OTP Group
Full year 2012 results

Conference call – 8 March 2013

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Content

Consolidated 4Q pre-tax profit without one-off items decreased by 28% q-o-q and by 2% y-o-y.

	2011	2012	Y-o-Y	4Q 11	3Q 12	4Q 12	Q-o-Q	Y-o-Y
	HUF billion			HUF billion				
Consolidated after tax profit (accounting)	**83.8**	**122.6**	**46%**	**-25.8**	**42.5**	**26.1**	**-39%**	**-201%**
Adjustments (total)	**-77.6**	**-27.4**	**-65%**	**-56.0**	**-0.4**	**-0.1**	**-77%**	**-100%**
Dividends and revaluation result of strategic open FX position	0.7	-0.4	-159%	0.1	-0.2	-0.2	**-15%**	**-342%**
Goodwill impairment charges (after tax)	-17.7	4.0 [1]	-122%	-17.7	0.0	0.0		-100%
Special tax on financial institutions (after tax)	-29.0	-29.2	1%	-7.2	-0.2	0.1 [2]	-159%	-101%
Impact of early repayments (after tax)	-31.6	-1.8	-94%	-31.2	0.0	0.0		-100%
Consolidated adjusted after tax profit	**161.4**	**149.9**	**-7%**	**30.2**	**43.0**	**26.2**	**-39%**	**-13%**
Corporate tax	-59.7	-42.2	-29%	-20.1	-12.5	-13.2	5%	-34%
O/w tax shield of subsidiary investments	-8.4	5.7	*-168%*	-6.3	1.2	-2.0	-263%	-69%
Before tax profit	221.1	192.2	-13%	50.3	55.5	39.4	-29%	-22%
Total one-off items	19.5	-3.8		9.9	0.5	0.0	-94%	-100%
Revaluation result of FX swaps at OTP Core	3.2	-2.5	-180%	-0.4	0.0	0.0	-101%	-100%
One-off FX-gain	3.9	0.0	-100%	3.9	0.0	0.0		-100%
Gain on the repurchase of own capital instruments	2.6	1.4		0.8	0.3	0.0	-100%	-100%
Gain on Croatian government bonds	4.3	0.0	-100%	0.0	0.0	0.0		
Revaluation result of the treasury share swap agreement	5.6	-2.7	-148%	5.6	0.2	0.0	-86%	-99%
Before tax profit without one-off items	**201.5**	**196.0**	**-3%**	**40.3**	**55.0**	**39.4**	**-28%**	**-2%**

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 the 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. In 3Q and 4Q 2012 the Slovakian banking tax was recognised in the amount of HUF 179 and 439 million, respectively (after corporate tax). In 4Q 2012 OTP Group realised HUF 545 million banking tax refund (after tax) in relation to the conversion of Hungarian non-performing FX mortgage loans into forint and the subsequent 25% debt forgiveness.

28% q-o-q drop of consolidated before tax profit (without one-off items) was caused by seasonally higher operating cost and higher risk cost increasing the provision coverage. At OTP Core profit before tax for the full year contracted by 13% as a combined result of interest income decreasing by 11% and risk cost moderating by 6%.

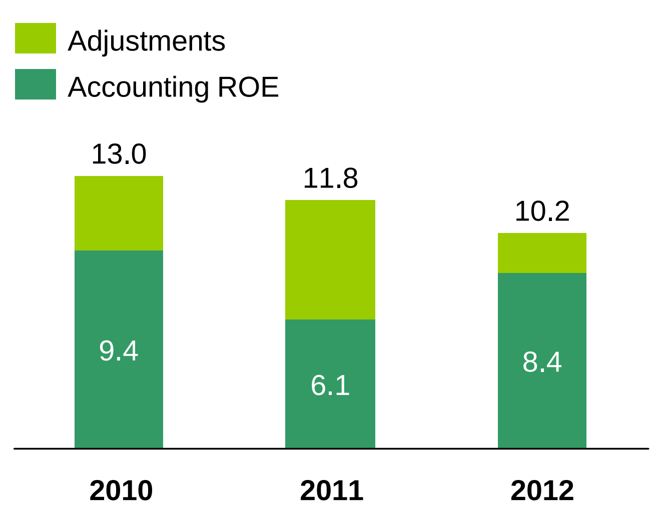
CONSOLIDATED	2011	2012	Y-o-Y	4Q 11	3Q 12	4Q 12	Q-o-Q	Y-o-Y
	HUF billion			HUF billion				
Before tax profit without one-off items	**201.5**	**196.0**	**-3%**	**40.3**	**55.0**	**39.4**	**-28%**	**-2%**
Operating profit w/o one-off items	435.6	449.7	3%	107.9	115.5	109.6	-5%	2%
Total income w/o one-off items	811.6	844.6	4%	218.3	212.4	214.9	1%	-2%
Net interest income w/o one-off items	630.9	650.3	3%	169.0	161.3	166.0	3%	-2%
Net fees and commissions	143.3	151.6	6%	38.6	39.0	40.5	4%	5%
Other non-interest income w/o one-off items	37.4	42.7	14%	10.7	12.1	8.3	-31%	-22%
Operating cost[1]	-376.0	-394.9	5%	-110.4	-96.9	-105.2	9%	-5%
Total risk costs	-234.0	-253.7	8%	-67.5	-60.6	-70.3	16%	4%

OTP CORE	2011	2012	Y-o-Y	4Q 11	3Q 12	4Q 12	Q-o-Q	Y-o-Y
	HUF billion			HUF billion				
Before tax profit without one-off items	**139.5**	**121.3**	**-13%**	**24.6**	**34.9**	**29.1**	**-17%**	**18%**
Operating profit w/o one-off items	235.0	211.4	-10%	50.8	54.9	48.2	-12%	-5%
Total income w/o one-off items	419.4	394.2	-6%	106.2	100.4	96.2	-4%	-9%
Net interest income w/o one-off items	327.1	292.6	-11%	82.0	73.4	71.8	-2%	-12%
Net fees and commissions	84.7	85.8	1%	21.1	21.3	21.9	2%	4%
Other non-interest income w/o one-off items	7.6	15.9	108%	3.1	5.7	2.5	-55%	-19%
Operating cost[1]	-184.4	-182.9	-1%	-55.4	-45.5	-47.9	5%	-14%
Total risk costs	-95.5	-90.1	-6%	-26.2	-20.0	-19.1	-4%	-27%

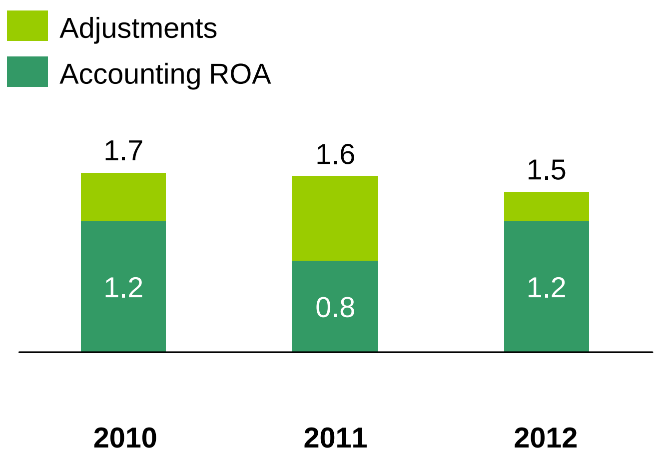
[1] In 3Q and 4Q 2012 tax deductible transfers paid by Hungarian group members were reclassified from operating expenses to corporate income tax.

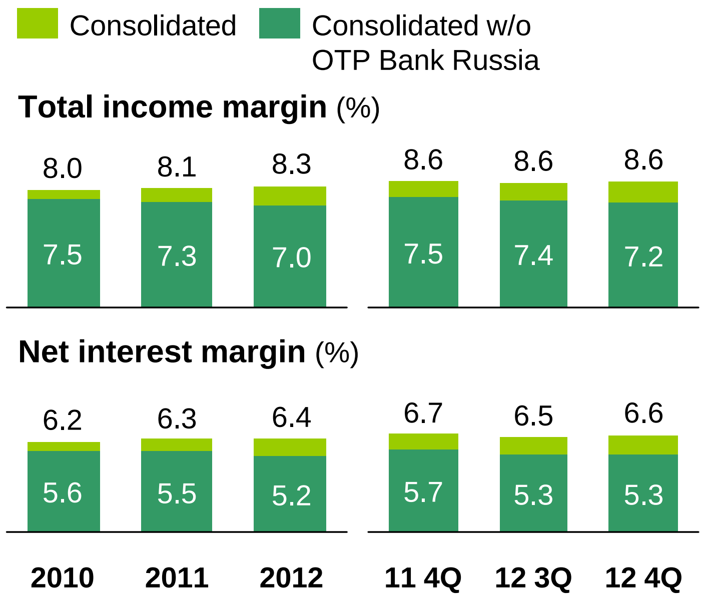
Consolidated total income and net interest margin remained stable q-o-q, but advanced y-o-y. Improving provision coverage due to higher risk cost rate. Stabilising gross loan portfolio, growing deposits since 2Q 2012.

