OTP Group
First half 2011 results

Conference call – 19 August 2011

László Bencsik
Chief Financial and Strategic Officer

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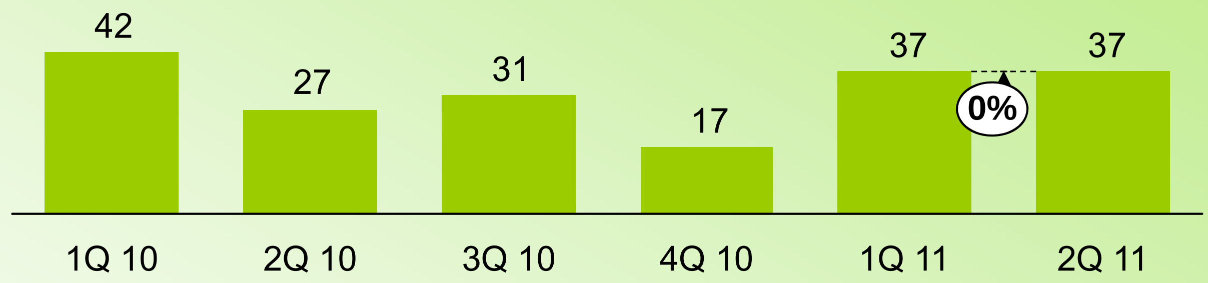
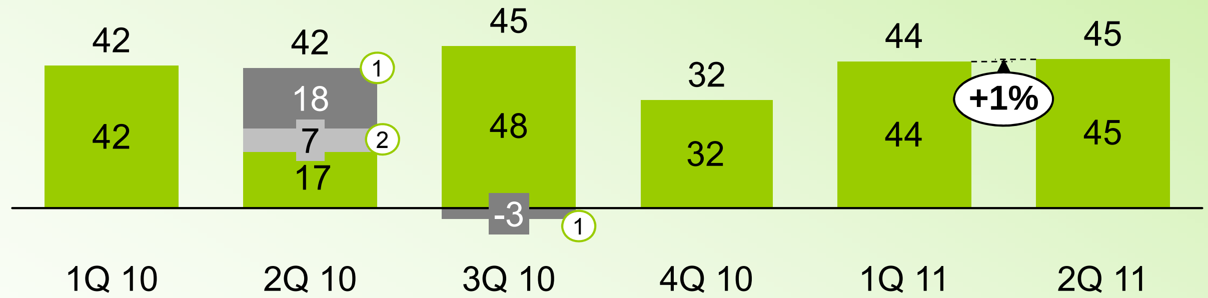
OTP Group's adjusted after-tax profit (excluding bank tax) amounted to HUF 45 billion in 2Q 2011, up by +1% q-o-q; the accounting after-tax profit reached HUF 37 billion (flat q-o-q)

Consolidated after-tax profit
(in HUF billion)



Consolidated adjusted after-tax profit



Adjustments (in HUF billion):

	1Q 10	2Q 10	3Q 10	4Q 10	1Q 11	2Q 11
Goodwill impairment (after-tax)		**-15.0**				
Special tax on financial institutions (after corporate tax)			**-14.7**	**-14.7**	**-7.2**	**-7.2**

One-off items:

1. The revaluation result realized on FX-swaps of OTP Core booked as interest income (after-tax).
2. The net FX-gain realized on FX hedging transactions related to FX-loans provisions at OTP Bank Ukraine (booked as other non-interest income) (after-tax).

	2Q 10	**1Q 11**	**2Q 11**
ROE (adj.)	13.2%	13.7%	13.6%
ROA (adj.)	1.7%	1.8%	1.8%
Total income margin (adj.)	7.90%	8.09%	8.06%
Net interest margin (adj.)	6.09%	6.33%	6.25%
Cost/income ratio (adj.)	45.4%	44.1%	44.9%
Gross loan growth. (q-o-q, FX-adjusted)	0.2%	-0.8%	-0.5%
Deposit growth (q-o-q, FX-adjusted)	-0.4%	3.2%	0.9%
Risk cost rate (adj.)	4.69%	3.22%	2.89%
DPD90+ ratio	12.4%	15.0%	15.4%
DPD90+ coverage	74.0%	72.7%	73.3%
Gross liquidity buffer (EUR million equivalent)	5,232[1]	5,990[2]	5,237[3]
CAR (cons., IFRS)	17.3%	17.6%	18.0%
Tier1 ratio (cons., IFRS)	13.0%	14.7%	15.1%
CAR (OTP Bank, HAR)	16.4%	18.0%	20.0%

(1) as at 10/08/2010, (2) as at 15/03/2011 (3) as at 12/08/2011

Effective from 2Q 2011 the following methodological change has been introduced: in the consolidated statement of recognized income of OTP Group the revaluation result on FX-provisions accounted as Provisions for loan losses, while the revaluation result on the open FX-position held for hedging the revaluation of FX-provisions booked within other net non-interest result. The effects of these two items are equal with opposite signs, thus the combined effect of items do not influence the after-tax profit. In 1H report and in the presentation the presented P&L lines and indicators are adjusted by the provision revaluation.

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Content

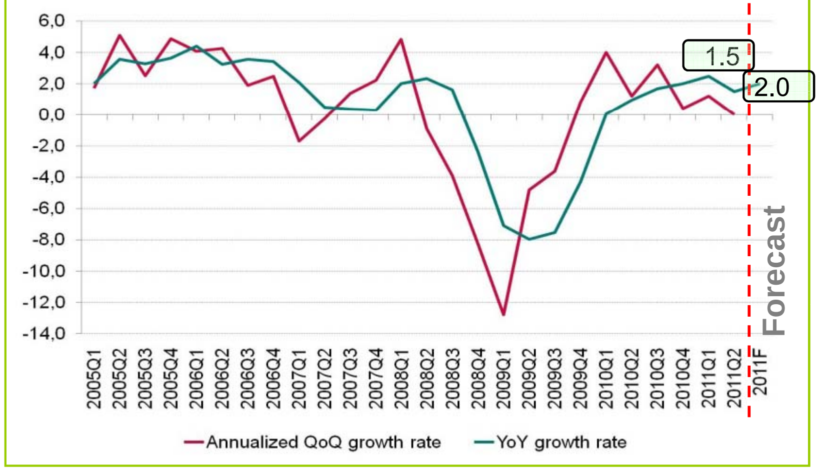
Hungary: as a consequence of the global economic slowdown, the Hungarian GDP growth will moderate, and will be around 2% in 2011

In the first half of 2011 the Hungarian economy grew by 2%. In 2Q 2011 the GDP stagnated q-o-q, whereas its annual growth was at 1.5%. As a result of the slowdown in global economic cycle, Hungary's GDP growth can be slower than expected. Nevertheless, economic growth may reach the 2% level in 2011.

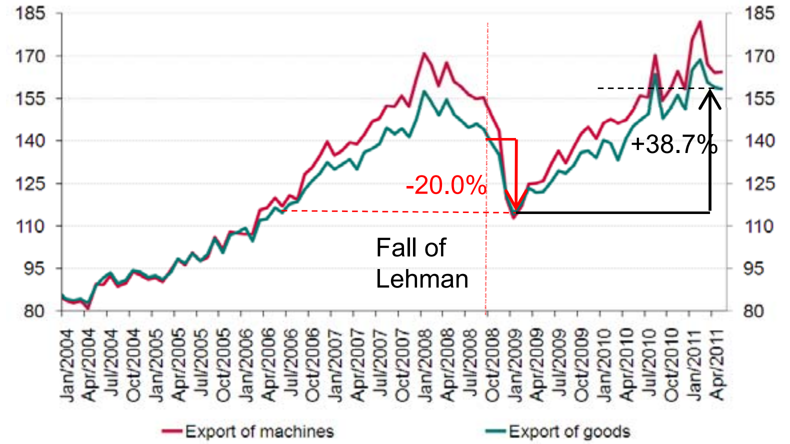
The real yield payments from private pension funds – calculated with conservative assumptions – can elevate the GDP growth rate by 0.8 percentage point in the second half of the year. The Home Protection Action Programme through the fixing may lower household debt burden by 0.1-0.2% of GDP, thus supporting the consumption.

The Mercedes factory – which will reach its full capacity in 2012 – can partly counterbalance the effect of the global economic slowdown on the Hungarian export. It can contribute to the export growth by 1-2%.

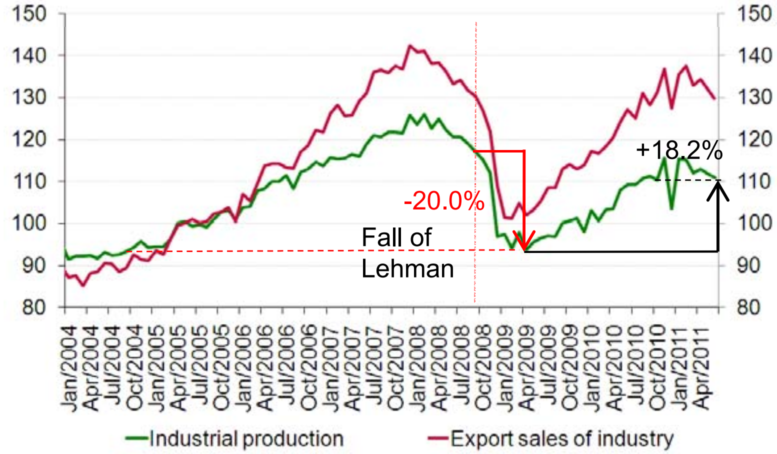
GDP
(Y-o-Y and annualized Q-o-Q growth rates, %)



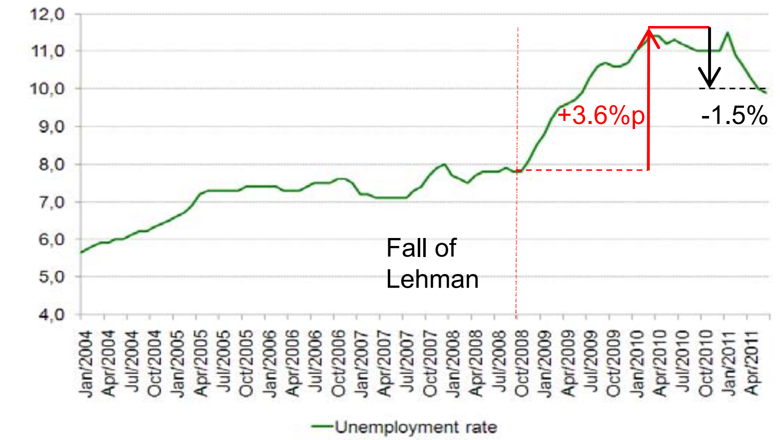
Export of goods
(seasonally adjusted monthly data, 2005=100)



Industrial production
(seasonally adjusted monthly data, 2005=100)



Unemployment rate
(LFS, seasonally adjusted monthly data, %)



Sources: CSO. Eurostat. OTP Research

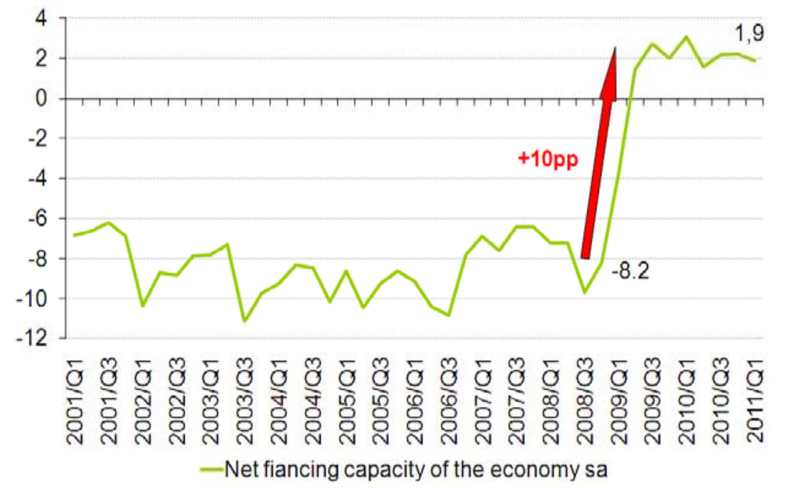
Hungary: both households' and government sector's financing capacity continues to improve in 2011, further enhancing the country's net external financing capacity

Current account balance turned into a surplus since 2009 as a consequence of sharp fiscal adjustment, the rise in household net savings (up from 1.5% of GDP to 4.5-5%) and the sudden stop in capital flows. According to seasonally adjusted figures, it meant approximately 10%-point adjustment.

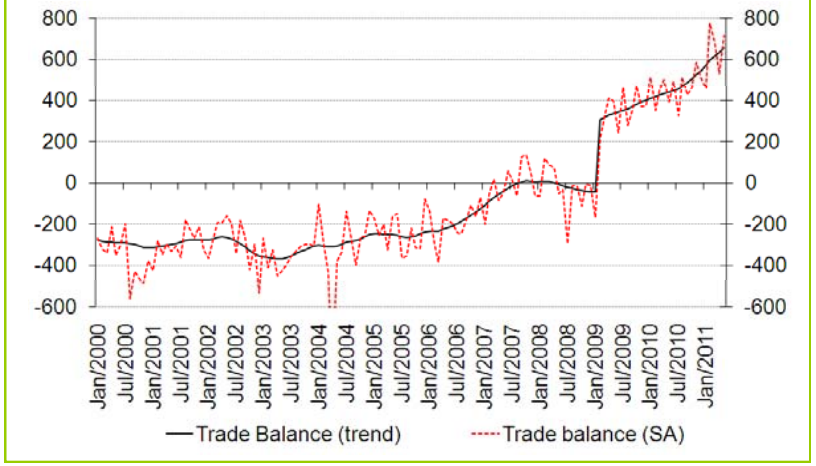
Consumption is expected to pick up, thus demand for imports is likely to rise. However export dynamics is expected to exceed import growth so current account balance will remain positive in coming years due to the net export balance and decreasing net external debt for the following years.

The government outlined a comprehensive structural reform plan with a budgetary adjustment of 1.8% and 2.8% of GDP by 2012 and 2013, respectively. On the top of that, the cabinet announced other measures (such as wage bill freezes) in the Convergence Programme which aim at a further adjustment of the primary balance by 1.6% of GDP. Taking into account the government's plans to redesign the tax credit system, below-3% deficit can be reached in 2012.

