OTP Group
First half 2014 results

Conference call – 15 August 2014

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otpbank

In 2Q 2014 the accounting loss was HUF 153 billion due to several external factors. The 2Q before tax profit without one-off items increased by 17% q-o-q

	1H 13	1H 14	Y-o-Y	2Q 13	1Q 14	2Q 14	Q-o-Q	Y-o-Y
	in HUF billion			in HUF billion				
Consolidated after tax profit (accounting)	**51.8**	**-147.3**	**-384%**	**40.6**	**5.9**	**-153.1**		**-477%**
Adjustments (total)	**-41.3**	**-221.6**	**437%**	**-11.8**	**-29.4**	**-192.1**	**552%**	
Dividends and net cash transfers (after tax)	0.0	0.1		0.3	-0.1	0.1	-308%	-60%
Goodwill/investment impairment charges (after tax)	1.4	-11.6		1.4	0.0	① -11.6		
Special tax on financial institutions and one-timer payment compensating the underperformance of the financial transaction tax (after tax)	-42.7	-29.8	-30%	-13.4	-29.4	-0.4	-99%	-97%
Effect of Banco Popolare Croatia acquisition (after tax)	0.0	4.1		0.0	0.0	② 4.1		
Impact of the expected refund obligation stemming from the invalidity of using FX margin in Hungary (after tax)	0.0	-32.0		0.0	0.0	③ -32.0		
Potential refund obligation stemming from the presumed unfairness of unilateral amendments to loan contracts in Hungary (after tax)	0.0	-144.1		0.0	0.0	-144.1		
Risk cost created toward Crimean exposures in 2Q 2014 (after tax)	0.0	-8.2		0.0	0.0	④ -8.2		
Consolidated adjusted after tax profit	**93.1**	**74.3**	**-20%**	**52.3**	**35.3**	**39.0**	**10%**	**-26%**
Corporate tax	-23.2	-13.5	-42%	-6.0	-3.7	-9.8	167%	64%
O/w tax shield of subsidiary investments	*0.1*	*1.4*		*4.3*	*3.0*	*-1.6*	*-154%*	*-137%*
Before tax profit	116.3	87.7	-25%	58.3	39.0	48.7	25%	-16%
Total one-off items	4.3	2.6	-40%	3.9	-0.2	2.8		-27%
Revaluation result of FX swaps at OTP Core	0.7	-0.7	-201%	0.3	-0.3	-0.5	53%	-246%
Gain on the repurchase of own capital instruments	1.0	0.0	-100%	1.0	0.0	0.0		-100%
Result of the Treasury share swap agreement	2.6	3.4	28%	2.6	0.1	3.3		26%
Before tax profit without one-off items	**111.9**	**85.1**	**-24%**	**54.4**	**39.2**	**45.9**	**17%**	**-16%**

① On consolidated level, under IFRS, the remaining HUF 27.6 billion goodwill of the Ukrainian subsidiary was written down in 2Q 2014. Of that HUF 5.3 billion was recognised against equity and HUF 22.2 billion against the P&L. The write-down had a negative after-tax profit impact of HUF 11.6 billion.

② Items that directly affect P&L and related to the acquisition and integration of Banco Popolare Croatia: badwill, tax shield on earlier losses, potential merger expenses.

③ In accordance with the Act No. XXXVIII of 2014 in case of FX loans to consumers the Group's expected refund obligation stemming from the invalidity of using FX margin is HUF 41.3 billion. Taking into account the HUF 1.8 billion provision already created for this purpose, in 2Q HUF 39.5 billion other risk cost was created (HUF 32.0 billion after tax). Pursuant to the Act, in relation to the possible refund obligation stemming from the presumed unfairness of the unilateral contract amendments the Bank set aside further HUF 177.0 billion other provision (HUF 144.1 billion after tax).

④ Adjustment item related to the Ukrainian operation: in 2Q the Bank raised the provision coverage of the total Crimean gross loans up to 90%.

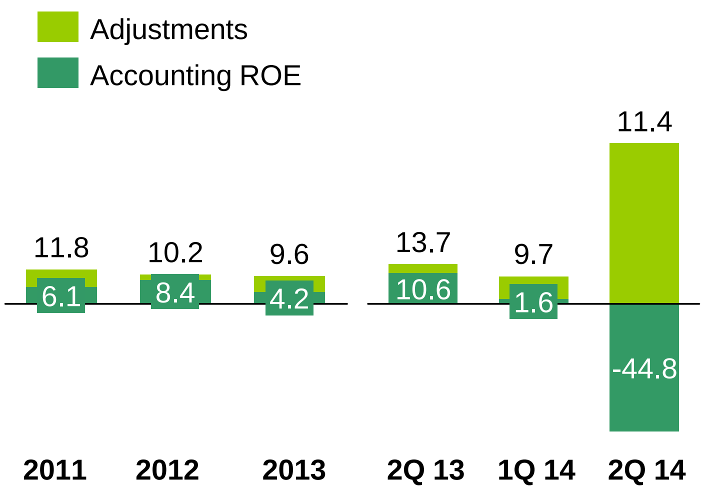
The consolidated operating profit improved by 1% q-o-q, while risk costs moderated by 8%; at OTP Core the 1H before tax profit without one-off items increased y-o-y due to decreasing risk costs

CONSOLIDATED	1H 13	1H 14	Y-o-Y	2Q 13	1Q 14	2Q 14	Q-o-Q	Y-o-Y
	in HUF billion			in HUF billion				
Before tax profit without one-off items	**111.9**	**85.1**	**-24%**	**54.4**	**39.2**	**45.9**	**17%**	**-16%**
Operating profit w/o one-off items	226.7	217.4	-4%	114.2	108.2	109.3	1%	-4%
Total income w/o one-off items	432.8	421.3	-3%	219.9	210.2	211.1	0%	-4%
Net interest income w/o one-off items	328.5	320.7	-2%	162.6	162.5	158.3	-3%	-3%
Net fees and commissions	78.6	83.5	6%	42.8	42.0	41.5	-1%	-3%
Other net non interest income without one-offs	25.7	17.0	-34%	14.5	5.7	11.3	99%	-22%
Operating costs	-206.0	-203.8	-1%	-105.7	-102.0	-101.8	0%	-4%
Total risk costs	-114.8	-132.3	15%	-59.8	-68.9	-63.4	-8%	6%

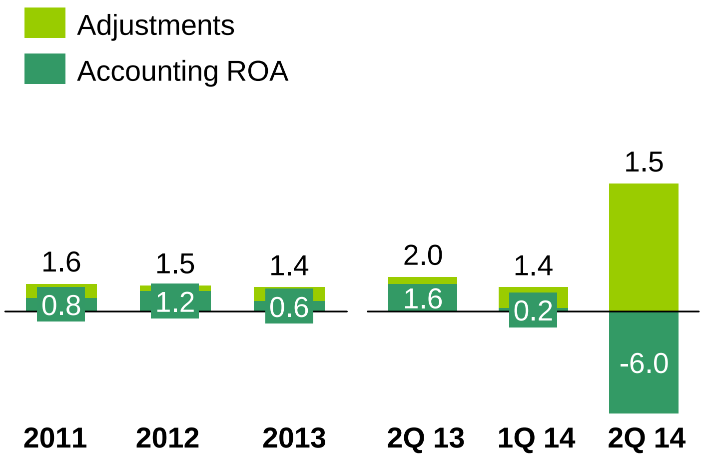
OTP CORE	1H 13	1H 14	Y-o-Y	2Q 13	1Q 14	2Q 14	Q-o-Q	Y-o-Y
	in HUF billion			in HUF billion				
Before tax profit without one-off items	**71.8**	**79.3**	**10%**	**38.4**	**40.3**	**39.0**	**-3%**	**1%**
Operating profit w/o one-off items	97.0	94.6	-2%	51.6	46.7	48.0	3%	-7%
Total income w/o one-off items	192.2	190.9	-1%	100.5	94.4	96.5	2%	-4%
Net interest income w/o one-off items	136.1	133.2	-2%	68.4	66.4	66.9	1%	-2%
Net fees and commissions	43.2	47.5	10%	23.5	24.0	23.6	-2%	0%
Other net non interest income without one-offs	13.0	10.2	-22%	8.6	4.0	6.1	51%	-29%
Operating costs	-95.2	-96.3	1%	-49.0	-47.7	-48.6	2%	-1%
Total risk costs	-25.3	-15.4	-39%	-13.1	-6.4	-9.0	41%	-32%

Consolidated income and interest margins remained strong. The loan and deposit book increased slightly q-o-q. The pace of portfolio deterioration accelerated due to Ukraine, the DPD90+ coverage marginally increased q-o-q

Adjusted Return on Equity – ROE (%)

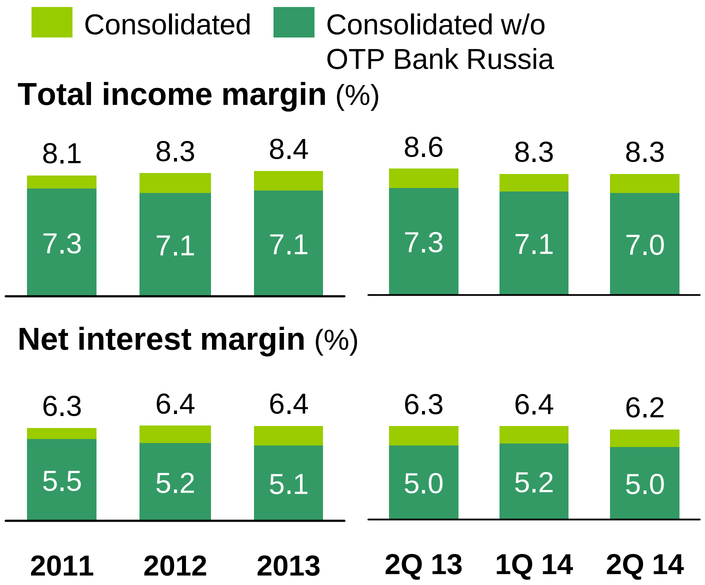


Adjusted Return on Assets – ROA (%)

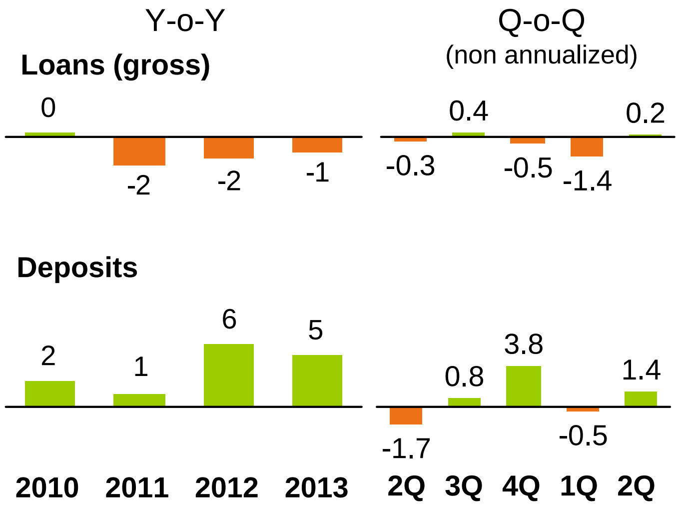


Total income margin (%)

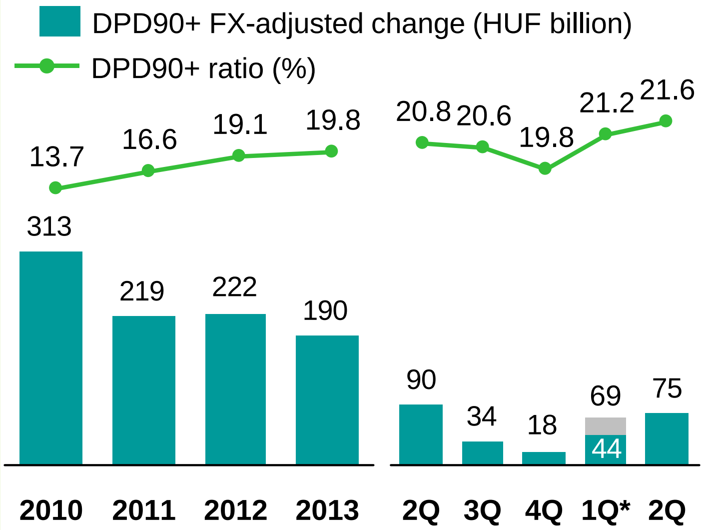
Net interest margin (%)



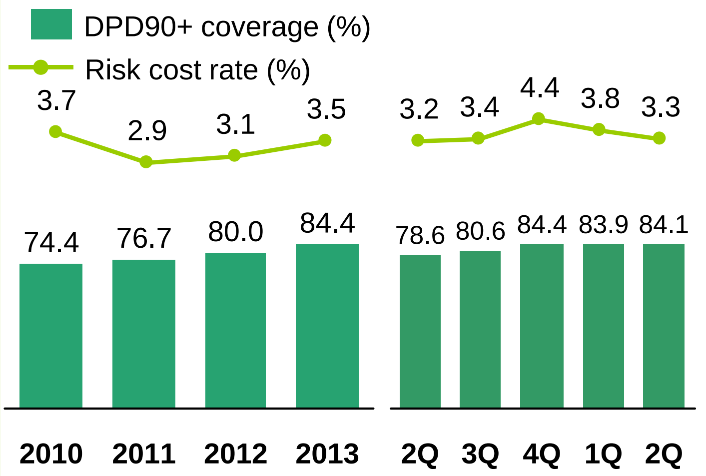
Growth of business volumes (%, FX-adj.)



Portfolio quality development



Risk cost development



* In 1Q a large project finance loan at OTP Core fell into DPD90+ category, excluding this item the FX-adjusted change of DPD90+ volumes reached HUF 44 billion.

Miscellaneous

OTP Core – update on the Curia decision, Act No. XXXVIII of 2014, NBH Guidance	**The Curia** delivered the uniformity decision on consumer contracts on 16 June. Accordingly, as a general rule courts should not examine the unfairness of FX risk being passed by banks on their customers. The Curia also defined under what principles banks could unilaterally change contractual conditions. Finally it ruled that the use of FX margins was void, instead banks could have used the official NBH FX rate. **Act No. XXXVIII of 2014** on the *"Settlement of certain questions related to the Curia's uniformity decision on loans to customers provided by financial institutions"* (passed on 4 July). The Act overruled the Supreme Court's legal interpretation, which has been also set out in the effective Civil Code, i.e. the legal consequences of invalidity are applicable only under the regular five years statute of limitation; the Act extended the statute of limitation back to 1 May 2004. **Guidance of the NBH:** use of funds without legal cause should be treated in each moment as principal (pre)payments, i.e. the should amortize the outstanding debt obligation. The guidance is in contradiction to the current regulations and court precedents. **According to OTP Bank's opinion** concerns are arising whether the Act No. XXXVIII of 2014 is meeting the relevant constitutional requirements and if it is in compliance with the legal regulations and practice of the EU. Secondly, OTP Group does not agree with the measures of the Act and the Guidance of the NBH from either legal or banking perspective and OTP will pursue all possible legal remedy provided by the law. Thirdly, the Bank intends to exercise its right to take legal action to prove that the clauses in consumer contracts allowing the unilateral amendment of the contract were fair.
Guidance on the Ukraine	The operating environment is expected to remain negative, thus the management sees an upside risk regarding the previously forecasted annual loss flagged in the 1Q interim management report. However the 2Q Ukrainian loss excluding the risk cost created toward the Crimean exposures moderated q-o-q, the negative result reached HUF 19.3 billion in 1H including the Crimean risk costs, which is close to the upper end of the HUF 10-20 billion range indicated by the management. The management expects that the full year Ukrainian loss including the Crimean risk costs may get closer to HUF 30 billion.
Ukrainian goodwill impairment	The uncertain economic environment had a negative impact on the value of the company, hence the outstanding IFRS volume of goodwill (HUF 27 billion) was entirely written off in 2Q. Of that HUF 5.3 billion was recognised against equity and HUF 22.2 billion against the P&L. The write-down had a negative after-tax profit impact of HUF 11.6 billion, since the write-off under local accounting standards resulted in a HUF 10.6 billion tax shield under IFRS.
Banco Popolare Croatia acquisition	As a result of the acquisition, OTP Bank Croatia' market share of total assets increased by 0.6 ppt. The transaction strengthened OTP Croatia's regional network coverage and the bank will have a scale closer to the optimal level. In consumer lending the market share is expected to be close to 7%. The consolidated figures were included into 2Q results. The purchase price was EUR 14 million (0.3 P/BV).
Millennium Bank acquisition (Romania)	On 30 July OTP Bank Romania purchased 100% of Millennium Bank (not yet consolidated). As a result OTP Bank's market share for total assets will increase by 0.8 ppt. Through the transaction OTP Bank Romania's network coverage will improve, its market share in consumer lending will exceed 5%. Millennium Bank is expected to appear in the consolidated financial statements by the end of 2014. The purchase price was EUR 39 million (0.5 P/BV).

