Disclosure by institutions
31. March 2018

OTP Bank Plc. consolidated data

In line with Act CCXXXVII of 2013 on Credit Institutions and Financial Enterprises, and Regulation (EU) No 575/2013 of the European Parliament and of the Council
on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012

(English translation of the original report)

Budapest, 5 June 2018

I. OTP Group

I.1. Regulatory capital and capital requirements

I.1.1. Capital adequacy of the OTP Group

The capital requirement calculation of the Group for 31.03.2018 is based on CRR data. The prudential filters and deductions have been applied in line with the CRR during the calculation of regulatory capital.

The Group applied standardized capital calculation method regarding credit and market risk, advanced measurement approach (AMA) and basic indicator approach (BIA) regarding the operational risk. On 31.03.2018 the capital adequacy ratio of OTP Group - without the profit of financial year 2018 and the deduction of dividend payment of financial year of 2018 - was 16.97%. The Group regulatory capital requirement as of 31th March 2018 was HUF 690,804 million, the amount of regulatory capital was HUF 1,465, 542 million.

OTP Group's capital requirement

Capital requirement of OTP Group	
(million HUF)	**31.03.2018**
Total capital requirement	**690 804**
Capital requirement of capital and counterparty risk	562 667
Capital requirement of market risk	43 971
Capital requirement of operational risk	84 166

I.1.2. Information about disclosure requirements related to the regulatory capital in line with Commission Implementing Regulation (EU) No. 1423/2013

Breakdown of regulatory capital is presented according to the accounting scope of consolidation in the next section. Under regulatory scope of consolidation the regulatory capital is HUF 1,465,542 million (Tier 1 capital is HUF 1,300,081million), capital adequaccy ratio is 16.97%, CET1 ratio is 15.06%.

	Common Equity Tier 1 capital: instruments and reserves (in HUF million)	(A) 31 March 2018	(B) REGULATION (EU) No 575/2013 ARTICLE REFERENCE	(C) AMOUNTS SUBJECT TO PRE-REGULATION (EU) No 575/2013 TREATMENT OR PRESCRIBED RESIDUAL AMOUNT OF REGULATION (EU) 575/2013
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	1 505 898		
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	-205 816		
29	**Common Equity Tier 1 (CET1) capital**	**1 300 081**		
36	Additional Tier 1 (AT1) capital before regulatory adjustments	0		
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	0		
44	**Additional Tier 1 (AT1) capital**	**0**		
45	**Tier 1 capital (T1 = CET1 + AT1)**	**1 300 081**		
51	Tier 2 (T2) capital before regulatory adjustment	165 461		
57	Total regulatory adjustments to Tier 2 (T2) capital	0		
58	**Tier 2 (T2) capital**	**165 461**		
59	**Total capital (TC = T1 + T2)**	**1 465 542**		
61	**Common Equity Tier 1 (as a percentage of total risk exposure amount**	**15,06%**	92 (2) (a), 465	
62	**Tier 1 (as a percentage of total risk exposure amount**	**15,06%**	92 (2) (b), 465	
63	**Total capital (as a percentage of total risk exposure amount**	**16,97%**	92 (2) (c)	

I.2. Leverage ratio

In accordance with the permission of the supervisory authority referring to 575/2013/EU Article 499 (3), the calculation of leverage ratio is based on end-of-quarter data.

Leverage ratio	
(million HUF)	**31.03.2018**
Total exposure	14 283 201
Tier 1 capital	1 300 081
Leverage ratio	9,10%

1.3. The effect of the IFRS 9 standard

The transitional adjustment ease the IFRS 9 standard implementations effect (on the regulatory capital). The following table represent this effect to the regularory capital, capital ratio and leverage ratio.

IFRS 9 effect		
(million HUF)		**31.03.2018**
Regulatory capital		
1	Common Equity Tier 1 (CET1) capital	1 300 081
2	Common Equity Tier 1 (CET1) capital, as the institution had not applied the IFRS 9, or similar transitional rules connection with the expected lending loss-based accounting	1 252 200
3	Tier 1 capital	1 300 081
4	Tier 1 capital, as the institution had not applied the IFRS 9, or similar transitional rules connection with the expected lending loss-based accounting	1 252 200
5	Total capital	1 465 542
6	Total capital, as the institution had not applied the IFRS 9, or similar transitional rules connection with the expected lending loss-based accounting	1 417 661
Total risk weighted assets		
7	Total risk weighted assets	8 635 056
8	Total risk weighted assets, as the institution had not applied the IFRS 9, or similar transitional rules connection with the expected lending loss-based accounting	8 590 808
Capital ratios		
9	Common Equity Tier 1 (as a percentage of total risk exposure amount)	15,06%
10	Common Equity Tier 1 (as a percentage of total risk exposure amount), as the institution had not applied the IFRS 9, or similar transitional rules connection with the expected lending loss-based accounting	14,58%
11	Tier 1 (as a percentage of total risk exposure amount)	15,06%
12	Tier 1 (as a percentage of total risk exposure amount), as the institution had not applied the IFRS 9, or similar transitional rules connection with the expected lending loss-based accounting	14,58%
13	Total capital (as a percentage of total risk exposure amount)	16,97%
14	Total capital (as a percentage of total risk exposure amount), as the institution had not applied the IFRS 9, or similar transitional rules connection with the expected lending loss-based accounting	16,50%
Leverage ratio		
15	Total exposure	14 283 201
16	Leverage ratio	9,10%
17	Leverage ratio, as the institution had not applied the IFRS 9, or similar transitional rules connection with the expected lending loss-based accounting	8,77%