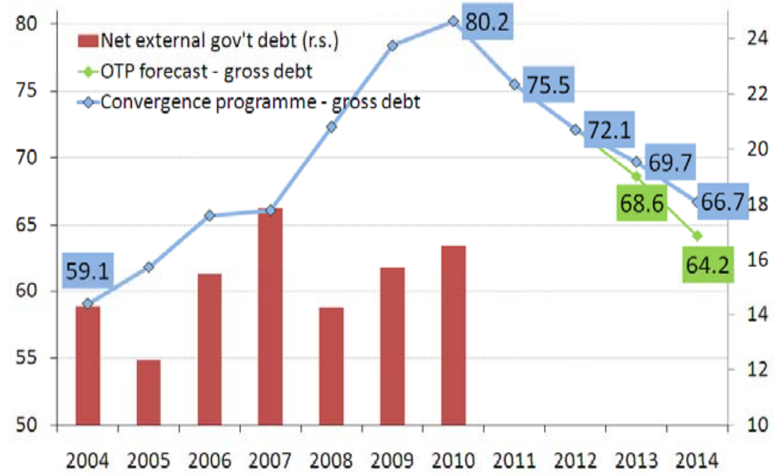
External balance (as % of GDP)



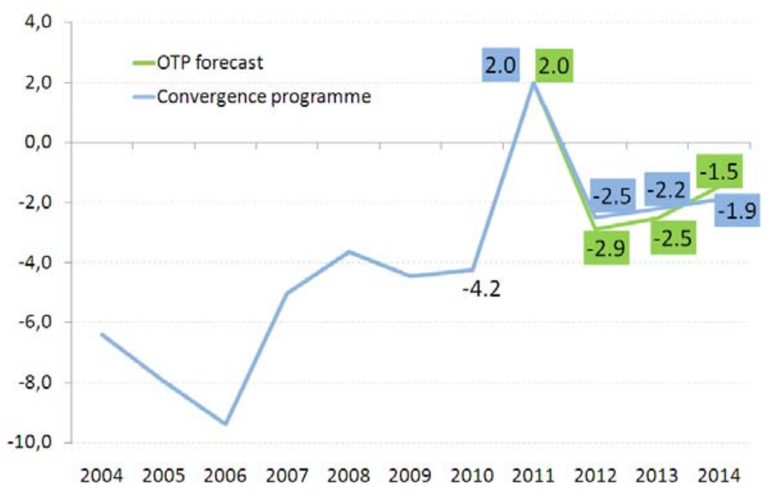
Trade balance
(seasonally adjusted monthly data, EUR million)



Government gross and net debt
(in % of GDP)



Government balance (in % of GDP)



Sources: CSO, NBH, Ministry for National Economy, OTP Research

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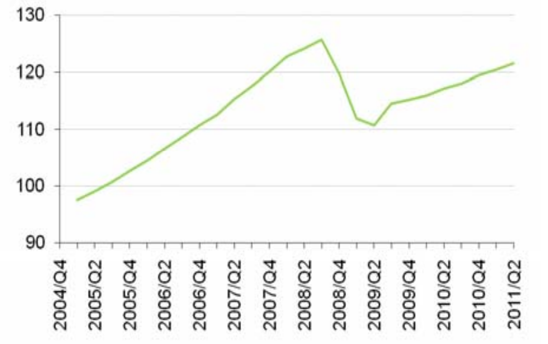
Russia: manufacturing production is still the engine of the economy with budget balance improving; Ukraine: high commodity prices underpin strong growth but inflation accelerated

Russia

Supported by high commodity prices and manufacturing production, real GDP level is expected to reach pre-crisis levels within a couple of quarters. Inflation accelerated above 9% from January 2011 onwards as global food and commodity prices pass through. Double-digit inflation rates will likely be avoided. At the same time government balance has improved a lot, which is also a result of the social contribution rates' hikes.

Real GDP (2005 = 100. sa)



Manufacturing (2005=100, sa)

Government balance (% of GDP)

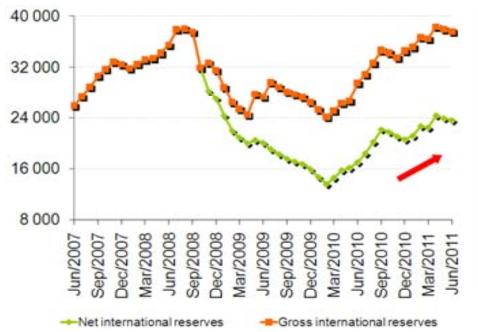
Ukraine

In addition to emerging markets' demand, global commodity prices are also driven by the extraordinary loose monetary policy of main central banks. As a consequence, steel prices are above their long-term averages. As the elevated commodity prices pass through, inflation rate was around 10% for the last three months. With the current fixed exchange rate regime, international FX reserves are show a rising trend. As one-off items largely disappear from the fiscal balance, deficit will shrink below 4% of GDP in 2011 from the above 8% figures of the past two years.

Real GDP (2005 = 100. sa)

Steel prices (USD/ton)

Net and gross FX-reserves (m USD)

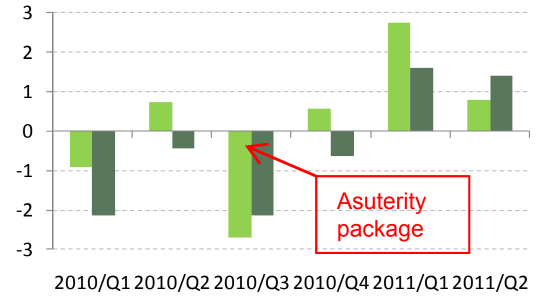


Romania: strong fiscal performance; Bulgaria: positive turnaround in current account balance; Slovakia: the economy has been resilient to the global slowdown

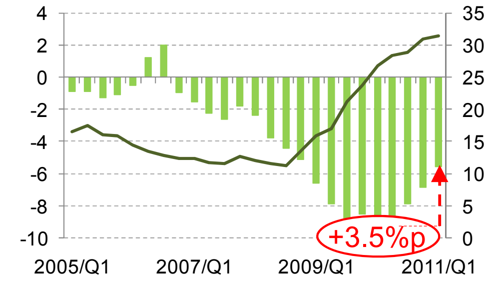
Romania

Preliminary data suggest that in Q2 GDP growth slowed down to 0.2% q-o-q and 1.4% y-o-y. So after the shock caused by the fiscal adjustment of 5% of GDP in 2010, now a slowdown in external demand pulls back economic growth. Budget balance improved dramatically, the 4.4% fiscal target is very likely to be met this year. It is a good sign that loan demand, especially in the corporate sector, has returned.

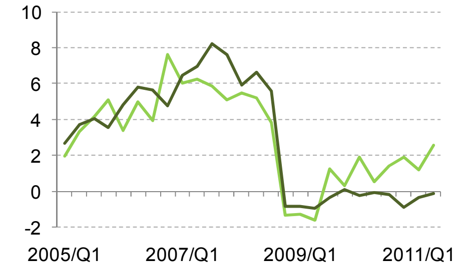
GDP growth (%, SA, annualised QoQ and YoY)



Government deficit (4-quarter rolling AVG) and debt (in % of GDP)



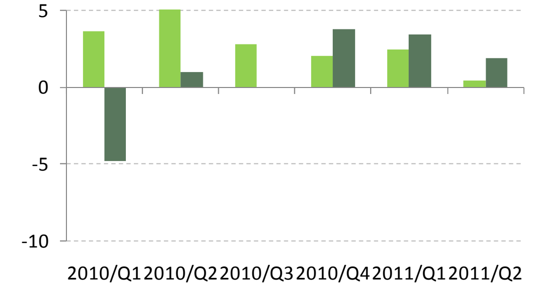
Loan flows of companies and households (SA, in % of GDP)



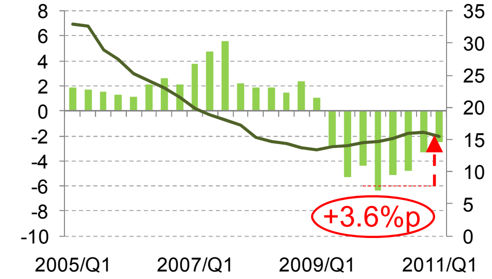
Bulgaria

Economic growth fell back to 1.9% y-o-y and 0.1% q-o-q in Q2. Export demand slowed down, but domestic demand increased, as both consumption and investment grew. The four-quarter rolling budget deficit reached 2.4% of GDP, which is below the 2011 target of 2.5%. Extraordinarily good deficit performance, the very low public debt (below 16% of GDP), high fiscal reserves (7% of GDP) and C/A balance turning into a surplus (3% of GDP) mitigate stability risks.

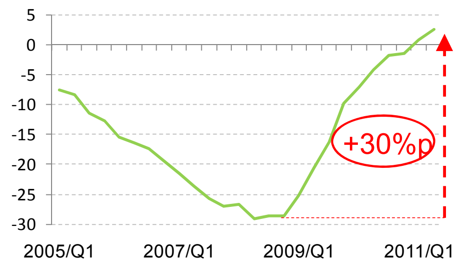
GDP growth (%, SA, annualised QoQ and YoY)



Government deficit (4-quarter rolling AVG) and debt (in % of GDP)



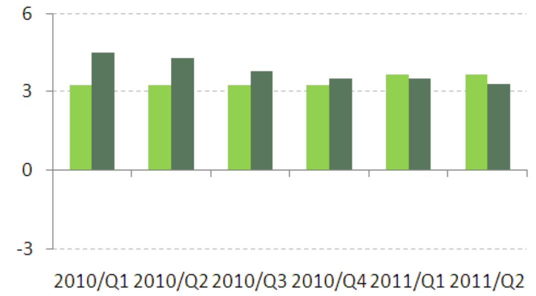
Current account balance (in % of GDP)



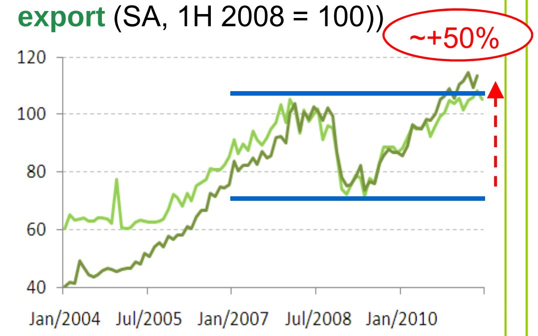
Slovakia

Slovakia's economy has proved resilient to the global downturn so far: its Q2 GDP grew by 0.9% q-o-q and by 3.3% y-o-y. The main factors behind this good performance are still the manufacturing production and growing export which reached or even exceeded their pre-crises peaks. Domestic demand eroded further in Q2 and due to the remarkable fiscal adjustment at the beginnng of 2011, we do not expect any turnaround in the short term. The main question is the future effect of a possible global turndown on the economy.

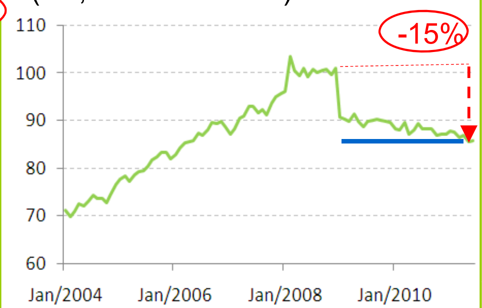
Real GDP growth (%, SA, annualized q-o-q and y-o-y rates)



Manufacturing production and export (SA, 1H 2008 = 100))



Retail trade (SA, 1H 2008 = 100)



Source: Eurostat, Statistical Office of Romania, National Bank of Bulgaria, National Bank of Slovakia

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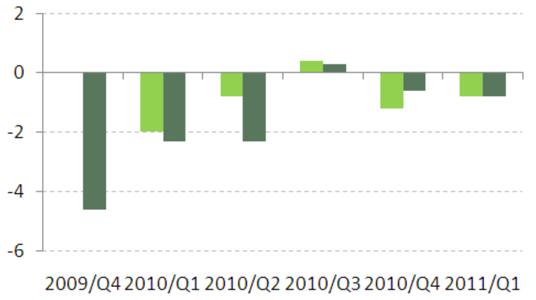
Croatia: short-term economic outlook lacks momentum; Serbia: sound growth, decreasing inflation; Montenegro: weak industrial performance, reviving retail sales activity

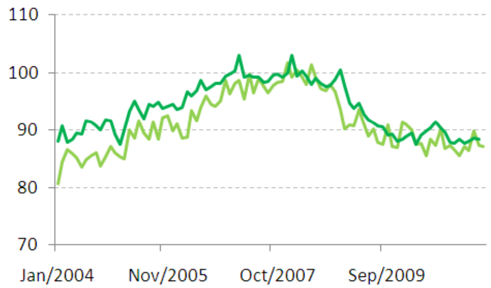
Croatia

After one single quarter of growth, the country has fallen back into recession again. The low share of export of goods in the economy's value added and the lack of nominal deprecation have not allowed the economy to follow the regular CEE-way of recovery, and the permanent need for fiscal adjustment has pulled down domestic demand. We cannot see any sign of bottoming out in the short-term economic indicators so we forecast stagnating GDP for this year (on a yearly base). Croatia is likely to access the EU on 1 July 2013 – then the deepening institutional integration could further boost the economy.

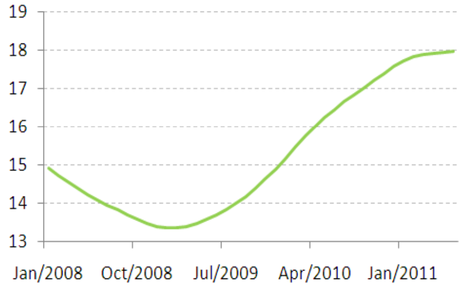
Real GDP growth (%, SA, annualized q-o-q and y-o-y rates)



Industrial production and retail sales (SA, 1H 2008 = 100)



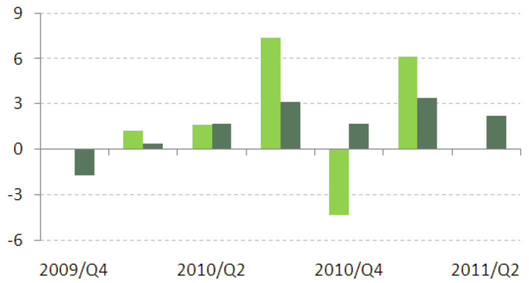
Unemployment rate (12m rolling avr, %)



Serbia

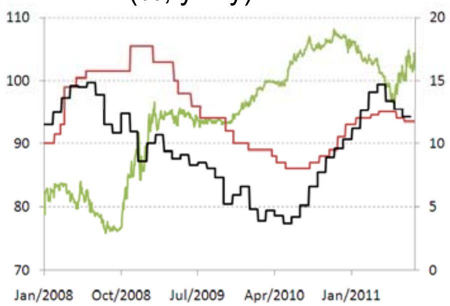
GDP increased by 2.2% y-o-y in 2011 Q2. Following the weaker Q4 performance last year, industrial production gains momentum continuously in H1. Inflation started to decline after April, which made the central bank stop rate hikes – the base rate was even lowered by 75 bps. Thanks to this – along with the central bank's euro purchases – RSD/EUR rate sank below the 100 level.

Real GDP growth (%, SA, annualized q-o-q and y-o-y rates)



Industrial production (2010=100, SA)

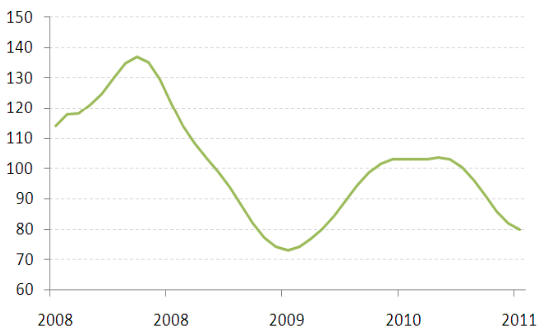
RSD/EUR, base rate (r.h.s.%) and **Inflation** (%, y-o-y)



Montenegro

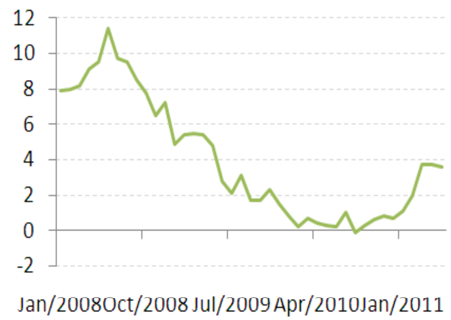
In Q2 industrial production deteriorated further, but the start of the tourist season stopped the rise of unemployment rate: in May it was 15.9% vs. the 16.7% seen at the beginning of 2011 (seasonally adjusted figures have also improved). Partly thanks to decreasing unemployment rate, retail sales dynamically rose to 8.1% (on a yearly basis). Inflation seems to be consolidating in the 3-3.5% y-o-y range.