Adjusted Return on Equity – ROE (%)

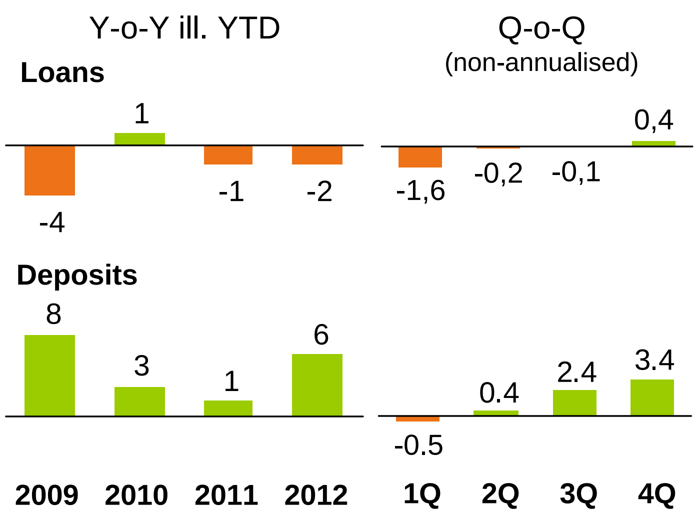


Adjusted Return on Assets – ROA (%)

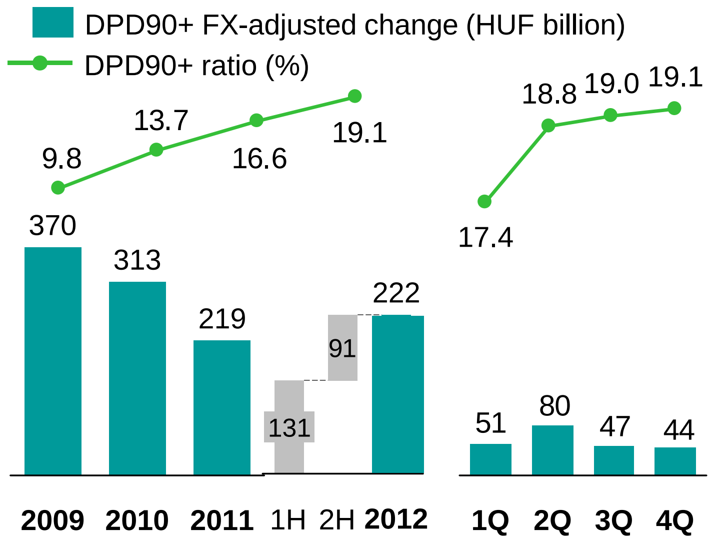




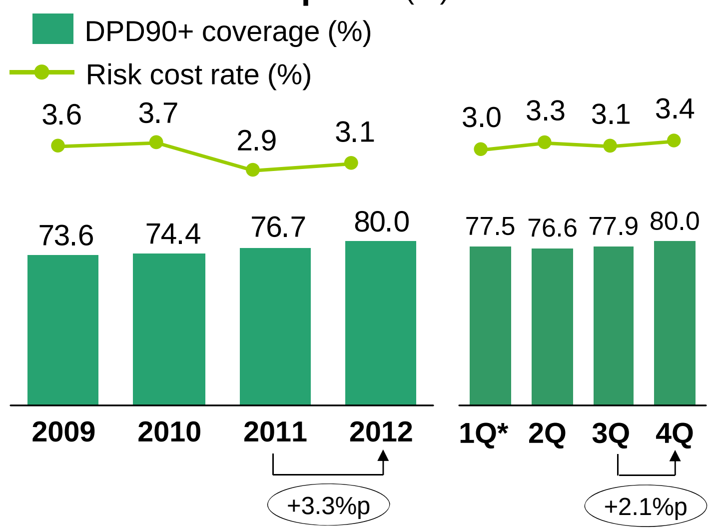
Growth of business volumes (%, FX-adj.)



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%.

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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	2012
Capital adequacy ratio	15.4%	17.2%	17.5%	17.3%	19.7%
Tier1 ratio	11.3%	13.7%	14.0%	13.3%	16.1%
Core Tier1 ratio	9.5%	12.0%	12.5%	12.0%	14.7%

Capital transactions of OTP Bank in 4Q 2012

The Romanian and Serbian subsidiaries received capital injections in the amount of HUF 3.1 and 11.7 billion, respectively (RON 50 million and RSD 4.5 billion).

Implementation of Advanced Measurement Approach in 2012

By introducing the Advanced Measurement Approach the group shifted to a methodology better reflecting its operational risks ,and also leading to a drop of HUF 35 billion in the capital requirement. The methodology change pushed up the consolidated capital adequacy by 1.1 ppts (the Tier1 and the Core Tier1 rate by 0.9 ppts and 0.8 ppts, respectively).

Capital adequacy ratio of the Ukrainian subsidiary

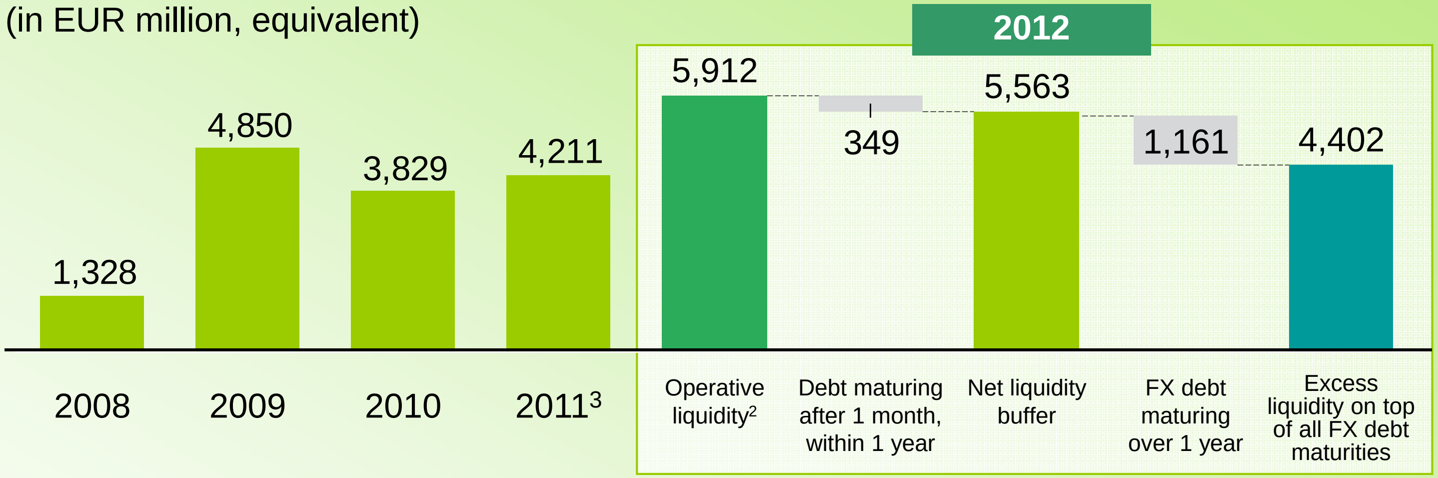
As a result of an inspection by the Ukrainian National Bank, the capital position of the bank was lowered from 20.3% in September to 13.8% (regulatory minimum at 10%). However from 1 January 2013 new regulation for provisioning was introduced under which the capital adequacy ratio for end-2012 would have been over 18%.

Capital adequacy ratios (under local regulation)

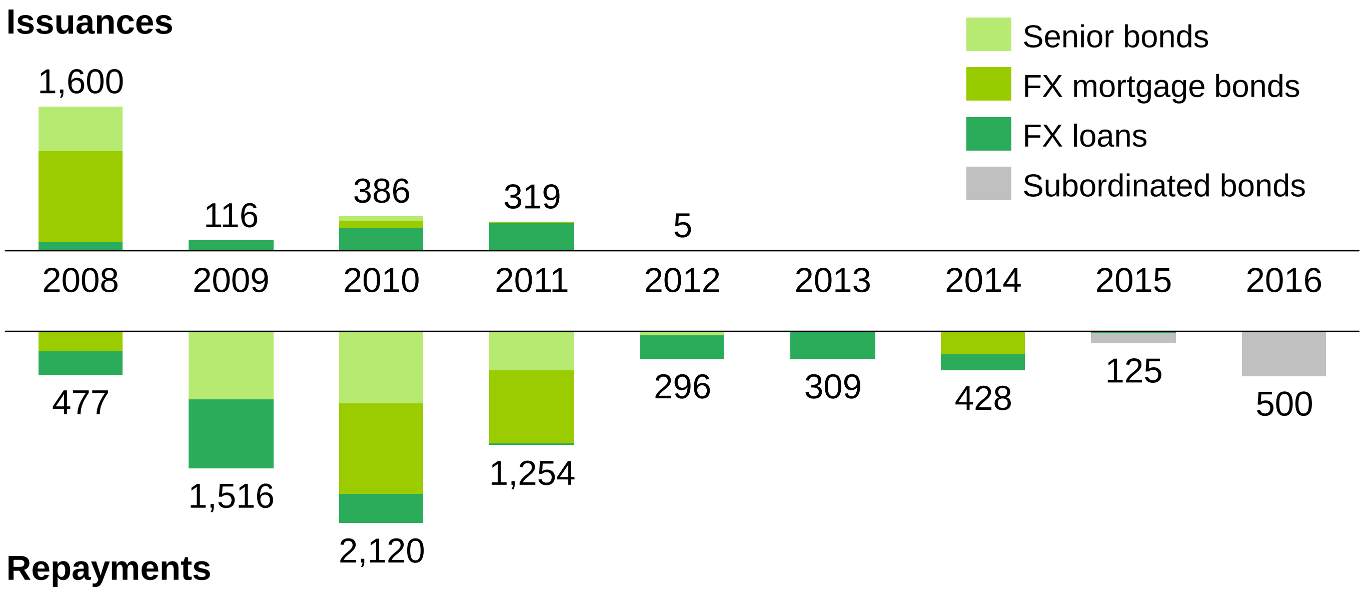
	Min. CAR	2009	2010	2011	2012
OTP Group (IFRS)	**8%**	**17.2%**	**17.5%**	**17.3%**	**19.7%**
Hungary	8%	16.2%	18.1%	17.9%	20.5%
Russia	11%	13.3%	17.0%	16.2%	16.3%
Ukraine	10%	17.8%	22.1%	21.3%	13.8%
Bulgaria	12%	21.9%	23.7%	20.6%	18.9%
Romania	10%	14.3%	14.0%	13.4%	15.6%
Serbia	12%	27.1%	16.4%	18.1%	16.5%
Croatia	12%	13.4%	15.0%	14.8%	14.9%
Slovakia	8%	10.7%	11.1%	13.1%	12.8%
Montenegro	10%	13.4%	13.9%	13.4%	12.4%

The Group's liquidity position strengthened further, the Bank managed to reduce its net swap position from the FX liquidity generated by loan repayments; swap roll-over needs for 2013 had been already renewed by end-2012.

