

OTP Bank

Future growth opportunities on a regional base

INVESTOR PRESENTATION

Presented by: **Dr. Zoltán Spéder, CFO**

September, 2005



- Macroeconomic environment and financial intermediary in Hungary
- Key facts on OTP Bank
- Financial performance (consolidated, IFRS)
- Business performance on the main market segments in Hungary
 - Retail banking
 - Corporate banking
 - Fund management
 - Insurance
- OTP Bank in the Region

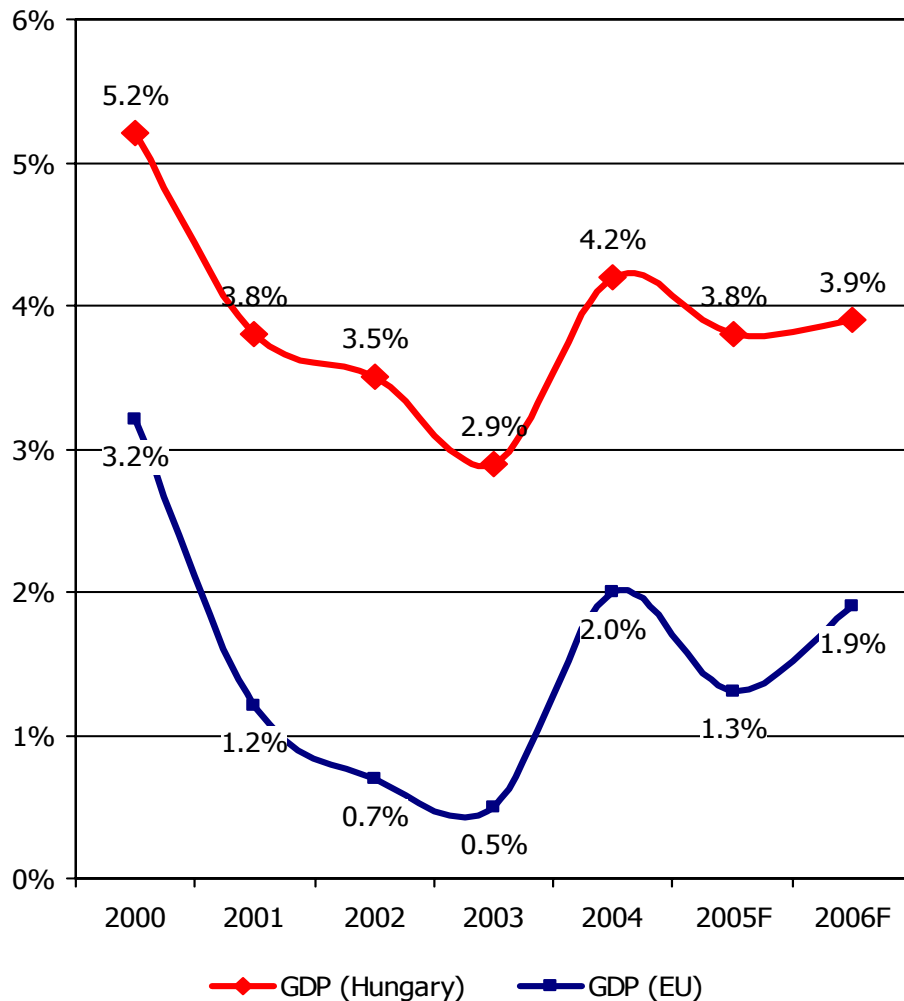
Main macroeconomic indicators

	2003	2004	1H 2005	2005F*	2006F*
Real GDP growth	2.9%	4.2%	3.5%	3.8%	3.9%
Household consumption	7.2%	2.5%	2.3%	2.5%	3.3%
Investment growth	2.5%	7.9%	6.5%	7.1%	7.8%
Budged deficit (cash flow based, HUF bn)	-1,054	-1,277	-988	-1,170	-1,315
as a % of GDP	-6.2%	-6.3%	-4.6%	-5.4%	-5.6%
Budged deficit (ESA95)	-1,307	-1,092		-1,140	-1,315
as a % of GDP	-7.1%	-5.4%	-4.4%	-5.4%	-5.7%
Current Account Balance (EUR bn)	-6.70	-7.10		-7.50	-7.50
as a % of GDP	-8.4%	-8.9%	-7.5%	-8.6%	-8.2%
Nominal wage increase	12.0%	6.1%	7.5%	6.0%	6.0%
Inflation (YoY, end of period)	5.7%	5.5%	3.8%	4.0%	1.6%
Inflation (YoY, average)	4.7%	6.8%	3.7%	3.7%	1.9%
NBH base rate (end of period)	12.50%	9.50%	7.00%	5.75%	5.50%
EUR/HUF (average)	253.50	251.40	247.44	249.40	255.30
EUR/HUF (end of period)	262.20	245.20	246.91	254.00	257.00

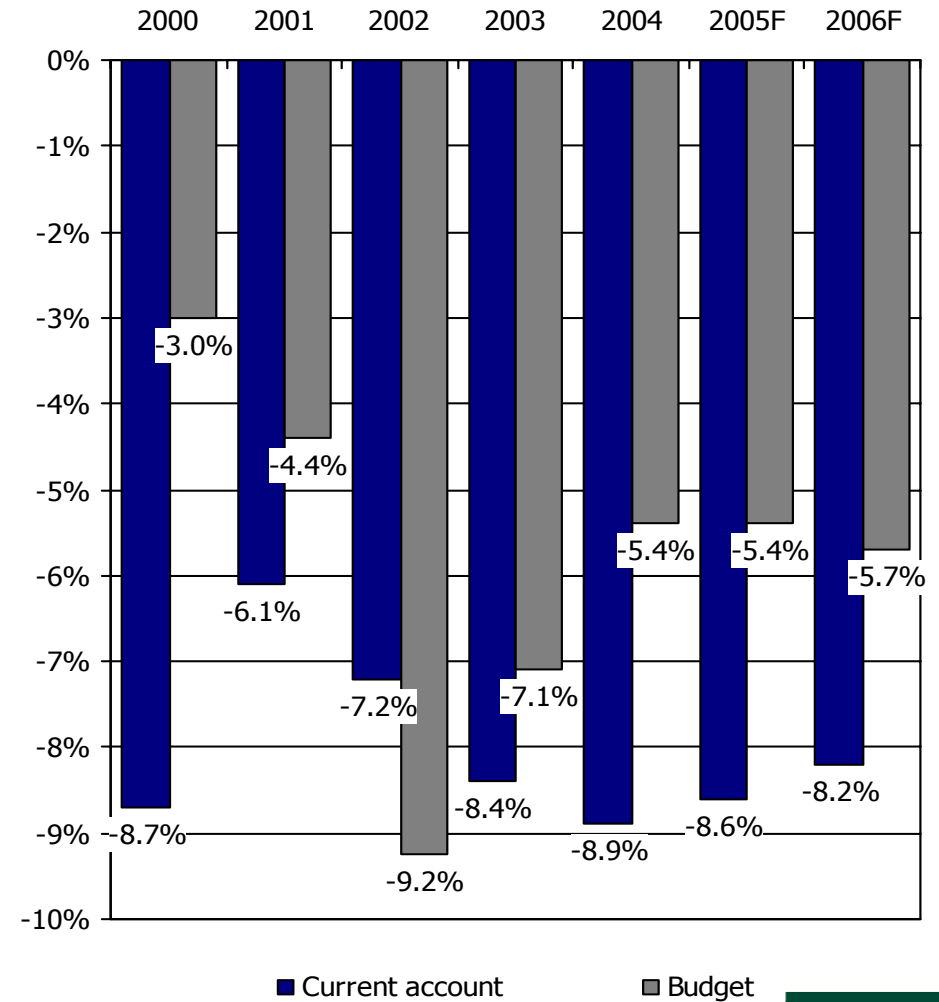
* OTP Bank's own estimation

Above EU-average economic growth but still significant imbalances

**GDP growth comparison
Hungary's dependence on EU growth**

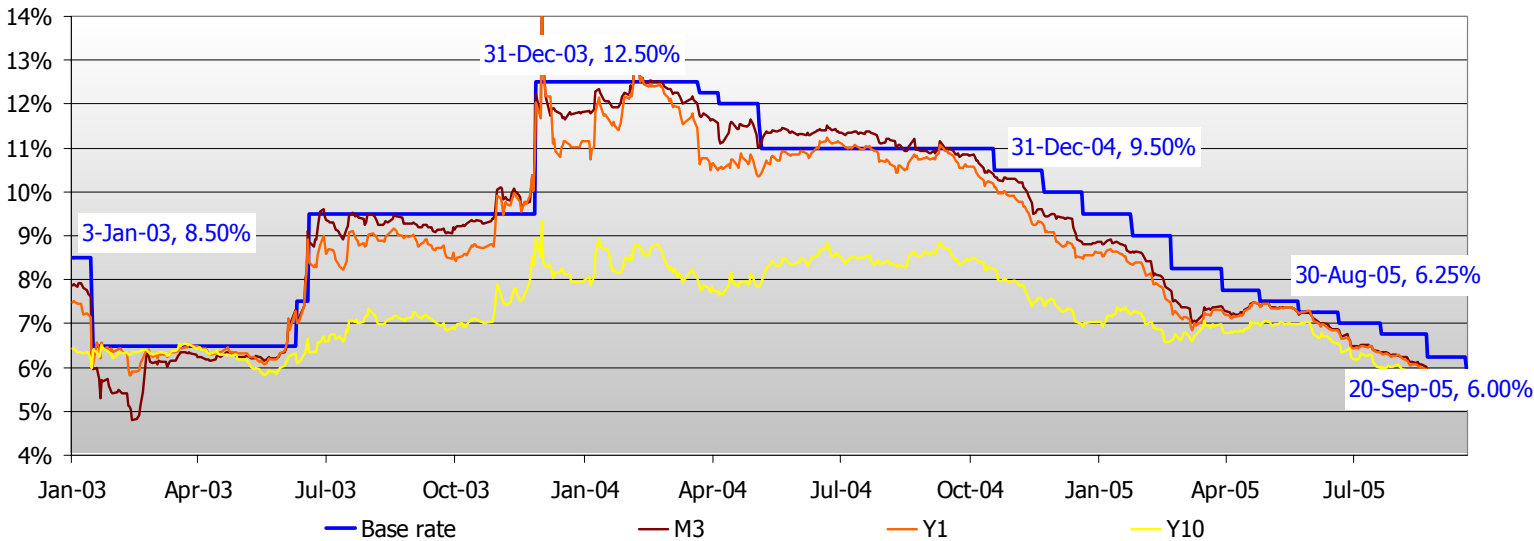


Internal and external balances



Significant rate cuts due to decelerating inflation

INTEREST RATES

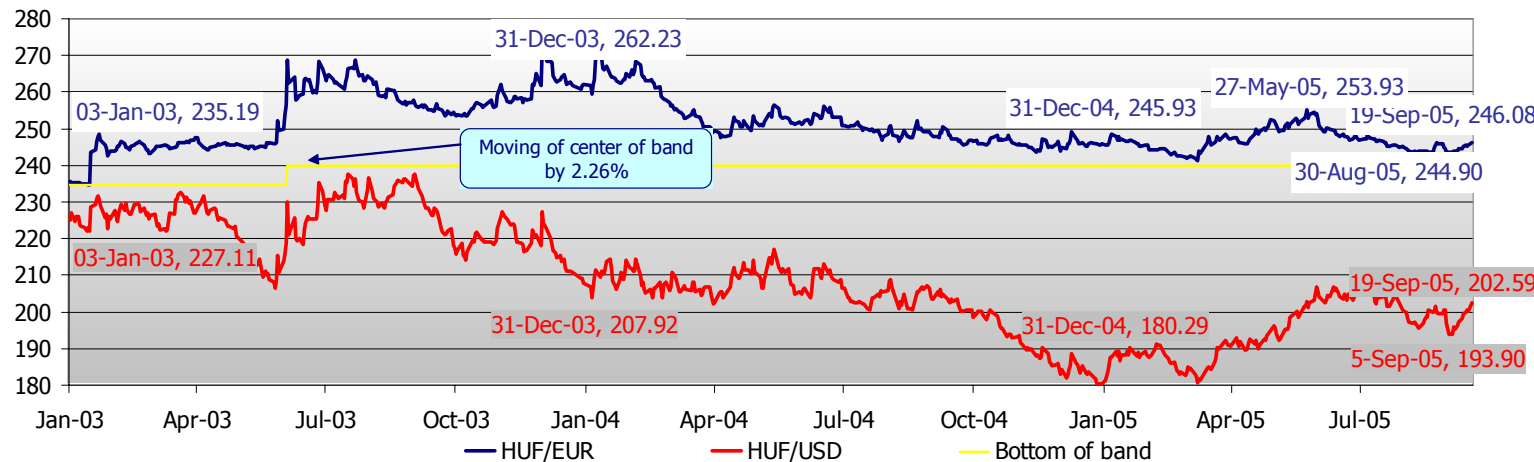


CHANGES OF BASE RATE





2003	+ 400 bp
2004	- 300 bp
2005	
25 January 2005	-50 bp
22 February 2005	-75 bp
30 March 2005	-50 bp
26 April 2005	-25 bp
24 May 2005	-25 bp
21 June 2005	-25 bp
19 July 2005	-25 bp
23 August 2005	-50 bp
20 September 2005	-25 bp




