin
Senior Managing Director
Group Coordination and International Division

31 December 2007

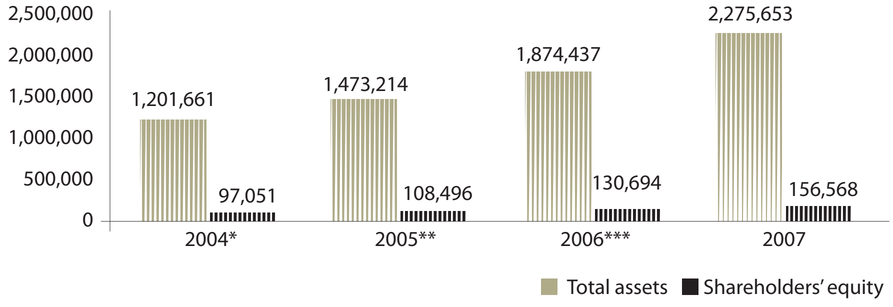
Performance of the CIB Group in 2004–2007

Performance of the CIB Group in 2004–2007
International Financial Reporting Standards (IFRS), consolidated (HUF million)

	2004*	2005**	2006***	2007
Total assets	1,201,661	1,473,214	1,874,437	2,275,653
Shareholders' equity	97,051	108,496	130,694	156,568
Gross loans	1,021,174	1,243,698	1,456,900	1,752,996
Deposits from customers	585,814	715,821	999,489	1,098,424
Net interest and commission income	69,316	77,956	99,595	104,746
Operating expenses	33,969	41,908	47,764	51,927
Operating profit	35,347	36,048	51,831	52,819
Profit before tax	21,063	24,349	37,897	39,185
Profit after tax	16,500	18,548	25,353	28,616
Dividend paid to shareholders	2,500	3,013	2,500	2,500
Employee headcount (average)	1,886	2,311	2,682	3,016

** Data adjusted for differences in the IFRS applied in 2005.*
*** Data adjusted for differences in the IFRS applied in 2006.*
**** Data adjusted for differences in the IFRS applied in 2007.*

Total assets and shareholders' equity (HUF million)



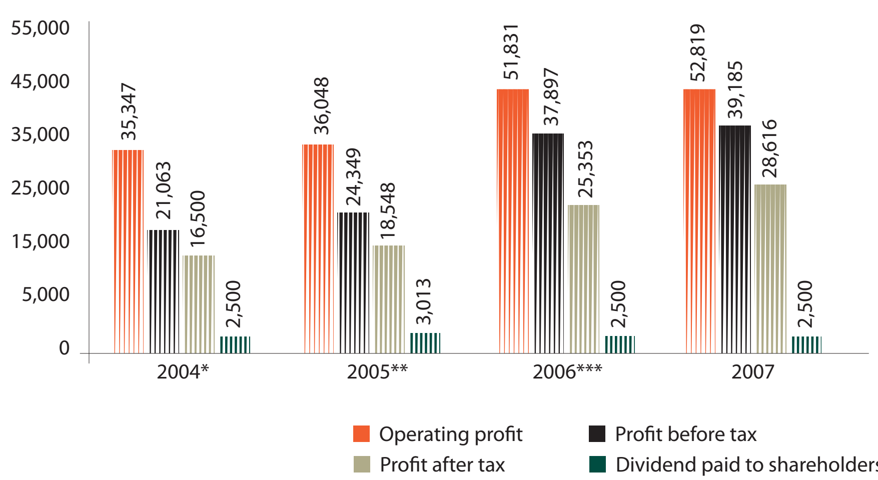
Performance ratios (%)

International Financial Reporting Standards (IFRS), consolidated (HUF million)

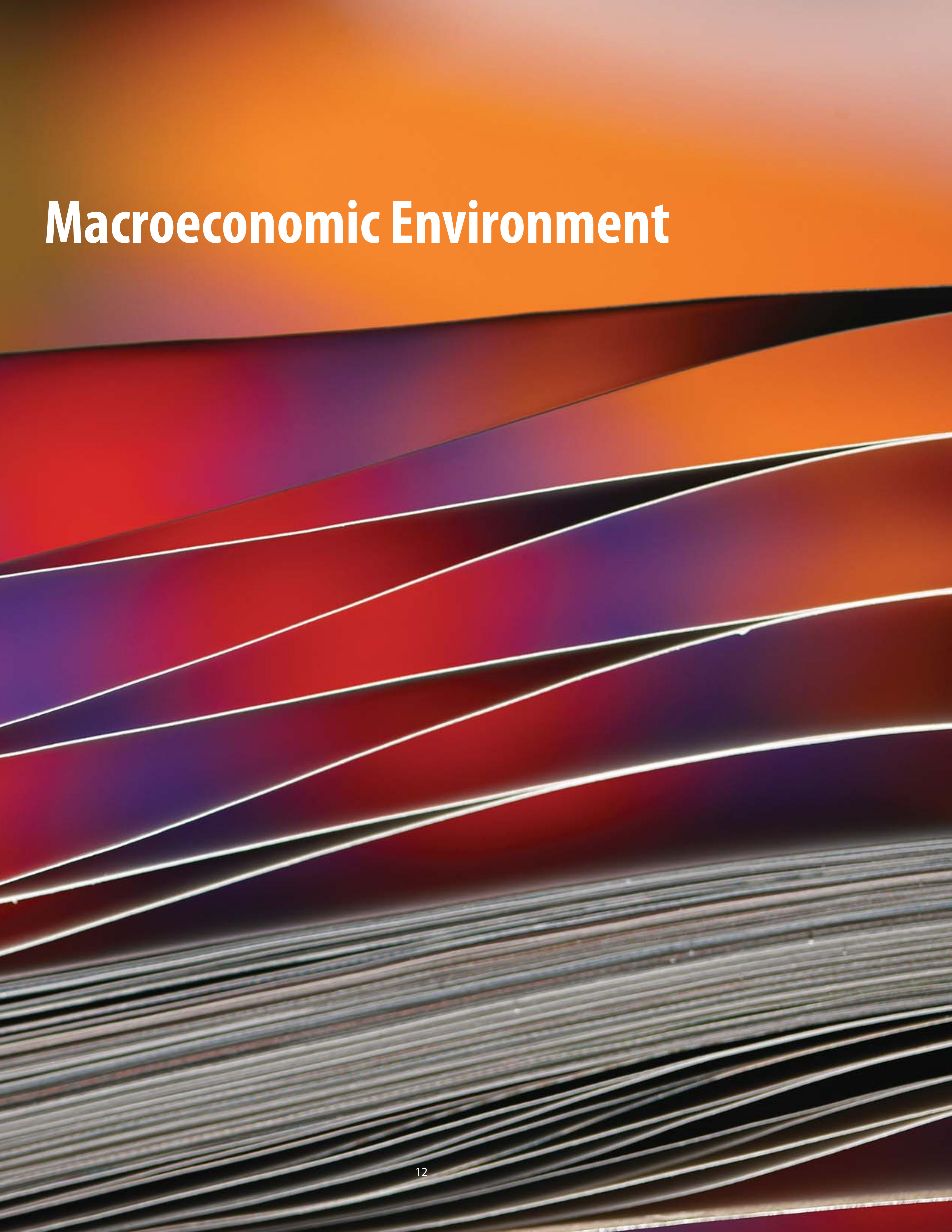
	2004*	2005**	2006***	2007
After-tax profit / shareholders' equity****	21.04	19.11	23.37	21.90
After-tax profit / total assets*****	1.45	1.39	1.51	1.38
Net interest and commission income / total assets*****	6.11	5.83	5.95	5.05
Return on equity (HAS, Bank)	11.73	10.91	9.88	9.31
Shareholders' equity / Assets	8.08	7.36	6.97	6.88
Shareholders' equity / Net loans	9.76	8.97	9.23	9.16
Operating expenses / Net interest + commission revenue	49.01	53.76	47.96	49.57
Pre-tax profit / Assets*****	1.86	1.82	2.26	1.89
Pre-tax profit / Shareholders' equity******	24.01	23.69	31.69	27.28
Total assets / Number of employees (HUF million)	637.15	637.48	698.96	754.51

** Data adjusted for differences in the IFRS applied in 2005.*
*** Data adjusted for differences in the IFRS applied in 2006.*
**** Data adjusted for differences in the IFRS applied in 2007.*
***** Based on capital data of the previous year.*
****** Based on annual average asset data.*
******* Based on annual average capital data.*

Earnings and dividend (HUF million)



Macroeconomic Environment



As a result of the lax fiscal and incomes policy of the previous years the country's external and internal financial balance position became unsustainable over the longer term, and budgetary adjustment became unavoidable. It had become obvious earlier, in 2006 in fact, that inflation could not be controlled through artificial means, in a non-organic manner.

As a consequence of the measures related to the government's adjustment package last year the country's balance position improved significantly. There was, however, a price to pay for this, in terms of a significant fall in real wages and – in parallel with this – a jump in inflation. The processes that began with the subprime mortgage crisis in the US and that have since panned out into a credit crisis of global proportions had only a limited impact in 2007 on domestic fundamentals and market trends. In the coming period, however, the challenges produced by the global crisis will need to be confronted by Hungary's economic policy-makers and economic participants too.

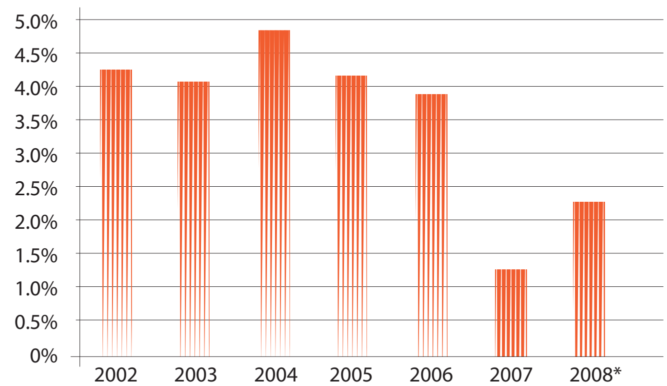
The adjustment program announced in 2006 caused a drastic slowdown in the rate of economic growth, despite the fact that in 2007 the external environment was still relatively benign. GDP grew by just 1.3% over the course of the year, which was not only the lowest rate of the past 11 years but was also way below the growth rates of the other countries in the region. **1**

With regard to the production side, agriculture – primarily due to the extreme weather conditions – had a weak year, while economic value added in the construction industry fell from quarter to quarter due to the drop in public-sector orders, and showed a double-digit decline for the year as a whole. **2** Services grew by an extent equal to the overall increase in GDP; the main driver of growth was industry, and within this the manufacturing sector.

From the figures on the GDP-utilisation side it is clear also that the driver behind the growth last year was exports, while the radical fiscal adjustment measures implemented domestically resulted in a fall in internal utilisation. Household consumption decreased by 2.1% over the year as a whole due to the marked drop in employment, the worsening national income position, and the decline in real wages and benefits in kind, while community consumption fell by 3.1% over the year. At the same time capital investments grew only very modestly, by just 1%, though this was a slight improvement compared to the decrease in 2006. The decline in government investment projects had a pronounced effect on overall investment activity – an effect that the rise in investment volumes in the private sector could not entirely offset. Net exports thus remained the only true engine of growth: due to the decline in internal demand, imports fell, while the export sector benefited from the stable demand that characterised the key export markets.

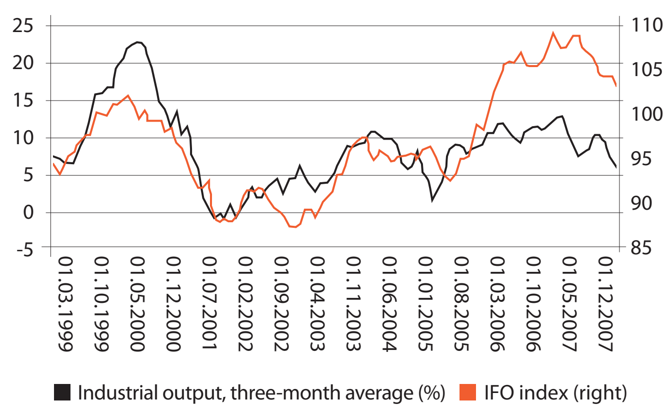
The Hungarian economy probably reached its lowest point in the second half of 2007, and in 2008 we are expecting a slow, gradual recovery. Any robust return to dynamic growth cannot, however, be expected, with the pace of growth set to remain below the potential real growth rate this year. Most of the measures associated with the adjustment programme were implemented in 2007, and so we could see a modest rise in internal demand this year. The lower-than-expected growth in real incomes, coupled with the adjustments in the labour market and in wages could make households cautious, however. In the corporate sector the deteriorating external economic situation and the shocks on the cost side could presage a period of low capital expenditure. The main driving force behind growth could therefore once again be net exports in 2008, though the big question is what sort of performance the Western European economies, which are considered our key export markets, will produce.

1 Rate of growth in GDP, 2002–2008* (%)



** Estimated.*

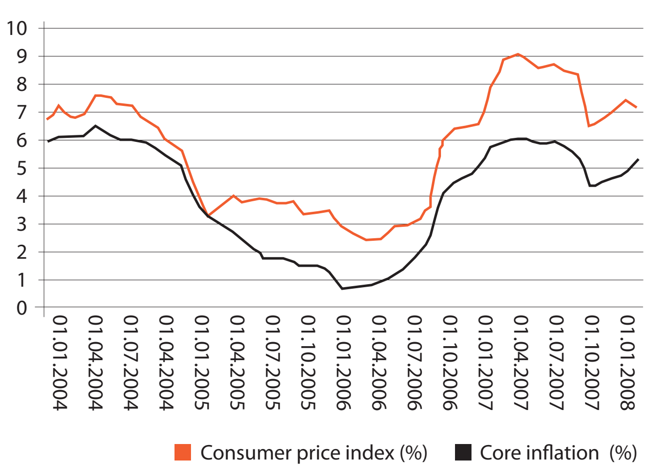
2 Industrial output and the German IFO Business Climate Index, 1999–2007



As regards inflationary trends, 2007 can be characterised by two, clearly distinguishable periods. **3** In the first half of the year, as a consequence of the adjustment package, administrative price changes caused a significant acceleration in the rate of inflation. The annual inflation rate peaked at 9% in March, and remained at above 8% right through until August. From September there was a clear decline due to the high base figures, although the rate of the slowdown was a lot lower than the market had expected. While in Hungary in the first half of the year specific domestic factors caused inflation to accelerate, in the last third of the year various global factors – exceptionally high global energy, raw material and food prices – put a brake on the process of disinflation. The inflation rates of below 7% that were experienced in September to October were followed by higher rates again in the last two month's of the year: by December the annual price index had risen to 7.4%, while average inflation for the year was 8%.

The inflationary outlook for 2008 has also become somewhat cloudy: this year is likely to be characterised by a slower rate of disinflation than had been projected. This, however, will be the result of purely external factors that cannot be influenced directly by monetary policy. Regulatory price hikes and record global energy and food prices will obviously pull inflation up further. Growth rates below potential, weak internal demand, relaxing of pressures in the labour market, and wage adjustments that are already discernible in the corporate sector, however, clearly suggest there will be a lack of demand-side inflation. The average rate of inflation could be around 6% for 2008 as a whole, though by December the annual consumer price index could fall to 4.5%.

3 Inflation trends, 2004–2008/1



The country's external and internal balance position reached a level in 2006 that was clearly unsustainable. Had there been no intervention the deficit could well have approached 12% of GDP. Following the measures announced in 2006 the ratio of the public finance deficit to ESA95 GDP finally peaked at 9.2%, which was followed in 2007 by a further significant reduction in the shortfall, with the deficit-to-GDP ratio falling to 5.7%. **4** The fact that the deficit was lower than specified in the Convergence Program was thanks to higher revenues and partly to costs that were lower than budgeted. Households reacted last year to the deterioration in their income positions resulting from the adjustment package by trying to maintain their consumption levels by all possible means, in an even more determined manner than had been predicted, which had the effect of boosting consumer-tax revenues; at the same time, on the expense side financing costs developed more favourably than expected, and the scaling back of government subsidies also had a positive effect on outgoings.

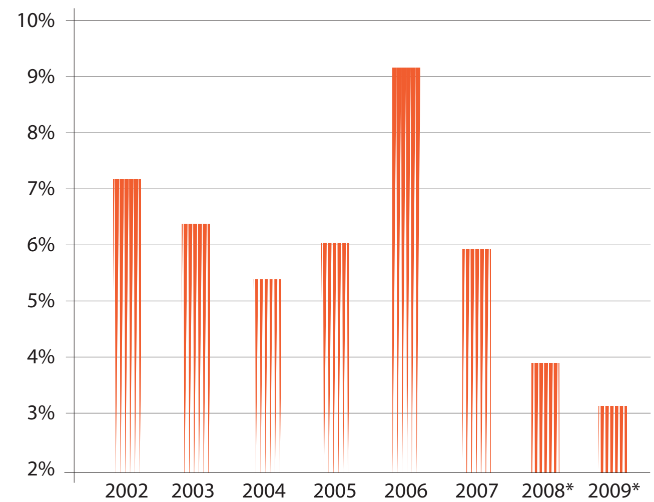
In 2008 a further fall in the budget deficit-to-GDP ratio may be expected, and one-off items may improve the balance by a further 1.5 percentage points or so. Following a 3.5% reduction in 2007, a further adjustment of 1.7% is likely this year. The Convergence Program includes a deficit target of 4% for 2008, which may fall to around the 3% level in 2009.

The country's internal balance position has therefore improved considerably, though looking a bit further into the future it is clear that the comprehensive reform of the major distribution systems will remain a task of key importance. This is, after all, essential if the deficit reduction is to be sustainable. Over the recent period significant progress has been made in this direction; however the tasks ahead still include pensions reform, a comprehensive overhaul of the municipality sector, the rationalisation of central budgetary institutions, and the implementation of other general cost-cutting measures.

A transformation of the tax system is also unavoidable, otherwise Hungary could suffer a fall in competitiveness over the long run, and the growth rate could remain below its potential maximum for a sustained period.

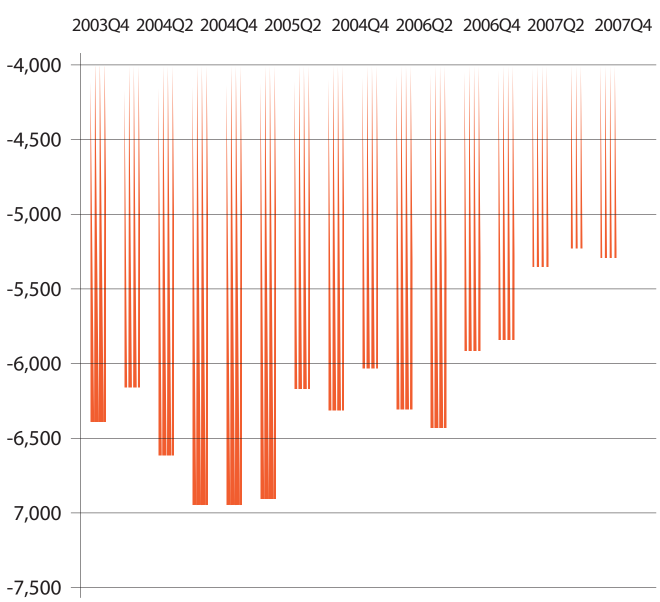
Concurrently with a reduction in the budget's financing requirement, and partly as a result of this, the lower level of domestic utilisation led to a further improvement in the country's external balance position in 2007. The current account deficit fell from EUR 5,446 billion in the previous year to EUR 5,060 billion, which represents a deficit of around 4% of GDP. **5**

4 Public finance deficit (ESA95, % of GDP)



** Targets.*

5 Current account deficit 10-month rolling total, EUR million, 2003–2007



A decisive factor contributing to this improvement was the substantial reduction in the trade deficit. Owing to strong demand in Hungary's key foreign markets, exports displayed rapid, double-digit growth, while the effect of the decline in domestic demand was already manifest in the lower rate of imports growth. As the result of these two factors, in contrast to the EUR 921 million deficit of 2006, the foreign trade balance showed a surplus of EUR 1,431 million in 2007, which was more than sufficient to counter the slight deterioration in the services and incomes positions.

An examination of the financing situation of the individual sectors reveals that the most important factors contributing to the improvement in the balance position were the dramatic fall in the government's net financing requirement and the stabilisation in households' net financing capacity; but a role was also played by the low level of investment activity and the impact that this had on the financing requirement of the corporate sector.

In 2008 a further improvement is expected in the country's external balance position. The fall in the public finance deficit and the continued strengthening of the position of the household sector could offset the slight deterioration in the net financing position of companies that will result from the slower growth in corporate investments. The external financing requirement could drop to 4-5% of GDP in 2008, which represents a healthy figure that is sustainable over the long run. The shrinkage in both the budget and current account deficits also appears to be alleviating the pressure that the twin deficits were placing on the economy, and therefore the main economic-policy challenge in the forthcoming period will be to improve the country's competitiveness.

Government Securities and Foreign Currency Markets

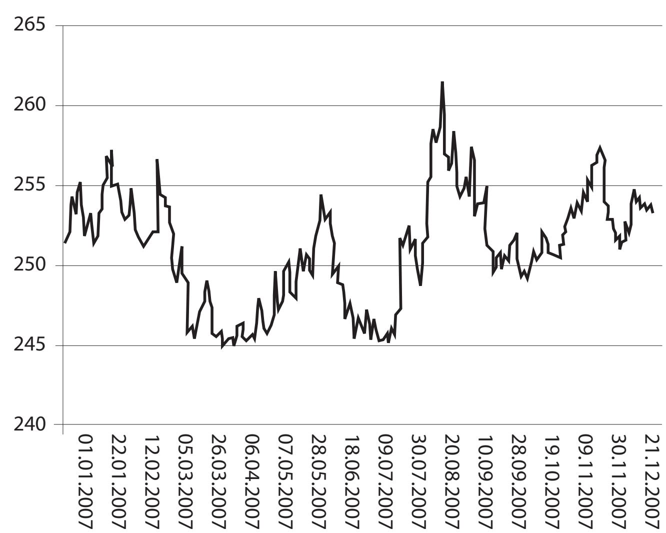
Some minor fluctuations notwithstanding, the Hungarian financial markets closed a relatively calm and uneventful year. In the first part of the year the external environment was decidedly benign, while confidence in the country's economy strengthened perceptibly. The budgetary adjustment measures that had been announced in 2006 began to be implemented, which led to a tangible improvement in sentiment towards the country. The approved 2007 Budgetary Act was regarded by the main European authorities, the Magyar Nemzeti Bank (MNB), the central bank of Hungary and the top international rating agencies as being realistic. Thus, for the first time in years, the country had a budget that promised to actually be achievable. At the same time the appetite for risk in the global markets remained high, which also had a favourable impact on the emerging markets, while the forint was given an additional boost by periodic speculation on the abolition of the exchange rate band. In the first half of the year the emerging markets were rocked by a few minor waves of capital flight, but these proved to be transitory, and each period of weakening was followed by a rapid recovery.

In the first months of the year the EUR-HUF exchange rate fluctuated between HUF 250-255 to the euro, strengthening to around HUF 245 by the beginning of March. **6** The wave of capital withdrawals that followed the slump in the Chinese equities market also – temporarily – weakened the exchange rate to above HUF 250 to the euro, but in July the quotations were once again in the region of HUF 245. However, in August the situation changed dramatically: the problems in the US subprime mortgage market escalated into a global liquidity crisis, accompanied by the start of a (long-expected) global re-pricing of risk. The higher-risk, emerging markets obviously reacted sensitively to this process, and as positions were closed, the euro-forint exchange rate spiked at over HUF 260 to the euro in August. The general consensus at the time was that the slowing in US economic growth would only have a limited impact on the rest of the world, while the emerging markets could continue to display healthy and stable growth in 2008. This served to restore some confidence in the regions' markets and, by the same token, in forint-denominated investment instruments. Although the currency failed to recover to its spring level, the exchange rate stood at HUF 253 to the euro at the end of the year, which represents a weakening of barely one forint in comparison to one year previously.

Part of the overall picture, however, was that foreign investors steadily reduced their forint positions over the year, while the high demand for foreign-currency loans in the private sector proved sufficient to counter this withdrawal of capital, thus bolstering the exchange rate.

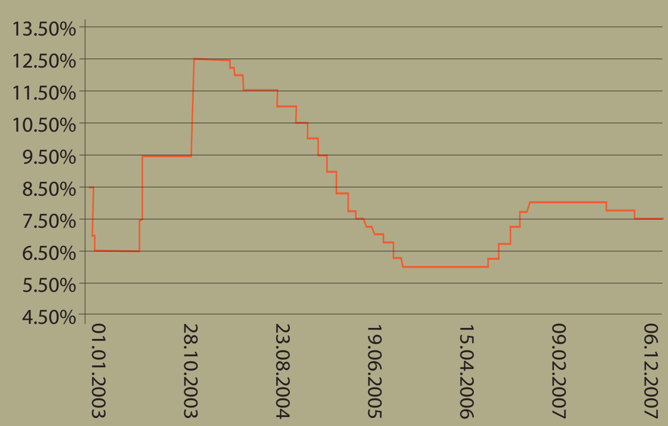
Against the backdrop of a fundamentally supportive external environment, and growing confidence in economic policy, the forint exchange rate was also given a shot in the arm by the attractive yield premiums on forint-denominated investments. Fluctuations of varying intensity were also observed in the state securities market in 2007. At the beginning of the year the market remained optimistic in its projections regarding the base interest rate, pricing in a total reduction of 150 basis points. Later, in response to the deteriorating external environment and an increasingly pessimistic inflation outlook, these expectations were tightly reined in. Meanwhile, the leeway of the MNB – according to market opinion – was further restricted by the strict monetary policies implemented in the other countries of the region. The central bank, primarily citing the deteriorating inflation outlook and the risks associated with these forecasts, certainly pursued an extremely cautious interest policy, reducing the benchmark rate by 25 basis points in June, and again in September, leading to a base rate of 7.5% at the end of the year. **7**

6 EUR/HUF exchange rate, 2007



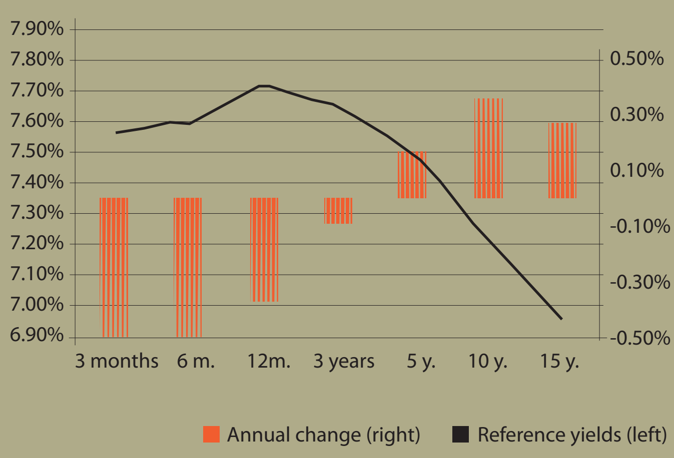
The growth in state securities held by foreign investors was restrained in 2007, with these investments amounting to only HUF 200 billion more at the end of the year than the HUF 3,000 billion registered at the end of 2006.
Although the global credit crunch did not impact Hungary directly, and the emerging markets weathered the crisis relatively well in 2007, similarly to the national currency, the market for government securities was also affected by the decline in investors' propensity to assume risk. The pricing out of interest-cut expectations, the less benign external environment, and the legislative changes related to the portfolio reallocation of private pension funds placed additional pressure on the Hungarian government bond market in the last part of the year, and thus at the long end of the curve, on the last day of the year, yields exceeded those of the previous year by 20-30 basis points. At the same time, the difference between the 1-year and 10-year government bond yields narrowed from around 125 basis points at the beginning of the year, to 25 basis points by the summer, but subsequently recovered somewhat to stand at 40 basis points at the end of the year. **8**

7 MNB two-week deposit rate, 2003–2007



The first two months of 2008 brought fundamental changes in the market environment. The global credit crisis went from bad to worse. Certain segments of the market are still not functioning perfectly, while it appears increasingly likely that despite the effort of the Federal Reserve, which fulfils the role of the central bank in America, the US economy will be unable to avoid a recession that will inevitably have repercussions for the rest of the world. Although Hungary is not directly impacted by the subprime mortgage crisis, the loss of investors' appetite for risk had manifested itself in a mass flight of capital from the emerging markets. Hungary's image, too, has deteriorated perceptibly in the eyes of investors, which has in turn led to a marked weakening of the forint and a dramatic rise in the yields on government securities. In this pessimistic climate, even the positive effects of an abolition of the forint exchange-rate band were extremely short-lived; the currency market remains highly volatile, and government bond yields have rocketed in the first part of the year. In the short term no significant improvement is to be expected in the external investment climate, which could make for a challenging domestic market environment in 2008.

8 Government bond market reference yields, 2007



The Hungarian Banking Sector

The banking sector continued to expand in 2007, though growth had already begun to slow perceptibly. The combined total assets of the banks rose by 16.9% in comparison to one year previously, but this rate of increase fell short of the 18.75% recorded in 2006. The driver of growth was lending activity, with deposits rising at a more modest rate. The deepening of the bank sector continued, with the banks' combined balance sheet total amounting to almost 96% of GDP at the end of the year. If we were to include the assets of the savings cooperatives, the Hungarian Development Bank, Eximbank and the Keler clearing house in our calculations, then this proportion would be 108%.