From 1Q 2014 the Basel III regulation has been applied. The Common Equity Tier1 ratio q-o-q declined due to losses induced by the adjustment items in 2Q

OTP Group consolidated capital adequacy ratio (IFRS)

BASEL III	2010	2011	2012	2013	2Q 14
Capital adequacy ratio	17.5%	17.3%	19.7%	19.7%	17.8%*
Common Equity Tier1 capital ratio	12.1%	12.4%	15.1%	16.0%	14.2% ①

① The **consolidated CET1 ratio** declined by 1.8 ppts ytd, primarily due to the 2Q loss relating mainly to the adjustment items.

② Measures implemented by the central bank aimed at slowing down the excessive growth of consumer lending had negative impact on the **Russian** bank's capital adequacy ratio.

③ In case of the **Ukrainian subsidiary** the depreciation of the hryvnia had negative impact on capital requirement and the realized loss in the period decreased the solvency capital as well.

④ Due to the implementation of AMA (Advanced Measurement Approach) methodology at the **Bulgarian** subsidiary the capital requirement of the bank decreased q-o-q.

⑤ The **Romanian bank** received a capital injection of RON 50 million in the second quarter.

Capital adequacy ratios (under local regulation)

	2010	2011	2012	2013	2Q14
OTP Group (IFRS)	**17.5%**	**17.3%**	**19.7%**	**19.7%**	**17.8%***
Hungary	18.1%	17.9%	20.4%	23.0%	18.3%
Russia	17.0%	16.2%	16.2%	14.0%	11.7% ②
Ukraine	22.1%	21.3%	19.6%	20.6%	14.1% ③
Bulgaria	23.7%	20.6%	18.9%	16.4%	20.2% ④
Romania	14.0%	13.4%	15.6%	12.7%	15.3% ⑤
Serbia	16.4%	18.1%	16.5%	37.8%	37.1%
Croatia	15.0%	14.8%	16.0%	16.7%	16.2%
Slovakia	11.1%	13.1%	12.8%	10.6%	11.3%
Montenegro	13.9%	13.4%	12.4%	14.4%	15.9%

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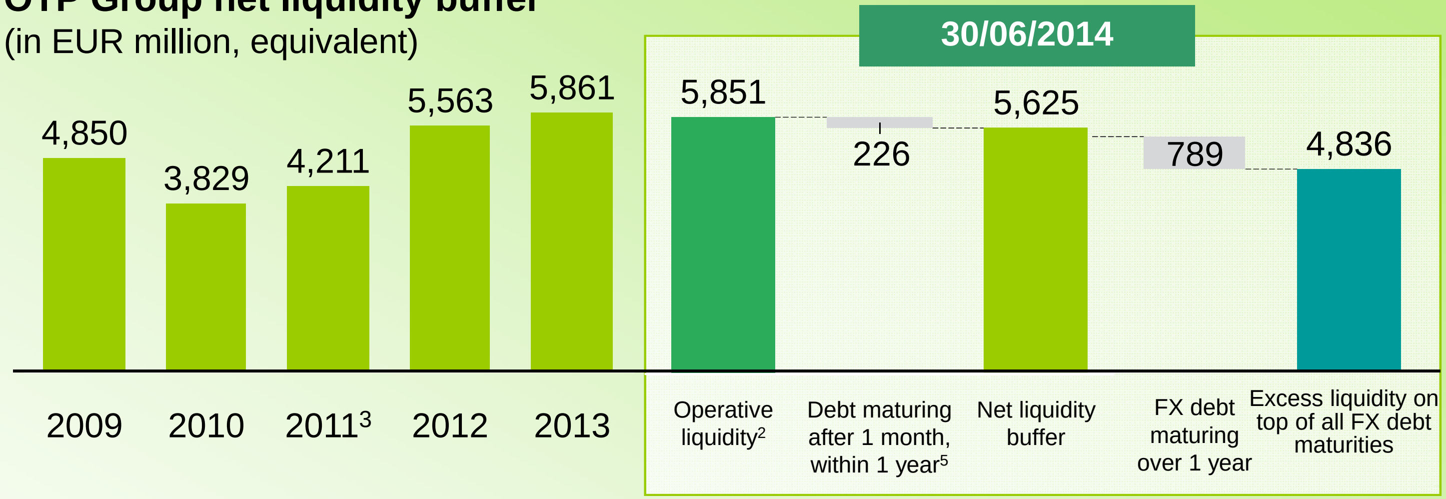
* Pursuant to the resolution issued by the National Bank of Hungary as a supervisory authority on 21 May 2014 the perpetual (UT2) and the ICES bonds are treated as Tier2 capital elements.

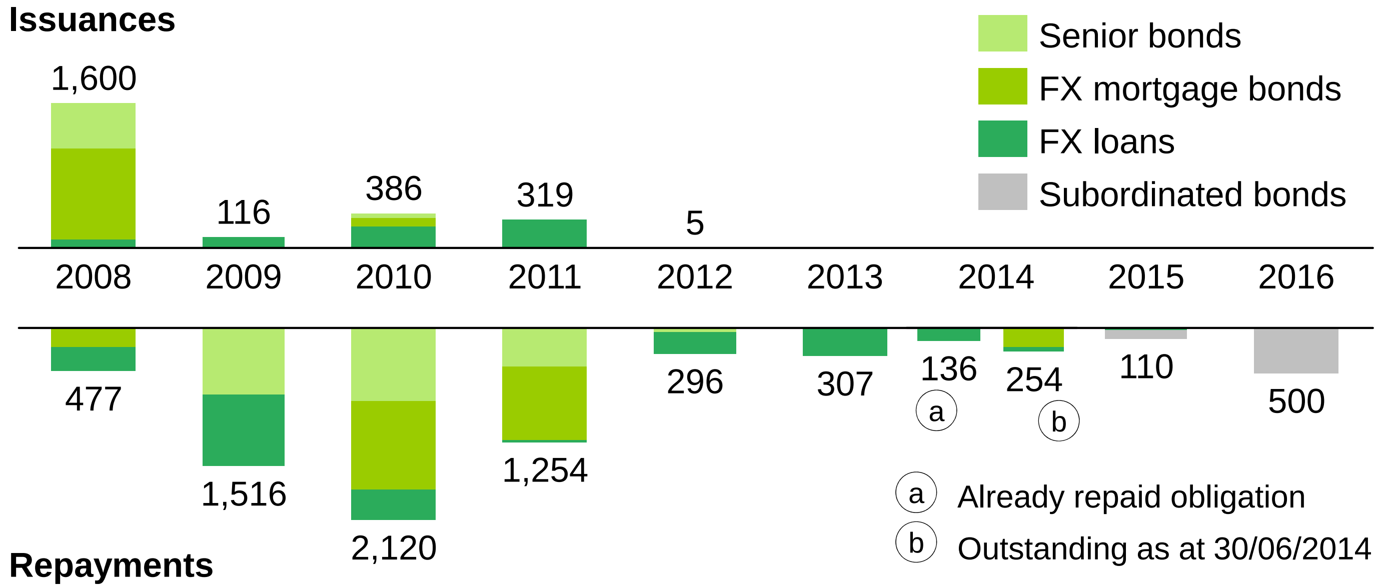
The Group's liquidity position remained at a very comfortable level, swap roll-over needs for 2014 had been already renewed by end-2013

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 1H 2014:

- Declining Hungarian retail bond portfolio due to strong competition from local government bonds (2Q 2014 volume: HUF 61 billion or EUR 198 million).
- In May OTP Bank Russia resold RUB 1 billion senior bonds

Repaid debt and capital market instruments in 1H 2014:

- On 4 February 2014 a RUB denominated bond was redeemed in the amount of RUB 5.7 billion
- On 12 February 2014 OTP Bank Russia repaid a RUB 2.5 billion senior bond
- In April 2014 OTP Bank prepaid CHF 78,6 million loan to EIB and prepaid further CHF 83 million

OTP Bank did not participate in the LTRO programs of the European Central Bank.

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[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

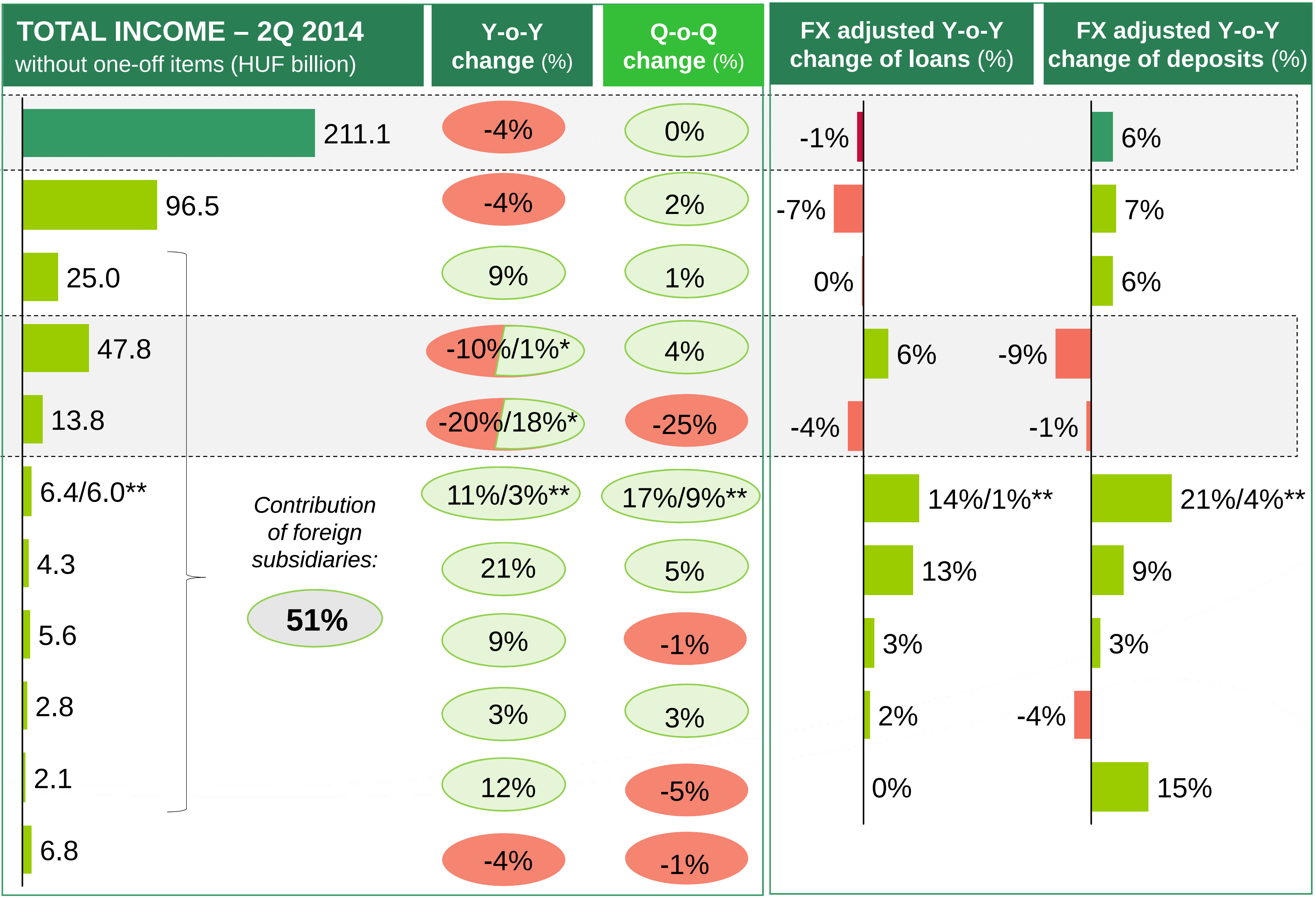
[5] Does not include CHF 31 million exposure to EIB due to the over 100% collaterization of loans

The results were stable in CEE countries in 2Q, while the Russian and the Ukrainian (adjusted) losses decreased compared to the previous quarter

	1H 13	1H 14	Y-o-Y	2Q 13	1Q 14	2Q 14	Q-o-Q	Y-o-Y
	in HUF billion			in HUF billion				
Consolidated adjusted after tax profit	**93.1**	**74.3**	**-20%**	**52.3**	**35.3**	**39.0**	**10%**	**-26%**
OTP Core (Hungary)	59.7	66.7	12%	37.8	33.9	32.7	-4%	-14%
DSK (Bulgaria)	19.9	21.6	8%	10.9	11.3	10.3	-9%	-6%
OBRU (Russia)	10.4	-7.0	-168%	2.6	-4.7	-2.3	52%	-186%
OBU (Ukraine)*	1.8	-11.2	-705%	0.2	-7.5	-3.7	50%	
OBR (Romania)	-2.3	1.7	174%	-1.5	1.0	0.7	-36%	-143%
OBH (Croatia)	1.4	0.5	-65%	0.9	0.3	0.2	-29%	-77%
OBS (Slovakia)	0.7	0.6	-21%	0.0	0.4	0.2	-49%	
OBSrb (Serbia)	-1.6	0.0		-0.8	0.1	-0.1		
CKB (Montenegro)	0.4	0.6	39%	0.3	0.6	0.0		
Merkantil Group (Hungary)	0.9	-0.1		0.2	0.0	-0.1		
OTP Fund Management (Hungary)	1.4	2.2	55%	0.6	1.1	1.0	-8%	72%
Corporate Center	-1.0	-1.2		0.1	-0.5	-0.7		

* Without risk cost created toward Crimean exposures in 2Q 2014

The Group’s total income declined by 4% y-o-y with 1% y-o-y decline of loans. All foreign subsidiaries’ total income improved except for Russia and Ukraine; the decline in the Russian and Ukrainian revenues was partly generated by FX devaluation



	TOTAL INCOME – 2Q 2014 without one-off items (HUF billion)	Y-o-Y change (%)	Q-o-Q change (%)	FX adjusted Y-o-Y change of loans (%)	FX adjusted Y-o-Y change of deposits (%)
OTP Group	211.1	-4%	0%	-1%	6%
OTP CORE (Hungary)	96.5	-4%	2%	-7%	7%
DSK (Bulgaria)	25.0	9%	1%	0%	6%
OBRu (Russia)	47.8	-10%/1%*	4%	6%	-9%
OBU (Ukraine)	13.8	-20%/18%*	-25%	-4%	-1%
OBH (Croatia)	6.4/6.0**	11%/3%**	17%/9%**	14%/1%**	21%/4%**
OBS (Slovakia)	4.3	21%	5%	13%	9%
OBR (Romania)	5.6	9%	-1%	3%	3%
CKB (Montenegro)	2.8	3%	3%	2%	-4%
OBSrb (Serbia)	2.1	12%	-5%	0%	15%
Other**	6.8	-4%	-1%		

Contribution of foreign subsidiaries:

51%

* Y-o-Y change in local currency

** Adjusted by the effect of BPC consolidation

*** Other group members and eliminations

2Q net interest income dropped by 3% y-o-y on the back of stable Hungarian and Bulgarian performance, the yearly decline was driven by Russia and Ukraine

NET INTEREST INCOME – 2Q 2014 (HUF billion)			Y-o-Y (HUF bn)	Y-o-Y (%)	Q-o-Q (HUF bn)	Q-o-Q (%)
OTP Group	100%	158	-4	-3%	-4	-3%
OTP CORE (Hungary)	42%	67	-1	-2% ①	1	1%
DSK (Bulgaria)	12%	19	1	8% ②	0	0%
OBRU (Russia)	26%	41	-6	-12% ③	-1	-2%
OBU (Ukraine)	6%	10	-2	-19%	-5	-33% ④
OBH (Croatia)	3%	5	1	13%	1	13%
OBS (Slovakia)	2%	4	1	19%	0	4%
OBR (Romania)	3%	5	1	39% ⑤	0	-1%
CKB (Montenegro)	1%	2	0	5%	0	0%
OBSrb (Serbia)	1%	1	0	21%	0	2%
Merkantil (Hungary)	2%	4	0	6%	0	-3%

① OTP Core the interest bearing portfolio shrank and net interest margins were lower on a yearly base due to lower yield environment.

② At DSK mainly the lower interest expenses resulted in 8% higher net interest income y-o-y.

③ In Russia the decline in net interest income was due to the lower performing loan portfolio y-o-y, despite the improving margin level.

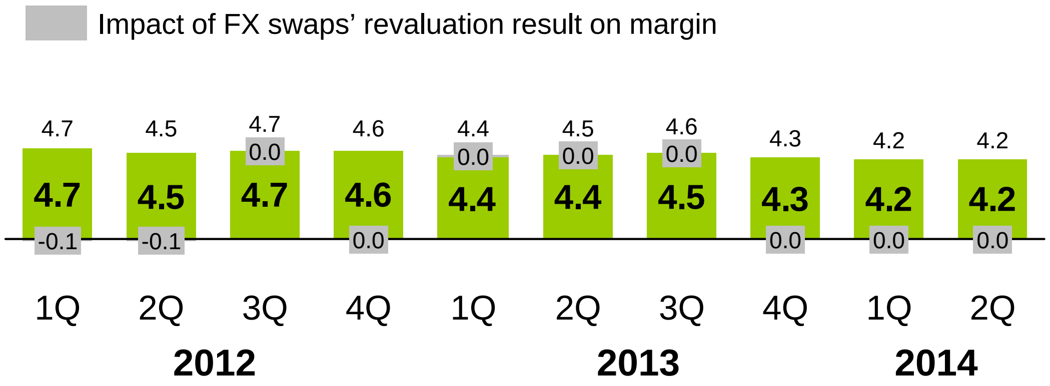
④ In the Ukraine the significant q-o-q decline is explained mostly by the weakening FX rate and increasing cost of funding.

