OTP Group
First nine months 2012 results

Conference call – 15 November 2012

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Chief Financial and Strategic Officer

Consolidated accounting and adjusted profit, as well as before tax profit without one-off items increased q-o-q (by 4, 16 and 15%, respectively); there were no material adjustments or one-off items in 3Q

	9M 11	9M 12	Y/Y	3Q 11	2Q 12	3Q 12	Q/Q	Y/Y
	HUF billion			HUF billion				
Consolidated after tax profit (accounting)	**109.6**	**96.4**	**-12%**	**35.2**	**41.1**	**42.5**	**4%**	**21%**
Adjustments (total)	**-21.6**	**-27.3**	**26%**	**-7.4**	**4.1**	**-0.4**	**-110%**	**-94%**
Dividends and revaluation result of strategic open FX position	0.6	-0.2	-133%	0.3	0.2	-0.2	**-231%**	**-178%**
Goodwill impairment charges (after tax)	0.0	4.0		0.0	4.0	0.0	-100%	
Special tax on financial institutions (after tax)	-21.7	-29.3	35%	-7.2	-0.1	-0.2	135%	-98%
Impact of early repayments (after tax)	-0.4	-1.8	313%	-0.4	0.0	0.0		-100%
Consolidated adjusted after tax profit	**131.2**	**123.7**	**-6%**	**42.5**	**37.0**	**43.0**	**16%**	**1%**
Corporate tax	-39.6	-29.1	-27%	-19.7	-9.1	-12.5	38%	-36%
O/w tax shield of subsidiary investments	-2.0	7.6	-473%	-6.2	2.6	1.2	-53%	-120%
Before tax profit	170.8	152.8	-11%	62.3	46.1	55.5	20%	-11%
Total one-off items	9.6	-3.8		9.3	-1.8	0.5	-131%	-94%
Revaluation result of FX swaps at OTP Core	3.5	-2.5	-172%	3.5	-1.4	0.0	-102%	-99%
Gain on the repurchase of own capital instruments	1.8	1.4		1.5	0.0	0.3		-80%
Revaluation result of the treasury share swap agreement	0.0	-2.7		0.0	-0.4	0.2	-153%	
Before tax profit without one-off items	**161.2**	**156.6**	**-3%**	**53.0**	**47.9**	**55.0**	**15%**	**4%**

1 On the investments into the Serbian and Montenegrin subsidiaries impairment charges were booked at OTP Bank (under local accounting standards: HUF 15.0 billion and HUF 5.9 billion respectively). Even though the impairment had no direct effect either on the consolidated IFRS balance sheet or on the IFRS P&L, there was a positive tax shield of HUF 4.0 billion supporting Group's IFRS accounting profit.

2 In 2012 the full annual amount of the special banking tax paid by Hungarian group members was already recognised in the first quarter, whereas previously accrual accounting was applied. This methodological change was based on a draft statement of the IFRS Interpretation Committee ("IFRIC") released in March. 2Q and 3Q was only affected by HUF 76 and 179 million Slovakian banking tax (net of corporate tax), respectively.

3Q profit before tax without one-off items grew both at Group level and in Hungary q-o-q, however Hungarian profit for the first nine months dropped by 20% y-o-y due mainly to declining net interest income

CONSOLIDATED	9M 11	9M 12	Y-o-Y	3Q 11	2Q 12	3Q 12	Q-o-Q	Y-o-Y
	HUF billion			HUF billion				
Before tax profit without one-off items	**161.2**	**156.6**	**-3%**	**53.0**	**47.9**	**55.0**	**15%**	**4%**
Operating profit w/o one-off items	327.7	340.0	4%	112.3	112.0	115.5	3%	3%
Total income w/o one-off items	593.3	629.7	6%	204.9	208.0	212.4	2%	4%
Net interest income w/o one-off items	461.9	484.3	5%	159.2	158.9	161.3	1%	1%
Net fees and commissions	104.7	111.0	6%	36.6	37.9	39.0	3%	7%
Other non-interest income w/o one-off items	26.7	34.3	29%	9.1	11.2	12.1	8%	34%
Operating cost	-265.6	-289.7	9%	-92.6	-96.1	-96.9	1%	5%
Total risk costs	-166.5	-183.4	10%	-59.3	-64.1	-60.6	-5%	2%

OTP CORE	9M 11	9M 12	Y-o-Y	3Q 11	2Q 12	3Q 12	Q-o-Q	Y-o-Y
	HUF billion			HUF billion				
Before tax profit without one-off items	**114.9**	**92.2**	**-20%**	**38.8**	**27.9**	**34.9**	**25%**	**-10%**
Operating profit w/o one-off items	184.2	163.1	-11%	61.6	52.1	54.9	5%	-11%
Total income w/o one-off items	313.2	298.1	-5%	108.1	97.0	100.4	4%	-7%
Net interest income w/o one-off items	245.1	220.8	-10%	84.9	71.2	73.4	3%	-13%
Net fees and commissions	63.6	64.0	1%	21.7	22.2	21.3	-4%	-2%
Other non-interest income w/o one-off items	4.5	13.3	196%	1.5	3.6	5.7	57%	281%
Operating cost	-129.0	-134.9	5%	-46.5	-44.9	-45.5	1%	-2%
Total risk costs	-69.3	-70.9	2%	-22.8	-24.3	-20.0	-18%	-12%

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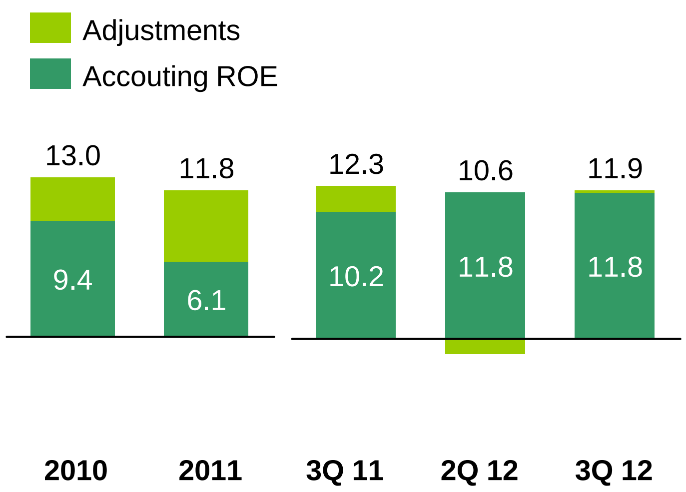
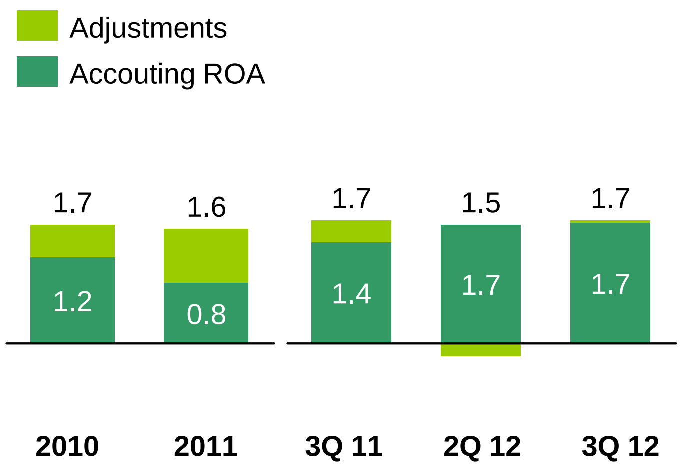
Improving consolidated total income- and net interest margin q-o-q, significantly decelerating portfolio deterioration, increasing provision coverage despite decreasing risk cost rate; stabilising gross loan portfolio, growing deposits

Adjusted Return on Equity – ROE (%)

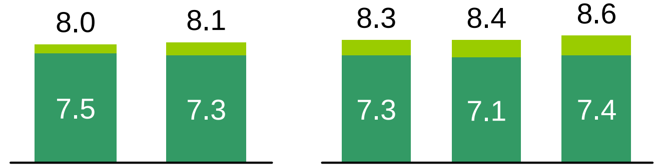


Adjusted Return on Assets – ROA (%)

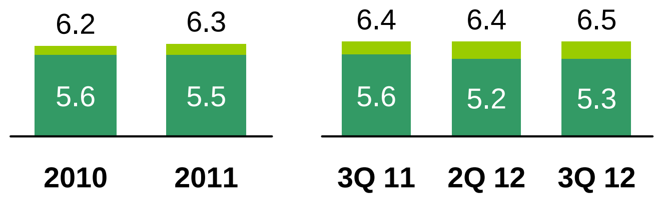


Consolidated / Consolidated w/o OTP Russia

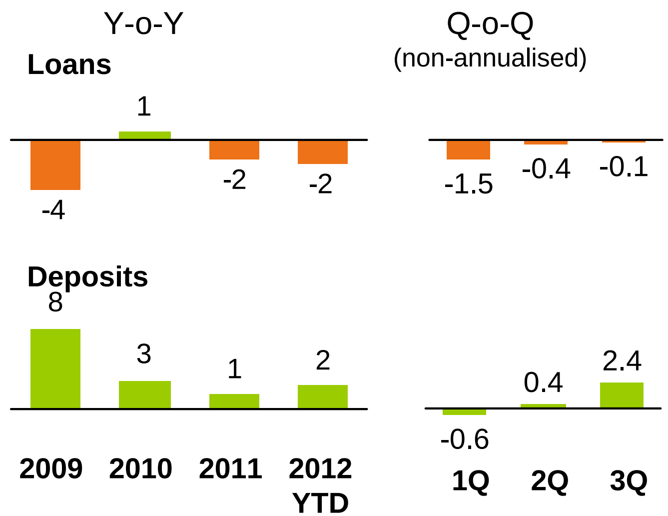
Total income margin (%)



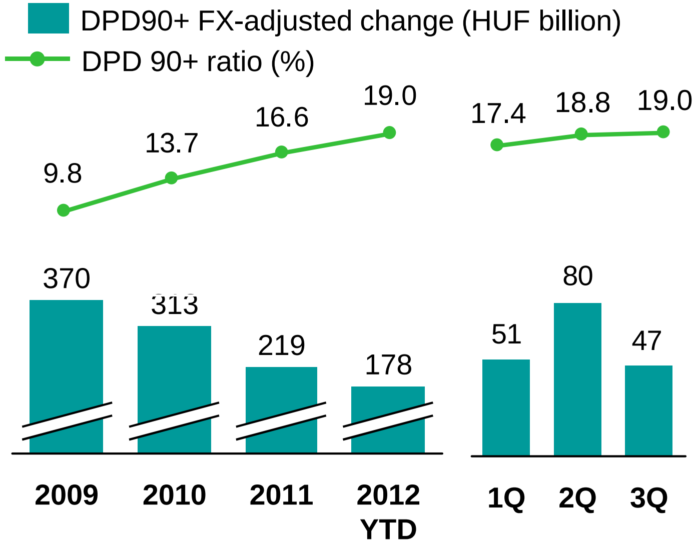
Net interest margin (%)



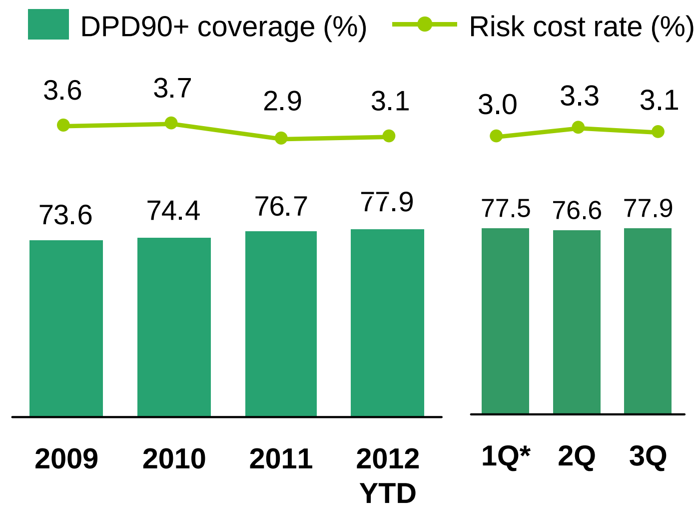
Growth of business volumes (%, FX-adj.)