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 2012:

- OTP Bank Russia printed a RUB 6 billion bond in March 2012 with 3 years maturity
- Shrinking Hungarian retail bond portfolio as a result of strong competition from government bonds (end-2012 volume at HUF 231 billion or EUR 0.8 billion).
- 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 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 Russia paid back about RUB 3.9 billion bonds in November 2012

OTP Bank did not participate in any LTRO tenders by 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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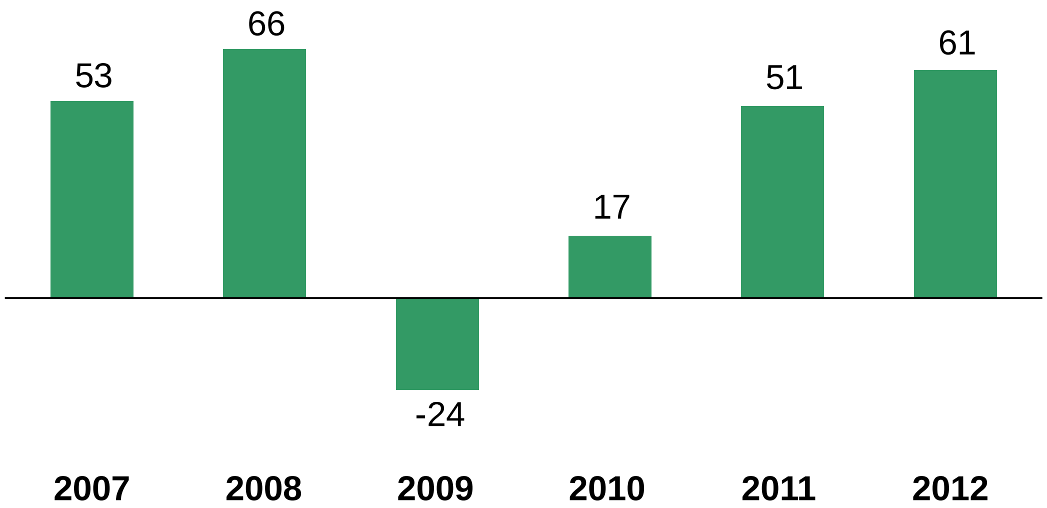
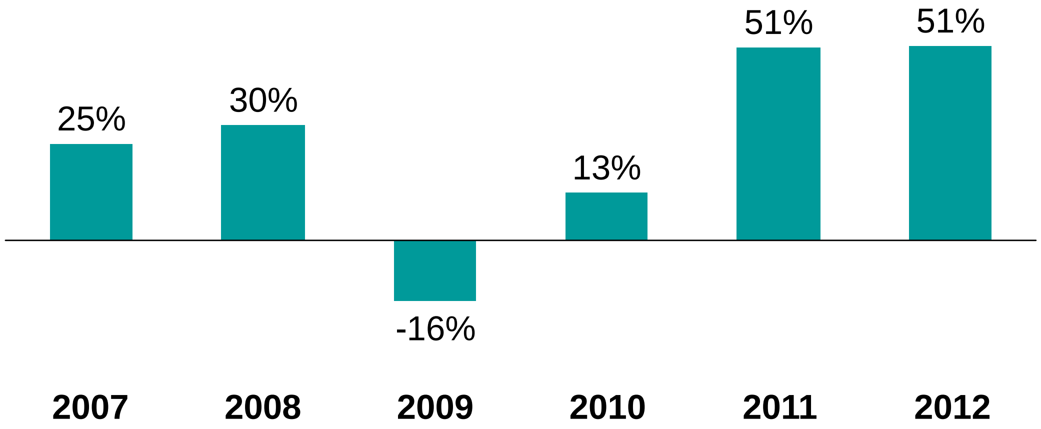
The foreign Group members' result in 2012 was close to its peak in 2008, while their contribution to the adjusted consolidated profit increased to 41%

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

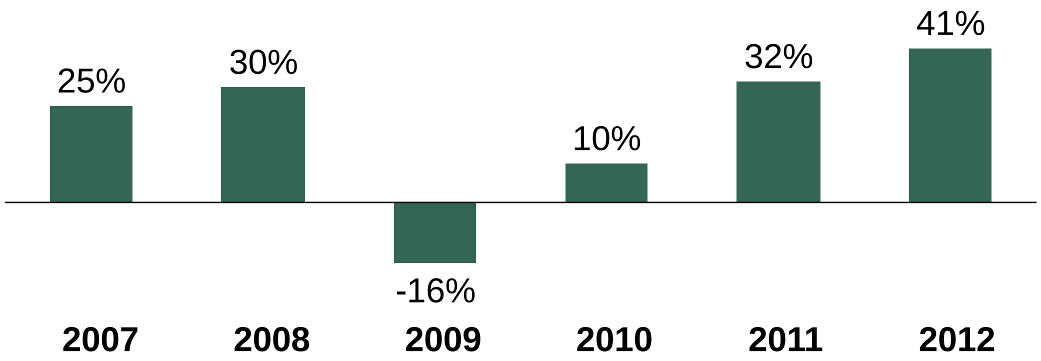


Foreign subsidiaries' contribution to the consolidated adjusted after tax profit

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.

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The profit before tax without one-off items grew only in Russia and Ukraine q-o-q. On the group level it dropped by 28%, mainly due to lower revenues in Hungary and increased risk cost at several foreign banks

PROFIT BEFORE INCOME TAX – 4Q 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%	39.4	-2%	-16	-28%
OTP CORE (Hungary)	74%	29.1	18%	-6	-17% [1]
OBRU (Russia)	46%	18.3	-3%	5	33% [2]
DSK (Bulgaria)	2%	0.9	-82%	-8	-91% [3]
OBU (Ukraine)	10%	3.8	20%	3	196% [4]
OBH (Croatia)	4%	1.4	287%	-1	-31%
OBS (Slovakia)	-4%	-1.6	-191%	-2	-637% [5]
OBR (Romania)	-11%	-4.1	-405%	-2	-140% [5]
CKB (Montenegro)	-9%	-3.5	-230%	-3 [6]	n.a.
OBSrb (Serbia)	-6%	-2.3	9%	-1 [7]	-81%
Merkantil (Hungary)	-2%	-0.9	-338%	-1	n.a.

1. At OTP Core total revenues dropped by 4% q-o-q, while operating costs went up by 5%
2. The Russian operating result expanded by 12% q-o-q; risk cost shrank by more than 6% , the risk cost rate stood at 7.2% in 4Q
3. Despite further slowdown in portfolio deterioration the jump in risk cost lifted the coverage close to 85%
4. Profitable Ukrainian 4Q: revenues were boosted by pick-up in consumer lending and lower interest expenses on interbank and corporate deposits
5. Elevated risk costs in 4Q aiming at lifting the provision coverage were a drag on the Romanian and Slovakian results
6. The Montenegrin provisioning in 4Q is partly explained by other risk cost related to malpractices before 2009
7. HUF 1.3 billion one-off expense due to litigations related to loans tracing back to pre-acquisition period.

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The increase in quarterly net interest income was supported mainly by the Russian and Ukrainian performance driven by strong consumer lending; the Hungarian and Bulgarian net interest income contracted

NET INTEREST INCOME – 4Q 2012 (in HUF billion)

Entity	Share	NII 4Q 2012 (HUF billion)	Y-o-Y change (%)	Q-o-Q change (HUF billion)	Q-o-Q change (%)
OTP Group	100%	166.0	-2%	4.7	3%
OTP CORE (Hungary)	43%	71.8	-12%	-1.7	-2%
OBRU (Russia)	28%	45.8	24%	4.4	11%
DSK (Bulgaria)	11%	17.5	-13%	-1.1	-6%
OBU (Ukraine)	9%	14.5	15%	1.2	9%
OBH (Croatia)	2%	3.9	-6%	-0.2	-5%
OBS (Slovakia)	2%	2.9	0%	-0.2	-7%
OBR (Romania)	2%	4.1	-20%	0.9	27%
CKB (Montenegro)	1%	1.8	10%	0.0	-2%
OBSrb (Serbia)	1%	0.9	74%	0.2	22%
Merkantil (Hungary)	2%	3.7	4%	0.0	1%

1. Hungarian net interest income dropped by 2% q-o-q as margins narrowed by 10 bps (4Q: 4.64%). The fixed instalment scheme caused HUF 0.4 billion decline in 4Q. By end-2012 32 thousand clients, 26.5% of eligible borrowers filed their applications at OTP Bank.
2. The increase in net interest income is driven by on-going expansion of consumer loan volumes.
3. The net interest income of DSK declined partly due to a technical factor: in case of DPD180+ loans the interest accrual and the related provisioning was stopped from October.
4. Ascending Ukrainian revenues as consumer lending soared; interest expenses lowered on interbank liabilities and corporate deposits (4Q margin: 8.89%, +1.14 ppts q-o-q)
5. Better 4Q net interest result due to volatile swap result; the net interest income excluding swap result grew by only 2% q-o-q

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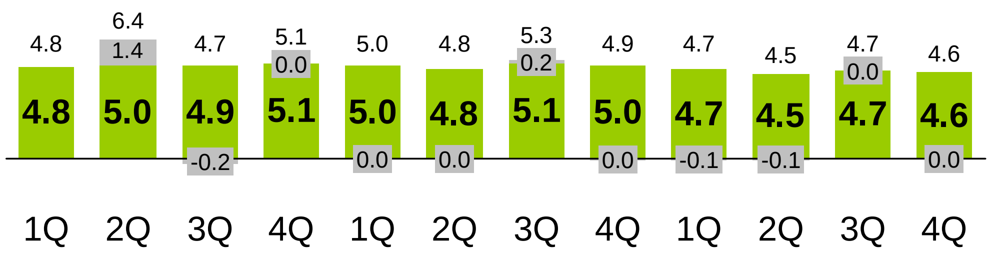
Stabilizing net interest margin in Hungary; margin improvement in Russia as consumer lending picked up. The Bulgarian margin erosion is due to change in methodology, while declining reference rates and increasing competition played a role, too; the widening Ukrainian margin reflects mainly the accelerating consumer lending

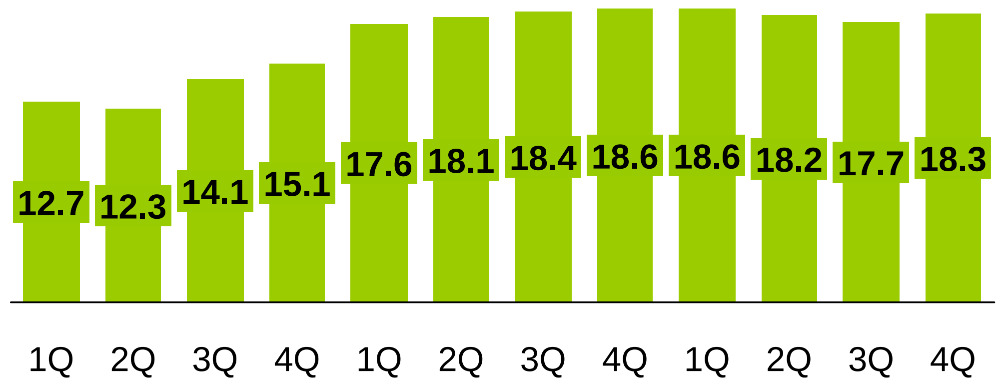
Net interest margin (%)