2005 1-9M	- 350 bp

EXCHANGE RATES



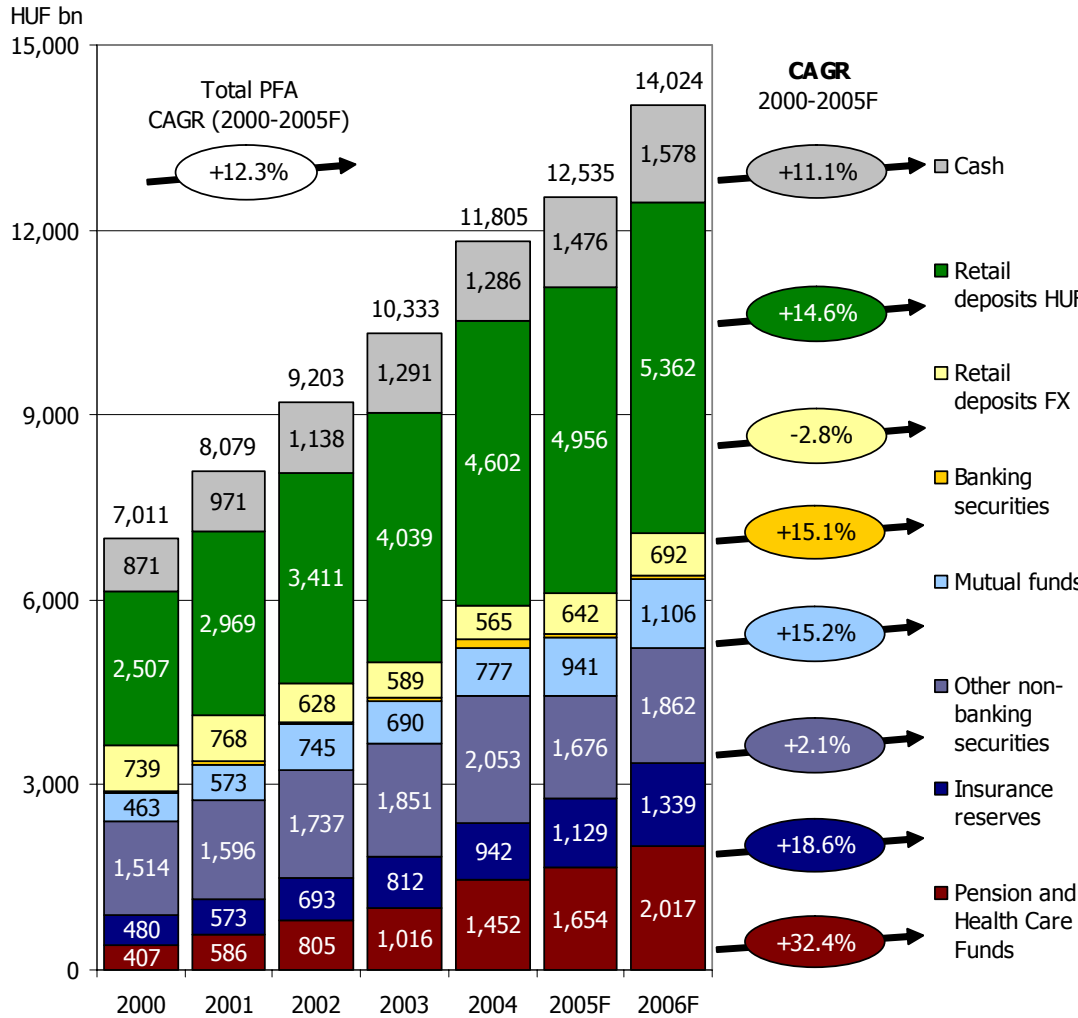
BASE RATE IN CEE-COUNTRIES

	HU	6.25%
	CZ	1.75%
	SK	3.00%
	PL	4.50%

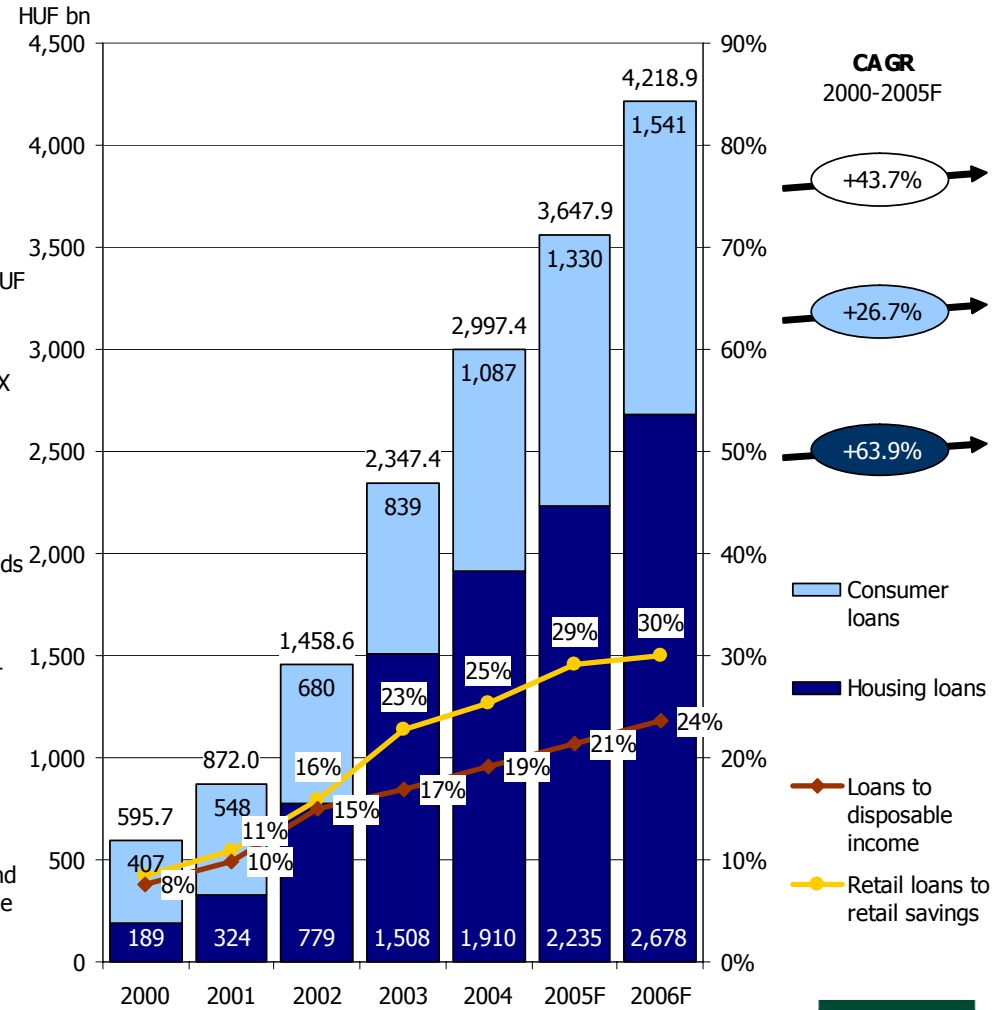
	BU	2.04%
	CR	4.50%
	RO	8.00%

Slowly changing investment patterns...

SELECTED COMPONENTS OF PFA

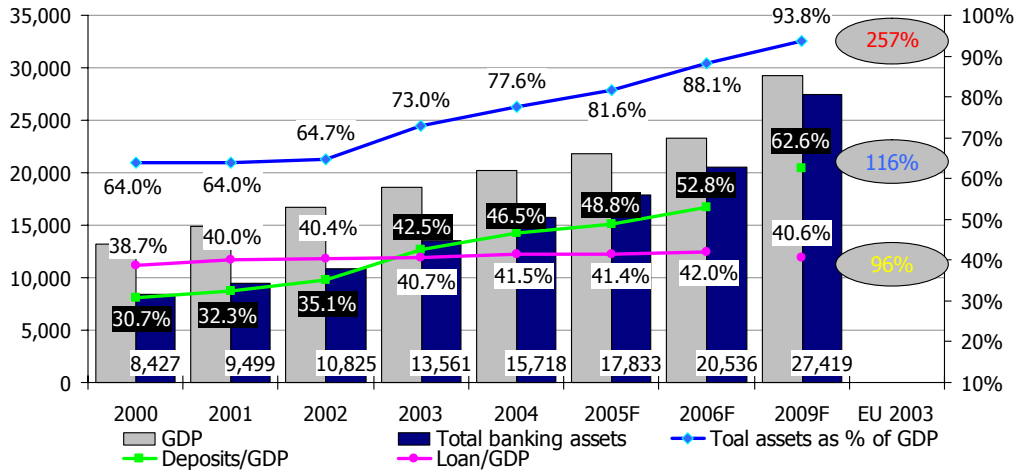


RETAIL LOANS OUTSTANDING

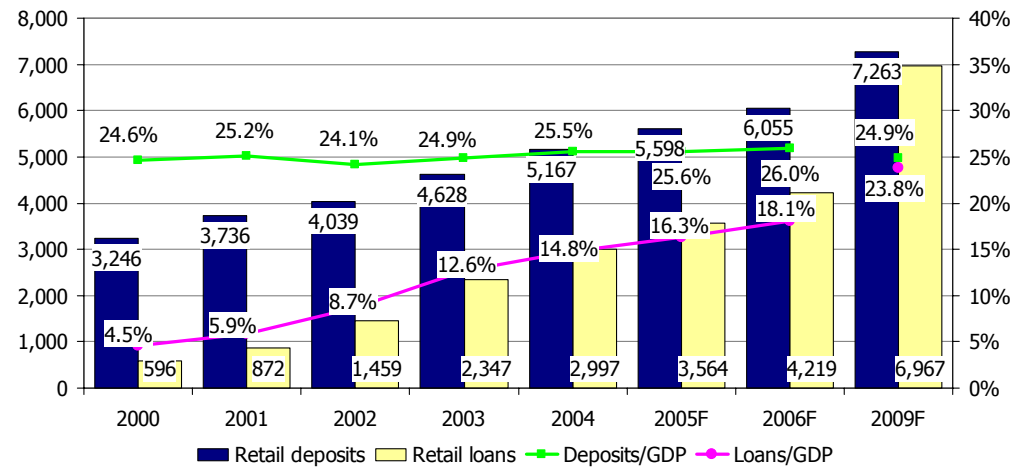


...but there is still room for further growth of banking penetration

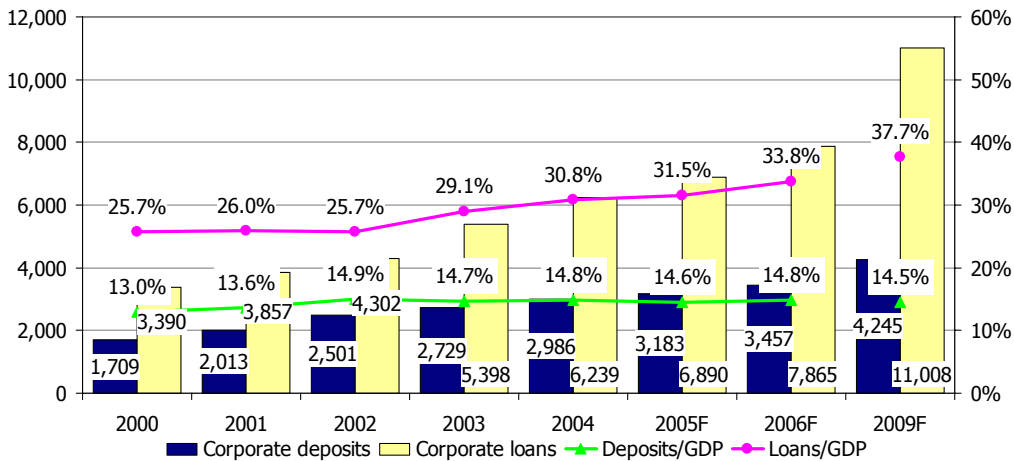
BY TOTAL ASSETS



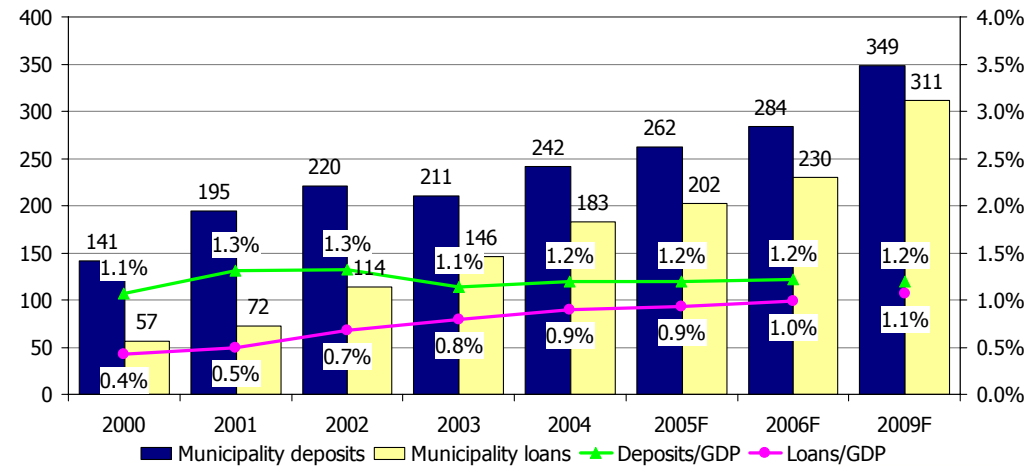
RETAIL SECTOR



CORPORATE SECTOR



MUNICIPALITY SECTOR

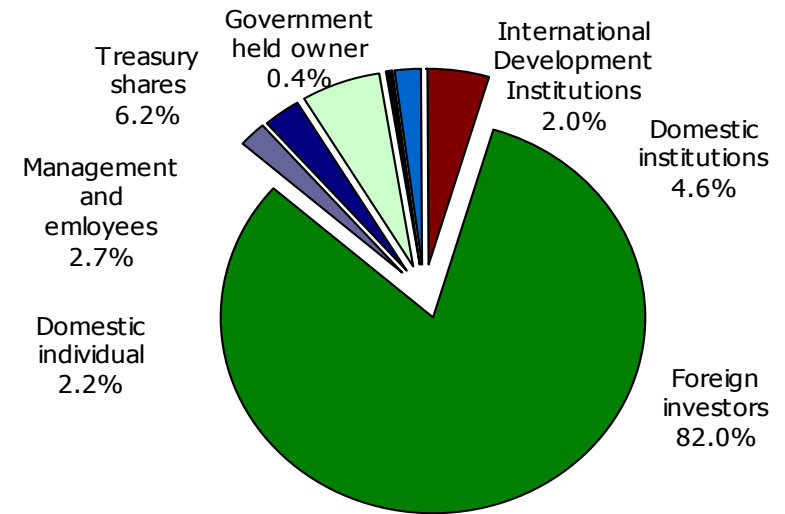


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OTP Bank is the largest bank in Hungary with a significant regional presence

- ... having* 23.8% of total banking assets, 27.2% of total deposits, 21.9% of total loans and 38.1%** of the banking profits
- ... having a strong capital base, high profitability and solid investment returns (IFRS consolidated ROA: 3.45%; ROE: 33.6% in 1H 2005)
- ... having a dominant position in all segments of the Hungarian market (retail and SME banking, municipalities, as well as corporate banking)
- ... being a leader in product innovation and distribution (direct, electronic and other channels)
- ... started regional expansion from 2002
- ... acquired subsidiaries in Slovakia, Bulgaria, Romania and Croatia
- ... having the highest banking and FS rating amongst all Hungarian banks

OWNERSHIP STRUCTURE on June 30, 2005



RATINGS, 2005

MOODY'S

Long term deposits: A1
 Short term deposits: P-1
 Financial strength: B-

STANDARD & POOR'S

Long term rate: BBBpi

CAPITAL INTELLIGENCE

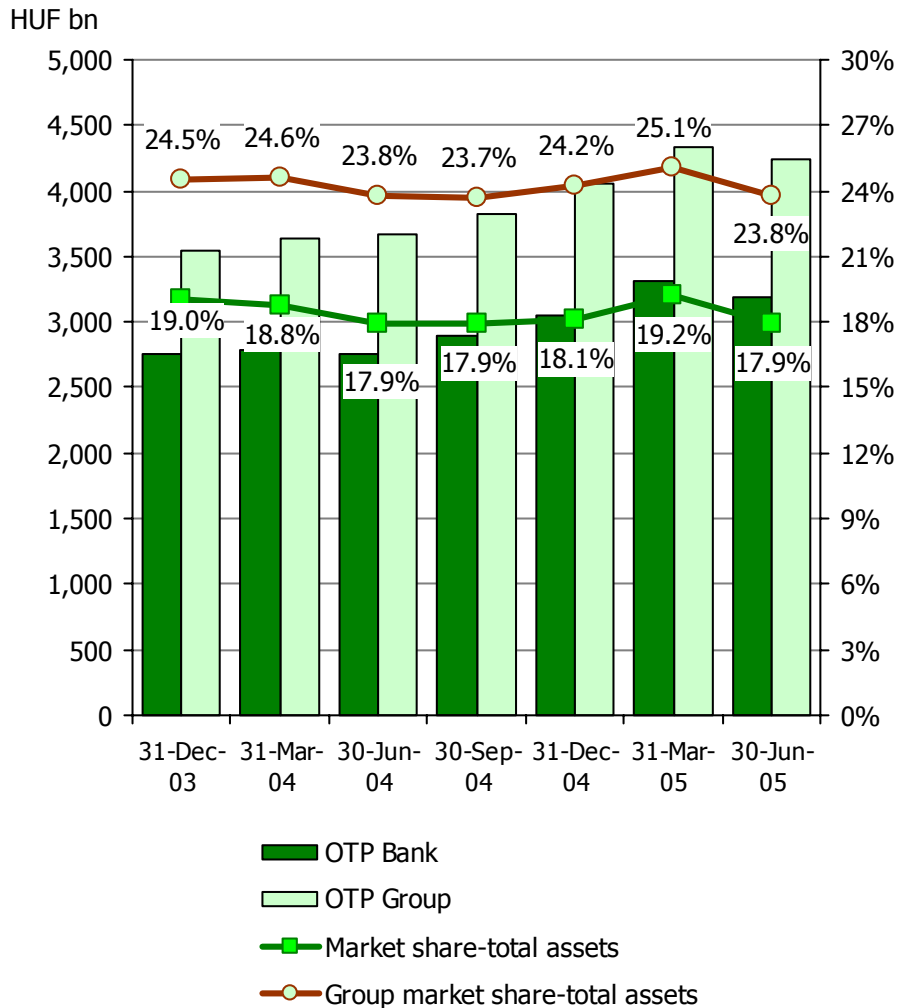
Long term: A-
 Short term: A2

* Market share of OTP Banking Group in Hungary, including OTP Bank, OTP Mortgage Bank, Merkantil Bank and OTP Building Society on June 30, 2005

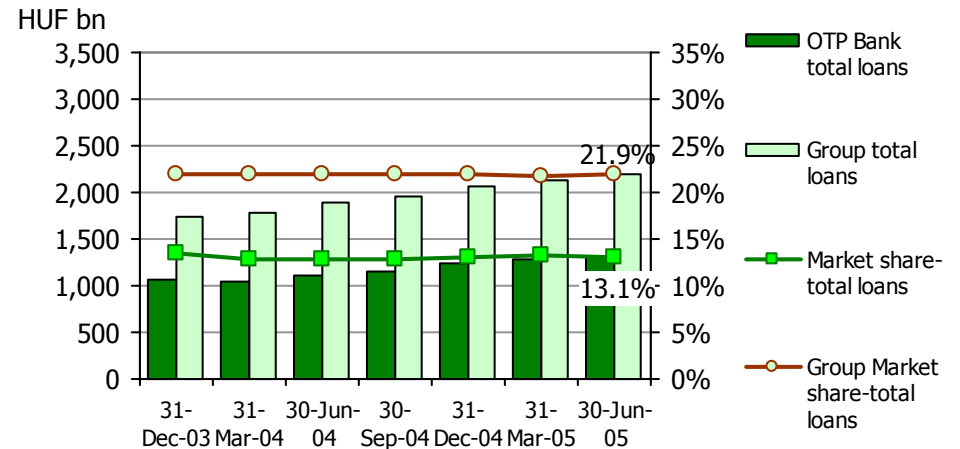
** OTP Bank's after-tax profit to total banking profit in 2004

OTP Group managed to keep its leading position in the Hungarian financial system

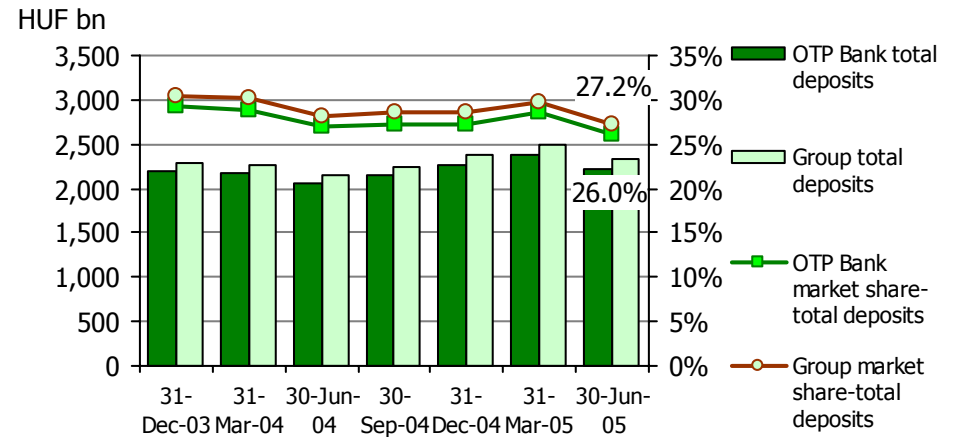
MARKET SHARE* – TOTAL ASSETS



MARKET SHARE* – TOTAL LOANS



MARKET SHARE* – TOTAL DEPOSITS



* OTP Banking Group in Hungarian credit institutions system, including OTP Bank, OTP Mortgage Bank, Merkantil Bank and OTP Building Society