Portfolio quality development



Risk cost development (%)



* Due to an accounting error in 1Q, consolidated gross loans and provisions have been reduced retroactively by HUF 115.2 billion each. Consequently, consolidated provisions decreased from HUF 1,045 billion to HUF 1,030 billion, thus the provision coverage of DPD90+ portfolio moderated from 78.6% to 77.5%.

Capital adequacy ratios are comfortably above the regulatory minimum both on the consolidated level as well as at the different group members

OTP Group consolidated capital adequacy ratio (IFRS)

(Basel 2)	2008	2009	2010	2011	3Q 2012
Capital adequacy ratio	15.4%	17.2%	17.5%	17.3%	18.2%
Tier1 ratio	11.3%	13.7%	14.0%	13.3%	15.2%
Core Tier1 ratio	9.5%	12.0%	12.5%	12.0%	13.9%

Capital transactions of OTP Bank in 3Q 2012

Subordinated capital of HUF 2.3 billion was converted into share capital at CKB Bank, Montenegro.

European Banking Authority (‚EBA') capital exercise (October 2012)

„OTP Bank Plc. meets the 9% Core Tier1 ratio including the sovereign buffer as stated in the EBA December 2011 Recommendation."

Source: Announcement of EBA and the Hungarian Financial Supervisory Authority on the final assessment of the capital exercise and the fulfilment of the EBA December 2011 Recommendation

Capital adequacy ratios (under local regulation)

	Min. CAR	2009	2010	2011	3Q 2012
OTP Group (IFRS)	**8%**	**17.2%**	**17.5%**	**17.3%**	**18.2%**
Hungary	8%	16.2%	18.1%	17.9%	18.2%
Russia	11%	13.3%	17.0%	16.2%	16.7%
Ukraine	10%	17.8%	22.1%	21.3%	20.3%
Bulgaria	12%	21.9%	23.7%	20.6%	19.1%
Romania	10%	14.3%	14.0%	13.4%	13.7%
Serbia	12%	27.1%	16.4%	18.1%	20.0%
Croatia	12%	13.4%	15.0%	14.8%	15.3%
Slovakia	8%	10.7%	11.1%	13.1%	12.8%
Montenegro	10%	13.4%	13.9%	13.4%	14.5%

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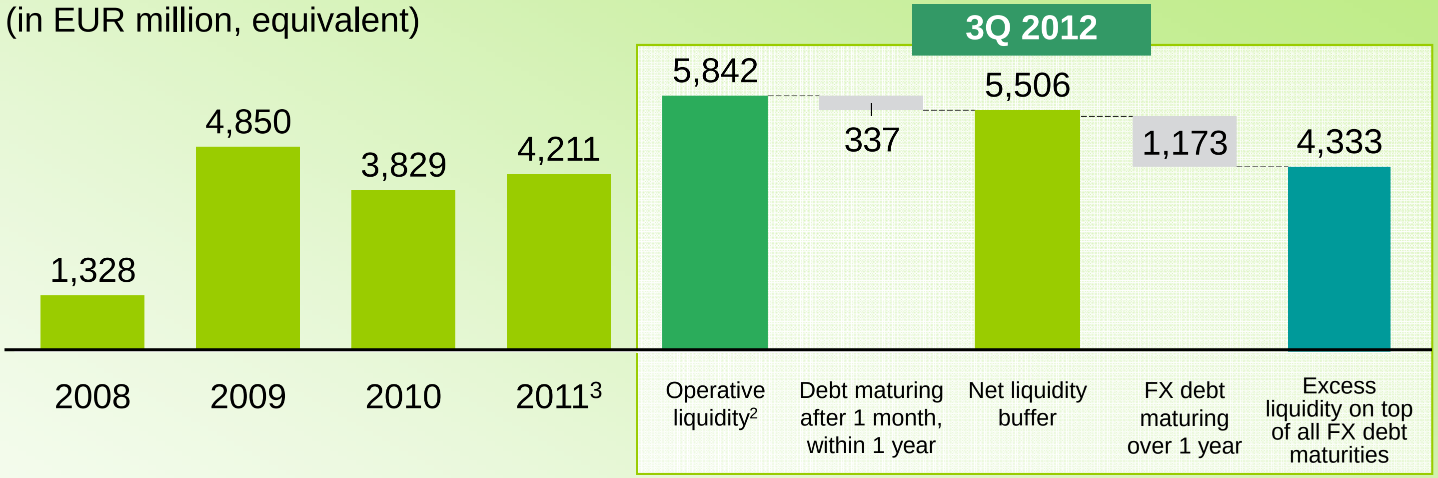
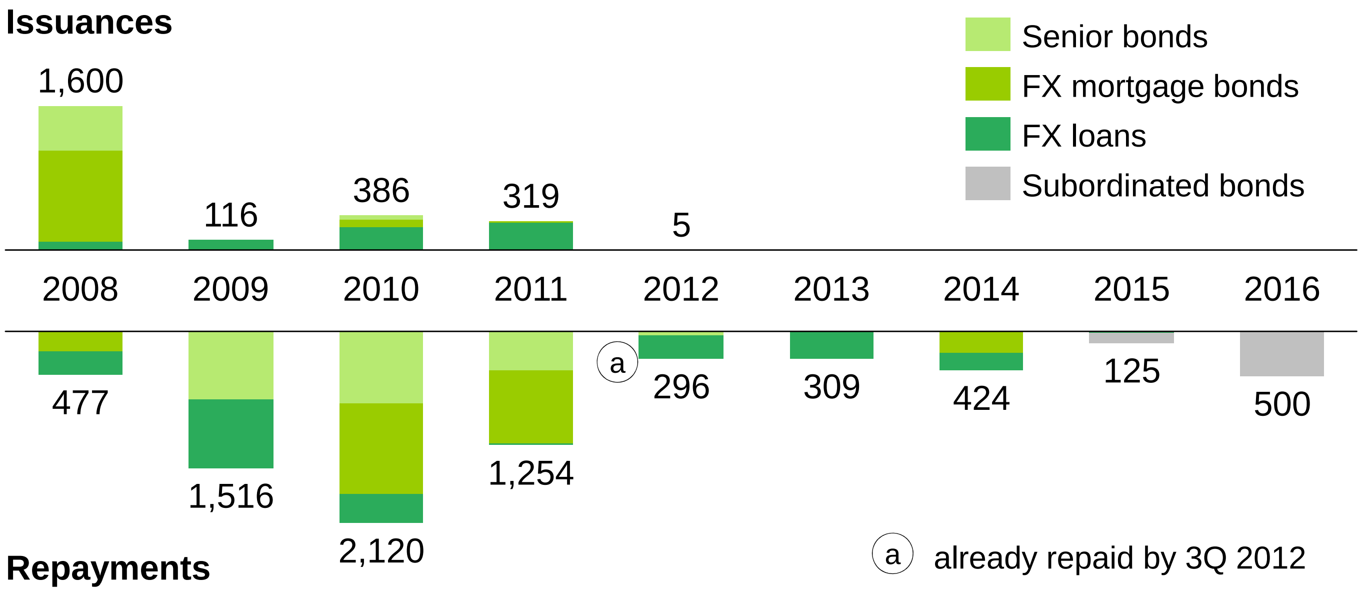
Since the beginning of the crisis external redemptions of OTP Core have been covered by intra-group generated liquidity instead of new wholesale issuances

OTP Group net liquidity buffer[1]
(in EUR million, equivalent)



FX denominated wholesale funding transactions at OTP Core level[4] (in EUR mn)



Debt and capital market issuances in the first nine months of 2012:

- OTP Bank Russia printed a RUB 6 billion bond in March 2012 with 3 years maturity
- Stable Hungarian retail bond market: closing volume reached HUF 288 billion (EUR 1 billion) by 3Q 2012
- EUR denominated mortgage bond issuances at OTP Mortgage Bank in September 2012, total external obligations grew by EUR 5 million

Repaid debt and capital market instruments in 9M 2012:

- On 24 February 2012 OTP Bank paid back a CHF 100 million senior bond issued in 2010
- On 2 July 2012 OTP Bank repaid EUR 250 million syndicated loan

OTP Bank did not participate in the two LTRO tenders of the ECB

[1] operating liquidity less debt maturing over one month within one year
[2] liquid asset surplus within one month + repo value of government bonds, covered bonds, municipal bonds
[3] as at 22/02/2012
[4] wholesale funding transactions do not include intra-group holdings

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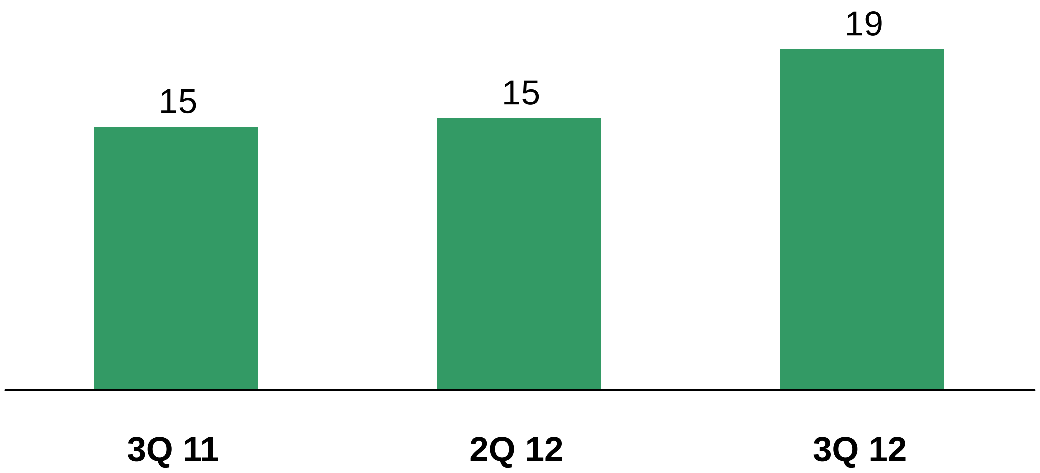
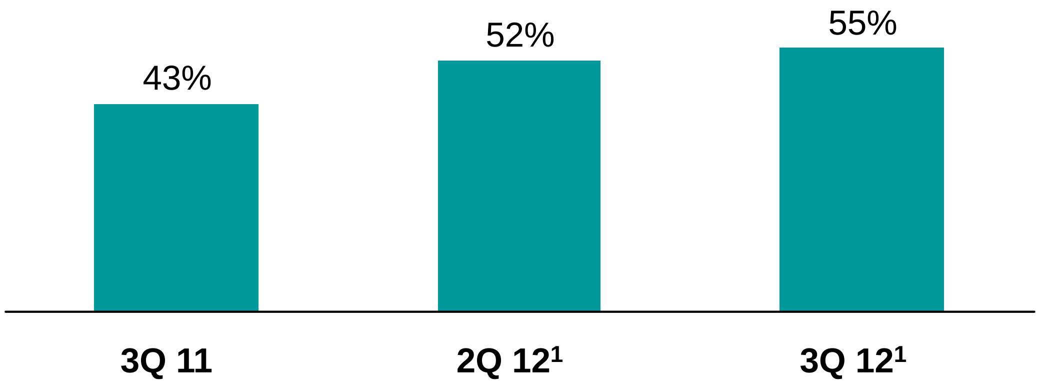
Contribution of foreign subsidiaries to adjusted profit is still significant: 55% of profit including bank tax and net result of early repayment (45% without these items) was generated abroad in 3Q 2012