OTP Core Hungary

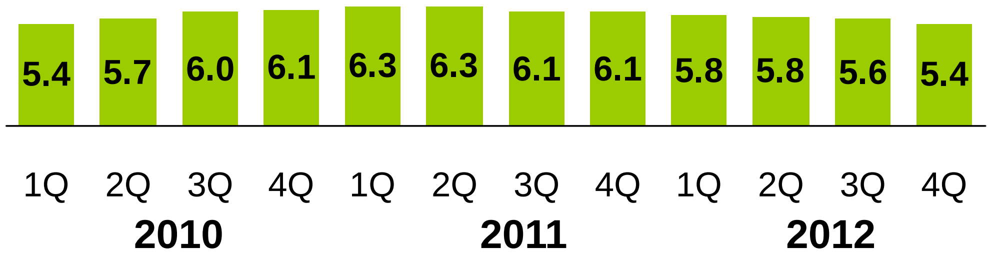
Revaluation result of FX swaps



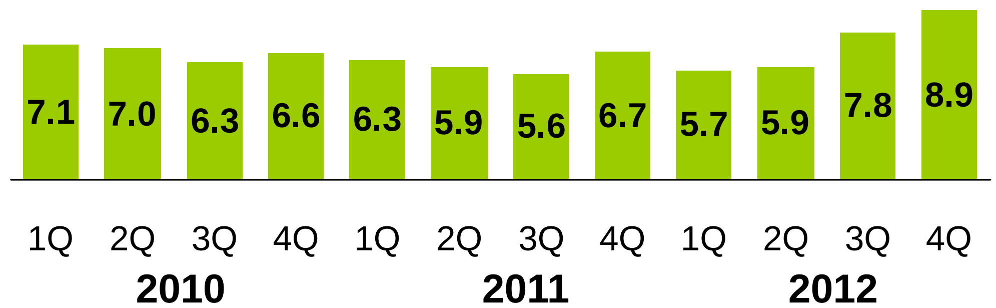
OTP Bank Russia



DSK Bank Bulgaria



OTP Bank Ukraine



The annual increase in consolidated net fees was driven by Russia and Ukraine

NET FEES AND COMMISSIONS – 4Q 2012 (in HUF billion)			Y-o-Y change (%)	Q-o-Q change (in HUF billion)	Q-o-Q change (%)
OTP Group	100%	40.5	5%	1.5	4%
OTP CORE (Hungary)	54%	21.9	4%	0.5	2%
OBRU (Russia)	15%	6.1	15% [1]	0.5	10%
DSK (Bulgaria)	11%	4.3	-5%	0.1	2%
OBU (Ukraine)	9%	3.7	25% [2]	0.0	1%
OBH (Croatia)	3%	1.2	2%	0.0	0%
OBS (Slovakia)	2%	0.8	9%	0.1	9%
OBR (Romania)	1%	0.5	-23% [3]	0.2	56% [3]
CKB (Montenegro)	1%	0.6	-18%	-0.1	-18%
OBSrb (Serbia)	1%	0.4	-18%	0.0	3%
Fund Mgmt (Hungary)	4%	1.7	19%	0.1	9% [4]

1. In Russia the yearly fee income growth was fuelled by strong dynamics of the credit card business and the growing amount of loans sold with insurance.

2. In Ukraine deposit and transaction fees performed nicely, but revenues also increased from payment protection policies sold with consumer loans.

3. In Romania some items from fees were reclassified into net interest income from 2012 onwards. The jump in 4Q was explained mainly by the one-off reclassification of some fee expenses into net interest income retrospectively.

4. From the second half of 2012 assets under management started to increase, as well as the asset management fee income.

The consolidated net loan to deposit ratio declined further, being below 100% since 3Q 2012

Loan to deposit ratio, % (31 December 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**	95%	116%	-2%p	-8%p
OTP CORE** (Hungary)	73%	89%	-4%p	-7%p
OBRU (Russia)	121%	143%	0%p	-14%p
DSK (Bulgaria)	99%	117%	-1%p	-6%p
OBU (Ukraine)	200%	281%	+4%p	-40%p
OBR (Romania)	223%	253%	-9%p	-80%p
OBH (Croatia)	80%	86%	+2%p	-4%p
OBS (Slovakia)	91%	98%	-2%p	-7%p
OBSrb (Serbia)	166%	235%	-2%p	-11%p
CKB (Montenegro)	64%	93%	0%p	-5%p

Subsidiaries with the highest net loan to deposit ratios demonstrated 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 9%, while the total loan book contracted by 7% y-o-y (FX-adjusted). The quarterly change of the ratio was influenced to a great extent by the debt consolidation of Hungarian local governments and strong corporate deposit collection.

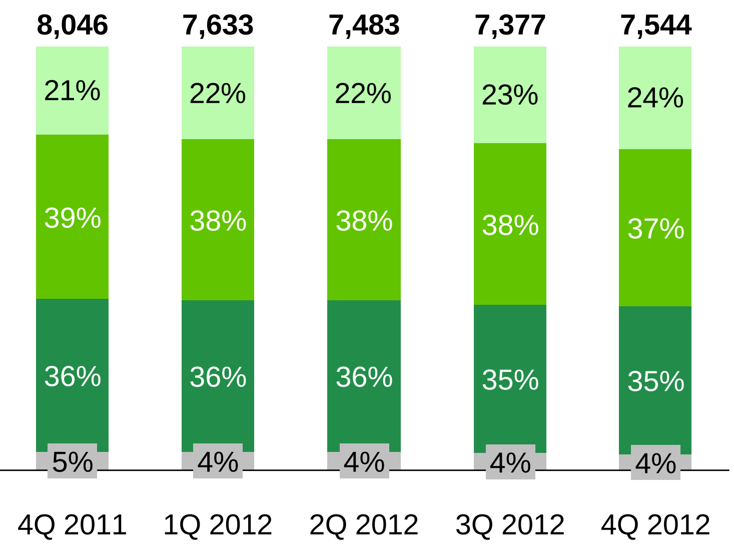
After increasing in the last two years, the Russian net loan to deposit ratio declined in 2012 due to the successful deposit collection. The deposit growth could catch up with the seasonally strong loan expansion even in 4Q .

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

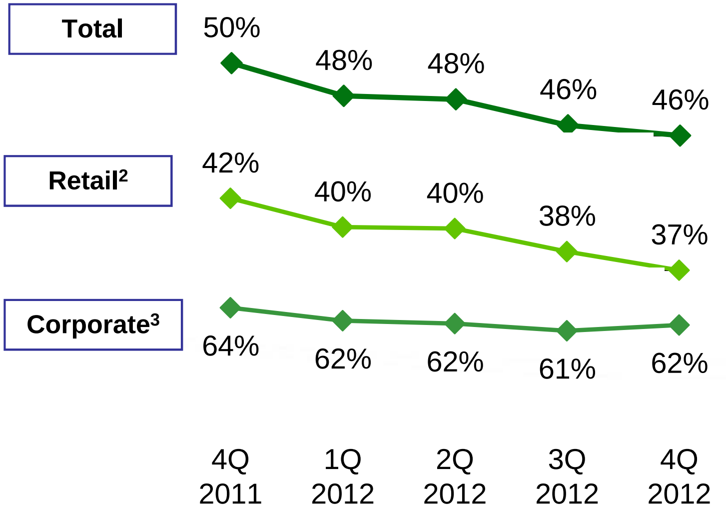
** In case of the ratio of the Group and OTP Core the applied formula is „net loan/(deposit+retail bond)"

The 2% y-o-y decline in consolidated loans reflects the repayment of FX mortgages in Hungary. Consumer loan growth was driven by booming Russian and Ukrainian volumes along with strong performance in Slovakia, Romania and Serbia

Breakdown of consolidated gross loan book (in HUF billion)



Share of FX loans in the consolidated gross loan portfolio



Q-o-Q loan volume changes in 4Q 2012, adjusted for FX-effect

	Cons.	Core (Hungary)	Merk (Hungary)	OBRu (Russia)	DSK (Bulgaria)	OBU (Ukraine)	OBR (Romania)	OBH (Croatia)	OBS (Slovakia)	OBSr (Serbia)	CKB (Monte-negro)
Total	0%	-3%	-3%	13%	0%	2%	2%	0%	0%	4%	-1%
Consumer	6%	-1%		15%	-1%	23%	15%	3%	28%	2%	-1%
Mortgage	-1%	-2%		-6%	-1%	-3%	-1%	0%	2%	0%	-1%
Corporate[1]	-1%	-5%	7%	-4%	2%	3%	5%	-1%	-4%	6%	-1%
Car-financing	-4%		-4%	-16%		4%		-13%	-5%		

Y-o-Y loan volume changes in 4Q 2012, adjusted for FX-effect

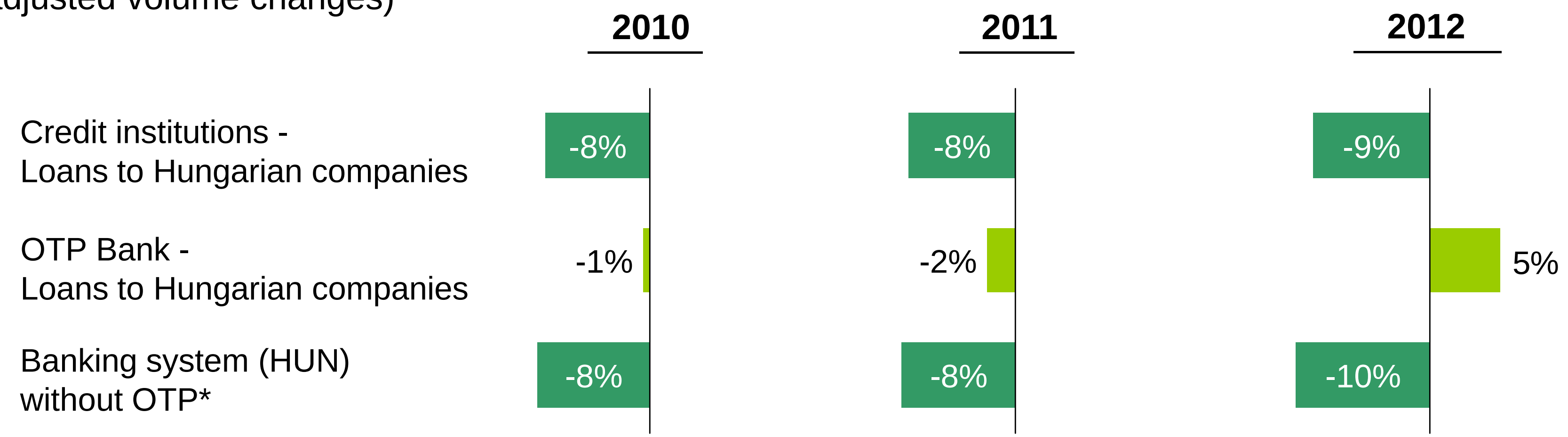
	Cons.	Core (Hungary)	Merk (Hungary)	OBRu (Russia)	DSK (Bulgaria)	OBU (Ukraine)	OBR (Romania)	OBH (Croatia)	OBS (Slovakia)	OBSr (Serbia)	CKB (Monte-negro)
Total	-2%	-7%	-9%	19%	0%	-7%	6%	-1%	4%	9%	-5%
Consumer	14%	0%		31%	0%	282%	74%	3%	78%	26%	0%
Mortgage	-6%	-9%		-22%	-2%	-12%	2%	1%	8%	0%	-7%
Corporate[1]	-4%	-6%	34%	-43%	2%	-10%	8%	-4%	-3%	7%	-5%
Car-financing	-16%		-14%	-47%		-18%		-40%	-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

OTP Core

At OTP Bank the corporate exposure to Hungarian clients grew by 5%, while in the rest of the Hungarian banking sector volumes declined by 10% in 2012

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



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

* 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 other-financials companies" line, adjusted for the FX-effect (ie. fixed FX rates as of end-December 2012 were used).