The gross total of loans placed by the banks approached HUF 16,700 billion at the end of the year, compared to HUF 13,674 billion at the close of 2006. This growth increment of more than HUF 3,000 billion represents a 22% annual rate of increase (compared to 18.7% in the previous year). Stark differences could be observed in the growth dynamics of corporate and retail loans, as the rate of increase in corporate loans accelerated slightly, accompanied by a slowing in the expansion of retail lending. Corporate loans displayed particularly impressive growth in the last months of the year.

Retail loans rose by 26.4% in 2007, compared to almost 28% in the previous year. This growth was primarily driven by mortgage-backed loans, specifically those denominated in Swiss franc. In the past year, contrary to expectations, the propensity and appetite of households to borrow was not dampened by the austerity measures, which suggests that customers are primarily seeking to maintain their consumption at existing levels, rather than to increase their savings.

Customer deposits grew by only 6.9%, compared to 13% in 2006. The rate of growth in corporate deposits plummeted from 23% to 1.5%. (This means that, compared to last year's HUF 640 billion increase, growth in 2007 was only HUF 50 billion.) Retail deposits also displayed a moderate increase of 6.4%. Although this is higher than the 4.2% of the previous year, the figures are distorted by the introduction of a tax on interest.

For the first time in many years, in 2007 the bank sector's combined after-tax profit was lower (at HUF 314 billion) than in the previous year (HUF 356 billion). The limited rise in the net interest margin points to intensifying competition. The rate of increase in costs has remained consistently over 10% in recent years.

The great challenge for banks in 2008 will be how to respond to the intense competition, and how to find ways of maintaining costs at an acceptable level. The credit institutions' situation is further aggravated by the widening of the customer funding gap, as a result of which fundraising is becoming a matter of increasingly important strategic concern.

The Leasing Market

The leasing market once again grew rapidly in 2007. Leasing companies (based on data provided by the Hungarian Leasing Association) provided funding in a value of HUF 1,200 billion to customers who chose to make use of asset-backed financing schemes, concluding more than 350,000 new contracts. Instead of a slowdown in growth as had been expected based on the previous year's trends, the market expanded by 16% in 2007, thanks mainly to the outstanding performance of the second half of the year. In this segment, in the past two years, some 15 new – mostly specialist – leasing companies have entered the market. Over the same period, the market share held by the nine largest leasing companies fell from 77% to 71%. At the end of the year the combined value of placements (capital receivables) managed by the almost 80 leasing companies in the market, translated at the NBH mid-exchange rate, exceeded HUF 2,000 billion.

The market weight of those sectors that are categorised as favouring lease-financing is gradually approaching that of Western Europe. In recent years lease-financing schemes, which were previously used almost exclusively for the purchase of cars, have steadily been adopted for the purpose of machinery, equipment and truck financing, as well as real estate financing, which displayed exceptional growth in 2007.

Car financing, which is highly significant in terms of overall profitability, made a lower but still decisive (2006: 62%; 2007: 56%) contribution to performance in 2007, with total placements exceeding the previous year's figure by 6%. Companies in this line of business also tend to offer fleet financing services, which they provide at lower margins in an attempt to satisfy the needs of their key-account customers. In 2007, in Hungary, fleet procurements were made in a total value of HUF 65 billion through the use of asset-backed financing schemes. Relative to other segments, the level of concentration is lower in this sector of the leasing market, with the line-up of major operators remaining more or less constant.

The machinery financing sector closely monitors the criteria under which EU machinery investment subsidies are granted. In a growing number of cases – due in no small part to the lobbying efforts of the Hungarian Leasing Association – lease-financing schemes are gradually becoming capable of competing on equal terms with loan products in this segment. In 2007 the market for machinery leasing, which – including railway projects – accounts for some 15% of the overall leasing market, grew by a superlative 30%.

In the truck-financing segment, the intensifying competition and a rise in the number of fleet purchasing agreements, relative to previous years, led to a considerable drop in margins. In 2007 a total of 15,500 leasing contracts were concluded, and at the end of the year the leasing companies had capital receivables of HUF 294 billion.

The volume of real estate financing rose sharply again last year, with the result that the market has tripled in size over the past 24 months. Capital receivables in this segment approached HUF 275 billion by the end of 2007. The market is highly concentrated, with five companies commanding an 80% share.

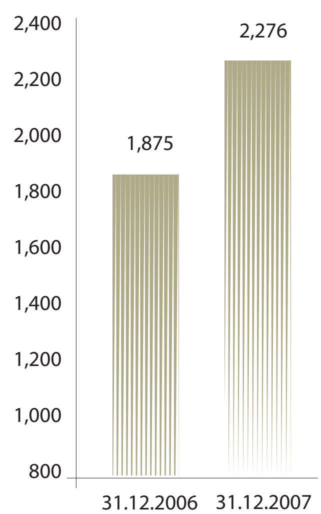
Leasing companies expect to see a continued expansion of the leasing market. In numerous segments of the market, the competitive drawbacks of leasing, as a means of financing, are likely to be eliminated or at the very leased, reduced. In addition, the expansion of operations abroad is expected to further strengthen the leasing companies, which already draw on a considerable base of financing power.

Report of the Management on the Business Operations in 2007

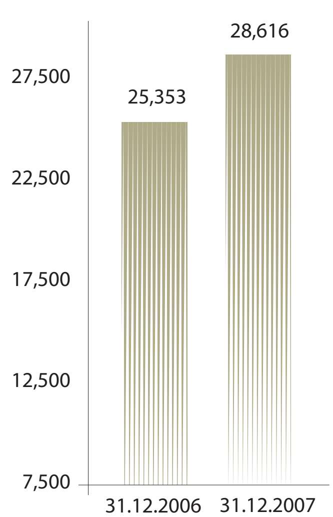
RESULTS OF THE CIB GROUP

2007 was another banner year for the CIB Group – its most profitable ever, with market share increasing in virtually all segments over the 12-month period. Market share based on total assets exceeded 9% (9.26%), in comparison to 8.92% in the previous year. **9** While also carrying out the year's business-related tasks, the CIB Group successfully prepared the full legal, organisational and infrastructural framework for the merger scheduled for 1 January 2008. Despite being burdened with the one-off costs arising from the merger, the bank surpassed its record profit figure of 2006, achieving the highest after-tax profit in its history, at HUF 28.6 billion. **10** The result adjusted for the costs of the fusion, and the tax implications of these expenses, was HUF 30.9 billion. The one-off costs of the merger amount to HUF 2.8 billion, the bulk of which has already been accounted for by the CIB Group in the course of 2007. The bank group's performance in 2007 – based on International Financial Reporting Standards (IFRS) data – was as follows:

9 Total assets (HUF billion)



10 Profit after tax (HUF million)



The total assets of the CIB Group grew by 21.4% in 2007, to HUF 2,276 billion. This increase of more than HUF 400 billion, the same as that achieved in the previous year, was primarily attributable to the growth in customer loans, which exceeded the previous year's figure by more than HUF 290 billion. **11**

Retail deposits were up by 15%, amounting to HUF 472 billion at the close of the year. With this the market share of CIB – despite the growing market competition – increased in line with the objectives of the retail business strategy. The value of savings placed in investment funds – displaying growth of more than 33% – was HUF 170 billion at the end of the year.

Corporate deposits rose by 6%, to almost HUF 630 billion. The driving factor behind this growth was the increase in SME deposits.

At the end of the year liabilities from banks exceeded the previous year's figure by 50%, and amounted to HUF 800 billion. The annual average figure, however, was below that of 2006. Within liabilities from banks, the growth in preferential-rate interbank liabilities is particularly worth mentioning. The bulk of interbank liabilities came from the parent bank as well as from the subsidiary credit institutions, and the medium-term – euro and Swiss frank-denominated – funds that they provided served to ensure sustained, medium-term financing of the expansion of the loan portfolio.

The volume of issued, medium-term bonds fell by 13%.

Thanks to the record profit and to years of restrained dividend payment, the capital position of the CIB Group continues to be stable. At the end of 2007 the value of shareholders' equity exceeded the previous year's figure by 20%, and amounted to HUF 157 billion. The capital adequacy ratio fell slightly due to the substantial growth in the asset portfolio, but even so, it remained permanently in excess of the 8% required by law. CIB Bank's capital adequacy ratio measured according to Hungarian accounting standards was 9.31% at the end of 2007. To support further growth, the owner chose to reinvest the entire profits of 2007.

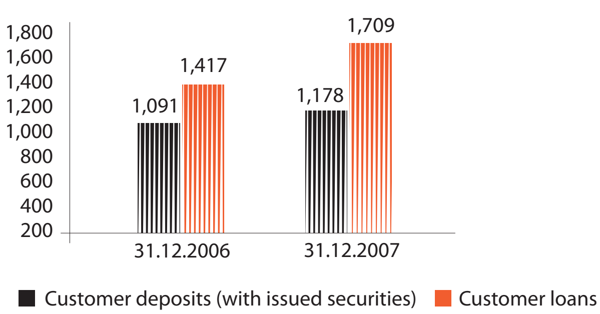
Intesa Sanpaolo's firm commitment to its interests in the central-eastern European region, including the CIB Group, is demonstrated among other things by its consistent provision of the solid background of financial support that is necessary for assuring the sustained and profitable operations of its subsidiaries. The owner will continue to ensure the funds needed for further growth in the future.

Overall, it can be stated that behind the extremely strong growth achieved in the past years lies a stable, purposefully managed balance-sheet structure, supported by a substantial client portfolio, a balanced currency structure, excellent liquidity and a strong capital position. The CIB Group continues to operate on a healthy and sustainable growth path, while placing considerable emphasis on the management of risk.

According to International Financial Reporting Standards (IFRS) CIB Group's profits amounted to HUF 53 billion at the end of 2007. **12** This excellent result can be explained, among other things, by the gains in market share that were achieved in the retail and SME segments as well as in project financing, and by the steady expansion of the leasing business, while the efficiency projects that were implemented, coupled with strict cost controls, served to reduce expenditures. The bank group successfully increased its business volumes, as a result of which net business revenues grew by 5%, to almost HUF 105 billion. If the revenues of 2006 are stripped of one-off items, however, the growth was 8.8%.

Both interest and commission revenues contributed to the growth in business revenues. Despite falling interest margins in the leasing and retail divisions, and the increase in the share of foreign-currency loans, net interest revenue was 2.5% higher in 2007 than in the previous year, and exceeded HUF 45 billion. The growth in interest revenues stemmed primarily from the expansion in the customer loan portfolio. Non-interest revenues from banking and financial services grew by 7% compared to the previous year, and amounted to HUF 59.3 billion for the year. The share of commission revenues was successfully pushed up from 24% at the end of 2006 to 27%.

11 Customer deposits, customer loans (HUF billion)



Revenues from treasury operations grew by 5%, which is an especially good performance if we consider that the base figure of the previous year had been inflated by the one-off proceeds from the sale of FHB shares. The growth was mainly due to the result of forex trading and derivative transactions.

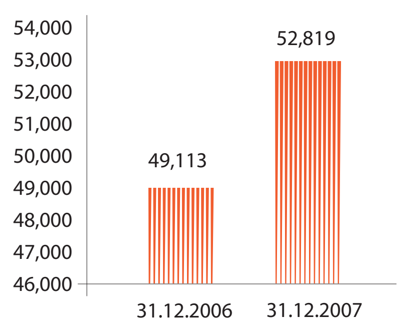
An indication of the bank group's success in implementing its strategy is that most of the revenues were healthily distributed among the three large – corporate, leasing and retail – business lines.

CIB continued the expansion of its sales network in 2007. The branch network added 7 new branches, and comprised 105 units by the end of the year, while the total number of sales outlets (that is, branches, loan centres and representative offices combined) grew to 141. The increase in operating costs due to the growth in headcount, the expansion of the branch network and the operation of the IT infrastructure was, relative to the expansion in business activity, restrained, another reflection of CIB's conscious and rational approach to cost management. Outgoings, which rose approximately in line with inflation, or by 8.7%, amounted to some HUF 52 billion for the year. This figure already contains the one-time costs associated with the merger. Cost efficiency remained at the level of previous years: the cost/income ratio reached 49.6%, which is excellent even by international standards. **13**

The CIB Group's closing headcount exceeded the previous year's figure by 6%: at the end of the year the bank group had 3,070 employees. Despite the expansion in the headcount, 2007 was again characterised by high efficiency levels: for example, total assets per person employed rose by more than 14%.

From the second half of the year CIB's staff worked intensively on implementing the merger with Inter-Európa Bank, scheduled for formal completion on 1 January. At the same time, the extraordinary efforts that were exerted in the interests of the merger made no dent on the sales results of 2007.

12 Operating profit (HUF million)



The CIB Group continued to apply its conservative risk-management policy in 2007, and its provisioning was combined with prudent circumspection. Despite the expanded loan portfolio, net impairment and provisioning was just HUF 13.6 billion, of which the provisions set aside for contingent costs related to the integration of Inter-Európa Bank amounted to HUF 1.4 billion.

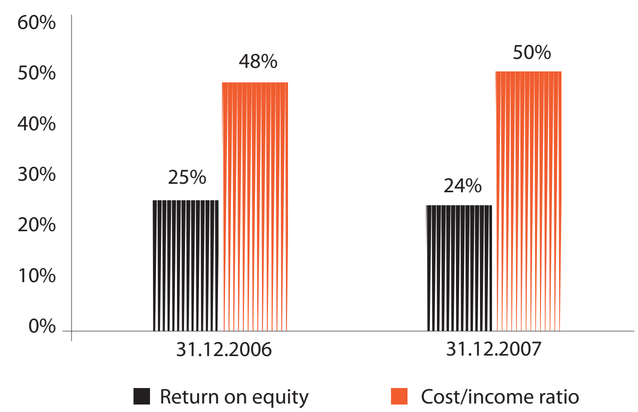
The bank group's HUF 28.6-billion after-tax profit exceeded that of 2006 by some HUF 3.3 billion, or by 13%. CIB paid HUF 16.2 billion in taxes in 2007.

The CIB Group closed its most profitable year ever in 2007. What makes this all the more impressive is that firstly, a merger was implemented during the course of the year, and secondly, the fact that record results had been posted in each of the previous years too.

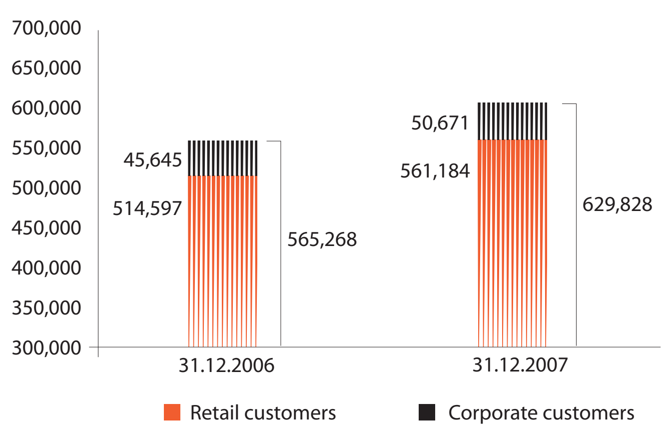
The continuous expansion in the customer base had much to do with the CIB Group's dynamic growth last year, with the number of customers reaching almost 630,000 by the end of the year. **14**

The most pronounced growth was in the number of small and mid-sized customers, which grew by 14% to reach nearly 40,000 by year-end. The number of retail customers rose by 11%, to above 560,000. The number of active bank cards grew by 14%, or by more than 46,000. The number of customers using the CIB Internet Bank also rose continuously, by 38%, to exceed 166,000 at the end of the year.

13 Efficiency ratios

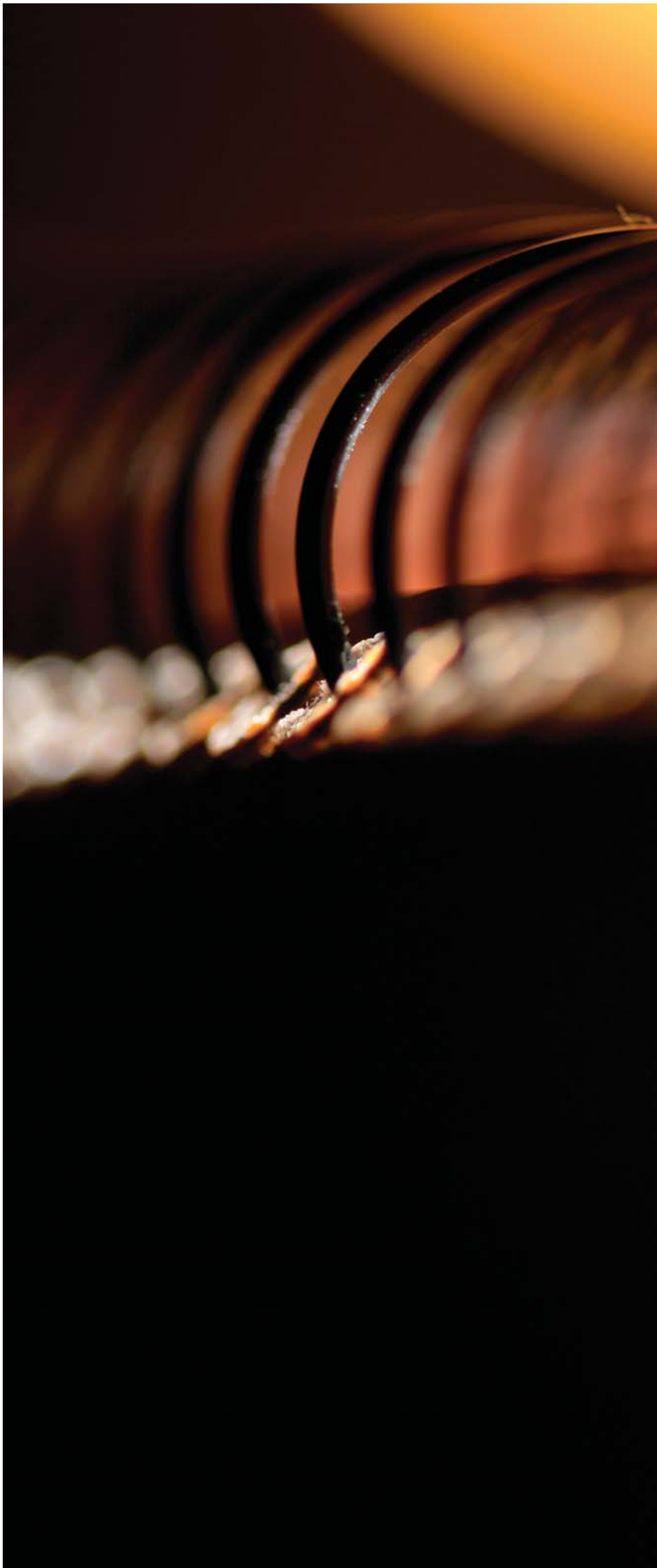


14 Customer headcount



RESULTS OF THE INTER-EURÓPA GROUP

The performance of the Inter-Európa Group in 2007 was obviously affected by the preparations for its integration with CIB. Despite this, the group closed a profitable year and fulfilled its business plan for 2007.
IEB's consolidated balance sheet grew by 8.5%, to reach more than HUF 353 billion by the end of the year. The expansion in total assets was primarily thanks to the 28% growth in the loan portfolio, to HUF 280 billion.
The corporate division performed outstandingly. The loan portfolio expanded by 21%, which meant that Inter-Európa Bank succeeded in slightly increasing its market share in the corporate loans market. In retail lending IEB also surpassed expectations, achieving a modest increase in its market share. Most of the more substantial growth was in multi-currency loans.
Total customer deposits fell by 5% by the end of 2007. The decline in corporate deposits – a feature that was obviously not entirely independent of the merger process – was not fully compensated for by the (below target) increase in retail deposits.
The Inter-Európa Group's end-2007 consolidated after-tax result was HUF 1,206 billion. When comparing this to the previous year's profit figure, it is important to note that the one-off proceeds from the sale of FHB shares had had a decidedly positive impact on IEB's bottom line in 2006. Also, the bank group's 2007 results were notably affected by the fact that at the end of the year substantial provisions were set aside in relation to the preparations for the merger. If we strip the base and the current year's after-tax profit of these one-off items, IEB's underlying after-tax profit grew by 58% compared to the previous year. Net income rose by 6%, to reach HUF 18.7 billion at the end of the year. The main source of the growth was the 23% increase in net interest revenues.
As it was for CIB, 2007 was the most successful year ever for IEB in terms of operating profit.
The number of customers of IEB, which had a pre-merger network of 35 branches, grew slightly over the year, and was approaching 89,000 by the end of 2007. The number of customers that (also) saw to their banking matters online increased significantly among both retail and corporate clients, and exceeded 43,000 by the end of the year. The bank issued more than 52,000 new bank cards in 2007. The number of credit and debit cards both increased.

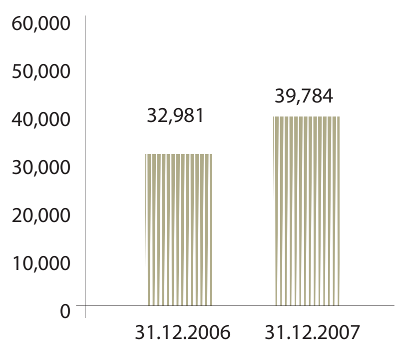


Corporate Banking Division

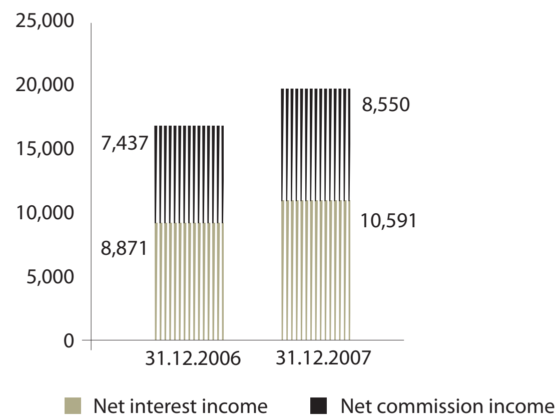
The Corporate Banking Division closed an outstandingly successful year in 2007: its loan portfolio increased by 19% to HUF 1,005 billion, while its deposit portfolio rose by 6%, to HUF 626 billion.
A 14% growth in the number of clients helped ensure that CIB Bank was able not just to maintain but actually to strengthen the substantial role it has traditionally played in the financing of the corporate sector. At the end of the year, CIB had approximately 58,000 corporate clients, of which almost 40,000 were small and mid-sized companies, 21% more than in the preceding year. **15**
The number of corporate clients that (also) used the CIB Internet Bank rose by 30%, to 27,000.
In 2007 CIB Bank was once again one of the largest corporate-financing banks on the Hungarian market. CIB has for years been the account-managing and financing bank of a significant share of Hungary's 500 largest companies. Together with project financing, over 250 new corporate customers joined this key client group. As a result of the merger with Inter-Európa Bank the number of key-account clients rose by a further 200 at the start of 2008, while the number of active SME clients grew by almost five thousand.

The traditionally strong market position of the Corporate Banking Division was further reinforced in 2007. This is clearly reflected, among other things, in its substantial market share in the financing of Hungarian companies operating in the manufacturing, food, engineering and electricity industries, as well as in trade and the hospitality industry. CIB also has a considerable share in lending to companies providing financial, real estate and other business services.
The income-generating ability of the division also improved in 2007: its net interest and commission income grew by 13% during the year, and in the case of SMEs this rate of increase was even higher, at 17.4%**16** The Corporate Banking Division closed its most successful year to date thanks to the quality and streamlined nature of its portfolio, as well as to the cost efficiency that is typical of its operations.
It remains one of the key elements of the bank's strategy in 2008 to ensure that the Corporate Banking Division further increases its market share, improves its profitability and efficiency, and maintains the excellent quality of its loan portfolio.

15 Number of SME Customers



16 SME's Net Interest and Commission Income (HUF million)



Last year CIB placed considerable emphasis on fundraising through the collection of deposits from corporate clients as well. As an indication of the success of this business strategy, the average portfolio of funds collected from large corporate clients grew over the year, despite the unfavourable trends affecting this market segment. Loans to small and mid-sized companies increased by 21% to HUF 135 billion, while deposits from the same client group rose by 12% to HUF 255 billion. **17, 18**

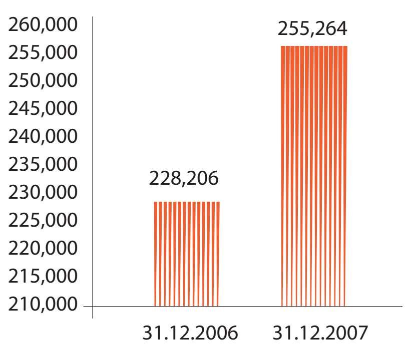
In 2007, CIB Bank participated in the financing of a number of large-scale development projects, as a result of which the net portfolio of its project loans rose by one-third, exceeding the 300-billion-forint mark.

Last year CIB Bank further strengthened the positions it had secured for itself over the previous years in the financing of real estate projects. It achieved double-digit growth in the financing of commercial real-estate developments as well as housing and hotel projects.

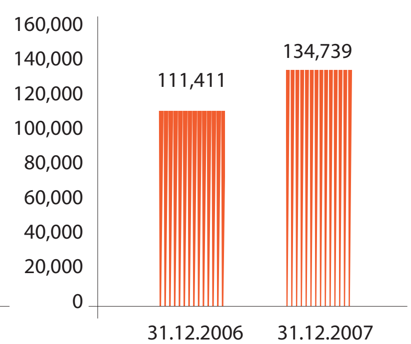
In addition, it participated in the financing of numerous cross-border transactions.

CIB also plays a leading role in syndicated lending in the banking sector, both as an agent and as a lead arranger. Last year it also strengthened its position in the financing of PPP (Public Private Partnership) development projects. The PPP contract for the construction of the Szekszárd-Bóly section of the M6 motorway and the Bóly-Pécs section of the M60 won the PFI Annual Awards – EMEA (Europe, Middle East and Africa) PPP Deal of the Year award, established by Project Finance International Magazine (PFI).

17 Deposits from SMEs (HUF million)



18 Loans to SMEs (HUF million)



CIB Bank has a major role in the financing of the winning bidder, MAK Mecsek Autópálya Koncessziós Zrt.: it is the only Hungarian credit institution among the five lead-arranger banks participating in the syndicated loan, and is also acting as general and collateral agent.
CIB Bank arranged numerous bond issues for municipalities, as a result of which its municipal loan portfolio more than doubled compared to the corresponding figure of 2006.
The key role in the growth of net placements was played by the Project Financing, the Syndications and the Municipal Relations departments, which together generated 40% of the net placement volume.

The demand for special transactions, such as trade financing and inventory financing, has been steadily increasing in the market. In order to meet this demand, in 2006 CIB established the Department of Structured and Trade Financing, which last year substantially increased its portfolio. Structured financing deals and products include, among others, warehouse warrant-based lending, intervention purchase-related products, pre-financing of land-based subsidies, trade finance transactions, and, last but not least, transactions related to third-party product sales. In 2007 this division was particularly active in intervention-type warehouse warrant-based lending.
The Structured Finance department – partly in response to the growing demand for financing in the agricultural sector – offers cooperation and financing opportunities to all its clients, from sole traders operating in the sector to large agricultural integrators, and aims to become a major player in the market in the coming years. The – combined – volume of trade finance loans and the portfolio of CIB Készletezési Kft. (CIB Inventory Ltd.) grew substantially, by 110%, in 2007.
CIB Bank is traditionally strong in the area of documentary transactions: the bank serves its corporate clientele by, among other things, issuing and managing international collection orders, letters of credit and guarantees. Its market share in the arrangement of Hungary's domestic and foreign trade continues to be outstanding, at 11-12%. Thanks to the growth in trade volumes in 2007, CIB Bank is the clear market leader in documentary transactions. The number of guarantees managed by it was even higher than the outstanding figure of the preceding year, and the number of tender-related transactions also continued to grow. In 2008 the division aims to develop this service further, though it is already of a very high standard.
In 2007 CIB Bank won the "MasterCard – Most Innovative Bank of the Year" award for its "CIB Céges Megoldások" (CIB Corporate Solutions) product line, which allows product packages to be put together in a way that best suits the needs of small and medium-sized enterprises, whether it be banking, factoring or leasing services. The CIB Bázis (CIB Base) Business current account, which was designed by the bank specifically for small and micro-enterprises that use banking services relatively little, also received an award.
In 2008 the business objectives of CIB Bank's Corporate Banking Division continue to be to achieve robust growth while further improving the efficiency that already characterises the division's operations, and to gain a higher market share. The division's strategic objective is to ensure the dynamic growth of the corporate loan portfolio, and to assist and facilitate CIB's group-level growth and profitability through cooperation with the other business divisions of the bank.

INVESTMENT BANKING OPERATIONS

In terms of the size of its client portfolio, the wide range of services offered and the number of transactions concluded, the Investment Banking Division was a major player on the Hungarian market in 2007 as well. CIB Expert Kft., which provides an autonomous legal framework for corporate finance activity, also had a good year: it won several major mandates and concluded a number of successful transactions.

Domestic municipal bonds issuance saw spectacular growth last year. With a market share of almost 15%, CIB Bank, as a distributor, has become a major player in this sub-segment of the market as well. The public bond transactions realized with CIB's participation are described in detail below.