Industrial production (2010=100, SA)



Unemployment rate(%)

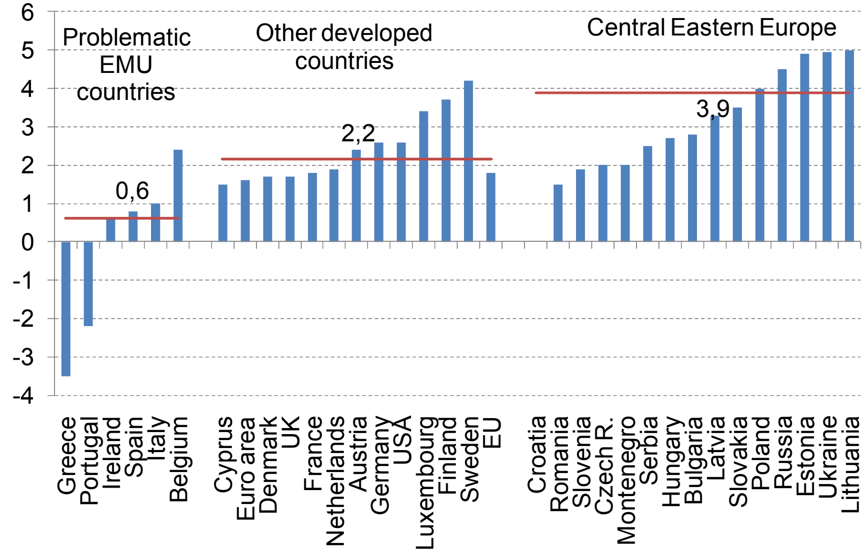
Inflation (y-o-y, %)



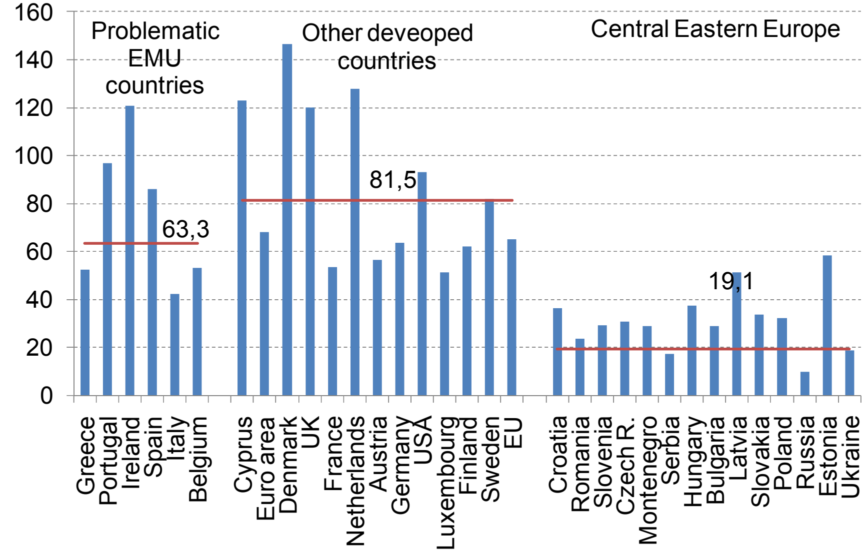
Source: Eurostat, National Bank of Croatia, National Bank of Serbia, Central Bank of Montenegro

Faster and more balanced rebound of the CEE region underpins better medium term growth prospects than in Western Europe

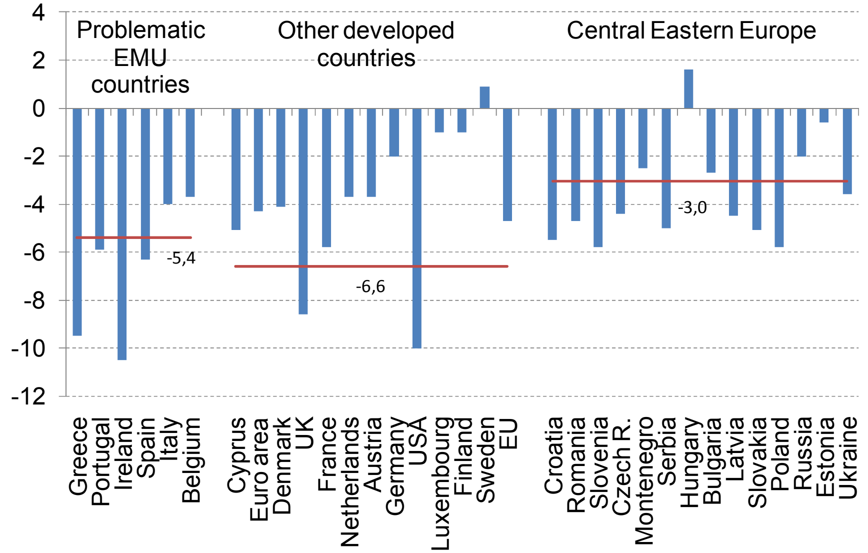
Expected GDP growth (%, 2011)



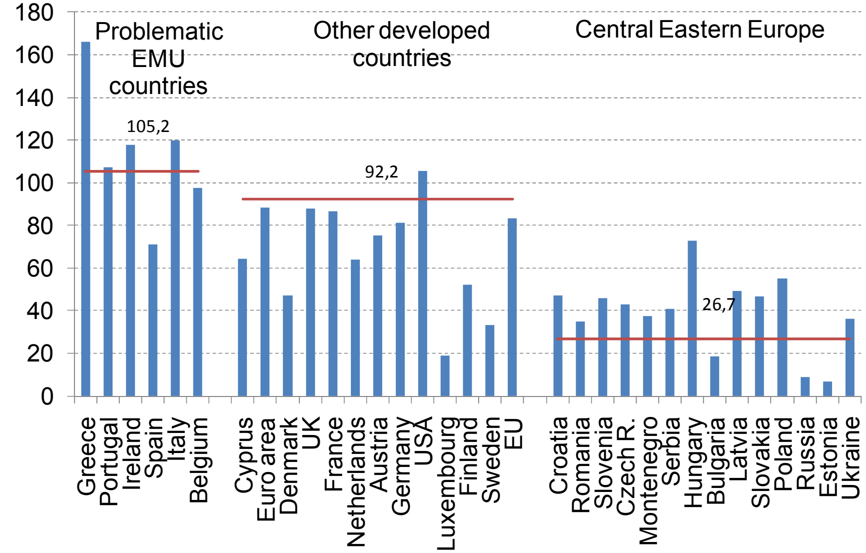
Household loans (in % of GDP)



Budget deficit (2011, in % of GDP)



Public debt (2011, in % of GDP)



Sources: Central Statistical Office (CSO), Eurostat, OTP Research

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More balanced budgetary positions coupled with stronger external positions fuel moderate GDP-growth in 2011; high unemployment is still a drag on more pronounced domestic demand

REAL GDP GROWTH

	2009	2010	2011F
Hungary	-6.7%	1.2%	2.0%
Ukraine	-15.0%	4.2%	4.4%
Russia	-7.9%	4.0%	4.2%
Bulgaria	-4.9%	0.3%	2.3%
Romania	-7.1%	-1.2%	1.4%
Croatia	-6.0%	-1.2%	0.0%
Slovakia	-4.8%	4.0%	3.2%
Serbia	-3.5%	1.8%	2.5%
Montenegro	-5.7%	1.1%	2.0%

EXPORT

	2009	2010	2011F
Hungary	-9.6%	14.1%	8.0%
Ukraine	-26.1%	6.7%	4.2%
Russia	-7.5%	5.9%	5.0%
Bulgaria	-9.8%	11.8%	9.0%
Romania	-5.2%	17.3%	11.0%
Croatia	-17.3%	6.0%	5.0%
Slovakia	-15.9%	16.4%	10.0%
Serbia	-16.5%	18.8%	15.0%
Montenegro	-33.0%	-12.0%	6.0%

UNEMPLOYMENT RATE

	2009	2010	2011F
Hungary	10.0%	11.2%	11.0%
Ukraine	8.8%	7.8%	7.4%
Russia	8.4%	7.5%	7.0%
Bulgaria	6.7%	9.9%	11.2%
Romania	6.9%	7.3%	7.1%
Croatia	14.9%	17.6%	18.2%
Slovakia	12.1%	14.4%	14.2%
Serbia	16.1%	19.4%	17.5%
Montenegro	14.0%	16.5%	15.1%

BUDGET DEFICIT

	2009	2010	2011F
Hungary	-4.5%	-4.2%*	+2.0%
Ukraine	-8.8%	-8.8%	-4.0%
Russia	-5.9%	-4.5%	-2.6%
Bulgaria	-4.7%	-3.9%	-2.4%
Romania	-8.3%	-6.9%	-4.4%
Croatia	-4.1%	-4.9%	-5.5%
Slovakia	-8.0%	-7.9%	-5.3%
Serbia	-4.4%	-4.4%	-5.0%
Montenegro	-2.3%	-2.8%	-2.5%

CURRENT ACCOUNT BALANCE

	2009	2010	2011F
Hungary	0.4%	2.1%	2.7%
Ukraine	-1.7%	-1.9%	-1.5%
Russia	4.0%	4.8%	4.2%
Bulgaria	-10.3%	-0.8%	+3.0%
Romania	-4.3%	-4.4%	-3.8%
Croatia	-5.2%	-1.1 %	-1.7%
Slovakia	-3.2%	-3.5%	-2.0%
Serbia	-7.0%	-7.1%	-9.0%
Montenegro	-29.8%	-25.6%	-21.0%

INFLATION

	2009	2010	2011F
Hungary	4.2%	4.9%	3.8%
Ukraine	15.9%	9.4%	10.2%
Russia	11.7%	6.8%	9.0%
Bulgaria	2.8%	2.4%	4.1%
Romania	5.6%	6.1%	5.9%
Croatia	2.4%	1.1%	2.8%
Slovakia	1.6%	1.0%	3.7%
Serbia	6.6%	6.2%	11.3%
Montenegro	3.4%	0.5%	2.0%

Source: OTP Research
* Deficit under the Maastricht criteria

Content

Q-o-q stable quarterly operating income (2Q 2011: HUF 107 billion), risk cost moderation was offset by the increasing corporate tax due to melting tax-shield effect of subsidiary investments at OTP Bank (HU)

Consolidated, adjusted Profit & Loss Statement w/o one-off items (in HUF million)	2Q 10	1Q 11	2Q 11	Q-o-Q changes (2Q 2011/1Q 2011)	Y-o-Y changes (2Q 2011/2Q 2010)
Net interest income w/o one-off items	150	152	151	0%	1%
Net fees & commissions	34	33	35	8% (1)	4%
Other net non-interest income (adj.) w/o one-off items	10	10	8	-14% (2)	-20%
Total income w/o one-off items	194	194	195	0%	0%
Operating cost	-88	-86	-87	2%	-1%
Operating profit w/o one-off items	106	108	107	-1%	1%
One-off items	31	0	0		-100% (3)
Total risk costs (for loan losses and other)	-83	-57	-50	-12% (4)	-40% (4)
Profit before tax	54	51	57	12%	6%
Corporate tax	-12	-7	-13	77% (5)	6% (5)
Consolidated, adjusted after tax profit	**42**	**44**	**45**	**1%**	**5%**

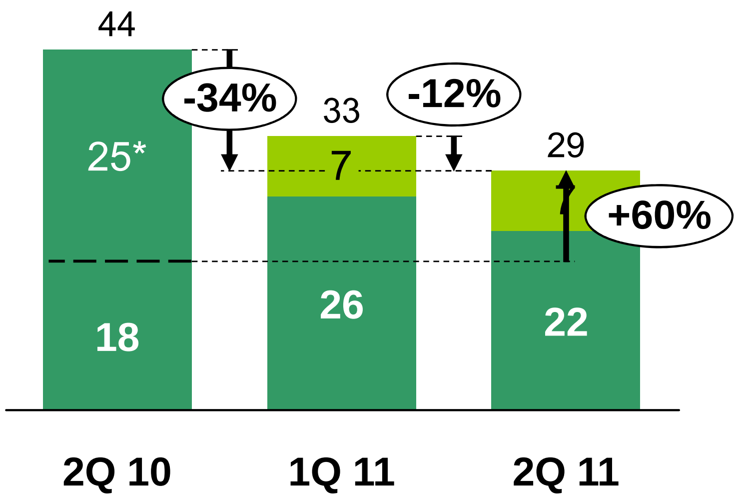
1. Due to seasonality most of the Group members attained q-o-q growth: majority of the increase came from OTP Core and OTP Bank Russia, due to the good performance of card related fee income.
2. Q-o-q decline is due to a base efect: one-off FX result realised in the Ukraine in 1Q 2011.
3. One-off items in 2Q 2010 (before tax) : cca. HUF 22.6 billion revaluation result on FX swaps, plus HUF 8.9 billion profit realised in relation with hedging the FX-risks of the provisions of FX-loans of OTP Ukraine.
4. Moderating portfolio deterioration coupled with a lower risk cost level y-o-y at all Group members, but in Bulgaria and Serbia. Q-o-q improvement is primarily due to the Ukrainian and Romanian performance. Risk costs increased further in Bulgaria, portfolio deterioration accelerated again in Montenegro and Serbia.
5. Diminishing tax shield effect of subsidiary investments (in HUF billion: 2Q 2010: 7.1, 1Q 2011: 3.7, 2Q 2011: 0.4) resulting a HUF 6.7 billion additional tax burden y-o-y and HUF 3.3 billion q-o-q.