OTP Core

Recent developments on policies targeting existing and potential mortgage borrowers and government measures

FIXED INSTALMENT SCHEME

- The fixing is provided for 5 years. In this period clients may save ~20% (subject to the development of 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 government extended the application deadline to 31 March 2013.
- By 31 December 32 thousand clients, representing 26.5% of the eligible 120.000 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 total mortgage rate including the subsidy is fixed for 1 or 5 years and is capped at the level of „130% of the 1 or 5 years reference rate of government bonds +3%", depending on the length of the repricing period. The subsidy is provided in the first 5 years of the tenor and is fixed during the repricing period. Its size varies between 50% and 70% of the government bond reference rate. If relevant requirements are met, OTP's clients can enjoy a fixed forint interest rate of around 6-7% in the first 5 years of the loan. This appealing rate can help to stimulate mortgage lending. The government amended the scheme from 1 January 2013 to make it more attractive.
- Loans are available for buying or building new homes (max. loan amount at HUF 15 million), purchasing or repairing used apartments (max. loan amount at HUF 10 million). As for subsidized loans for buying smaller homes by delinquent borrowers and for refinancing delinquent mortgage loans, the application period was extended until 31 December 2013.

FINANCIAL TRANSACTION TAX

- On 12 November the general rate of the financial transaction tax was lifted from 0.1% to 0.2%, while for cash withdrawals 0.3% rate will be applied. The tax is levied on all major retail and corporate transactions (ie. bank transfers, payments from payment accounts, cash payment onto a payment account, cash withdrawals from ATMs and branches, letters of credit, cashing cheques, money exchange, loan servicing and any other payment service similar to the aforementioned ones, when the service provider reduces the liabilities of the payer's payment account by the sum of an order).

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Recent developments on policies targeting existing and potential mortgage borrowers and government measures (continued)

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.
- On 17 February 2013 state secretary at the Economy Ministry stated that the government may offer banks a tax refund from the special tax on financial institutions or to write off bank tax if banks boost their lending activity. The agreement is likely to be struck by the end of this spring and may provide more aggressive incentives than the ones offered earlier.

DEBT OF THE HUNGARIAN MUNICIPALITIES

- On 27 October 2012 the Prime Minister announced that the central government will consolidate the debt of local municipalities.
- As for municipalities with population of less than 5,000 people in the consolidation process the State provided a non-refundable subsidy for the repayment of outstanding debts (including loans, bonds and bills of exchange) as at 12 December 2012. At OTP Bank a total debt of HUF 28.8 billion was repaid (calculated with FX rates as of 27 December 2012), out of this forint denominated debt reached HUF 24.1 billion. On sector level a debt of HUF 74 billion was repaid by the central government.
- The debt assumption from bigger municipalities is expected to take place in the first half of 2013. The take over is intended to be partial: the share of assumed debt will depend on the local governments' local tax generating capacity and will range from 40% to 70%. However, the central administration has the opportunity to take higher share, based on individual agreement with the relevant municipality. At OTP Bank the total exposure to municipalities with more than 5 thousands inhabitants represented HUF 245 billion at end-December 2012 (including loans and bonds as well). After the consolidation in 2Q 2013 part of this loan amount becomes loans from the central government in the balance sheet of OTP Bank.

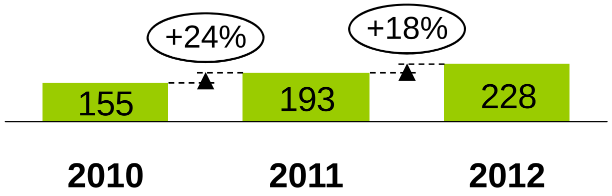
OTP Bank Russia

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

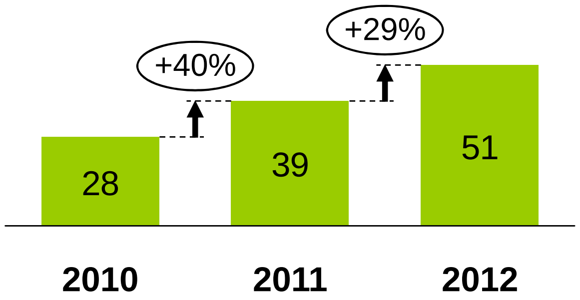
Consumer loan market segment

Market position of OTP Bank Russia

POS loan market
(RUB billion)

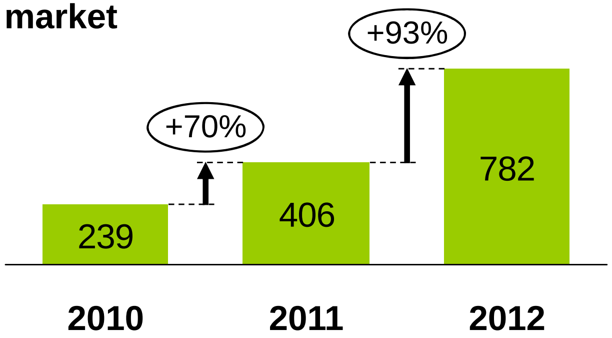


POS loan volumes of OTP Russia

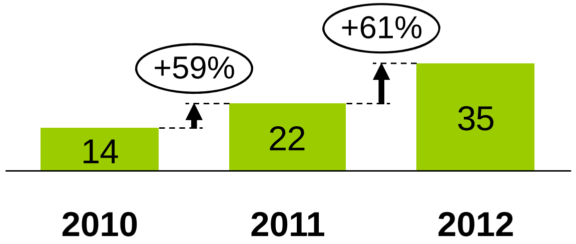


- Sales force: 8,339 own agents
  13,892 3rd party agents
- #2 in the market
- 2012 market share: 22.2%

Credit card market
(RUB billion)

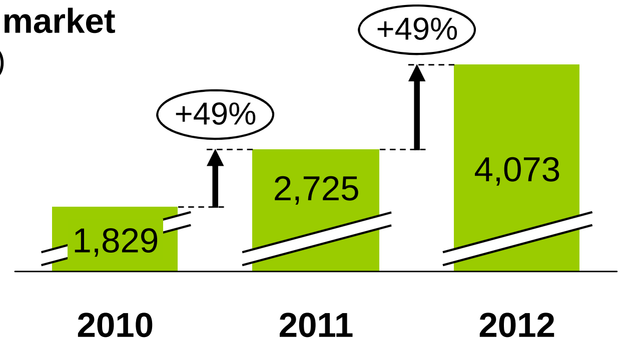


Credit card loan volumes of OTP Russia

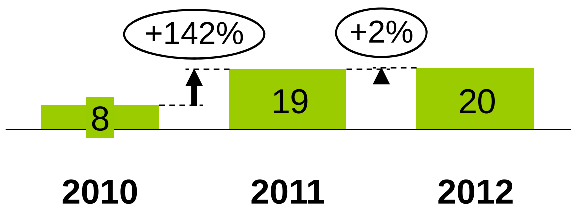


- Cross-sales to POS clients
- #7 in the market
- 2012 market share: 4.4%

Cash loan market
(RUB billion)



Cash loan volumes of OTP Russia



- Available in 147 branches
- #27 in the market
- 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 9%

Risk cost rates and provision coverage (%)

POS loans

	2008	2009	2010	2011	2012
Risk cost rate	7.9%	6.2%	7.9%	7.7%	9.1%
DPD90+ coverage	93.9%	88.0%	90.9%	108.3%	97.0%

Credit cards

	2008	2009	2010	2011	2012
Risk cost rate	18.5%	14.5%	6.8%	10.3%	10.5%
DPD90+ coverage	89.6%	85.3%	86.4%	86.9%	89.8%

Cash loans

	2008	2009	2010	2011	2012
Risk cost rate	12.2%	11.4%	-4.8%	3.7%	6.8%
DPD90+ coverage	80.1%	86.9%	94.1%	92.9%	102.9%

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%, 4Q 2012: 22.2%), while market growth was slower than that of OTP's POS loan book
- Operational issues primarily related to soft collection.