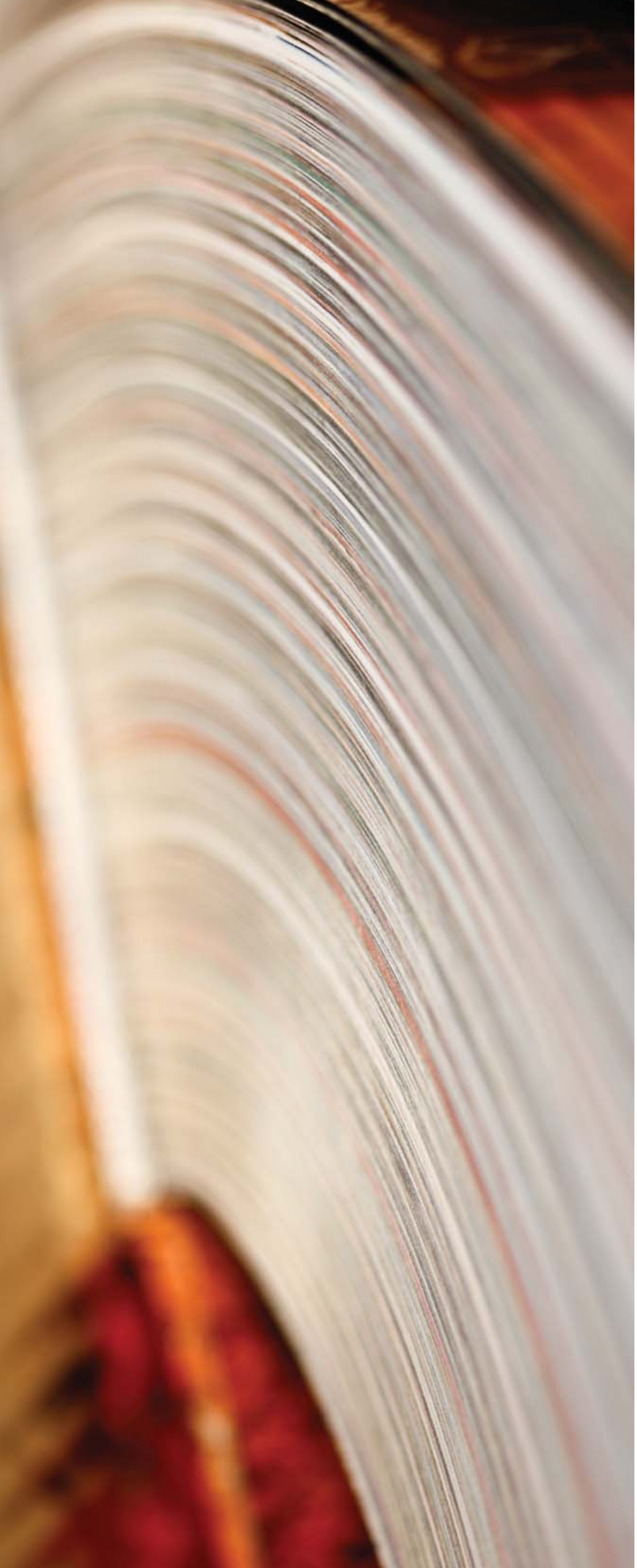
Within the framework of CIB Bank's HUF 100 billion bond programme, the following bonds – among others – were successfully issued and placed:

Series tranche	Aggregate nominal value of the bonds (in HUF)
CIB 2009A Index-linked-001	2,000,000,000
CIB 2009B-001	4,000,000,000
CIB 2009C-001	2,000,000,000
CIB 2010A-001	2,054,760,000
CIB 2010C-001	11,001,030,000
CIB 2010B-001	14,716,700,000

Other capital market transactions implemented with CIB's participation in 2007:

- Distributor in the public offering of the investment fund units of Biggeorge's-NV 4. Ingatlanfejlesztő Befektetési Alap (Property Development Investment Fund).
- Distributor in the public offering of the investment fund units of FirstFund Intézményi Ingatlanbefektetési Alap (Property Development Investment Fund).
- Arranger in a public purchase offer by Sanpaolo IMI Internazionale for the shares of Inter-Európa Bank Nyrt.
- Evaluation of a public purchase offer by Nemetschek AG for the shares of Graphisoft SE Európai Részvénytársaság.

It is of key importance for the division to develop and expand the existing business relationship with Banca IMI, the investment bank of the Intesa Sanpaolo Bank group and a major player in the capital market and investment banking segment in Italy. The active regional presence of its parent bank is serving to improve CIB Bank's competitiveness with regard to cross-border transactions. The activity of the Investment Banking Division is supplemented by custody services, which it provides for mutual funds, public and closed-end investment funds and other domestic and foreign institutional investors. Through its extensive network of custodian and clearing-house partners CIB can offer its clients access to the large international markets as well as to the capital markets of the region.



TREASURY

As in previous years, CIB Bank's Treasury continued to support the growth of lending operations through active balance-sheet and liquidity management in 2007.

Besides providing investment and supplementary investment services, Treasury offered a wide range of other products to its clients, who included, in addition to large corporations, an increasing number of small and mid-sized companies as well as a growing number of foreign partner banks.

CIB offers its clients a wide range of services to choose from, especially with regard to the mitigation of their risk undertakings: forward currency transactions, as well as currency options and knock-out swaps, were and are available for reducing foreign exchange risk, while interest risk could, and can, be mitigated through the use of forward rate agreements (FRAs), interest rate swaps, multi-currency swaps and interest rate caps and floors.

As a new service, since last year CIB has been offering its clients the opportunity to participate in margin-based forward currency transactions. Besides offering a high leverage unmatched on the Hungarian market, this facility is also available in exotic currencies for clients with a high appetite for risk.

CIB Bank's share of foreign exchange trading in the Hungarian interbank market grew considerably in 2007, as a result of which it moved up from 2nd place in the previous year to 1st place. In the ranking of international banks based on turnover, it was ranked fifth, ahead of many renowned English, American and Swiss banking houses.

CIB is a member of the Primary Dealer System, established for the purpose of the primary distribution of government securities, which means it purchases securities through government bond and discount T-bill auctions, directly from the issuer. It dynamically increased its activity in the secondary market for government bonds, as a result of which it finished the year third among the top banks based on transacted volume.

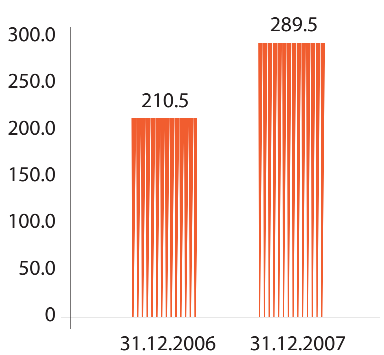
Treasury – and its extensive clientele – successfully took advantage of yield and exchange rate volatility, which increased due to the turbulence in the market in 2007, and closed the year with a record profit.

Own-account equities trading grew dynamically, as did the volume of trading on the behalf of clients. Alongside the active trading of Hungarian shares, the commission-based trading of both debt papers and equities registered in foreign currency is becoming increasingly significant.

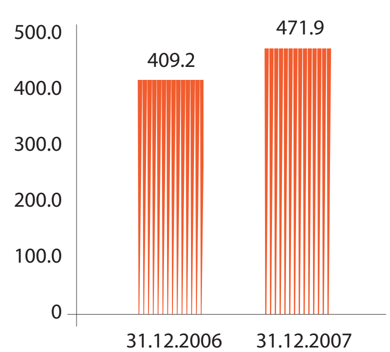
Retail Division

The Retail Division of CIB Bank closed a successful year in 2007. The retail loan portfolio grew by 38%, as a result of which CIB Bank increased its market share in this segment by 0.26 percentage points, to 5.24%. **19**
Amid ever-more intense competition for retail funds, the bank has achieved impressive organic growth, increasing, in just two years, the volume of retail savings kept with it by a total of 55%, and at the same time raising its market share in respect of both deposits and investment funds.
The volume of retail deposits at CIB grew by 15% in 2007, while the bank's market share rose by 0.33 percentage points to 8.38%. The bank's powerful marketing activity and continuous product development work greatly contributed to the success of its deposit collection efforts. **20**
In the consumer-loans market, CIB Bank's share was 2.50% as of 31 December 2007. To add more shading to the picture, while in 2006 the bank had an average share of 1.73% in newly disbursed mortgage-backed multi-purpose loans, this share was 4.20% in 2007. The bank's market share was 7.05% in the market for housing loans and 11.61% in the market for foreign-currency housing loans at the end of the period.
The number of customers of the Retail Division rose by 11% in 2007.

19 Retail loans (HUF billion)



20 Retail deposits (HUF billion)



RETAIL PRODUCT DEVELOPMENT

As in previous years, CIB's Retail Division launched several new products in 2007.

The interest on a CIB Indexált Betét (CIB Index-Linked Deposit) depends on developments in the money market. This facility pays higher-than-usual interest provided that the EUR/HUF exchange rate does not leave a certain pre-defined band during the term of the deposit.

The CIB Hűség Betét (CIB Loyalty Deposit) represents a unique saving opportunity for loyal customers. This facility provides a high deposit interest rate for those who have their earnings transferred to a CIB personal current account and who also pay their public utility bills through the bank.

The volume of investment fund units held by private individuals increased by nearly 20% in 2007, exceeding HUF 116 billion. The growth of the investment fund portfolio was boosted by the launch of fund-of-fund-type (FoF) investment funds in January 2007 (CIB Cocktail Funds), among which all customers can find the kind of fund that best suits their yield expectations and risk appetite. Capital-guaranteed investments funds were introduced in response to retail customers' needs. In 2007 the bank offered new products, denominated both in forint and foreign currency, the sale of which was supported by the promotional deposit interest rate (CIB Deposit Mix) linked to purchase of the investment funds.

In August 2007, one year since the introduction of the interest capital-gains tax, CIB launched a number of new investment products. For example, it added new – fixed-rate (2009/C9) and floating-rate (2010/B) – bond series to the CIB Classic Bonds range, and also launched a product named CIB Index-Linked Bond. This latter has been designed for clients who would like to attain a higher interest rate than they would get on conventional time deposits, but also insist on a capital guarantee.

The CIB Fundamenta-Duett Loan combines the advantages of the low interest rates of property-backed FX-based loans with the benefit of state subsidies on building society savings. Consequently, the principal and interest repaid during the term of the loan is significantly lower than in the case of conventional property-backed loans.

Through the product known as CIB Gyorskölcsön Ingatlanfedezettel (CIB Fast Loan with Property Collateral), the bank's clients can receive a loan within as little as 8 working days from the date on which the valuation of the property is performed.

The Retail Division again placed considerable emphasis on leveraging cross-selling opportunities in 2007. In order to expand the range of products sold to existing customers, it developed numerous business offers. Examples include the "Travel With a Card" programme, where the bank offers not to charge a bank-card fee for a full year to customers who apply for travel protection; a similar product is the loyalty bonus applicable to housing loans and multi-purpose loans in the case of high-volume current account usage.

The division organised a number of campaigns on its own initiative which were designed to facilitate cross-selling between the various members of the bank group: in particular, it offered bank products, mainly credit cards, to the retail customers of the CIB Leasing Group. As a result of the successful cross-selling efforts, the number of products per retail customer grew by almost 8%.

Based on a joint initiative with Intesa Sanpaolo, the customer satisfaction programme entitled "Listening 100% …Even closer from today." has been launched, the aim of which is for the bank to gain a better insight into what its customers think of it, and to use such knowledge to further improve the quality of the services it provides.

One of the achievements of the year 2007 is that CIB's Private Banking services became available in the regions outside the capital as well. At certain of its branches the bank introduced premium banking advisory services for high-income clients.

Of the various services offered for young people, the age limit for applying for the CIBEZZ ("Let's CIB") account package has been extended: since July 2007, the 14-18 age group has also been eligible to apply for this package, which features certain free services as well.

The Szia Szimba Programme established for children aged between 6 and 14 was a success in 2007 as well. By the end of the year, more than 13,000 children were using this service for depositing their pocket money on a monthly basis, partly motivated by the stickers and other promotional gifts that the bank gave them.

Product development in cooperation with partners continued in 2007. In August, the bank started the sale of a new, multi-purpose, income-based loan product called Perfekt Személyi Kölcsön (Perfect Personal Loan) in cooperation with Fundamenta Lakás-takarékpénztár {Fundamenta Building Society (home savings fund)}, while, based on a cooperation agreement concluded with Sanoma Budapest Zrt., the leading media company in Hungary, it also developed a new loan product called Story Gyorskölcsön (Story Fast Loan) for the readers of Story Magazine.

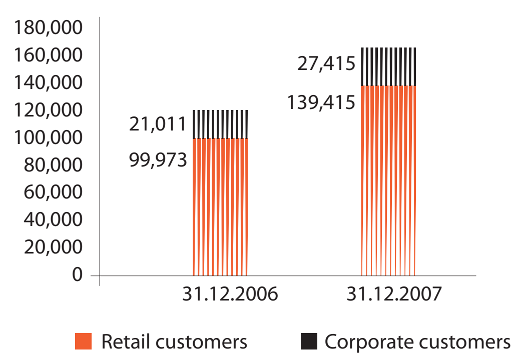
NETWORK DEVELOPMENT

At the end of 2007, CIB Bank had 141 sales outlets (branches, representative offices and credit point) across the country.
Seven new units were added to the branch network during the year, and thus at the end of the year the bank had a total of 105 branches in which to serve its customers. (CIB's independent ATM network was expanded by 14 units in 2007.)
The bank's first credit point opened last year at Westend Mall in Budapest.
CIB Representative Offices, of which there were 35 across the country at the end of the year, played an important part in CIB Bank's sales activity last year as well. These units mainly sell loan and account products but they do not provide transaction and cash management services.
In 2007 the performance of the CIB Representative Offices increased by 60% in terms of the sale of retail mortgage-backed loans, and 84% in the sale of corporate loans.
CIB's Third-Party Sales department handles, among other things, the relationships with insurance companies that are becoming increasingly important to the bank. By developing numerous innovative products CIB has been able to offer a 'one-stop shop' service to meet the demands of an increasing number of customers. In 2007, in addition to the launch of mortgage loans combined with life insurance products, sales of home insurance products through CIB Bank's network rose substantially.
The bank renewed its relationship with several major representatives of the national loan brokerage networks in 2007.
The several years of cooperation with the Aranykor (Golden Age) Pension and Health Insurance Fund continued, further strengthening the bank's position as a universal financial services provider.
CIB Bank will continue to expand its network of branches, representative offices and loan centres, as a result of which – according to plan – almost 200 sales outlets will be available to customers by the end of 2008. In addition to network expansion, the bank is investing heavily in the reorganisation of its existing network. Many branches will be relocated or altered. The bank is planning to expand its ATM network by some 50 new units this year.

E-BANKING

The results of the bank's continuous efforts to enhance its electronic services, which provide customers with exceptional online flexibility and convenience, are reflected in the fact that at the end of 2007 the number of customers using the CIB Internet Bank exceeded 165,000, and the number of internet banking transactions rose by over 30%. **21**
The services of new business partners have become available through the CIB Internet Bank Club: internet bank customers are entitled to substantial discounts at these partners' online stores (such as Allati.com, Hurra-Nyaralunk.com, and Nagynap.hu).
The number of visits to CIB Bank's website increased by approximately 30% in 2007. New calculator applications and fund managers' sites have been added to the website.
Thanks to the automatic client identification service and new menu system introduced at the CIB24 customer call centre, the bank's employees can now devote more time to better customize their services to the specific needs of individual customers. Last year Customer Services received more than 1,700,000 calls, 10% more than in the preceding year.

21 Number of internet bank users



CIB Leasing Group

Despite fierce competition in the market, the CIB Leasing Group closed a successful year in 2007 as well. As in the previous year, it increased its placement volume by 16%. With a capital placement volume of HUF 209 billion, the company group secured a market share of above 17% again, thus strengthening its market-leading position.

The leasing group is constantly searching for new market opportunities, and trying to maintain and improve its position as a major player in the market by launching new products. The CIB Leasing Group continues to do its best to meet the needs of all market participants to the fullest extent possible, by offering its clients flexible facilities, an extensive vendor network, favourable financing terms, and fast and customer-friendly administration.

In 2007 the company group concluded over 48,000 new financing deals, with the number of active contracts exceeding 183,000 at the end of the year, while the volume of interest-bearing capital placements grew by 23%, to exceed HUF 440 billion.

Among the various businesses of the CIB Leasing Group, car financing continues to represent the largest weight. As competition in the market grows increasingly intense, companies offering leasing products are trying to gain a competitive edge by asking for lower downpayments and charging lower interest rates. As such methods are irreconcilable with the risk-management principles of CIB Leasing, in 2007 the company group placed greater emphasis on further improving the quality of the products and services it offered. The company's placements in the individual car financing business amounted to HUF 78 billion at the end of the period, which corresponds to a 12% market share and, at the same time, secures for the company second place in the market. The objectives of the business line include the improvement of the quality of the portfolio and the maintenance of its market share at a rational level.

With a placement volume of almost HUF 11 billion, the Fleet and Key Accounts Division still retains its position as market leader. The aim of the division is to maintain this position through better utilisation of cross-selling opportunities and the existing sales channels, while retaining a high degree of risk awareness during the sales process.

The Truck Division retained its position as market leader in 2007, achieving a market share of 20%. This was thanks to its placement volume, which amounted to HUF 34 billion – up 31% over the preceding year.

Machinery and Equipment Financing also achieved outstanding performance in 2007, and with HUF 32 billion in total value financed, this division remains the market leader in the segment. Compared to the previous year's level, the division increased its placement volume by more than 50% and believes that its objective of maintaining this considerable growth rate is realistic.

The CIB Leasing Group's most dynamically growing division has been real estate and residential property leasing. The division accorded high priority to the financing of small and mid-sized companies, and to the servicing of the market to the fullest extent possible by building out its regional network. The business division handled an outstanding turnover in 2007: its placement volume amounted to HUF 54 billion, i.e. 26% of the total placement volume of the leasing group.

Within this, the Project Financing Division, which also offers project management services, launched seven new projects in 2007, with the financed value being HUF 6.4 billion.

The Insurance Brokerage Division, the activities of which are closely linked to the business lines, achieved commission revenues totalling HUF 424 million in 2007, which exceeded the previous year's figure by 12%. The key objectives of the division include the pursuing of more active cooperation with the car financing business of the company group, and the fullest possible leveraging of the potential for cross-selling among the members of the CIB Group.

CIB Leasing Group's profitability was better than planned in 2007. Net operating income amounted to HUF 16 billion, 7.5 percent higher than budgeted. Despite the high level of operating profit, the company group's net interest margin was slightly lower than that of the preceding year, totalling HUF 16 billion in 2007. Net commission income – HUF 2 billion – remained at the same level as that of the previous year. The leasing group realised significant exchange rate gains, namely HUF 4 billion in 2007, due to exchange rate movements that were favourable for the group. Operating costs exceeded the previous year's figure by just 1 percent. The company group's operating efficiency (32%) was similar to the preceding year's level.

The CIB Leasing Group closed the year 2007 with an after-tax profit of HUF 7 billion (based on the IFRS-compliant statements), as compared to HUF 6.7 billion in 2006.

The impact on profits of impairment recorded and loss provisions set aside by the company group was a negative HUF 4.9 billion. The percentage of impairment relative to the entire portfolio increased from 4.21% last year to 4.25% at the end of 2007.

The company group continues to make every effort to preserve the position it has secured as market leader, without assuming any significant additional risks.

Foreign expansion offers further business opportunities. Strengthening its market presence in Central and Eastern Europe was an important focus for the leasing group in 2007 as well. In Serbia, even though it is only a minority shareholder, CIB Leasing Ltd. played an active role in the implementation of a new, high-level integrated ERP system that is indispensable for successful operation on the Serbian market and for increasing market share. At the same time, the group has begun to make preparations for entering the Romanian market. Over the medium term the company group plans to become a major player on the Romanian leasing market for the financing of cars, trucks, machinery and real property.

CIB Investment Fund Management

The year 2007 was an extremely successful one for the company in terms of both fund management operations and growth in assets under management. CIB Investment Fund Management managed more than HUF 74.4 billion in assets for 12 voluntary pension funds and 3 private pension funds in 2007, and increased the value of assets under its management by 10.8%.

Assets under asset and portfolio management grew from HUF 84 billion at the end of 2006 to HUF 98 billion at year-end 2007, while managed funds increased by 27% to HUF 268 billion.

The company's sales revenue rose from HUF 1.4 billion in 2006 to HUF 1.7 billion. The reason for this dynamic growth was that the average portfolio of assets managed in the investment funds rose significantly, and with this, so did fund management fee revenue.

Due to these outstanding revenues, in the business year 2007 CIB Investment Fund Management, on a balance sheet total of HUF 2.9 billion, realized an after-tax profit of HUF 1.1 billion, 36% higher than in the preceding year.

2007 was also a good year for the Hungarian investment fund market. Total assets held in investment funds grew from HUF 2,540 billion at the beginning of the year to HUF 3,200 billion. Among the funds, capital-guaranteed funds saw the highest growth, with their net asset value increasing by HUF 187 billion.

The company launched the following ten new investment funds in 2007: CIB Trendkövető Alap (CIB Index-Linked Fund), CIB Koktél 1 Alap (CIB Cocktail 1 Fund), CIB Koktél 2 Alap (CIB Cocktail 2 Fund), CIB Koktél 3 Alap (CIB Cocktail 3 Fund), CIB Profitmix 3 Alap (CIB Profit Mix 3 Fund), CIB Zártkörű Értékpapír 2 Alap (CIB Closed-End Securities 2 Fund), CIB Profitmix 4 Alap (CIB Profit Mix 4 Fund), CIB Euró Profitmix 2 Alap (CIB Euro Profit Mix 2 Fund), CIB Dollár Profitmix 2 Alap (CIB USD Profit Mix 2 Fund), and CIB Alternatív Energia Alap (CIB Alternative Energy Fund).

Owing to product development projects carried out jointly with the Retail Division, CIB Fund Management managed to increase its market share from 5.03% to 5.35% during the period under review.

CIB Fund Management's growth rate was well in excess of the growth of the Hungarian investment fund market last year: the value of assets in the core funds, consisting of 31 investment funds, rose by 33% to HUF 170 billion. This growth was driven by successful product development.

In 2008 the company is planning to launch five new funds and renew four existing fixed-term funds. Following the merger of the parent companies, in 2008 IE Investment Fund Ltd. will merge into CIB Investment Fund.

CIB Factor

The Hungarian factoring market grew less dynamically in 2007 than in the preceding year. Although both the number of companies using factoring services and the volume of factored receivables increased, the share of factoring finance in the total volume of the company's placements did not increase. This was because an increasing number of banks entering the SME market were offering loan facilities that represented financing alternatives to factoring. At the same time, it was a favourable development in 2007 (and it has been since then too) that not only SMEs but also an increasing number of large corporates used factoring services.

In a market that is growing in general, the number of factoring companies is also on the rise. However, new market players are trying to penetrate market niches such as healthcare factoring or the purchasing of special state subsidies.

In this highly competitive environment, it is essentially only the bank-owned factoring companies that can achieve substantial growth. The advantages that this ownership structure provides CIB Factor and therefore its business partners – namely, its wide range of products, country-wide coverage, and reliable and competitive refinancing support background – are clear for all to see.

In 2007 CIB Factor recorded a turnover of HUF 55 billion, the highest in the company's history. Behind this performance lies a total of 28,872 concluded factoring transactions.

For each major factoring target group CIB Factor developed factoring products that satisfied the particular needs of these groups. Transactions offered at standard factoring terms became available at all CIB corporate-customer branches in 2007. In the case of non-standard customer requirements, CIB Factor tries to find the most favourable solution for its partners by devising customised facilities. Demand is steadily increasing for supplier-factoring solutions – schemes that offer a valuable service to both large industrial concerns in the position of buyer and to the suppliers that do business with them.

The portfolio managed by CIB Factor became more balanced, and its risk and sectoral composition improved further in 2007.

Through product developments implemented in 2007 and the simplifications affecting decision-making processes, CIB Factor can offer financing solutions – completing the range of financing facilities offered by the CIB Group – to clients for whom only a limited range of other loan products would otherwise be suitable.

In addition to the financing of receivables, CIB Factor is providing its business partners ever more frequency with services aimed at the management, tracking and collection of receivables, as well as risk-transfer services.

In 2008 the company expects to achieve further substantial growth in both factoring volume and turnover from factoring operations. These expectations are supported by the increasingly important role that CIB Factor is playing in the current-asset financing of corporate clients. CIB Factor will make every effort to remain a reliable and professional partner for its clients.

Consolidated Financial Statements

Prepared in accordance with International Financial Reporting Standards

**Central-European Internatioal Bank Ltd.
and subsidiaries**

**Consolidated Financial Statements for the year ended
31 December, 2007 prepared in accordance with
International Financial Reporting Standards**

with the report of the Independent Auditor

Contents

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Central-European International Bank Ltd and its subsidiaries

We have audited the accompanying financial statements of Central-European International Bank and its subsidiaries ("the Group"), which comprise the balance sheet as at 31 December 2007, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group as of 31 December 2007, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Ernst & Young Ltd, Hungary
18 February 2008

Consolidated Income Statement
for the year ended 31 December, 2007 (million HUF)

	Note	2007	2006 (restated)
Interest income	3	125,154	99,085
Interest expense	3	- 79,697	- 54,727
Net interest income		**45,457**	**44,358**
Fee and commission income	4	35,105	29,585
Fee and commission expense	4	- 7,179	- 5,907
Net fee and commission income		**27,926**	**23,678**
Other operating income	5	31,490	31,723
Impairment losses and provisions	6	- 13,634	- 13,934
Operating expenses	7	- 51,927	- 47,764
Operating profit		**39,312**	**38,061**
Share of loss of associate	8	- 127	- 164
Profit before tax		**39,185**	**37,897**
Income tax expense	9	- 10,569	- 12,544
Net profit for the year (before appropriations)		**28,616**	**25,353**

Consolidated Balance Sheet

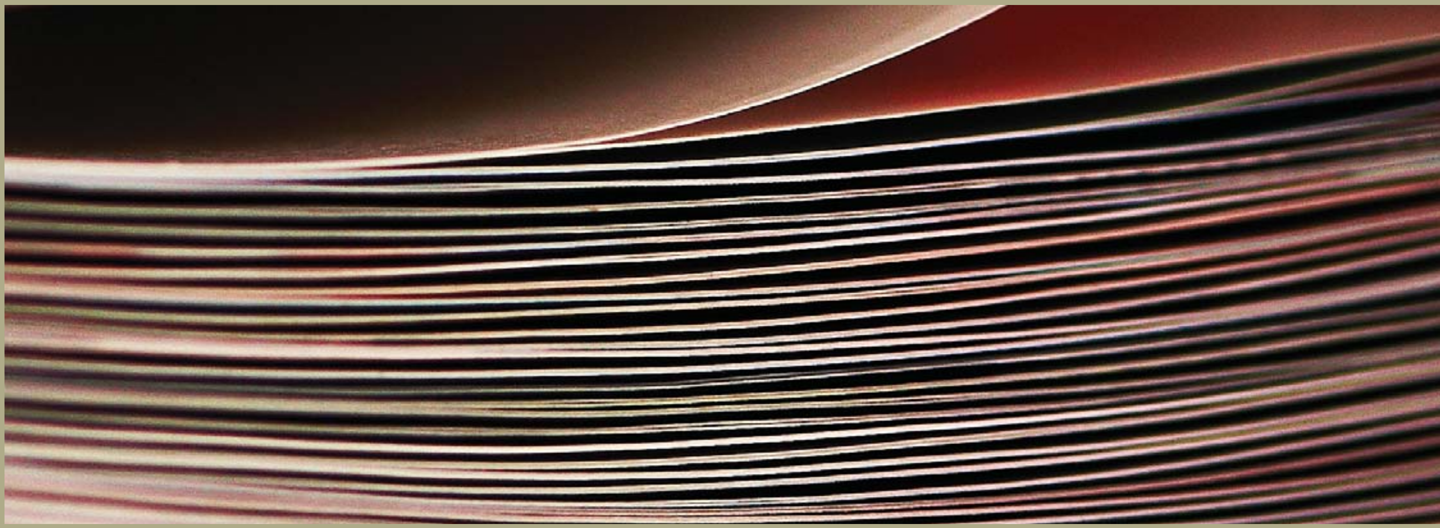
as at 31 December, 2007 (million HUF)

Assets	**Note**	**2007**	**2006**
Cash and current accounts with central bank	11	60,832	60,563
Deposits with banks	12	131,663	200,715
Financial assets at fair value through profit or loss	13	66,419	9,057
Derivative financial assets	29	36,199	37,349
Loans and advances to customers	14	1,709,312	1,416,724
Financial investments – Available for sale	18	162,643	71,162
Financial investments – Held to maturity	18	5,145	5,379
Non-current assets held for sale	15	194	348
Inventory	16	29,872	13,749
Deferred tax assets	9	1,126	783
Other assets	17	25,107	15,650
Subordinated loans	-	-	4,291
Intangible assets	19	10,268	6,057
Property, plant and equipment	20	3,873	32,610
Total assets		**2,275,653**	**1,874,437**