OTP Group's profit generating capability remained stable supported by the improving profit contribution of foreign subsidiaries, their share within the adjusted profit (including bank tax) rose to 42% (35% without bank tax)

Development of adjusted after tax profit
(in HUF billion)

Adjusted after tax profit WITHOUT bank tax
Adjusted after tax profit WITH bank tax

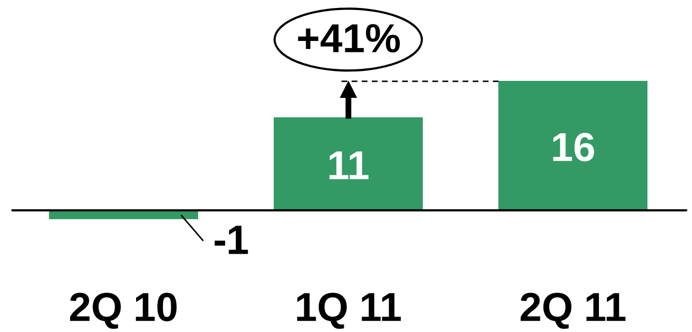
Hungarian operation total



Contribution to the consolidated adjusted after tax profit

	2Q 10	1Q 11	2Q 11
With bank tax	*103%*	*70%*	*58%*
Without bank tax	*103%*	*75%*	*65%*

Foreign subsidiaries total



Contribution to the consolidated adjusted after tax profit

	2Q 10	1Q 11	2Q 11
With bank tax	*-3%*	*30%*	*42%*
Without bank tax	*-3%*	*25%*	*35%*

***One-off items in 2Q 2010: the significant increase of FX-HUF basis-swap spreads – from 100 basis points to 180 basis points – resulted cca. HUF 18.3 billion after tax revaluation profit on the FX swaps of the Bank, accounted as interest income. Furthermore HUF 7.2 billion after tax profit (on the other net non-interest income line) was realised in relation with hedging the FX-risks of the provisions of some FX-loans of OTP Ukraine.**

Q-o-q growth of consolidated adjusted profit was boosted by the Russian and Ukrainian performance; weaker OTP Core due to higher taxes, lower Bulgarian profit as a result of increasing risk costs

Group members' contribution to the consolidated, ADJUSTED AFTER TAX PROFIT in 2Q 2011 (in HUF billion)			Q-o-Q changes (in HUF billion)	Y-o-Y changes (in HUF billion)
OTP Group	100%	44.6	0.5	2.3
OTP Core	67%	29.9	-3.0 (1)	-12.2
OBRu	21%	9.3	1.5 (2)	5.6
DSK	5%	2.0	-1.5 (3)	-2.6
OBU	11%	5.1	4.2 (4)	4.1
OBH	2%	0.7	0.5	0.0
OBS	0%	0.0	-0.1	0.8
OBR	3%	1.3	1.2 (5)	3.4
CKB	-3%	-1.5	-1.3	5.0
OBSrb	-3%	-1.5	-0.1	-0.7
OTP Fund Mgmt.	2%	0.9	-0.2	-1.7 (6)
Merkantil	0%	0.0	-1.1	1.3

1. OTP Core: Due to one-off items booked in the base period after tax profit declined by 29% y-o-y. The q-o-q drop is the result of increased corporate taxes (in 1Q 2011 significant tax savings due to tax-shield effect of subsidiary investments)

2. Continuously increasing Russian profit boosted by the spectacular pick-up of consumer lending

3. Declining Bulgarian profit due to portfolio deterioration and growing risk costs

4. In Ukraine the material profit growth is the result of declining risk costs

5. Romania: decreasing risk costs due to lower coverage.

6. OTP Fund Management: y-o-y profit decline is the result of legally regulated decrease of fund management fees

Stable consolidated income: decreasing interest income and margin at OTP Core; steady income growth continued in Russia due to favourable margins; total income at the Bulgarian unit remained at the average level of 2010; in Ukraine the significant q-o-q decline in the income growth was driven by the one-off FX-result realized in 1Q and the depreciation pressure on UAH (-8%) in HUF terms

Total income (in HUF billion)

Revaluation result of FX-swaps
One-off FX-result of OTP Core
Total income (w/o one-off items)

Total income (in HUF billion) **Net interest margin*** (%)

*The accrued but not paid interest income of problematic loans is included into net interest income and total income of some subsidiaries. This means material difference only in case of the Ukraine.

Due to seasonality the Group members' net fee and commission income improved q-o-q, y-o-y the outstanding Russian performance offset the drop at OTP Fund management (the fund management fees payable by pension funds declined)

Group members' contribution to the consolidated NET FEES AND COMMISSIONS in 2Q 2011 (in HUF billion)			Q-o-Q changes (in HUF billion)	Y-o-Y changes (in HUF billion)
OTP Group	100%	35.4	2.6	1.4
OTP Core	61%	21.6	1.4	0.3
OBRu	12%	4.1	0.6	1.9
DSK	11%	3.8	0.3	-0.2
OBU	5%	1.9	0.1	0.1
OBH	3%	0.9	0.0	0.0
OBS	2%	0.6	0.0	0.0
OBR	2%	0.6	0.1	-0.1
CKB	2%	0.7	0.1	-0.1
OBSrb	1%	0.5	0.0	0.1
OTP Fund Mgmt.	3%	1.2	0.0	-1.2

1 Due to seasonality most of the Group members attained q-o-q growth: majority of the increase came from OTP Core and OTP Bank Russia, due to the good performance of card related fee income.

2 The outstanding y-o-y performance of OTP Bank Russia was the consequence of the spectacular pick-up in consumer lending. Mainly card and deposit related fees and commissions grew (by 101% and 54% respectively y-o-y).

3 OTP Fund Management realized lower commissions y-o-y as a consequence of amended regulation: asset- and fund management fees payable by pension funds were lowered from January 2011 (in case of private pension funds from 0.8% to 0.2%, in case of voluntary pension funds from 0.8% to 0.7%).

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Other net non-interest income decreased both q-o-q and y-o-y

Group members' contribution to the consolidated OTHER NET NON INTEREST INCOME in 2Q 2011 (in HUF bn)	Share	Contribution	Q-o-Q changes (in HUF billion)	Y-o-Y changes (in HUF billion)
OTP Group	100%	8.3	-1.3	-2.1
OTP Core	35%	2.9	2.5 (1)	-1.6
OBRu	2%	0.1	0.5	-0.3
DSK	6%	0.5	-0.5	0.1
OBU	2%	0.2	-1.7 (2)	0.3
OBH	4%	0.4	-0.1	-0.3
OBS	1%	0.0	0.0	0.0
OBR	-11%	-0.9	-2.4 (3)	-1.3 (3)
CKB	0%	0.0	0.0	0.0
OBSrb	3%	0.3	-0.5	-0.2
Merkantil	12%	1.0	-0.3	1.9 (4)
Other non-bank subsidiaries*	73%	6.1	1.6 (5)	1.7 (5)

1. At OTP Core improving securities results and 1Q losses related to write off of OTP Factoring old loans are behind the q-o-q improvement of other income.

2. The q-o-q drop in the Ukraine is mainly due to base effect: in 1Q 2011 a significant one-off FX-gain was booked on an open position (in the meantime the position has been closed).

3. The foreign exchange result OTP Bank Romania decreased by HUF 2.3 billion q-o-q, out of this 1.2 billion was offset by increasing swap result in net interest income.

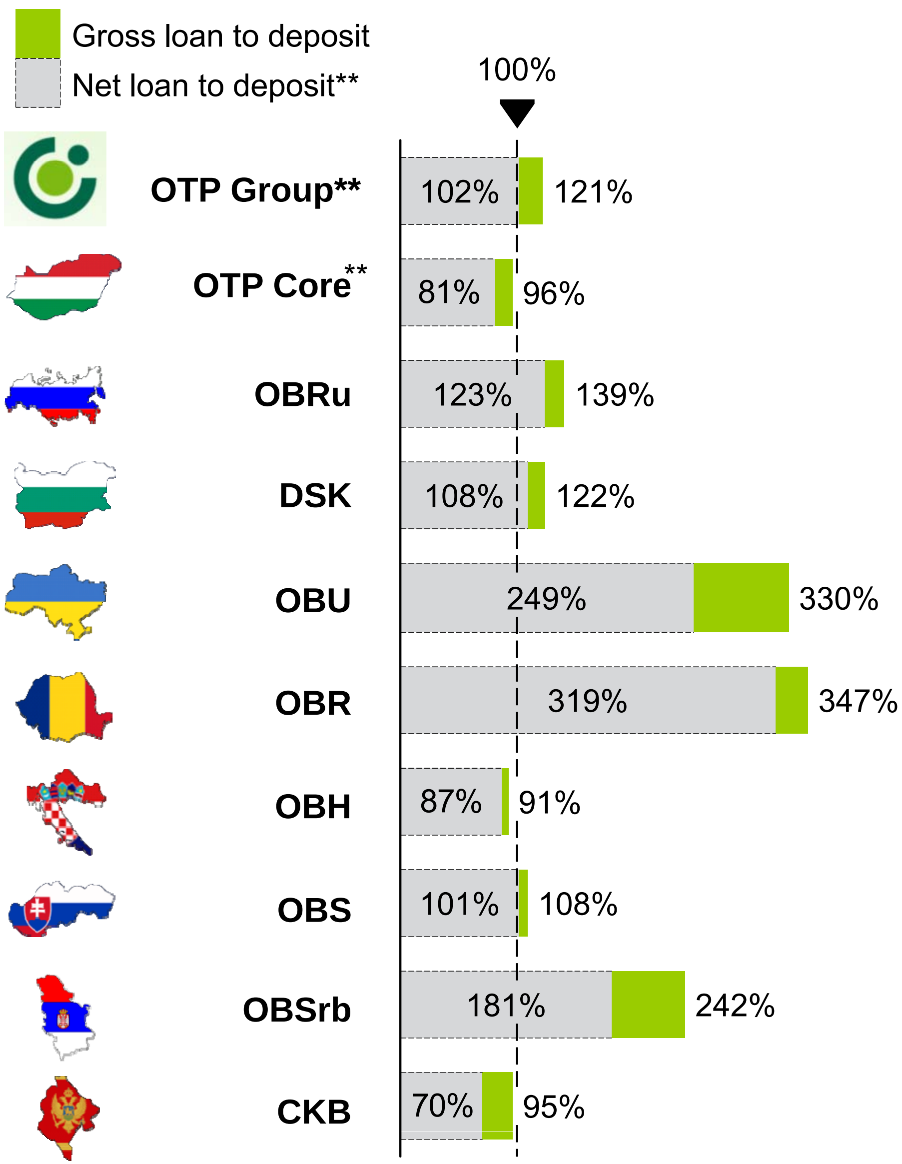
4. The y-o-y improvement at Merkantil is the reflection of losses on open FX position in the base period (in the meantime the position has been closed).

5. The income of subsidiaries** consolidated into the Group for the firs time in 2Q 2011 explains the majority of growth (HUF +0.9 billion q-o-q and y-o-y).

*Aggregated performance of foreign leasing companies, OTP Fund Management (Hungary), foreign fund management companies and other Hungarian and other foreign subsidiaries. ** OTP Buildings (Slovakian property management company, managing OTP Banka Slovensko's banking real estates), OTP Real Slovensko (Slovakian real estate development company), OTP Fedezetkezelő (Hungarian real estate broker and appraiser company), SPLC-C Kft. (Hungarian real estate developer project company).

The further improving net loan to deposit ratio (102% in 2Q 2011) reflects sound balance sheet structure and stable liquidity position

Loan to deposit ratio, % (30 June 2011)



Change of net loan to deposit ratio, adjusted*

	Y-o-Y	Q-o-Q
OTP Group**	-7%p	-2%p
OTP Core**	-6%p	-1%p
OBRu	+28%p	+2%p
DSK	-10%p	-4%p
OBU	-39%p	-32%p
OBR	+20%p	+27%p
OBH	-6%p	-1%p
OBS	-1%p	2%p
OBSrb	-79%p	-2%p
CKB	-17%p	-4%p

At the end of 2Q 2011 the net loan/(deposit + retail bond) ratio stood at 102% on Group level. The key reasons for the 7%-points y-o-y FX-adjusted decline were the 4% expansion of deposits and the gradual building up of the stock of provisions, while the gross loan portfolio remained basically flat y-o-y.

In y-o-y comparison OTP Bank Ukraine showed a 39%-points improvement, in case of the Serbian unit this was 79%-points. In Romania, where the ratio is the highest, the rise of the ratio was due to the second-strongest lending activity within the Group (after Russia) and the decline of deposits.

The net loan to deposit ratio of the Russian subsidiary moved upward y-o-y significantly because of the ongoing spectacular growth in consumer lending. The Bank commenced its rouble bond issuance program in March 2011 (issued RUB 2.5 billion in March and RUB 5 billion in July) diversifying its liability structure.

* changes are adjusted for the effects of FX-rate movements

** in case of the ratio of the Group and of OTP Core the applied formula is „net loan/(deposit+retail bond)"

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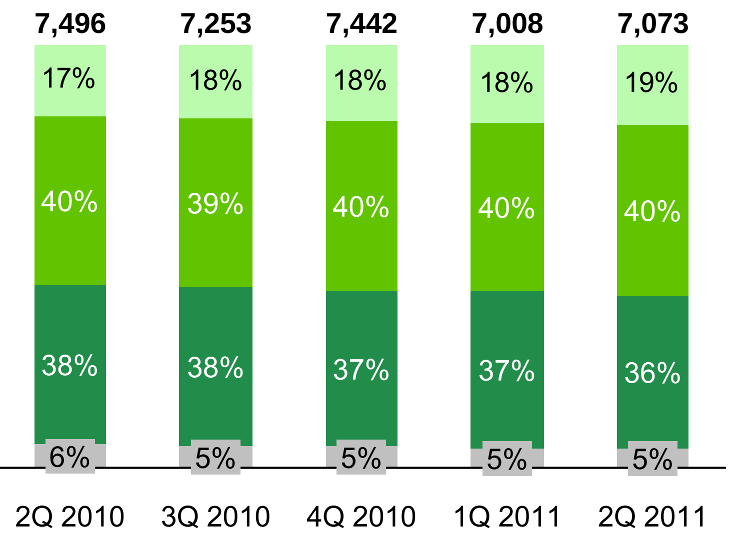
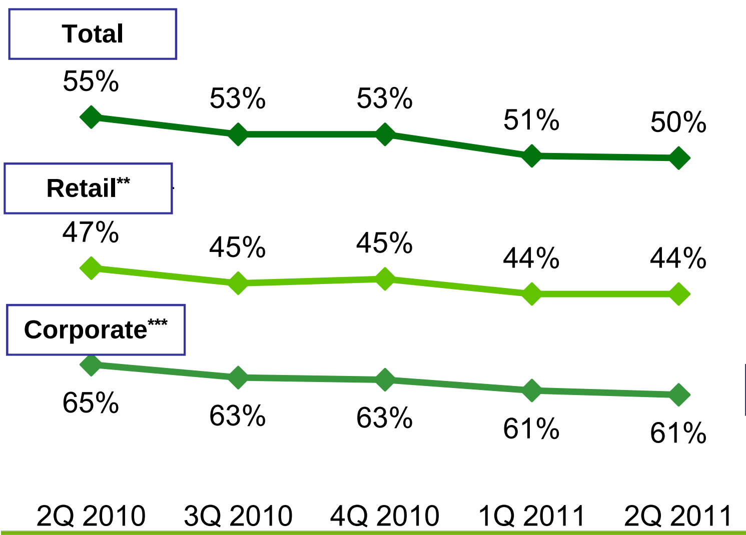
Consolidated loans stagnated, remarkable q-o-q volume pick-up in Russian consumer lending, strenghtening Slovakian, Romanian and Bulgarian mortgage lending, reviving corporate loan demand in Bulgaria and Romania

Breakdown of consolidated loan book (in HUF billion)



Share of FX loans in the consolidated loan portfolio



Q-o-Q loan volume changes in 2Q 2011, adjusted for FX-effect

	Cons	Core	Merk	OBRu	OBU	DSK	OBR	OBH	OBS	OBSr	CKB
Total	-1%	-1%	-2%	5%	-3%	1%	3%	0%	1%	-2%	-2%
Consumer	4%	1%		13%	-1%	0%	-2%	1%	10%	4%	4%
Mortgage	0%	0%		-4%	-3%	1%	2%	0%	5%	1%	-1%
Corporate*	-3%	-2%	11%	-18%	-3%	2%	6%	-1%	-2%	-4%	-3%
Car-financing	-4%		-3%	-4%	-5%			-10%	10%		

Y-o-Y loan volume changes in 2Q 2011, adjusted for FX-effect

	Cons	Core	Merk	OBRu	OBU	DSK	OBR	OBH	OBS	OBSr	CKB
Total	0%	0%	-13%	31%	-3%	1%	5%	-1%	1%	-9%	-9%
Consumer	11%	-2%		68%	-14%	-1%	-30%	3%	30%	19%	1%
Mortgage	0%	-2%		0%	-8%	3%	6%	1%	12%	3%	-10%
Corporate*	-2%	3%	5%	-31%	2%	3%	9%	-4%	-7%	-15%	-10%
Car-financing	-16%		-14%	-12%	-20%			-28%			

* including SME, LME and municipality loans as well
** including loans to households and SME loans
*** including LME and municipality loans as well