Foreign subsidiaries' aggregated after tax profit
(without one-off items, in HUF billion)

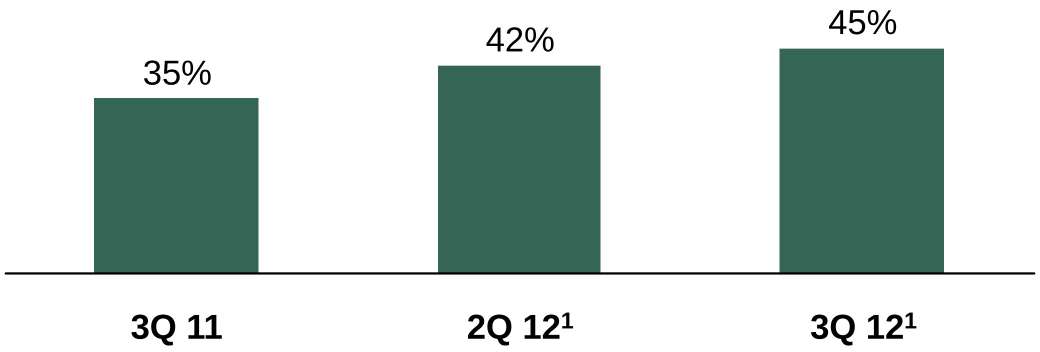


Foreign subsidiaries' contribution to the consolidated adjusted after tax profit

With bank tax and net result of early repayment



Without bank tax and net result of early repayment



[1] Share within net profits comprising proportional share of 2012 full year banking tax.

The q-o-q improvement of profit before tax without one-off items is due to increasing Hungarian profit on the back of lower risk cost and higher income and to the decelerating Bulgarian portfolio deterioration

PROFIT BEFORE INCOME TAX – 3Q 2012 without one-off items (HUF billion)	Share	PBT	Y-o-Y change (%)	Q-o-Q change (HUF billion)	Q-o-Q change (%)
OTP Group	100%	55.0	4%	7	15%
OTP CORE (Hungary)	61%	34.9	-10%	7	25% (1)
OBRU (Russia)	24%	13.7	16%	-1	-4% (2)
DSK (Bulgaria)	16%	9.2	157%	3	42% (3)
OBU (Ukraine)	2%	1.3	-36%	2	332% (4)
OBH (Croatia)	4%	2.0	860%	2	494% (5)
OBS (Slovakia)	0%	0.3	681%	0	199%
OBR (Romania)	-3%	-1.7	-1,949%	-3	-287% (6)
CKB (Montenegro)	0%	-0.1	96%	1	90%
OBSrb (Serbia)	-2%	-1.3	-122%	0	55%
Merkantil (Hungary)	0%	0.1	-85%	0	-83%

1. At OTP Core q-o-q government bond gains due to declining yields and lower risk cost as a result of slowing portfolio deterioration
2. Stable q-o-q Russian profit with a relatively high risk cost rate (3Q: 9.0%)
3. By 3% higher operating income and by 25% decreasing risk costs due to decelerating portfolio deterioration in Bulgaria
4. Profitable 3Q in the Ukraine due to rapidly growing consumer lending and increasing total income on the back of higher corporate- and interbank loan interest rates.
5. 6 times higher Croatian profit as a result of moderate risk cost and stable operating income
6. Loss making Romanian operation with high provisioning and q-o-q decreasing provision coverage ratio

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The increase in quarterly net interest income was supported by consumer lending driven Ukrainian and improving Hungarian performances

NET INTEREST INCOME – 3Q 2012 (in HUF billion)	Share	NII	Y-O-Y change (%)	Q-o-Q change (HUF billion)	Q-o-Q change (%)
OTP Group	100%	161.3	1%	2.4	1%
OTP CORE (Hungary)	46%	73.4	-13%	2.2	3% (1)
OBRU (Russia)	26%	41.5	36% (2)	0.3	1% (2)
DSK (Bulgaria)	12%	18.6	1%	-0.4	-2%
OBU (Ukraine)	8%	13.3	42%	2.5	23% (3)
OBH (Croatia)	3%	4.1	10%	-0.1	-3%
OBS (Slovakia)	2%	3.1	15%	0.1	3%
OBR (Romania)	2%	3.2	-32%	-0.7	-19% (4)
CKB (Montenegro)	1%	1.8	23%	0.0	-2%
OBSrb (Serbia)	0%	0.8	114%	0.0	3%
Merkantil (Hungary)	2%	3.7	-4%	-0.2	-5%

1 3% q-o-q increase of Hungarian interest income is due to 19% margin growth (3Q: 4.73%).

2 Increasing y-o-y Russian interest income is still driven by expanding consumer lending. Quarterly interest income was stable in ruble terms, the q-o-q decline is due to forint appreciation.

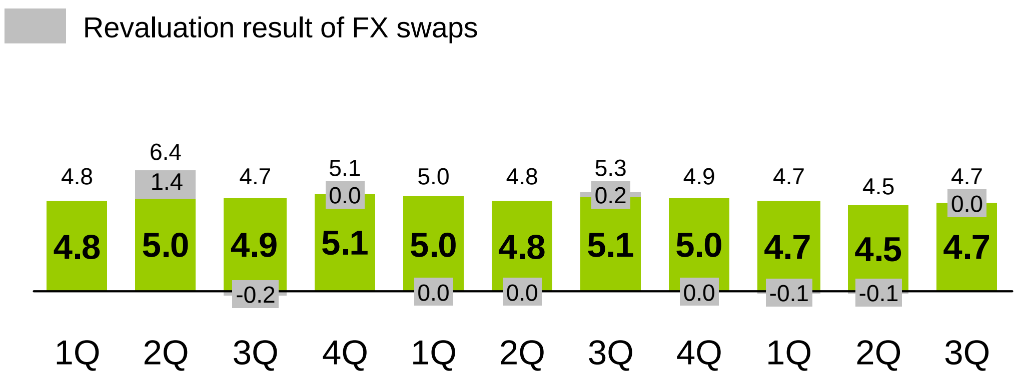
3 Significantly growing Ukrainian interest income due to accelerating consumer lending and widening interest margin as a result of increasing corporate and interbank interest rates (3Q 2012: 7.75%. +184 bps q-o-q).

4 Net interest income dropped q-o-q due to unfavourable FX-swap revaluation and deposit campaigns in Romania.

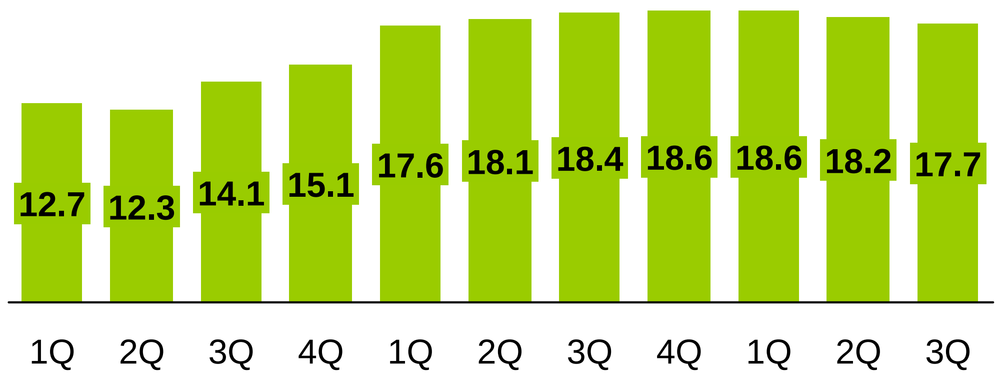
Stabilizing net interest margin in Hungary; declining Russian and Bulgarian margins due to FX-effect, though in Russia the worsening loan quality and active deposit collection played a role, too; the widening Ukrainian margin reflects the accelerating consumer lending and the elevated interest rates in the corporate and interbank loan market

Net interest margin (%)

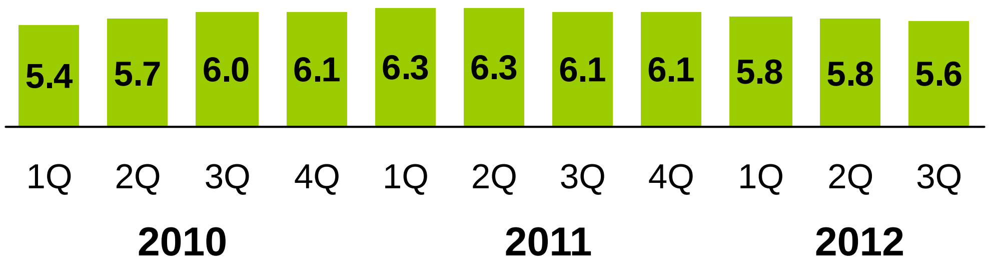
OTP Core Hungary



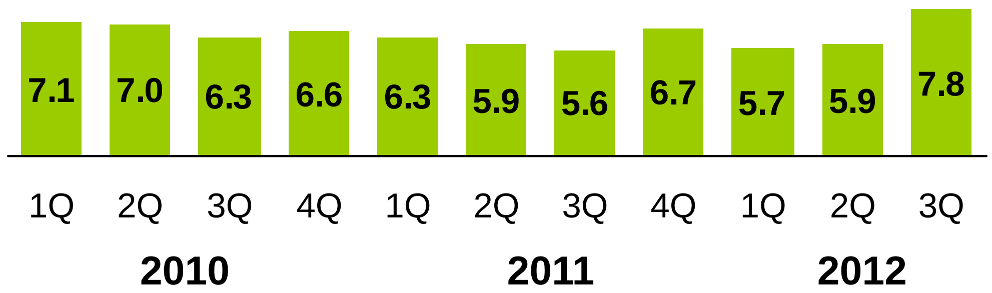
OTP Bank Russia



DSK Bank Bulgaria



OTP Bank Ukraine



The quarterly increase in consolidated net fees was driven by Ukraine, while technical changes at OTP Core and at OTP Fund Management offset each other

NET FEES AND COMMISSIONS – 3Q 2012 (in HUF billion)	Share	3Q 2012	Y-o-Y change (%)	Q-o-Q change (in HUF billion)	Q-o-Q change (%)
OTP Group	100%	39.0	7%	1.1	3%
OTP CORE (Hungary)	55%	21.3	-2%	-0.8	-4% [1]
OBRU (Russia)	14%	5.6	19%	0.0	0% [2]
DSK (Bulgaria)	11%	4.3	8%	-0.1	-2%
OBU (Ukraine)	9%	3.7	56%	0.9	32% [3]
OBH (Croatia)	3%	1.2	15%	0.0	3%
OBS (Slovakia)	2%	0.7	25%	0.0	-5%
OBR (Romania)	1%	0.3	-43%	-0.1	-24%
CKB (Montenegro)	2%	0.7	-5%	0.1	15%
OBSrb (Serbia)	1%	0.4	-16%	0.0	-4%
Fund Mgmt (Hungary)	4%	1.6	37%	1.2	396% [4]

1. The q-o-q decline was due to technical reasons: fee revenues from loan guarantees provided by a 3rd party company for SME and corporate clients were booked time-proportionally in 9M 2012. Payments to the credit-guarantee provider were recognized as fee expenses mostly in 3Q – against the roughly even distribution of revenues in 9M. This item caused a q-o-q HUF 0.8 billion drop in fee income.