Liabilities and Shareholders' Equity	**Note**	**2007**	**2006**
Deposits from banks	21	799,543	532,609
Derivative financial liabilities	29	33,023	23,288
Deposits from customers	22	1,098,424	999,489
Liabilities from issued securities	22	79,765	91,638
Deferred tax liabilities	9	4,008	3,224
Other liabilities	23	58,374	56,729
Provisions for commitments	24	4,415	2,567
Subordinated deposits	25	41,533	34,199
Total liabilities		**2,119,085**	**1,743,743**
Shareholders' equity			
Share capital	26	40,500	34,750
Reserves	27	39,325	33,576
Retained earnings		76,743	62,368
Total shareholders' equity		**156,568**	**130,694**
Total liabilities and shareholders' equity		**2,275,653**	**1,874,437**
Commitments and contingencies	28	547,156	423,690

Consolidated Statement of Changes in Equity
for the year ended 31 December, 2007 (million HUF)

	Note	Ordinary Shares	Retained Earnings	General Reserve	General Risk Reserve	Revaluation Reserve	Foreign Currency translation reserve	Total
Balance at 31 December, 2005		**34,750**	**43,757**	**13,967**	**14,733**	**1,288**	**-**	**108,495**
Revaluation change of Financial investments – Available for sale, net of tax	27	-	-	-	-	- 655	-	- 655
Foreign currency translation		-	-	-	-	-	1	1
Net profit for 2006		-	25,353	-	-	-	-	25 353
Appropriations							-	
Transfers to reserves		-	- 4,242	1,593	2,649	-	-	-
Dividends	10	-	- 2,500	-	-	-	-	- 2,500
Balance at 31 December, 2006		**34,750**	**62,368**	**15,560**	**17,382**	**633**	**1**	**130,694**
Issue of shares		5,750	- 5,750	-	-	-	-	-
Revaluation change of Financial investments – Available for sale, net of tax	27	-	-	-	-	- 239	-	- 239
Foreign currency translation		-	-	-	-	-	- 3	- 3
Net profit for 2007		-	28,616	-	-	-	-	28,616
Appropriations		-						
Transfers to reserves		-	- 5,991	1,863	4,128	-	-	-
Dividends	10	-	- 2,500	-	-	-	-	- 2,500
Balance at 31 December, 2007		**40,500**	**76,743**	**17,423**	**21,510**	**394**	**- 2**	**156,568**



Consolidated Statement of Cash Flows

for the year ended 31 December, 2007 (million HUF)

		2007	2006
Operating activities			(restated)
Profit before tax		39,185	37,897
Adjusted for:			
Depreciation		5,200	4,395
Net unrealised gain on financial instruments		9,949	- 9,496
Increase in loan loss provision		3,508	5,712
Working capital charges:			
Decrease / (increase) in deposits with banks and subordinated loans		10,184	2,598
Decrease / (increase) in financial assets at fair value through profit or loss		- 51,884	- 1,734
Decrease / (increase) in loans and advances to customers		- 296,096	- 213,202
Decrease / (increase) in other assets (non-current assets, inventory, other assets)		- 25,426	- 15,889
Increase / (decrease) in deposits from banks and subordinated deposits		274,268	33,015
Increase / (decrease) in deposits from customers and liabilities from issued securities		87,062	321,519
Increase / (decrease) in other liabilities (provisions, other liabilities)		3,493	7,323
Income tax paid		- 10,534	- 1,529
Cash flows used in operating activities:		48,910	16,609
Investing activities			
Purchase of financial investments		- 135,896	- 56,893
Proceeds from sale of financial investments		44,235	37,976
Acquisitions to intangible and tangible assets		- 15,531	- 20,868
Disposals of intangible and tangible assets		2,321	2,872
Cash flows used in investing activities:		- 104,871	- 36,913
Financing activities			
Dividends paid		- 2,500	- 2,500
Cash flows used in financing activities:		-2,500	- 2,500
Net increase / (decrease) in cash and cash equivalents	**35**	**- 58,461**	**121,196**
Cash and cash equivalents at the beginning of year		252,038	130,842
Cash and cash equivalents at the end of year		193,577	252,038
Additional information for cash flows from operating activities			
Interest received		117,653	81,838
Interest paid		68,271	61,665
Dividend received		123	206

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2007

(1) Ownership and activities

The majority owner of Central-European International Bank Ltd. ("the Bank") is Intesa Sanpaolo Holding International S.A. which holds 100% of total ordinary shares of the Bank outstanding at year end. The ultimate parent company of the Bank is Intesa Sanpaolo S.p.A., a bank registered in Italy.
The Bank is a fully licensed Hungarian bank conducting local and international banking business both within and outside Hungary. The registered address of the Bank is 4-14 Medve utca, Budapest. The average number of employees of the Bank and its subsidiaries was 3,102 in 2007 (2006: 2,786).
Intesa Sanpaolo S.p.A is also the majority owner of Inter-Európa Bank Company Ltd. ("IEB"). On 25th June, 2007 the Bank decided to merge with IEB. Based on the decision of the Court the merge came into effect from 1st January, 2008. The name of the new bank is CIB Bank Ltd.
This financial statement does not contain the result of IEB. Inter-Európa Bank Company Ltd. is also the member of Intesa Sanpaolo Group, a fully licensed Hungarian bank conducting local and international banking business both within and outside Hungary.
The amount of the total assets of IEB is 353,309 million HUF and the shareholders equity amounts to 20,059 million HUF as at 31 December, 2007. The net profit for 2007 amounts to 1,189 million HUF profit.

(2) Significant accounting policies

The significant accounting policies adopted in the preparation of these consolidated financial statements are set out below:

(a) Measurement basis used in preparation

Financial instruments classified as financial assets or financial liabilities at fair value through profit or loss or available for sale financial assets are measured at fair value in these consolidated financial statements. Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction.
Financial instruments classified as financial investments – Held to maturity, loans and receivables or other financial liabilities are measured on an amortized cost basis. The amortized cost is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount, and minus any reduction for impairment or uncollectibility.
The carrying values of recognized assets and liabilities that are hedged items in fair value hedges are adjusted to record changes in the fair values attributable to the risks that are being hedged.
Non-financial instruments are measured using the historical cost basis in these consolidated financial statements.
These financial statements are presented in Hungarian Forint (HUF) and all amounts are rounded to the nearest million except when otherwise indicated.
The official rate of exchange quoted by the Hungarian Central Bank as at 31 December 2007 the euro was 1 EUR=253.35 HUF (2006: 1 EUR =252.3 HUF) and US dollar was 1 USD= 172.61 HUF (2006: 1 USD = 191.62 HUF).

(b) Statement of compliance

The consolidated financial statements of the Bank and all its subsidiaries have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by EU.

(c) Basis of consolidation

The consolidated financial statements comprise the financial statements of Central-European International Bank Limited and its subsidiaries as at 31 December each year. The financial statements of subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.
All inter-company balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full. Unrealised losses are eliminated unless costs cannot be recovered.
Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Where there is a loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting year during which Bank has control.
Minority interest represents the portion of profit or loss and net assets not held by the Group and are separately in the income statement and within equity in the consolidated balance sheet, separately from parent shareholders' equity. Acquisitions of minority interests are accounted for using the parent entity extension method, whereby, the difference between the consideration and the book value of the share of the net assets acquired is recognized as goodwill.

As at 31 December 2007 the Bank had the following subsidiary companies ("the Group"):

Company	**Country of incorporation**	**% equity interest (direct and indirect)**	**Principal Business**
CIB Credit Ltd.	Hungary	100	Consumer credit finance
CIB Leasing Ltd.	Hungary	100	Financial leasing services
CIB RENT Leasing and Trading Company Ltd.	Hungary	100	Leasing services
CIB Real Estate Leasing Ltd.	Hungary	100	Real estate leasing services
CIB Residential Property Leasing Ltd.	Hungary	100	Property financial leasing services
CIL Bajor Co. Ltd.	Hungary	100	Property leasing services
CIL Danubius Co. Ltd.	Hungary	100	Property leasing services
CIL-FOOD 2006 Ltd.	Hungary	100	Property leasing services
CIL-Nagytétény Ltd.	Hungary	100	Property leasing services
CIL-LOG Ltd.	Hungary	100	Property leasing services
CIL MNM Ltd.	Hungary	96.67	Property leasing services
CIL Váci út Ltd.	Hungary	100	Property leasing services
Lelle Spc Ltd.	Hungary	100	Property leasing services
CIB Insurance Broker Ltd.	Hungary	100	Insurance agency services
CIB Service Ltd.	Hungary	100	Property and maintenance services to the Group
CIB REAL Ltd.	Hungary	100	Property and maintenance services to the Group
Margit Ltd.	Hungary	100	Property and maintenance services to the Group
ERFI 2000 Ltd.	Hungary	100	Property and maintenance services to the Group
CIB Inventory Ltd.	Hungary	100	Wholesale trading
CIB Investment Fund Management Ltd.	Hungary	100	Fund management
CIB Factor Ltd.	Hungary	100	Factoring financing services
CIB Expert Ltd.	Hungary	100	Professional services
CIB Car Ltd.	Hungary	100	Car trading services

In certain instances, the Bank sponsors the formation of special purpose entities. The Bank has consolidated the special purpose entities it controls. In assessing and determining if the Bank controls such special purpose entities, judgments is made about the Bank's exposure to the risks, rewards and its ability to make operational decisions.
The Group's investment in its associate Intesa Leasing doo Beograd is accounted for under the equity method of accounting. An associate is an entity in which the Bank has significant influence and which is neither a subsidiary nor a joint venture. Under the equity method, the investment in the associate is carried in the balance sheet at cost plus post-acquisition evaluation in the Group's share of net assets of the associate. The income statement reflects the Bank's share of the results of operations of the associate. When there has been a change recognized directly in the equity of the associate, the Bank recognizes its share of any changes and discloses this, when applicable, in the statement of changes in equity. The reporting dates of the associate and the Bank are identical and the associate's accounting policies conform to those used by the Bank for like transactions and events in similar circumstances.
The Bank has two official representative offices in London and in Brussels.

(d) Significant accounting judgments and estimates

In the process of applying the Bank's accounting policies, management has used its judgments and made estimates in determining the amounts recognized in the financial statements. The most significant use of judgments and estimates are as follows:

Fair value of financial instruments

Where the fair values of financial assets and liabilities recorded on the balance sheet can not be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The input to these models is taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of liquidity and model inputs such as correlation and volatility for longer dated derivates.

Impairment losses on loans and advances

The Bank reviews its problem loans and advances monthly to assess whether an allowance for impairment should be recorded in the income statement. In particular, judgment by management is required in the estimation of the amount and timing of future cash flows when determining the level of allowance required. Such estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the allowance.
In addition to specific allowance against individually significant loans and advances, the Bank also makes a collective impairment allowance against exposures which, although not specifically identified as requiring a specific allowance, have a greater risk of default than when originally granted. This collective allowance is based on any deterioration in the internal rating of the loan or investment since it was granted or acquired. These internal rating take into consideration factors such as any deterioration in country risk, industry, and technological obsolescence, as well as identified structural weaknesses or deterioration in cash flows.

Deferred tax assets

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(e) Foreign currency transactions

The functional and presentation currency of the Bank and its subsidiaries is the Hungarian Forint (HUF). Transactions in foreign currencies are initially recorded in the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the Consolidated Income Statement.
Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transaction. Non-monetary items measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was determined.
The functional currency of the foreign operations, Intesa Leasing doo Beograd, is the Serbian dinar. As at the reporting date, the

assets and liabilities of this associate is translated into the presentation currency of the Bank and its associate (the HUF) at the rate of exchange ruling at the balance sheet date and their income statements are translated at the weighted average exchange rates for the year. The exchange differences arising on the translation are taken directly to a separate component of equity. On disposal of a foreign entity, the deferred cumulative amount recognized in equity relating to that particular foreign operation is recognized in the income statement.

(f) Deposits with banks and other financial institutions

Deposits with banks and other financial institutions are stated at historical cost less any amounts written off and provision for impairment.

(g) Initial recognition of financial instruments

The classification of financial instruments at initial recognition depends on the purpose for which the financial instruments were acquired and their characteristics. All financial instruments are measured initially at their fair value plus, in the case of financial assets and financial liabilities not at fair value through profit or loss, any directly attributable incremental costs of acquisition or issue.
All "regular way" purchases and sales of financial assets and liabilities are recognized on the settlement date, i.e. the date that the financial asset is delivered. Regular way purchases or sales are purchases or sales that require delivery of assets within the time frame generally established by regulation or convention in the market place.
Derivatives are recognised on trade date basis. Trade date is the date that the Group commits itself to purchase or sell an asset.

(h) Financial asset at fair value through profit and loss

Financial assets or financial liabilities at fair value through profit or loss are financial assets and financial liabilities that are classified either as held for trading or designated by the Bank as at fair value through profit or loss upon initial recognition.
These financial instruments are carried at fair value with any gain or loss arising from a change in fair value being included in the Consolidated Income Statement in the period in which it arises. The financial asset is derecognised if substantially all of the asset's risks and rewards are transferred. If some but not substantially all of the asset's risks and rewards are transferred, then an asset is derecognised if control of assets is transferred. If some but not substantially all of the asset's risk and rewards are transferred and control of the asset has been retained, then the entity continues to recognize the transferred asset to the extent of its continuing involvement in the asset. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

(i) Derivatives and hedges

The Bank enters into derivative instruments including futures, forwards, swaps and options in the foreign exchange and capital markets. Derivatives are stated at fair value with gains or losses arising from changes in the fair value taken directly to the Consolidated Income Statement for the period.
Derivatives with positive market values (unrealised gains) are recognized as derivative financial assets and derivatives with negative market values (unrealised losses) are recognized as derivative financial liabilities in the Consolidated Balance Sheet. Derivative financial instruments are subsequently re-measured at fair value.

Derivatives embedded in other financial instruments are treated as separate derivatives and recorded at fair value if their economic characteristic and risks are not closely related to those of the host contract, and the host contract is not itself held for trading or designated at fair value through profit or loss. The embedded derivatives separated from the host are carried at fair value in the derivative financial assets or liabilities with changes in fair value recognized in the income statement.

The asset and liability management of the Group makes use of derivative instruments to manage exposures to interest rate, foreign currency and credit risks. In order to manage particular risks, the Group applies hedge accounting for transactions which meet the specified criteria.

At inception of the hedge relationship, the Group formally documents the relationship between the hedged item and the hedging instrument, including the nature of the risk, management objectives and strategy for undertaking the hedge. The methods that will be used to assess the effectiveness of the hedging relationship form part of the Group's documentation.

Also at the inception of the hedge relationship, a formal assessment is undertaken to ensure the hedging instrument is expected to be highly effective in offsetting the designated risk in the hedged item. Hedges are formally assessed each quarter. A hedge is regarded as highly effective if the changes in fair value or cash flows attributable to the hedged risk during the period for which the hedge is designated are offset in a range of 80% to 125%.

Hedge accounting recognizes the offsetting effects on profit or loss of changes in the fair values of the hedging instrument and the hedged item.

The Bank enters into fair value hedges to manage the risk of changes in fair value of recognized asset or liability or that relating to unrecognized firm commitments, or an identified portion of such. The gain or loss from remeasuring the hedging instrument at fair value is recognized in the income statement and the gain or loss on the hedged item attributable to the hedged risk adjust the carrying amount of the hedged item and is recognized in the income statement if the hedged item is measured at cost. The gain or loss attributable to the hedged risk is recognized in the income statement if the hedged item is an available for sale financial asset.

If the hedging instrument expires or is sold, terminated or exercised, or where the hedge no longer meets the criteria for hedge accounting, the hedge relationship is terminated. For hedged items recorded at amortized cost, using the effective interest rate method, the difference between the carrying value of the hedged item on termination and the value at which would have been carried without being hedged is amortized over the remaining term of the original hedge. If the hedged item is derecognized, the unamortised fair value adjustment is recognised immediately in the income statement.

(j) Loans and advances

Loans and advances are financial assets with fixed or determinable payments and fixed maturities that are not quoted in an active market and are carried at amortized cost using the effective interest rate method, less allowance for impairment. Third party expenses, such as legal fees, incurred in securing a loan are treated as part of the cost of the transaction.

All loans and advances are recognized when cash is advanced to borrowers.

A credit risk provision for loan impairment is established if there is objective evidence that the Group will not be able to collect all amounts due. If the Group determines that no objective evidence of impairment exists for an individually assessed loan, whether significant or not, it includes the loan in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Loans that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognized are not included in a collective assessment of impairment.

When a loan is uncollectable, it is written off against the related provision for impairment; subsequent recoveries are credited to the provision in the Consolidated Income Statement.

Statutory and other regulatory loan loss reserves are dealt with in the general risk reserve as an appropriation of retained earnings.

If the amount of the impairment subsequently decreases due to an event occurring after the write-down, the release of the provision is credited to the provision.

For the purpose of a collective evaluation of impairment, financial assets are grouped on the basis of the Group's internal systems that consider credit risk characteristics such as asset type, industry, geographical location, collateral type, past-due status and other relevant factors and have been estimated based upon historical patterns of losses in each component.

The general rule of calculating impairments and provisions are based on discounted expected future cash flow method and PD (Probability of Default) and LGD (Loss Given Default) method. The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The calculation of the present value of the estimated future cash flows of a collateralized financial asset reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.
Where possible the Group seeks to restructure loans rather than to take possession of collateral. This may involve extending the payment arrangements and the agreement of new loan conditions. Once the terms have been renegotiated, the loan is no longer considered past due.

(k) Finance lease receivables

Leases where the Group transfers substantially all the risks and rewards incident to ownership of the asset to the lessee are classified as finance leases. The net investment in finance leases provided by the Group is included in loans and advances to customers. A receivable is recognized over the leasing period of an amount equalling the present value of the lease payment using the implicit rate of interest and including any guaranteed residual value. All income resulting from the receivable is included in Interest income in the income statement.
Leases where the Group does not transfer substantially all the risk and benefits of ownership of the assets are classified as operating leases.
The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset. A reassessment is made after inception of the lease only if one of the following applies:

- there is a change in contractual terms, other than a renewal or extension of the arrangement;
- a renewal option is exercised or extension granted, unless the term of the renewal or extension was initially included in the lease term;
- there is a change in the determination of whether fulfillment is dependent on a specified asset; or
- there is substantial change to the asset.

(l) Financial investments – Held to maturity

Held to maturity financial investments are those which carry fixed of determinable payments and have fixed maturities and which the Group has the intention and ability to hold to maturity. After initial measurement, held-to-maturity financial investments are subsequently measured at amortised cost using the effecitve interest rate method, less allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees that are integral part of the effective interest rate. The amortisation is included in "interest income" in the income statement.

(m) Financial investments – Available for sale

Financial investments - Available for sale are those which are designated as such or do not qualify to be classified as designated at fair value through profit or loss, held to maturity or loans and advances. After initial recognition, investments which are classified 'available for sale' are re-measured at fair value. Unrealised gains and losses on re-measurement to fair value are reported in the Equity as Revaluation Reserve for the period. When the investment is disposed of, the cumulative gain or loss previously recorded in equity is recognized in the income statement.

(n) Securities lending and borrowing

Securities lending and borrowing transactions are usually collateralized by securities or cash. The transfer of the securities to counterparties is only reflected on the balance sheet if the risks and rewards of ownership are also transferred. Cash advanced or received as collateral is recorded as an asset or liability.

Securities borrowed are not recognized on the balance sheet, unless they are sold to third parties, in which case the obligation to return the securities is recorded as a trading liability and measured at fair value with any gains or losses included in net trading income.

(o) Fair values

The fair value for financial instruments traded in active markets at the balance sheet date is based on their quoted market price or dealer price quotations, without any deduction for transaction costs. For equity traded in organized financial markets, fair value is determined by reference to Stock Exchange quoted market bid prices at the close of business on the balance sheet date.
The fair value of interest-bearing items is estimated based on discounted cash flows using interest rates for items with similar remaining maturity. The carrying value of demand deposits is considered to be their fair value.
For equity where there is no quoted market price, a reasonable estimate of the fair value is determined by reference to the current market value of another instrument which is substantially the same, or is based on the expected discounted cash flows.

(p) Repurchase and resale agreements

Assets sold with a simultaneous commitment to repurchase at a specified future date (repos) continue to be recognized in the Consolidated Balance Sheet and are measured in accordance with accounting policies for non-trading investments. The liability for amounts received under these agreements is included in due to banks and other financial institutions. The difference between sale and repurchase price is treated as interest expense.
Assets purchased with a corresponding commitment to resell at a specified future date (reverse repos) are not recognized in the Consolidated Balance Sheet. Amounts paid under these agreements are included in deposits with banks and other financial institutions. The difference between purchase and resale price is treated as interest income.

(q) Intangible assets and property, plant and equipment

All items of premises and equipment are initially recorded at cost. Depreciation is provided on a straight-line basis over the estimated useful lives of all premises and equipment, other than freehold land which is deemed to have an indefinite life.

The following depreciation rates are applied:

Premises	2 - 5%
Leasehold improvements	5%
Office furniture and equipment	14.5%
Computer equipment	33%
Software	20%
Motor vehicles	20%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the income statement in the year the asset is derecognised. The assets residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

(r) Business combinations and goodwill

Business combinations are accounted for using the acquisition accounting method. This involves recognizing identifiable assets and liabilities of the acquired business at fair value.
Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.
The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the 'value in use' of the cash-generating units to which the goodwill is allocated.
When subsidiaries are sold, the difference between the selling price and the net assets plus cumulative translation differences and unamortised goodwill is recognized in the income statement.

(s) Inventory

Inventories are recognized at cost, which comprise all costs of purchase, costs of conversion and other costs. After initial recognition inventories are measured at the lower of cost and net realisable value.

(t) Collateral pending sale

The Group occasionally acquires real estate in settlement of certain loans and advances. Real estate is stated at the lower of the net realisable value of the related loans and advances and the current fair value of such assets. Gains or losses on disposal, and unrealised losses on revaluation, are recognized in the Consolidated Income Statement.

(u) Deposits

All money market and customer deposits are initially recognized at fair value. After initial recognition, all interest bearing deposits, other than liabilities held for trading, are subsequently measured at amortized cost, less amounts repaid. Amortized cost is calculated by taking into account any discount or premium on settlement. Premiums and discounts are amortized on a systematic basis to maturity using the effective interest method and taken to interest expenses. For liabilities carried at amortized cost, any gain or loss is recognized in the Consolidated Income Statement when the liability is derecognised.

(v) Revenue recognition

Revenue is recognized to the extent that is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.
For all financial instruments measured at amortized cost and interest bearing financial instruments classified as available-for-sale financial investments, interest income an or expense is recorded at the effective interest rate. Interest is recognized on impaired loans and advances and other financial assets based on the rate used to discount the net present value of future cash flows. The Group earns fee and commission income from a diverse range of services it provides to its customers.
Fee earned for the provision of services over a period of time are accrued over that period. Fees arising from negotiating or participating in the negotiation of a transaction for a third party are recognized on completion of the underlying transactions. Fees or components of fees that are linked to a certain performance are recognized after fulfilling the corresponding criteria. Loan syndication fees are recognized in the income statement when the syndication has been completed and the Bank retains no part of the loans for itself or retains part at the same effective interest rate as for the other participants. Other fees receivable or payable are recognized when earned. Dividend income is recognized when the right to receive payment is established.

(w) Taxation

Taxation is provided for in accordance with the fiscal regulations of the Republic of Hungary.
Deferred taxation is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for the financial reporting purposes. It is calculated at the tax rates that are expected to apply to the period when it is anticipated the liabilities will be settled, and it is based on tax rates (and laws) that have been enacted or substantively enacted at the balance sheet date.

(x) Offsetting financial assets and liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(y) Fiduciary assets

Assets held in trust or in a fiduciary capacity are not treated as assets of the Bank and accordingly are not included in these financial statements.

(z) Financial guarantees

In the ordinary course of business, the Bank gives financial guarantees consisting of letters of credit, letters of guarantees and acceptances. Financial guarantees are initially recognized in the financial statements at fair value, and the fair value is recognized in other liabilities.
Subsequent to initial recognition, the Bank's liabilities under such guarantees are each measured at the best estimate of the expenditure required to settle any financial obligation arising as a result of the guarantee. Any change in the fair value relating to financial guarantees is taken to the income statement. Any financial guarantee fair value is recognized in the income statement when the guarantee is discharged, cancelled or expires.

(aa) Provision

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that on outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

(ab) Operating profit

Operating profit represents profit from business operations and is defined as profit before tax adjusted with the share of profit or loss of associate.

(ac) Cash and cash equivalents

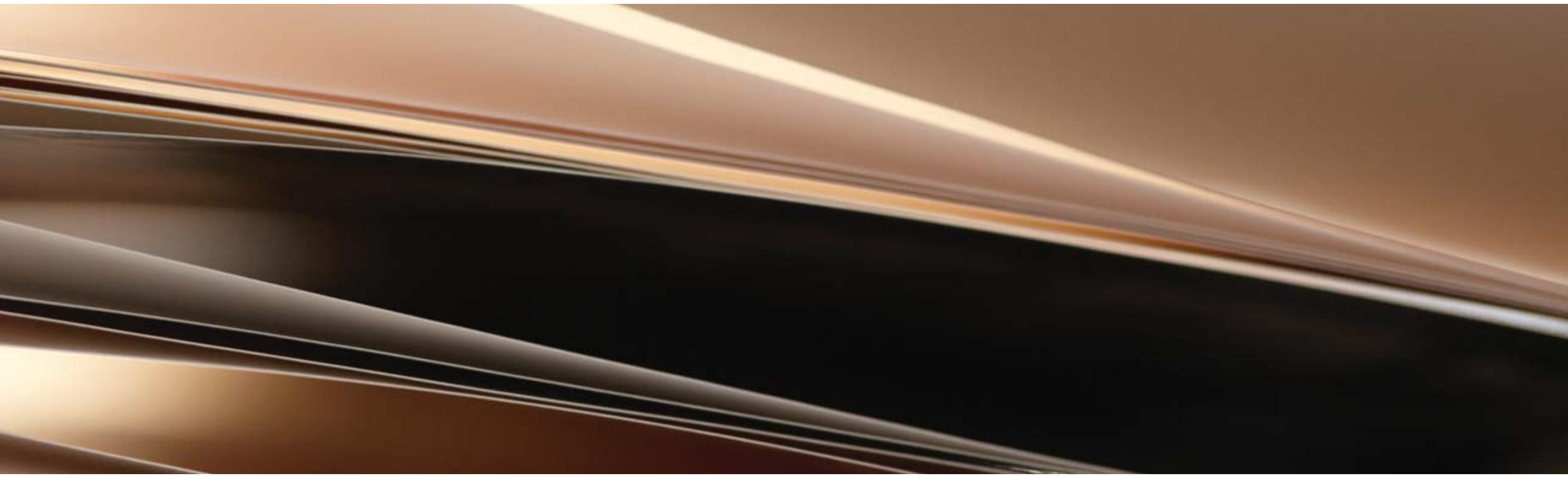
Cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including: cash and balances with the National Bank of Hungary and banks and other financial institutions, treasury bills and other eligible bills, and loans and advances to banks. Cash and cash equivalents include funds currently held at the National Bank of Hungary as statutory reserve requirements specify minimum average monthly balances and as such these funds are considered available for liquidity management purposes.

(ad) Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred except that are directly attributable to the acquisition. Borrowing costs that are directly attributable to the acquisition shall be capitalised as part of the cost of that asset.

(ae) Change in Accounting Policy and disclosures

The accounting policies adopted are consistent with those of the previous financial year except as follows:
The Group has adopted the following new and amended IFRS and IFRIC interpretations during the year. Adoption of these revised standards and interpretations did not have any effect on the financial performance or position of the Group. They did however give rise to additional disclosures, including in some cases, revisions to accounting policies.
In August 2005, the IASB issued IFRS 7 Financial Instruments: Disclosures, which requires disclosures that enable users to evaluate the significance of the Group's financial instruments and the nature and extent of risks arising from those financial instruments. The Group adopted IFRS 7 from 1 January, 2007.



IAS 1 Amendment – Presentation of Financial Statements requires the Group to make new disclosures to enable users of the financial statements to evaluate the Group's policies, objectives and processes for managing capital. The Group adopted this amendment from 1 January, 2007.
IAS 12 Income Taxes – Accordance with the IFRIC's explanation taxes, which are based on taxable profit, should be treated as income tax. This follows in this financial year the local tax and the innovation contribution are restated from operation expenses to income taxes.

IFRIC 8	Scope of IFRS 2
IFRIC 9	Reassesement of Embedded Derivatives
IFRIC 10	Interim Financial Reporting and Impairment

In accordance with the Benchmark treatment of such adjustments specified in IAS 8 – Accounting Policies, Changes in the Accounting Estimates and Errors the comparative period in respect to these issues has been restated.

The Group has changed its accounting policy to reflect Hungarian local business tax and innovation contribution as part of income tax. In previous years these taxes were presented among other operating expenses. The reason for the change is that management believes these taxes are rather income tax in nature than other operating expense. Management's conclusion takes into consideration the recent decisions of the European Commission concerning the nature of these taxes and the international accounting practice generally applied to taxes of a similar nature.
As a result of the above-noted changes the operating expenses decreased and the income taxes increased with the same amount (2,718 million HUF). This change does not affect the net income and the equity. The amounts reported in the previous years have been adjusted accordingly for comparison purposes and are included in Note 9 to the financial statements.

Adoption of other revised standards and interpretations did not have any effect on the financial statements of the Group. They did not give rise to additional disclosures.