* Fix provision coverage levels assumed at 100% for POS loans, at 88% for credit cards and at 95% for cash loans

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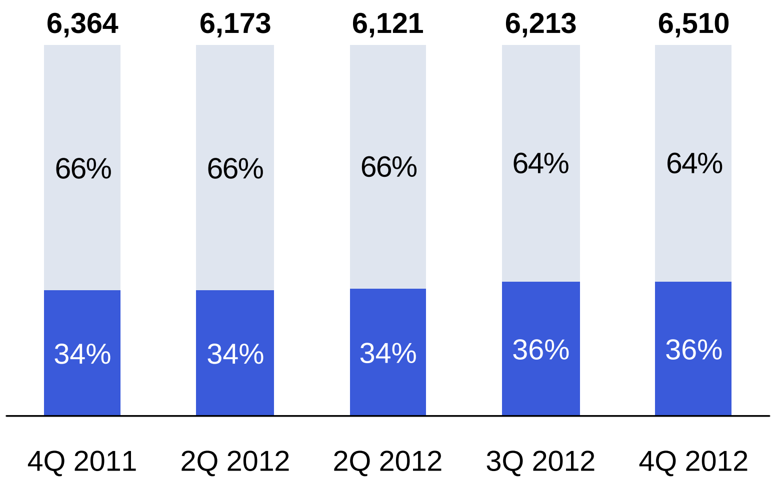
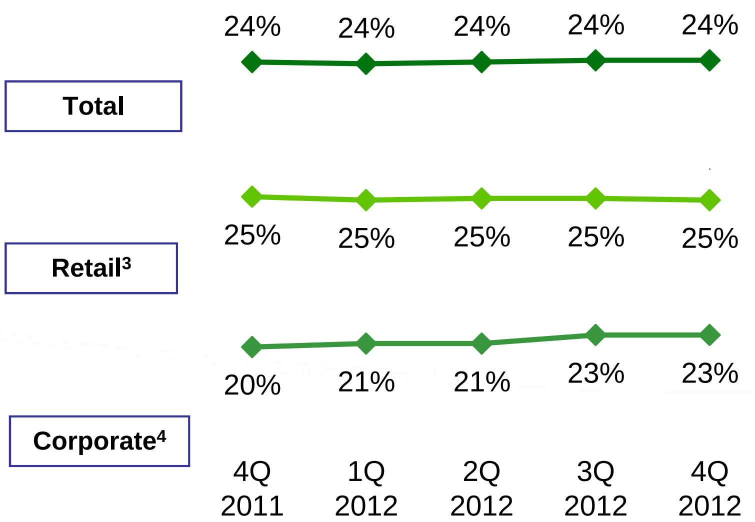
Consolidated deposits grew further, the quarterly expansion was fuelled mainly by the Hungarian corporate deposits and the successful deposit collection in Russia and Romania

Breakdown of consolidated customer deposits (in HUF billion)



Proportion of FX deposits in the consolidated deposit portfolio



Q-o-Q deposit volume changes in 4Q 2012, adjusted for FX-effect

	Cons.	Core (Hungary)	OBRu (Russia)	DSK (Bulgaria)	OBU (Ukraine)	OBR (Romania)	OBH (Croatia)	OBS (Slovakia)	OBSr (Serbia)	CKB (Monte-negro)
Total	3%	4%	13%	0%	-1%	4%	-2%	1%	7%	-3%
Retail	3%	2%	10%	2%	4%	10%	0%	3%	6%	0%
Corporate[2]	4%	7%	17%	-9%	-8%	-2%	-13%	-4%	7%	-10%

Y-o-Y deposit volume changes in 4Q 2012, adjusted for FX-effect

	Cons.	Core (Hungary)	OBRu (Russia)	DSK (Bulgaria)	OBU (Ukraine)	OBR (Romania)	OBH (Croatia)	OBS (Slovakia)	OBSr (Serbia)	CKB (Monte-negro)
Total	6%	3%	25%	3%	5%	40%	4%	10%	15%	-2%
Retail	2%	-4%	24%	3%	23%	45%	3%	13%	9%	1%
Corporate[2]	13%	14%	29%	3%	-14%	33%	7%	4%	25%	-7%

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

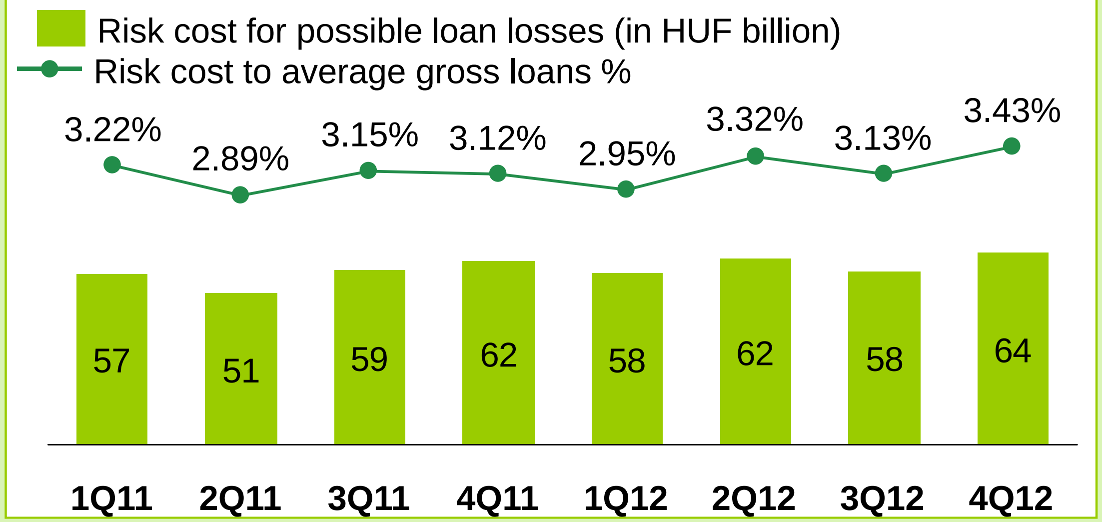
The annual operating costs increased by 5%, while adjusting for FX-effect the cost growth was only 3%

OPERATING COSTS – 2012 (HUF billion)	Share	Value	Y-o-Y change (HUF billion)	Y-o-Y change (%)	Y-o-Y change (FX-adjusted, %)
OTP Group[1]	100%	394.9	18.9	5%	3%
OTP CORE[1] (Hungary)	46%	182.9	-1.5	-1%	-1%
OBRU (Russia)	18%	71.7	10.9	18%	11%
DSK (Bulgaria)	9%	36.8	3.6	11%	7%
OBU (Ukraine)	8%	31.0	4.2	16%	5%
OBH (Croatia)	4%	14.1	0.5	4%	1%
OBS (Slovakia)	3%	10.5	0.2	2%	-2%
OBR (Romania)	3%	13.3	0.1	1%	2%
CKB (Montenegro)	2%	7.2	0.9	14%	10%
OBSrb (Serbia)	2%	8.0	1.5	23%	33%
Merkantil (Hungary)	2%	6.0	0.5	9%	9%

[1] In 3Q and 4Q 2012 tax deductible transfers paid by Hungarian group members were reclassified from operating expenses to corporate income tax.

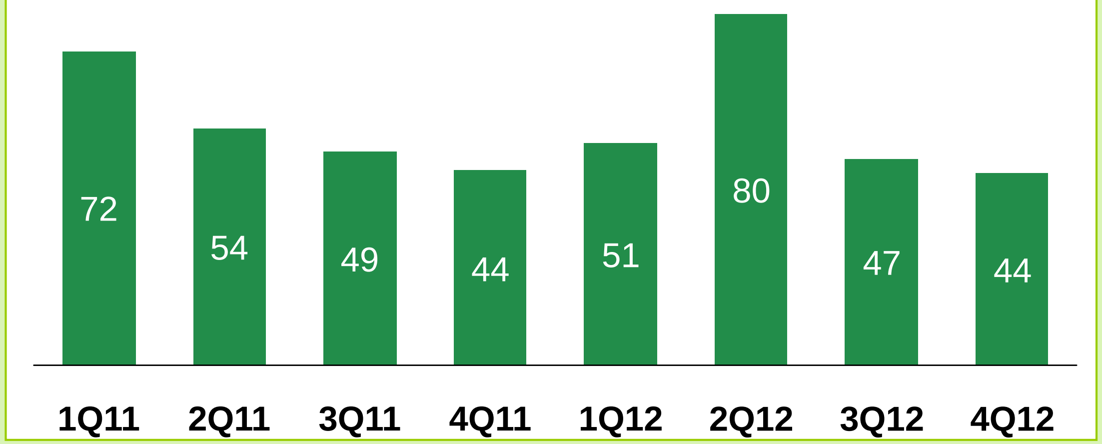
Portfolio deterioration slowed down significantly in the second half of 2012 and reached its post-crisis lows in 4Q. Due to the high level of provisioning the DPD90+ coverage grew to 80.0%, the highest since end-2008

Consolidated risk costs and its ratio to average gross loans

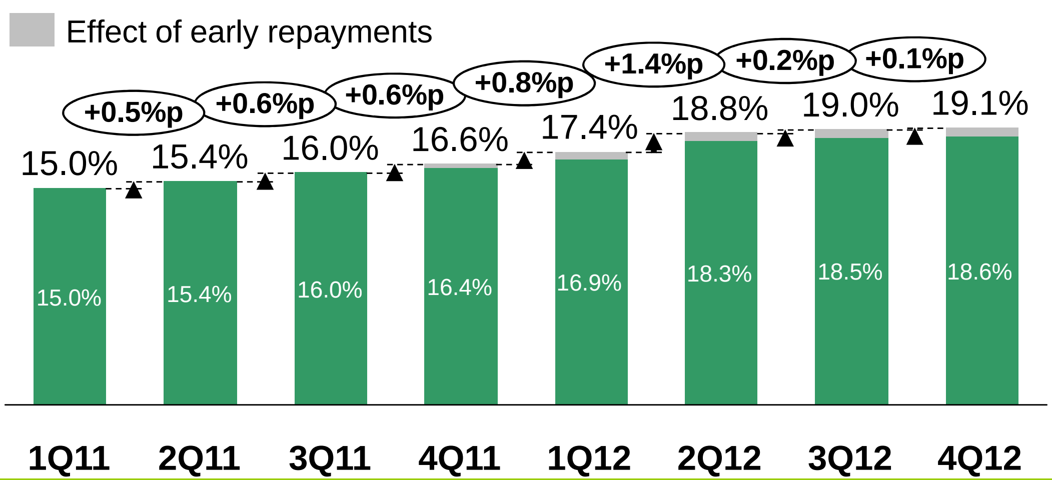


Quarterly change in DPD90+ loan volumes

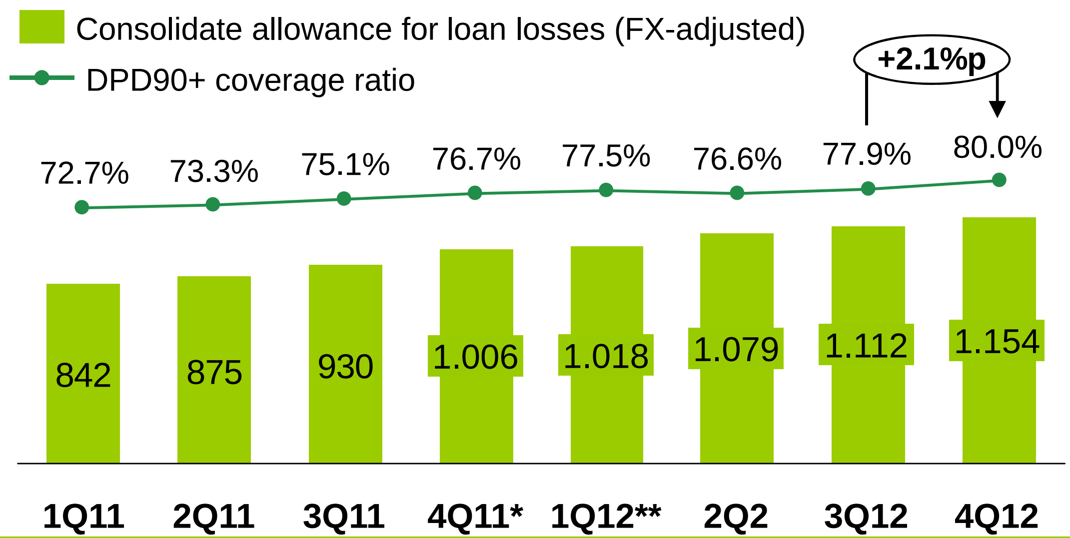
consolidated, FX-adjusted, in HUF billion