2. Although the Russian net fee income remained flat q-o-q, it grew by 5% in ruble terms.

3. In the Ukraine deposit and transaction related fees surged, and payment protection fees linked to consumer loans were strong, too.

4. The reason for the sharp rise is technical: HUF 0.6 billion refund, pursuant to the decision of the HFSA ruling a payment to the private pension fund members, was booked as commission expense in 2Q, while in 3Q it was reclassified to operating expenses.

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The consolidated net loan to deposit ratio dropped below 100% in 3Q 2012

Loan to deposit ratio, % (30 September 2012)

Net loan to deposit **

Gross loan to deposit

100%

Change of net loan to deposit ratio, adjusted*

	Net loan to deposit	Gross loan to deposit	Q-o-Q	Y-o-Y
OTP Group**	97%	119%	-2%p	-8%p
OTP CORE** (Hungary)	76%	95%	-2%p	-7%p
OBRU (Russia)	121%	143%	-2%p	-14%p
DSK (Bulgaria)	100%	117%	-1%p	-8%p
OBU (Ukraine)	197%	273%	0%p	-48%p
OBR (Romania)	234%	262%	-16%p	-43%p
OBH (Croatia)	79%	84%	-7%p	-2%p
OBS (Slovakia)	92%	99%	1%p	-8%p
OBSrb (Serbia)	169%	240%	2%p	7%p
CKB (Montenegro)	64%	91%	-6%p	0%p

Subsidiaries with the highest net loan to deposit ratios showed the most remarkable adjustment y-o-y.

At OTP Core, the early repayment of FX mortgage loans played a major role in the y-o-y decline of the indicator. The mortgage loan portfolio dropped by 12%, while the total loan book contracted by 8% y-o-y (FX-adjusted). The quarterly change of the net loan to deposit ratio to a great extent was influenced by the seasonal expansion of municipal deposits.

After increasing in the last two years, the Russian net loan to deposit ratio declined both in 2Q and 3Q 2012 driven by the successful deposit collection, although in 3Q net loan volumes started growing again.

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

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

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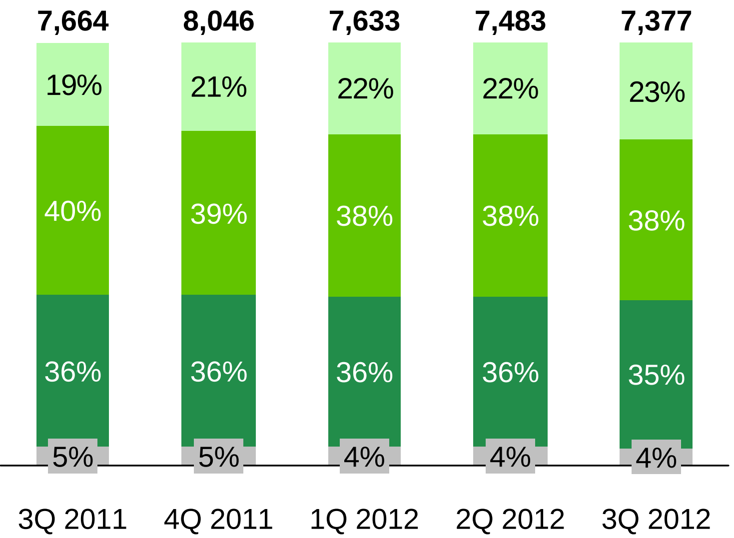
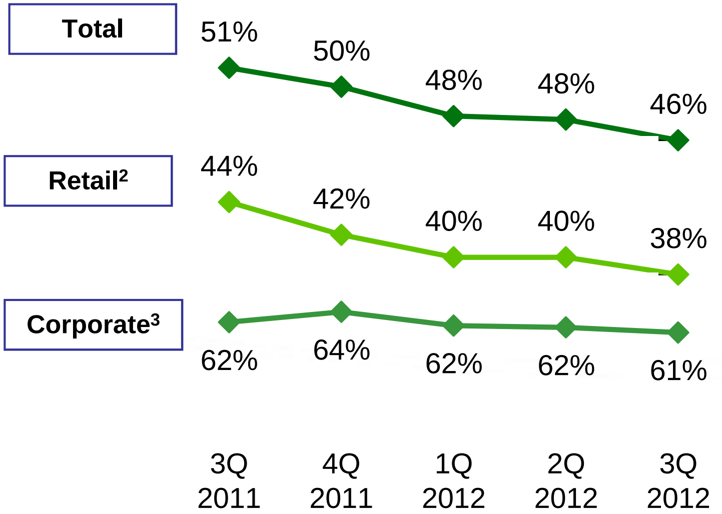
The 3% y-o-y contraction of the consolidated gross loans reflects the early repayment of FX mortgage loans in Hungary; beside the steady Russian dynamics, the booming Ukrainian lending as well as the pick-up of personal lending in Slovakia, Romania and Serbia became important drivers of consumer loan growth

Breakdown of consolidated loan book (in HUF billion)



Share of FX loans in the consolidated loan portfolio



Q-o-Q loan volume changes in 3Q 2012, adjusted for FX-effect

	Cons.	Core (Hungary)	Merk (Hungary)	OBRu (Russia)	OBU (Ukraine)	DSK (Bulgaria)	OBR (Romania)	OBH (Croatia)	OBS (Slovakia)	OBSr (Serbia)	CKB (Montenegro)
Total	0%	-1%	-4%	7%	-5%	0%	1%	-1%	1%	4%	-4%
Consumer	5%	1%	-33%	10%	34%	0%	17%	-1%	12%	7%	0%
Mortgage	-1%	-1%		-6%	-4%	-1%	0%	0%	2%	0%	-1%
Corporate[1]	-1%	0%	6%	-13%	-7%	1%	1%	-1%	0%	4%	-5%
Car-financing	-6%		-5%	-15%	-9%			-11%	0%		

Y-o-Y loan volume changes in 3Q 2012, adjusted for FX-effect

	Cons.	Core (Hungary)	Merk (Hungary)	OBRu (Russia)	OBU (Ukraine)	DSK (Bulgaria)	OBR (Romania)	OBH (Croatia)	OBS (Slovakia)	OBSr (Serbia)	CKB (Montenegro)
Total	-3%	-8%	-9%	17%	-7%	0%	5%	1%	1%	6%	0%
Consumer	13%	1%	-57%	30%	635%	0%	43%	1%	46%	27%	2%
Mortgage	-8%	-12%		-22%	-13%	-1%	6%	3%	8%	0%	-8%
Corporate[1]	-4%	-4%	22%	-42%	-9%	1%	-1%	1%	-6%	2%	3%
Car-financing	-16%		-12%	-45%	-24%			-37%	4%		

[1] including SME, LME and municipality loans as well
[2] including loans to households and SME loans
[3] including LME and municipality loans as well

At OTP Bank the corporate exposure grew by 5%, while in the rest of the banking sector volumes declined by 7% in the first nine months of 2012

Lending to companies in Hungary*
(FX-adjusted volume changes)

	2010	2011	2012YTD
Credit institutions - Loans to companies	-8%	-8%	-6%
OTP Bank - Loans to companies	-1%	-2%	5%
Banking system (HUN) without OTP*	-8%	-8%	-7%

OTP Bank: loan growth of micro- and small enterprises and agricultural companies
(FX-adjusted volume growth)

	2010	2011	2012YTD
Loan growth of micro- and small enterprises	6%	7%	9%
Loan growth of agricultural companies	n.a.	n.a.	15%

Note: the difference between OTP's loan growth calculated from Supervisory balance sheet data provision (+5% ytd) and loan growth to companies at OTP Core (-1% ytd) comes from the different treatment of municipal and interbank loans.

* Estimate of volume changes based on the Supervisory balance sheet data provision to the Hungarian Financial Supervisory Authority (HFSA), calculated from the „Loans to non-financial and profit-oriented companies" line, adjusted for the FX-effect (fixed FX rates as of 21 December 2011 were used).

Recent developments on policies targeting existing and potential mortgage borrowers…

FIXED INSTALMENT SCHEME

- The fixing is provided for 5 years. In this period clients may save cca. 20% (subject to the development of the market FX rates) out of the interest payments due to preferential exchange rates (CHF/HUF 180, EUR/HUF 250 and JPY/HUF 2.5). The difference between the market and the fixed rate on the principal part of the monthly instalments accrues in a special account over 5 years and is to be serviced by the client. The scheme is available until 31 December 2012.
- By 12 November 24 thousand clients, representing 20% of the eligible 120 thousand FX borrowers filed their applications at OTP Bank.

SUBSIDIZED FORINT MORTGAGE LOANS IN HUNGARY

- The Government launched an interest rate subsidy for forint housing loans and OTP was the first bank offering new subsidised products from early August.
- The subsidy is available for the first 5 years of the loan, it is linked to government bond yields and gradually decreases over the five year period. The total mortgage rate including the subsidy is capped at the level of „130% of the 1 year reference rate of government bonds +3%”. The borrower can enjoy a forint interest rate of around 8% in the first year provided relevant requirements are met. The single digit client rate is appealing and can help to restart mortgage lending.
- Loans are available for buying or building new homes (max. loan amount at HUF 10 million), purchasing or repairing used apartments (max. loan amount at HUF 6 million), as well as for buying smaller homes by delinquent borrowers and for refinancing delinquent mortgage loans.

… and government measures

SPECIAL BANKING TAX

- In 2013: the bank tax won't be halved in 2013, but paid in full amount – the total negative P&L impact of the banking tax for OTP Group is expected at HUF 29 billion in 2013. After the Parliament's voting on 12 November 2012, the proposal was incorporated into the bill on 2013 tax changes. There was no final vote on the latter bill yet.
- In 2014: the Minister for the National Economy publicly said that the 2014 budget would envisage 50% reduction in the banking tax.

FINANCIAL TRANSACTION TAX

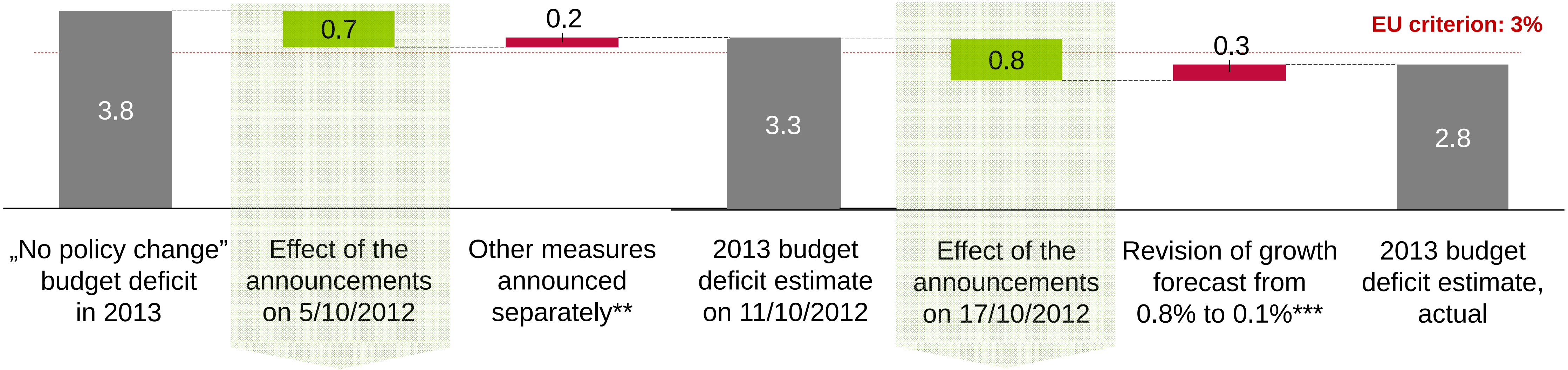
- By the voting of the Parliament on 12 November the following proposal was incorporated into the bill on 2013 tax changes (no final vote on the latter bill yet): the general rate of the financial transaction tax will be lifted from 0.1% to 0.2%, while for cash withdrawals 0.3% rate will be applied. The tax is going to be extended on money change, cash withdrawal with credit card from ATMs, loan servicing, as well as on fees and commissions charged by financial service providers. From 1 January 2014, the transaction tax will be further extended on transactions with securities, including derivative transactions where the underlying products are securities.
- OTP Bank announced its general terms and conditions for retail and corporate transactions applicable from 1 January 2013. The changes so far reflect the current regulation in force setting the general rate for the tax at 0.1%.