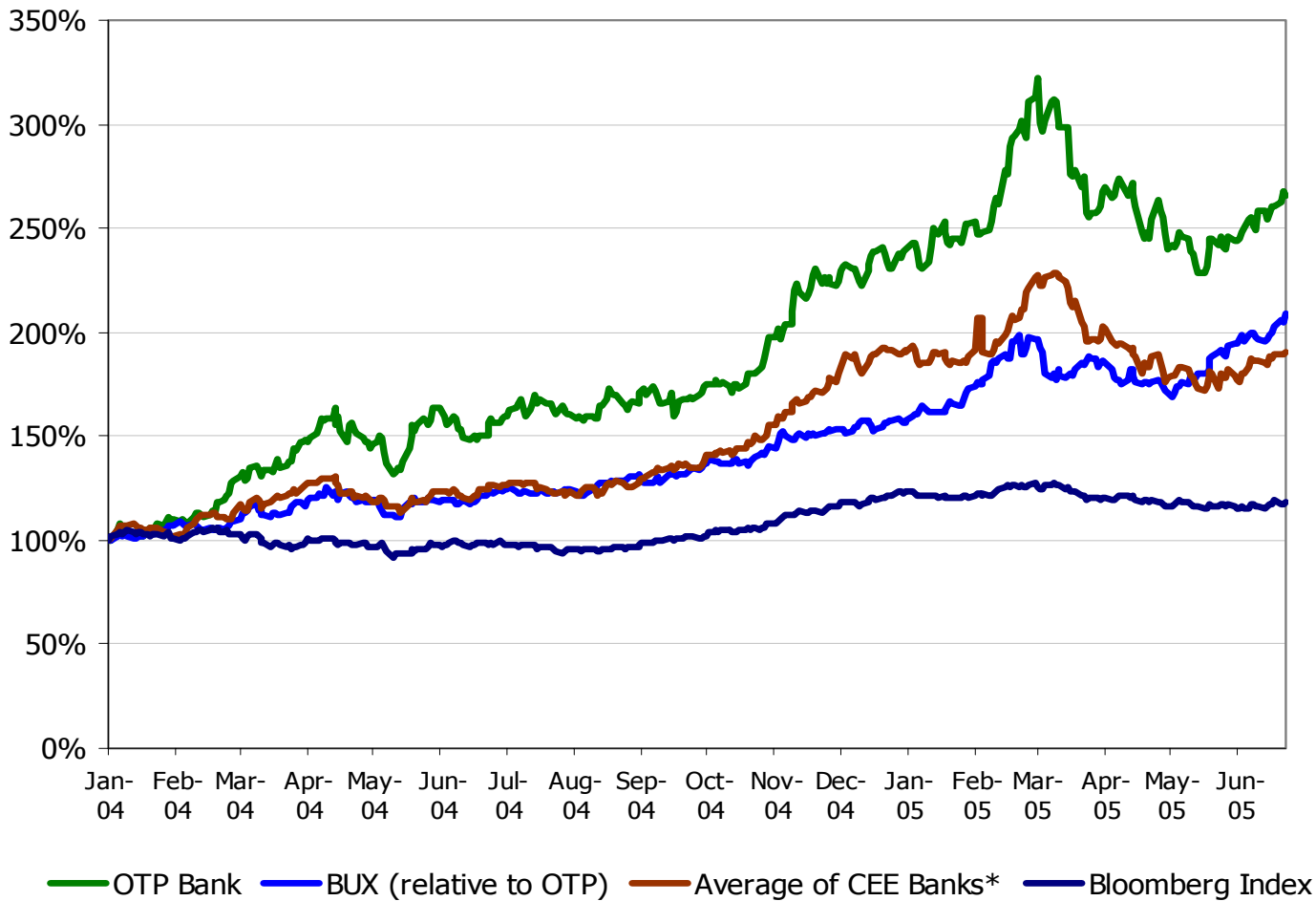


Financial highlights

OTP Group consolidated, based on IFRS

	1H 2004	1H 2005	Y-o-Y	2Q 2004	1Q 2005	2Q 2005	Y-o-Y	Q-o-Q
Total assets (HUF bn)	3,609.2	4,693.0	30.0%	3,609.2	4,737.6	4,693.0	30.0%	-0.9%
Total loans and advances (HUF bn)	2,227.1	2,889.1	29.7%	2,227.1	2,742.1	2,889.1	29.7%	5.4%
Total deposits (HUF bn)	2,585.6	3,146.6	21.7%	2,585.6	3,282.7	3,146.6	21.7%	-4.1%
Loan/deposit ratio	86.1%	91.8%	5.7%	86.1%	83.5%	91.8%	5.7%	8.3%
Shareholders' equity (HUF bn)	362.4	476.3	31.4%	362.4	429.7	476.3	31.4%	10.9%
Net interest income (HUF bn)	125.5	142.4	13.5%	61.7	65.5	76.9	24.6%	17.5%
Net interest margin after provision	6.62%	5.85%	-0.8%	6.48%	5.28%	6.00%	-0.5%	0.7%
Pre-tax profits (HUF bn)	77.7	92.5	19.0%	37.7	45.9	46.5	23.4%	1.3%
After tax profits (HUF bn)	65.4	76.4	16.9%	31.4	38.4	38.1	21.3%	-0.7%
Share of non interest income in total income	37.8%	40.4%	2.6%	40.6%	42.0%	38.8%	-1.8%	-3.2%
Cost to income ratio	57.3%	55.8%	-1.4%	60.1%	53.4%	58.1%	-2.1%	4.7%
Return on Assets (ROA)	3.70%	3.45%	-0.2%	3.51%	3.45%	3.23%	-0.3%	-0.2%
Return on Equity (ROE)	38.8%	33.6%	-5.2%	36.4%	35.5%	33.6%	-2.7%	-1.9%
EPS base (HUF)	251.98	291.20	15.6%	121.00	146.00	145.00	19.8%	-0.7%
EPS fully diluted (HUF)	251.44	290.28	15.4%	121.00	146.00	145.00	19.8%	-0.7%

The share price growth reflects investors' confidence

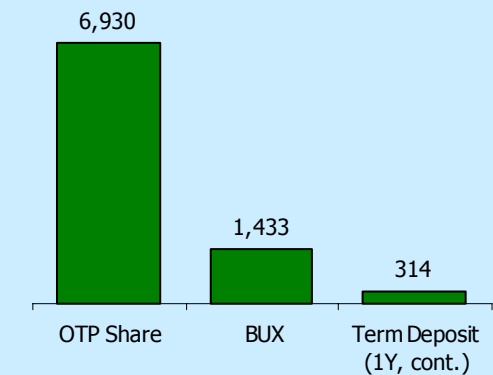


OTP SHARE'S PERFORMANCE, in 1-8M, 2005

Turnover (daily av.)	HUF 5.9 bn
Min. price (closing)	HUF 5,590 (06/01/05)
Max. price (closing)	HUF 7,970 (30/08/05)
Market capitalization (on 30/08/2005)	HUF 2,232 bn EUR 9.1 bn
P/E (consolidated)	12.7
P/BV (consolidated)	4.1

VALUE OF HUF 100,000 INVESTED IN 1995

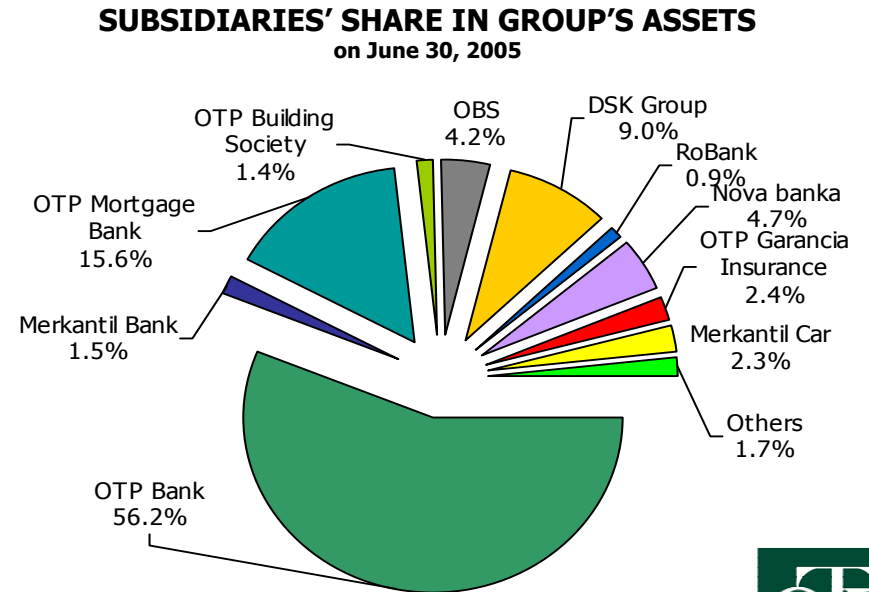
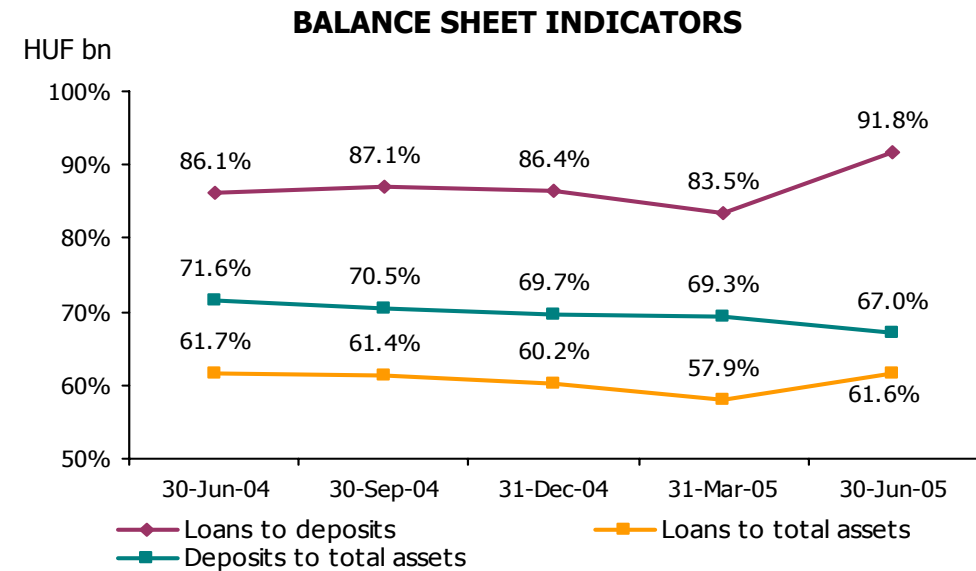
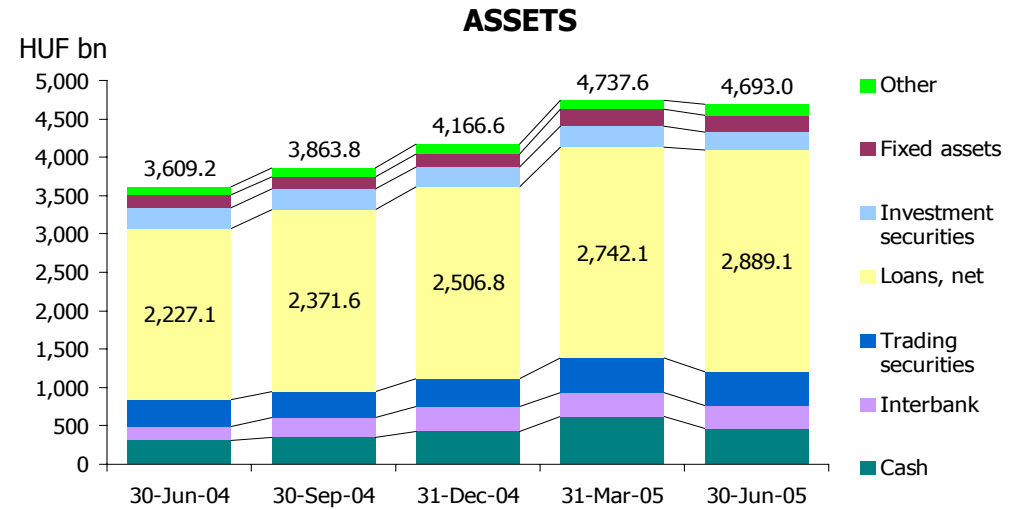
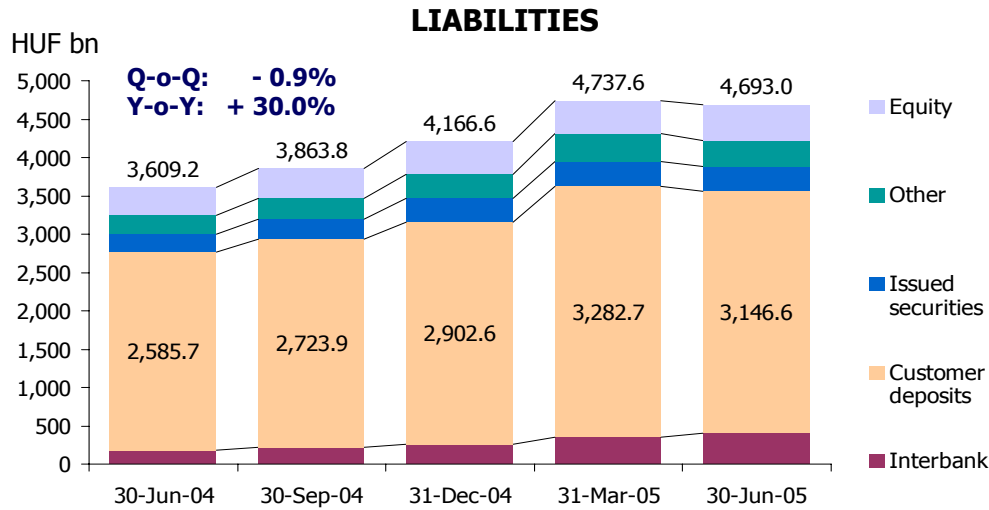
HUF th on August 30, 2005



* Including PEKAO, BRE Bank, Zagrebacka Banka, Komercni Banka, Millenium Bank

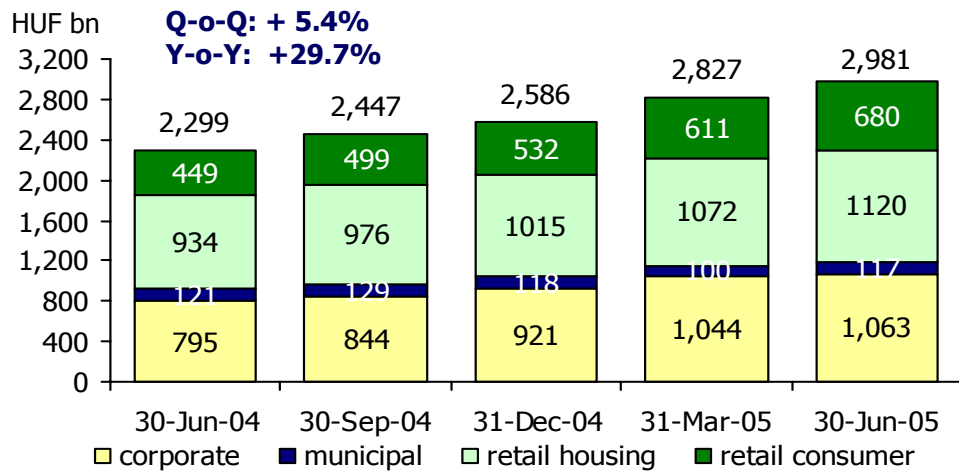
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Consolidated total assets grew by 12.6% in 1H 2005