(af) Future changes in accounting policies

IFRS 8 Operating segments
This standard requires disclosure of information about the Group's operating segments and replaced the requirement to determine primary (business) and secondary (geographical) reporting segments of the Group.

IFRIC 11 IFRS 2 Group and Treasury Share Transactions
This interpretation requires arrangements whereby an employee is granted rights to an entity's equity instruments to be accounted for as an equity-settled scheme, even if the entity buys the instruments from another party, or the shareholders provide the equity instruments needed.

(3) Interest income and interest expense

Interest income comprises: (million HUF)

	2007	2006
Interest from banks	8,514	8,952
Interest from customers	102,842	83,974
Interest from financial assets at fair value through profit or loss	4,447	1,110
Interest income from financial investments – Available for sale	8,957	4,601
Interest income from financial investments – Held to maturity	394	448
Total	**125,154**	**99,085**

Interest expense comprises: (million HUF)

	2007	2006
Interest paid to banks	24,381	16,747
Interest paid to customers	48,302	32,896
Interest paid on issued securities	7,014	5,084
Total	**79,697**	**54,727**

(4) Fee and commission income and expense

Fee and commission income comprises: (million HUF)

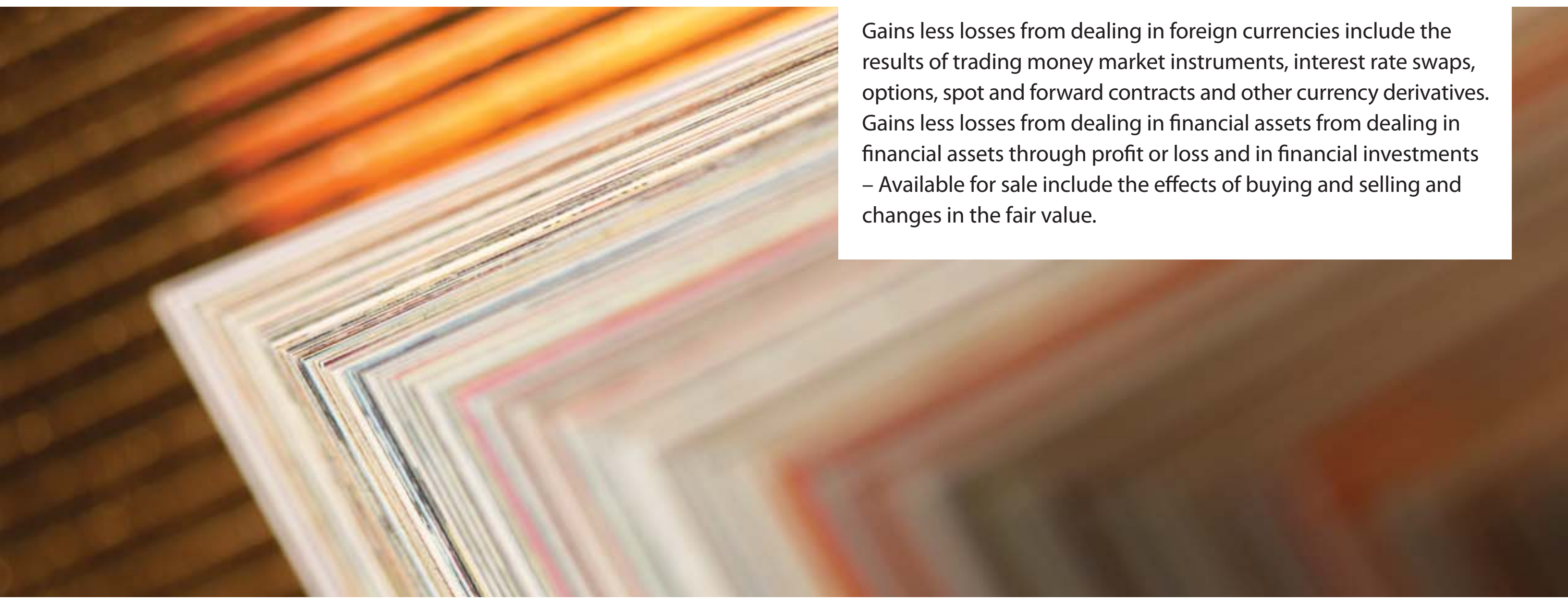
	2007	2006
Servicing fee income for loans	10,308	7,898
Documentary fee income	1,531	1,485
Cashier fee income	2,145	1,980
Account turnover fee income	18,184	15,746
Investment services fee income	2,937	2,476
Total	**35,105**	**29,585**

Fee and commission expense comprises: (million HUF)

	2007	2006
Servicing fee expenses for loans	63	57
Documentary fee expense	233	202
Account turnover fee expense	6,599	5,461
Investment services fee expense	284	187
Total	**7,179**	**5,907**

(5) Other operating income

Other operating income comprises:		(million HUF)
	2007	**2006**
Gains less losses from dealing in foreign currencies	28,643	24,573
Gains less losses from dealing in financial assets through profit or loss	1,045	1,011
Gains less losses from dealing in financial investments – Available for sale	(222)	2,476
Other operating income	2,024	3,663
Total	**31,490**	**31,723**



Gains less losses from dealing in foreign currencies include the results of trading money market instruments, interest rate swaps, options, spot and forward contracts and other currency derivatives. Gains less losses from dealing in financial assets from dealing in financial assets through profit or loss and in financial investments – Available for sale include the effects of buying and selling and changes in the fair value.

(6) Impairment losses and provisions

Impairment losses and provisions comprises:		(million HUF)
	2007	**2006**
Individual provision expense for loan losses	11,558	14,472
Collective provision expense for loan losses	696	555
Provision expense for financial guarantees	(400)	(1,161)
Provision expense for other commitments and contingencies	(143)	(106)
Other provision expense for other receivables	(68)	171
Other provision expense for other liabilities	1,991	3
Total	**13,634**	**13,934**

(7) Other operating expenses

Operating expenses comprise: (million HUF)

	2007	2006 (restated)
Personnel expenses	27,286	22,795
Depreciation	5,200	4,395
Rent and leasing	2,953	2,772
Office and IT maintenance	2,745	2,946
Communications	2,133	2,106
Advertising	1,970	5,009
Other taxes and obligatory fees	2,047	1,245
Other expenses	7,593	6,496
Total	**51,927**	**47,764**

(8) Share of loss of associate

The Group has a 49 % interest in Intesa Leasing doo Beograd, a company incorporated in Serbia.

The following table illustrates the summarised financial information of the Group's investment in Intesa Leasing doo Beograd:

(million HUF)

	2007	2006
Carrying amount of the investment (including goodwill)	368	498
Share of the associate's revenue and loss:		
Expenses	(127)	(164)
Loss for the year	(127)	(164)

(9) Income tax expense

The tax expense is based on the corporate income tax payable on the results for the year determined in accordance with Hungarian accounting and taxation rules. The corporate income tax rate of 16% and a special income tax rate of 4 % from 1st September, 2006 is applicable to all Group companies. In addition the Bank and group companies classified as financial institutions were subject to an additional 8% tax for the years ended 31 December 2006. The other income type taxes contain the local business tax and the innovation contribution.

Income tax expense comprises: (million HUF)

	2007	2006 (restated)
Current income tax charge	7,352	8,811
Other income type taxes	3,182	2,718
Deferred income tax	35	1,015
Total	10,569	12,544

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the Group's effective income tax rate for the years ended 31 December is as follows:

(million HUF)

		2007		2006 (restated)
Profit before tax		**39,185**		**37,897**
Income tax at statutory rate	6,270	16%	6,063	16%
Special tax for financial institutions	-	-	2,511	6.63%
Special tax for all companies	1,442	3.68%	464	1.22%
Other income type taxes	3,182	8.12%	2,718	7.17%
Non-deductible expenditure	510	1.30%	1,033	2.72%
Tax incentives not recognized in the income statement	(578)	(1.48%)	(684)	(1.80%)
Effect of special tax for financial institutions in tax rate on deferred tax	-	-	133	0.35%
Effect of special tax for all companies in tax rate on deferred tax	-	-	579	1.53%
Prior period adjustments	(6)	(0.01%)	18	0.05%
Other adjustments	(251)	(0.64%)	(291)	(0.77%)
Income tax at effective tax rate	10,569	26.97%	12,544	33.10%

Deferred tax assets and liabilities comprise:

(million HUF)

	2007 Assets	2007 Liabilities	2006 Assets	2006 Liabilities
Deferred tax to Income Statement				
General risk reserve	-	4,302	-	3,476
Development reserve	-	195	-	185
Provisions	937	(1,357)	768	(967)
Fair value adjustments	-	(96)	-	(144)
Amortized commissions	-	(236)	-	(145)
Other adjustments	189	1,102	15	661
Total deferred tax to P&L	1,126	3,910	783	3,066
Deferred tax to equity				
Fair value adjustments	-	98	-	158
Total deferred tax	**1,126**	**4,008**	**783**	**3,224**

The deferred tax assets and liabilities are offset at entity-level but on Group-level not.

(10) Dividend paid

In 2007 a dividend of 2,500 million HUF was paid which was declared for the year 2006 (in 2006: 2,500 million HUF).
The dividend was 72 HUF per ordinary share in year 2006 and 67 HUF in year 2007.

(11) Cash and current accounts with central bank

Cash and current accounts with the central bank comprise notes and coins of various currencies and nostro accounts with the central bank kept in various currencies. The Bank is required to maintain a minimum average balance for the month equivalent to 5 % (31st December, 2006, 5 %) of Bank's resident customer deposits and foreign customer HUF and currency (less than one year) deposits, with the National Bank of Hungary.

Cash and current accounts with central bank comprise:
31. december 2004.

		(million HUF)
	2007	**2006**
Cash	9,787	10,175
Current HUF account with the National Bank of Hungary	51,045	50,388
Total (Included cash and cash equivalents (Note 35))	60,832	60,563

(12) Deposits with banks

Deposits with banks comprise		(million HUF)
	2007	**2006**
Foreign currency nostro accounts	16,079	23,967
Deposit with banks less than 90 days	112,080	167,351
Included in cash equivalents (Note 35)	128,159	191,318
Deposits with banks more than 90 days	3,504	9,397
Total	**131,663**	**200,715**

(13) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss comprise:

(million HUF)

	2007	2006
Government securities: HUF	4,586	157
Included in cash equivalents (Note 35)	4,586	157
Government securities: HUF	41,326	6,841
Bank and corporate bonds: HUF	293	376
Shares listed on stock exchange: HUF	17,645	1,531
Shares listed on stock exchange: NON-HUF	7	-
Other securities: HUF	2,562	152
Total	**66,419**	**9,057**

Financial asset at fair value through profit or loss includes only financial assets classified as held for trading. The Group did not designated financial assets as at fair value through profit or loss upon initial recognition.
Income from equity investments and other non-fixed income instruments is recognized in other operating income.

(14) Loans and advances to customers

Loan and advances to customers comprise:

(million HUF)

	2007	2006
Loans and advances to customers	1,752,996	1,456,900
Less: Allowance for incurred loan losses	(43,684)	(40,176)
Net loans	1,709,312	1,416,724

Analysis by sector

The gross loan portfolio may be analyzed by sector as follows:

(million HUF)

	2007	%	2006	%
Trading	231,709	13.22	244,976	16.8
Private customers	280,091	15.98	356,419	24.5
Real estate investments	418,482	23.87	318,828	21.9
Other, mostly service industries	387,434	22.10	186,109	12.8
Food processing	71,140	4.06	43,204	3.0
Transportation and communication	52,194	2.98	42,330	2.9
Light industry	63,784	3.64	88,027	6.0
Heavy industry	41,467	2.37	46,340	3.2
Financial activities	115,069	6.56	102,217	7.0
Agriculture	58,610	3.34	12,553	0.9
Chemicals and pharmaceuticals	33,016	1.88	15,897	1.1
Total	**1,752,996**	**100.0**	**1,456,900**	**100.0**

Most loans and advances are to customers resident in Hungary. Gross loans to customers resident abroad totalled 41,467 million HUF as at 31 December, 2007 (2006: 35,705 million HUF).

The leasing subsidiaries of the Bank operate in the domestic leasing market and provide finance lease products to customers. The following tables indicate the key amounts of this activity as at 31 December of the year:

		(million HUF)
	2007	**2006**
Gross lease receivables due:		
Within one year	146,175	117,266
One to five years	286,121	249,593
More than five years	176,075	129,696
Total	**608,371**	**496,555**
The present value of minimum lease payments receivables:		
Within one year	111,501	87,590
One to five years	217,466	193,764
More than five years	126,136	94,738
Total	**455,103**	**376,092**
Unearned finance income	153,268	120,463
Accumulated allowance for uncollectable minimum lease payments receivable	7,446	6,407

The term of the contracts are between 12 and 72 months, and the interest rates range from 2 % to 8 % above the base rate.

Allowance for incurred loan losses

Allowance for incurred loan losses comprise:

		(million HUF)
	2007	**2006**
Opening balance	40,176	34,464
Increase of allowance during the year	37,250	30,713
Decrease of allowance during the year	(24,996)	(15,686)
Write-off and sales	(8,746)	(9,315)
Closing balance	43,684	40,176

Allowance for incurred loan losses comprise:

		(million HUF)
	2007	**2006**
Individual allowance	39,844	37,032
Collective allowance	3,840	3,144
	43,684	40,176

The fair value of collateral that the Group holds relating to loans individually determined to be impaired at 31 December 2007 amounts to 954,394 million HUF (2006: 903,684 million HUF).

(15) Non-current assets held for sale

Non-current assets held for sale contains leased assets repossessed due to the insolvency of the lessees.

(16) Inventory

The inventory contains goods – mostly grain crops – products that are in the property of CIB Inventory Ltd. The business of this subsidiary has been enlarged in the previous years.

(17) Other assets

Other assets comprise:

(million HUF)

	2007	2006
Accrued expenses	2,579	936
Items in transit	2,190	3,305
Trade receivables	13,204	3,265
Taxes and obligatory fees	5,810	6,658
Other assets	1,324	1,486
Total	**25,107**	**15,650**

(18) Financial investments

Financial investments – Available for sale comprise:

(million HUF)

	2007	2006
Government securities: HUF	132,888	70,558
Bank and corporate bonds: HUF	1,247	-
Bank and corporate bonds: NON-HUF	519	-
Shares listed on stock exchange: NON-HUF	204	-
Other securities: NON-HUF	27,344	-
Equity investment: HUF	441	604
Total	**162,643**	**71,162**

Financial investments – Held to maturity comprise:

(million HUF)

	2007	2006
Government securities: HUF	4,903	4,815
Government securities: NON-HUF	242	358
Bank and corporate bonds: HUF	-	206
Total	**5,145**	**5,379**

(19) Intangible assets

At 31 December, 2007 and 2006, intangible assets and the related accumulated depreciation comprised the following:

(million HUF)

Cost of intangible assets

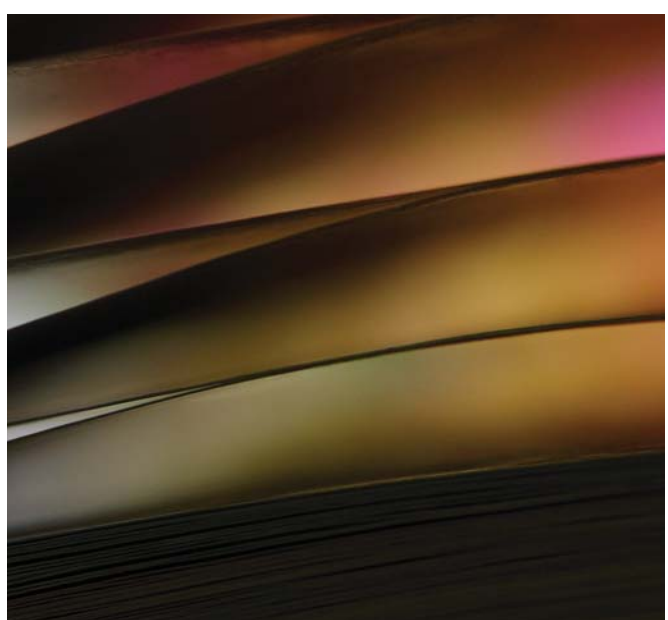
	2007	Disposals	Acquisitions	2006
Software licences	18,448	(134)	4,566	14,016
Goodwill	833	-	-	833
Other	1,597	-	1,505	92
Total	**20,878**	**(134)**	**6,071**	**14,941**

Depreciation of intangible assets

	2007	Disposals	Addition	2006
Software licences	10,326	(43)	1,589	8,780
Goodwill	56	-	-	56
Other	228	-	180	48
Total	**10,610**	**(43)**	**1,769**	**8,884**

Net book value of intangible assets

	2007	2006
Software licences	8,122	5,236
Goodwill	777	777
Other	1,369	44
Total	**10,268**	**6,057**



(20) Property, plant and equipment

At 31 December, 2007 and 2006, property, plant and equipment and the related accumulated depreciation comprised the following:

(million HUF)

Cost of property, plant and equipment

	2007	Disposals	Acquisitions	2006
Land, premises	26,034	(1,961)	5,323	22,672
Leasehold improvements	6,616	(20)	946	5,690
Office furniture, equipment	10,673	(67)	1,658	9,082
Computer equipment	8,086	(12)	1,494	6,604
Motor vehicles	2,042	(127)	322	1,847
Other	142	-	-	142
Total	**53,593**	**(2,187)**	**9,743**	**46,037**

Depreciation of property, plant and equipment

	2007	Disposals	Addition	2006
Land, premises	4,176	-	758	3,418
Leasehold improvements	1,224	(8)	260	972
Office furniture, equipment	5,362	(15)	1,016	4,361
Computer equipment	5,235	(12)	1,168	4,079
Motor vehicles	723	(103)	229	597
Other	-	-	-	-
Total	**16,720**	**(138)**	**3,431**	**13,427**

Net book value of property, plant and equipment

	2007	2006
Land, premises	21,858	19,254
Leasehold improvements	5,392	4,718
Office furniture, equipment	5,311	4,721
Computer equipment	2,851	2,525
Motor vehicles	1,319	1,250
Other	142	142
Total	**36,873**	**32,610**

(21) Deposits from banks

Deposits from banks comprise:

		(million HUF)
	2007	**2006**
Deposits from banks in Hungary	84,705	72,890
Deposits from banks in other countries	714,838	459,719
Total	**799,543**	**532,609**

(22) Deposits from customers and liabilities from issued securities

Deposits from customers comprise:

		(million HUF)
	2007	**2006**
Deposits from customers in Hungary	928,063	844,463
Deposits from customers in other countries	170,361	155,026
Total	**1,098,424**	**999,489**

The gross amount of issued securities is 93,445 million HUF (2006: 94,172 million HUF), and the repurchased amount 17,550 million HUF (2006: 3,927 million HUF), and is disclosed in the net amount of 79,765 million HUF including accrued interest payable of 3,870 million HUF (2006: 91,638 million HUF including accrued interest payable of 1,393 million HUF).

The issued securities listed on the Budapest Stock Exchange contain nine sets of securities.

- CIB 2008A bonds amounting to 30,672 million HUF were issued since 22nd September, 2005 and will expire on 22nd September, 2008. The bonds bear interest at 3 month BUBOR plus 30 basis points;
- CIB 2008B bonds amounting to 3,000 million HUF were issued since 1st August, 2006 and will expire on 1st August, 2008. The bonds bear interest at 15 %;
- CIB 2009A bonds amounting to 24,000 million HUF were issued since 1st August, 2006 and will expire on 1st August, 2009. The bonds bear interest at 24 %;
- CIB Indexált 2009A bonds amounting to 2,000 million HUF were issued since 31st July, 2007 and will expire on 30th January, 2009. The bonds bear interest at 0 - 10% depending on the EUR/HUF exchange rate;
- CIB 2009B bonds amounting to 4,000 million HUF were issued since 1st August, 2007 and will expire on 31st July, 2009. The bonds bear interest at 3 month BUBOR plus 10 basis points;
- CIB 2009C bonds amounting to 2,000 million HUF were issued since 1st August, 2007 and will expire on 31st July, 2009. The bonds bear interest at 7.5 %;
- CIB 2010A bonds amounting to 2,055 million HUF were issued since 13th February, 2007 and will expire on 12th April, 2010. The bonds bear interest at 7 %;
- CIB 2010B bonds amounting to 14,717 million HUF were issued since 8th August, 2007 and will expire on 9th August, 2010. The bonds bear interest at 3 month BUBOR plus 15 basis points;
- CIB 2010C bonds amounting to 11,001 million HUF were issued since 8th August, 2007 and will expire on 9th August, 2010. The bonds bear interest at 7.26 %.

(23) Other liabilities

Other liabilities comprise:

		(million HUF)
	2007	**2006**
Items in transit	37,685	35,725
Suppliers	9,543	6,082
Taxes and obligatory fees	4,512	4,931
Financial guarantees	676	1,076
Other liabilities	5,958	8,915
Total	**58,374**	**56,729**

(24) Provisions for commitments

2007	Financial guarantees	Commitments and contingencies	Other liabilities	Total
Opening balance	1,076	1,798	769	3,643
Increase of provision during the year	1,462	3,206	2,171	6,839
Decrease of provision during the year	(1,862)	(3,349)	(180)	(5,391)
Closing balance	**676**	**1,655**	**2,760**	**5,091**

2006	Financial guarantees	Commitments and contingencies	Other liabilities	Total
Opening balance	2,237	1,904	766	4,907
Increase of provision during the year	2,244	1,936	277	4,457
Decrease of provision during the year	(3,405)	(2,042)	(274)	(5,721)
Closing balance	**1,076**	**1,798**	**769**	**3,643**

The provisions of financial guarantees include allocated amounts for financial guarantee contributions and are recognized in the other liabilities. Provisions for commitment and contingences were created for future credit obligations. All of the provisions are expected that the cost will be incurred over one year.

(25) Subordinated deposits

The Bank has received the following subordinated loans:

- from Intesa Sanpaolo Holding International S.A. (assumed from Všeobecná úverová banka, a.s. in December 2004) for 35 million EUR (8,867 million HUF). The loan's expiry date is 10 November, 2010 and interest is payable at 6 month EURIBOR plus 0.60 %;
- from Intesa Sanpaolo Holding International S.A. for 15 million EUR (3,800 million HUF). The loan's expiry date is 26 November, 2010 and interest is payable at 6 month EURIBOR plus 0.60 %;
- from Intesa Sanpaolo Holding International S.A. for 68,5 million EUR (17,355 million HUF). The loan's expiry date is 10 June, 2011 and interest is payable at 6 months EURIBOR plus 0.60 %;
- from Intesa Bank Ireland plc for 45 million EUR (11,401 million HUF). The loan's expiry date is 26 October, 2014 and interest is payable at 3 month EURIBOR plus 0.80 %;

Subordinated loan from Intesa Bank Ireland plc in an amount of 17 million EUR expired on 31st December, 2007.
Accrued interests payable is 110 million HUF on 31st December, 2007 (2006: 12 million HUF).

(26) Share capital

At 31 December, 2007 the fully paid share capital consisted of 40,500,000 ordinary shares of 1,000 HUF each. (At 31 December, 2006: 34,750,000 ordinary shares of 1,000 HUF each). The shares were issued from the retained earnings.

(27) Reserves

The Bank has established two statutory reserves, a general risk reserve and a general reserve. Amounts appropriated to these reserves may not be used to pay dividends.

General risk reserve

Under section 87 of Act No. CXII of 1996, banks may establish a general risk reserve of up to 1.25% of risk weighted assets. As at 31 December, 2007, Bank has established the reserve of 21,510 million HUF representing the maximum permitted reserve amount (2006: 17,382 million HUF).

Under Hungarian Law this provision is a tax-deductible expense and must be charged to the Income Statement in the Hungarian statutory accounts. In these financial statements this provision has been treated as an appropriation of retained earnings to comply with International Financial Reporting Standards.

General reserve

Under section 75 of Act No. CXII of 1996, an amount equal to 10% of net profit after tax per Bank's Hungarian statutory accounts must be transferred to a non-distributable general reserve.

Revaluation reserve

This reserve records fair value changes on financial investments – Available for sale.

Revaluation reserve		(million HUF)
	2007	**2006**
Opening balance	633	1,288
Net gains/(losses) from changes in fair value	35	227
Net (gains)/losses transferred to net profit on disposal and impairment	109	(800)
Amortization to net profit	(443)	(317)
Deferred tax income	60	235
Total	**394**	**633**

Foreign currency translation reserve

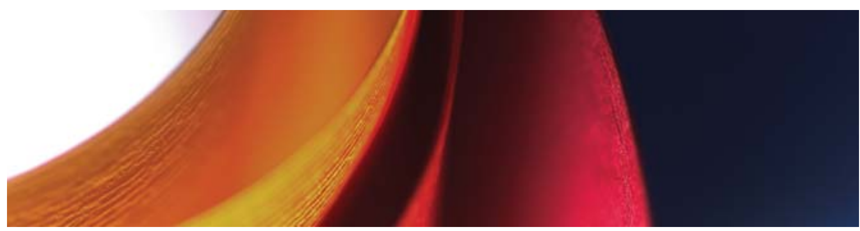
The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

(28) Commitments and contingencies

The Bank had the following commitments and contingent liabilities as at 31 December:

2007			(million HUF)
	Gross amount	**Provision**	**Net amount**
Guarantees	140,093	(673)	139,420
Letters of credit	3,287	(3)	3,284
Loans and overdraft facilities not disbursed	406,107	(1,655)	404,452
Total	**549,487**	**(2,331)**	**547,156**

2006			
	Gross amount	**Provision**	**Net amount**
Guarantees	144,140	(1,070)	143,070
Letters of credit	3,778	(6)	3,772
Loans and overdraft facilities not disbursed	278,646	(1,798)	276,848
Total	**426,564**	**(2,874)**	**423,690**



The amount of the securities in custody is 1,094,078 million HUF at 31 December, 2007 (2006: 866,758 million HUF).
Letters of credit, guarantees (including standby letters of credit) and acceptances commit the Bank to make payments on behalf of customers contingent upon the failure of the customers to perform under the terms of contract. Guarantees and standby letters of credit carry the same credit risk as loans. Credit guarantees can be in the form of bills of exchange or in the form of irrevocable letters of credit, guarantees, and endorsement liabilities from bills rediscounted.
Commitment to extend credit represent contractual commitments to make loans and revolving credits. Commitments generally have fixed expiry dates, or other termination clauses.