⑤ At OBR the improvement reflects the Bank's strategic focus on high APR consumer loans.

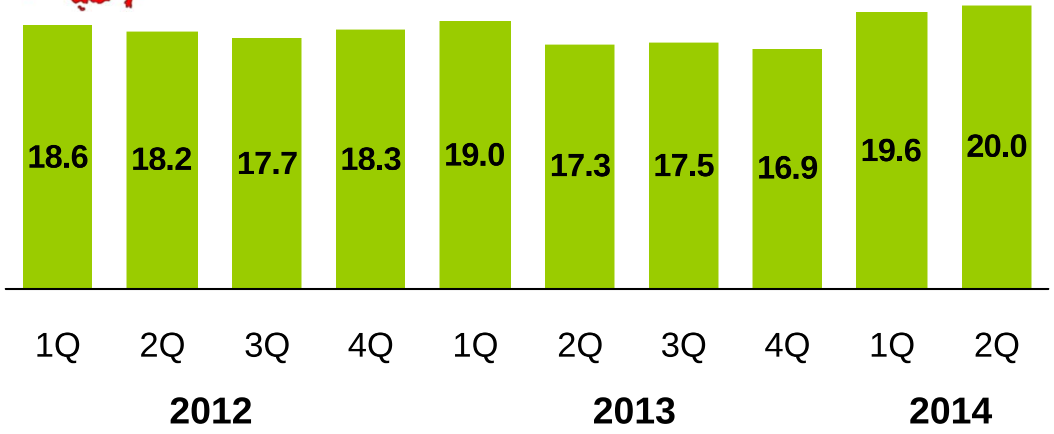
The net interest margin of OTP Core remained stable q-o-q, the Russian margin improved further. The Ukrainian margin dropped mostly due the weakening FX rate and increasing cost of funding

Net interest margin (%)

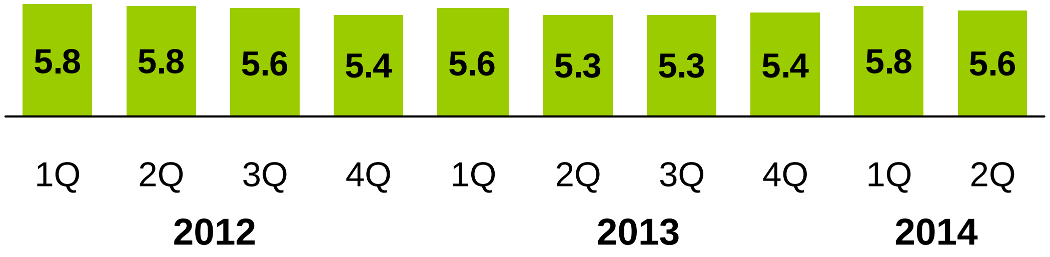
OTP Core Hungary[1]



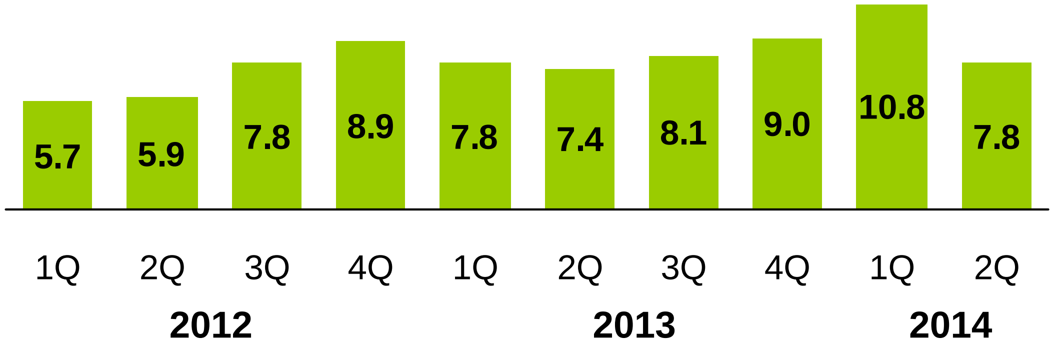
OTP Bank Russia



DSK Bank Bulgaria



OTP Bank Ukraine



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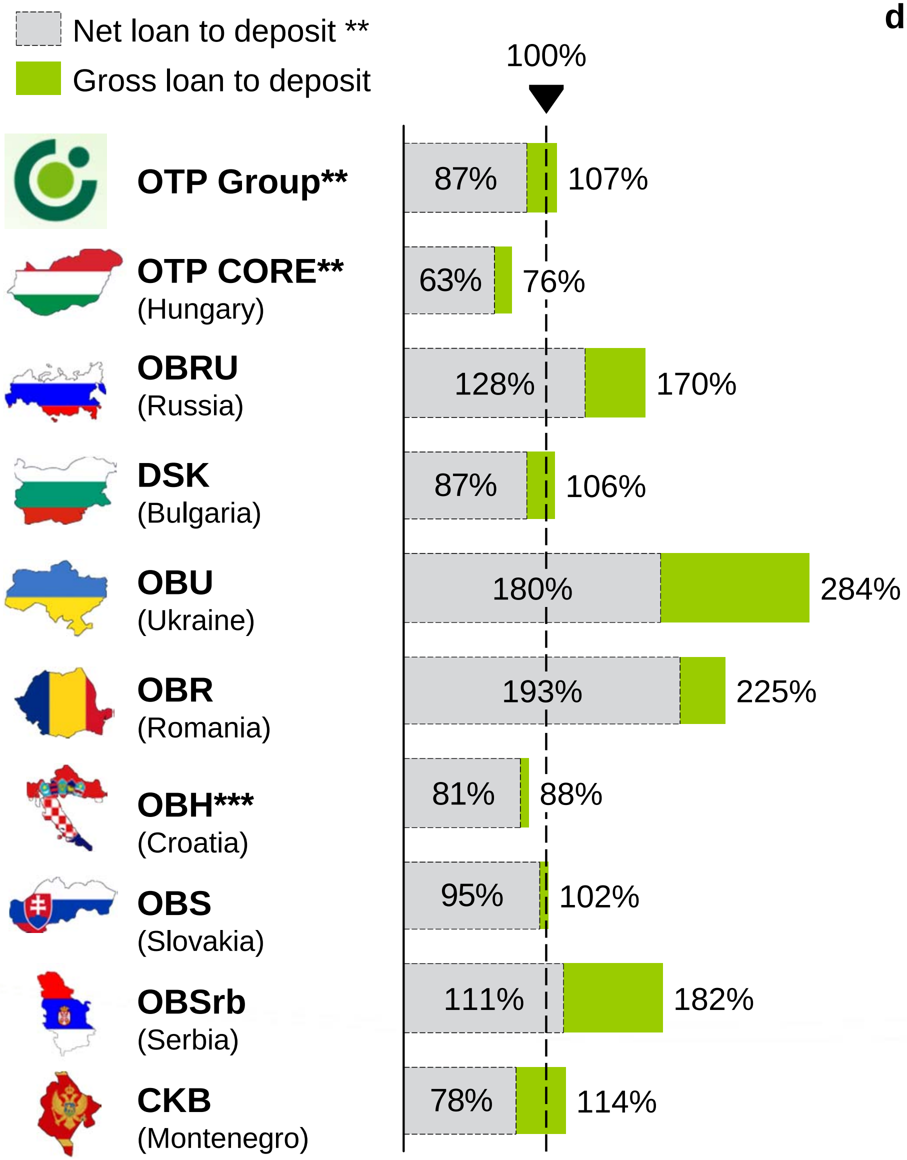
[1] The full annual negative impact of the FX protection scheme was recognised in the first quarter of 2014 (HUF 2.8 billion). If OTP was to apply accrual accounting, OTP Core's net interest margin (1Q 2014: 4.20%, 2Q: 4.23%) would have been at 4.34% in 1Q 2014 and 4.19% in 2Q.

In 2Q 2014 the consolidated net loan to deposit ratio declined further

Loan to deposit ratio, % (30 June 2014)



Change of net loan to deposit ratio, adjusted*

	Net loan to deposit **	Gross loan to deposit	Q-o-Q	Y-o-Y
OTP Group**	87%	107%	-1%p	-7%p
OTP CORE** (Hungary)	63%	76%	0%p	-8%p
OBRU (Russia)	128%	170%	0%p	+11%p
DSK (Bulgaria)	87%	106%	0%p	-7%p
OBU (Ukraine)	180%	284%	-31%p	-16%p
OBR (Romania)	193%	225%	-7%p	-1%p
OBH*** (Croatia)	81%	88%	-3%p	-5%p
OBS (Slovakia)	95%	102%	-4%p	+3%p
OBSrb (Serbia)	111%	182%	-10%p	-35%p
CKB (Montenegro)	78%	114%	-2%p	+5%p

In case of OTP Core household deposits suffered a yearly decline of 2%, since depositors turned to alternative forms of investments as base rate cuts sent bank deposit rates to all-time low levels. On the asset side, mortgage loan volumes kept on eroding and the debt consolidation of local governments played a role, too. In the course of the fourth round of municipal debt consolidation HUF 64.2 billion equivalent of municipal debt was repaid in 1Q 2014.

The ratio decreased significantly in Ukraine because the net loan volumes declined partly as a reflection of suspended lending activity in several segments and the elevated provisioning. In 2Q FX-adjusted deposit volumes grew by 8%.

In Serbia the ratio improved further, mainly due to successful corporate deposit collection.

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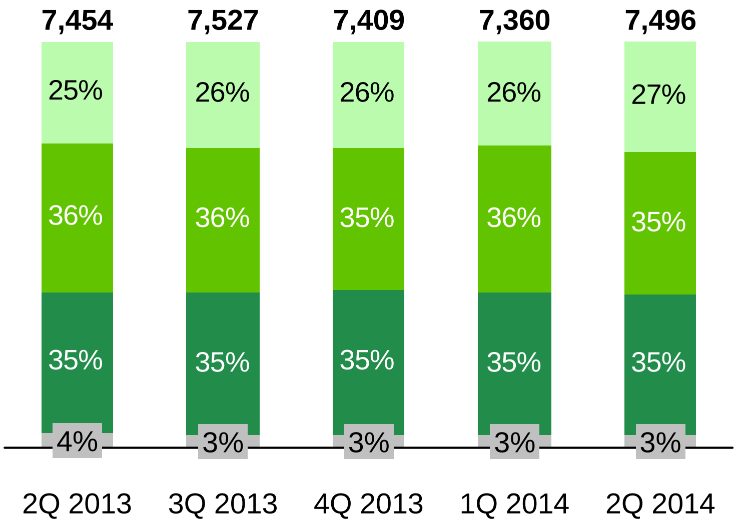
* Changes are adjusted for the effect of FX-rate movements

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

*** Including the effect of BPC consolidation (w/o BPC net loan/deposit ratio: 83%, gross loan/deposit ratio: 90%)

Retail portfolio of OTP Core diminished by 2% q-o-q, the corporate portfolio remained stable. Russian consumer loans increased by 3% q-o-q, while the Ukrainian portfolio declined. The Croatian loan portfolio surged reflecting the acquisition

Breakdown of consolidated gross loan book (in HUF billion)



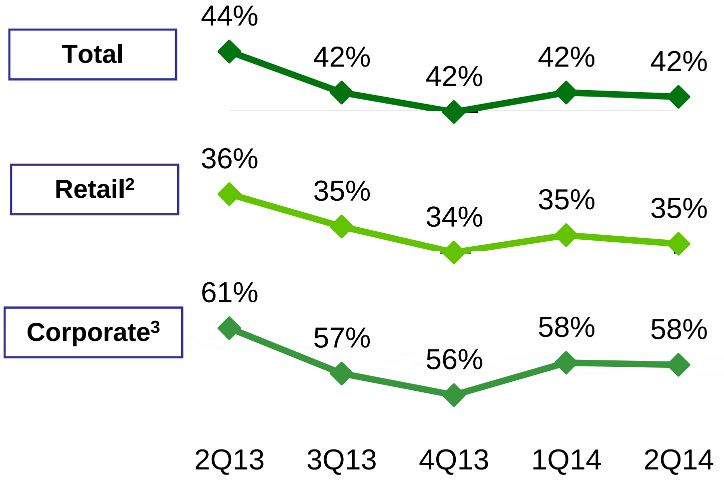
Q-o-Q loan volume changes in 2Q 2014, adjusted for FX-effect

	Cons.	Core (Hungary)	Merk (Hungary)	DSK (Bulgaria)	OBRu (Russia)	OBU (Ukraine)	OBR (Romania)	OBH[5] (Croatia)	OBS (Slovakia)	OBSr (Serbia)	CKB (Monte-negro)
Total	0%	-1%	0%	1%	3%	-3%	1%	13% -1%	0%	0%	-2%
Consumer	3%	-2%		1%	3%	-5%	3%	39% 0%	22%	4%	1%
Mortgage	-1%	-2%		0%	-7%	-2%	-1%	6% 0%	-1%	0%	-2%
Corporate[1]	0%	0%	18%	2%	3%	-3%	4%	2% -2%	-4%	-2%	-3%
Car-financing	-5%		-6%		-11%	-4%		3% -12%	-12%		

Y-o-Y loan volume changes in 2Q 2014, adjusted for FX-effect

	Cons.	Core (Hungary)	Merk (Hungary)	DSK (Bulgaria)	OBRu (Russia)	OBU (Ukraine)	OBR (Romania)	OBH[5] (Croatia)	OBS (Slovakia)	OBSr (Serbia)	CKB (Monte-negro)
Total	-1%	-7%	-1%	0%	6%	-4%	3%	14% 1%	13%	0%	2%
Consumer	7%	-7%		1%	7%	78%	53%	42% 3%	141%	20%	17%
Mortgage	-6%	-8%		-3%	-22%	-9%	-5%	6% 0%	11%	0%	-10%
Corporate[1]	-1%	-6% +6%[4]	43%	2%	50%	-8%	5%	4% 0%	2%	-6%	2%
Car-financing	-16%		-12%		-40%	-14%		-40% -49%	-35%		

Share of FX loans in the consolidated gross loan portfolio



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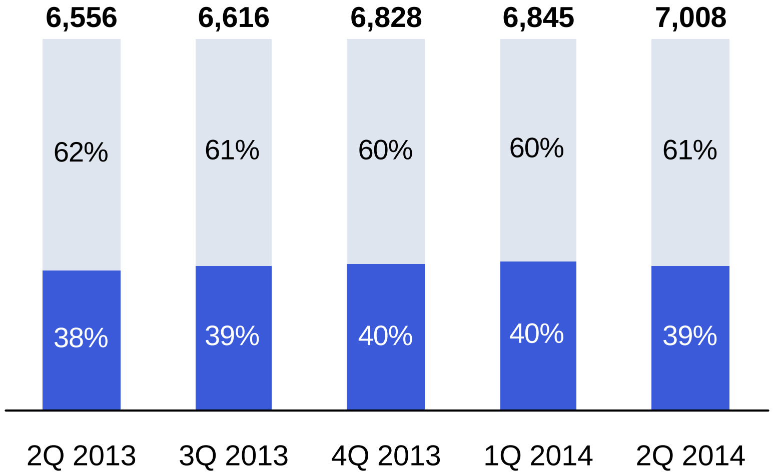
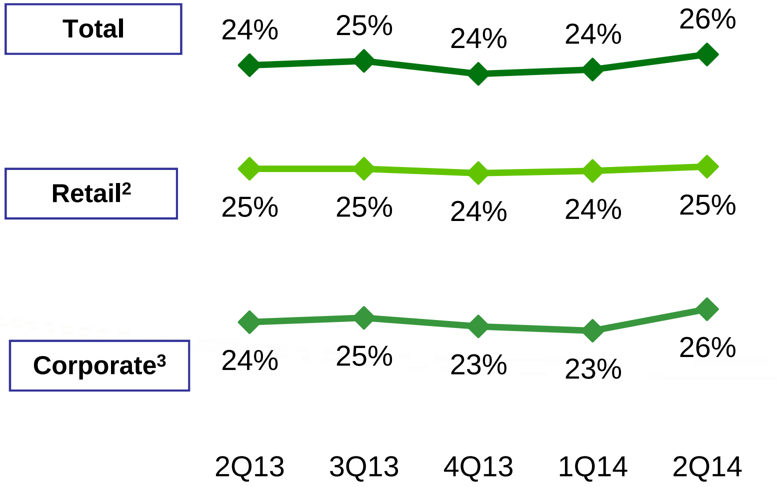
[1] Including loans to MSE, MLE and local governments. [2] Including loans to households and to MSE. [3] Including loans to MLE and local governments. [4] OTP Bank's loans to Hungarian companies: the estimate for volume change is based on the balance sheet data provision to the central bank, calculated from the „Loans to non-financial and other-financials companies" line, adjusted for FX-effect. [5] In case of OBH loan volumes changes were indicated without the effect of BPC acquisition as well.