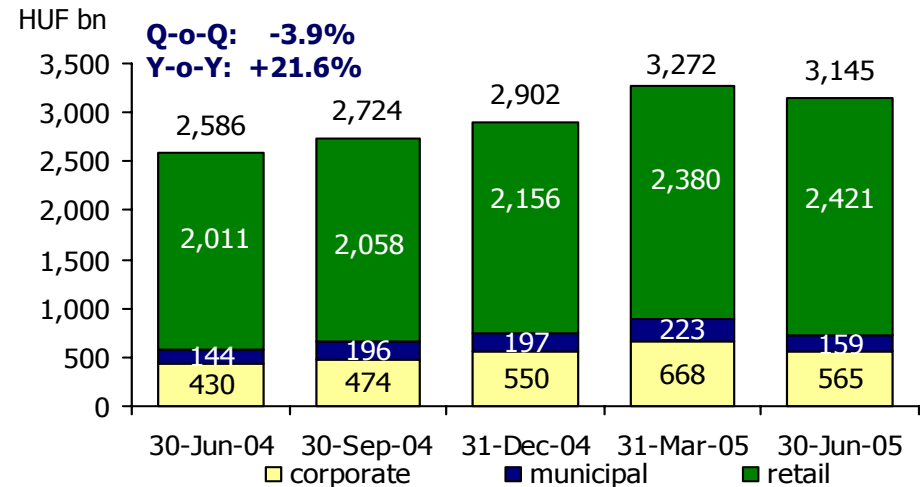


Gross loans increased by 15% and deposits by 8% in 1H 2005

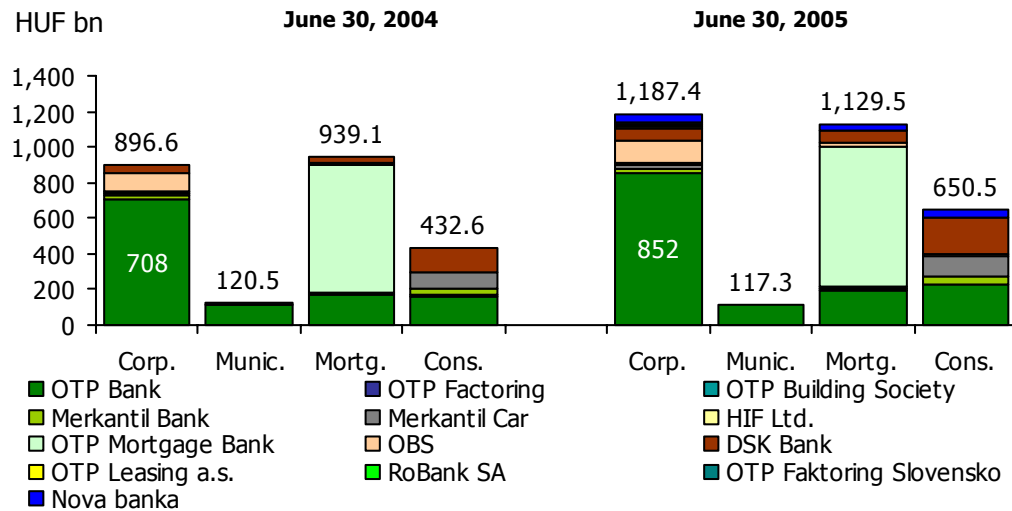
LOANS, GROSS



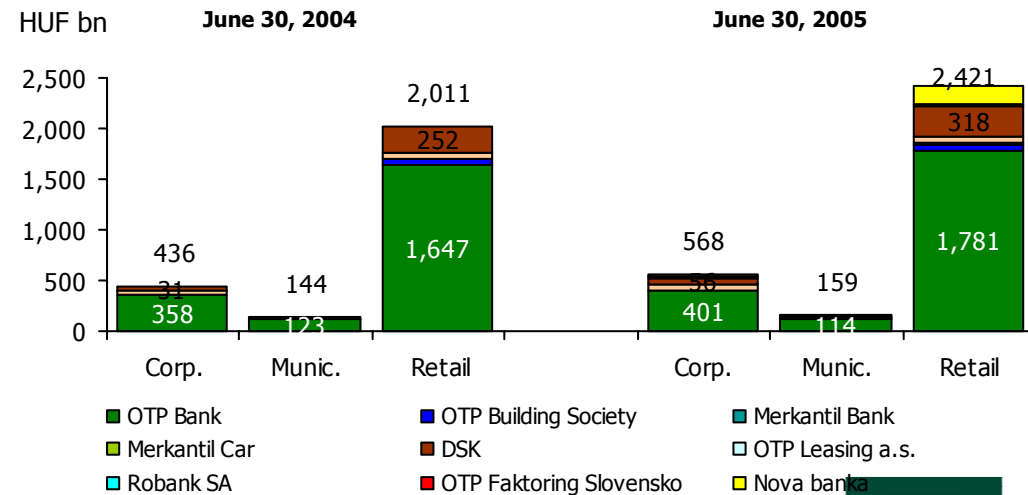
DEPOSITS



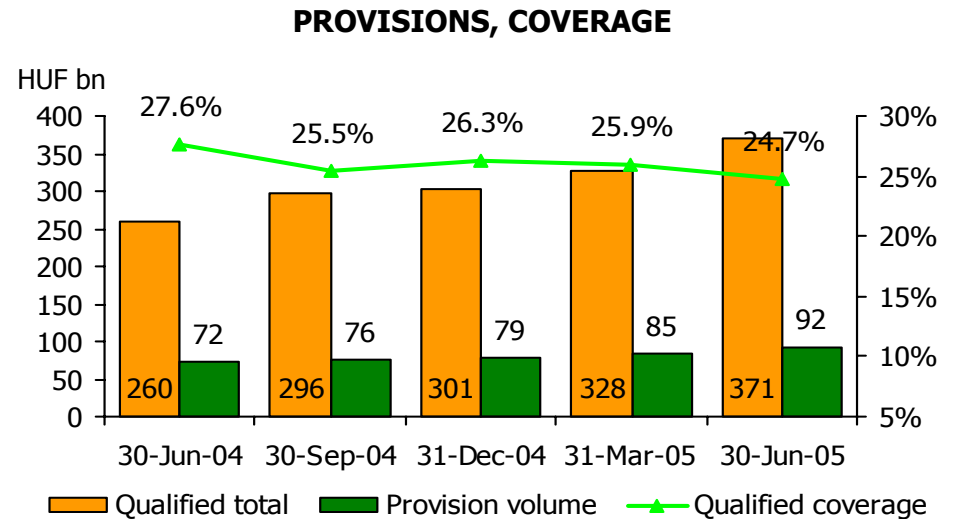
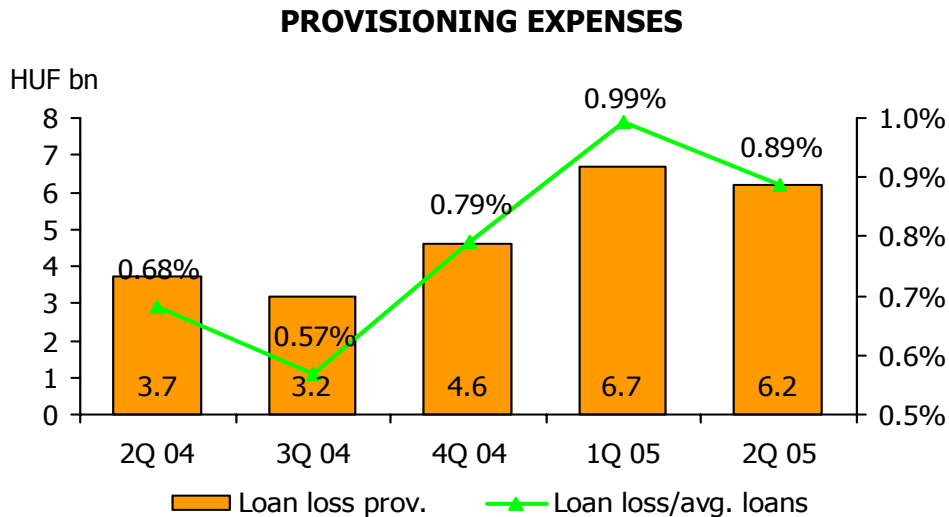
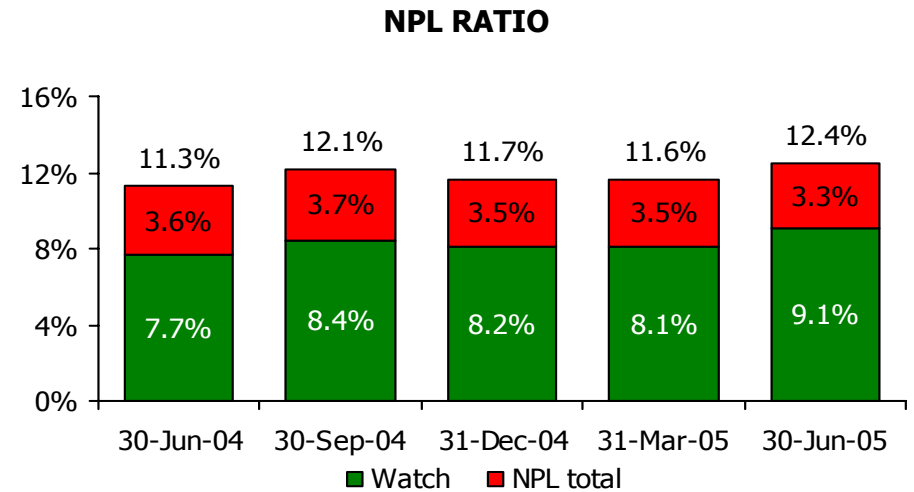
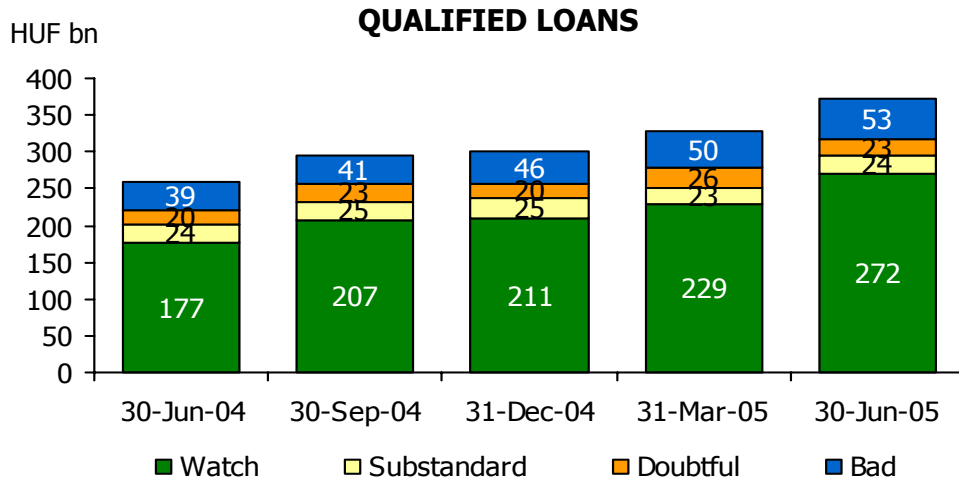
LOANS BY COMPANIES AND BUSINESSES



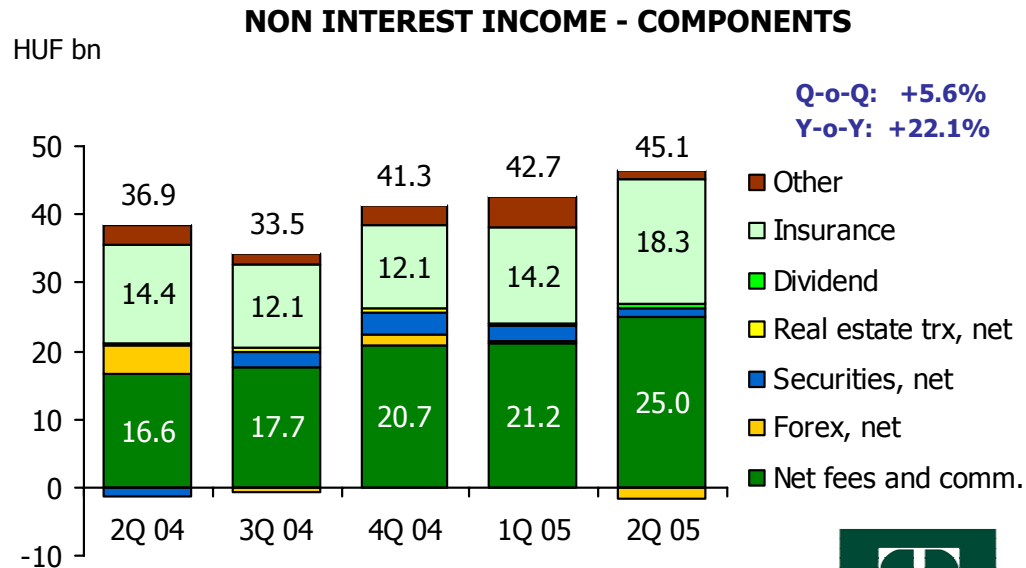
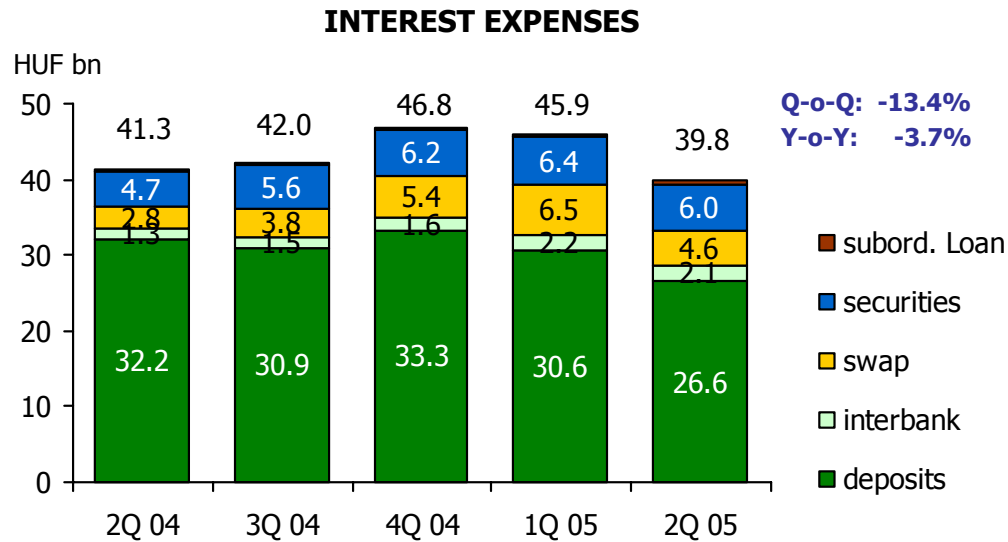
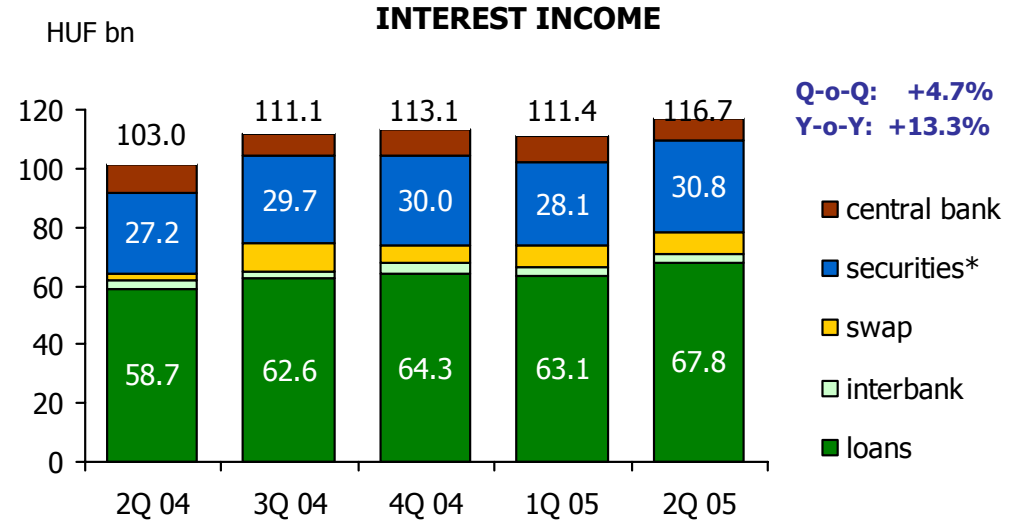
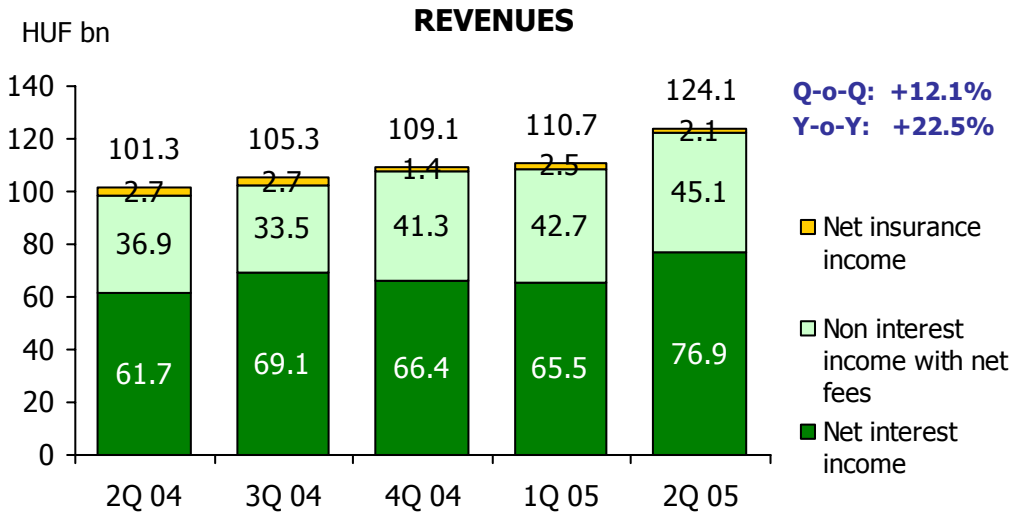
DEPOSITS BY COMPANIES AND BUSINESSES



NPL ratio fall to 3.3% while portion of total qualified loans was 12.4% on June 30, 2005



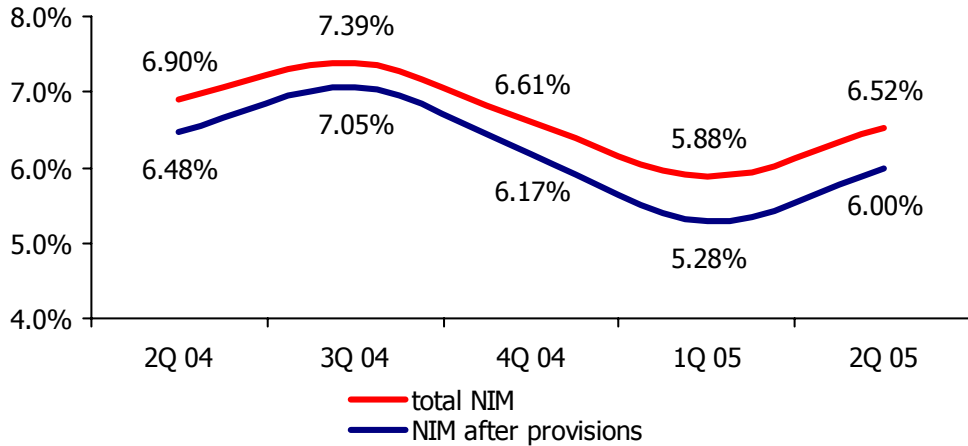
Revenues reached HUF 235 bn in 1H 2005, 19% higher than a year before