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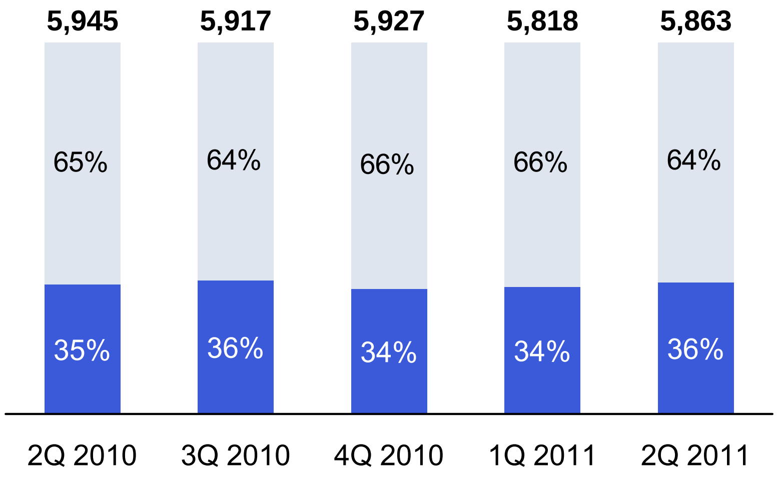
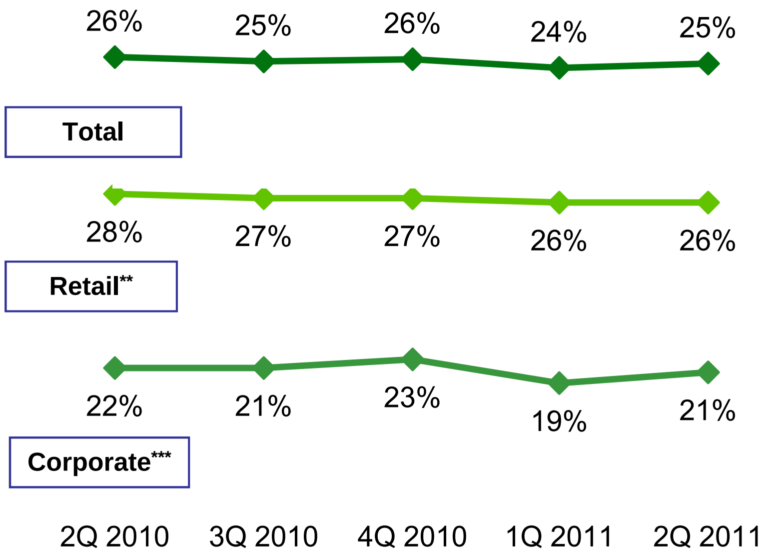
The 1% growth of consolidated deposits was due to the expansion seen in the Hungarian corporate deposit segment (explained by new deposits of financial institutions), deposits typically grew q-o-q at the biggest Group members’

Breakdown of consolidated customer deposits (in HUF billion)



Proportion of FX deposits in the consolidated deposit portfolio



Q-o-Q deposit volume changes in 2Q 2011, adjusted for FX-effect

	Cons	Core	OBRu	OBU	DSK	OBR	OBH	OBS	OBSr	CKB
Total	1%	0%	4%	8%	3%	-5%	0%	-2%	-3%	1%
Retail	-1%	-3%	2%	3%	1%	0%	0%	-1%	0%	2%
Corporate*	5%	4%	8%	15%	11%	-11%	3%	-2%	-9%	1%

Y-o-Y deposit volume changes in 2Q 2011, adjusted for FX-effect

	Cons	Core	OBRu	OBU	DSK	OBR	OBH	OBS	OBSr	CKB
Total	4%	3%	5%	7%	6%	-5%	5%	0%	14%	-1%
Retail	2%	-1%	19%	6%	4%	-9%	6%	3%	22%	7%
Corporate*	6%	10%	-18%	8%	14%	1%	-2%	-6%	2%	-13%

*including SME, LME and municipality deposits as well
** including households’ deposits and SME deposits
*** including LME and municipality deposits as well

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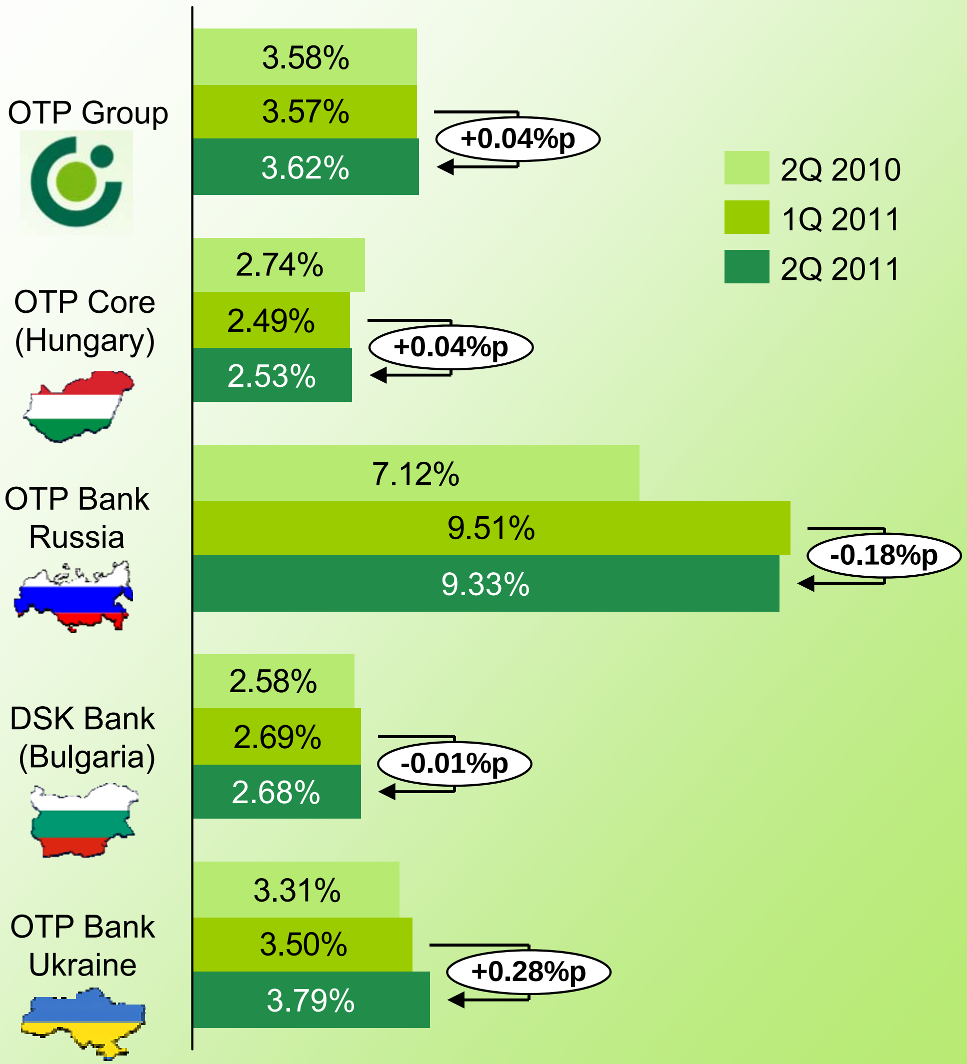
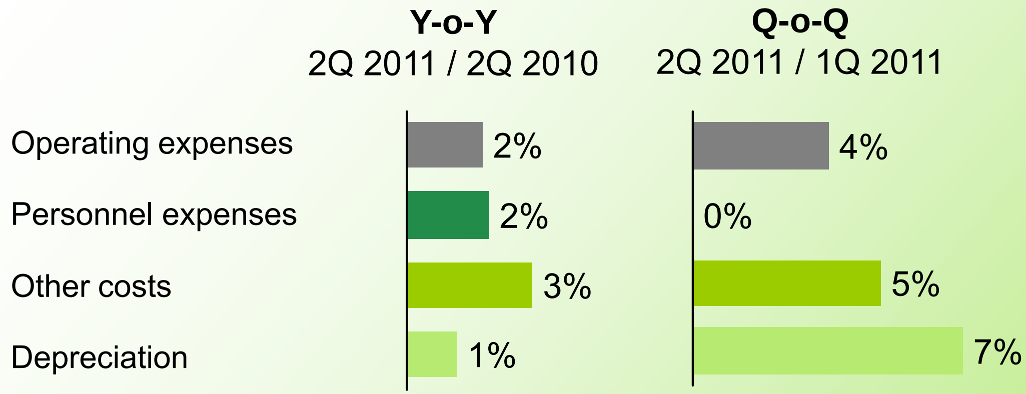
Material y-o-y cost increase was registered only in Russia (explained by business activity), the consolidated cost growth of 2% is significantly lower than the inflation rate at Group members' countries

Operating Cost / Average Asset ratio (%)



Change of consolidated operating expenses* (%)



The y-o-y consolidated cost increase is primarily due to the cost growth of the Russian subsidiary reasoned by the strengthening business activity. At the same time good cost efficiency is underpinned by a the 6.5%-points y-o-y decrease of cost/income ratio to 44.8%, driven by outstanding income dynamics.

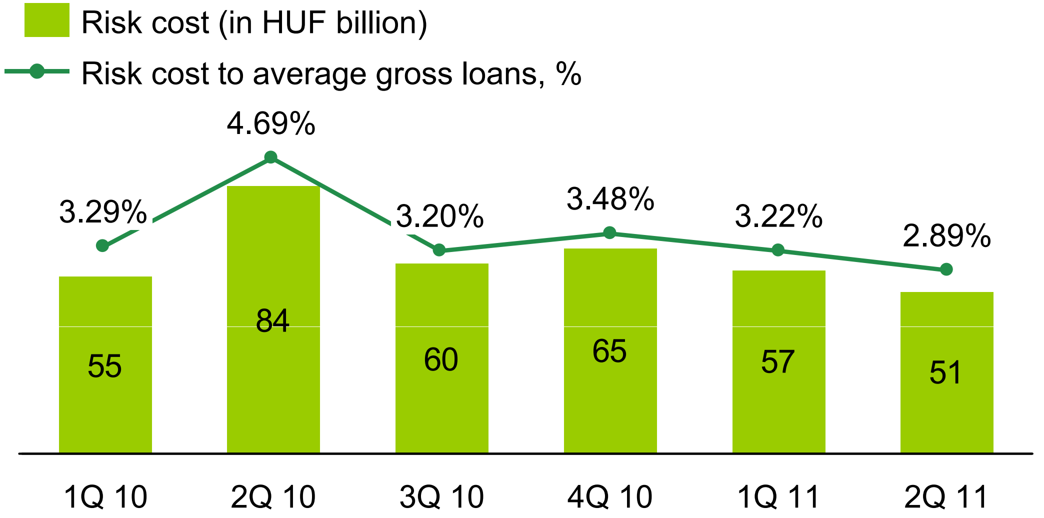
The operating expenses at OTP Core and subsidiaries in Serbia, Romania and Montenegro decreased y-o-y even in nominal terms (adjusted for the FX-effect).

The decrease of costs at OTP Core was realised mainly on personnel costs, primarily due to technical reasons. The group-level remuneration policy of OTP has been changed by the AGM. The change has an effect on the timing of the personnel expenses in the P&L, causing a temporary reduction in the cost base when shifting to the new policy.

* Adjusted for FX-effect

The portfolio deterioration slowed down in 2Q 2011; the amount of risk cost decreased; the DPD90+ portfolio coverage increased to 73.3% (+0.6%-point q-o-q)

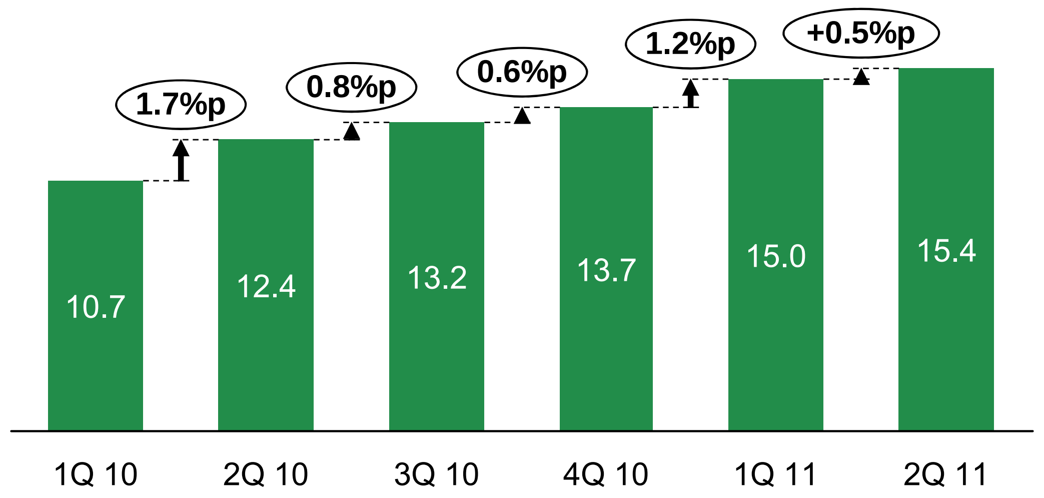
Consolidated risk costs and its ratio to average gross loans



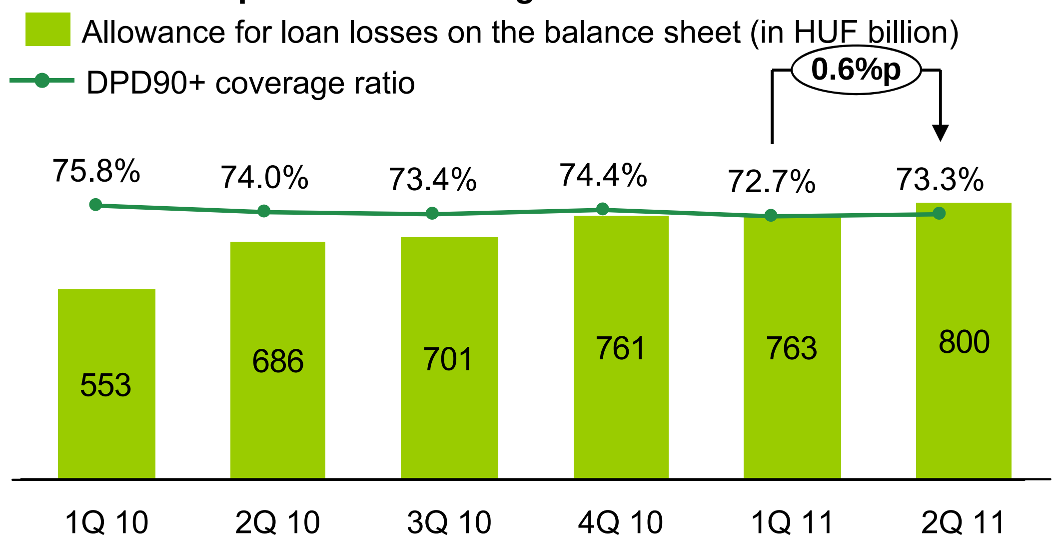
One-off items in 1H 2011:

- **in 1Q** 0.7%-points decrease in coverage was caused by a HUF 10 billion syndicated loan at OTP Core defaulting in January 2011, since provisions had been already set aside in 2010. According to management expectations, the syndicate will agree with the client and the deal will probably be removed from DPD90+ loans.
- **in 1Q** 0.5%-points decrease in coverage is due to the write-off of non-performing loans purchased by OTP Factoring more than 5 years ago. The written-off portfolio amounted to cca. HUF 18 billion (gross principal) and had 100% provision coverage. This write-off decreased the coverage through a composition effect.
- **in 2Q** the exposure to the Russian Technosila Group was sold (USD 47 million exposure, 90 days of delinquency was reached in 2Q 2010). Provision coverage was about 90%, the pre-tax profit realised on the sale amounted to about HUF 1.3 billion.