Within the q-o-q expansion of the consolidated deposits, the 10% growth of the Ukrainian retail portfolio and the stabilization of Russian deposits were particularly remarkable. The Croatian deposit base increased due to the consolidation of Banco Popolare 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 2Q 2014, adjusted for FX-effect

	Cons.	Core (Hungary)	DSK (Bulgaria)	OBRu Russia)	OBU (Ukraine)	OBR (Romania)	OBH[4] (Croatia)	OBS (Slovakia)	OBSr (Serbia)	CKB (Monte-negro)
Total	1%	0%	0%	0%	8%	4%	18% / 1%	3%	12%	0%
Retail	3%	1%	1%	3%	10%	1%	18% / 0%	4%	5%	-3%
Corporate[1]	-1%	-2%	-7%	-6%	5%	8%	14% / 9%	3%	24%	7%

Y-o-Y deposit volume changes in 2Q 2014, adjusted for FX-effect

	Cons.	Core (Hungary)	DSK (Bulgaria)	OBRu Russia)	OBU (Ukraine)	OBR (Romania)	OBH[4] (Croatia)	OBS (Slovakia)	OBSr (Serbia)	CKB (Monte-negro)
Total	6%	7%	6%	-9%	-1%	3%	21%	9%	15%	-4%
Retail	2%	-2%	7%	-5%	-10%	1%	21%	14%	21%	-10%
Corporate[1]	11%	16%	0%	-17%	14%	4%	21%	-3%	7%	12%

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[1] including SME, LME and municipality deposits as well ; [2] including households' deposits and SME deposits; [3] including LME and municipality deposits as well; . [4]In case of OBH q-o-q loan volumes changes were indicated without the effect of BPC acquisition as well.

otpbank

Consolidated non-FX-adjusted operating costs in 2Q decreased by 4% y-o-y, but remained stable q-o-q (while FX-adjusted operating costs increased by 0.4% y-o-y and 2% q-o-q)

OPERATING COSTS – 2Q 2014 (HUF billion)			Y-o-Y (HUF bn)	Y-o-Y (%)	Q-o-Q (HUF bn)	Q-o-Q (%)
OTP Group	100%	102	-4	-4%	0	0%
OTP CORE (Hungary) ①	48%	49	0	-1%	1	2%
DSK (Bulgaria)	9%	9	0	3%	0	0%
OBRU (Russia) ②	20%	20	-1	-6%	-1	-3%
OBU (Ukraine) ③	6%	6	-3	-32%	-1	-18%
OBH (Croatia)	5%	5	1	26%	1	17%
OBS (Slovakia)	3%	3	0	5%	0	4%
OBR (Romania)	3%	3	0	-3%	0	1%
CKB (Montenegro)	2%	2	0	16%	0	7%
OBSrb (Serbia)	2%	2	0	1%	0	0%
Merkantil (Hungary)	1%	1	0	-5%	0	-5%

① At OTP Core operating expenses y-o-y decreased by 1% due to the lower personnel expenses (-3% y-o-y). Depreciation and operational expenses increased by 1% y-o-y.

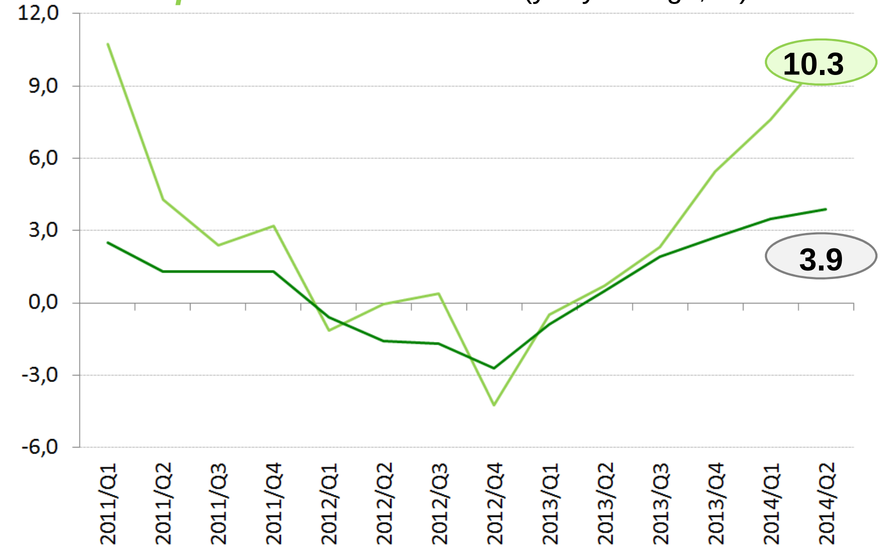
② OTP Russia's operating expenses declined by 2% q-o-q in RUB terms (+ 6% y-o-y). Personnel costs decreased by 7% q-o-q (mainly due to the degressive nature of employment taxes), depreciation and operating expenses increased.

③ The Ukrainian operating expenses declined by 18% q-o-q (+3% in UAH terms) relating mainly to the weakening average FX rate.

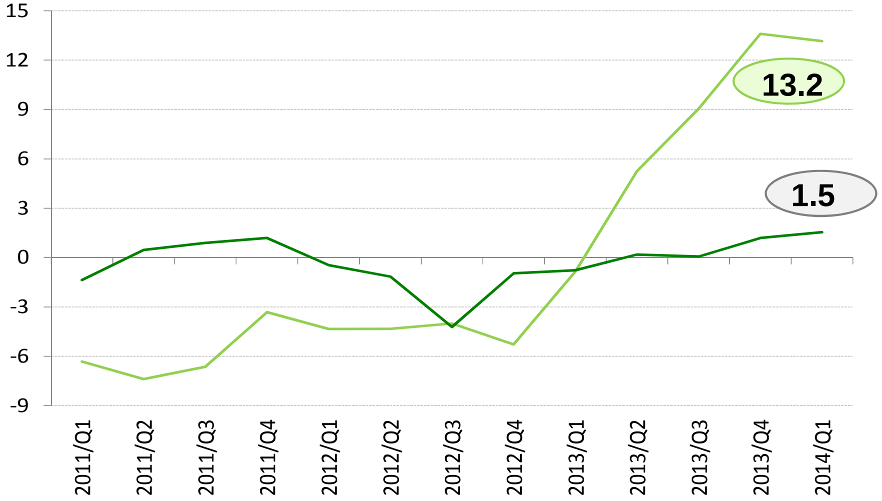
Hungary

Stellar GDP growth is driven by increasing industrial production (mainly car manufacturing), public investments and reviving consumption; low inflation warrants persistently low rate environment

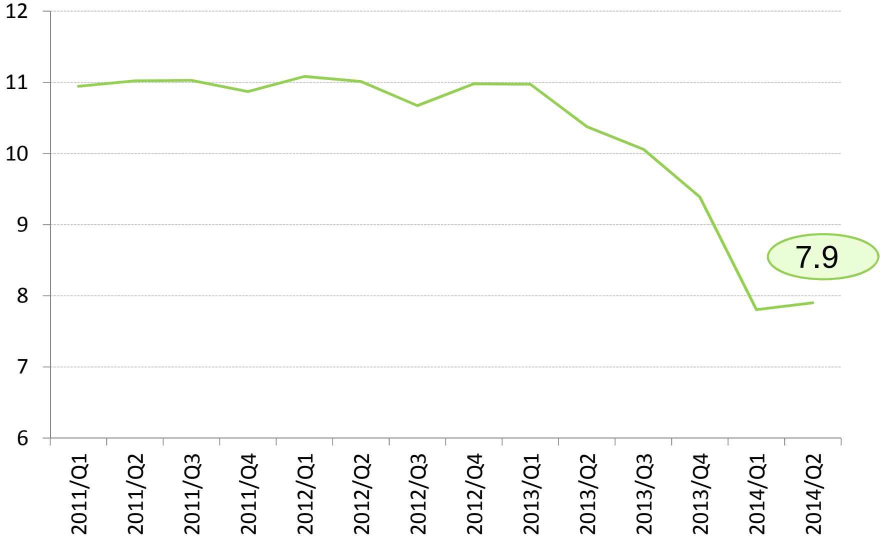
Industrial production and *GDP* (y-o-y change, %)



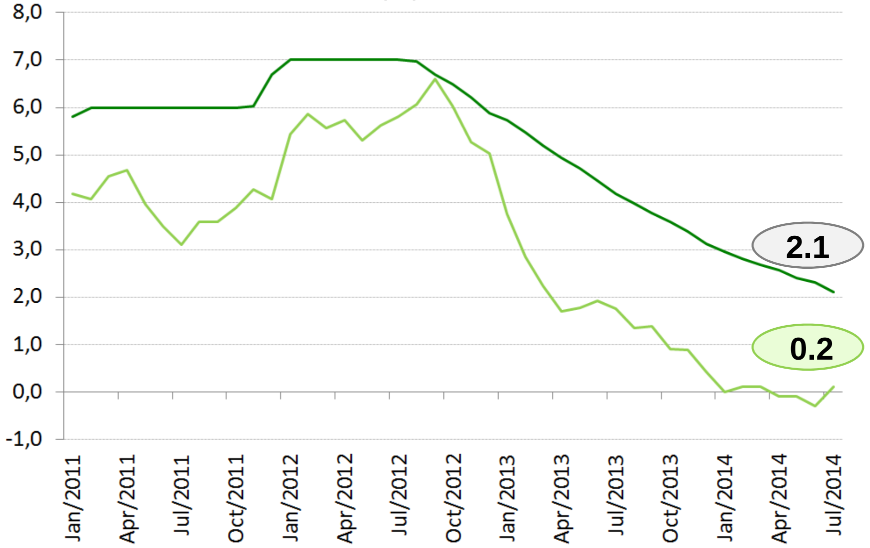
Investments and *household consumption* (seasonally adjusted y-o-y change, %)



Unemployment (seasonally adjusted, %)



Inflation and *base rate* (%)



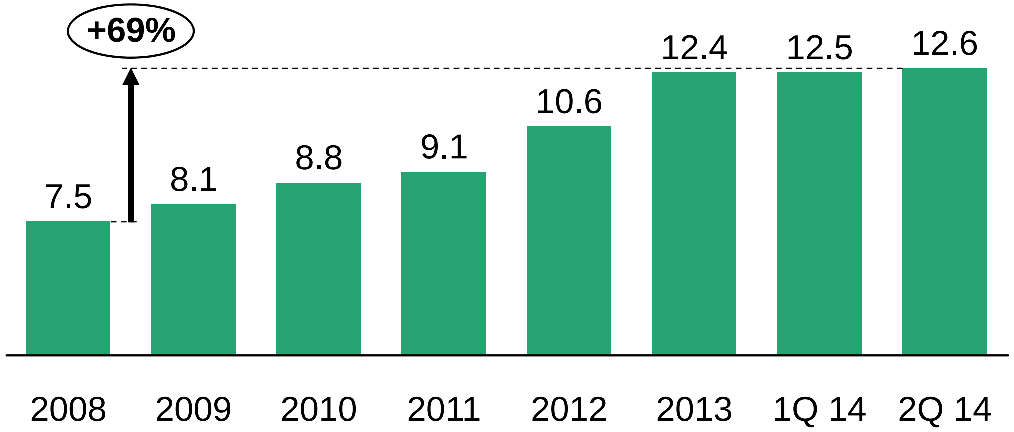
Source: Hungarian Central Statistical Office, The Central Bank of Hungary, OTP Research

OTP Core

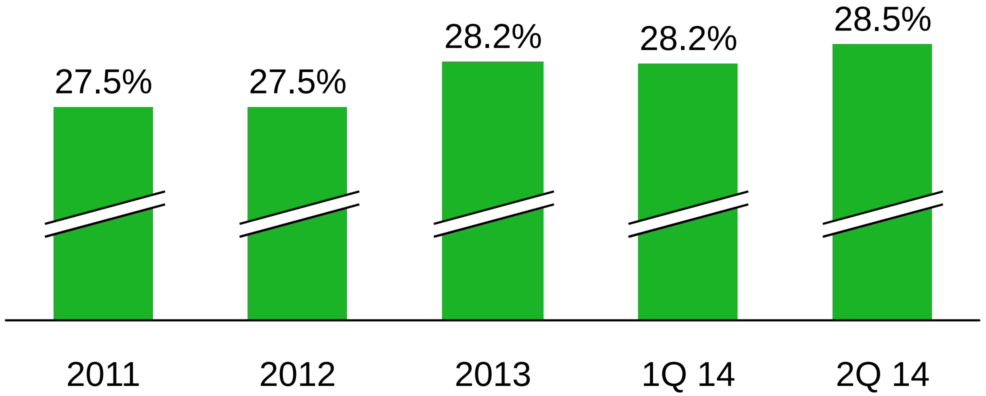
Demand for mortgage loans picked up and OTP's market share in corporate lending further improved due to the dynamic lending activity; OTP managed to increase its market share in retail savings

Mortgage loan applications and disbursements in 2Q14 (y-o-y change, %)

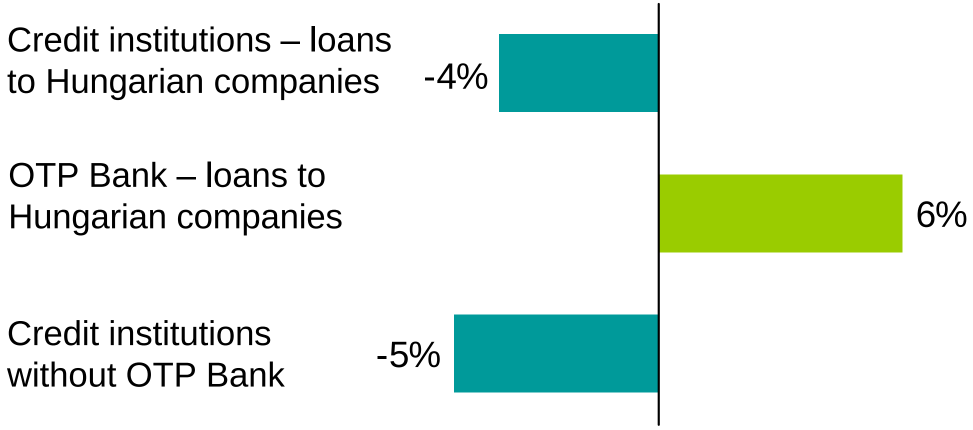
OTP Group's* market share in loans to Hungarian companies (%)



OTP Group's market share in households savings (%)



Corporate lending in Hungary 2Q 2014** (FX-adjusted y-o-y change)



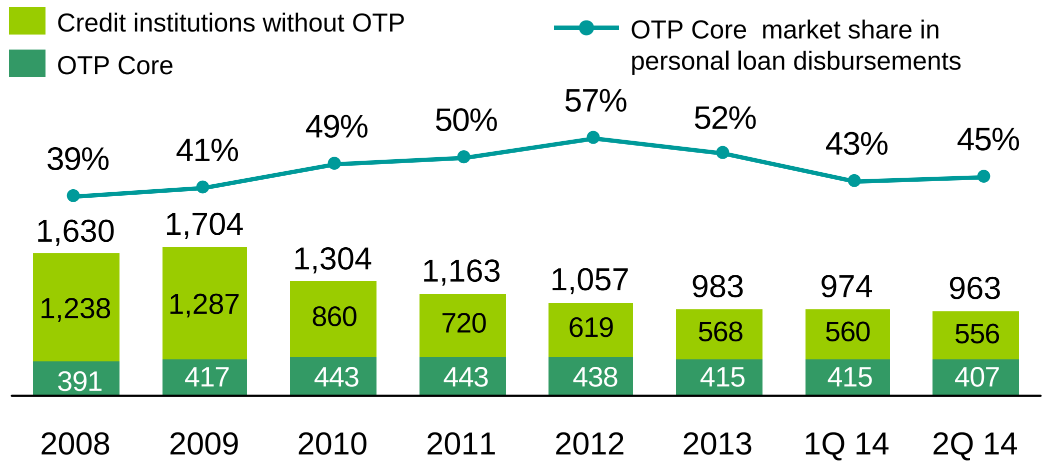
* Aggregated market share of OTP Bank, OTP Mortgage Bank, OTP Building Society and Merkantil Bank, based on the balance sheet data provision to the central bank, calculated from the „Loans to non-financial-, other-financial-, additional- and non-profit- institutions serving households" line ** The estimate for volume changes is based on the balance sheet data provision to the National Bank of Hungary, calculated from the „Loans to non-financial and other-financials companies" line, adjusted for FX-effect.