(29. a) Derivative financial instruments

Derivative financial instruments as at 31 December, 2007 (million HUF)

	Notional amount with remaining life				Fair value	
	Less than one year	**More than one year, less than 5 years**	**More than 5 years**	**Total**	**Asset**	**Liability**
Interest rate derivatives						
OTC-products						
Forward rate agreements	3,828,925	1,075,000	-	4,903,925	3,206	(3,601)
Interest rate swaps	702,822	778,715	36,839	1,518,376	14,455	(12,247)
Interest rate options	-	47,822	-	47,822	3	(3)
Subtotal	**4,531,747**	**1,901,537**	**36,839**	**6,470,123**	**17,664**	**(15,851)**
Currency derivatives						
OTC-products						
Forward exchange contracts	186,079	27,531	-	213,610	2,418	(5,340)
Currency swaps	1,302,946	5,131	-	1,308,077	15,869	(11,609)
Foreign exchange options	41,027	226	-	41,253	248	(223)
Subtotal	**1,530,052**	**32,888**	**-**	**1,562,940**	**18,535**	**(17,172)**
Total	**6,061,799**	**1,934,425**	**36,839**	**8,033,063**	**36,199**	**(33,023)**

(29. b) Derivative financial instruments

Derivative financial instruments as at 31 December, 2006 (million HUF)

	Notional amount with remaining life				Fair value	
	Less than one year	**More than one year, less than 5 years**	**More than 5 years**	**Total**	**Asset**	**Liability**
Interest rate derivativesk						
OTC-products						
Forward rate agreements	334,656	-	-	334,656	260	(210)
Interest rate swaps	74,415	389,340	34,162	497,917	5,036	(3,609)
Interest rate options	-	60,475	-	60,475	-	-
Subtotal	**409,071**	**449,815**	**34,162**	**893,048**	**5,296**	**(3,819)**
Currency derivatives						
OTC-products						
Forward exchange contracts	181,886	42,052	-	223,938	3,281	(11,644)
Currency swaps	791,334	13,636	-	804,970	28,650	(7,738)
Foreign exchange options	8,609	-	-	8,609	122	(87)
Subtotal	**981,829**	**55,688**	**-**	**1,037,517**	**32,053**	**(19,469)**
Total	**1,390,900**	**505,503**	**34,162**	**1,930,565**	**37,349**	**(23,288)**

(30. a) Carrying amount of assets and liabilities at 31 December, 2007 by earlier of contractual repricing or maturity date

	Immediately rate-sensitive	Under 1 month	Under 3 months	3 months to a yeari	From 1 to 5 years	Over 5 years	Non interest-sensitive	Total
Assets								
Cash and current accounts with central bank	51,045	-	-	-	-	-	9,787	60,832
Effective interest rates	7.50	-	-	-	-	-	-	6.29
Deposits with banks and subordinated loans	16,272	107,766	5,778	1,847	-	-	-	131,663
Effective interest rates	0.02	4.60	7.21	5.32	-	-	-	4.16
Financial assets at fair value through profit or loss	-	4,193	616	1,253	19,846	20,297	20,214	66,419
Effective interest rates	-	7.40	7.69	7.49	7.52	7.34	-	5.17
Derivative financial assets	-	4,371	7,811	14,757	8,768	492	-	36,199
Loans and advances to customers	139,381	531,874	485,593	490,685	20,470	41,309	-	1,709,312
Effective interest rates	9.94	6.64	8.60	5.46	6.66	5.81	-	7.11
Financial investments	-	2,933	51,742	58,396	30,038	24,033	646	167,788
Effective interest rates	-	4.99	5.71	7.19	7.58	7.31	-	6.75
Other assets	-	-	-	-	-	-	103,440	103,440
Liabilities								
Deposits from banks and subordinated deposits	9,154	218,799	315,527	288,433	9,082	81	-	841,076
Effective interest rates	4.68	4.69	4.69	4.28	2.68	2.71	-	4.53
Derivative financial liabilities	-	3,820	7,579	12,028	9,163	433	-	33,023
Deposits from customers	408,119	328,563	144,268	189,200	27,891	383	-	1,098,424
Effective interest rates	1.94	5.50	6.84	6.28	7.03	7.21	-	4.53
Liabilities from issued securities	-	-	44,433	3,261	32,071	-	-	79,765
Effective interest rates	-	-	7.72	7.50	7.92	-	-	7.79
Other liabilities	-	-	-	-	-	-	66,797	66,797
Net repricing gap	**(210,575)**	**99,955**	**39,733**	**74,016**	**915**	**85,234**	**67,290**	**156,568**

(30. b) Carrying amount of assets and liabilities at 31 December, 2006 by earlier of contractual repricing or maturity date

	Immediately rate-sensitive	Under 1 month	Under 3 months	3 months to a yeari	From 1 to 5 years	Over 5 years	Non interest-sensitive	Total
Assets								
Cash and current accounts with central bank	51,309	-	-	-	-	-	9,254	60,563
Effective interest rates	8.00						-	6.73
Deposits with banks and subordinated loans	25,377	164,912	8,678	6,039	-	-	-	205,006
Effective interest rates	0.00	7.21	4.73	5.35				6.16
Financial assets at fair value through profit or loss	-	80	389	369	5,519	1,016	1,684	9,057
Effective interest rates		8.51	8.2	7.75	7.62	6.93	-	6.16
Derivative financial assets	-	10,568	6,679	15,208	4,638	256	-	37,349
Loans and advances to customers	122,684	484,669	544,761	229,152	33,434	2,024	-	1,416,724
Effective interest rates	11.1	7.34	7.55	5.25	6.34	4.11		7.38
Financial investments	-	8,236	12,433	23,225	12,737	19,306	604	76,541
Effective interest rates		8.52	8.02	7.78	7.6	7.00	-	7.61
Other assets	-	-	-	-	-	-	69,197	69,197
Liabilities								
Deposits from banks and subordinated deposits	1,642	153,309	314,928	62,591	32,598	1,740	-	566,808
Effective interest rates	0.52	3.82	3.34	3.99	4.08	3.28		3.58
Derivative financial liabilities	-	3,848	3,773	10,215	5,027	425	-	23,288
Deposits from customers	310,257	402,810	138,762	83,155	64,114	391	-	999,489
Effective interest rates	1.91	5.6	7.56	5.93	7.45	8.1		4.87
Liabilities from issued securities	-	-	66,198	-	25,440	-	-	91,638
Effective interest rates			8.45		7.94			8.31
Other liabilities	-	-	-	-	-	-	62,520	62,520
Net repricing gap	**(112,529)**	**108,498**	**49,279**	**118,032**	**(70,851)**	**20,046**	**18,219**	**130,694**

(31. a) Carrying amount of assets and liabilities by maturity date

The maturity profile of the Bank's assets and liabilities as at 31 December, 2007 were:

	Under 1 month	From 1 to 3 months	From 3 months to a year	From 1 to 5 years	Over 5 years	Total
Assets						
Cash and current accounts with banks	60,832	-	-	-	-	60,832
Deposits with banks	122,507	5,652	3,504	-	-	131,663
Financial assets at fair value through profit or loss	4,190	410	1,296	20,052	40,471	66,419
Derivative financial assets	4,371	7,811	14,757	8,768	492	36,199
Loans and advances to customers	172,844	95,384	327,775	502,489	610,820	1,709,312
Financial investments	996	26,708	57,264	30,280	52,540	167,788
Non-current assets held for sale	-	-	194	-	-	194
Inventory	-	-	29,872	-	-	29,872
Deferred tax assets	-	-		1,126	-	1,126
Other assets	2,579	-	2,190	20,338	-	25,107
Intangible assets, property, plant and equipment	-	-	-	-	47,141	47,141
Total Assets	**368,319**	**135,965**	**436,852**	**583,053**	**751,464**	**2,275,653**
Liabilities						
Deposits from banks	110,203	161,296	50,639	284,799	192,606	799,543
Derivative financial liabilities	3,820	7,579	12,028	9,163	433	33,023
Deposits from customers	683,098	257,552	115,789	37,382	4,603	1,098,424
Liabilities from issued securities	-	-	33,993	45,772	-	79,765
Deferred tax liabilities	-	-	-	4,008	-	4,008
Other liabilities	10,495	-	27,190	20,689	-	58,374
Provisions from commitments	-	-	-	4,415	-	4,415
Subordinated deposits	-	106	4	30,022	11,401	41,533
Total Liabilities	**807,616**	**426,533**	**239,643**	**436,250**	**209,043**	**2,119,085**
Net position	**(439,297)**	**(290,568)**	**197,209**	**146,803**	**542,421**	**156,568**

(31. b) Carrying amount of assets and liabilities by maturity date

The maturity profile of the Bank's assets and liabilities as at 31 December, 2006 were:

	Under 1 month	From 1 to 3 months	From 3 months to a year	From 1 to 5 years	Over 5 years	Total
Assets						
Cash and current accounts with banks	60,563	-	-	-	-	60,563
Deposits with banks	183,530	3,479	9,970	3,736	-	200,715
Financial assets at fair value through profit or loss	80	103	369	5,790	2,715	9,057
Derivative financial assets	10,568	6,679	15,208	4,638	256	37,349
Loans and advances to customers	187,086	89,733	283,488	462,996	393,421	1,416,724
Financial investments	7,878	12,432	23,226	13,095	19,910	76,541
Non-current assets held for sale	-	-	348	-	-	348
Inventory	-	-	13,749	-	-	13,749
Deferred tax assets	-	-	-	783	-	783
Other assets	936	-	13,228	1,486	-	15,650
Subordinated loans	-	-	4,291	-	-	4,291
Intangible assets, property, plant and equipment	-	-	-	-	38,667	38,667
Total Assets	**450,641**	**112,426**	**363,877**	**492,524**	**454,969**	**1,874,437**
Liabilities						
Deposits from banks	70,660	22,474	31,029	369,130	39,316	532,609
Derivative financial liabilities	3,848	3,773	10,215	5,027	425	23,288
Deposits from customers	671,686	160,121	83,560	83,683	439	999,489
Liabilities from issued securities	-	1,393	32,573	57,672	-	91,638
Deferred tax liabilities	-	-	-	3,224	-	3,224
Other liabilities	-	-	46,738	9,991	-	56,729
Provisions from commitments	-	-	-	2,567	-	2,567
Subordinated deposits	-	-	4,291	29,908	-	34,199
Total Liabilities	**746,194**	**187,761**	**208,406**	**561,202**	**40,180**	**1,743,743**
Net position	**(295,553)**	**(75,335)**	**155,471**	**(68,678)**	**414,789**	**130,694**

(32) Related Party Transactions

(a) Companies (Intesa Sanpaolo Group)

For the purpose of the financial statements, related parties include all the enterprises that directly or indirectly through one or more intermediaries, control or are controlled by, or are under common control with the reporting enterprise (this includes parents, subsidiaries and fellow subsidiaries), associated companies and key management personnel.

Intesa Sanpaolo (parent) is regarded as related party which has significant control in the Bank.

The Group also has entered into several transaction with companies controlled by Intesa Sanpaolo Group.

All transactions with companies in the Intesa Sanpaolo Group are conducted at market rates. Balances and commitments at 31st December, 2007 constitute less than 3 % of total assets, and 28 % of total liabilities and are set out below.

(million HUF)

	2007		2006	
	Parent	**Fellow Subsidiaries**	**Parent**	**Fellow Subsidiaries**
Assets				
Current accounts	-	1,413	847	314
Placements	-	56,257	9	2,219
Subordinated loan	-	-	-	4,291
Fair value of derivatives	72	763	100	245
Liabilities				
Current accounts	-	8,920	82	49
Deposits	74,512	506,082	197,217	140,239
Subordinated deposit	30,026	11,507	29,909	4,291
Fair value of derivatives	79	417	43	23
Commitments				
Letters of credit	-	-	38	-
Interest rate derivatives	39,911	23,702	51,584	19,000
Currency derivatives	1,751	61,470	16,877	-
Interest expenses, net	**(2,464)**	**(11,712)**	**(4,373)**	**(4,805)**

(b) Key management personnel

The key management personnel who have authority and responsibility for planning, directing and controlling the activities of the entity, are the members of the Bank's Board of Directors, Supervisory Board and Management Committee. They receive conditions generally applied to the employees of the CIB Group.

(million HUF)

	2007	2006
Assets		
Current accounts	11	4
Loan	690	170
Liabilities		
Current accounts	902	597
Deposits	995	330
Commitments		
Forward transactions	1,053	-
Loans and overdraft facilities not disbursed	33	34
Compensation		
Salaries and other short-term benefits	792	653
Termination benefits	-	6

(33) Average balances

Average carrying amounts and average interest rates (where appropriate) are set out in the table below. The amounts are calculated by using a simple average of daily balances for trading instruments and monthly balances for other instruments. The average interest rates disclosed are the weighted average effective yields of interest-bearing financial instruments for the reporting period.

Average balances as at 31 December, 2007

(million HUF)

	2007		2006	
	Average carrying amount	Average interest rate (%)	Average carrying amount	Average interest rate (%)
Financial assets				
Cash and current accounts with central bank	72,137	5.75	61,219	5.20
Deposit with banks and subordinated loans	69,635	5.73	94,170	6.00
Financial assets at fair value through profit or loss	63,112	6.97	19,940	4.81
Loans and advances to customers	1,550,997	6.28	1,370,215	5.91
Financial investments	124,902	7.46	73,851	7.04
Financial liabilities				
Deposits from banks	559,698	3.93	562,812	2.97
Deposits from customers	1,032,858	4.67	822,487	3.83
Liabilities from issued securities	87,157	7.83	70,368	7.06
Subordinated deposits	36,340	4.66	36,066	3.52

(34) Fair value of financial assets and liabilities

The following tables comprise the book value and the fair value of those financial assets and liabilities, which are not presented at fair value in the balance sheet.

(million HUF)

2007	Exposed to cash flow risk		Exposed to fair value risk	
	Book value	Fair value	Book value	Fair value
Financial assets				
Deposits with banks	18,393	18,398	113,270	113,275
Loans and advances to customers	1,674,636	1,741,939	34,676	34,737
Financial investments – Held to maturity	-	-	5,145	5,618
Financial liabilities				
Deposits from banks	581,472	581,085	218,071	218,069
Deposits from customers	527,571	527,412	570,853	569,894
Liabilities from issued securities	45,785	45,754	33,980	33,862

2006	Exposed to cash flow risk		Exposed to fair value risk	
	Book value	Fair value	Book value	Fair value
Financial assets				
Deposits with banks	33,376	33,376	167,339	167,311
Loans and advances to customers	1,358,215	1,413,210	58,509	58,654
Financial investments – Held to maturity	-	-	5,379	5,925
Financial liabilities				
Deposits from banks	430,826	428,673	101,783	101,534
Deposits from customers	454,600	454,503	544,889	543,545
Liabilities from issued securities	65,253	65,726	26,385	25,740

The methods of the fair value calculations are detailed in the following paragraphs:
The estimated fair value of deposits with banks and loans and advances to customers are based on the discounted amount of the estimated future cash flows.
In case of financial investments – Held to maturity and liabilities from issued securities the fair values are measured with the actual market price or with the broker price quotations.
Deposits from banks and customers have been estimated using the method of discounted cash flow.

(35) Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalent comprises the following balances with less than three months maturity from the date of acquisition.

(million HUF)

	2007	2006
Cash and current account with central bank (Note 11)	60,832	60,563
Deposits with banks (Note 12)	128,159	191,318
Financial assets at fair value through profit or loss (Note 13)	4,586	157
Total	**193,577**	**252,038**

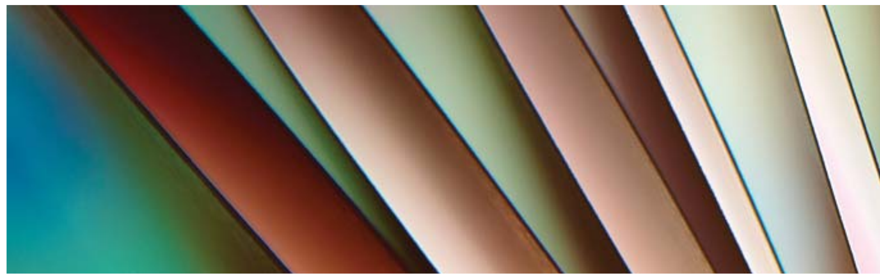
(36) Business combinations

On 14th June, 2007 the Group acquired 100% ownership in ERFI 2000 Ltd. The subsidiary provides property and maintenance services to the Group. The acquired company contributed operating loss of 8 million HUF for the period from 14 June to 31 December 2007.

The details of the fair value of the assets and liabilities acquired are as follows in million HUF:

Cash and cash equivalents	137
Tangible assets (building)	4,002
Other assets (receivables)	3
Other liabilities	(10)
Total purchase consideration paid	4,132
Cost of acquisition	4,132
Less: Cash and cash equivalents in subsidiary acquired	(137)
Cash outflow on acquisition	3,995

(37) Segment reports



The primary segment reporting format is determined to be business segments as the Bank's risks and rates of return are affected predominantly by differences in the products and services produced.

The following segments could be distinguish from each other:

Retail banking and corporate banking contain banking services, private customer current accounts, savings, deposits, investment savings products, customer loans and mortgages.

Treasury and Bank segment contains trading and treasury services.

Leasing contains the result from the leasing activity.

The other segment contains both the subsidiaries whose activities are not financial and public sector.

Business segments
2007

(million HUF)

	Retail banking	Corporate banking	Treasury/ Bank	Leasing	Other	Elimination	Total
External revenue	25,704	77,177	47,741	36,238	4,762	-	191,622
Revenue from other segment	8,440	(11,435)	11,697	(16,472)	7,770	-	
Total revenue	34,144	65,742	59,438	19,766	12,532	-	191,622
Segment result	**5,990**	**32,013**	**27,998**	**7,307**	**10,554**		**83,862**
Unallocated cost							(44,677)
Profit before tax							39,185
Income tax							(10,569)
Profit for the year							**28,616**
Segment assets	286,016	938,016	388,392	468,752	94,643	-	2,175,819
Unallocated assets							99,834
Total assets	-	-	-	-	-	-	2,275,653
Segment liabilities	471,618	593,842	952,442	8,174	41,633	-	2,067,709
Unallocated liabilities							51,376
Total liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**2,119,085**
Other segment information							
Capital expenditure	-	-	-	600	-	-	600
Depreciation	-	43	-	438	302	-	783
Impairment	2,885	4,488	-	4,837	(3)	-	12,177

2006 (Restated) (million HUF)

	Retail banking	Corporate banking	Treasury/ Bank	Leasing	Other	Elimination	Total
External revenue	16,414	67,943	40,509	32,186	3,177	-	160,229
Revenue from other segment	6,069	(10,224)	11,339	(11,766)	4,582	-	
Total revenue	22,483	57,719	51,848	20,420	7,759	-	160,229
Segment result	**2,451**	**31,091**	**30,014**	**6,336**	**7,347**	**-**	**77,239**
Unallocated cost							(39,342)
Profit before tax							37,897
Income tax							(12,544)
Profit for the year							**25,353**
Segment assets	213,799	804,144	309,911	393,860	58,228	-	1,779,942
Unallocated assets							94,495
Total assets	-	-	-	-	-	-	1,874,437
Segment liabilities	423,988	564,086	681,320	8,869	11,147	-	1,689,410
Unallocated liabilities							54,333
Total liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**1,743,743**
Other segment information							
Capital expenditure	-	-	-	632	-	-	632
Depreciation	-	29	-	419	205	-	653
Impairment	3,042	5,042	-	5,750	100	-	13,934

Secondary segment is reported geographically.
The areas are based on separated regions which are defined in accordance with the sales structure of the Bank.

Geographical segments

2007

(million HUF)

	Segment revenue	Segment assets	Capital expenditure
Region Budapest	131,251	1,413,493	600
Region South-East Hungary	12,373	150,935	-
Region South-West Hungary	9,164	134,258	-
Region North-East Hungary	17,994	215,884	-
Region North-West Hungary	13,899	161,020	-
Region Middle Hungary	3,023	35,897	-
European Union	2,838	41,684	-
Other country	1,080	22,648	-
Total segment	**191,622**	**2,175,819**	**600**
Unallocated items	-	99,834	
Total	**191,622**	**2,275,653**	

2006

	Segment revenue	Segment assets	Capital expenditure
Region Budapest	112,773	1,104,605	632
Region South-East Hungary	9,711	139,665	-
Region South-West Hungary	7,366	110,084	-
Region North-East Hungary	15,180	199,053	-
Region North-West Hungary	10,080	131,764	-
Region Middle Hungary	2,039	23,748	-
European Union	2,045	45,209	-
Other country	1,035	25,814	-
Total segment	**160,229**	**1,779,942**	**632**
Unallocated items	-	94,495	
Total	**160,229**	**1,874,437**	

(38) Events after the balance sheet date

On 1st January, 2008 the legal and system merge of Central European International Bank Ltd. and Inter-Európa Bank Company Ltd succesfully carried out. The name of the new bank is CIB Bank Ltd.

(39) Risk management

Risk is inherent in the Group's activities, but it is carefully managed through a process of ongoing identification, measurement and monitoring, subject to prudent risk limits and strong control. This process of risk management is critical to the Group's continuing profitability and each individual within the Group is accountable for the risk exposures relating to his or her responsibilities.

The most significant business risks to which the Group is exposed are credit, interest rate, liquidity and foreign exchange risks. It is also subject to operating risks.

The Board of Directors of Bank, within the rules established by the National Bank of Hungary, the Hungarian Financial Supervisory Authority and Intesa Sanpaolo SpA, sets risk management policies. The Management Committees of the Group implement the execution of these policies.

The Risk Management Unit is responsible for implementing and maintaining risk related procedures to ensure an independent control process. Bank Treasury is responsible for managing the Bank's assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Bank.

Risk management processes throughout the Bank are audited annually by the internal audit function that examines both the adequacy of the procedures and the Bank's compliance with the procedures. Internal audit discusses the results of all assessments with management.

The Group has established reporting systems, which permit monitoring of risk exposures. The risks are measured and quantified according to different methods, both statistical and non-statistical. Each method is based on different levels of uncertainty. The combination of methods makes it possible for the Group to assess the behaviour of its exposure in different risk scenarios in order to capture all the aspects of the risk. This reflects both the expected loss likely to arise in normal circumstances and unexpected loss, which is an estimate of the ultimate actual loss based on statistical models.

As part of its overall risk management, the Group uses derivatives and other instruments to manage exposures resulting from changes in interest rates, foreign currencies, equity risks, credit risks, and any exposures arising from forecast transactions. The Group actively uses collateral to reduce its credit risks.

(a) Credit risk

Credit risk is the risk that a customer or counter party will be unable or unwilling to meet a commitment that they have entered into with a member of the Group. It arises from lending, trade finance, treasury and other activities undertaken by Group companies. Credit risk on loans and receivables is managed by the Board of Directors through the Credit Committee and the Problem Asset Committee, which establish credit regulations including the approval process, discretionary credit limits, portfolio concentration guidelines, standards for the measurement of credit exposures, risk ratings of clients and assessments of management quality and financial performance. Each significant outstanding loan is reviewed at least monthly. Loans are classified based on a point rating system, which incorporates qualitative and quantitative factors.

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded in the balance sheet. Credit risk on trading instruments is managed by the Board of Directors through the Asset-Liability Committee.

The Group maintains strict control on open net positions, i.e. the difference between purchase and sale contracts, by both amount and term.

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographical location.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

The table below shows the maximum exposure to credit risk for the component of the balance sheet. The maximum exposure is shown gross, before the effect of mitigation through the use of master netting and collateral agreements.

(million HUF)

	2007	2006
Cash and balances with central bank	60,832	60,563
Deposit with banks and subordinated loans	131,791	205,141
Financial assets at fair value through profit and loss	66,419	9,057
Derivative financial instruments	36,199	37,377
Loans and advances to customers	1,752,996	1,456,900
Financial investments – Available for sale	162,643	71,162
Financial investments – Held to maturity	5,145	5,379
Other assets	103,440	69,197
Total	**2,319,465**	**1,909,397**
Contingent liabilities	143,380	147,918
Commitments	406,107	278,646

The fair values of derivatives shown on the balance sheet represent the current credit risk exposure but not the maximum risk exposure that could arise in the future as a result of the change in values.
The Group's financial assets for loan portfolio before taking into account any collateral held or other credit enhancement can be analysed by the following geographical regions:

(million HUF)

	2007	2006
Italy	312	313
America	475	496
Euro countries	1,733,036	1,442,562
Far East	124	48
Non-Euro countries	18,417	13,475
Other regions	633	5
Total	**1,752,996**	**1,456,900**

An industry sector analysis of the Group's financial assets, before taking into account collateral held or other credit enhancements in Note 14.
The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are implemented regarding the acceptability of types of collateral and valuation parameters.
The main types of collateral obtained are as follows:

- For securities lending and reverse repurchase transactions, cash or securities;
- For commercial lending, charges over real estate properties, inventory and trade receivables;
- For retail lending, mortgages over residential properties.

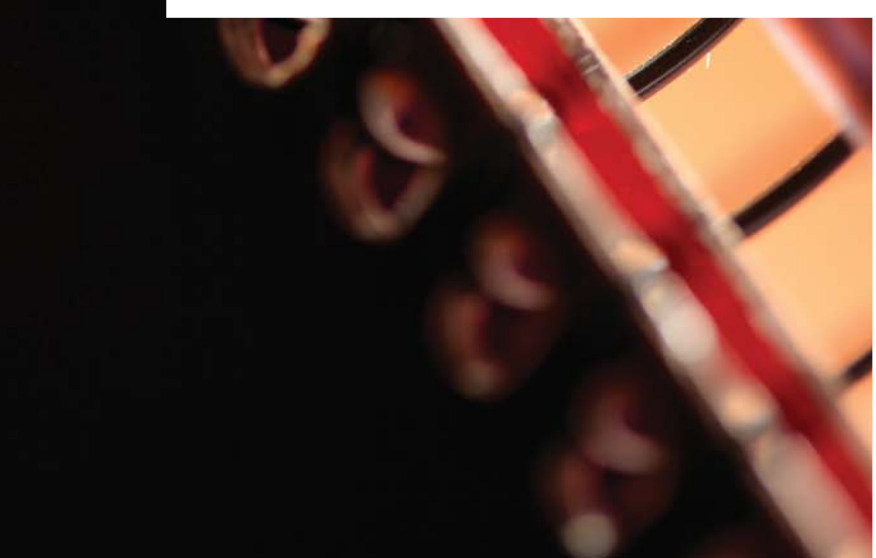
The Group also obtains guarantees from parent companies for loans to their subsidiaries. The Group monitors the market value of collateral, requests additional collateral in accordance with the underlying agreement and monitors the market value of collateral obtained during its review of the adequacy of the allowance for impairment losses.

The Credit quality of financial assets is managed by the Group using internal credit ratings. The table below shows the credit quality of the loan portfolio, based on the Group's credit rating system.

2007	**Problem free**	**Watch listed, not impaired**	**Watch listed, impaired**	**Substandard**	**Doubtful**	**Bad**
A	84,967	1	1,974	946	133	804
B	327,293	9,842	6,979	3,596	1,350	2,600
C	631,905	47,296	14,168	7,233	1,005	3,157
D	141,250	19,553	7,091	6,688	626	1,089
E	52,482	10,510	13,417	5,617	7,585	13,338
NR	27,224	684	810	381	18	156
Without rate	-	-	697	723	716	4,505
Retail	263,075	19,008	4,580	2,940	1,973	1,011
Total	1,528,196	106,894	49,716	28,124	13,406	26,660

2006	**Problem free**	**Watch listed, not impaired**	**Watch listed, impaired**	**Substandard**	**Doubtful**	**Bad**
A	93,716	146	2,413	521	113	620
B	208,248	3,470	7,952	3,241	608	1,848
C	505,341	32,661	15,019	12,289	1,488	2,591
D	129,322	30,936	8,020	6,489	388	836
E	31,143	32,927	4,974	4,279	6,905	13,624
NR	63,528	1,221	2,103	285	80	173
Without rate	-	-	609	812	808	3,187
Retail	200,609	14,211	1,292	2,104	1,500	2,250
Total	1,231,907	115,572	42,382	30,020	11,890	25,129

(A=Excellent, B=Stable, C=Acceptable, D=High risk, E=Insolvent, NR=defaulted)



It is the Group's policy to maintain accurate and consistent risk ratings across the credit portfolio. This facilitates focused management of the applicable risks and the comparison of credit exposures across all lines of business, geographic regions and products. The attributable risk ratings are assessed and updated regularly.

The table below shows the aging analysis of past due but not impaired loans by segment:

2007	Under 1 month	31 to 60 days	61 to 90 days	Over 91 days	Total
Large corporate loans	47,949	5,791	2,991	2,905	59,636
Mid corporate loans	3,575	666	245	1,301	5,787
Retail loans	18,755	5,279	2,414	4,612	31,060
Total	**70,279**	**11,736**	**5,650**	**8,818**	**96,483**

2006	Under 1 month	31 to 60 days	61 to 90 days	Over 91 days	Total
Large corporate loans	55,974	2,363	1,901	11,038	71,276
Mid corporate loans	3,162	385	519	1,154	5,220
Retail loans	10,180	2,993	1,378	2,951	17,502
Total	**69,316**	**5,741**	**3,798**	**15,143**	**93,998**

Of the total aggregate amount of gross past due but not impaired loans and advances to customers, the fair value of collateral that the Group held as at 31 December 2007 101,052 million HUF (2006: 81,005 million HUF).

The main consideration for the loan impairment assessment include whether any payments of principal or interest are overdue by more than 90 days or there are, any known difficulties in the cash flows of counterparties, credit ratings downgrades or infringement of the original terms of the contract. The Group addresses impairment into two areas: individually assessed allowances and collectively assessed allowances. For more details see Note 14.

The Group determines the individually assessed allowances appropriate for each individually significant loan and advance on an individual basis. Items considered when determining allowance amounts include the sustainability of the counterparty's business plan, its ability to improve performance once a financial difficulty has arisen, its expected dividend payout should bankruptcy ensue, its ability to recover outstanding amounts, the availability of other financial support and the realisable value of collateral.

Collectively assessed allowances are assessed for losses on loans and advances that are not individually significant and for individually significant loans and advances where there is not yet objective evidence of individual impairment. The collective assessment takes account of impairment that is likely to be present in the portfolio even though there is not yet objective evidence of the impairment in an individual assessment. Impairment losses are estimated by taking into consideration of the following information: historical losses on the portfolio, current economic conditions and the approximate delay between the time a loss is likely to have been incurred and the time it will be identified as requiring an individually assessed impairment allowance.

(b) Liquidity risk

Liquidity risk is the risk that the Group will be unable to meet its payment obligations when they fall due under normal and stress circumstances.

The Group's policy is to manage the structure of assets and liabilities and commitments to create opportunities to maximize income while ensuring that funds will be available to honour all cash outflow obligations as these become due. Expected cash flows and daily liquidity reports are provided to senior management to enable timely liquidity monitoring.

The liquidity ratio during the year was as follows:

(%)	2007	2006
31 December	12.77	8.75
Daily average during the period	14.62	10.10
Highest	20.17	14.96
Lowest	9.30	6.27

The maturity profile of the Group's financial liabilities at 31 December 2007 is presented in Note 31.

(c) Market risk - Trading

Market risk is the risk of loss due to fluctuations in market variables such as interest rates, foreign exchange rates and equity prices. The Group classifies exposures to market risk into either trading or non-trading portfolios. The market risk for the trading portfolio is managed and monitored on such methodology which reflects the interdependency between risk variables. Non-trading positions are managed and monitored using other sensitivity analyses. Expect for the concentrations within foreign currency, the Group has no significant concentration of market risk.

The market risk for the trading portfolio is managed and monitored based on a VaR methodology which reflects the interdependency between risk variables. VaR is a method used in measuring financial risk by estimating the potential negative change in the market value of a portfolio at a given confidence level and over a specified time horizon.

The Group uses simulation models to assess possible changes in the market value of the trading portfolio based on historical data from previous years. The VaR models are designed to measure market risk in a normal market environment. The models assume that any changes occurring in the risk factors affecting the normal market environment will follow a normal distribution.