DEBT OF THE HUNGARIAN MUNICIPALITIES

- On 27 October 2012 the Prime Minister announced that the central government will assume HUF 612 billion worth of debt (cca. 51% of the total outstanding) from altogether 1,956 local governments. According to the proposal, the state will fully take over the debt amounting to HUF 97 billion from local governments with a population below 5,000 people. From municipalities with a population over 5,000 inhabitants the central government is willing to assume a debt amounting to HUF 515 billion. In the latter case the take over is intended to be partial: the share of assumed debt will depend on the local governments' revenue generating capacity and will range from 40% to 70%. The Government is going to strike deals with bigger municipalities on case-by-case base.
- OTP Bank's exposure to local governments with less than 5.000 inhabitants stood at HUF 27 billion, exposure to municipalities with over 5.000 inhabitants represented HUF 243 billion as of 30 September 2012 (including loans and bonds).

The government unveiled two sets of fiscal austerity measures in October 2012 in order to keep 2013 budget deficit under 3% of the GDP, in line with EU requirement

The 2013 deficit may come out below 3% even with lowered GDP growth projection and without further measures*



Expected budgetary impact of the measures* *(in HUF billion)*	
Changes to government employees' compensation	+ 48
Increasing FTT on State Treasury and cash withdrawals	+ 28
Decreasing EU co-financing from 15% to 5%	+ 0
Scrapping the cap on employees' pension contributions	+ 46
Social benefits must be lower than income from public work	+ 8
Improving the efficiency of tax collection	+ 48
Others	+ 25
Total	**+ 202**
Expected improvement in % of GDP	***0.7%***

Expected budgetary impact of the measures* *(in HUF billion)*	
Special tax on the banking sector will not be halved	+ 58
Increasing Financial Transaction Tax rate to 0.2%	+ 70
Further increasing FTT on State Treasury	+ 10
Increasing local tax levied on company sales	+ 35
Increasing health contribution on cafeteria by 4 ppts	+ 19
Introducing the utility tax	+ 30
Further whitening measures of tax administration	+ 0
Total	**+ 222**
Expected improvement in % of GDP	***0.8%***

* Source: OTP Research, estimate
** Introducing a ban on slot machines, lower than budgeted excise duties
*** OTP Research Centre lowered the 2013 GDP growth forecast due to the above mentioned fiscal measures

OTP Core

Weakening 2013 growth expectation for Hungary with strong balance indicators (fiscal deficit 2.8%, current account surplus 3.0% of the GDP)

Key economic indicators	2007	2008	2009	2010	2011	OTP Research 2012F	OTP Research 2013F	Focus Economics* 2012F	Focus Economics* 2013F
Nominal GDP (at current prices, bn HUF)	24,992	26,546	25,623	26,748	28,080	29,011	30,391	29,088	30,411
Real GDP change	0.1%	0.9%	-6.8%	1.3%	1.6%	-1.1%	0.1%	-1.1%	0.8%
Household final consumption	-1.0%	-0.2%	-5.7%	-2.7%	0.2%	-1.0%	-0.5%	-1.2%	-0.1%
Household consumption expenditure	1.0%	-0.6%	-6.4%	-2.1%	0.0%	-0.3%	-0.8%		
Collective consumption	-4.2%	-0.2%	2.6%	1.1%	-2.4%	-1.5%	-1.0%		
Gross fixed capital formation	3.8%	2.9%	-11.0%	-9.7%	-5.5%	-4.9%	-7.7%	-5.4%	-1.1%
Exports	15.0%	5.7%	-10.2%	14.3%	8.4%	3.1%	6.9%		
Imports	12.8%	5.5%	-14.8%	12.8%	6.3%	1.2%	5.0%		
General government balance (ESA'95 based, HUF bn)	-1,269	-980	-1,161	-1,185	1,187	-801	-859		
in percent of GDP	-5.1%	-3.7%	-4.5%	-4.4%	4.2%	-2.8%	-2.8%	-3.0%	-3.0%
General goverment debt (in percent of GDP)	67.0%	73.0%	79.8%	81.8%	81.4%	78.4%	77.3%	78.4%	77.8%
Current account (EUR bn)**	-7.2	-7.8	-0.2	1.0	1.4	2.0	3.1	1.9	2.3
in percent of GDP	-7.3%	-7.3%	-0.2%	1.1%	1.4%	2.0%	3.0%	1.8%	2.1%
Gross real wages	-0.7%	0.8%	-3.5%	-3.4%	-0.6%	0.5%	-0.8%		
Gross real disposable income	-2.6%	-1.0%	-3.2%	-2.1%	2.8%	-3.1%	-1.4%		
Employment (annual change)	-0.1%	-1.2%	-2.5%	0.0%	0.8%	1.3%	-0.8%		
Unemployment rate (annual average)	7.4%	7.8%	10.0%	11.2%	10.7%	11.2%	11.8%	11.1%	11.0%
Inflation (annual average)	8.0%	6.1%	4.2%	4.9%	3.9%	5.8%	4.7%	5.7%	4.2%
Base rate (end of year)	7.50%	10.00%	6.25%	5.75%	7.00%	6.00%	5.50%	6.10%	5.60%
1Y Treasury Bill (average)	7.4%	9.0%	8.6%	5.6%	6.16%	7.15%	6.27%		
Real interest rate (average, ex post)	-0.5%	2.8%	4.2%	0.7%	2.2%	1.3%	1.5%		
EUR/HUF exchange rate (end of year)	253.4	264.8	270.8	278.8	311.1	295.0	295.0	288.0	278.0

Source: Central Statistical Office, National Bank of Hungary, OTP Bank
* October 2012 consensus
**Official data of balance of payments (excluding net errors and ommissions)

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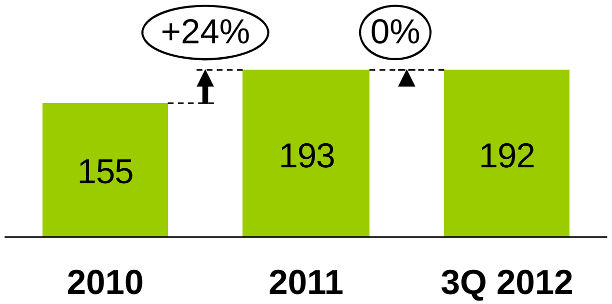
OTP Bank Russia

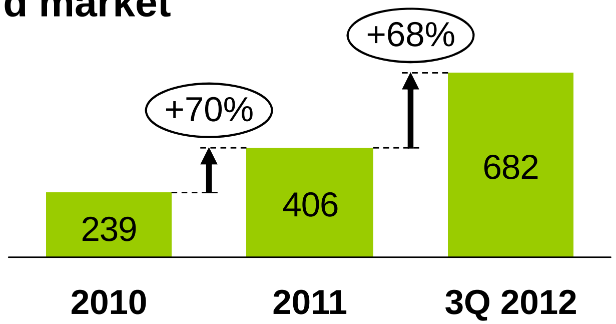
OTP Bank has a solid footprint to benefit from the growth of the Russian consumer loan market despite market growth has shifted away from the POS segment

Consumer loan market segment

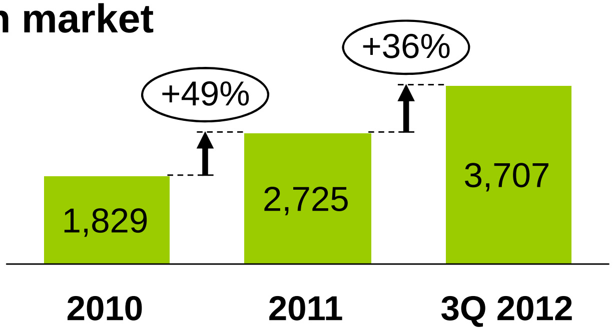
POS loan market
(RUB billion)



Credit card market
(RUB billion)

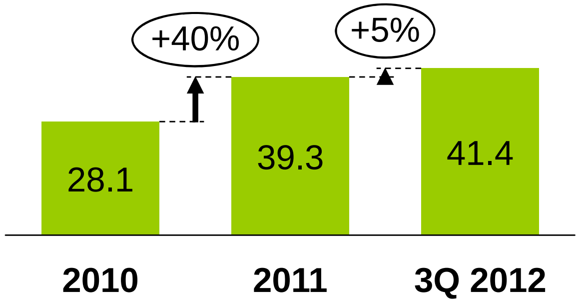


Cash loan market
(RUB billion)



Market position of OTP Bank Russia

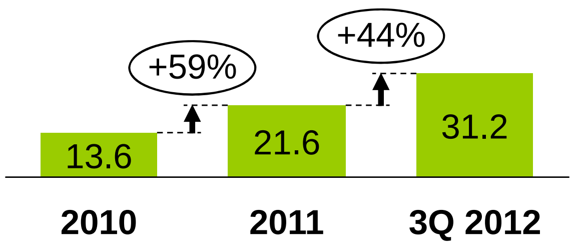
POS loans of OTP Russia



- Sales force: 7,517 own agents

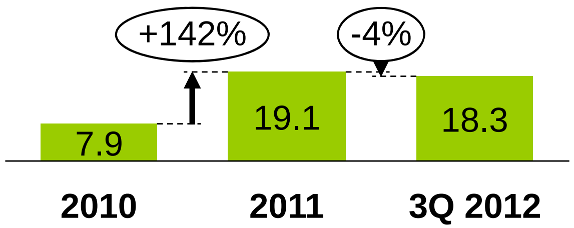
  16,706 3rd party agents
- #2 in the market
- 3Q 2012 market share: 21.6%

Credit card loans of OTP Russia



- Cross-sales to POS clients
- #6 in the market
- 3Q 2012 market share: 4.6%

Cash loans of OTP Russia



- Available in 147 branches
- #27 in the market
- 3Q 2012 market share: 0.5%

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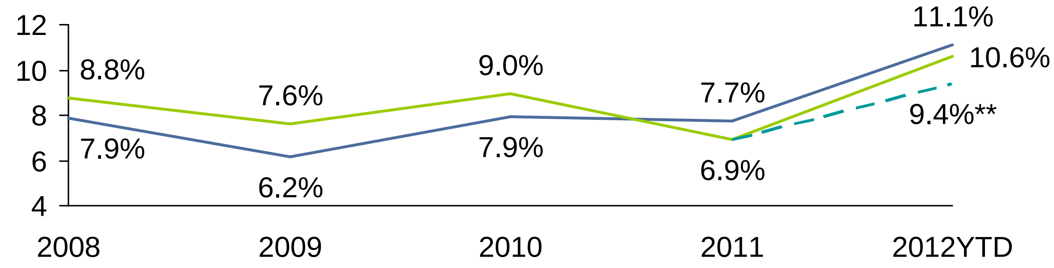
OTP Bank Russia

While risk cost rate in POS lending was moderate in 2011, it accelerated in 2012 surpassing 10%

Risk cost rates (%)