Hungary

In 2Q OTP’s market share improved both in new consumer and mortgage loan disbursement and within the stock of retail savings; mortgage loan applications demonstrated a substantial pick up

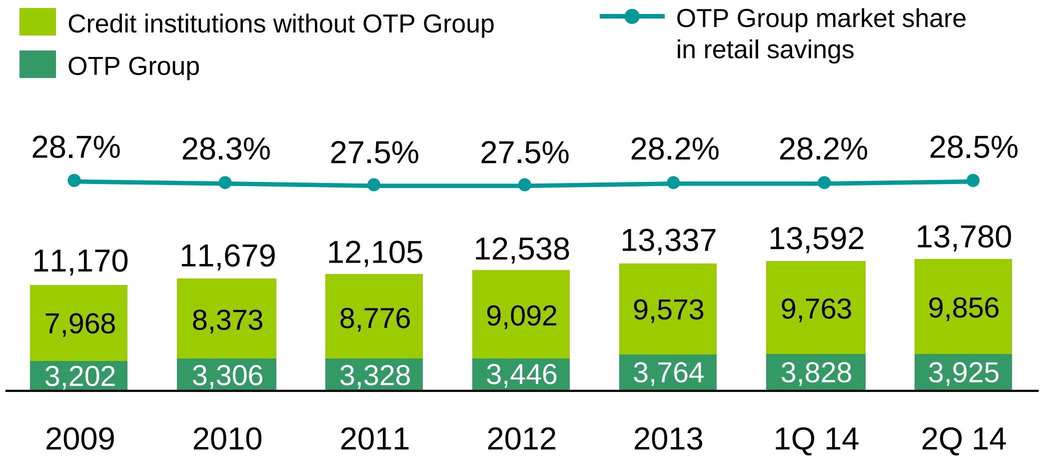
Consumer loan volumes

(in HUF billion, without home equity and car-financing loans)



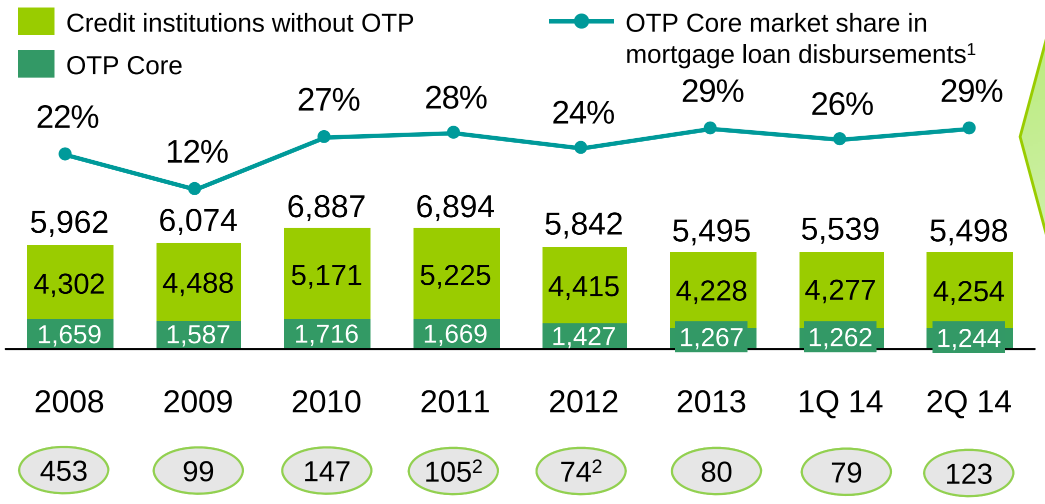
Retail savings of Hungarian credit institutions

(in HUF billion)



Mortgage loan volumes

(in HUF billion, housing and home equity loans)



- Since January 2013 conditions of state-subsidised housing loans have become more favourable: state subsidy remains fixed in the first 5 years, maximum loan size was lifted (new home: HUF 15 million, used home: HUF 10 million), maximum value of used home to-be-bought was raised (HUF 20 million).
- In the first five years, customers can have an all-in mortgage rate of around 6-7%.
- Applications for state-subsidised housing loans were at HUF 12 billion in 2Q 2014 that is 50% of total housing loan applications and 40% of total mortgage loan applications.

⬭ Annualised mortgage loan applications at OTP Core (in HUF billion)

Source: National Bank of Hungary statistics

[1] After the suspension of Swiss franc lending at OTP Core the ratio is calculated from market statistics excluding CHF mortgages.

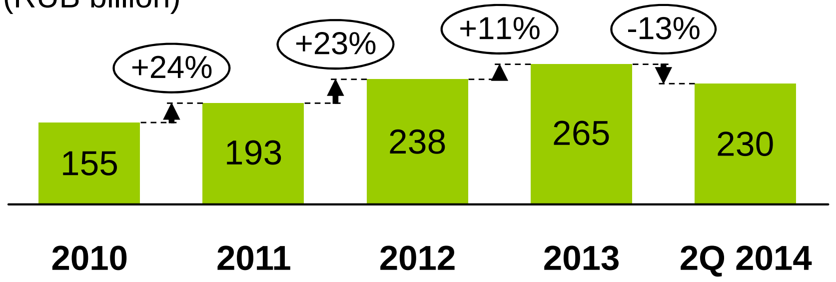
** Without applications for refinancing forint loans under the early repayment programme of FX mortgage loans.

OTP Russia

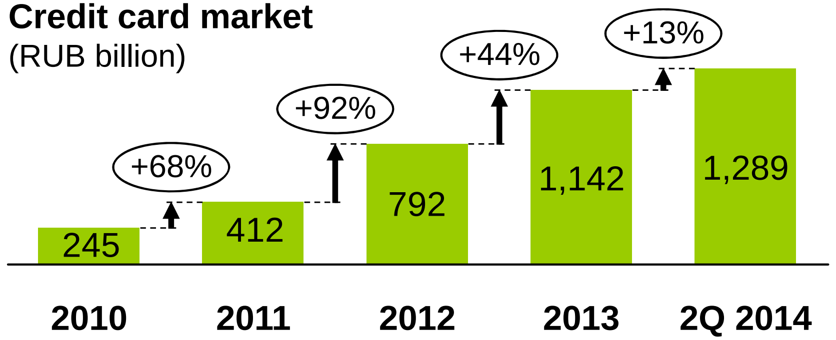
In line with general market trends POS lending declined, while the credit card and cash loan segments still kept increasing

Consumer loan market segment*

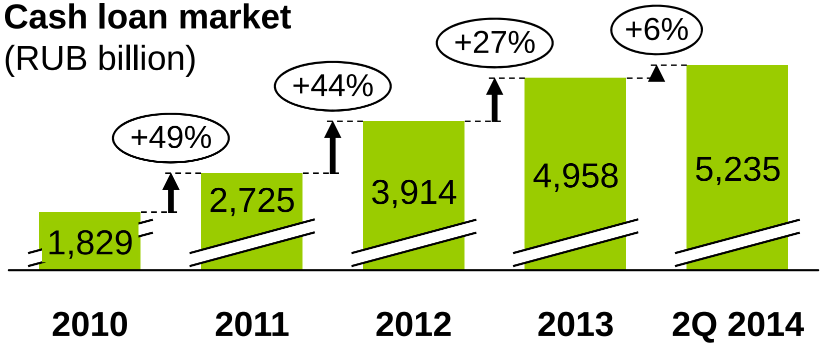
POS loan market
(RUB billion)



Credit card market
(RUB billion)

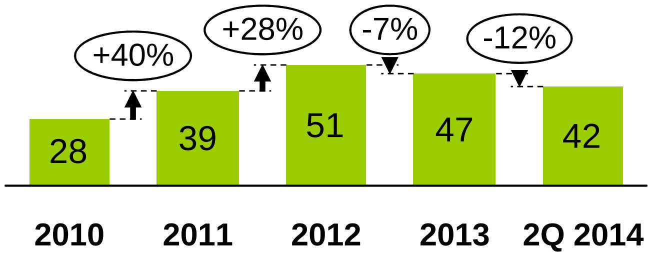


Cash loan market
(RUB billion)



Market position of OTP Bank Russia

POS loan volumes of OTP Russia

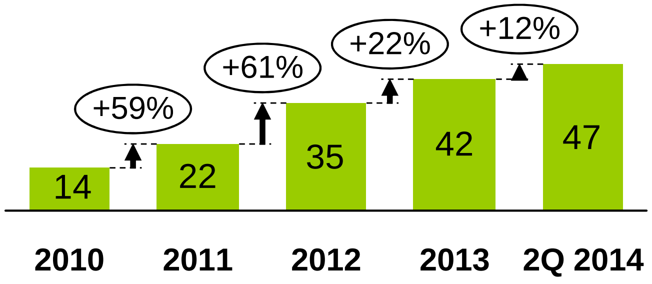


- Sales force:

  4,669 own sales points**

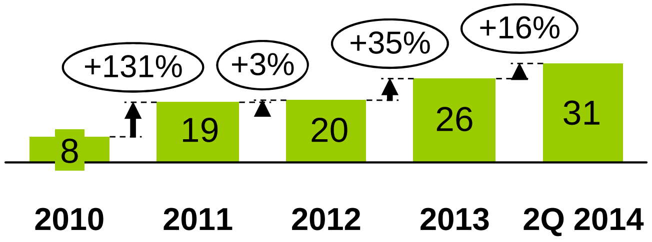
  26,236 external sales points***
- #2 in the market
- 2Q 2014 market share: 18.1%

Credit card loan volumes of OTP Russia



- Cross-sales to POS clients
- #6 in the market
- 2Q 2014 market share: 3.7%

Cash loan volumes of OTP Russia
(including quick cash loans)



- Available in 204 branches
- #25 in the market
- 2Q 2014 market share: 0.6%

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* Source: Frank Research Group

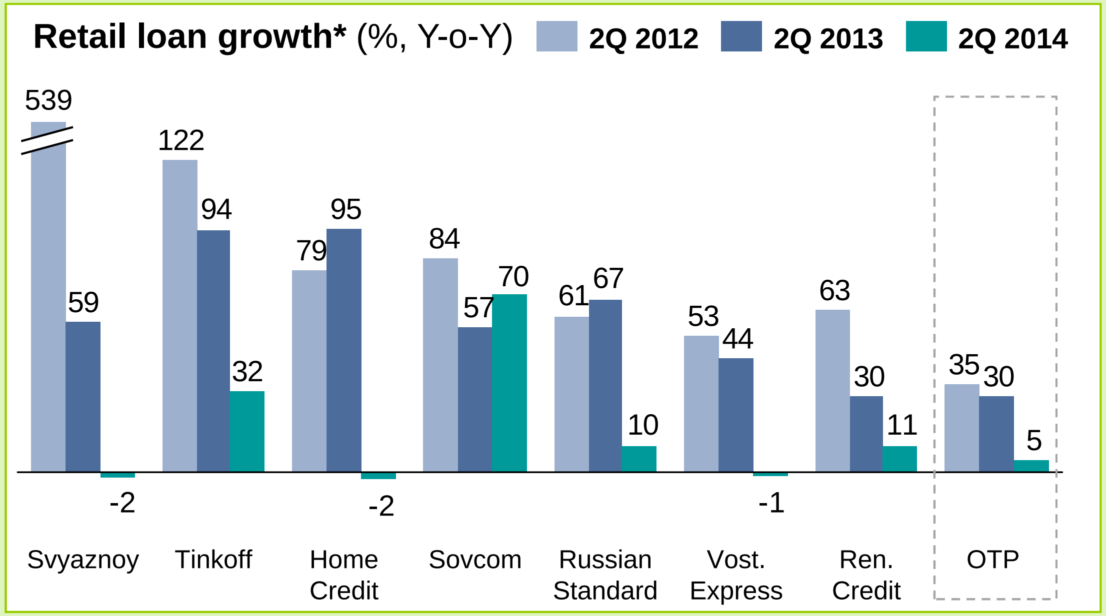
** Bank employees working with Federal or other networks.

*** Employees of commercial organizations.

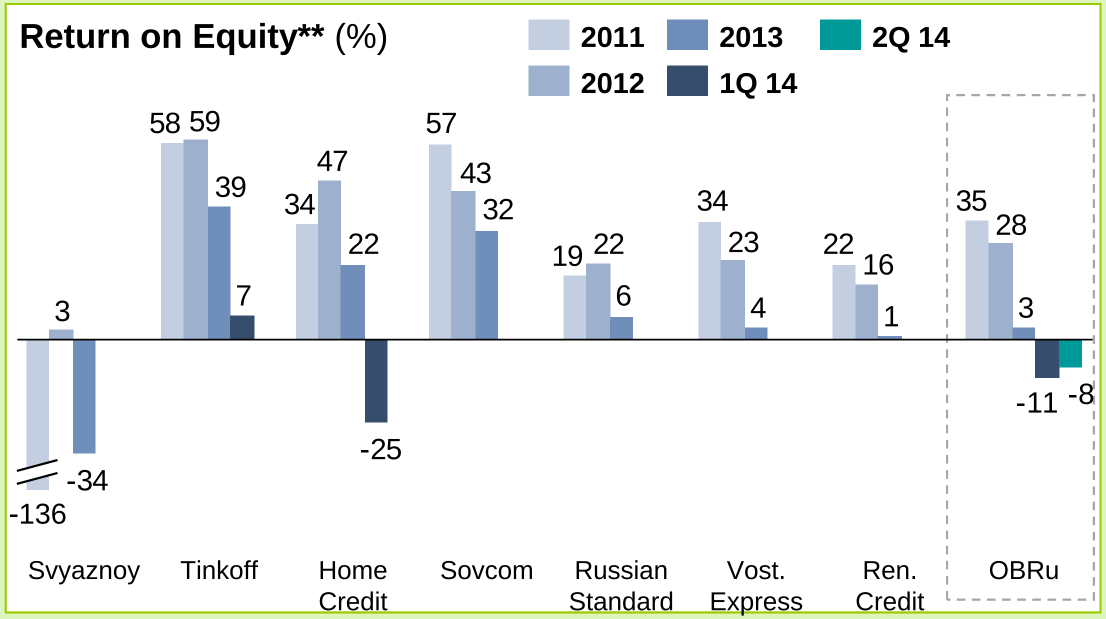
OTP Russia

Rapid retail loan growth resulted in a material increase of risk costs across the Russian market; recently all players suffered setbacks in lending activity with their profitability deteriorating

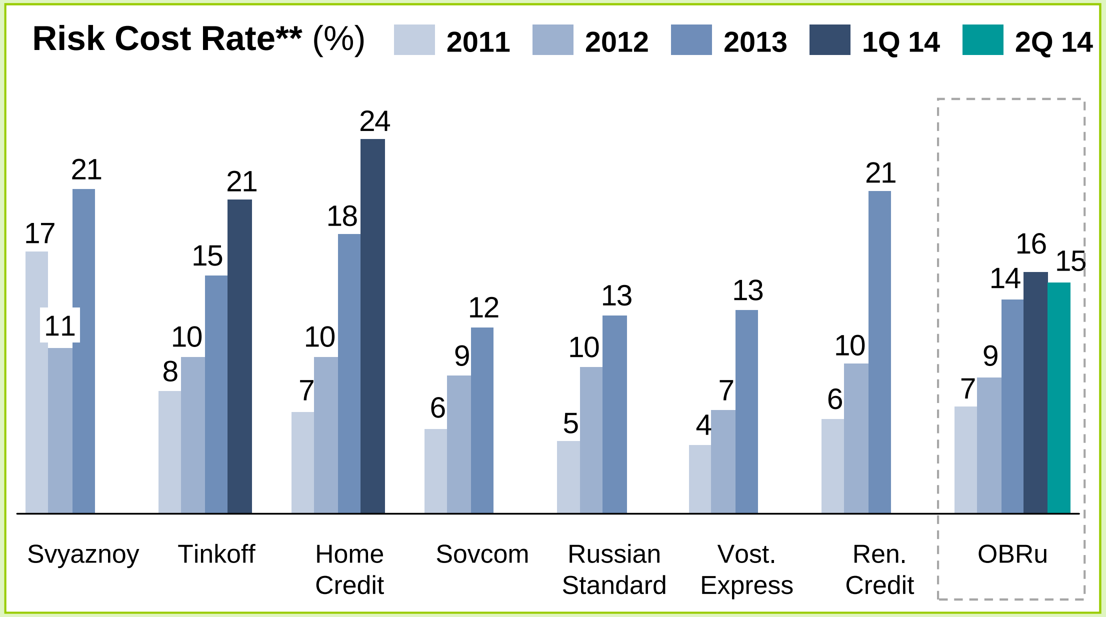
Retail loan growth* (%, Y-o-Y)