Consolidated DPD90+ loans to total loans (%)

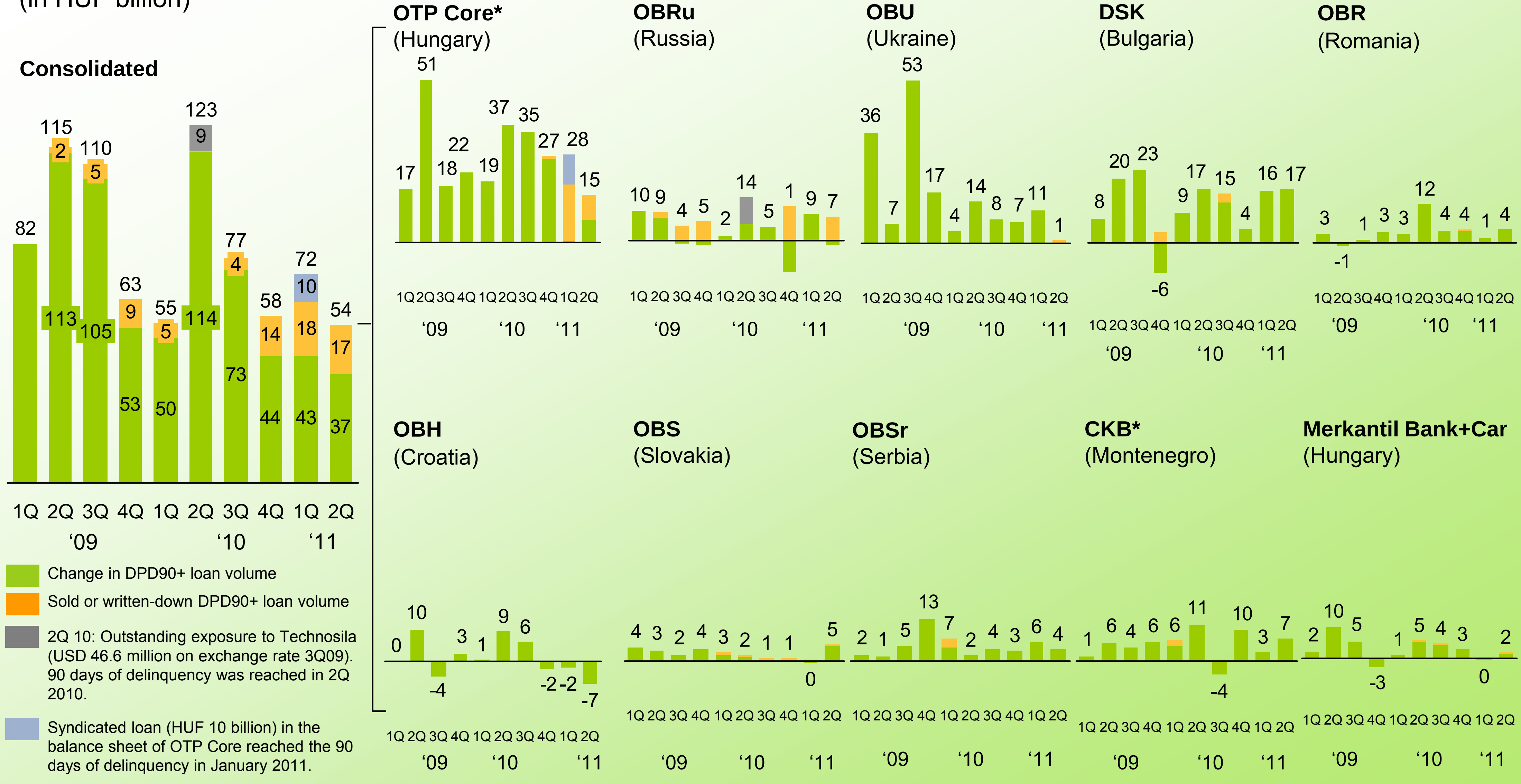


Consolidated provision coverage ratio



Slowdown in the consolidated FX-adjusted DPD90+ loan formation, mainly driven by favourable trends in Hungary, the Ukraine and Croatia, whereas DPD90+ volumes increased further in Bulgaria, Romania, Slovakia and Montenegro

FX-adjusted quarterly change in DPD90+ loan volumes
(in HUF billion)



* DPD90+ loan formation statistics of both OTP Core and CKB were adjusted for the effect of a portfolio swap between the two companies in 1Q 2011. From legal aspects the portfolio swap was necessary because of the enforceability of the collaterals behind non-performing loans.

Further deteriorating mortgage book in Hungary and Bulgaria, the Russian loan portfolio improved by the sale of Technosila loan, in the Ukraine DPD90+ ratio growth was due to overall loan portfolio decline

DPD90+ loan volumes

OTP Core (Hungary)	2Q 10	3Q 10	4Q 10	1Q 11	2Q 11	Q-o-Q
Total	**9.1%**	**10.0%**	**10.6%**	**11.2%**	**11.5%**	***0.2%p***
Retail	8.5%	9.8%	10.5%	11.5%	12.0%	*0.5%p*
Mortgage	6.3%	7.4%	8.1%	9.1%	9.9%	*0.8%p*
Consumer	17.8%	19.1%	20.4%	21.5%	20.7%	*-0.8%p*
MSE**	12.6%	12.7%	12.5%	14.7%*	14.8%	*0.1%p*
Corporate	12.0%	12.6%	13.7%	13.4%*	13.6%	*0.2%p*
Municipal	0.9%	0.7%	0.1%	0.2%	0.2%	*0.1%p*

DPD90+ loan volumes

OTP Bank Russia	2Q 10	3Q 10	4Q 10	1Q 11	2Q 11	Q-o-Q
Total	**16.7%**	**16.1%**	**12.3%**	**14.1%**	**13.3%**	***-0.8%p***
Mortgage	10.9%	10.5%	8.8%	9.0%	10.2%	*1.2%p*
Consumer	19.0%	16.9%	11.8%	14.4%	14.7%	*0.4%p*
Corporate+ SME	15.3%	18.3%	18.1%	17.8%	7.9%	*-9.9%p*
Car-financing	17.1%	17.0%	13.1%	13.6%	13.7%	*0.2%p*

DPD90+ loan volumes

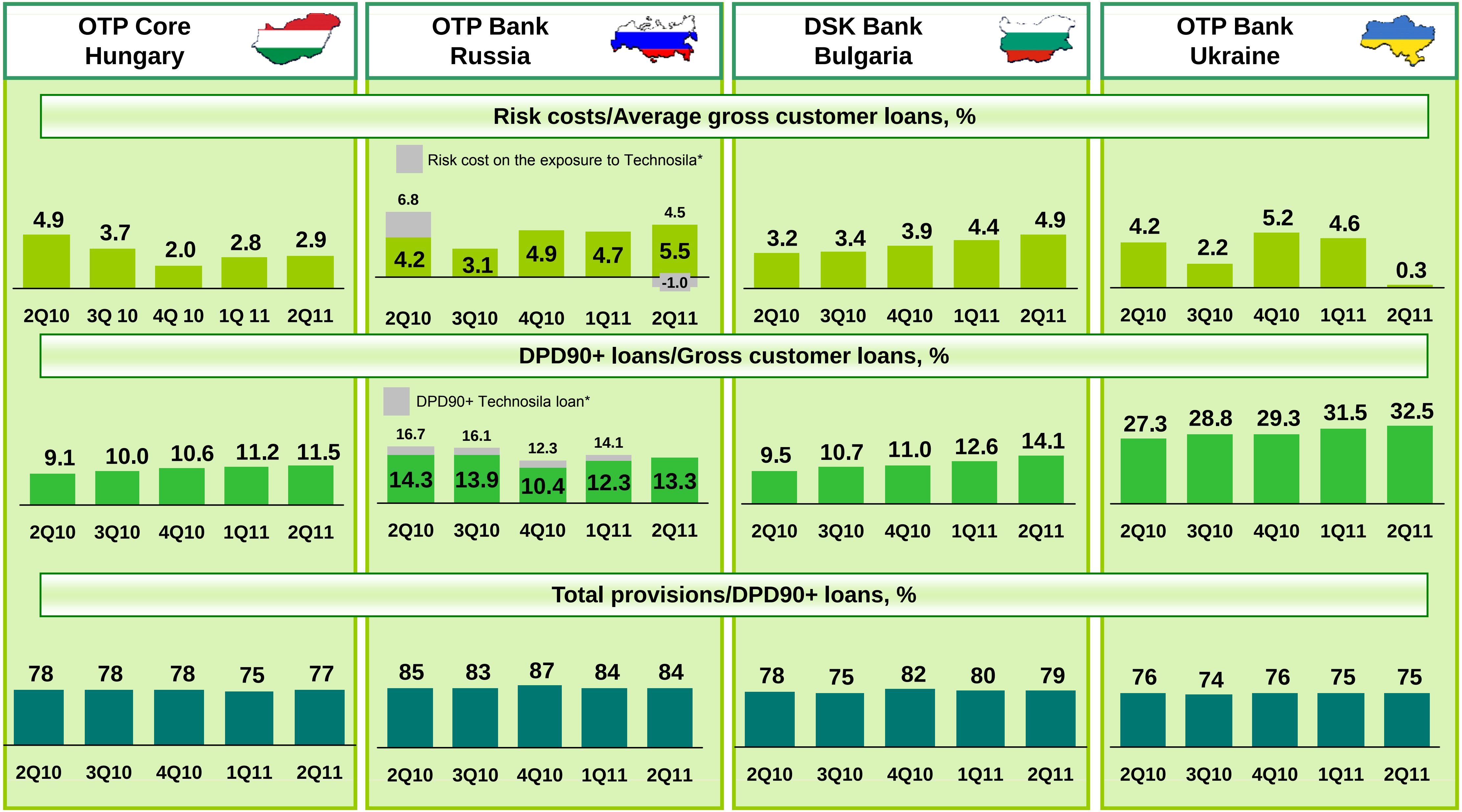
DSK (Bulgaria)	2Q 10	3Q 10	4Q 10	1Q 11	2Q 11	Q-o-Q
Total	**9.5%**	**10.7%**	**11.0%**	**12.6%**	**14.1%**	***1.5%p***
Mortgage	8.3%	9.9%	11.0%	13.0%	14.8%	*1.9%p*
Consumer	9.2%	9.6%	10.5%	11.3%	12.3%	*1.0%p*
MSE**	25.4%	28.7%	27.5%	32.0%	36.6%	*4.6%p*
Corporate	6.1%	7.5%	6.2%	7.5%	8.6%	*1.0%p*

DPD90+ loan volumes

OTP Bank Ukraine	2Q 10	3Q 10	4Q 10	1Q 11	2Q 11	Q-o-Q
Total	**27.3%**	**28.8%**	**29.3%**	**31.5%**	**32.5%**	***1.0%p***
Mortgage	30.2%	33.1%	37.2%	40.1%	41.7%	*1.6%p*
SME	40.5%	43.6%	46.0%	49.0%	51.4%	*2.5%p*
Corporate	20.7%	20.7%	18.3%	19.5%	19.4%	*0.0%p*
Car-financing	23.5%	27.0%	30.5%	35.4%	37.4%	*2.0%p*

* The q-o-q change in the quality of loans to micro- and small enterprises were influenced by a technical effect. The product breakdown of non-performing loans at OTP Factoring (the collection company within OTP Core) has been refined, at the same time it decreased DPD90+ corporate volumes. **Micro and small enterprises

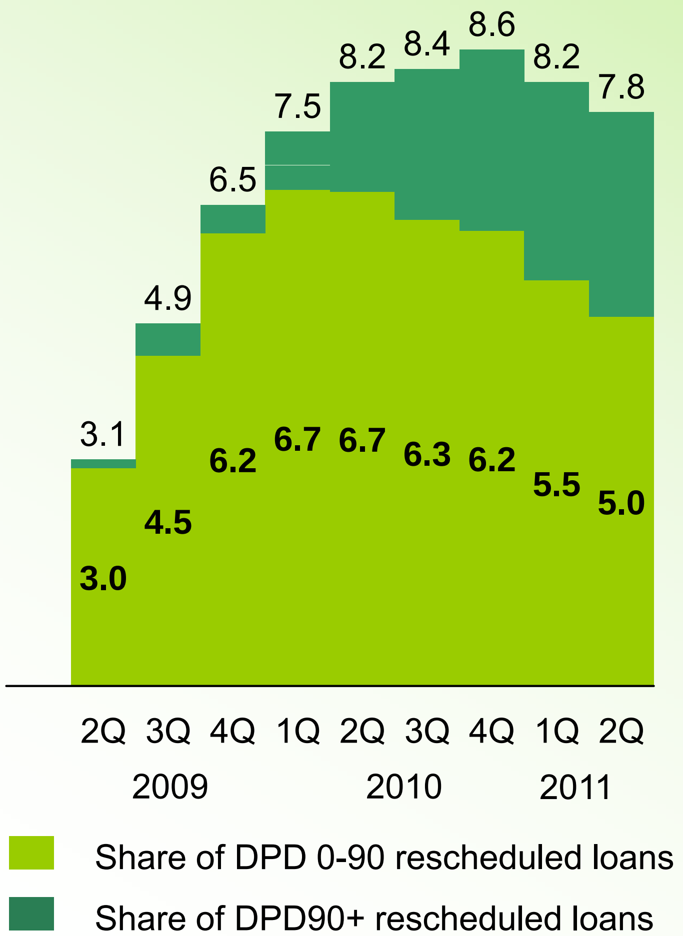
Provision coverage of problem loans increased in Hungary and remained stable at the main Group members



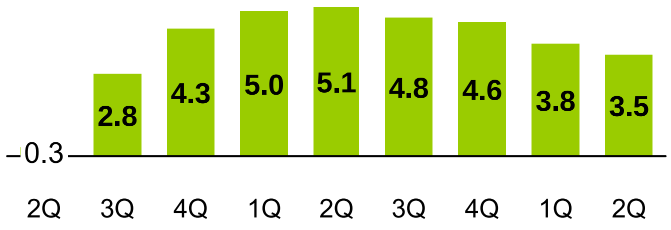
*The exposure of Technosila Group (USD 46.6 million) became overdue in 2Q 2010. The defaulted exposure was sold in 2Q 2011, the provision coverage was 90% in RUB terms, the before tax profit realized on the sale was appr. HUF 1.3 billion.**Risk cost ratios were adjusted for the revaluation result of FX-denominated provisions.