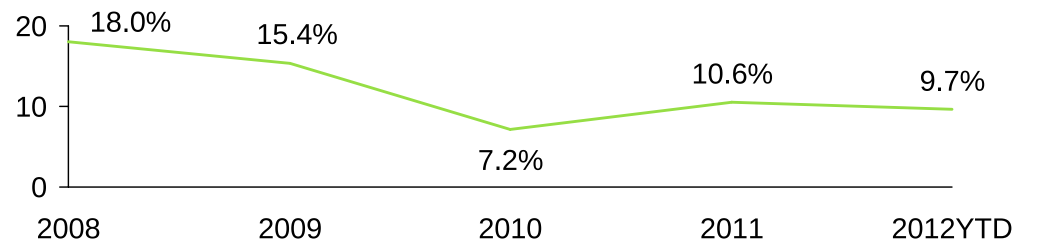
Risk cost (%)
Risk cost assuming fix coverage*

POS loan



	2008	2009	2010	2011	2012YTD
Volumes (RUB bn)	**14.4**	**17.7**	**28.1**	**39.3**	**41.4**
DPD90+ coverage (%)	**93.9%**	**88.0%**	**90.9%**	**108%**	**102%**

Credit card



	2008	2009	2010	2011	2012YTD
Volumes (RUB bn)	**7.4**	**7.9**	**13.6**	**21.6**	**31.2**
DPD90+ coverage (%)	**89.6%**	**85.3%**	**86.4%**	**86.9%**	**88.1%**

Cash loan

	2008	2009	2010	2011	2012YTD
Volumes (RUB bn)	**3.2**	**3.2**	**6.8**	**18.6**	**18.3**
DPD90+ coverage (%)	**80.1%**	**86.9%**	**94.1%**	**92.9%**	**105%**

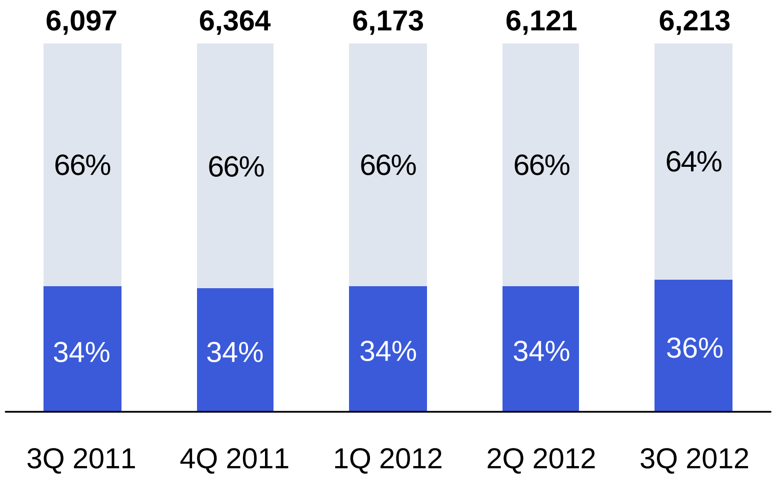
Reasons for higher 2012 risk costs in the POS segment:

- More aggressive client acquisition approach in line with increasing market share (1Q 2011: 17.8%, 3Q 2012: 21.6%) amid stagnating overall POS market.
- Operational issues primarily related to soft collection.
- Operational issues also had a negative impact on credit card soft/hard collection.

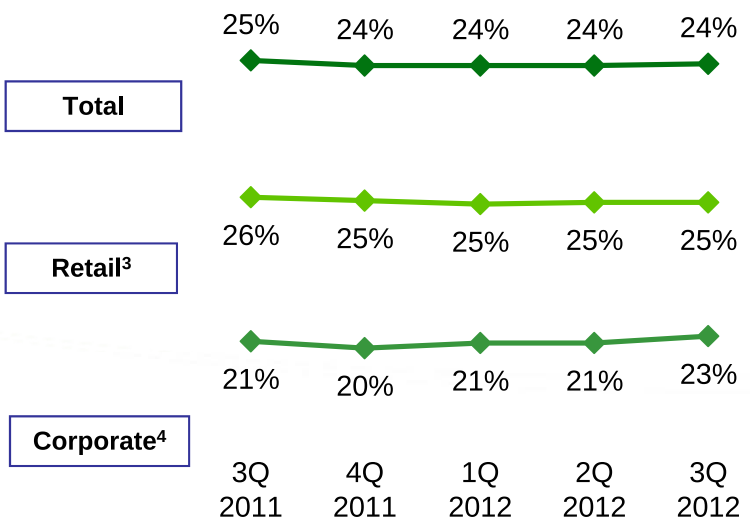
* Fix provision coverage levels assumed at 100% for POS loans, at 88% for credit cards and at 95% for cash loans **estimate, including 4Q 2012 disbursement *** with a new origination assumption comparable to 2011

Consolidated deposits grew both q-o-q and y-o-y, fuelled by the seasonal quarterly increase in Hungarian municipal deposits, Hungarian corporate deposit growth and the strong performance in Russia, Romania and Croatia

Breakdown of consolidated customer deposits (in HUF billion)



Proportion of FX deposits in the consolidated deposit portfolio



Q-o-Q deposit volume changes in 3Q 2012, adjusted for FX-effect

	Cons.	Core (Hungary)	OBRu (Russia)	OBU (Ukraine)	DSK (Bulgaria)	OBR (Romania)	OBH (Croatia)	OBS (Slovakia)	OBSr (Serbia)	CKB (Monte-negro)
Total	2%	2%	8%	-5%	0%	7%	7%	0%	3%	5%
Retail	0%	-2%	4%	-3%	0%	9%	4%	0%	2%	4%
Corporate[2]	8%	9%	16%	-9%	2%	5%	29%	0%	4%	7%

Y-o-Y deposit volume changes in 3Q 2012, adjusted for FX-effect

	Cons.	Core (Hungary)	OBRu (Russia)	OBU (Ukraine)	DSK (Bulgaria)	OBR (Romania)	OBH (Croatia)	OBS (Slovakia)	OBSr (Serbia)	CKB (Monte-negro)
Total	3%	-2%	25%	10%	5%	21%	3%	10%	-3%	-2%
Retail	-1%	-9%	26%	27%	5%	37%	2%	12%	-8%	-2%
Corporate[2]	9%	9%	23%	-7%	6%	8%	9%	6%	4%	-3%

[1] including SME, LME and municipality deposits as well
[2] including households' deposits and SME deposits
[3] including LME and municipality deposits as well

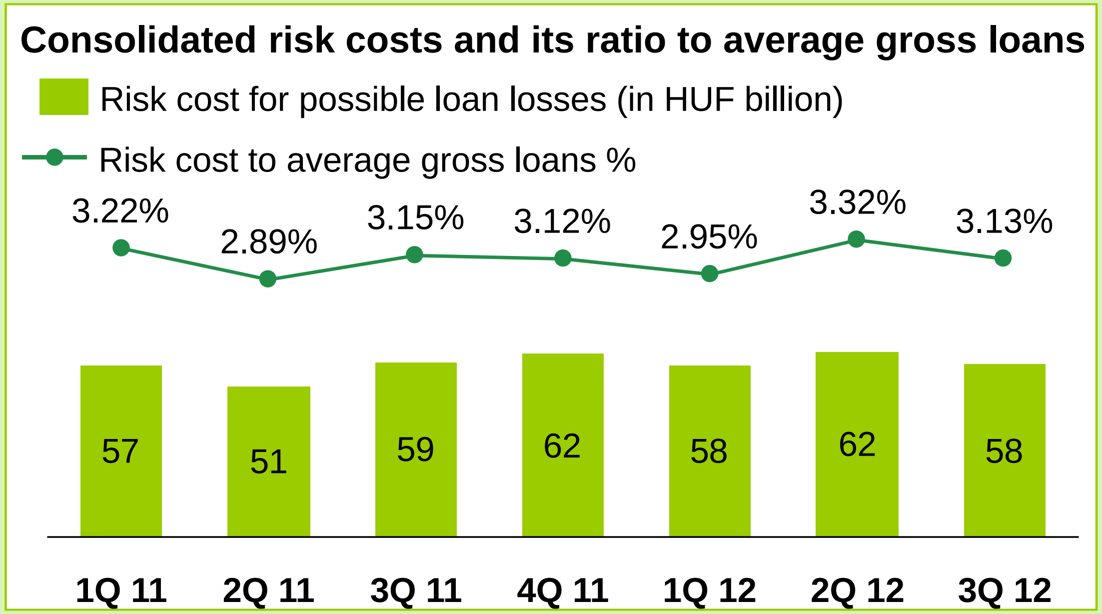
The quarterly change of operating costs was minimal, the quarterly cost base increased by 5% y-o-y. Eliminating the FX-impact the yearly increase was more moderate at 2% only.

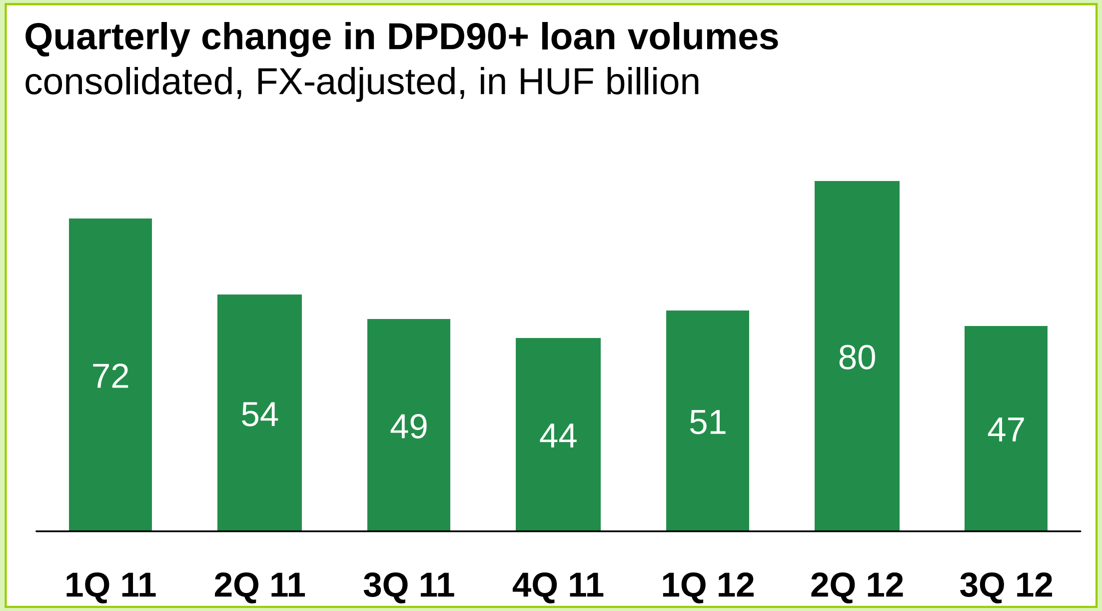
OPERATING COST - 3Q 2012 (HUF billion)			Q-o-Q change (%)	Y-o-Y change (%)	Y-o-Y change (FX-adjusted, %)
OTP Group	100%	96.9	1%	5%	2%
OTP CORE (Hungary)	47%	45.5	1%	-2%	-2%
OBRU (Russia)	18%	17.2	2%	19%	12% (1)
DSK (Bulgaria)	9%	8.7	-1%	7%	4% (2)
OBU (Ukraine)	8%	7.8	1%	14%	-1%
OBH (Croatia)	4%	3.6	-2%	8%	5%
OBS (Slovakia)	3%	2.4	-12%	0%	-3%
OBR (Romania)	3%	3.2	-11%	3%	6%
CKB (Montenegro)	2%	1.7	-3%	10%	6%
OBSrb (Serbia)	2%	1.6	-14%	10%	22%
Merkantil (Hungary)	1%	1.4	-11%	13%	13%