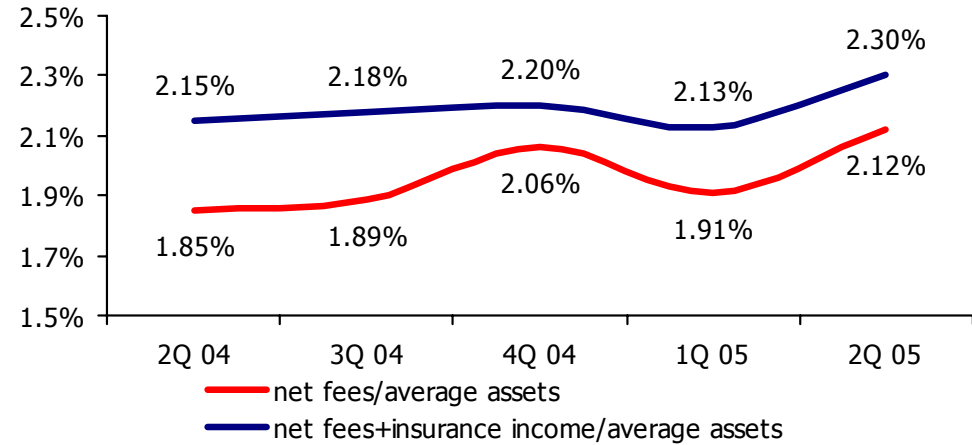
* Government subsidy on mortgage lending (bonds) is booked as interest income on securities

Net interest margin was 6.52% in 2Q 2005, 64 bp higher than 1Q

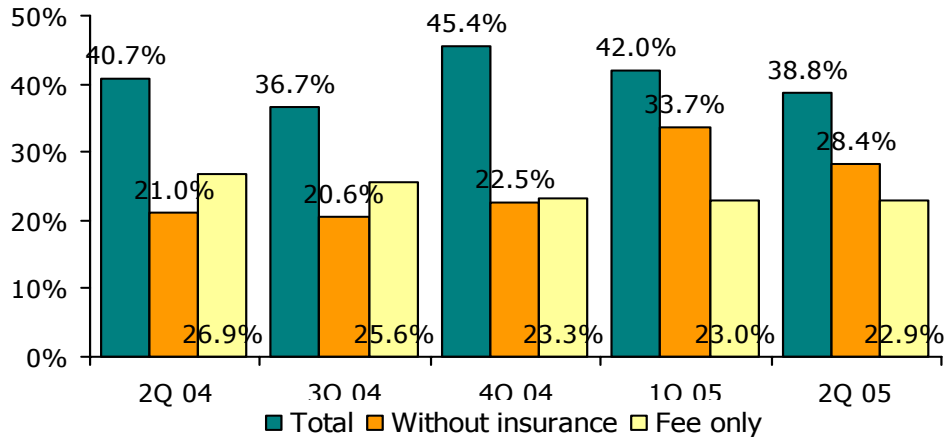
NET INTEREST MARGIN



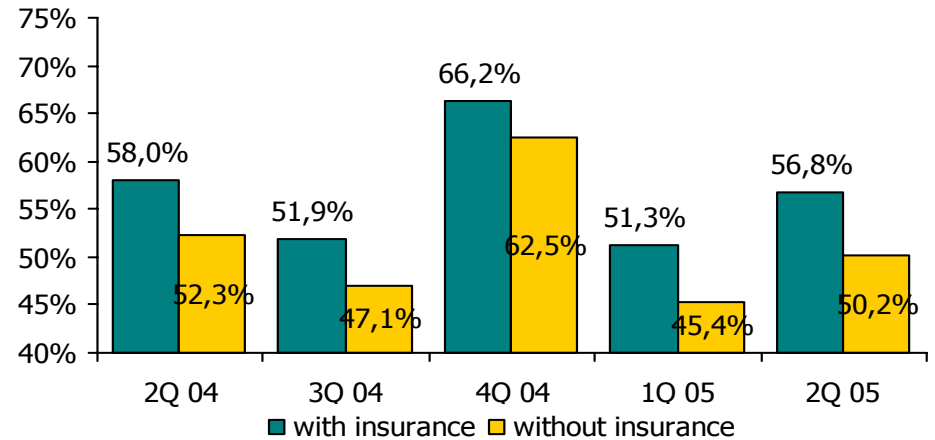
NET FEE MARGINS



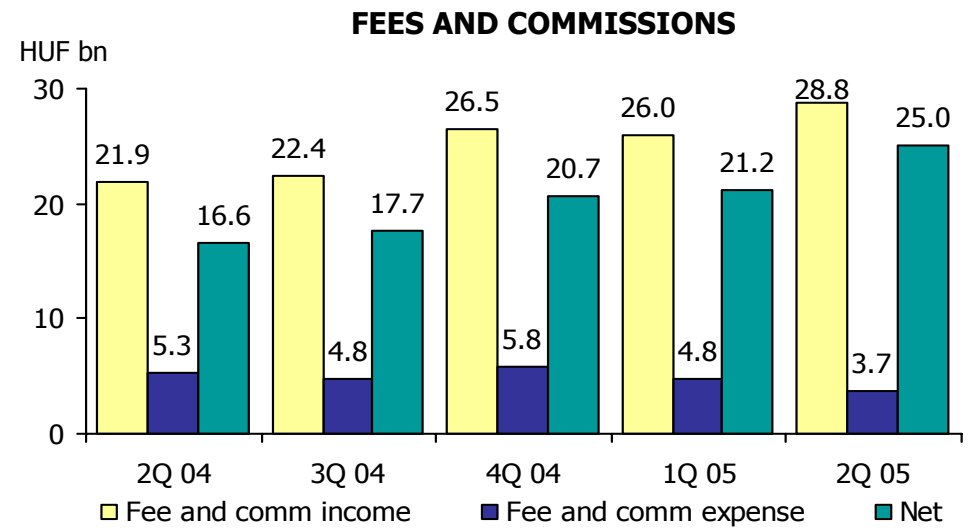
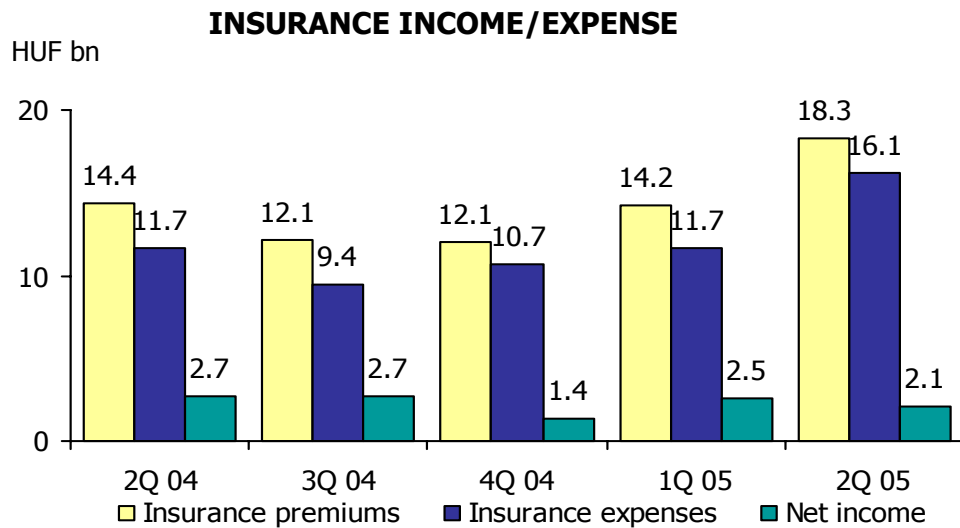
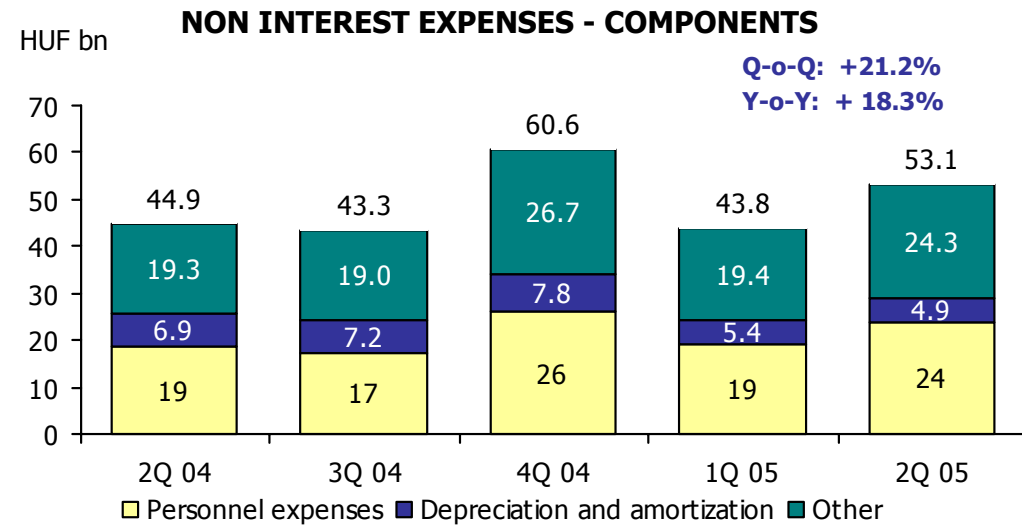
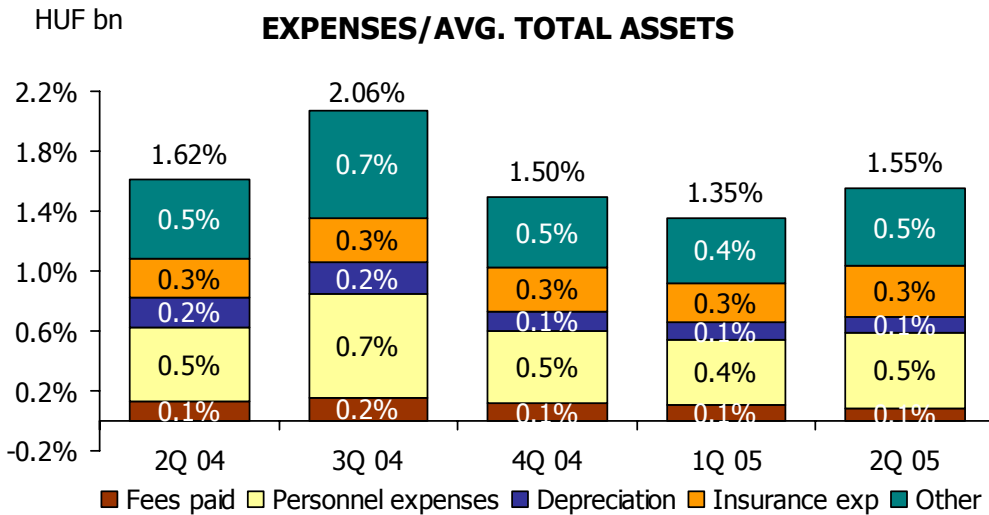
NON INT. INCOME/TOTAL INCOME