The share of rescheduled retail loans without re-defaults has decreased significantly even in case of Bulgaria and Romania during the first half of the year, consolidated ratio reached 5.0% as at the end of June

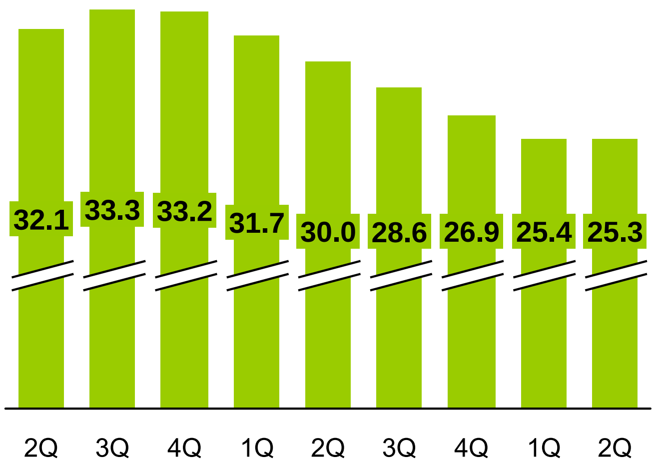
Share of rescheduled loans within retail portfolio* (%, without SME exposures)



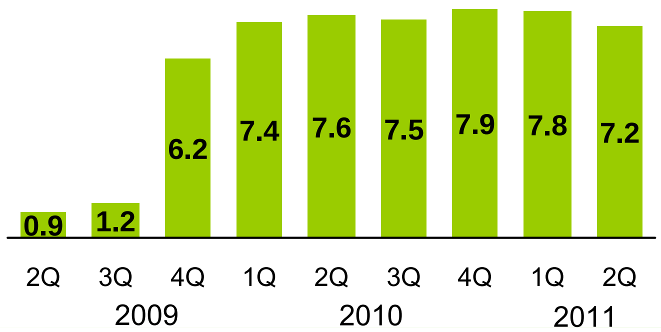
OTP Core (Hungary)



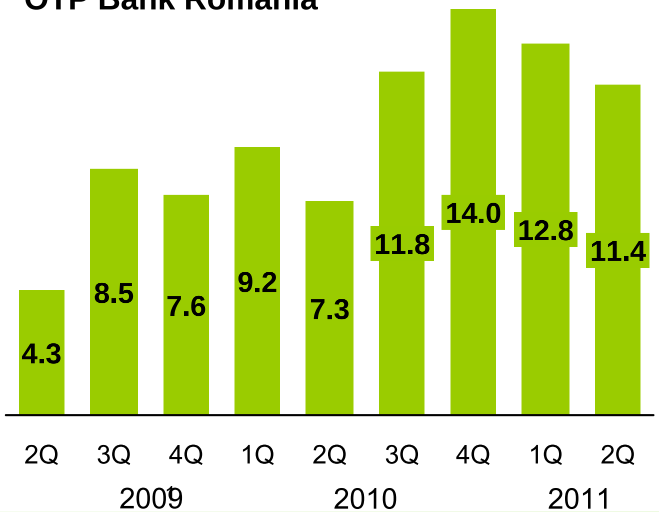
OTP Bank Ukraine



DSK (Bulgaria)**



OTP Bank Romania



* From 1Q 2010, rescheduled volumes of OTP Core includes loan volumes transferred to OTP Faktoring (the Hungarian collection company) too. Therefore the currently released dataset slightly differs from previous publications.
** DSK's 2Q-4Q 2009 statistics include DPD90+ volumes

Aiming at assisting our mortgage loan debtors with payment difficulties, OTP Bank announced its exchange rate fixing scheme to provide alternative solution besides the Home Protection Action Plan of the Government

	HOME PROTECTION ACTION PLAN – Hungarian State (from August 2011)	**EXCHANGE RATE FIXING – OTP Bank** (from August 2011)
Deadline for application	31 December 2011	31 March 2012
Period of fixed rate	36 months, up to 31 December 2014	36 months
Fixed exchange rate	CHF loan: *180 HUF/CHF* EUR loan: *250 HUF/EUR* JPY loan: *2.0 HUF/JPY*	CHF loan: *200 HUF/CHF* EUR loan: *265 HUF/EUR* JPY loan: *2.2 HUF/JPY*
Interest burden on special account	<u>under the fixing period:</u> 3-month BUBOR <u>after the fixing period:</u> actual market interest rate	<u>under the fixing period:</u> 3-month BUBOR <u>after the fixing period:</u> OTP's prevailing HUF mortgage rate
Other supporting measures	During the period of fixed exchange rate **state surety** applying to 100% of the special account, fallback guarantee of the state to 25% afterwards. For those borrowers who apply for fixing monthly instalments at 180 HUF/CHF rate for the coming few years and the difference of the fixed rate and the prevailing spot rate is going to accumulate on a special account, the increase in their monthly instalment stemming from this transaction **can not be higher than 15%** after 2015.	

DEBTOR PROTECTION PROGRAM – OTP Bank (since 2009)

- ***Lowering the monthly instalment:***
  - To 80% of the original monthly instalment up to 12 +12 months (lengthening is possible upon the request of the client)
  - To 30% of the original level up to max. 12 months (a minimum of HUF 20 ths is required), 6 months lengthening is possible twice along with increasing the instalment to 50% and 70% of the original level
- ***Prolongation:*** lengthening of the original loan maturity (up to the maximum maturity, in special cases by 5 years beyond that)

Home Protection Action Plan of the government, announced in May 2011, is expected to revive mortgage lending and moderate NPL formation

Home Protection Action Plan

The Plan aims at protecting all mortgage borrowers through offering solutions to different client groups as well as reviving the ailing mortgage market. The key elements are:

- To use **fixed exchange rates until 31 December 2014 (180 HUF/CHF, 250 HUF/EUR, 2 HUF/JPY**).
  For the difference the banks grant HUF-loans carrying BUBOR rates. During the protected period (ending with YE2014) the **State** will be 100% first-loss **guarantor**, afterwards a 25% fallback guarantor. In exchange the lenders will pay a guarantee fee.
- Both eviction and foreclosure moratoria to be lifted from 1 July 2011. **Auction quota** will be applied to foreclosed collaterals (starting with properties worth more than HUF 30 million and gradually reaching the quarterly limit of 5% by 2014.)
- **Interest rate support for purchasing** smaller home. Maximum tenor of the subsidized period is 5 years. Limited yearly burden on the budget (max. HUF 1.5 billion).
- **Setting up a National Asset Management Company** ('NAMC') targeting debtors with the worst social conditions and unable to service mortgage obligation. NAMC purchases the property and the client becomes a tenant. Also, the NAMC will launch a social house-building programme.
- **EUR denominated mortgage-lending will be reintroduced only** for customers with monthly income in EUR; this income should be at least 15 times higher than the official minimal wage.

With the effectuation of **Act LXXV 2011** on July 1, 2011, the Government partially established the legislative framework of the implementation of the Action Plan. The missing part of the regulation will be elaborated in co-operation with the Banking Association.

Expected impact of the measures…

…for FX debtors

- households will serve *a fixed debt burden* in the next four years that is 15% lower than the current one
- *instalments* will increase after 2015, when the CHF/HUF is expected to return to the 180 level, and disposable income of households will be at least 20% higher than the current level.

…for the banking system

- the very strong CHF will not result in higher *NPL formation* and higher *risk cost*
- will lead to *additional lending* (at Bubor rates, with a government guarantee for a guarantee fee)
- slower *balance sheet* contraction
- gradually abandoning the moratorium on foreclosures will help the banking system in *cleaning the loan portfolios*

... for the government

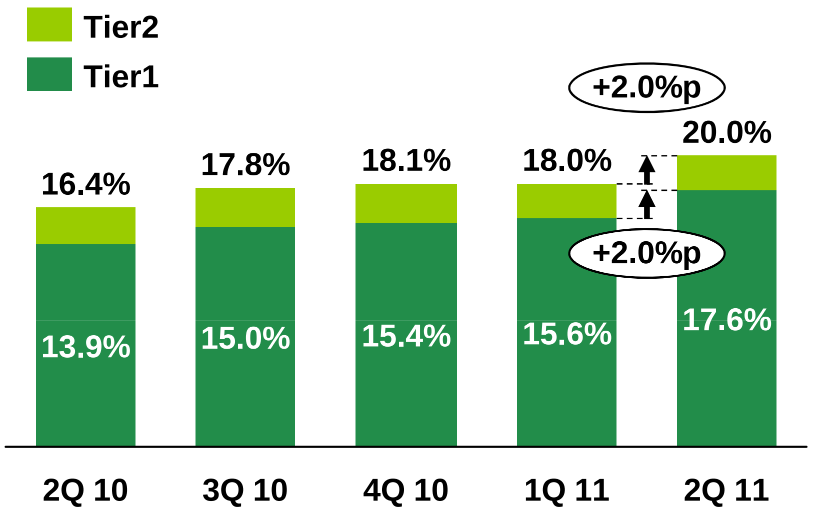
- more solid *macro framework* with a bit faster *growing domestic demand* in the coming years.
- *loan generation* may also increase
- *social tensions* can be also *mitigated*
- *fiscal costs* of the relief program will be kept *at a low level*

Main risks

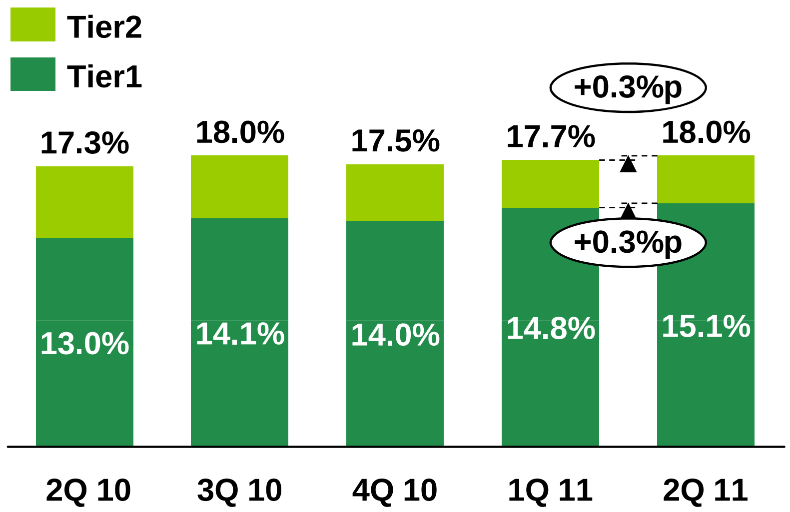
Further CHF appreciation against the HUF, if households do not take into consideration the rise in instalments after 2014.
According to our calculations the relief program will not result in high risks as long as CHF/HUF remains under 250.

Capital adequacy ratios of both OTP Bank (unconsolidated) and OTP Group (consolidated) are above the regulatory minimum and remained outstandingly high in international comparison

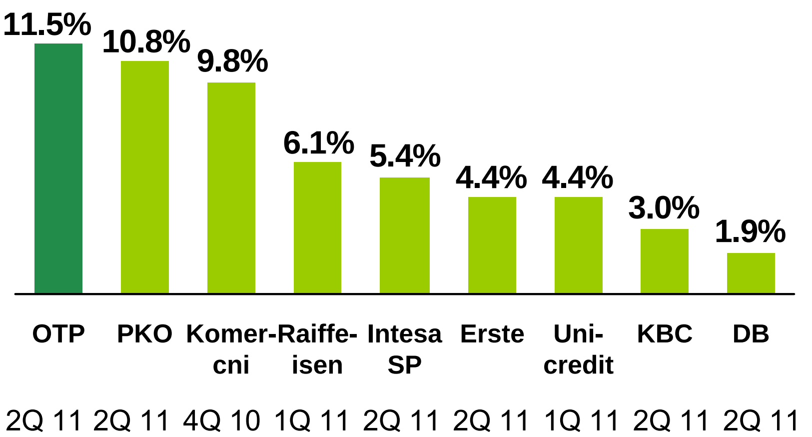
OTP Bank unconsolidated CAR (HAR)



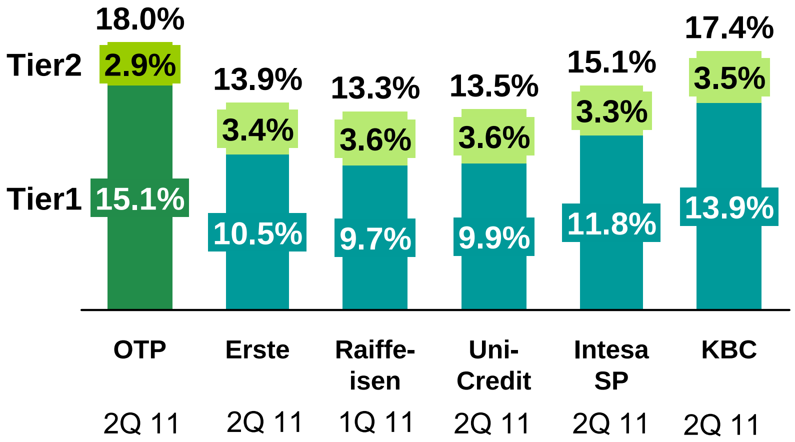
OTP Group Consolidated CAR (IFRS)



Tangible equity/tangible asset ratios in international comparison*



OTP Group's capital adequacy ratio in international comparison*



Capital transactions in 2Q 2011 in OTP Group:

the **Ukrainian subsidiary** paid HUF 11.6 billion (UAH 500 million) dividend to OTP Bank

According to management decision the HUF 40.7 billion dividend payable by the **Bulgarian subsidiary** is to be settled as follows :

in 2Q 2011 about HUF 23.2 was paid with the remaining part (about HUF 17.5 billion) to be settled in 3Q

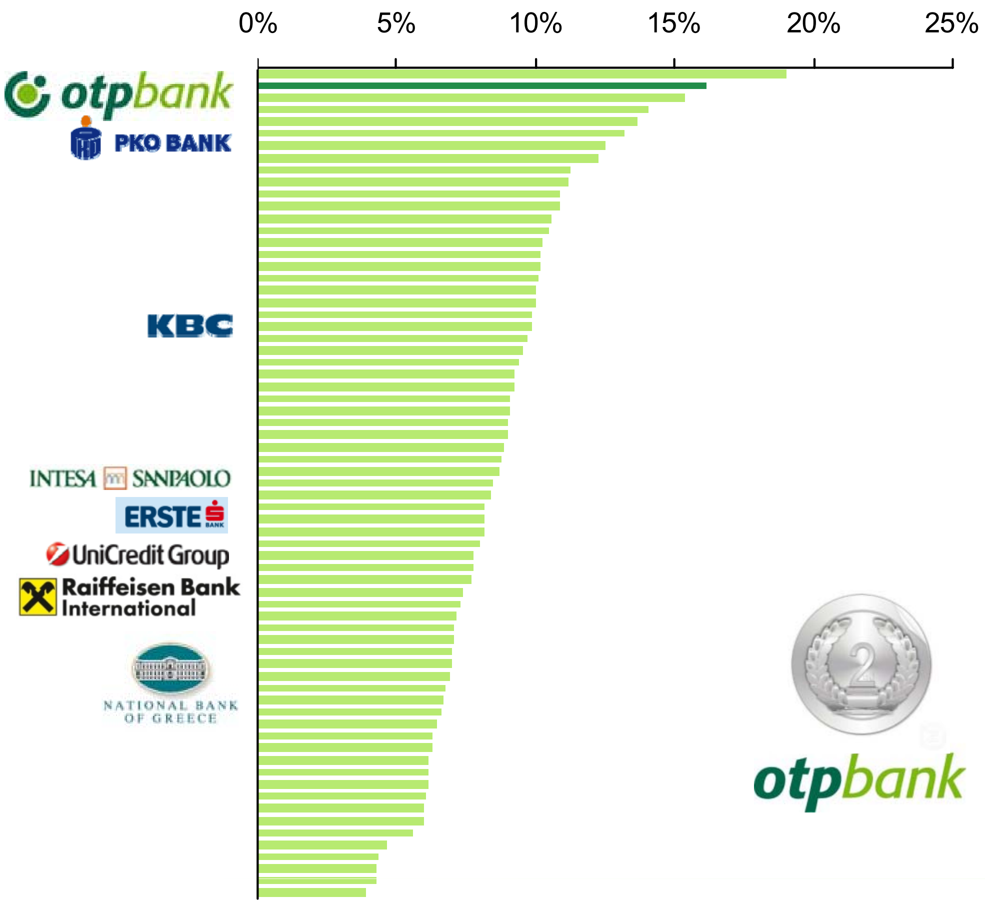
*Source: Bloomberg, OTP

OTP excelled itself both in 2010 and 2011 based on the European stress tests results

2010: CEBS stress test for the measure of capital strength

CEBS stress test results of OTP Group were sound and well above the expected 6% Tier1 level. Under the most adverse scenario OTP's Tier1 ratio was the 2nd best in Europe.