Consolidated DPD90+ loans to total loans (%)



Consolidated provision coverage ratio

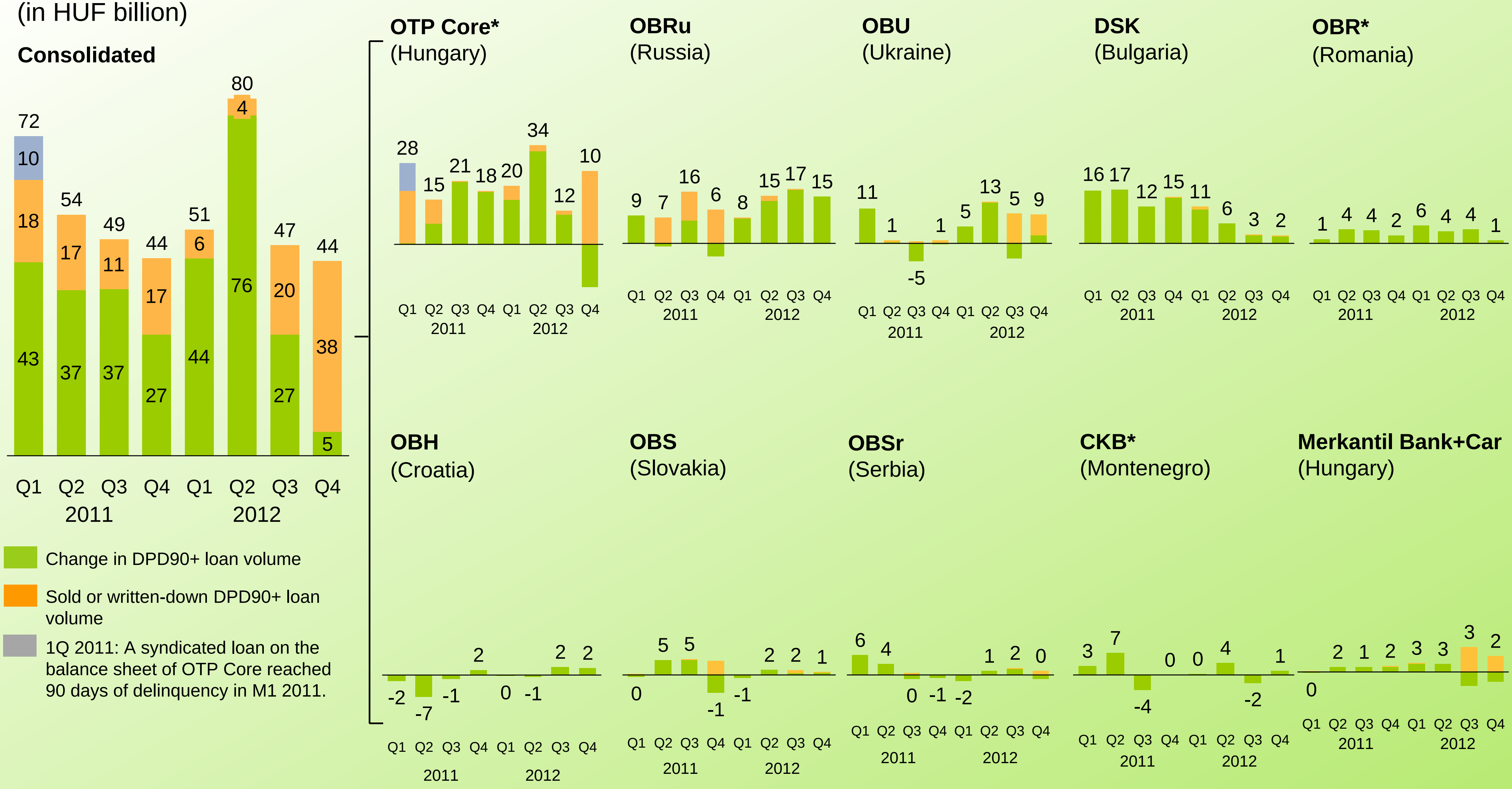


* Without HUF 36.5 billion provisions accrued for the FX mortgage loan prepayment at end-2011

** 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 hike in 2Q, the quarterly DPD90+ loan formation decreased further in 2H. The improvement was driven mainly by the Hungarian, Russian, Bulgarian and Romanian portfolios

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.

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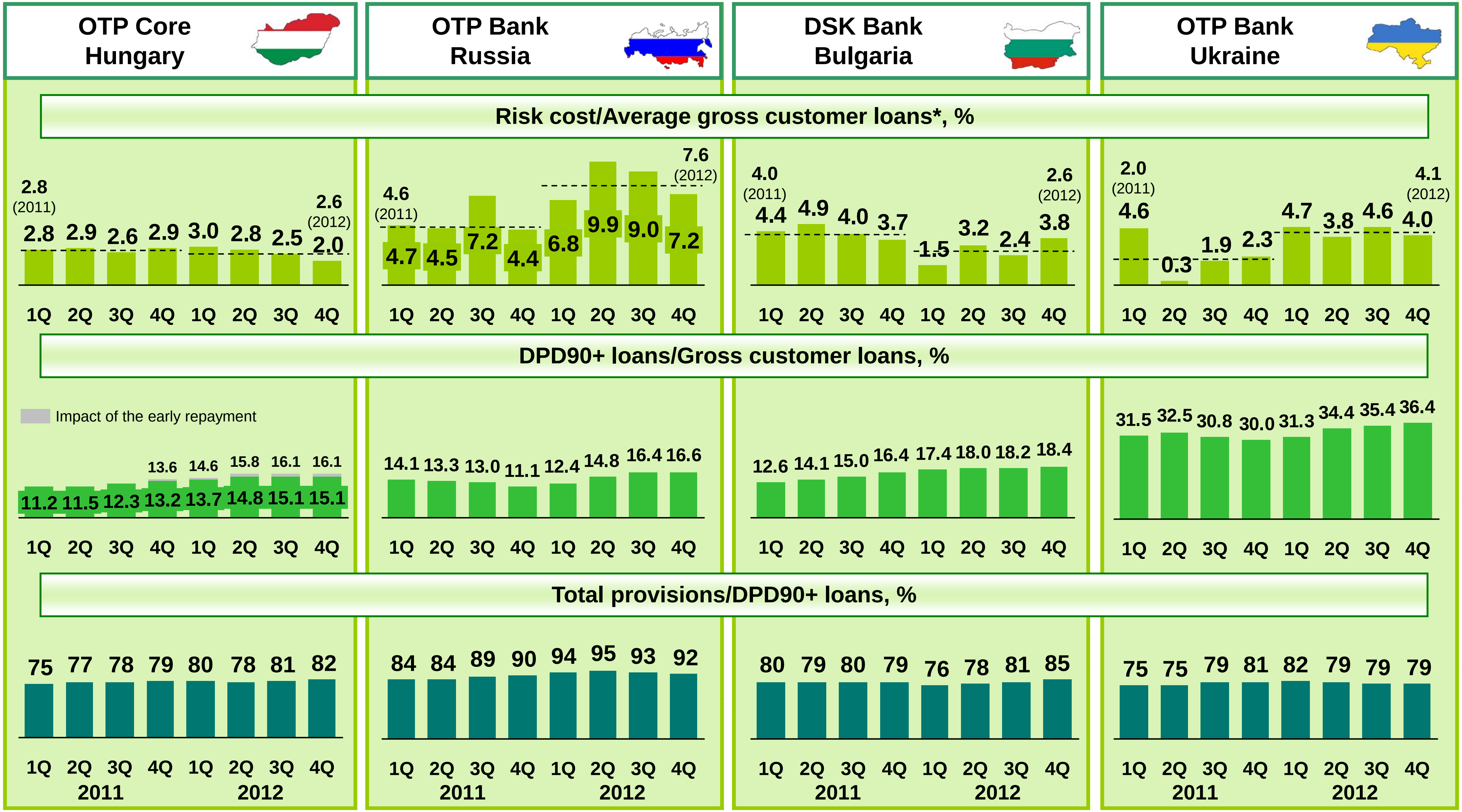
In Hungary and Bulgaria improving provision coverage q-o-q along with decelerating portfolio deterioration; in Russia moderate portfolio deterioration coupled with marginally lower provision coverage



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

In 4Q 2012 corporate loan quality improved in Hungary partly due to write-offs and sale of receivables

DPD90+ ratio (%)

OTP Core (Hungary)	4Q11	1Q12	2Q12	3Q12	4Q12	Q-o-Q *(%-point)*
Total	**13.6**	**14.6**	**15.8**	**16.1**	**16.1**	***0.0***
Total*	***13.2***	***13.7***	***14.8***	***15.1***	***15.1***	***0.0***
Retail	14.6	16.3	17.7	18.4	19.1	*0.7*
*Retail**	*13.9*	*14.8*	*16.1*	*16.7*	*17.3*	*0.6*
Mortgage	12.6	14.5	16.2	16.9	17.6	*0.7*
*Mortgage**	*11.9*	*12.8*	*14.3*	*14.9*	15.5	*0.6*
Consumer	22.7	23.1	23.6	24.2	24.8	*0.7*
MSE**	14.1	14.0	13.8	13.9	13.8	*0.0*
Corporate	15.4	14.7	16.1	15.4	13.1	*-2.3*
Municipal	0.4	0.2	0.2	0.3	0.6	*0.3*