COST/INCOME RATIO

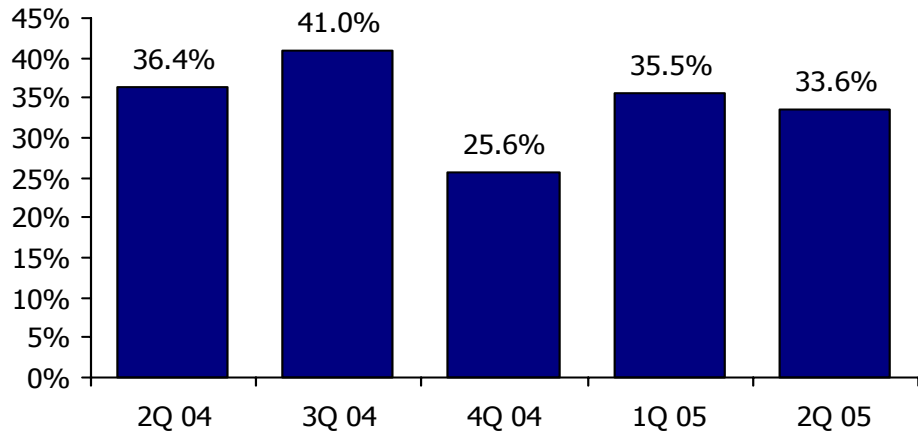


In 1H 2005, total non interest expenses were 15.6% higher than a year before

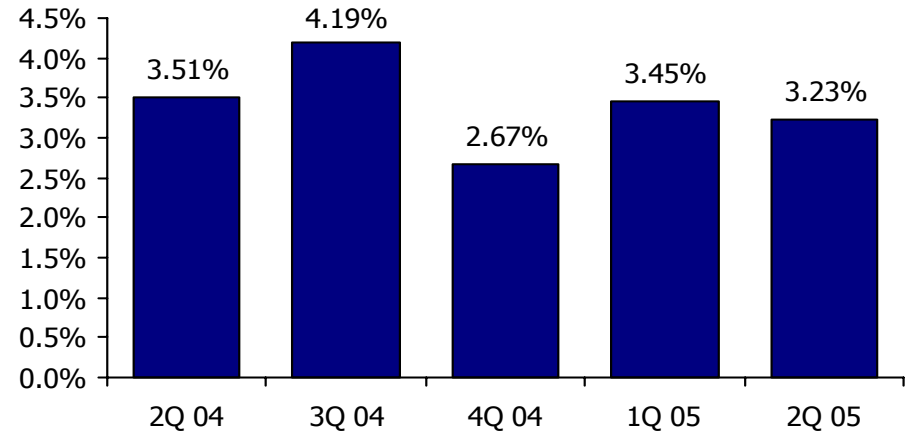


Main performance indicators

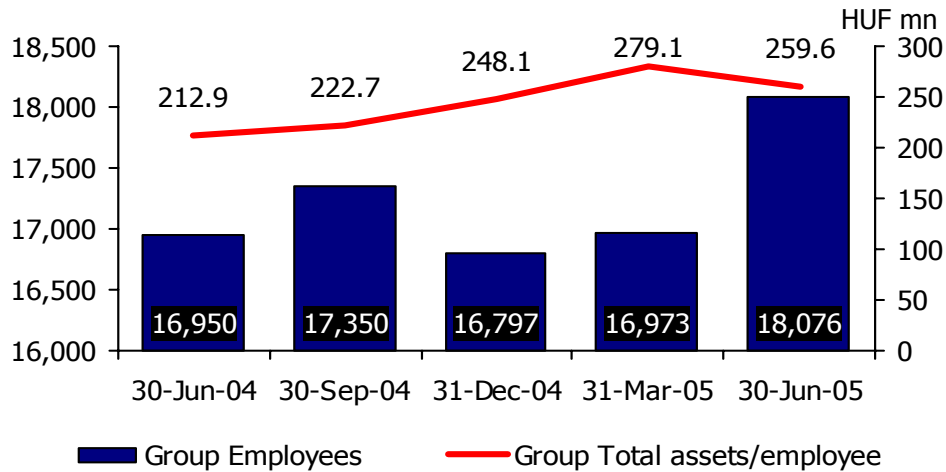
RETURN ON AVERAGE EQUITY



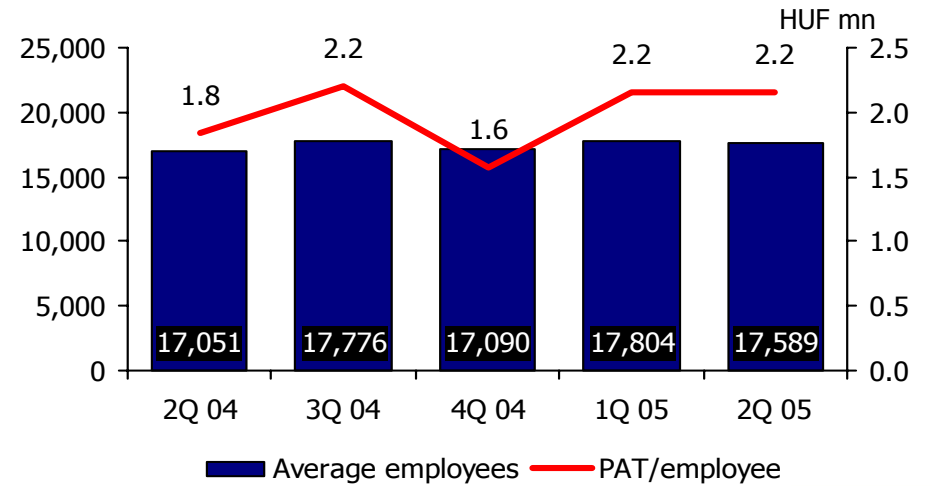
RETURN ON AVERAGE ASSETS



PRODUCTIVITY



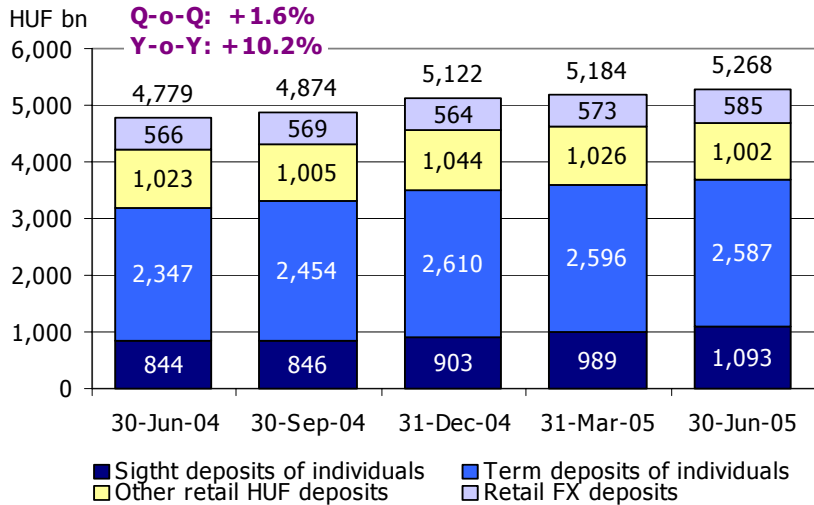
EFFICIENCY



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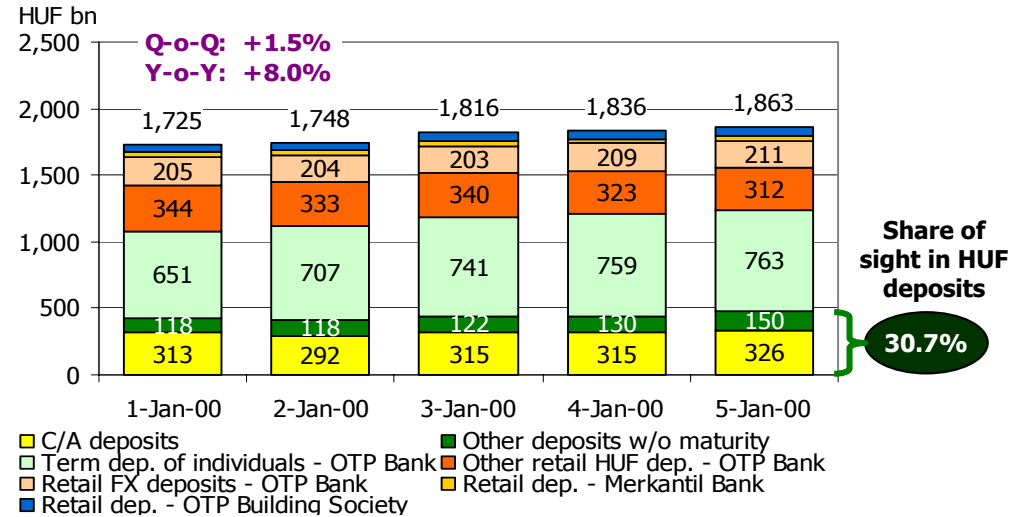
OTP Group maintained its over 35% market share in retail deposits in Hungary

RETAIL DEPOSITS OF CREDIT INSTITUTIONS



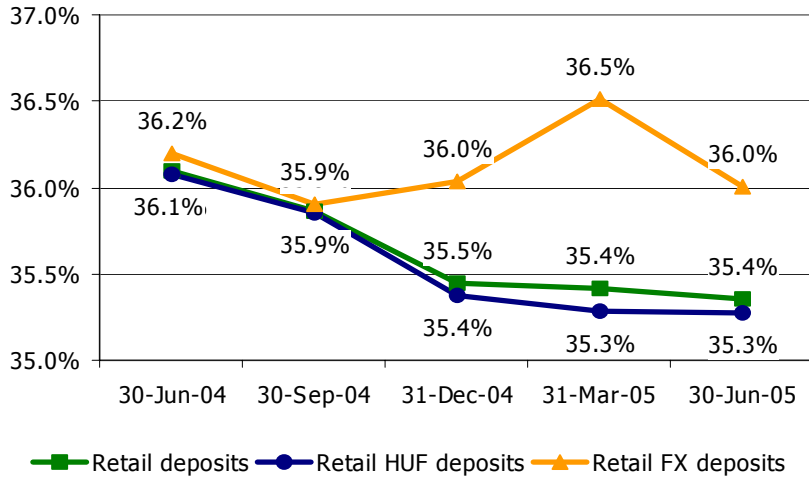
Share of sight in HUF deposits
23.3%

RETAIL DEPOSITS OF OTP GROUP

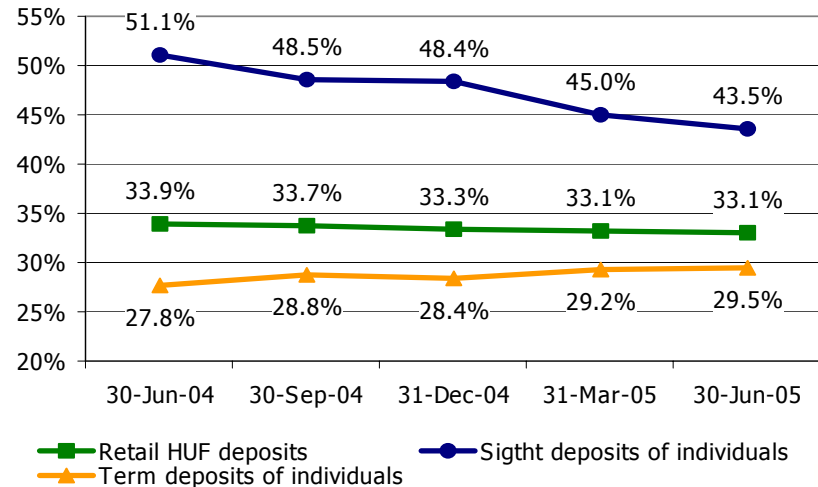


Share of sight in HUF deposits
30.7%

MARKET SHARE – OTP GROUP



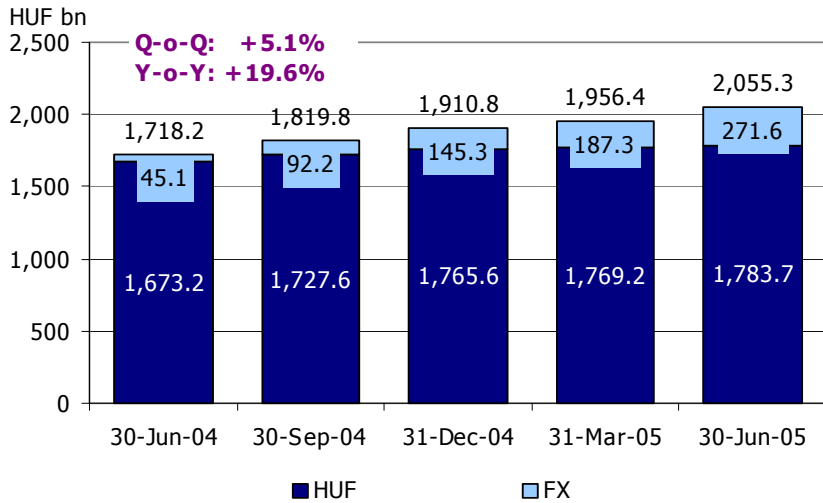
MARKET SHARE – OTP BANK



In this section OTP Group contains only the Hungarian financial institutions such as OTP Bank, OTP Mortgage Bank, Merkantil Bank, OTP Building Society

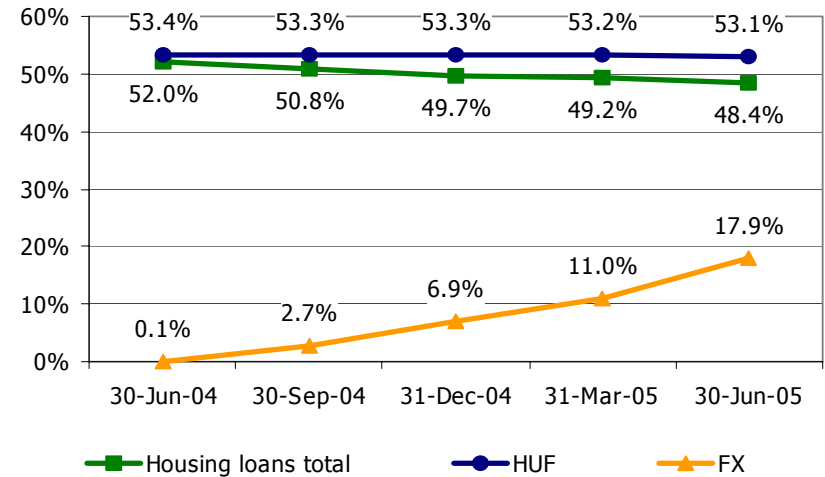
OTP Group kept its 53% market share in HUF housing loans, while share in FX housing loans increased to 18%

HOUSING LOANS OF CREDIT INSTITUTIONS

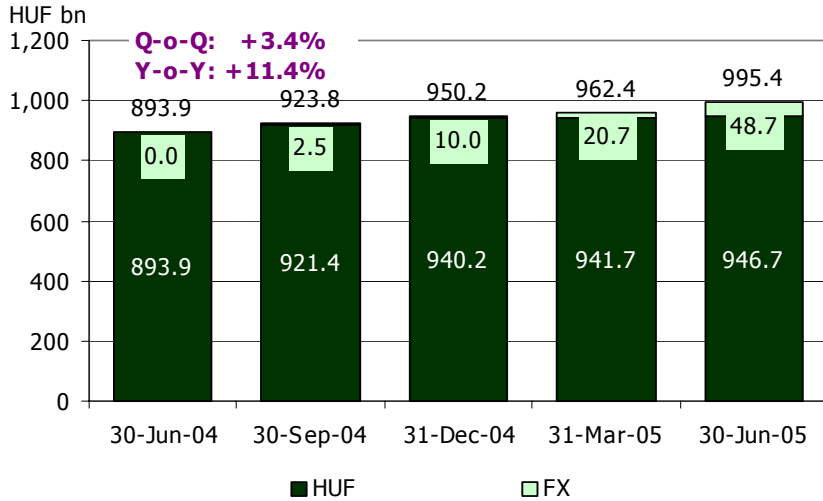


Share of FX loans
13.2%

MARKET SHARE – OTP GROUP

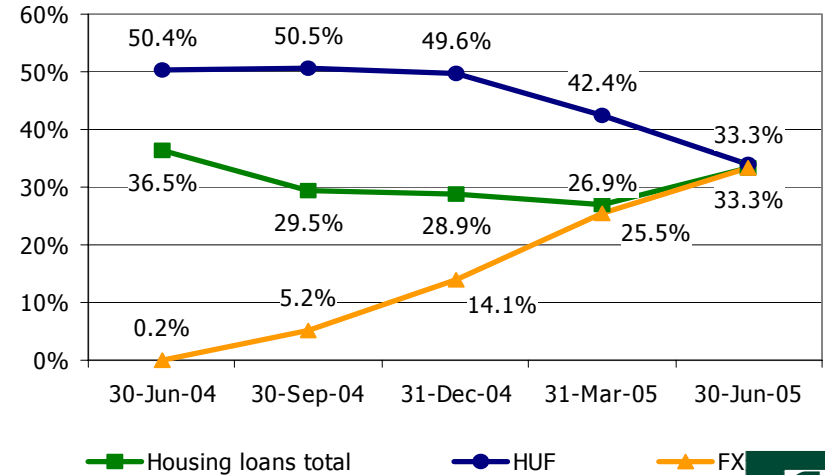


HOUSING LOANS OF OTP GROUP



Share of FX loans
4.9%

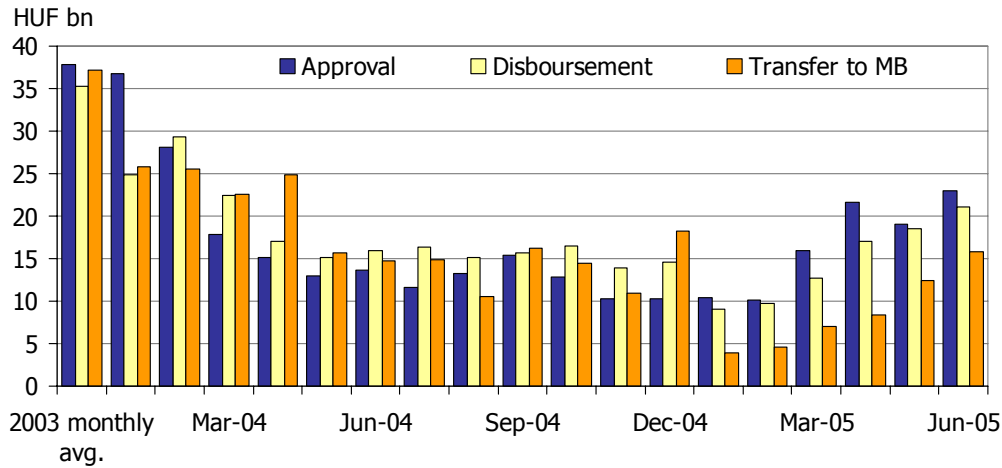
SHARE IN VOLUME CHANGES – OTP GROUP



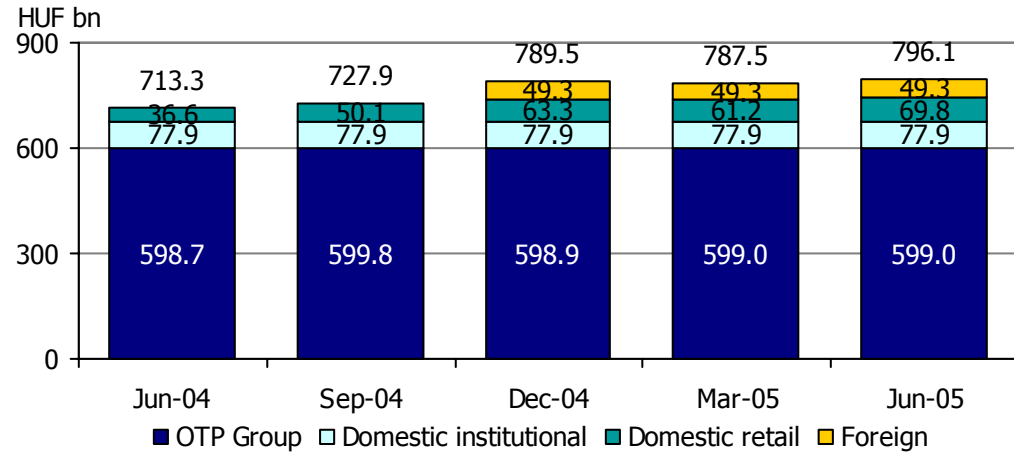
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Subsidized loans of OTP Mortgage Bank represented 78% of total housing loans of OTP Group in Hungary