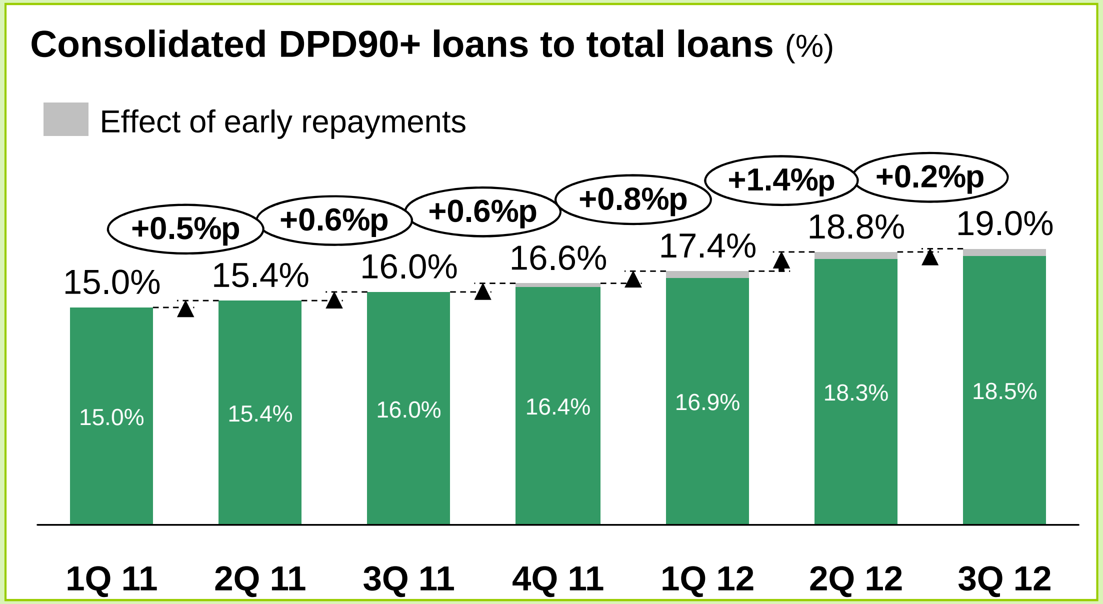
1 Along with the strengthening Russian business activity personnel expenses grew by 14% y-o-y, and other expenses went up by 18% mainly because postal expenses and taxes came out higher.

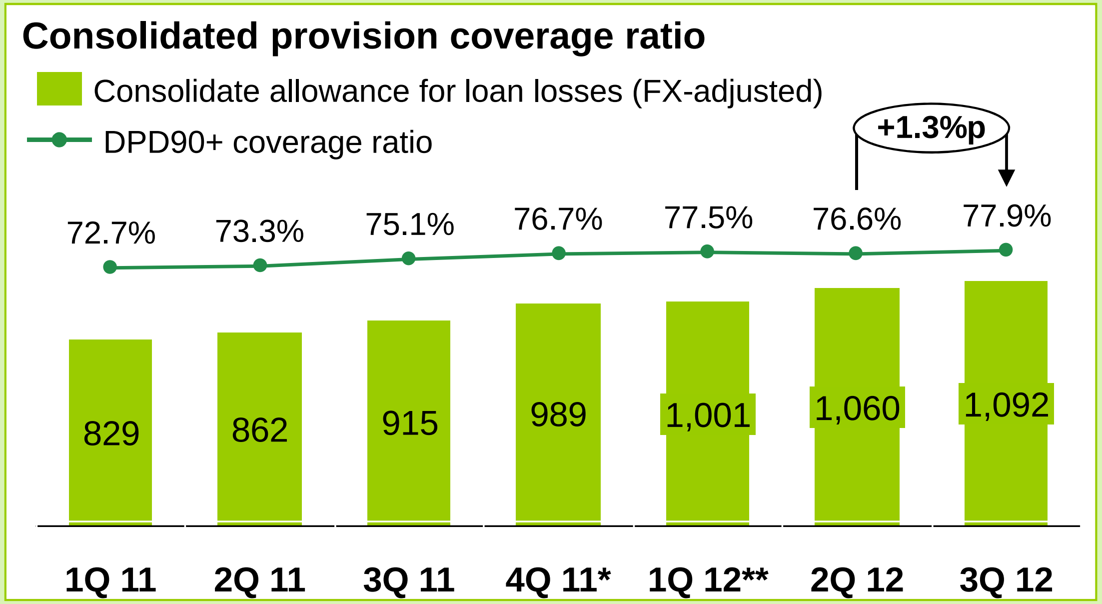
2 The Bulgarian operating cost increase was explained by the advisory expenses in relation to the development of collection activity and soaring IT costs.

Portfolio deterioration slowed down significantly in 3Q after its peak in 2Q, coverage grew to 77.9%, the highest since end-2008, despite q-o-q lower risk cost









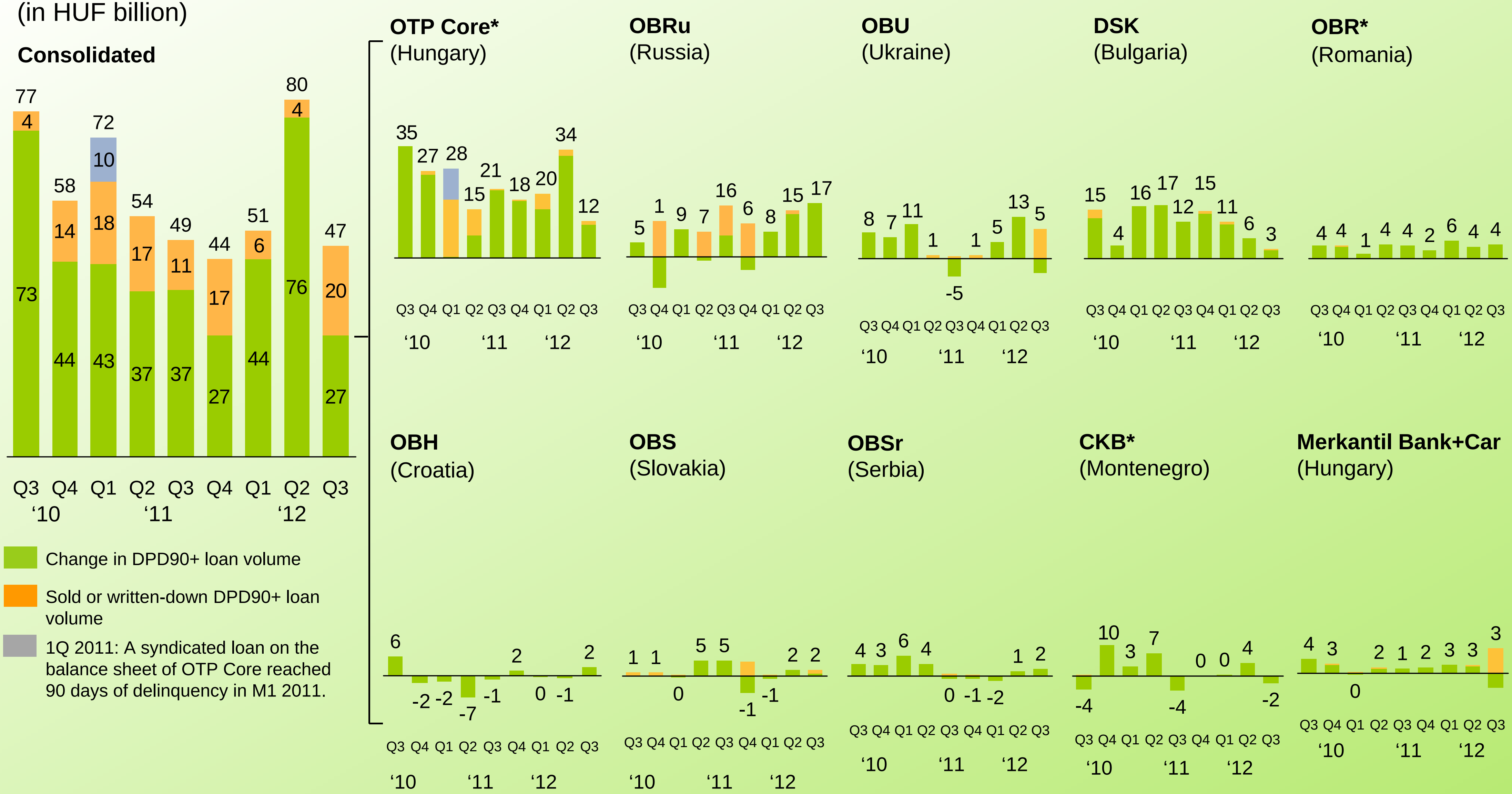
* Without HUF 36.5 billion provisions accrued for the FX mortgage loan prepayment at end-2011

** Due to an accounting error in 1Q, consolidated gross loans and provisions was reduced retroactively by HUF 15.2 billion each. Consequently, consolidated provisions decreased from HUF 1,045 billion to HUF 1,030 billion, thus the provision coverage of DPD90+ portfolio moderated from 78.6% to 77.5%.

After a spike in 2Q, the 3Q DPD90+ loan formation returned to the level of previous quarters. The improvement was driven mainly by the Hungarian and the Ukrainian portfolios, as well as by the steady improvement in Bulgaria. In Russia deterioration remained strong.

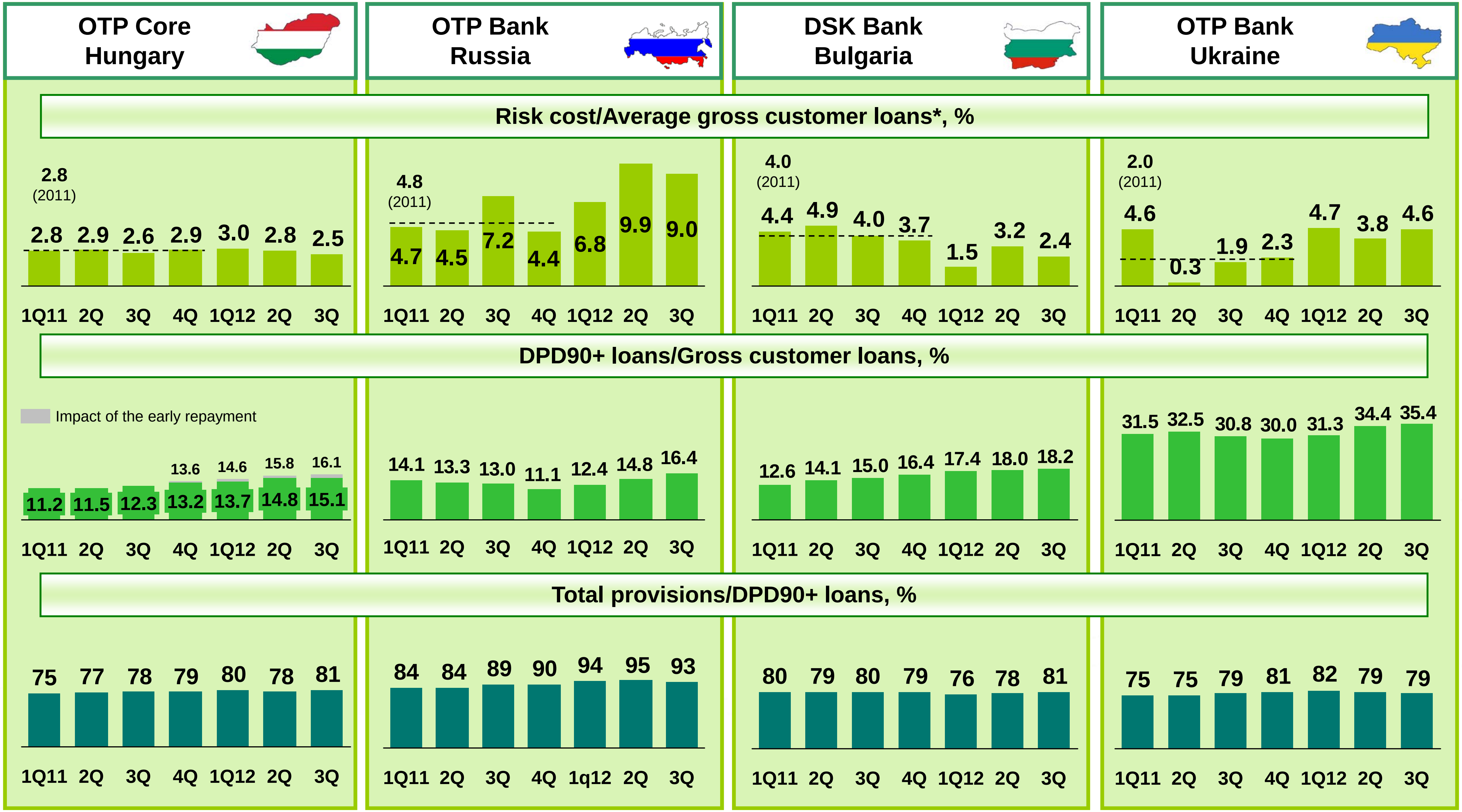
FX-adjusted quarterly change in DPD90+ loan volumes