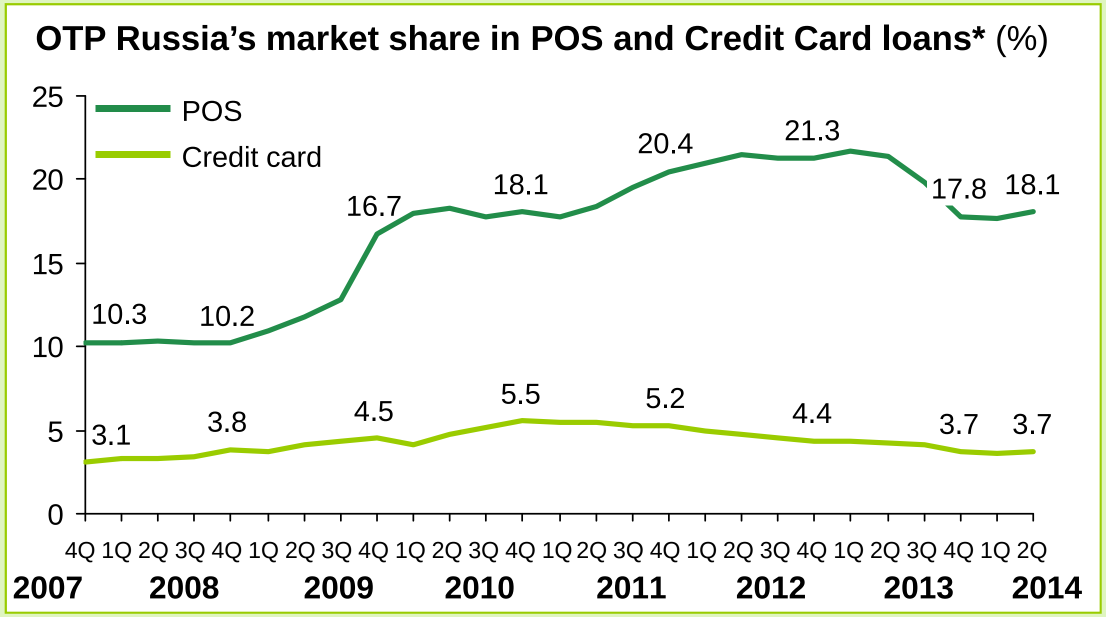
Return on Equity** (%)



Risk Cost Rate** (%)



OTP Russia's market share in POS and Credit Card loans* (%)



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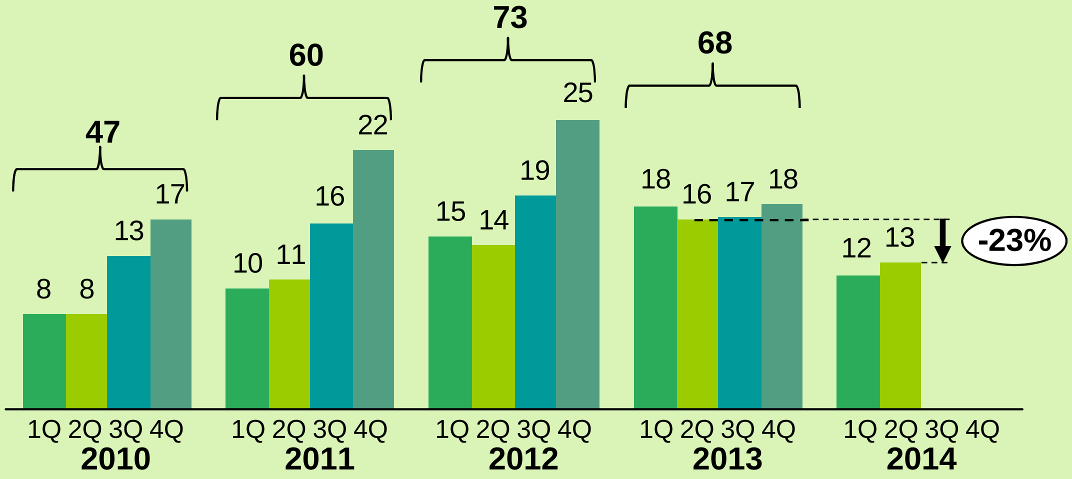
* Source: Frank Research. ** Source: IFRS based company publications; OTP Bank indicators are based on unadjusted stand-alone figures

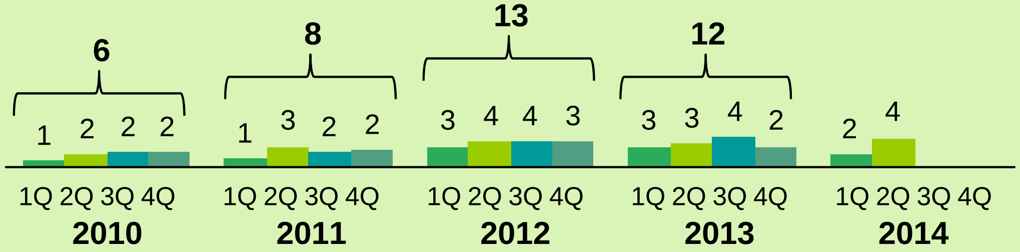
Russia

In 2Q 2014 POS loans disbursements were below 2Q 2013 levels, nevertheless all consumer loan segments showed higher disbursements q-o-q; in 2Q total deposits were stable q-o-q, retail RUB deposits showed improvement, while retail FX as well as corporate/SME RUB and FX deposits further declined

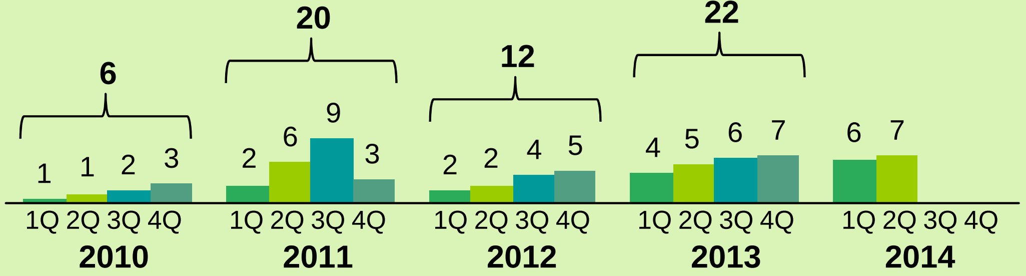
POS loan disbursements (RUB billion)



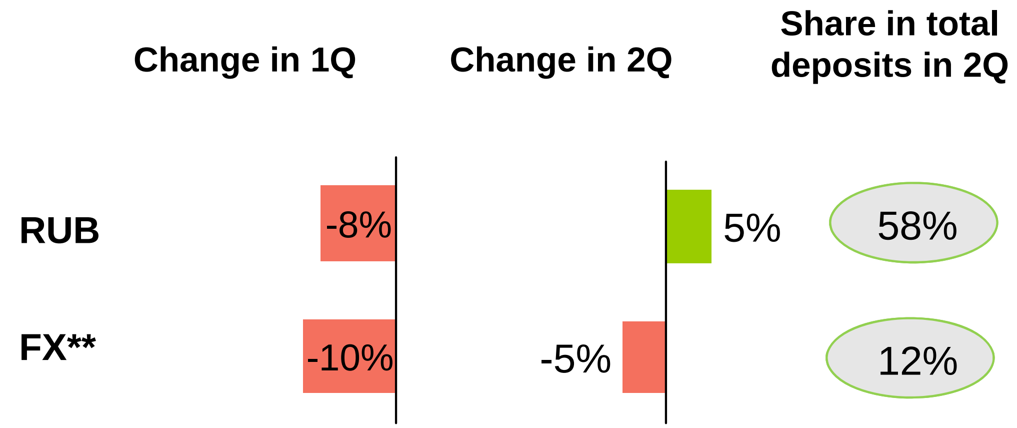
Credit card loan volume changes* (RUB billion)



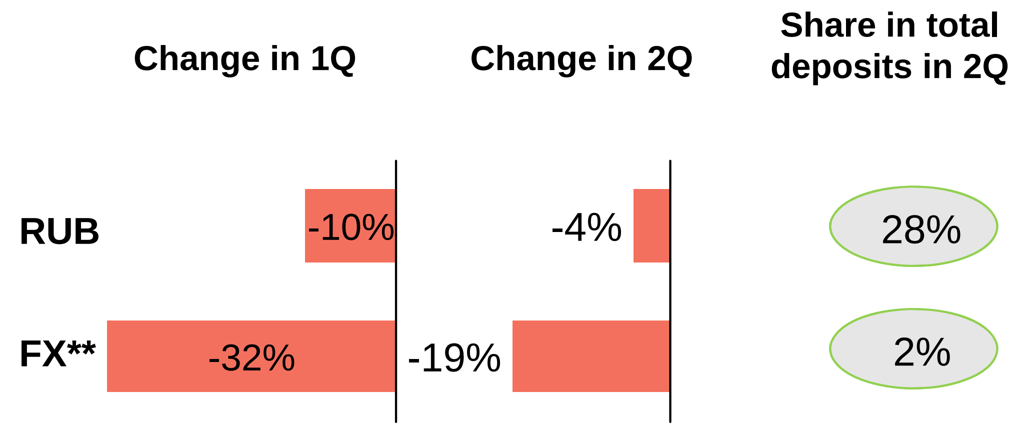
Cash loan disbursements (RUB billion)
(including quick cash loans)



Quarterly development of retail customer deposits



Quarterly development of corporate/SME customer deposits



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* Credit card loans q-o-q volume changes adjusted for sale and write-off of loans

** in USD terms, calculated from USD deposits + EUR and CHF deposits converted to USD

In 2Q 2014 risk cost rates in the POS and cash loan segments improved q-o-q, but the credit card segment underperformed

Risk cost rates and provision coverage at OTP Bank Russia (%)

POS loans

	2010	2011	2012	2013				2013	2014	
				1Q	2Q	3Q	4Q		1Q	2Q
Risk cost rate	7.9%	7.7%	9.1%	12.5%	14.5%	15.9%	18.5%	15.6%	14.0%	12.0%
DPD90+ coverage	90.9%	108.3%	97.0%	99.6%	98.4%	100.5%	106.6%	106.6%	106.4%	106.2%

Credit cards

	2010	2011	2012	2013				2013	2014	
				1Q	2Q	3Q	4Q		1Q	2Q
Risk cost rate	6.8%	10.3%	10.5%	16.7%	16.0%	14.1%	19.8%	17.4%	18.3%	18.7%
DPD90+ coverage	86.4%	86.9%	89.8%	94.5%	95.2%	97.5%	108.3%	108.3%	110.2%	110.2%

Cash loans

	2010	2011	2012	2013				2013	2014	
				1Q	2Q	3Q	4Q		1Q	2Q
Risk cost rate	-4.8%	3.7%	6.8%	11.2%	12.2%	12.3%	16.8%	13.2%	19.6%	18.8%
DPD90+ coverage	94.1%	92.9%	102.9%	106.6%	105.7%	107.3%	116.5%	116.5%	117.3%	115.8%

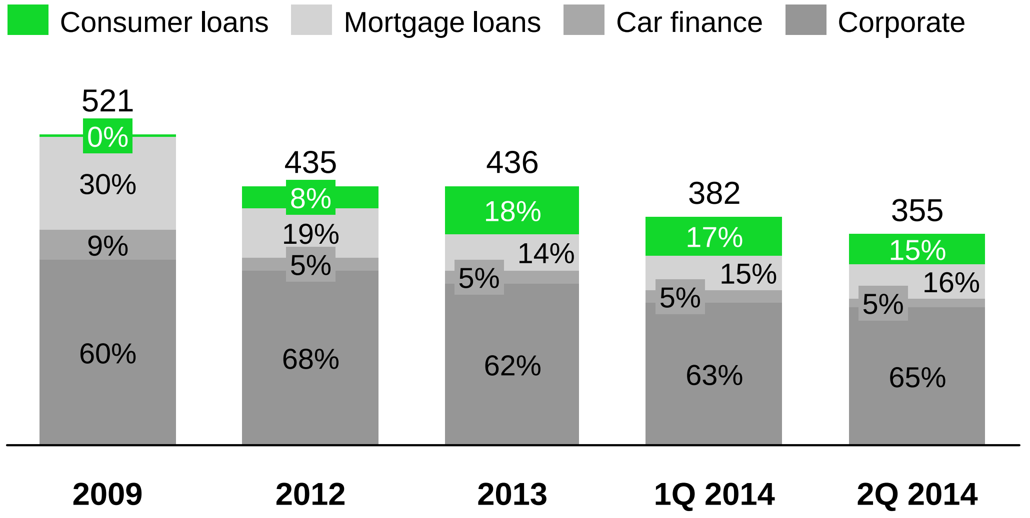
OTP Bank Ukraine

In 2Q 2014 the Ukrainian bank posted HUF 3.7 billion loss (adjusted for the Crimean risk costs), the portfolio deterioration accelerated; the liquidity situation is stable, the deposit book recovered

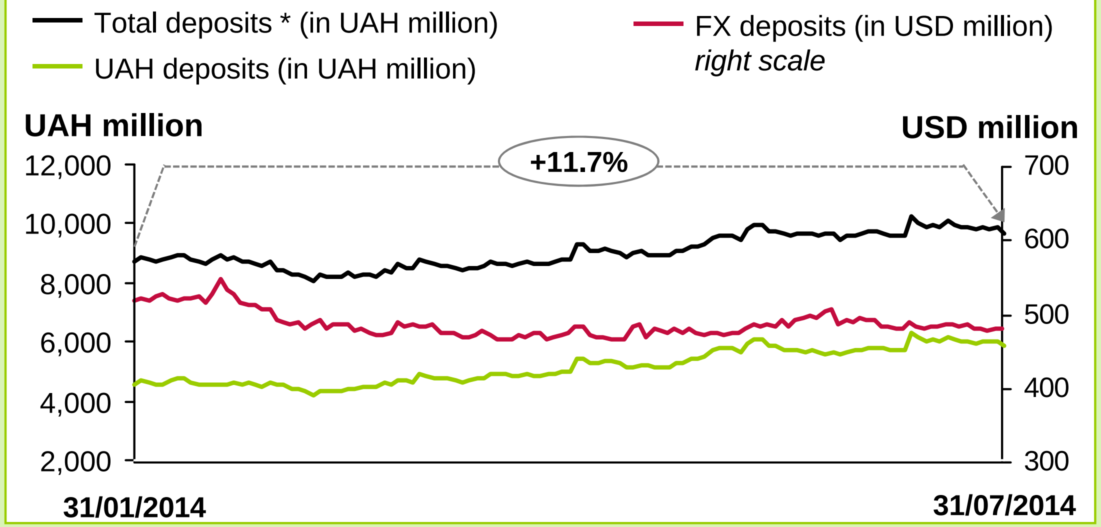
Income statement of OTP Bank Ukraine

in HUF billion	2009	2012	2013	1Q14	2Q14
Profit after tax	**-43.6**	**0.5**	**6.7**	**-7.5**	**-3.7**
Profit before tax	-44.6	2.7	11.2	-10.3	-4.5
Operating profit	51.0	33.5	40.3	11.4	8.1
Total income	74.9	64.5	72.8	18.3	13.8
Net interest income	62.8	49.6	53.4	15.4	10.3
Net fees and commissions	7.4	12.6	17.0	3.6	2.0
Other non-interest income	4.7	2.3	2.4	-0.7	1.5
Operating costs	-23.9	-31.0	-32.5	-6.9	-5.7
Total risk cost	-95.7	-30.8	-29.1	-21.7	-12.5
Provisions for loans	-95.0	-30.6	-27.4	-21.0	-12.1
Other provisions	-0.7	-0.2	-1.7	-0.7	-0.4
Corporate tax	1.0	-2.2	-4.4	2.9	0.7

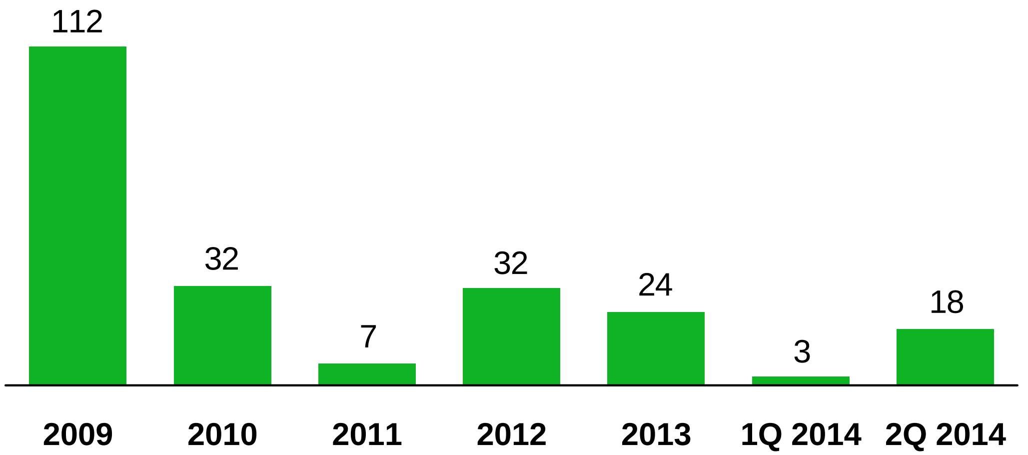
Composition of performing loan volumes (in HUF billion)