DPD90+ ratio (%)

OTP Bank Russia	4Q 11	1Q 12	2Q 12	3Q 12	4Q 12	Q-o-Q *(%-point)*
Total	**11.1**	**12.4**	**14.8**	**16.4**	**16.6**	***0.2***
Mortgage	10.5	10.9	10.9	11.4	12.0	*0.5*
Consumer	11.2	12.7	15.3	16.9	17.0	*0.1*
Corporate+ SME***	9.7	10.8	11.3	12.4	12.4	*-0.1*
Car-financing	15.6	17.2	19.7	22.9	26.9	*4.0*

DPD90+ ratio (%)

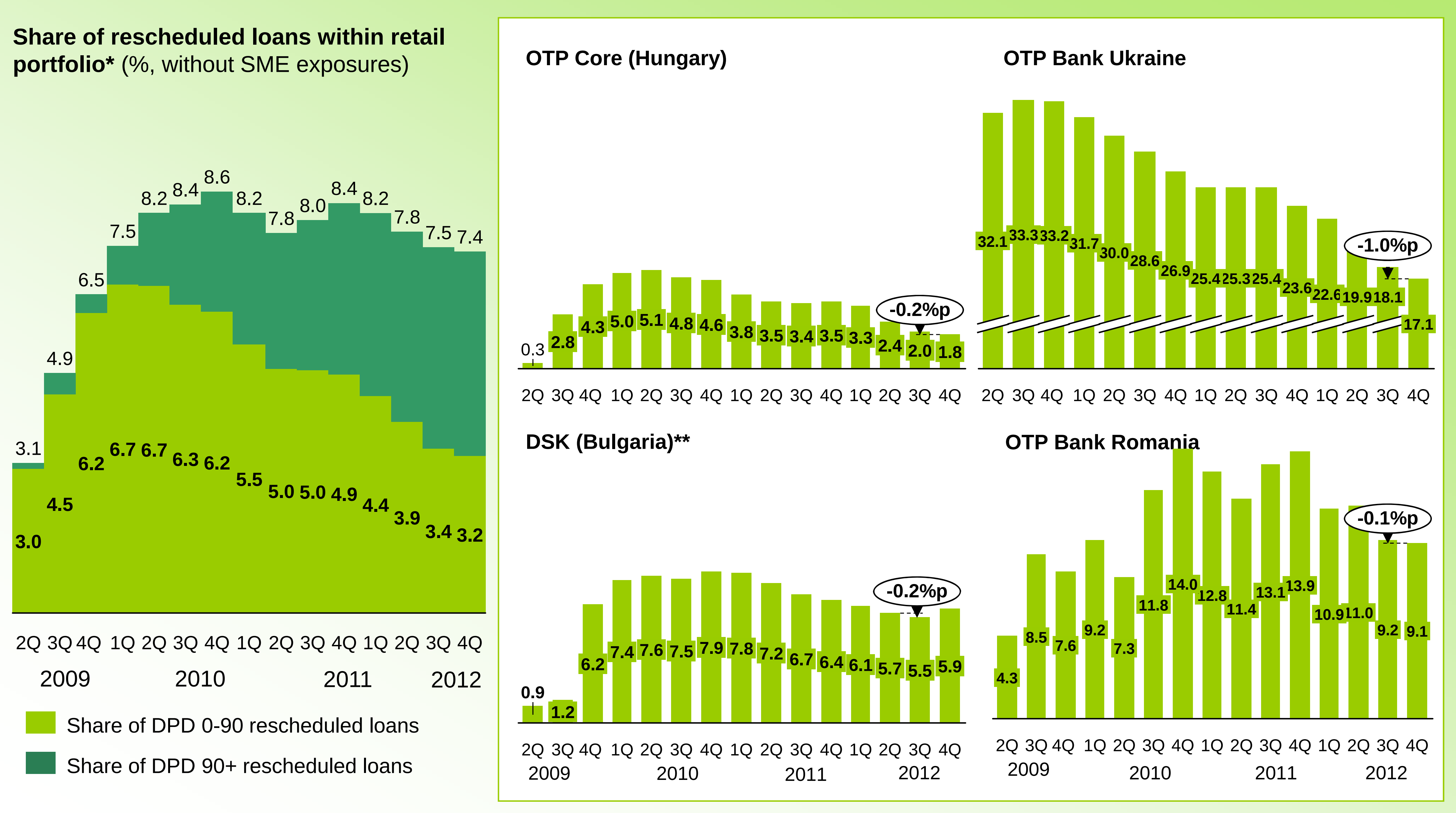
DSK (Bulgaria)	4Q 11	1Q 12	2Q 12	3Q 12	4Q 12	Q-o-Q *(%-point)*
Total	**16.4**	**17.4**	**18.0**	**18.2**	**18.4**	***0.2***
Mortgage	17.9	19.1	20.4	21.3	21.7	*0.4*
Consumer	14.0	14.7	15.2	15.6	15.7	*0.2*
MSE**	37.5	40.0	39.9	40.8	41.2	*0.4*
Corporate	11.0	12.3	11.9	10.6	11.1	*0.5*

DPD90+ ratio (%)

OTP Bank Ukraine	4Q 11	1Q 12	2Q 12	3Q 12	4Q 12	Q-o-Q *(%-point)*
Total	**30.0**	**31.3**	**34.4**	**35.4**	**36.4**	***1.0***
Mortgage	45.0	46.9	49.3	51.7	52.8	*1.2*
SME***	54.3	56.7	59.6	63.3	64.0	*0.7*
Corporate	14.9	16.1	20.3	19.5	22.6	*3.2*
Car-financing	37.8	40.0	42.8	46.2	43.7	*-2.4*

* 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



* 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

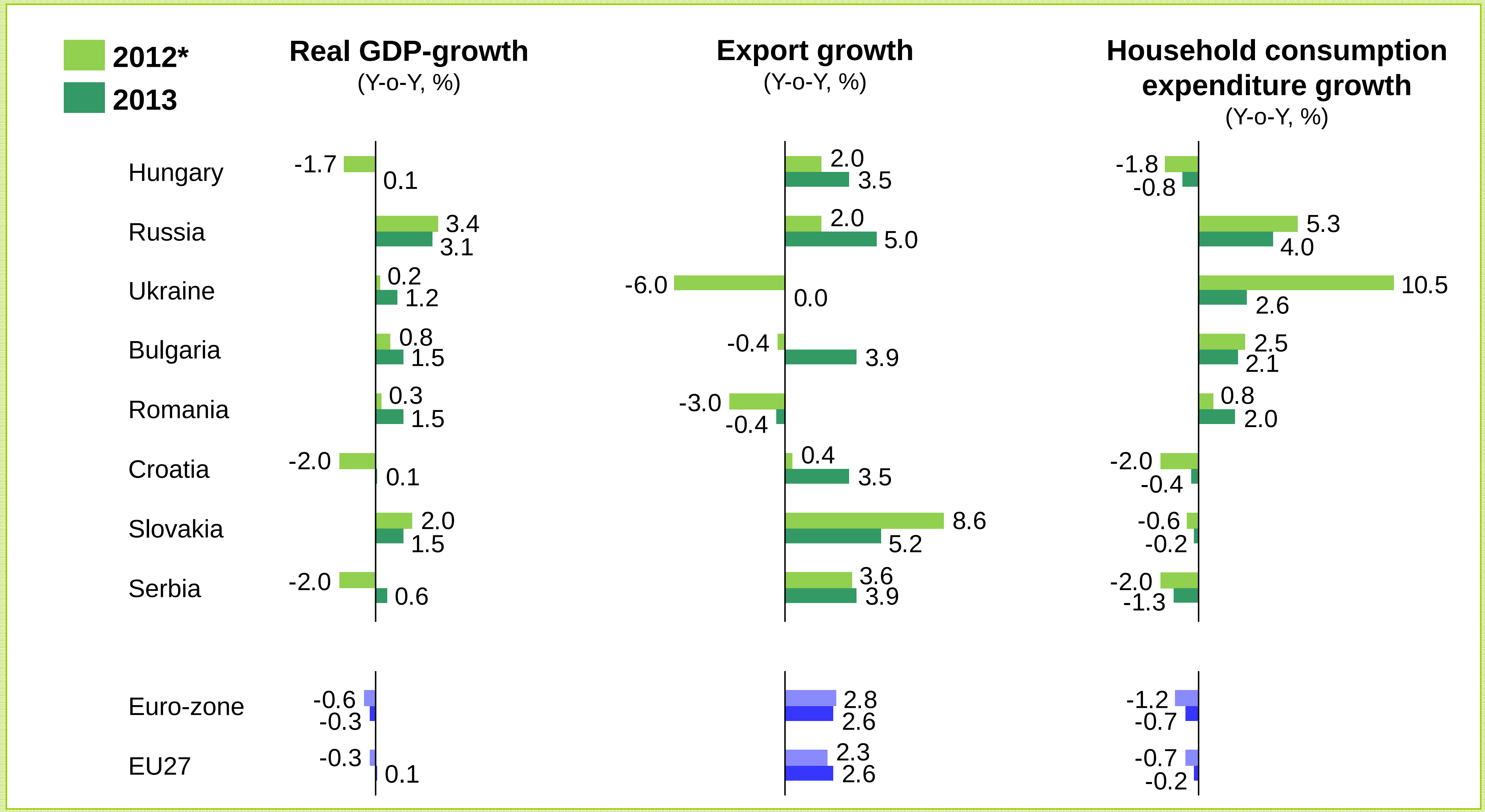
OTP Group has no exposure to Southern Euro-zone countries or to Ireland *

28 February 2013	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

Content

In 2013 economic growth is expected to remain moderate in most countries of the region, but continues to exceed EU average with export remaining the key driver behind growth



Source: OTP Bank – Research Department
* In case of Hungary, Bulgaria, Romania and Slovakia, based on the final GDP statistics published on 8 March 2013 at CET 9 AM. As a result statistics may differ from the ones presented in the presentation of the press conference.

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Guidance for 2013

- FX adjusted consolidated loans may grow moderately with double digit volume growth in case of the Russian, Ukrainian, Romanian, Serbian and Slovakian consumer loan books and in case of loans to Hungarian corporates with special focus on companies in the agricultural sector
- Growth in consolidated deposits is expected to be in line with the loan growth
- Consolidated total revenue margin may remain stable
- Similar to previous years operating expenses may grow by 5% nominally
- Consolidated portfolio deterioration should decelerate

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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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