(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. Similarly, the statistics have been adjusted with the corporate portfolio took over from OTP Romania by OTP Core in 4Q 2011, and from OTP Core by OTP Ukraine in 1Q 2012.

In Hungary and Bulgaria improving provision coverage q-o-q along with decelerating portfolio deterioration and lower risk cost rate; in Russia continuing portfolio deterioration associated with lower provision coverage



* Risk cost ratios were adjusted for the revaluation result of FX-denominated provisions.

In 3Q FX mortgage portfolio deterioration slowed down in Hungary, corporate loan quality improved in Hungary, Ukraine and Bulgaria. Russian consumer loans kept showing material deterioration

DPD90+ ratio (%)

OTP Core (Hungary)	3Q11	4Q11	1Q12	2Q12	3Q12	Q-o-Q *(%-point)*
Total	**12.3**	**13.6**	**14.6**	**15.8**	**16.1**	**0.3**
Total*		***13.2***	***13.7***	***14.8***	***15.1***	***0.3***
Retail	13.0	14.6	16.3	17.7	18.4	0.7
*Retail**		*13.9*	*14.8*	*16.1*	*16.7*	*0.6*
Mortgage	11.0	12.6	14.5	16.2	16.9	0.7
*Mortgage**		*11.9*	*12.8*	*14.3*	*14.9*	*0.6*
Consumer	21.6	22.7	23.1	23.6	24.2	0.6
MSE**	14.8	14.1	14.0	13.8	13.9	0.1
Corporate	13.5	15.4	14.7	16.1	15.4	-0.6
Municipal	2.2	0.4	0.2	0.2	0.3	0.1

DPD90+ ratio (%)

OTP Bank Russia	3Q 11	4Q 11	1Q 12	2Q 12	3Q 12	Q-o-Q *(%-point)*
Total	**13.0**	**11.1**	**12.4**	**14.8**	**16.4**	***1.6***
Mortgage	10.3	10.5	10.9	10.9	11.4	*0.5*
Consumer	13.6	11.2	12.7	15.3	16.9	*1.6*
Corporate+ SME***	10.3	9.7	10.8	11.3	12.4	*1.1*
Car-financing	14.1	15.6	17.2	19.7	12.9	*3.2*

DPD90+ ratio (%)

DSK (Bulgaria)	3Q 11	4Q 11	1Q 12	2Q 12	3Q 12	Q-o-Q *(%-point)*
Total	**15.0**	**16.4**	**17.4**	**18.0**	**18.2**	***0.2***
Mortgage	16.6	17.9	19.1	20.4	21.3	*1.0*
Consumer	13.2	14.0	14.7	15.2	15.6	*0.4*
MSE**	37.9	37.5	40.0	39.9	40.8	*0.9*
Corporate	8.3	11.0	12.3	11.9	10.6	*-1.4*

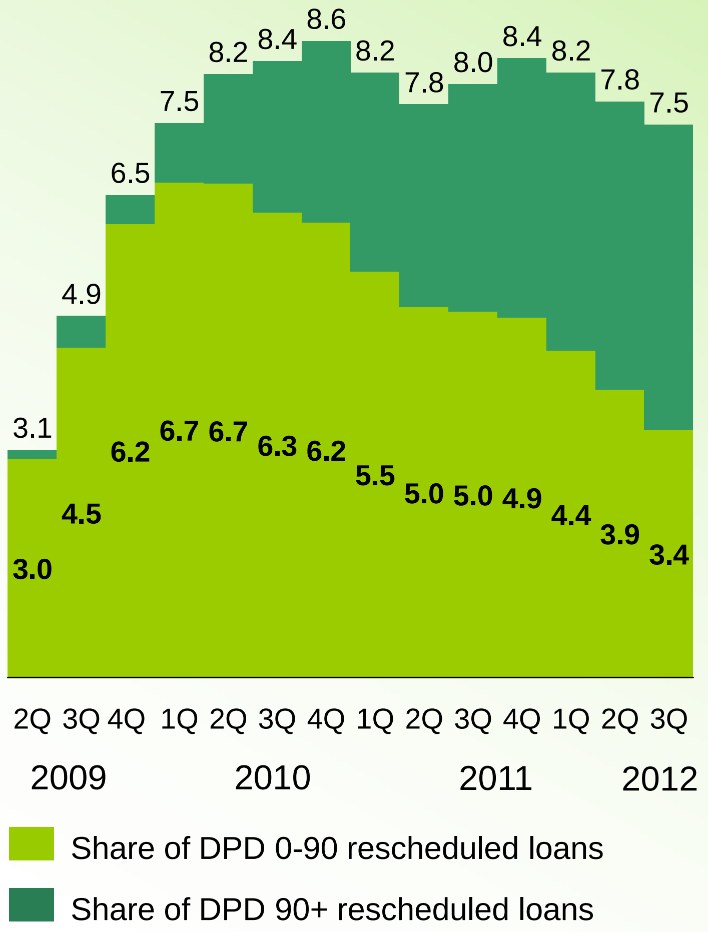
DPD90+ ratio (%)

OTP Bank Ukraine	3Q 11	4Q 11	1Q 12	2Q 12	3Q 12	Q-o-Q *(%-point)*
Total	**30.8**	**30.0**	**31.3**	**34.4**	**35.4**	***1.0***
Mortgage	43.2	45.0	46.9	49.3	51.7	*2.4*
SME***	53.5	54.3	56.7	59.6	63.3	*3.7*
Corporate	15.8	14.9	16.1	20.3	19.5	*-0.9*
Car-financing	38.2	37.8	40.0	42.8	46.2	*3.4*

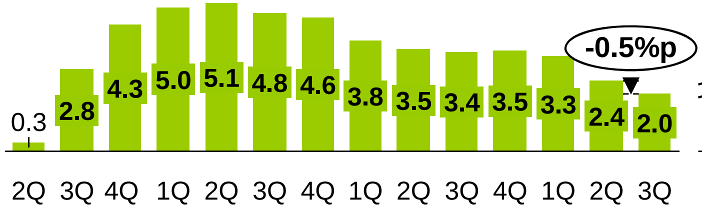
* Without the effect of early repayment of FX mortgages
** Micro and small enterprises
*** Small and medium enterprises

The performing retail restructured loan volumes decreased q-o-q further on consolidated and stand alone levels

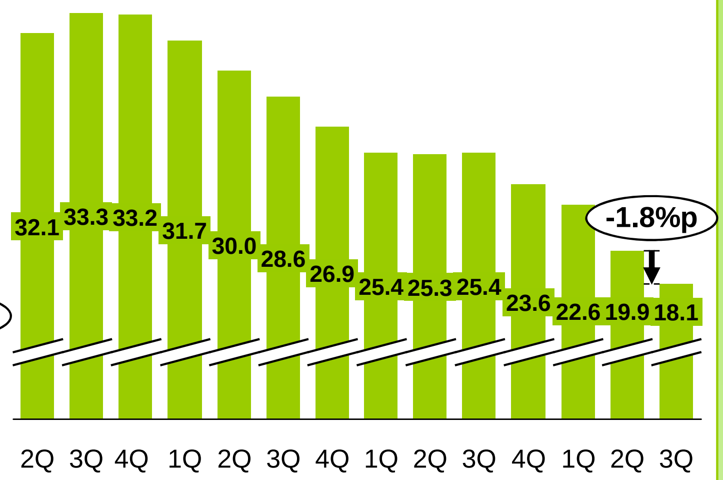
Share of rescheduled loans within retail portfolio* (%, without SME exposures)



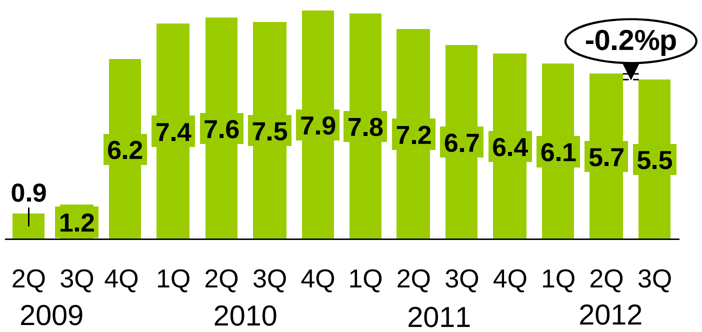
OTP Core (Hungary)



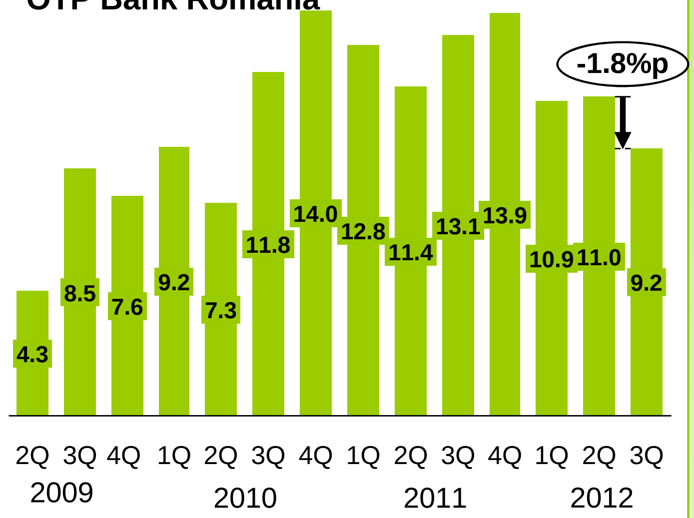
OTP Bank Ukraine



DSK (Bulgaria)**



OTP Bank Romania



* From 1Q 2010, rescheduled volumes of OTP Core includes loan volumes transferred to OTP Factoring (the Hungarian collection company), too.
** DSK's 2Q-4Q 2009 statistics include DPD90+ volumes

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OTP Group is not exposed to Southern Eurozone countries nor to Ireland

31 October 2012	Exposure*	Deal Type	Currency	Bulk of Exposure Due	Longest Maturity
Portugal	EUR 0	-	-	-	-
Ireland	EUR 0	-	-	-	-
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.

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