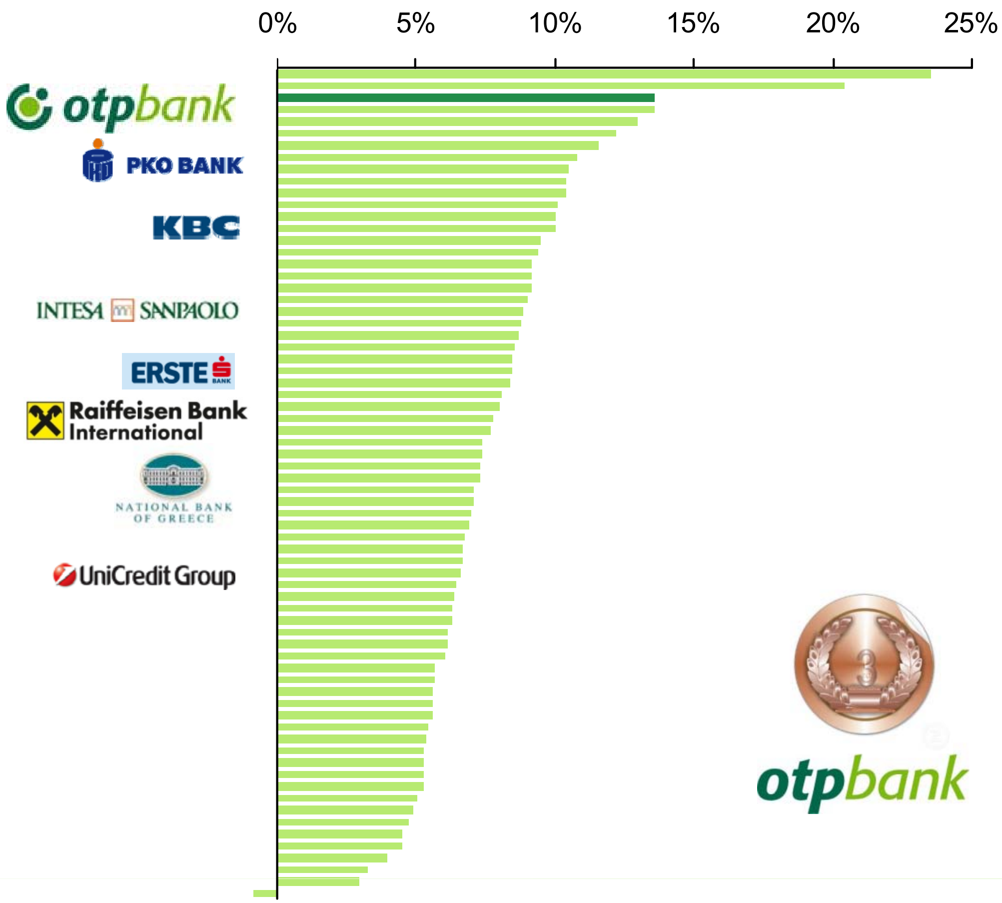
Tier1 ratios under the most adverse scenario (2011):



2011: EBA stress test with more rigorous stress scenario

Key positives: enhanced transparency, consistency and disclosure policy, more rigorous approach to capital (Core Tier1 instead of Tier1 ratio). The estimated consolidated Core Tier1 capital ratio of OTP Bank would change to 13.6% under the adverse scenario in 2012.

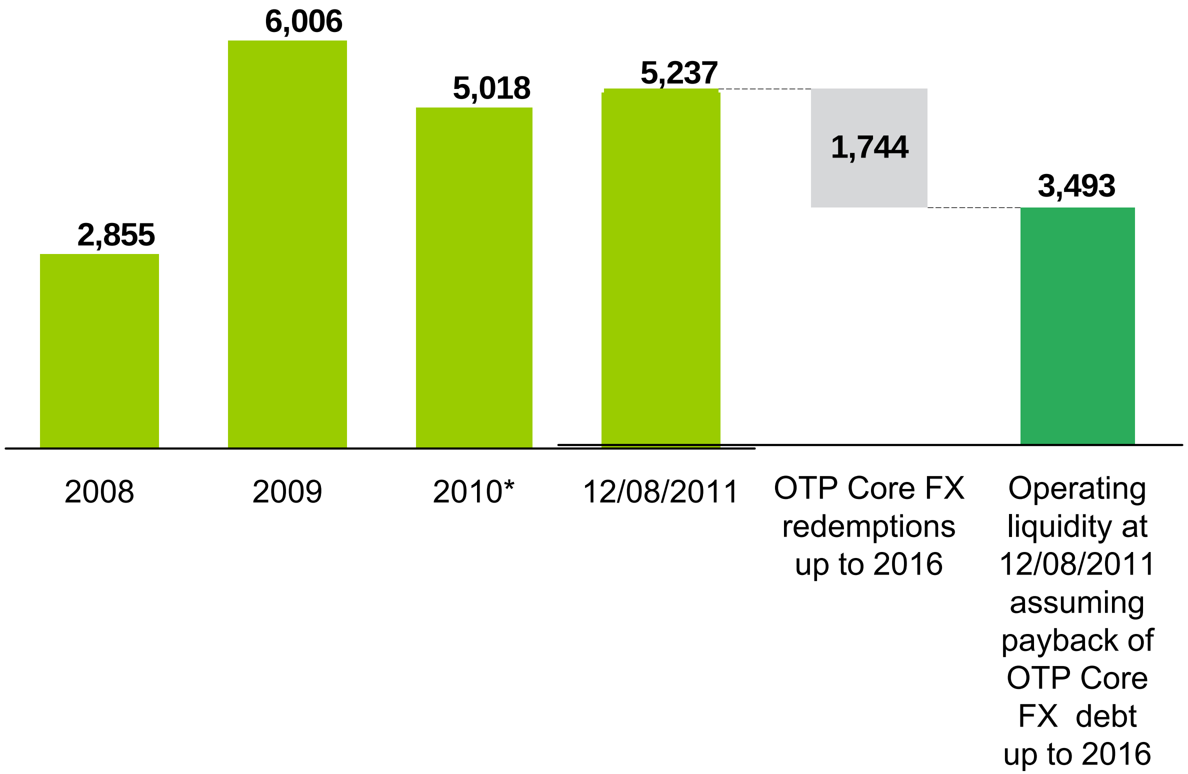
Core Tier1 ratios under the adverse 'C' scenario in 2012:



The operating liquidity of OTP Group is EUR 5.2 billion equivalent, by 3 times higher than the total outstanding external FX obligations of OTP Core until 2016

OTP Group operating liquidity

(EUR million, equivalent)



Having paid back a senior note and a mortgage bond redemption for 2011 (together net EUR 1.13 billion), the Group's operating liquidity is about 3 times as high as all outstanding external FX obligations until 2016 on 12/08/2011

Debt and capital market activities in 2011:

- In March, OTP Bank Russia printed a RUB 2.5 billion senior bond with heavy oversubscription, the premium was 170 bps over the sovereign benchmark
- In July OTP Bank Russia completed its second bond issue on the Rubel bond market, the RUB 5 billion senior bond s had 3 years maturity with a coupon rate of 7.95%
- In May, OTP Bank Hungary signed an EUR 300 million syndicated loan having a 2 years tenor and carrying an all-in margin of 250 bps above 3 million Euribor
- Stable Hungarian retail bond market: closing volume reached HUF 308 billion (EUR 1.15 billion) by 2Q 2011

Repaid capital market redemptions in 2011:

- On 16 May OTP Bank paid back a EUR 500 million senior bond issued in 2008
- On 11 July OTP Mortgage Bank paid back EUR 750 million covered bond

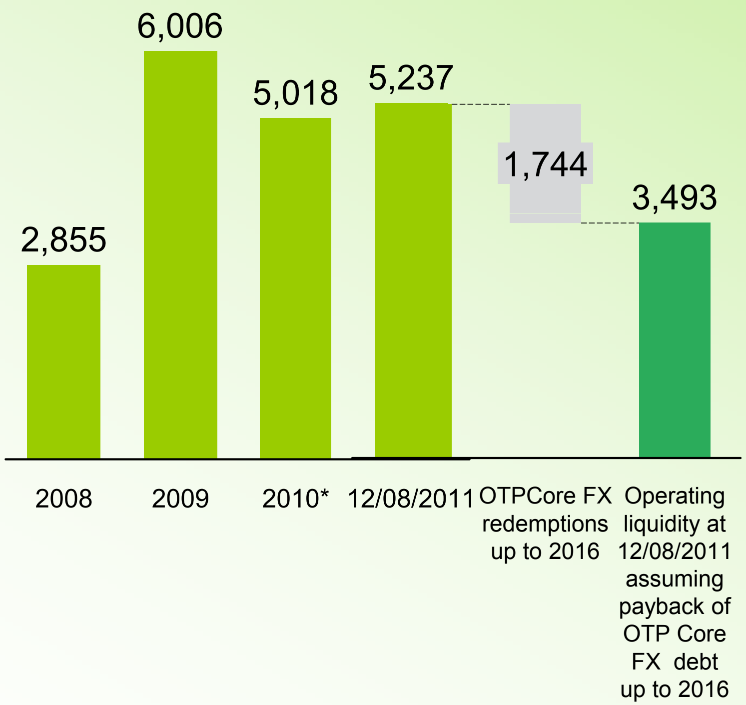
Redemptions until 12/08/2012:

- EUR 87 million covered bond (December 2011) and five HUF denominated covered bond series with a total volume of EUR 223 million equivalent (covered bonds have limited renewal risk, as those are repoable instruments with ECB/NBH)
- EUR 43 million equivalent senior bond denominated in CHF (February 2012)
- EUR 250 million syndicated loan (July 2012)

*as at 31/01/2011

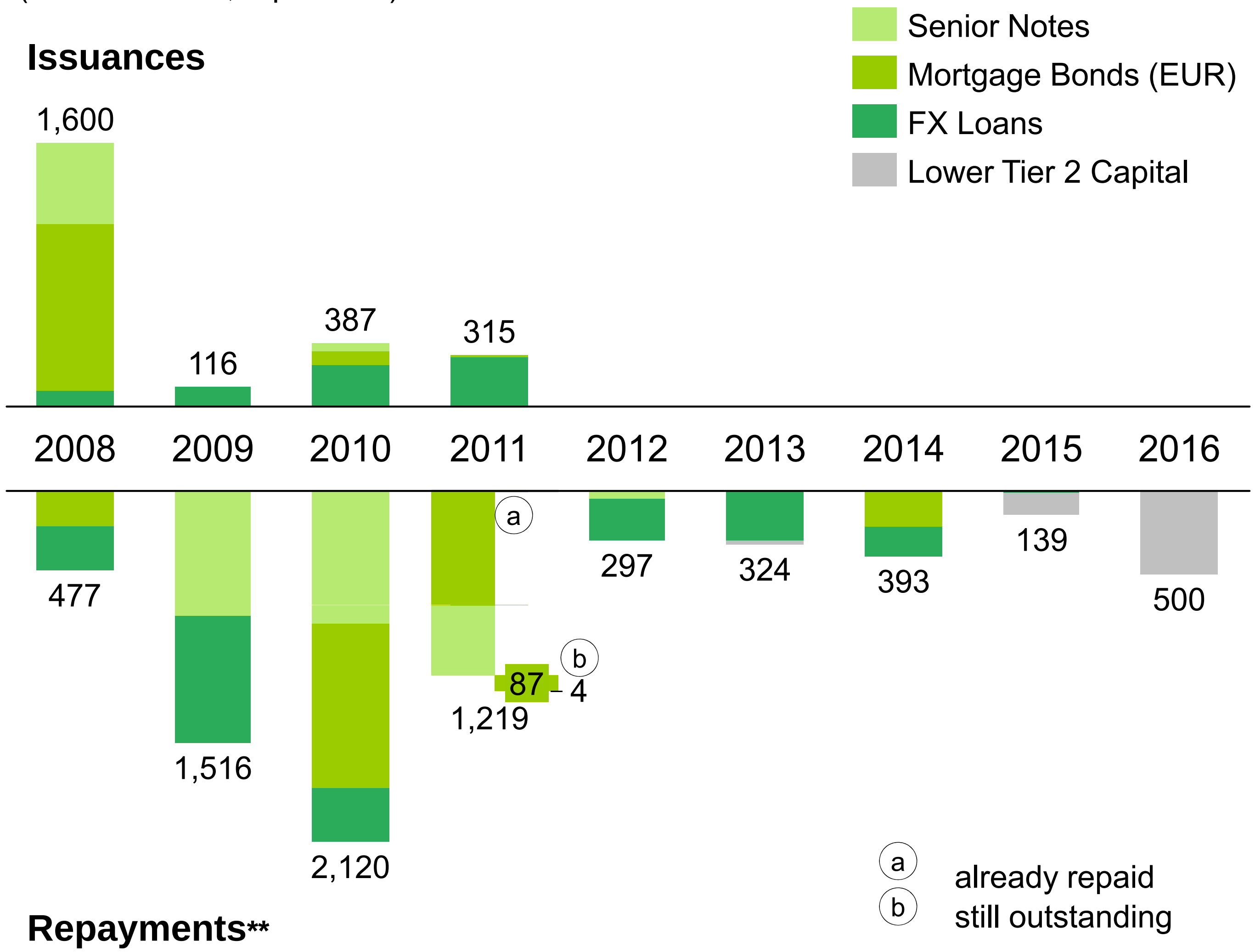
Since the beginning of the crisis, external redemptions of OTP Core have been covered by intra-group generated liquidity instead of new wholesale issuances

OTP Group operating liquidity
(EUR million equivalent)



Having paid back a senior note and a mortgage bond redemption for 2011 (together net EUR 1.13 billion), the Group's operating liquidity is about 3 times as high as all outstanding external FX obligations until 2016 on 12/08/2011

Wholesale funding transactions at OTP Core level
(in EUR million, equivalent)



*as at 31/01/2011
** Repayments do not include intra-group holdings

OTP Group has no material exposure to some Euro-zone countries, most of the receivables due in two weeks time*

	Exposure	Deal Type	Currency	Bulk of Exposure Due	Longest Maturity
Portugal	EUR 16.3 million	FX-spot, FX-swap, Interest at Maturity	USD, EUR, CHF, PLN, HUF	July 2011	September 2011
Ireland	EUR 1.3 million	Interest at Maturity	HUF	July 2011	July 2011
Italy	EUR 0	-	-	-	-
Greece	EUR 0	-	-	-	-
Spain	EUR 0	-	-	-	-

*Without the transactions with those banks, whose mother banks are domiciled in GIIPS countries

Forward looking statements

This presentation contains certain forward-looking statements with respect to the financial condition, results of operations, and businesses of OTP Bank. These statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that will occur in the future. There are a number of factors which could cause actual results or developments to differ materially from those expressed or implied by these forward looking statements and forecasts. The statements have been made with reference to forecast price changes, economic conditions and the current regulatory environment. Nothing in this announcement should be construed as a guaranteed profit forecast.

otpbank

Investor Relations and Debt&Capital Markets

Tel: + 36 1 473 5460; + 36 1 473 5457

Fax: + 36 1 473 5951

E-mail: investor.relations@otpbank.hu

www.otpbank.hu