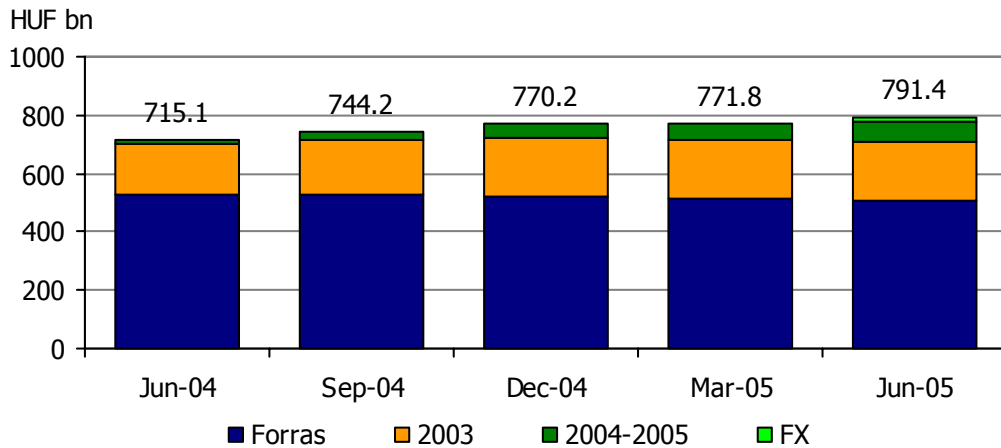
GROUP SUBSIDIZED HOUSING LOANS



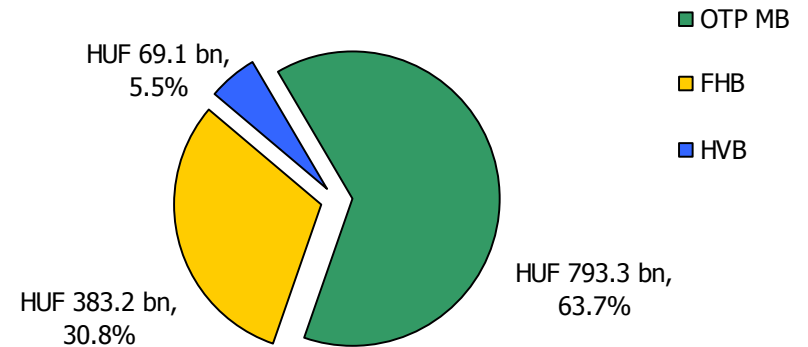
HOLDERS OF CMBS



MORTGAGE BANK'S HOUSING LOANS

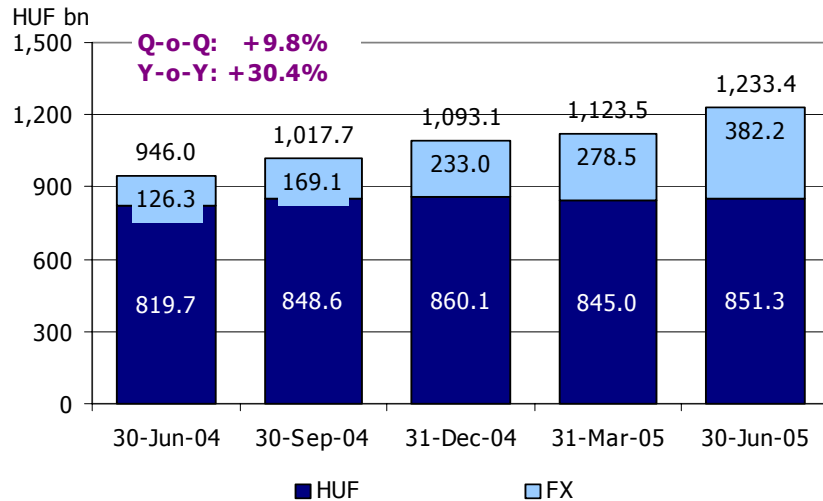


MARKET SHARE BY MORTGAGE BONDS ON MARCH 31, 2005



Household's consumer loans of OTP Group increased by 17% in 1H 2005

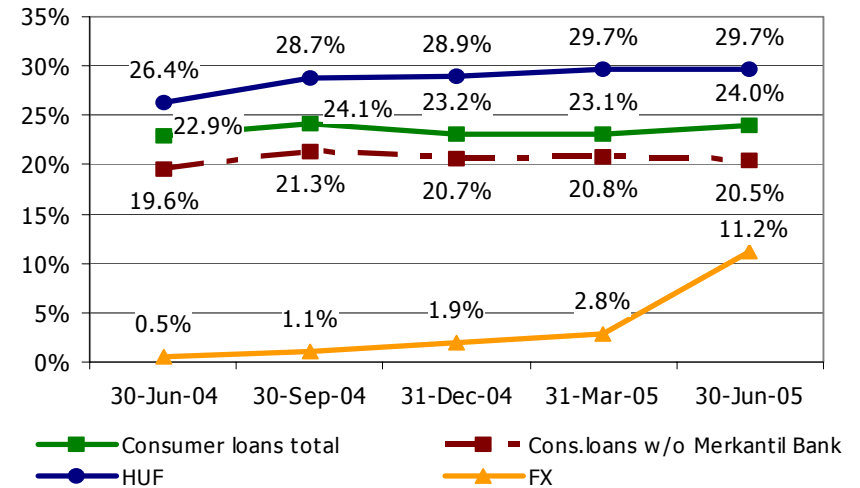
CONSUMER LOANS OF CREDIT INSTITUTIONS



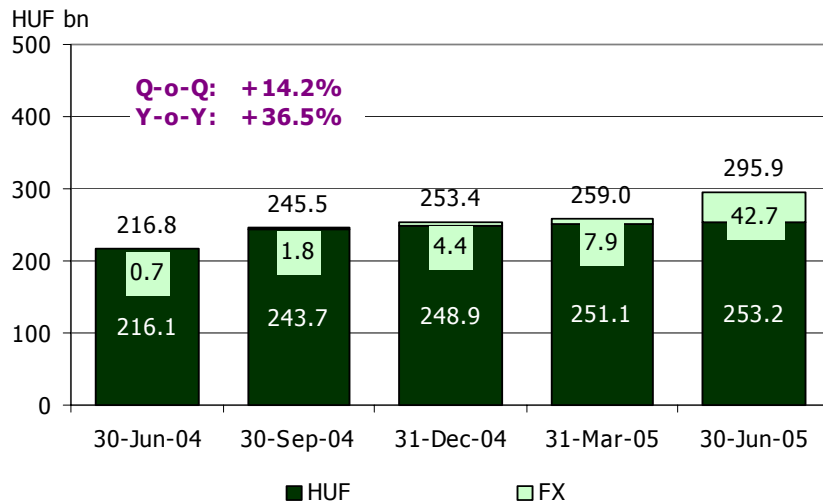
Share of FX loans

31.0%

MARKET SHARE – OTP GROUP



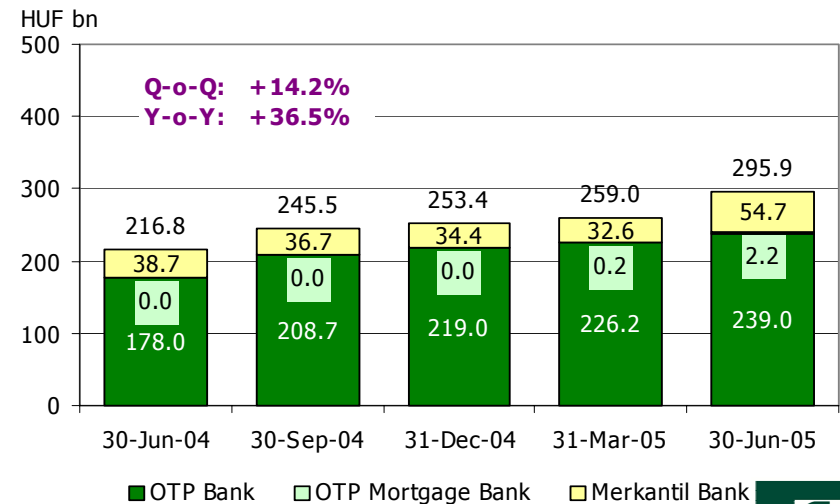
CONSUMER LOANS OF OTP GROUP



Share of FX loans

14.4%

CONSUMER LOANS OF OTP GROUP BY SUBSIDIARIES

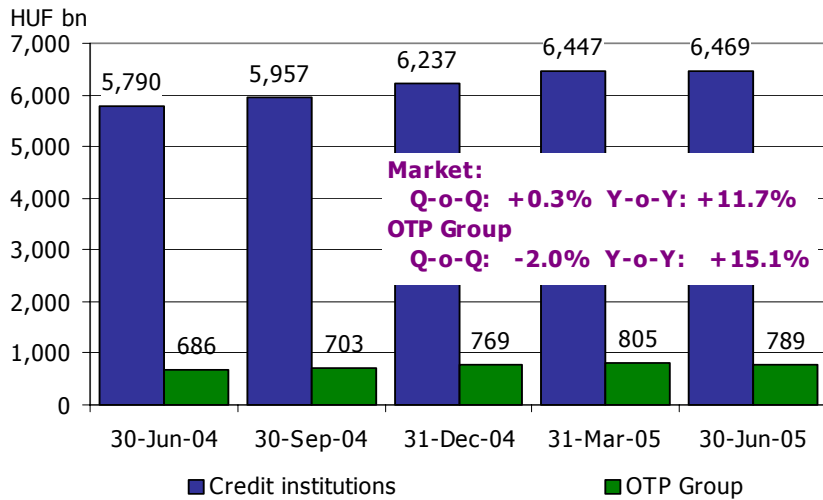


In this section OTP Group contains only the Hungarian financial institutions such as OTP Bank, OTP Mortgage Bank, Merkantil Bank, OTP Building Society

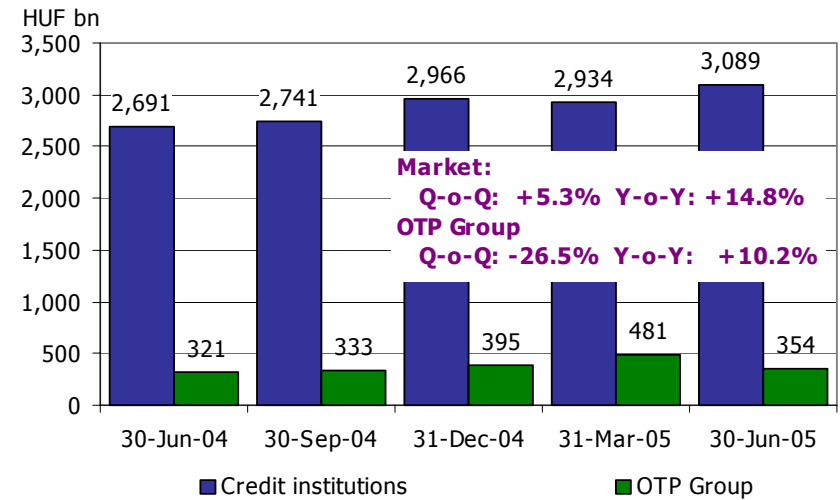


OTP Group is amongst the top players also in the corporate banking sector

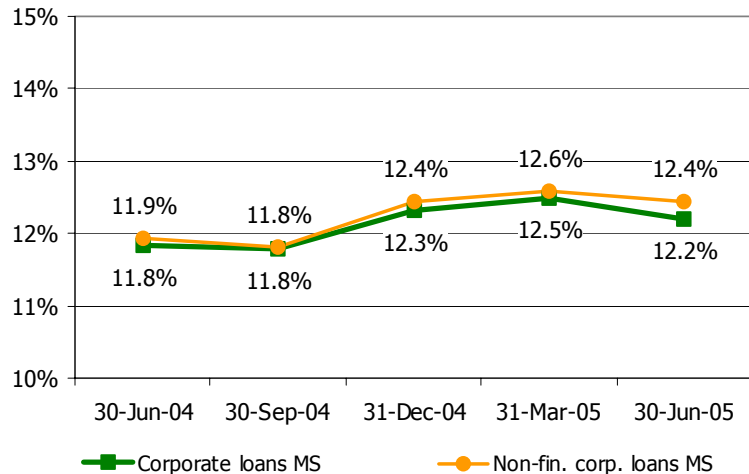
CORPORATE LOANS
(Volume of credit institutions and OTP Group)



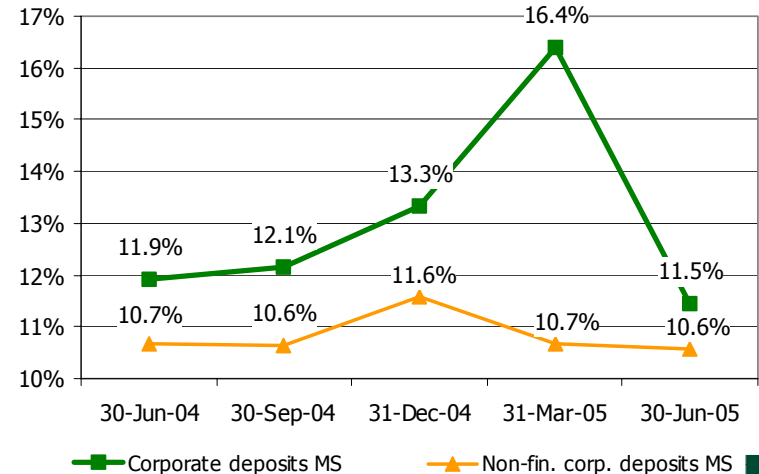
CORPORATE DEPOSITS
(Volume of credit institutions and OTP Group)



OTP GROUP MARKET SHARE – CORPORATE LOANS



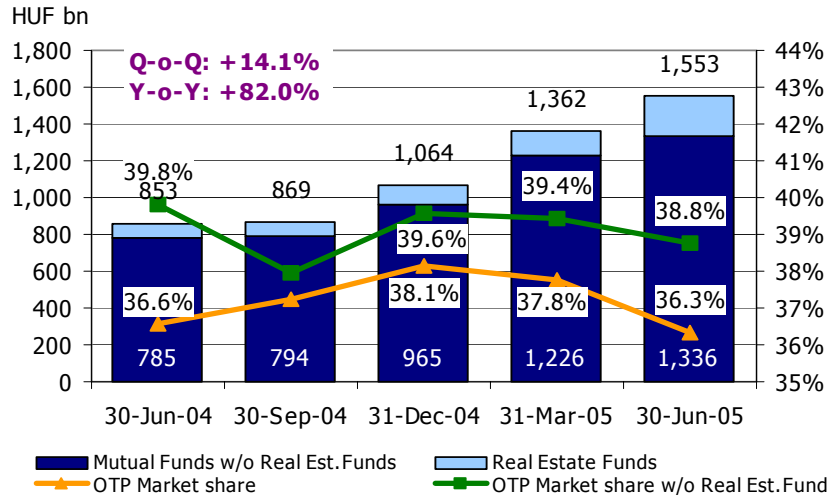
OTP GROUP MARKET SHARE – CORPORATE DEPOSITS



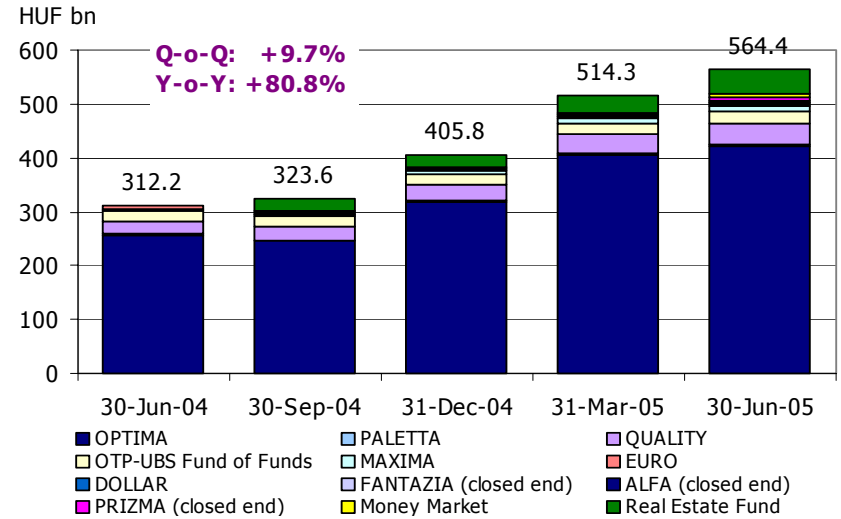
In this section OTP Group contains only the Hungarian financial institutions such as OTP Bank, OTP Mortgage Bank, Merkantil Bank, OTP Building Society

OTP Group managed 39% of mutual funds and 23% of pension funds in Hungary

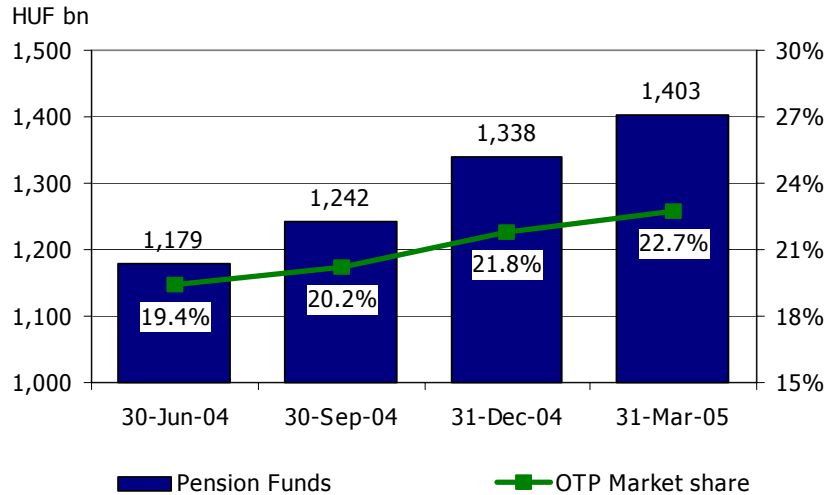
VOLUME OF MUTUAL FUNDS AND OTP MARKET SHARE



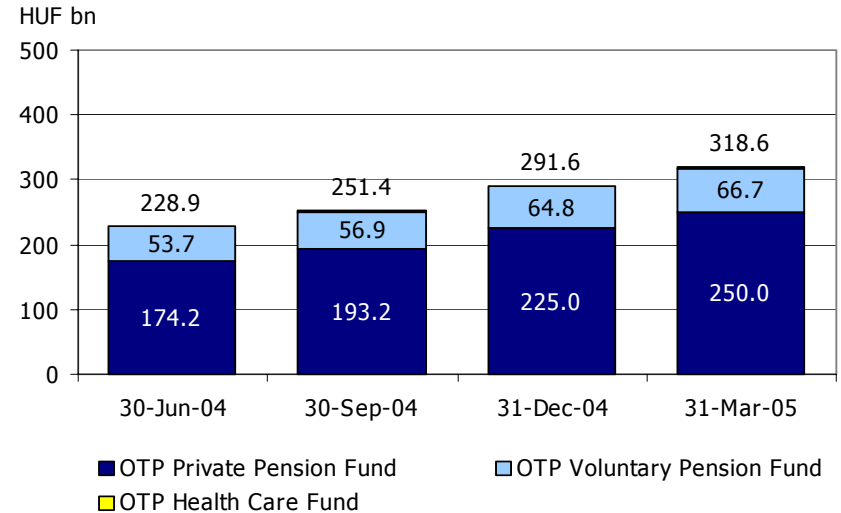
NET ASSET VALUE OF OTP FUNDS



WEALTH OF PENSION FUNDS AND OTP MARKET SHARE

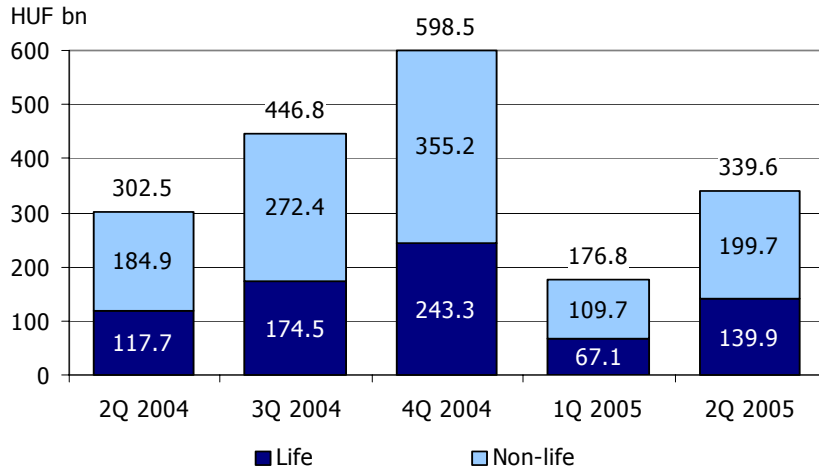


WEALTH OF OTP PENSION FUNDS

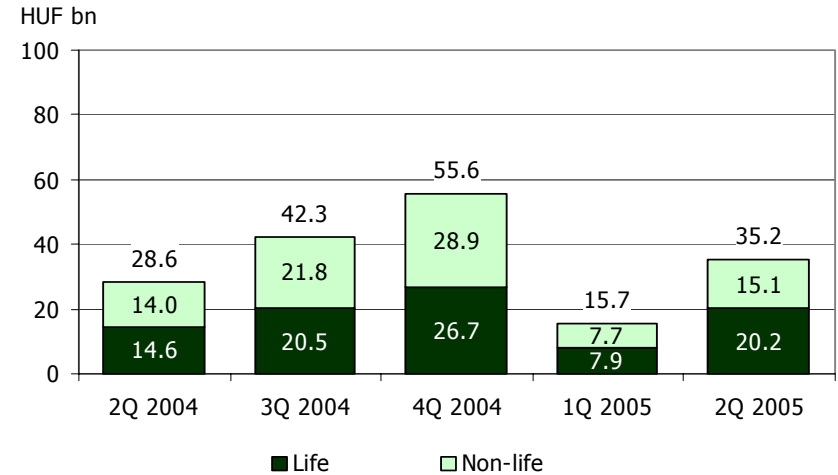


OTP Garancia is the 5th largest insurance company in Hungary and 2nd in life insurance*