Daily development of customer deposits



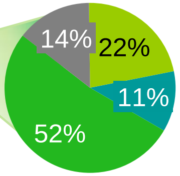
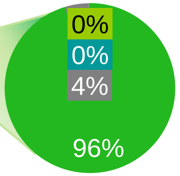
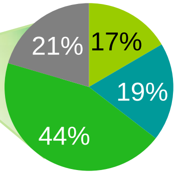
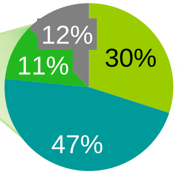
FX-adjusted change in DPD90+ loan volumes (in HUF billion)



* Calculated with fixed USD/UAH rate (7.99 as of 31 January 2014)

The Bank closed down its Crimean business, whereas in Donetsk and Luhansk bulk of the operation has been temporarily suspended

Legend: 🟩 Mortgage · 🟦 Consumer · 🟩 Corporate · ⬛ Other

	Loan volumes gross	Loan volumes net (HUF billion and distribution)		Portfolio quality: DPD90+ ratio	Portfolio quality: DPD90+ coverage ratio	Number of branches	Business activity
OTP Bank Ukraine	611	**386** **100%**		41.8%	87.9%	132	- Stricter lending policy for corporates, smaller loan amount, mostly SME clients - POS lending is continuous, smaller loan amount, stricter scoring, expansion of sales network - Suspension of cash loan disbursement
Crimea	23	**2*** **0.6%**		65.3%	137.5%	0 *8 branches were closed in 2Q 2014*	- Partial sale of the branch network, renunciation of lease contracts - Outsourcing of collection; access to retail deposits is ensured in other branches
Donetsk	42	**25** **6.5%**		47.6%	84.8%	17 *out of which 1 is in the process of closing down, another 13 branches have suspended their operation*	- In these two regions there is no new retail and corporate lending - These regions are excluded semi-permanently from the planned re-starting of cash loan lending - The management of extant corporate portfolio is continuous, especially in the fields of exposure decrease and coverage strengthening
Luhansk	10	**6** **1.5%**		44.2%	97.3%		

* The remaining net exposure (HUF 2 billion) is related to 2 corporate clients: the settlement of one case is in process, the other might be relocated to Ukraine

Croatia

The acquisition of Banco Popolare Croatia added 0.6 ppt to OTP Bank Croatia's market share

On 24 April 2014 OTP banka Hrvatska acquired 98.37% stake of Banco Popolare Croatia for EUR 14 million (0.3 P/BV)

Regional presence

Highlights*

OTP banka Hrvatska (Croatia)

	9M 2013, IFRS
ROE	4.2%
ROA	0.5%
Net interest margin	3.0%
Risk cost rate	1.1%
Net loan/deposit	80.6%
Branches	103
Market position	8th

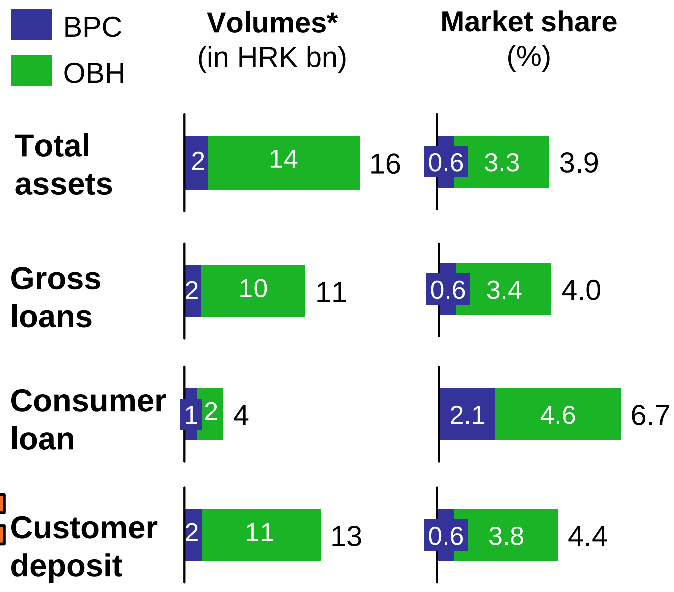
+

BANCO POPOLARE CROATIA

	9M 2013, IFRS
ROE	-3.9%
ROA	-0.5%
Net interest margin	4.4%
Risk cost rate	1.7%
Net loan/deposit	90.5%
Branches	34
Market position	14th

=

Combined entity



- The location of BPC's branches fits well the branch network of OBH, strengthening the presence of OTP in Zagreb and northern and eastern Croatia
- OBH remains the 8th player with 3,9% market share in terms of total assets

Business objectives

- Organic growth is limited due to low growth market environment, however as a result of the acquisition, the total assets of OBH grew by 17%
- With the merger of the two entities we expect largely improved economies of scale
- Improving geographical coverage to better serve customer needs
- Stronger market position in focused segments such as consumer lending

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* IFRS data as at 30 September 2013.

Romania

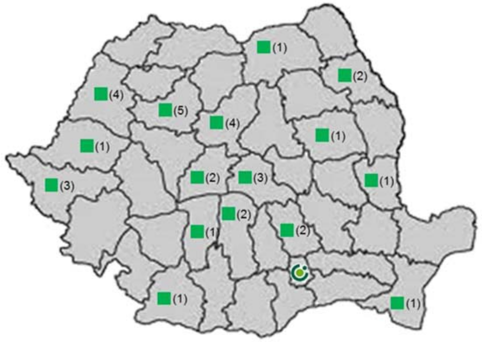
Through the acquisition of Millennium Bank, OTP Bank Romania's market share increased by 0.8%

On 30 July 2014 OTP Bank Romania acquired 100% stake of Millennium Bank for EUR 39 million (0.5 P/BV)
(Millennium Bank hasn't been consolidated in 2Q)

Regional presence

Highlights*

OTP Bank Romania

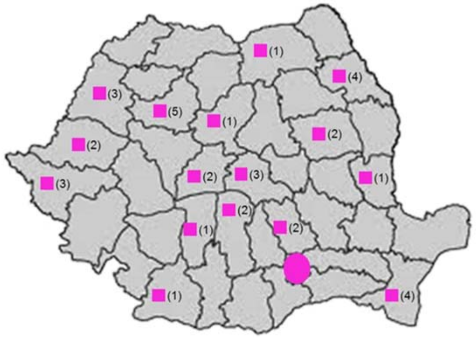


1H 2014, IFRS

ROE	10.4%
ROA	0.7%
Revenue margin	5.0%
Risk cost rate	-1.5%
Net loan/deposit	193.3%
Branches	84
Market position	18th

+

Millennium bank

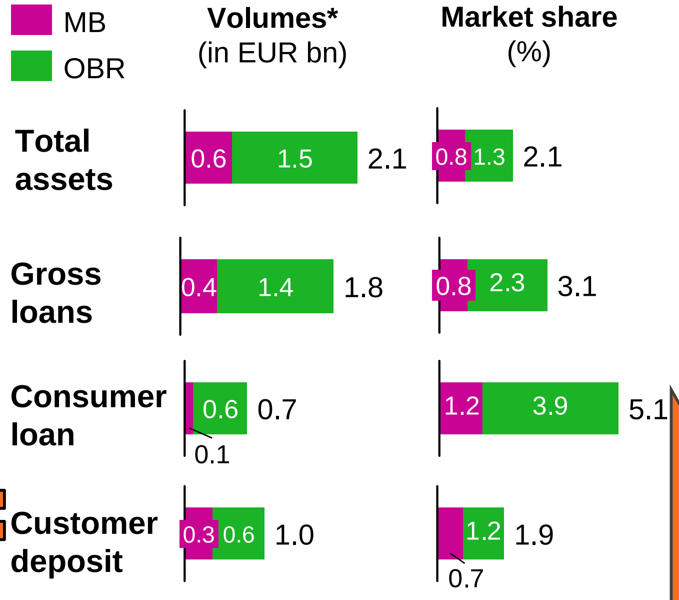


1H 2014, IFRS

ROE	-2.6%
ROA	-0.3%
Revenue margin	4.3%
Risk cost rate	-0.5%
Net loan/deposit	121.1%
Branches	56
Market position	22nd

=

Combined entity



- The acquisition would result in an increased branch network coverage throughout the country and with the number of branches in Bucharest doubling
- OBR becomes the 11th player with 2.1% market share in terms of total asset

Business objectives

- Strengthening the market presence on the Romanian market, that is expected to be one of the fastest growing banking sectors in the CEE
- Potential retail lending growth and focus on acquiring deposit clients is a perfect fit for OBR's plans in Romania
- Improved economies of scale resulting from larger business volumes

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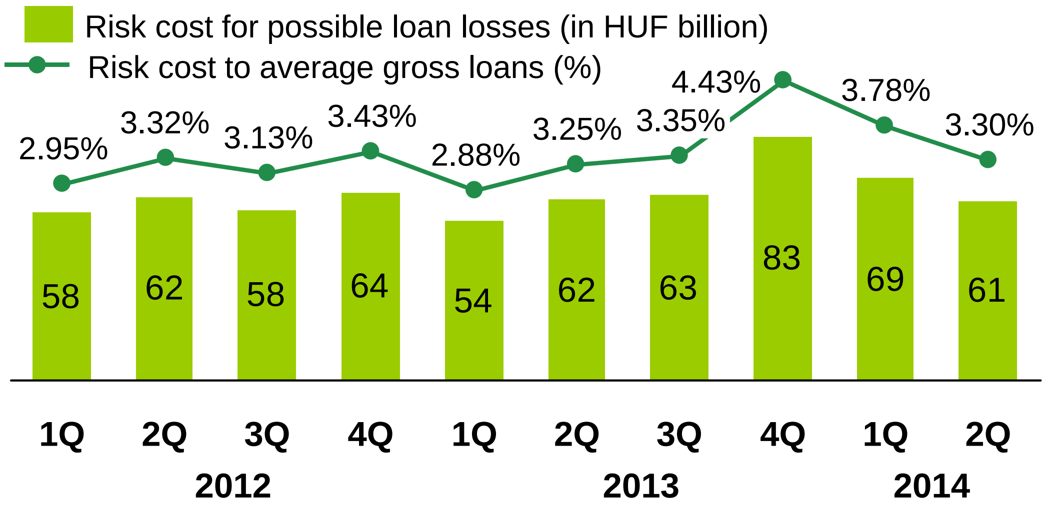
* IFRS data as at 30 June 2014, before transfer volumes.
** Calculated with after transfer volumes.

otpbank

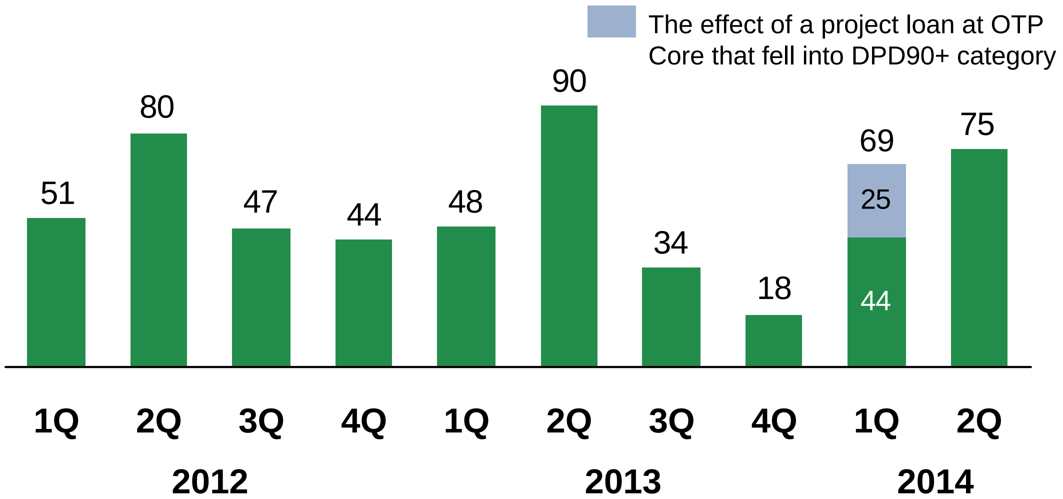
On consolidated level the DPD90+ loan volumes kept increasing due to Russia and Ukraine. The DPD90+ ratio grew further, the coverage ratio improved slightly q-o-q

Consolidated risk cost for possible loan losses and its ratio to average gross loans

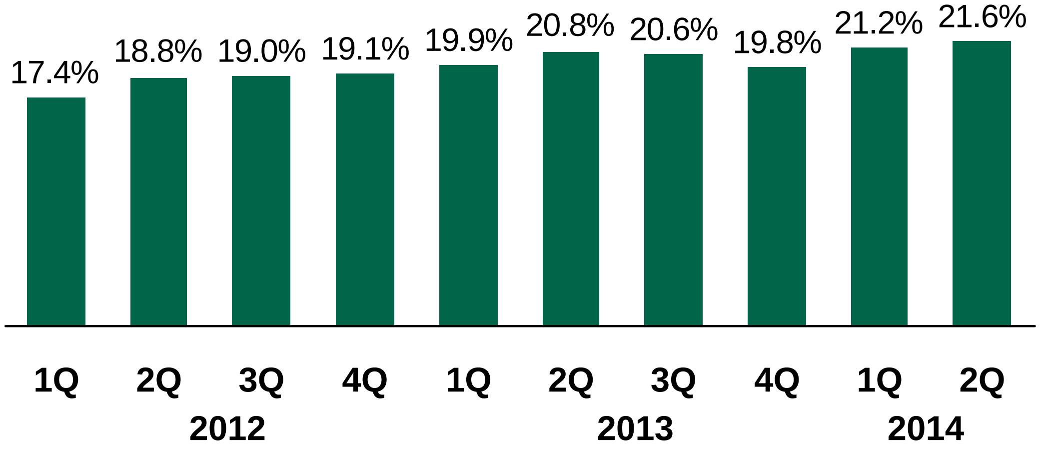


Quarterly change in DPD90+ loan volumes

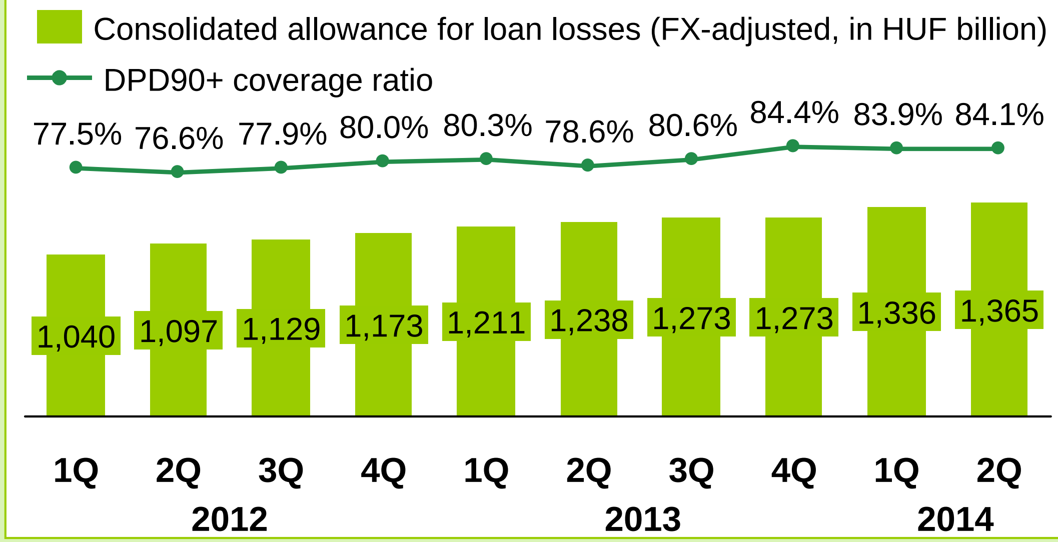
(consolidated,-adjusted for FX and sales and write-offs, in HUF billion)



Ratio of consolidated DPD90+ loans to total loans (%)