The factors of the distribution are calculated by using exponentially weighted historical data. The use of VaR has limitation because it is based on historical correlation and volatilities in market prices and assumes that future price movements will follow a statistical distribution. Due to the fact that VaR relies heavily on historical data to provide information and may not clearly predict the future changes and modifications of the risk factors, the probability of large market moves may be underestimated if changes in risk factors fail to align with the normal distribution assumption. VaR may also be under – or over-estimated due to the assumptions placed on risk factors and the relationship between such factors for specific instruments. Even though positions may change throughout the day, the VaR only represents the risk of the portfolios at the close of each business day, and it does not account for any losses that may occur beyond the 99% confidence level.

Since VaR is an integral part of the Group's market risk management, VaR limits have been established for all trading operations and exposures are reviewed daily against the limits by management.

(million HUF)

2007	**Foreign exchange**	**Interest rate**	**Equity**	**Correlation Effect**	**Total**
31 December	43	117	13	(12)	161
Daily average during the period	25	62	34	(31)	90
Highest	89	184	110	-	287
Lowest	2	10	5	-	24

2006	**Foreign exchange**	**Interest rate**	**Equity**	**Correlation Effect**	**Total**
31 December	24	50	6	(7)	73
Daily average during the period	27	41	34	(35)	67
Highest	101	99	156	-	195
Lowest	3	10	-	-	18

(d) Market risk – Non-trading

Interest rate risk

Interest rate risk is measured by the extent to which changes in market interest rates impact on margins and net interest income. Gaps in the value of assets, liabilities and off-balance sheet instruments that mature or reprice during a given period generate interest rate risk. The Group reduces this risk by matching the repricing of assets and liabilities using pricing/ maturity techniques, including the use of derivative products. Interest rate risk is managed by the Board of Directors through the Asset-Liability Committee, which establishes position limits, and monitors such limits to restrict the effect of movements in interest rates on current earnings and on the value of interest sensitive assets and liabilities.

The following table demonstrates the sensitivity to a reasonable possible change in interest rates, with all other variables held constant, of the Group income statement.

The sensitivity of the income statement is the effect of the assumed changes in interest rates on the net interest income for one year, based on the floating rate non-trading financial assets and financial liabilities held at 31 December 2007. The sensitivity of equity is calculated by revaluing all non-trading financial assets, liabilities and derivatives at 31 December, 2007 for the effects of the assumed changes in interest rates. The Group uses for the sensitivity of equity calculations among others the modified duration method.

(million HUF)

2007	Increase in basis points	Sensitivity of net interest income	Sensitivity of equity				
			0 to 6 month	6 months to 1 year	1 year to 5 years	Over 5 years	Total
HUF	+ 75	878	(160)	(504)	(302)	(443)	(1,409)
EUR	+ 25	120	44	3	(10)	3	40
USD	+ 50	126	39	30	2	-	71
CHF	+ 25	(127)	23	(12)	(3)	-	8
Others	+ 25	19	-	1	-	-	1

2007	Decrease in basis points	Sensitivity of net interest income	Sensitivity of equity				
			0 to 6 month	6 months to 1 year	1 year to 5 years	Over 5 years	Total
HUF	- 75	(873)	160	504	302	443	1,409
EUR	- 25	(265)	(44)	(3)	10	(3)	(40)
USD	- 50	(235)	(39)	(30)	(2)	-	(71)
CHF	- 25	120	(23)	12	3	-	(8)
Others	- 25	(19)	-	(1)	-	-	(1)

(million HUF)

2006	Increase in basis points	Sensitivity of net interest income	Sensitivity of equity				
			0 to 6 month	6 months to 1 year	1 year to 5 years	Over 5 years	Total
HUF	+ 75	1,394	1	(300)	(129)	(91)	(519)
EUR	+ 25	173	24	-	6	20	50
USD	+ 50	75	(50)	(16)	6	1	(59)
CHF	+ 25	(18)	13	(17)	(6)	(1)	(11)
Others	+ 25	(4)	1	1	-	-	2

2006	Decrease in basis points	Sensitivity of net interest income	Sensitivity of equity				
			0 to 6 month	6 months to 1 year	1 year to 5 years	Over 5 years	Total
HUF	- 75	(1,394)	(1)	300	129	91	519
EUR	- 25	(173)	(24)	-	(6)	(20)	(50)
USD	- 50	(129)	50	16	(6)	(1)	59
CHF	- 25	18	(13)	17	6	1	11
Others	- 25	3	(1)	(1)	-	-	(2)

Foreign exchange risk

Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in currency rates.

The Group has assets and liabilities, both on and off-balance sheet, denominated in various foreign currencies. Foreign exchange risk arises when the actual or forecasted assets in a foreign currency are either greater or less than the liabilities in that currency.

Statutory limits do not permit the Bank to have gross open currency positions against the Forint exceeding 30% of its adjusted share capital at any time. It is the policy of the Group that Bank should only take currency positions within strictly defined limit rules.

The Board of Directors establishes and monitors specific regulations based on statutory and internal limits, and the strategy approved by the Board of Directors. Adherence to these limits, including intra-day limits, is monitored continuously.

The currency structure of the Group's assets, liabilities and equity as at 31 December, 2007 and 2006 is as follows (currency equivalents in million HUF):

2007	HUF	CHF	EUR	USD	Other	Total
Cash and current accounts with central bank	59,226	86	989	355	176	60,832
Deposits with banks	41,426	38,475	35,663	11,690	4,409	131,663
Financial assets at fair value through profit or loss	66,412	-	7	-	-	66,419
Derivative financial assets	36,199	-	-	-	-	36,199
Loans and advances to customers	454,781	816,535	415,046	20,406	2,544	1,709,312
Financial investments – Available for sale	134,576	27,863	204	-	-	162,643
Financial investments – Held to maturity	4,903	-	-	242	-	5,145
Non-current assets held for sale	194	-	-	-	-	194
Inventory	29,872	-	-	-	-	29,872
Deferred tax assets	1,126	-	-	-	-	1,126
Other assets	19,548	2,158	1,194	2,106	101	25,107
Intangible assets	10,268	-	-	-	-	10,268
Property, plant and equipment	36,873	-	-	-	-	36,873
Total assets	**895,404**	**885,117**	**453,103**	**34,799**	**7,230**	**2,275,653**

2007	HUF	CHF	EUR	USD	Other	Total
Deposits from banks	68,704	199,616	499,589	30,062	1,572	799,543
Derivative financial liabilities	33,023	-	-	-	-	33,023
Deposits from customers	740,868	16,106	231,215	102,122	8,113	1,098,424
Liabilities from issued securities	79,765	-	-	-	-	79,765
Deferred tax liabilities	4,008	-	-	-	-	4,008
Other liabilities	35,655	1,429	12,571	7,409	1,310	58,374
Provisions	4,415	-	-	-	-	4,415
Subordinated deposits	-	-	41,533	-	-	41,533
Total liabilities	**966,438**	**217,151**	**784,908**	**139,593**	**10,995**	**2,119,085**
Share capital	40,500	-	-	-	-	40,500
Reserves	39,318	7	-	-	-	39,325
Retained earnings	76,743	-	-	-	-	76,743
Total equity	**156,561**	**7**	**-**	**-**	**-**	**156,568**
Total liabilities and equity	**1,122,999**	**217,158**	**784,908**	**139,593**	**10,995**	**2,275,653**
Net on- balance sheet position	**(227,595)**	**667,959**	**(331,805)**	**(104,794)**	**(3,765)**	**-**
FX position of derivatives	**173,570**	**(625,794)**	**342,224**	**107,855**	**3,615**	
Off-balance	*385,049*	*7,167*	*115,503*	*36,085*	*3,352*	*547,156*

2006	HUF	CHF	EUR	USD	Other	Total
Total assets	900,622	555,343	372,410	41,896	4,166	1,874,437
Total liabilities	849,659	158,146	526,591	201,787	7,560	1,743,743
Net on- balance sheet position	**(79,731)**	**397,197**	**(154,181)**	**(159,891)**	**(3,394)**	**-**
FX position of derivatives	**143,824**	**(427,424)**	**133,270**	**159,668**	**4,687**	
Off-balance	*333,642*	*4,906*	*76,538*	*8,113*	*491*	*423,690*

The following tables below indicate the extent to which the Group was exposed to currency risk at 31 December 2007 on its non-trading monetary assets and liabilities, and forecast cash flows. The analysis is performed for a reasonable possible movement of the currency rate against the Hungarian Forint with all other variable held constant on the income statement and equity. A negative amount in the table reflects a potential net reduction in income statement and equity, while a positive amount reflects a net potential increase. The sensitivity analysis does not take account of actions by the Group that might be taken to mitigate the effect of such changes.

(million HUF)

2007	**Increase in currency rate in %**	**Effect on profit before tax**	**Effect on equity**
EUR	3	262	0.22
USD	2	57	5
CHF	3	212	789
Others	2	3	-

2007	**Decrease in currency rate in %**	**Effect on profit before tax**	**Effect on equity**
EUR	- 3	(262)	(0.22)
USD	- 2	(57)	(5)
CHF	- 3	(212)	(789)
Others	- 2	(3)	-

2006	**Increase in currency rate in %**	**Effect on profit before tax**	**Effect on equity**
EUR	3	252	-
USD	2	74	7
CHF	3	180	-
Others	2	3	-

2006	**Decrease in currency rate in %**	**Effect on profit before tax**	**Effect on equity**
EUR	- 3	(252)	-
USD	- 2	(74)	(7)
CHF	- 3	(180)	-
Others	- 2	(3)	-

Fair value hedges are used by the Group to protect it against changes in the fair value of financial assets and financial liabilities due to movements in exchange rates and interest rates.
For the year ended 31 December 2007, the Group recognised a net gain of 197 million, representing the total gain on the hedging instruments. The total loss on hedged items attributable to the hedged risk amounted to (223) million.

Equity price risk

Equity price risk is the risk that the fair value of equities decreases as the result of changes in the levels of equity indices and the value of individual stocks. The non-trading equity price risk exposure arises from the Group's investment portfolio.
The effect on equity as a result of a change in the fair value of equity instruments held as available-for-sale at 31 December 2007 due to a +/- 10 % changes in the S&P 500 index is +/- 25 million HUF.

Prepayment risk

Prepayment risk is the risk that the Bank will incur a financial loss because its customers and counterparties repay or request repayment earlier or later than expected, such as fixes rate mortgages when interest rates fall.

(e) Operational risk

Operational risk is the risk of loss arising from system failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or lead to financial loss. The Group cannot expect to eliminate all operational risks, but by monitoring and responding to potential risks, the Group is able to manage the risks. Controls include effective segregation of duties, access, authorization and reconciliation procedures, staff education and assessment processes, including the use of internal audit.

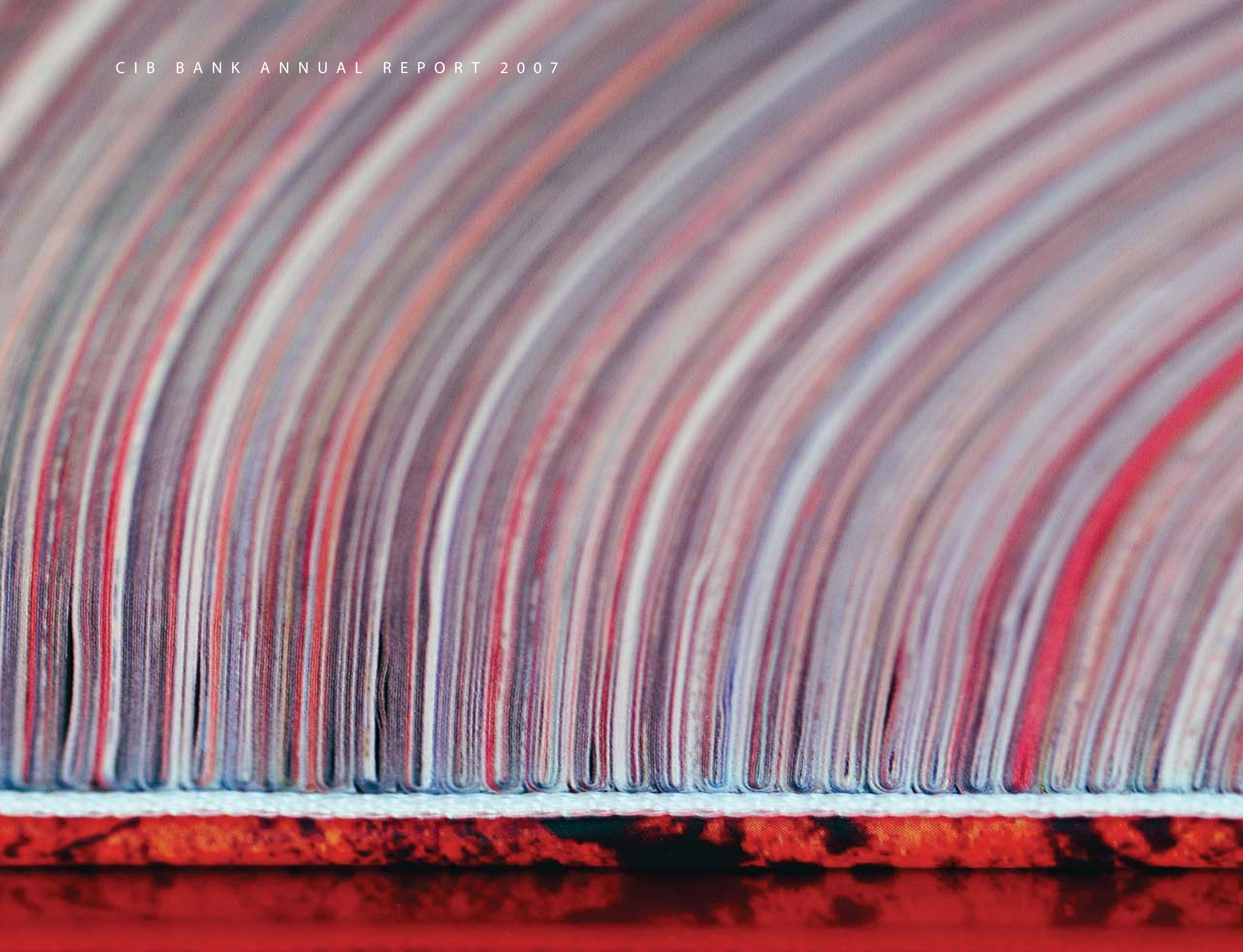
(40) Capital and capital management

The Bank maintains an actively managed capital base to cover risks inherent in the business. The adequacy of the Bank's capital is monitored using, among other measures, the rules and ratios. During the past year, the Bank had complied in full with all its externally imposed capital requirements.
The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.
The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or return capital to shareholders.
No changes were made in the objectives, policies or processes during the years end 31 December 2007 and 31 December 2006.

The Group monitors capital using a ROE (return on equity) ratio.

(%)

	2007	**2006**
Return on equity ratio	21.90	23.37



Non-audited Financial Statements in EUR

(thousand EUR)

Assets	2006	2007
Cash and current accounts with central bank	240,110	240,046
Deposits with banks	519,690	795,541
Financial assets at fair value through profit or loss	262,163	35,898
Derivative financial assets	142,881	148,036
Loans and advances to customers	6,746,838	5,615,235
Financial investments – Available for sale	641,968	282,050
Financial investments – Held to maturity	20,308	21,321
Non-current assets held for sale	766	1,381
Inventory	117,908	54,493
Deferred tax assets	4,444	3,105
Other assets	99,102	62,030
Subordinated loans	-	17,006
Intangible assets	40,530	24,006
Property, plant and equipment	145,540	129,250
Total assets	**8,982,249**	**7,429,398**

(thousand EUR)

	2007	2006 (restated)
Interest income	493,999	392,725
Interest expense	(314,575)	(216,912)
Net interest income	**179,425**	**175,813**
Fee and commission income	138,564	117,260
Fee and commission expense	(28,335)	(23,413)
Net fee and commission income	**110,229**	**93,847**
Other operating income	124,296	125,738
Provisions	(53,814)	(55,229)
Operating expenses	(204,964)	(200,086)
Operating profit	**155,172**	**140,083**
Share of loss of associate	(502)	(649)
Profit before tax	**154,671**	**139,434**
Income tax expense	(41,719)	(38,948)
Net profit for the year (before appropriations)	**112,952**	**100,486**

** The datas of 2006 were restated and reclassified in accordance with the requirements of the IFRS.*

Liabilities and Shareholders' Equity	2007	2006
Deposits from banks	3,155,884	2,111,015
Derivative financial liabilities	130,346	92,304
Deposits from customers	4,335,598	3,961,510
Liabilities from issued securities	314,841	363,210
Deferred tax liabilities	15,819	12,779
Other liabilities	230,407	224,848
Provisions for commitments	17,428	10,173
Subordinated deposits	163,937	135,550
Total liabilities	**8,364,259**	**6,911,389**
Shareholders' equity		
Share capital	159,858	137,733
Reserves	155,217	133,079
Retained earnings	302,915	247,197
Total shareholders' equity	**617,990**	**518,009**
Total liabilities and shareholders' equity	**8,982,249**	**7,429,398**

The EUR amounts above are translated at the HUF/EUR exchange rate of the National Bank of Hungary as at 31 December each year (2007: 253,35; 2006: 252,3), are unaudited and are provided for convenience only.

Main Organisational Units of CIB Bank

Chief Executive Officer	(36-1) 423-2697
Internal Audit	(36-1) 423-1936
Compliance	(36-1) 457-6800

Corporate Division

Corporate Credit of Budapest and Investment Bank	(36-1) 423-2843
Project Finance, Syndication and Municipal Relations	(36-1) 423-2819
Trade Finance and Faktor	(36-1) 423-2457
	(36-1) 437-0610
Documentary Transactions	(36-1) 423-1292
Corporate Business Development	(36-1)423-2535
Small and medium Enterprises	(36-1) 423-2535

Treasury, Securities and Wealth Management Division

Treasury	(36-1) 457-6800
Banking Relations	(36-1) 423-2645
Investment Services	(36-1) 802-3194
IE Investment Fund Management	(36-1) 802-3211
CIB Investment Fund Management	(36-1) 423-1000

Retail Division

Retail Stategy	(36-1) 457-6800
Retail Marketing	(36-1) 423-1414
Micro Enterprises and Retail Credit Support	(36-1) 423-1414

Sales Division

Sales Controlling and Quality Management	(36-1) 457-6800
Network Management	(36-1) 423-1497
Private Banking	(36-1) 423-2111
Telephone Banking	(36-1) 399-8877
Alternative Sales	(36-1) 423-1558
Buda Region	(36-1) 423-1328
Pest Region	(36-1) 423-1349
Central Hungarian Region	(36-1) 423-2314
North-West Hungarian Region	(36-94) 513-480
South-West Hungarian Region	(36-72) 512-070
North-East Hungarian Region	(36-52) 503-933
South-East Hungarian Region	(36-62) 553-311

Finance, Risk and Operations Division

Controlling and Central Purchasing	(36-1) 457-6800
Accounting and Reporting	(36-1) 423-2012
Corporate Credit Risk Management	(36-1) 423-2758
Portfolio Credit Risk Management	(36-1) 457-6800
Market and Operational Risk Management	(36-1) 423- 2797
Work-out	(36-1) 423-2921
Operations	(36-1) 423-1773

IT Division

Information Technology Development	(36-1) 423-3240
Project Management Office	(36-1) 457-6800
Information Technology Operation	(36-1) 457-6800
Organisation and IT Control	(36-1) 423-2271

Corporate Communication and Governance Division

Secretariat	(36-1) 457-6800
Legal Services	(36-1) 423-2774
Communication and Marketing	(36-1) 423-1752
Strategical Purchasing and Controlling	(36-1) 457-6800
Operation Services	(36-1) 423-1598
Bank Security	(36-1) 423-1915

Human Resources Management Division

People Management and Training	(36-1) 423-2782
Payroll and Welfare	(36-1) 423-2648
HR Compensation and Quality Management	(36-1) 423-2782

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(36-1) 423-1000

Petrezselyem Street Headquarters
H-1024 Budapest, Petrezselyem u. 2–8. (36-1) 457-6800
(36-1) 423-1000

Szabadság Street Headquarters
H-1054 Budapest, Szabadság tér 15. (36-1) 373-6000

Medve Street II. Headquarters
H-1027 Budapest, Medve u. 25–29. (36-1) 423-1013

CIB24
non-stop call centre 40/242-242
from abroad (36-1) 399-8877

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Telefax: (36-1)489-6598

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H-1024 Budapest, Petrezselyem u. 2–8. (36-1) 423-2314
Telefax: (36-1) 489-6794

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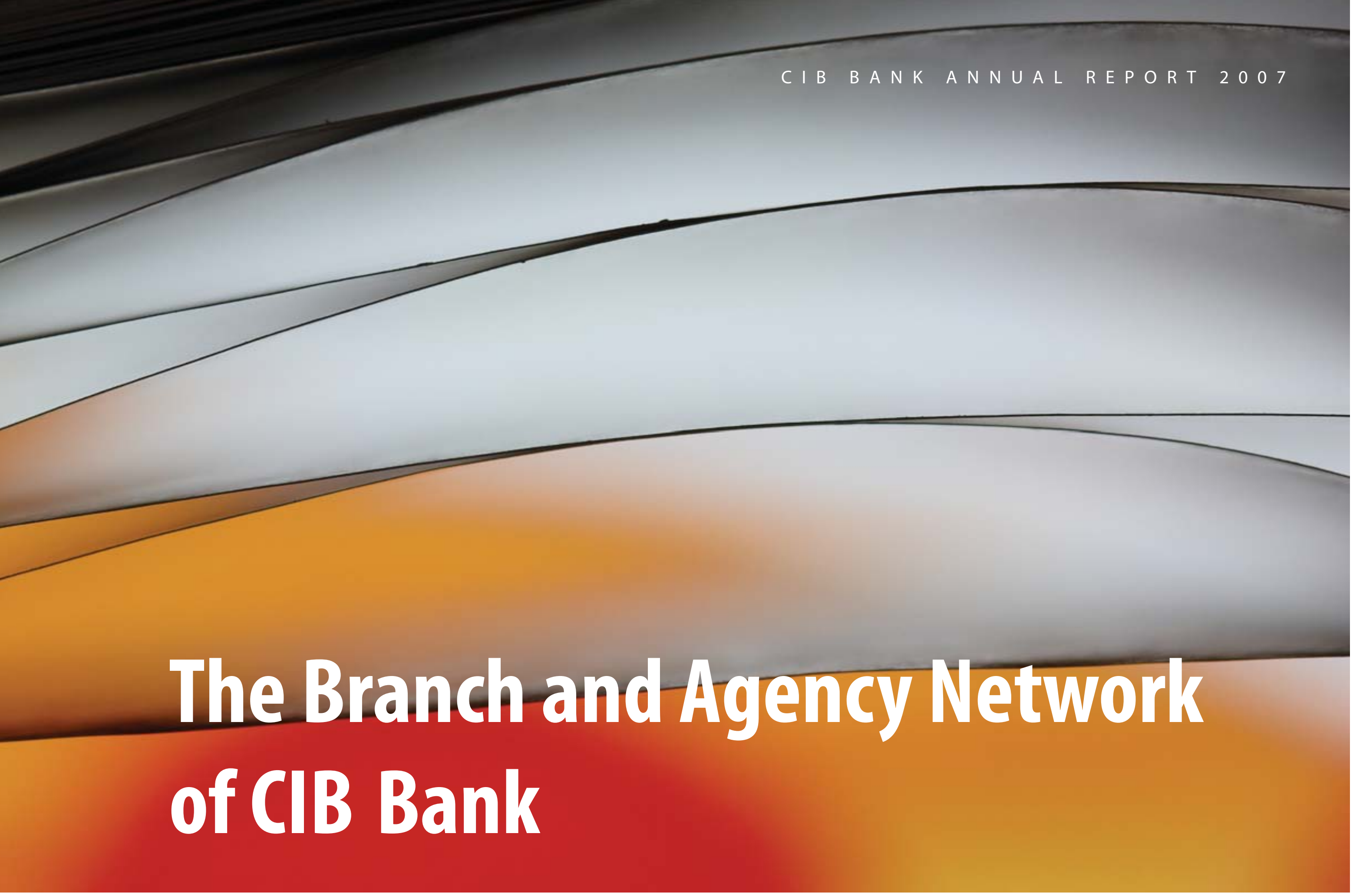
H-9700 Szombathely, Hefele Menyhért u. 2. (36-94) 513-480
Telefax: (36-94) 513-489

South-West Hungarian Region
H-7621 Pécs, Ferencesek utcája 11. (36-72) 512-972
Telefax: (36-72) 213-563

North-East Hungarian Region
H-4025 Debrecen, Piac u. 32. (36-52) 503-933
Telefax: (36-52) 503-931

South-East Hungarian Region
H-6720 Szeged, Kígyó u. 4. (36-62) 553-311
Telefax: (36-62) 554-949



The Branch and Agency Network of CIB Bank

Budapest branches

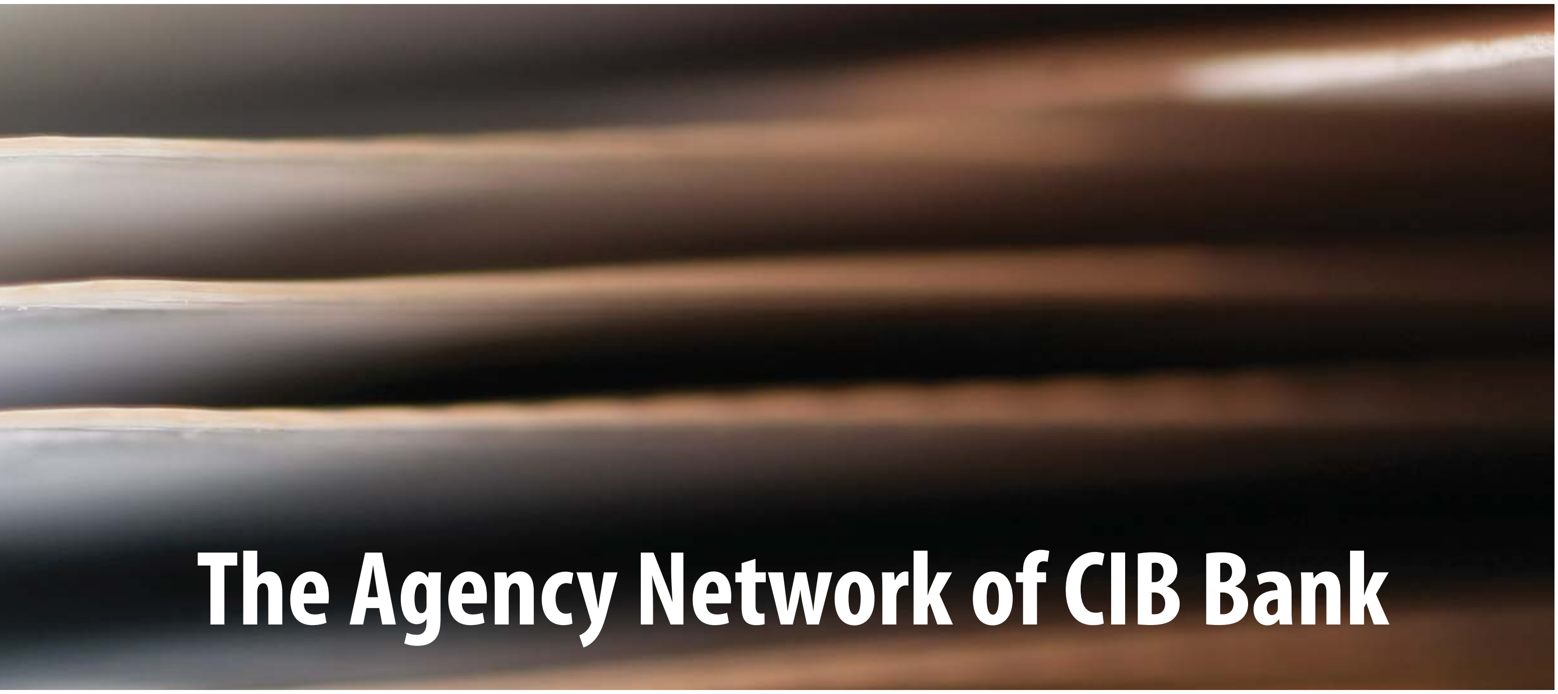
Branch name	Address	E-mail	Telephone	Telefax
Andrássy 19. branch	H-1061 Budapest, Andrássy út 19.	andrassy19@cib.hu	(36-1) 343-1337	(36-1) 343-0226
Andrássy street branch	H-1062 Budapest, Andrássy út 70.	andrassy@cib.hu	(36-1) 374-8200	(36-1) 374-8685
Aréna Corner branch	H-1087 Budapest, Hungária krt. 40-44.	arena@cib.hu	(36-1) 505-0740	(36-1) 505-0749
Árpád House branch	H-1042 Budapest, Árpád út 112.	arpadulethaz@cib.hu	(36-1) 272-2470	(36-1) 272-2479
Baross square branch	H-1077 Budapest, Baross tér 17.	barosster@cib.hu	(36-1) 461-2090	(36-1) 461-2099
Bartók Béla street branch	H-1111 Budapest, Bartók Béla út 10-12.	bartokbelaut@cib.hu	(36-1) 209-4990	(36-1) 209-4449
Bécsi street branch	H-1036 Budapest, Bécsi út 154.	becsiut@cib.hu	(36-1) 436-9680	(36-1) 436-9689
Békásmegyer branch	H-1039 Budapest, Heltai Jenő tér 1-3.	bekasmegyer@cib.hu	(36-1) 454-7710	(36-1) 454-7719
Béke square branch	H-1135 Budapest, Lehel út 70-72.	beke@cib.hu	(36-1) 505-9560	(36-1) 505-9569
Belváros branch	H-1052 Budapest, Petőfi S. u. 9.	pilvax@cib.hu	(36-1) 485-5090	(36-1) 485-5096
Boráros square branch	H-1095 Budapest, Soroksári út 16.	boraroster@cib.hu	(36-1) 505-6700	(36-1) 505-6709
Böszörményi street branch	H-1126 Budapest, Böszörményi út 20-22.	böszörmenyiut@cib.hu	(36-1) 224-7700	(36-1) 202-3733
Budafok branch	H-1221 Budapest, Kossuth Lajos u. 5.	budafok@cib.hu	(36-1) 464-3750	(36-1) 464-3759
Campona branch	H-1221 Budapest, Nagytétényi út 37-43.	campona@cib.hu	(36-1) 424-0940	(36-1) 424-0948
Csepel branch	H-1211 Budapest, Kossuth L. u. 82.	csepel@cib.hu	(36-1) 278-5200	(36-1) 278-5209
Csillaghegy branch	H-1039 Budapest, Mátyás kir. u. 24.	csillaghegy@cib.hu	(36-1) 436-0890	(36-1) 436-0899
Duna street branch	H-1056 Budapest, Duna u. 3.	dunautca@cib.hu	(36-1) 411-2430	(36-1) 266-5750
Fehérvári street branch	H-1116 Budapest, Fehérvári út 130.	fehervariut@cib.hu	(36-1) 382-0670	(36-1) 382-0680
Fényes Elek branch	H-1024 Budapest, Petrezselyem u. 2-8.	fenyeselekfiok@cib.hu	(36-1) 423-1100	(36-1) 423-1109
Ferenc boulevard branch	H-1094 Budapest, Ferenc krt. 15.	ferenckorut@cib.hu	(36-1) 299-1020	(36-1) 210-0035
Flórián square branch	H-1033 Budapest, Flórián tér 6-9.	florian@cib.hu	(36-1) 453-5000	(36-1) 453-5009
Gazdagrét branch	H-1118 Budapest, Rétköz u. 7.	gazdagret@cib.hu	(36-1) 248-2830	(36-1) 248-2839
Hilton branch	H-1014 Budapest, Hess András tér 1-3.	hilton@cib.hu	(36-1) 489-5900	(36-1) 489-5909
Hűvösvölgy branch	H-1021 Budapest, Hűvösvölgyi út 138.	huvosvolgy@cib.hu	(36-1) 391-0630	(36-1) 391-0639