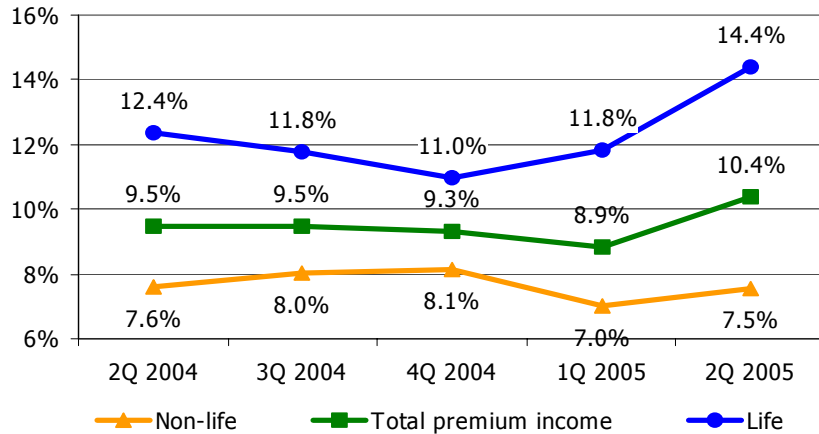
LIFE AND NON-LIFE PREMIUM INCOME (MARKET)



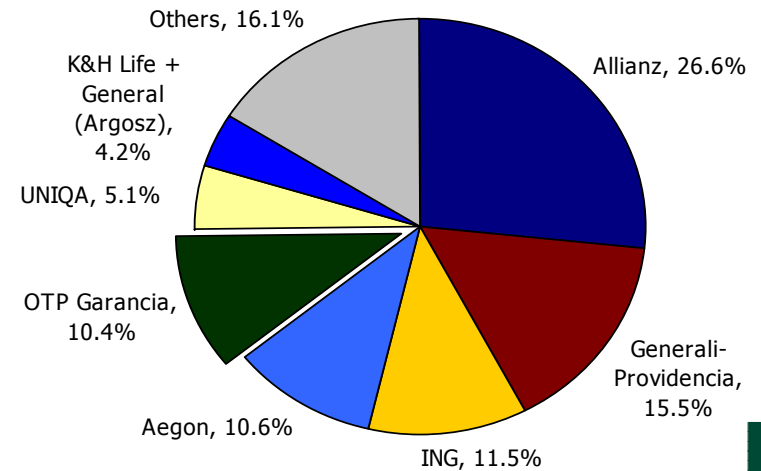
LIFE AND NON-LIFE PREMIUM INCOME (OTP GARANCIA)



OTP GARANCIA MARKET SHARE



MARKET SHARE OF MAIN COMPETITORS 1H 2005



* Based on volume of premium income in 1H 2005

- Macroeconomic environment and financial intermediary in Hungary
 - Key facts on OTP Bank
 - Financial performance (consolidated, IFRS)
 - Business performance on the main market segments in Hungary
 - Retail banking
 - Corporate banking
 - Fund management
 - Insurance
- OTP Bank in the Region

OTP Bank has made significant progress towards establishing a regional financial group

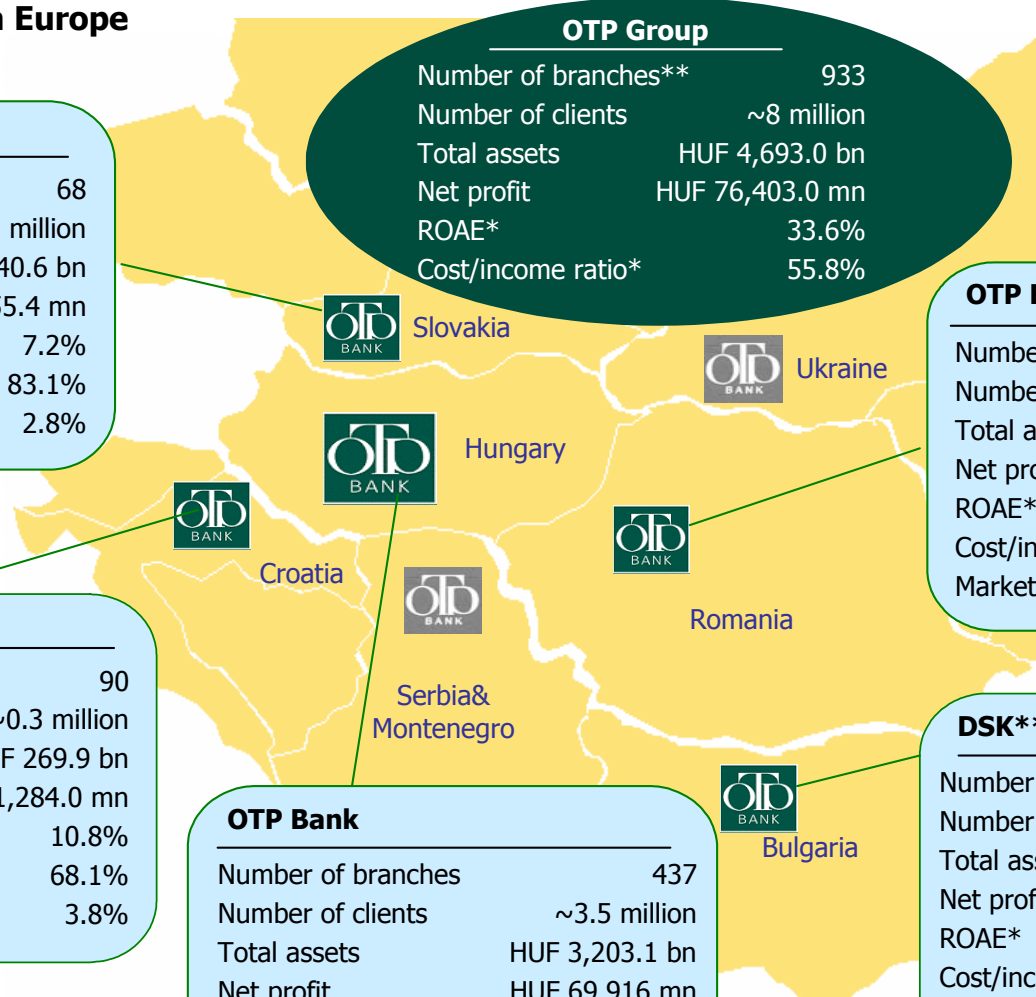
OTP Bank Group in Central-Eastern Europe 1H 2005 data, according to IFRS



OTP Subsidiaries



Target countries



OTP Group	
Number of branches**	933
Number of clients	~8 million
Total assets	HUF 4,693.0 bn
Net profit	HUF 76,403.0 mn
ROAE*	33.6%
Cost/income ratio*	55.8%

OTP Banka Slovensko	
Number of branches	68
Number of clients	~0.3 million
Total assets	HUF 240.6 bn
Net profit	HUF 555.4 mn
ROAE*	7.2%
Cost/income ratio*	83.1%
Market share in total assets	2.8%

OTP Bank Romania / RoBank/	
Number of branches	15
Number of clients	~0.03 million
Total assets	HUF 48.8 bn
Net profit	HUF -811.3 mn
ROAE*	-
Cost/income ratio*	-
Market share in total assets	~1%

Nova Banka (Croatia)	
Number of branches	90
Number of clients	~0.3 million
Total assets	HUF 269.9 bn
Net profit	HUF 1,284.0 mn
ROAE*	10.8%
Cost/income ratio*	68.1%
Market share in total assets	3.8%

OTP Bank	
Number of branches	437
Number of clients	~3.5 million
Total assets	HUF 3,203.1 bn
Net profit	HUF 69,916 mn
ROAE*	34.3%
Cost/income ratio*	48.3%
Market share in total assets	23.8%

DSK*** (Bulgaria)	
Number of branches	323
Number of clients	~3.7 million
Total assets	HUF 510.0 bn
Net profit	HUF 8,420.3 mn
ROAE*	28.7%
Cost/income ratio*	38.8%
Market share in total assets	14.2%

* Annualized
 ** Banks only
 *** DSK Group consolidated



Financial highlights of DSK Bank

(Consolidated, based on IFRS)

	1H 2004	2004	1H 2005	Y-o-Y	2005P	2005F	Y-o-Y(F)
Balance Sheet (HUF bn)							
Total assets	347.6	410.5	510.0	46.7%	570.3	539.7	31.5%
Total loans (gross)	213.4	273.4	333.2	56.1%			
Total loans (net)	209.3	267.9	324.5	55.0%	396.3	361.9	35.1%
Total deposits	290.0	331.3	382.9	32.0%	423.6	445.7	34.5%
Shareholders' equity	48.9	54.6	62.6	28.0%	68.5	64.8	18.7%
P&L (HUF mn)							
Net interest income	11,208	24,607	16,579	47.9%	32,128	33,646	36.7%
Provisions	3,477	5,004	3,085	-11.3%	3,877	4,357	-12.9%
Non-interest income	6,627	12,752	4,603	-30.5%	11,557	8,335	-34.6%
Net non-interest income	6,510	12,140	4,325	-33.6%	11,133	7,721	-36.4%
Total revenues	17,718	36,746	20,905	18.0%	43,261	41,367	12.6%
Non-interest expenses	8,296	18,941	8,386	1.1%	24,035	21,812	15.2%
Operating costs (without fee expenses)	8,179	18,328	8,108	-0.9%	23,610	21,198	15.7%
Profit before taxes	6,062	13,415	9,712	60.2%	15,773	15,812	17.9%
After tax profit	5,175	12,041	8,420	62.7%	13,428	13,408	11.3%
Net interest margin*	6.68%	6.71%	7.20%	0.5%	6.55%	7.08%	0.4%
Cost/income ratio*	46.2%	49.9%	38.8%	-7.4%	54.6%	51.2%	1.4%
ROAA*	3.09%	3.28%	3.66%	0.6%	2.74%	2.82%	-0.5%
ROAE*	22.0%	24.1%	28.7%	6.8%	21.8%	22.5%	-1.7%

* Annualized

Main financial data of the other foreign subsidiaries

(Based on IFRS)

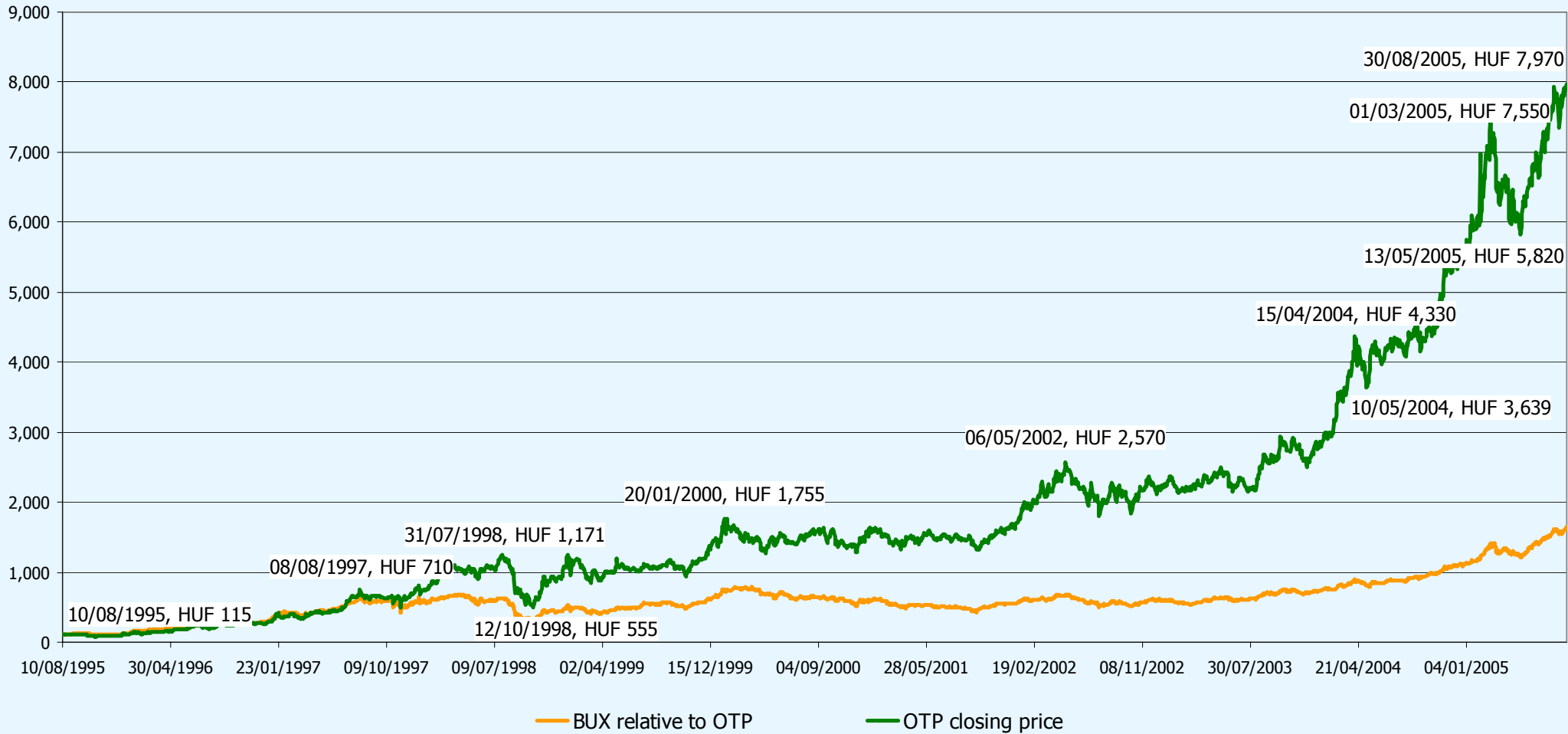
	OTP Banka Slovensko			OTP Bank Romania			Nova Banka
	1Q 2005	2Q 2005	Q-o-Q	1Q 2005	2Q 2005	Q-o-Q	2Q 2005
Balance Sheet (HUF bn)							
Total assets	204.9	240.6	17.4%	48.3	48.8	1.0%	269.9
Total loans and advances	143.4	168.7	17.7%	16.9	17.7	4.9%	134.6
Total deposits	135.4	148.5	9.7%	29.1	26.6	-8.5%	216.9
Loan/deposit ratio	106.0%	113.6%	7.2%	58.1%	66.6%	14.7%	62.1%
Shareholders' equity	15.4	15.7	2.0%	8.1	7.7	-5.3%	24.5
P&L (HUF mn)							
Net interest income	1,280.4	1,335.7	4.3%	557.5	358.8	-35.6%	2,327.1
Net interest margin after provision	1,272.0	982.8	-22.7%	-311.2	916.3	-394.4%	2,180.1
Non-interest income	1,352.0	1,704.8	26.1%	1,108.2	-418.5	-137.8%	1,222.9
Non-interest expenses	2,289.5	2,466.8	7.7%	847.8	1,239.0	46.1%	2,518.5
Pre-tax profits	334.5	220.9	-34.0%	-50.9	-741.2	1356.9%	884.5
After tax profits	334.5	220.9	-34.0%	-52.5	-758.8	1346.4%	706.2
Cost to income ratio*	86.4%	80.2%	-6.2%				68.1%
Return on Assets (ROA)*	0.64%	0.40%	-0.2%				1.08%
Return on Equity (ROE)*	8.8%	2.8%	-6.0%				11.9%

* Annualized

Nova Banka first consolidated in 1Q 2005 (Balance Sheet) and 2Q 2005 (P&L)

OTP share's performance on the Budapest Stock Exchange

(From August 10, 1995 to August 30, 2005)



Further information

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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 profit forecast.