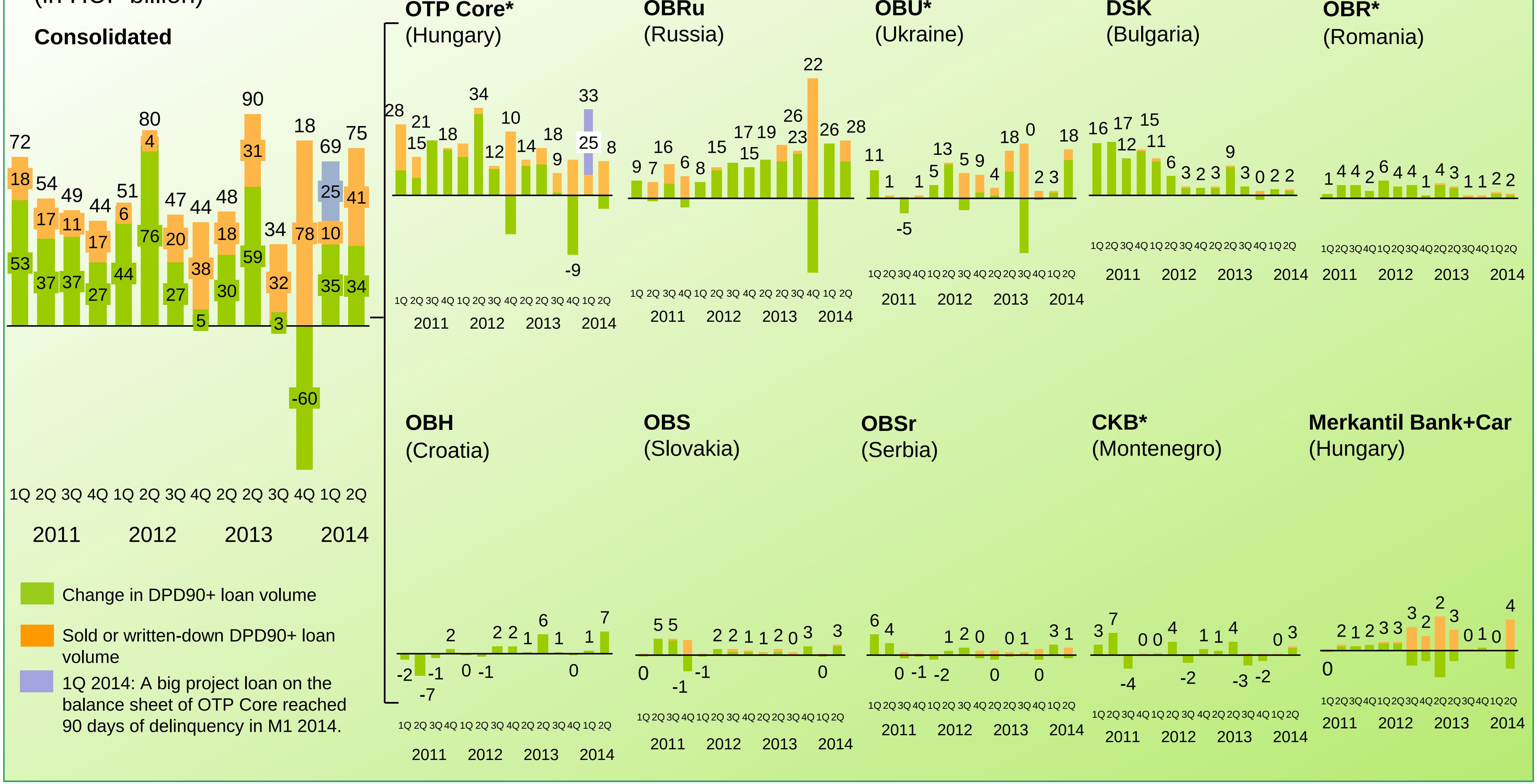
Consolidated provision coverage ratio



The DPD90+ loan formation remained moderate in Hungary and Bulgaria, however, the deterioration of the Russian consumer credit remained strong and the Ukrainian deterioration accelerated

FX-adjusted quarterly change in DPD90+ loan volumes

(in HUF billion)



🟩 Change in DPD90+ loan volume

🟧 Sold or written-down DPD90+ loan volume

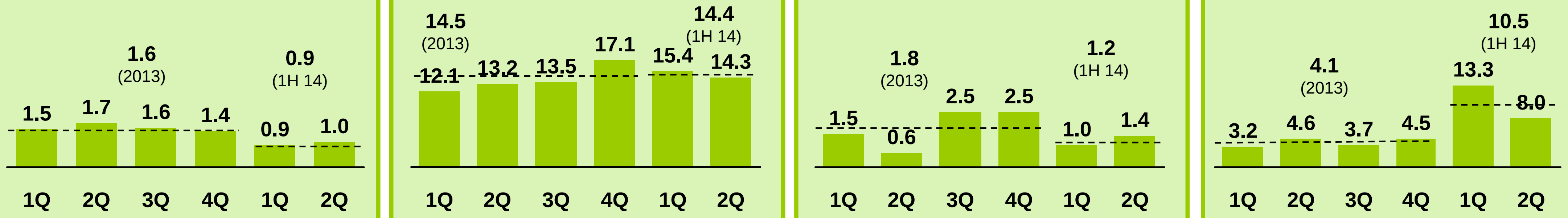
🟪 1Q 2014: A big project loan on the balance sheet of OTP Core reached 90 days of delinquency in M1 2014.

* 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.

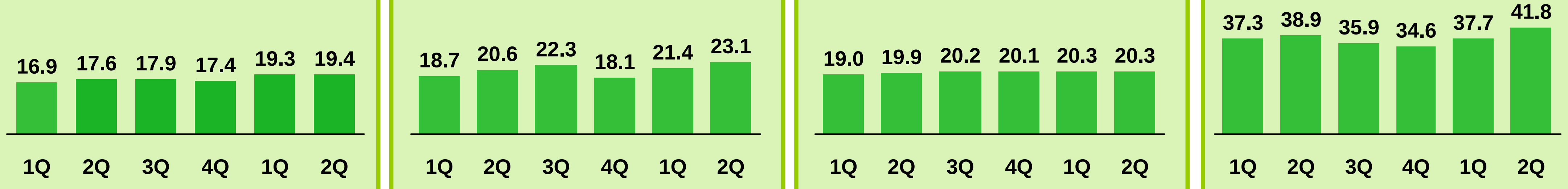
The DPD90+ ratio increased q-o-q at all major group members, but Bulgaria; the coverage ratio edged up

OTP Core Hungary | **OTP Bank Russia** | **DSK Bank Bulgaria** | **OTP Bank Ukraine**

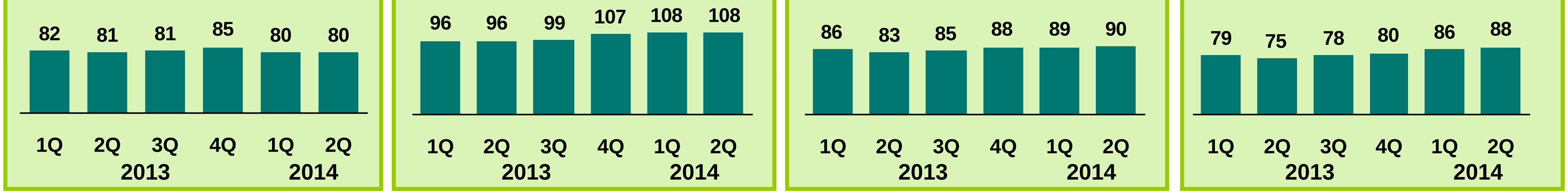
Risk cost for possible loan losses / Average gross customer loans*, %



DPD90+ loans / Gross customer loans, %



Total provisions / DPD90+ loans, %



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

At OTP Core only the corporate DPD90+ ratio deteriorated q-o-q, while in Russia and Ukraine the deterioration of the consumer book played the major role, in Bulgaria the portfolio quality remained stable

DPD90+ ratio (%)

OTP Core* (Hungary)	**2Q 13**	**3Q 13**	**4Q 13**	**1Q 14**	**2Q 14**	**Q-o-Q** *(%-point)*
Total	**17.6**	**17.9**	**17.4**	**19.3**	**19.4**	***0.1***
Retail	21.3	22.1	21.8	22.4	22.1	*-0.4*
Mortgage	19.9	20.8	20.3	21.2	20.9	*-0.3*
Consumer	26.4	26.4	27.1	27.0	26.2	*-0.7*
MSE**	14.3	13.0	12.3	11.8	11.4	*-0.4*
Corporate	13.7	13.1	12.1	16.6	17.9	*1.3*
Municipal	0.5	0.6	0.5	0.1	0.2	*0.1*

DPD90+ ratio (%)

OTP Bank Russia	**2Q 13**	**3Q 13**	**4Q 13**	**1Q 14**	**2Q 14**	**Q-o-Q** *(%-point)*
Total	**20.6**	**22.3**	**18.1**	**21.4**	**23.1**	***1.6***
Mortgage	13.4	14.3	14.4	15.5	15.6	*0.2*
Consumer	21.2	23.1	18.8	22.5	24.2	*1.7*
Credit card	25.8	26.5	19.8	22.7	24.5	*1.7*
POS loan	20.2	23.7	20.9	26.0	27.7	*1.8*
Personal loan	15.1	16.1	14.6	16.7	19.0	*2.3*

DPD90+ ratio (%)

DSK Bank (Bulgaria)	**2Q 13**	**3Q 13**	**4Q 13**	**1Q 14**	**2Q 14**	**Q-o-Q** *(%-point)*
Total	**19.9**	**20.2**	**20.1**	**20.3**	**20.3**	***0.0***
Mortgage	22.8	22.9	23.1	23.2	23.4	*0.2*
Consumer	16.2	16.3	16.5	16.8	16.8	*0.0*
MSE**	42.1	41.8	40.7	41.6	40.3	*-1.3*
Corporate	15.2	16.4	15.5	15.9	16.1	*0.2*

DPD90+ ratio (%)

OTP Bank Ukraine	**2Q 13**	**3Q 13**	**4Q 13**	**1Q 14**	**2Q 14**	**Q-o-Q** *(%-point)*
Total	**38.9**	**35.9**	**34.6**	**37.7**	**41.8**	***4.1***
Mortgage	55.8	56.9	58.1	60.3	62.7	*2.4*
Consumer	7.9	8.9	9.4	13.1	22.2	*9.2*
SME***	68.9	69.8	70.4	73.7	75.2	*1.5*
Corporate	27.5	21.8	21.2	22.0	24.6	*2.6*
Car-financing	40.3	39.2	38.3	41.7	50.7	*9.1*

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* From 4Q 2013 the following methodological change was implemented retroactively: the product information of exposures purchased by OTP Factoring from non-group member companies was clarified. Accordingly, these non-performing loan volumes are classified into the business lines of OTP Core. ** Micro and small enterprises; *** Small and medium enterprises

Restructured retail volumes declined further q-o-q on group level, representing 1.9% of total retail loans by the end of 2Q 2014; in the Ukraine the share of restructured retail loans increased q-o-q

Definition of retail restructured loans:

- In comparison with the original terms and conditions, more favourable conditions are given to clients for a definite period of time or the maturity is prolonged.
- The exposure is not classified as restructured, if:
  - the restructuring period with more favourable conditions is over and the client is servicing his loan according to the original terms for more than 12 months, and/or
  - the client is servicing his contract according to the prolonged conditions for more than 12 months.
- Hungarian FX mortgage loans in the fixed exchange rate scheme are not included in the restructured category.
- Loans once restructured but currently with delinquency of more than 90 days are not included, either.

Restructured retail loans with less than 90 days of delinquency

	4Q 2012		1Q 2013		2Q 2013		3Q 2013		4Q 2013		1Q 2014		2Q 2014	
	HUF mn	*%**	*HUF mn*	*%**	*HUF mn*	*%**	*HUF mn*	*%**	*HUF mn*	*%**	*HUF mn*	*%**	*HUF mn*	*%**
OTP Core (Hungary)	39,814	1.9%	36,065	1.8%	33,406	1.7%	36,231	1.8%	35,377	1.9%	34,702	1.8%	31,697	1.7%
OBRu (Russia)	80	0.0%	86	0.0%	65	0.0%	67	0.0%	41	0.0%	29	0.0%	22	0.0%
DSK (Bulgaria)	21,010	2.6%	20,459	2.4%	19,643	2.4%	21,050	2.5%	19,870	2.4%	20,601	2.4%	20,652	2.4%
OBU (Ukraine)	6,157	2.4%	6,665	2.5%	6,386	2.4%	6,499	2.4%	6,263	2.3%	5,488	2.2%	11,926	4.7%
OBR (Romania)	41,104	16.1%	36,828	13.9%	32,595	12.7%	28,457	10.7%	27,584	10.3%	27,196	9.9%	23,907	8.6%
OBH (Croatia)	872	0.4%	915	0.4%	875	0.4%	1,054	0.5%	992	0.5%	1,245	0.5%	1,119	0.4%
OBS (Slovakia)	726	0.5%	644	0.4%	510	0.3%	364	0.2%	191	0.1%	323	0.2%	468	0.2%
OBSr (Serbia)	478	1.7%	701	2.3%	254	0.8%	632	2.0%	617	1.9%	683	2.0%	582	1.6%
CKB (Montenegro)	1,490	2.7%	1,131	1.9%	911	1.6%	712	1.2%	639	1.1%	675	1.1%	564	0.9%
Merkantil (Hungary)	7,573	3.4%	6,499	3.1%	5,378	2.8%	4,379	2.2%	3,695	2.0%	3,433	1.8%	2,818	1.6%
Other leasing** (Hungary)	65	0.2%	52	0.2%	28	0.1%	11	0.0%	101	0.4%	253	0.9%	334	1.3%
TOTAL	**119,369**	**2.4%**	**110,044**	**2.2%**	**100,052**	**2.1%**	**99,456**	**2.0%**	**95,370**	**2.0%**	**94,629**	**2.0%**	**94,090**	**1.9%**

* Share out of retail + car-financing portfolio (without SME)

** OTP Flat Lease

Different trends across the Group: improving economic outlook in CEE countries with growth levels exceeding EU average, while Russia and Ukraine are underperformers

REAL GDP GROWTH

	2011	2012	2013	2014F
Hungary	1.6%	-1.7%	1.1%	3.1%
Ukraine	5.2%	0.2%	0.0%	-5.0%
Russia	4.3%	3.4%	1.3%	0.1%
Bulgaria	1.8%	0.6%	0.9%	1.3%
Romania	2.4%	0.5%	3.5%	2.0%
Croatia	-0.2%	-1.9%	-1.0%	-0.6%
Slovakia	3.0%	1.8%	0.9%	2.1%
Serbia	1.6%	-1.7%	2.5%	0.3%
Montenegro	3.2%	-2.5%	3.5%	2.0%

EXPORT GROWTH

	2011	2012	2013	2014F
Hungary	6.3%	1.7%	5.3%	7.5%
Ukraine	4.3%	-7.2%	-8.8%	-10%
Russia	0.3%	1.4%	4.2%	1.0%
Bulgaria	12.3%	-0.4%	8.9%	5.1%
Romania	12.0%	-1.8%	13.1%	7.8%
Croatia	1.7%	0.9%	-1.8%	0.8%
Slovakia	12.2%	9.9%	4.5%	5.0%
Serbia	13.9%	3.8%	16.6%	5.9%
Montenegro	37.5%	-1.2%	6.6%	3.0%

UNEMPLOYMENT

	2011	2012	2013	2014F
Hungary	10.9%	10.9%	10.2%	9.3%
Ukraine	8.5%	7.5%	7.2%	8.7%
Russia	6.6%	5.5%	5.5%	6.6%
Bulgaria	11.3%	12.3%	12.9%	11.8%
Romania	7.4%	7.1%	7.3%	7.1%
Croatia	17.9%	19.1%	20.3%	20.3%
Slovakia	13.7%	14.0%	14.2%	13.9%
Serbia	23.0%	24.0%	22.1%	22.7%
Montenegro	15.9%	18.7%	18.3%	19.1%

BUDGET BALANCE*

	2011	2012	2013	2014F
Hungary	4.3%	-2.0%	-2.2%	-2.9%
Ukraine	-2.8%	-4.5%	-5.7%	-6.0%
Russia	1.5%	0.4%	-1.3%	-1.6%
Bulgaria	-2.0%	-0.8%	-1.4%	-4.6%
Romania	-5.6%	-2.9%	-2.3%	-2.8%
Croatia	-7.8%	-5.0%	-4.9%	-3.7%
Slovakia	-4.8%	-4.5%	-2.8%	-2.9%
Serbia	-5.0%	-6.4%	-5.0%	-5.5%
Montenegro	-6.5%	-4.7%	-4.0%	-4.0%

CURRENT ACCOUNT BALANCE

	2011	2012	2013	2014F
Hungary	0.8%	1.6%	3.0%	2.5%
Ukraine	-6.3%	-8.2%	-8.0%	-4.0%
Russia	5.1%	3.6%	1.6%	1.3%
Bulgaria	0.1%	-1.3%	1.9%	0.5%
Romania	-4.5%	-4.4%	-1.1%	-1.9%
Croatia	-0.9%	-0.1%	0.9%	0.8%
Slovakia	-3.8%	2.2%	2.1%	2.5%
Serbia	-9.2%	-11%	-5.2%	-4.4%
Montenegro	-19%	-18%	-15%	-14%

INFLATION

	2011	2012	2013	2014F
Hungary	3.9%	5.7%	1.7%	0.1%
Ukraine	8.0%	0.6%	-0.3%	10.5%
Russia	8.5%	5.1%	6.8%	6.4%
Bulgaria	4.2%	3.0%	0.9%	-1.3%
Romania	5.8%	3.3%	4.1%	1.5%
Croatia	2.3%	3.4%	2.2%	0.2%
Slovakia	3.9%	3.6%	1.4%	0.5%
Serbia	11.2%	7.3%	7.8%	4.2%
Montenegro	3.1%	4.2%	2.2%	-0.1

Source: OTP Research

- For EU members deficit under the Maastricht criteria

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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