Branch name	Address	E-mail	Telephone	Telefax
József boulevard branch	H-1085 Budapest, József krt. 59-61.	jozsefkrt@cib.hu	(36-1) 485-5080	(36-1) 485-5089
Kálvin square branch	H-1053 Budapest, Kálvin tér 4.	kalvinter@cib.hu	(36-1) 411-2650	(36-1) 411-2659
Károly boulevard branch	H-1075 Budapest, Károly krt. 3/b.	karolykrt@cib.hu	(36-1) 479-7050	(36-1) 479-7059
Kékgolyó street branch	H-1122 Budapest, Kékgolyó u. 1.	kekgolyo@cib.hu	(36-1) 489-4280	(36-1) 489-4289
Kerepesi street branch	H-1144 Budapest, Kerepesi út 146.	kerepesiut@cib.hu	(36-1) 470-4060	(36-1) 470-4069
Kőbánya branch	H-1102 Budapest, Kőrösi Csoma S. út 2-4.	kobanyai@cib.hu	(36-1) 433-1830	(36-1) 433-1839
Lízing branch	H-1138 Budapest, Váci út 140.	lizingpenztar@cib.hu	(36-1) 485-9423	(36-1) 485-9908
Lövőház street branch	H-1024 Budapest, Lövőház u. 7-9.	lovohaz@cib.hu	(36-1) 336-2250	(36-1) 336-2259
Lurdy - House branch	H-1097 Budapest, Könyves K. krt. 12-14.	lurdy@cib.hu	(36-1) 323-2270	(36-1) 323-2279
Mátyásföld branch	H-1165 Budapest, Veres Péter út 105-107.	matyasföld2@cib.hu	(36-1) 401-8000	(36-1) 407-0284
Medve street branch	H-1027 Budapest, Medve u. 4-14.	medvefiok@cib.hu	(36-1) 212-1330	(36-1) 212-4200
MOM Park branch	H-1123 Budapest, Alkotás út 53.	mompark@cib.hu	(36-1) 225-2620	(36-1) 225-2629
Népfürdő street branch	H-1138 Budapest, Népfürdo utca 5.	nepfurdoutca@cib.hu	(36-1) 237-1460	(36-1) 270-3340
Nyugati square branch	H-1139 Budapest, Váci út 6.	nyugatiter@cib.hu	(36-1) 237-8000	(36-1) 237-8009
Oktogon branch	H-1064 Budapest, Teréz krt. 21.	oktogon@cib.hu	(36-1) 354-2420	(36-1) 354-2429
Örs vezér square branch	H-1148 Budapest, Örs vezér tér 24.	ors@cib.hu	(36-1) 422-3860	(36-1) 422-3869
Pasarét branch	H-1026 Budapest, Pasaréti út 96.	pasaret@cib.hu	(36-1) 391-4670	(36-1) 275-1123
Pesterzsébet branch	H-1203 Budapest, Kossuth L. u. 21-29.	erzsebet@cib.hu	(36-1) 289-5060	(36-1) 289-5069
Pestszentlőrinc branch	H-1181 Budapest, Üllői út 431.	lorinc@cib.hu	(36-1) 297-1290	(36-1) 297-1299
Pestszentlőrinc II. branch	H-1184 Budapest, Üllői út 366.	pestszentlorinc2@cib.hu	(36-1) 290-6843	(36-1) 290-5156
Pók street branch	H-1031 Budapest, Vízimolnár u. 2-4.	pokstreetfiok@cib.hu	(36-1) 240-5298	(36-1) 240-5297
Pólus branch	H-1152 Budapest, Szentmihályi út 137.	polus@cib.hu	(36-1) 505-0670	(36-1) 505-0679
Rákóczi square branch	H-1084 Budapest, József krt. 34.	rakocziter@cib.hu	(36-1) 802-1320	(36-1) 802-1329
Rákoskeresztúr branch	H-1173 Budapest, Pesti út 170.	kereszturf@cib.hu	(36-1) 254-0240	(36-1) 254-0249
Récsei Center branch	H-1146 Budapest, Istvánmezei út 6.	recsei@cib.hu	(36-1) 422-4250	(36-1) 422-4259
Rózsakert branch	H-1026 Budapest, Gábor Áron u. 74-78.	rozsakert@cib.hu	(36-1) 392-0640	(36-1) 392-0649
Soroksár branch	H-1238 Budapest, Hősök tere 9.	soroksar@cib.hu	(36-1) 421-4560	(36-1) 421-4569
Szabadság square branch	H-1054 Budapest, Szabadság tér 15	szabadsagter@cib.hu	(36-1) 373-6000	(36-1) 269-2526
Szt. István boulevard branch	H-1055 Budapest, Szent István krt.15.	sztistvankrt@cib.hu	(36-1) 474-9040	(36-1) 474-9049
Tétényi street branch	H-1117 Budapest, Tétényi út 63.	tetenyiut@cib.hu	(36-1) 382-7070	(36-1) 382-7079
Új Buda Center branch	H-1117 Budapest, Hengermalom út 19-21	ujbudacenter@cib.hu	(36-1) 464-7250	(36-1) 464-7259
Újpalota branch	H-1156 Budapest, Páskomliget u. 6.	ujpalota@cib.hu	(36-1) 414-7020	(36-1) 414-7029
Újpest branch	H-1043 Budapest, István u. 8.	ujpest@cib.hu	(36-1) 231-6050	(36-1) 379-0670
Váci street branch	H-1138 Budapest, Váci út 141.	vaciut@cib.hu	(36-1) 450-2570	(36-1) 450-2579
Vörösvári street branch	H-1037 Budapest, Vörösvári út 107.	vorosvariut@cib.hu	(36-1) 240-6870	(36-1) 240-6898
Westend Hitelpont	H-1062 Budapest, Váci út 1-3.	west@cib.hu	(36-1) 505-0770	(36-1) 505-0779
Zöldfa branch	H-1013 Budapest, Krisztina tér 10.	zoldfa@cib.hu	(36-1) 224-7160	(36-1) 224-7169
Zugló branch	H-1148 Budapest, Nagy L. király útja 56/a.	zuglo@cib.hu	(36-1) 221-9779	(36-1) 222-3325

Countryside branches

Branch name	Address	E-mail	Telephone	Telefax
Ajka branch	H-8400 Ajka, Szabadság tér 4) a.	ajka@cib.hu	(36-88) 510-030	(36-88) 510-039
Baja branch	H-6500 Baja, Déri Frigyes sétány 1-3.	baja@cib.hu	(36-79) 523-130	(36-79) 523-139
Békéscsaba branch	H-5600 Békéscsaba, Andrássy út 2.	bcsaba@cib.hu	(36-66) 520-220	(36-66) 520-228
Békéscsaba II. branch	H-5600 Békéscsaba, Bartók Béla út 19.	bekescsaba2@cib.hu	(36-66) 453-555	(36-66) 453-316
Budakesz branch	H-2092 Budakeszi, Fő u. 174.	budakeszi@cib.hu	(36-23) 458-110	(36-23) 458-119
Budaörs branch	H-2040 Budaörs, Szabadság út 93.	budaörs@cib.hu	(36-23) 427-540	(36-23) 414-271
Cegléd branch	H-2700 Cegléd, Szabadság tér 8.	cegled@cib.hu	(36-53) 505-400	(36-53) 505-409
Debrecen central branch	H-4025 Debrecen, Csapó u. 6.	debr.csapo@cib.hu	(36-52) 801-140	(36-52) 801-149
Debrecen II. branch	H-4024 Debrecen, Piac u. 32.	debr.piac32@cib.hu	(36-52) 347-558	(36-52) 531-218
Debrecen III. branch	H-4025 Debrecen, Piac u. 43.	debr.piac43@cib.hu	(36-52) 503-580	(36-52) 322-516
Debrecen IV. branch	H-4025 Debrecen, Simonffy u. 2) a.	debrecen@cib.hu	(36-52) 500-520	(36-52) 500-529
Dunakeszi branch	H-2120 Dunakeszi, Casalgrande tér 4.	dunakeszi@cib.hu	(36-27) 542-720	(36-27) 542-729
Dunaújváros branch	H-2400 Dunaújváros, Dózsa Gy. u. 2.	dunaujv@cib.hu	(36-25) 510-210	(36-25) 510-219
Eger Agria Pláza branch	H-3300 Eger, Törvényház út 4.	egeragria@cib.hu	(36-36) 801-470	(36-36) 801-479
Eger branch	H-3300 Eger, Érsek u. 1.	eger@cib.hu	(36-36) 510-560	(36-36) 510-569
Érd branch	H-2030 Érd, Budai út 22.	erd@cib.hu	(36-23) 521-200	(36-23) 521-209
Esztergom branch	H-2500 Esztergom, Széchenyi tér 24.	esztergom@cib.hu	(36-33) 510-010	(36-33) 510-019
Gödöllő branch	H-2100 Gödöllő, Kossuth Lajos u. 3.	godollo2@cib.hu	(36-28) 526-660	(36-28) 414-182
Gödöllő II. branch	H-2100 Gödöllő, Szabadság tér 16-17.	godollo@cib.hu	(36-28) 520-520	(36-28) 520-529
Gyöngyös branch	H-3200 Gyöngyös, Szent Bertalan u. 1.	gyongyos@cib.hu	(36-37) 505-010	(36-37) 505-019
Győr central branch	H-9022 Győr, Czuczor Gergely u. 26.	gyor@cib.hu	(36-96) 511-240	(36-96) 511-249
Győr II. branch	H-9022 Győr, Czuczor Gergely. u. 13.	gyor3@cib.hu	(36-96) 320-879	(36-96) 314-786
Győr III. branch	H-9021 Győr, Aradi vértanúk útja 10.	gyor@cib.hu	(36-96) 511-500	(36-96) 316-996
Gyula branch	H-5700 Gyula, Kossuth tér 27-33	gyula@cib.hu	(36-66) 562-380	(36-66) 562-389
Hajdúböszörmény branch	H-4220 Hajdúböszörmény, Petőfi S. u. 2.	hajduboszormeny@cib.hu	(36-52) 560-340	(36-52) 560-349
Hódmezővásárhely branch	H-6800 Hódmezővásárhely, Deák F.u. 15.	hmvhely@cib.hu	(36-62) 535-260	(36-62) 535-269
Kaposvár branch	H-7400 Kaposvár, Ady Endre u. 10.	kaposvar2@cib.hu	(36-82) 427-953	(36-82) 316-352
Kaposvár II. branch	H-7400 Kaposvár, Fő u. 13.	kaposvar@cib.hu	(36-82) 529-090	(36-82) 529-099
Kazincbarcika branch	H-3700 Kazincbarcika, Egressy Béni út 1) c	kazincbarcika@cib.hu	(36-48) 801-900	(36-48) 801-909
Kecskemét branch	H-6000 Kecskemét, Rákóczi u. 14.	kecskemet2@cib.hu	(36-76) 496-178	(36-76) 496-181
Kecskemét II. branch	H-6000 Kecskemét, Csányi u. 1-3.	kecskem@cib.hu	(36-76) 500-470	(36-76) 503-190
Keszthely branch	H-8360 Keszthely, Kossuth Lajos u. 35.	keszthely@cib.hu	(36-83) 515-560	(36-83) 515-569
Kiskunfélegyháza branch	H-6100 Kiskunfélegyháza, Kossuth u. 4.	kiskunf@cib.hu	(36-76) 561-500	(36-76) 561-509
Kiskunhalas branch	H-6400 Kiskunhalas, Köztársaság u. 10.	kiskunhalas@cib.hu	(36-77) 522-620	(36-77) 522-629
Mátészalka branch	H-4700 Mátészalka, Kazinczy u. 2.	mateszalka@cib.hu	(36-44) 500-730	(36-44) 500-749
Miskolc central branch	H-3525 Miskolc, Corvin u. 2.	miskolc2@cib.hu	(36-46) 502-760	(36-46) 502-769
Miskolc branch	H-3525 Miskolc, Déryné u. 11.	miskolc@cib.hu	(36-46) 412-399	(36-46) 412-443
Monor branch	H-2200 Monor, Kossuth Lajos u. 88.	monor@cib.hu	(36-29) 610-680	(36-29) 610-689
Mosonmagyaróvár branch	H-9200 Mosonmagyaróvár, Magyar u. 22.	mosonmagyarovar@cib.hu	(36-96) 577-290	(36-96) 577-299
Nagykanizsa branch	H-8800 Nagykanizsa, Király u. 53.	kanizsa@cib.hu	(36-93) 537-280	(36-93) 537-289
Nyíregyháza branch	H-4400 Nyíregyháza, Mártírok tere 9.	nyiregyhaza2@cib.hu	(36-42) 314-450	(36-42) 313-118
Nyíregyháza II: branch	H-4400 Nyíregyháza, Hősök tere 7.	nyehaza@cib.hu	(36-42) 422-000	(36-42) 311-741
Orosháza branch	H-5900 Orosháza, Széchenyi tér 1.	oroshaza@cib.hu	(36-68) 510-240	(36-68) 510-249

Branch name	Address	E-mail	Telephone	Telefax
Ózd branch	H-3600 Ózd, Vasvár út 48.	ozdifiok@cib.hu	(36-48) 570-450	(36-48) 570-459
Paks branch	H-7030 Paks, Dózsa György út 35.	paks@cib.hu	(36-75) 519-500	(36-75) 519-509
Pápa branch	H-8500 Pápa, Fő tér 24.	papa@cib.hu	(36-89) 511-800	(36-89) 511-809
Pécs central branch	H-7621 Pécs, Irgalmasok u. 3) 1	pecs2@cib.hu	(36-72) 518-010	(36-72) 518-019
Pécs II. branch	H-7621 Pécs, Ferencesek utcája 17.	pecs3@cib.hu	(36-72) 215-344	(36-72) 215-038
Pécs III. branch	H-7621 Pécs, Ferencesek utcája 33.	pecs@cib.hu	(36-72) 213-700	(36-72) 213-563
Piliscsaba branch	H-2081 Piliscsaba, Kinizsi u. 1-3.	piliscsaba@cib.hu	(36-26) 374-571	(36-26) 374-574
Salgótarján branch	H-3100 Salgótarján, Rákóczi u. 1-9.	starjan@cib.hu	(36-32) 520-150	(36-32) 520-159
Siófok branch	H-8600 Siófok, Szabadság tér 15.	siofok@cib.hu	(36-84) 519-000	(36-84) 519-009
Sopron branch	H-9400 Sopron, Várkerület 73.	sopron@cib.hu	(36-99) 505-720	(36-99) 505-739
Szeged central branch	H-6722 Szeged, Mérey u. 6) c.	szeged@cib.hu	(36-62) 554-910	(36-62) 554-919
Szeged II. branch	H-6720 Szeged, Széchenyi tér 2.	szeged3@cib.hu	(36-62) 425-311	(36-62) 420-598
Szeged III. branch	H-6720 Szeged, Széchenyi tér 3) a.	szeged4@cib.hu	(36-62) 452-370	(36- 62) 452-374
Szeged IV. branch	H-6720 Szeged, Kiss Menyhért u. 1.	szeged@cib.hu	(36-62) 425-425	(36-62) 425-495
Székesfehérvár central branch	H-8000 Székesfehérvár, Palotai út 6.	szfvar2@cib.hu	(36-22) 512-750	(36-22) 512-759
Székesfehérvár II. branch	H-8000 Székesfehérvár, Basa u. 1. tel:	szekesfehervar3@cib.hu	(36-22) 340-750	(36-22) 340-753
Székesfehérvár III. branch	H-8000 Székesfehérvár, Távirda u. 2) b.	szfvar@cib.hu	(36-22) 513-500	(36-22) 513-518
Szekszárd branch	H-7100 Szekszárd, Széchenyi utca 1-7.	szekszard2@cib.hu	(36-74) 529-729	(36-74) 318-975
Szekszárd II. branch	H-7100 Szekszárd, Garay tér 1.	szeksza@cib.hu	(36-74) 529-340	(36-74) 529-349



The Agency Network of CIB Bank

Budapest

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Telephone: (36-1) 299-0949 Telefax: (36-1) 299-0950
E-mail: creditbike@creditbike.hu
Mono-Dorka Lp.
H-1034 Budapest, Selmeci u. 29.
Telephone: (36-1) 453-0102; (36-20) 344-4977
E-mail: cibkepviselet3@t-online.hu
Standex Ltd.
H-1139 Budapest, Röppentyű u. 73/a
Telephone: (36-1) 786-4531 Telefax: (36-1) 786-4532
E-mail: budapest@cibkepviselet.hu

Baranya county

Confer-P Ltd.
H-7621 Pécs, Váradi A. u. 5.
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E-mail: confer@axelero.hu
Two Forlong Ltd.
H-7700 Mohács, Jókai u. 11.
Telephone: (36-69) 303-964; (36-30) 691-8239; (36-30) 396-4353
Telefax: (36-69) 510-044
E-mail: postmaster@hitelmohacs.t-online.hu
Two-Forlong Ltd.
H-7621 Pécs, Kereskedők Háza, Rákóczi u. 46.
Telephone: (36-72) 532-146, (36-30) 952-7828
Telefax: (36-72) 532-147
E-mail: databank@t-online.hu

Bács-Kiskun county

Görög és Makai Lp.
H-6000 Kecskemét, Wesselényi u. 1.
Telephone: (36-76) 506-714 Telefax: (36-76) 504-804
E-mail: kecskemet@cib-kepviselet.hu
Görög és Makai Lp.
H-6100 Kiskunfélegyháza, Kossuth u.16.
Telephone: (36-76) 560-888 Telefax: (36-76) 560-889
E-mail: kiskunfelegyhaza@cib-kepviselet.hu

Békés county

Telekor Ltd.
H-5600 Békéscsaba, Mednyánszky u. 17.
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E-mail: telekor@telekor.hu
Telekor Ltd.
H-5540 Szarvas, Szabadság út 6-10.
Telephone: (36-66) 547-710 Telefax: (36-66) 547-710
E-mail: telekor@telekor.hu

Borsod-Abaúj-Zemplén county

Cash Lízing 98 Ltd.
H-3530 Miskolc, Széchenyi u. 46.
Telephone: (36-46) 502-432 Telefax: (36-46) 502-431
E-mail: katalin@cashlizing.axelero.net
Cash Lízing 98 Ltd.
H-3580 Tiszaújváros, Szent István út 39.
Telephone: (36-49) 540-800 Telefax: (36-49) 540-801
E-mail: cashtvaros@cashtvaros.t-online.hu

Csongrád county

Credit-Master Ltd.
H-6721 Szeged, Sajka u. 12.
Telephone: (36-62) 540-110 Telefax: (36-62) 540-766
E-mail: credit-master@invitel.hu

Fejér county

Lízingcentrum Ltd.
H-8000 Székesfehérvár, Királysor 21.
Telephone: (36-22) 388-117 Telefax: (36-22) 388-117
E-mail: lizingcentrum@leasingcenter.axelero.net
Fehérvár Credit Ltd.
H-8000 Székesfehérvár, Tolnai u. 1.
Telephone: (36-22) 508-520 Telefax: (36-22) 508-521
E-mail: fcredit@enternet.hu
Fehérvár Credit Ltd.
H-8060 Mór, Wekerle S. u . 5.
Telephone: (36-22) 405-777 Telefax: (36-22) 562-373
E-mail: fcredit@enternet.hu
Lízingcentrum Ltd.
H-2400 Dunaúj, Bartók Béla u. 4. fsz. 1.
Telephone: (36-25) 789-921 Telefax: (36-25) 789-921
E-mail: vermesy.janos@chello.hu
Fehérvár Credit Ltd.
H-2060 Bicske, Kossuth u. 2.
Telephone: (36-22) 263-642, (36-30) 597-9505
Telefax: (36-22) 263-642
E-mail: fcredit@enternet.hu

Jász-Nagykun-Szolnok county

Görög és Makai Lp.
H-5000 Szolnok, Kossuth tér 3.
Telephone: (36-56) 515-248 Telefax: (36-56) 515-249
E-mail: szolnok@cib-kepviselet.hu
Görög és Makai Lp.
H-5100 Jászberény, Lehel Vezér tér 19.
Telephone: (36-57) 504-050; (36-30) 6918-245
Telefax: (36-57) 504-051
E-mail: jaszbereny@cib-kepviselet.hu

Győr-Moson-Sopron county

Pro-Lender Ltd.
H-9021 Győr, Szabadsajtó u.18. fszt. 1
Telephone: (36-96) 335-332 Telefax: (36-96) 338-472
E-mail: hitelek@startadsl.hu
Zenith 2006 Ltd.
H-9400 Sopron, Deák tér 48. fsz. 1-3.
Telephone: (36-30) 468-5514
E-mail: zenith.kft@chello.hu

Hajdú-Bihar county

HUNCARD.EU Ltd.
H-4024 Debrecen, Piac u. 77.
Telephone: (36-52) 502-272; (36-30) 689-4188; (36-30) 698-4186
Telefax: (36-52) 502-273
E-mail: cibkepviseletdebrecen@huncard.eu

Heves county

Cash Lízing 98 Ltd.
H-3300 Eger, Koszorú u. 1.
Telephone: (36-36) 518-484; (36-36) 518-485
Telefax: (36-36) 517-527
E-mail: eger@cashlizingkft.axelero.net
Cash Lízing 98 Ltd.
H-3200 Gyöngyös, Mátyás király út 2. fszt/3
Telephone: (36-37) 500-603; (36-37) 500-604; (36-37) 500-293
Telefax: (36-37) 500-292
E-mail: gyongyos.cash@ujcolor.hu

Komárom-Eszetrgom county

Fehérvár Credit Ltd.
H-2840 Oroszlány, Haraszthegyi u. 1/a
Telephone: (36-34) 302-737; (36-30) 597-9505
Telefax: (36-34) 302-737
E-mail: fcredit@enternet.hu

Pest county

Content Credit *Ltd.*
H-2040 Budaörs, Szabadság út 40. B67
Telephone: (36-23) 420-738; (36-20) 459-7038
Telefax: (36-23) 420-738
E-mail: coning@vivamail.hu

Standex Ltd.
H-2700 Cegléd, Szolnoki út 1.
Telephone: (36-53) 500-812; (36-70) 380-8585
Telefax: (36-53) 500-813
E-mail: cegled@cibkepviselet.hu

Somogy county

Nagy és Társa Lp.
H-8600 Siófok, Vak B. u. 72.
Telephone: (36-84) 313-097; (36-30) 351-4567
Telefax: (36-84) 313-097
E-mail: tibin@visdata.hu

Szabolcs-Szatmár-Bereg county

Csendestárs Lízing Bróker Ltd.
H-4400 Nyíregyháza, Szegfű út 54.
Telephone: (36-42) 598-840; (36-42) 598-844
Telefax: (36-42) 598-848
E-mail: csendestars@csendestars.hu

Tolna county

Szior Lp.
H-7090 Tamási, Szabadság u. 60-62.
Telephone: (36-74) 470-588 Telefax: (36-74) 471-797
E-mail: ordasp@hitelpont.co.hu

Vas county

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Eger regional centre
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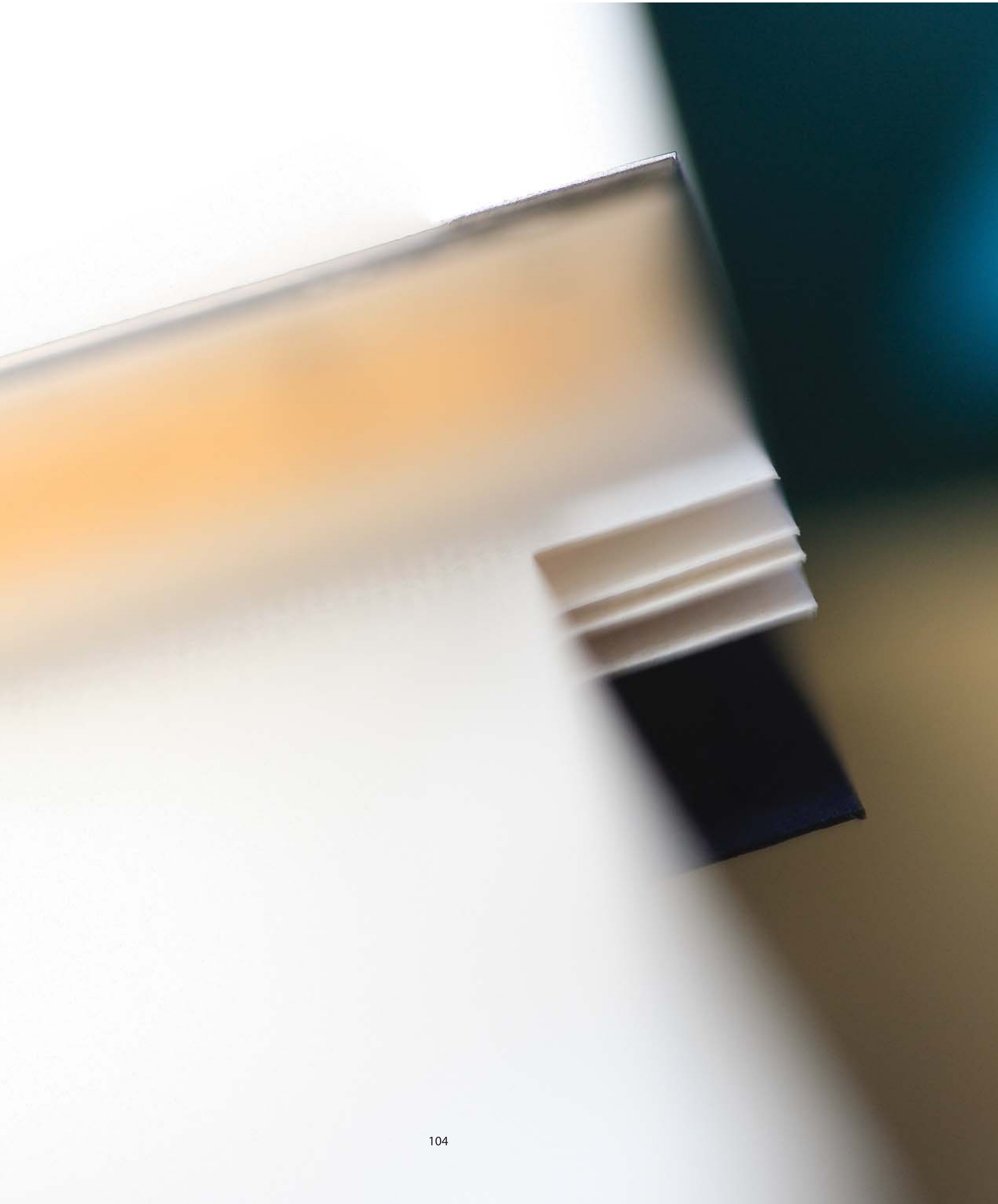

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