OTP Group
First nine months 2010 results

Conference call presentation – 19 November 2010

László Bencsik
Chief Financial and Strategic Officer

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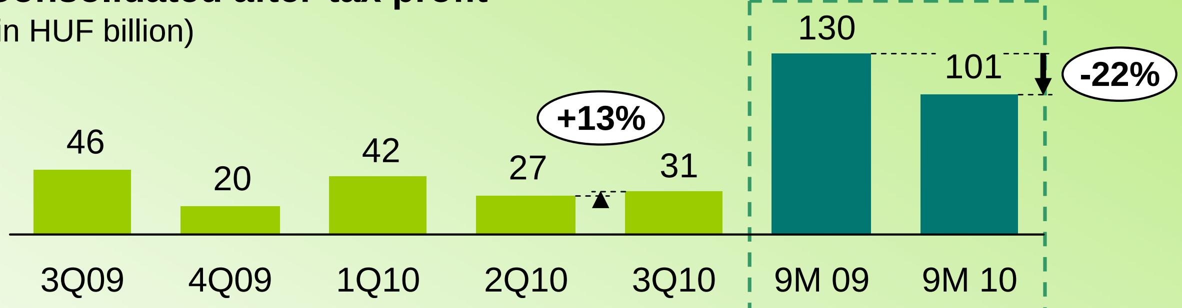
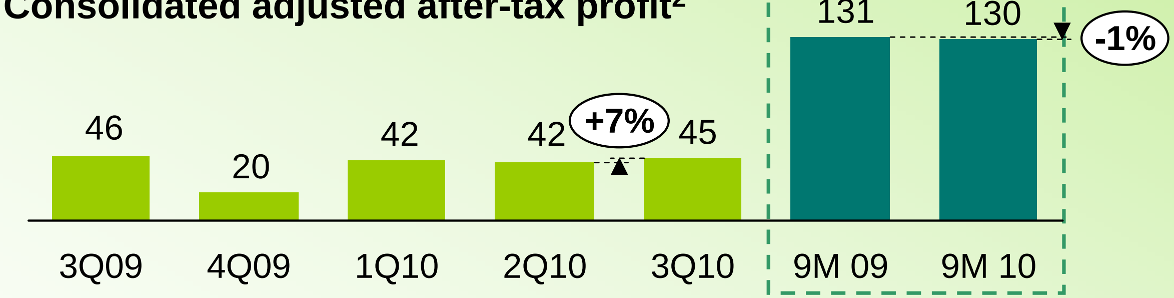
Adjusted after-tax profit for 9M 2010 was flat y-o-y (-1%), however in 3Q it already increased (+7% q-o-q), supported by decreasing risk costs as a result of moderating portfolio quality deterioration

Consolidated after-tax profit
(in HUF billion)



Consolidated adjusted after-tax profit[2]



In 3Q 2010 the following one-off items influenced after-tax profitability:

- Special tax for financial institutions resulted a HUF 14.7 billion after-tax cost, same expenditure is expected in 4Q 2010 (excluded from the adjusted after tax profit)
- HUF 3.1 billion after-tax fair value adjustment loss was realized due to spread tightening on HUF-FX basis-swaps (within OTP Core's IFRS interest income)
- HUF 6 billion IFRS tax shield was realized on the revaluation of subsidiary investments of OTP Bank (revaluation is only accounted under HAS, but not under IFRS), no further effect is expected in 4Q 2010, unless FX rate of the HUF moves again

In 3Q 2010 the structure of earnings was influenced by a single one-off item:

- HUF 5.9 billion pre-tax FX-loss offsetting the revaluation result of FX-provisions related to FX-loan portfolio at OTP Core. Accordingly in 3Q risk costs declined by HUF 5.9 billion due to the revaluation of FX provisions.

	3Q09	2Q10	3Q10	9M 09	9M 10
ROE (adjusted)	15.9%	13.2%	13.6%	15.6%	13.8%
Total income margin	7.93%	9.68%	7.40%	8.20%	8.38%
Total income margin (adj.)[1]	7.93%	8.08%	7.78%	8.20%	7.98%
Net interest margin	5.69%	7.01%	5.91%	6.13%	6.30%
Net interest margin (adj.)[1]	5.69%	6.09%	6.07%	6.13%	6.05%
Cost/income ratio	42.7%	37.0%	46.4%	43.5%	41.8%
Cost/income ratio (adj.)[1]	42.7%	44.4%	44.1%	43.5%	43.9%
Risk cost/avg. Gross loans	3.81%	5.38%	2.84%	3.23%	3.86%
DPD 90+ ratio	8.9%	12.4%	13.2%	8.9%	13.2%
DPD 90+ coverage	68.5%	74.0%	73.4%	68.5%	73.4%
Gross liquidity buffer (EUR million)	5,451	5,232[3]	5,651	5,451	5,651
CAR (cons., IFRS)	16.9%	17.3%	18.0%	16.9%	18.0%
Tier1 ratio (cons., IFRS)	13.2%	13.0%	14.1%	13.2%	14.1%
CAR (OTP Bank, HAS)	17.2%	16.4%	17.8%	17.2%	17.8%

[1] Without one-off items (FX-swap revaluation, FX-gain offsetting the fair value adjustment of FX-provisions of OTP Core and FX-gain related to FX-hedging of the provisions of some FX-loans of OJSC Ukraine) [2] After-tax profit w/o one-off items (revenue on strategic open position, goodwill impairment, consolidated dividends and special tax on financial institutions). [3] as of 10 August 2010

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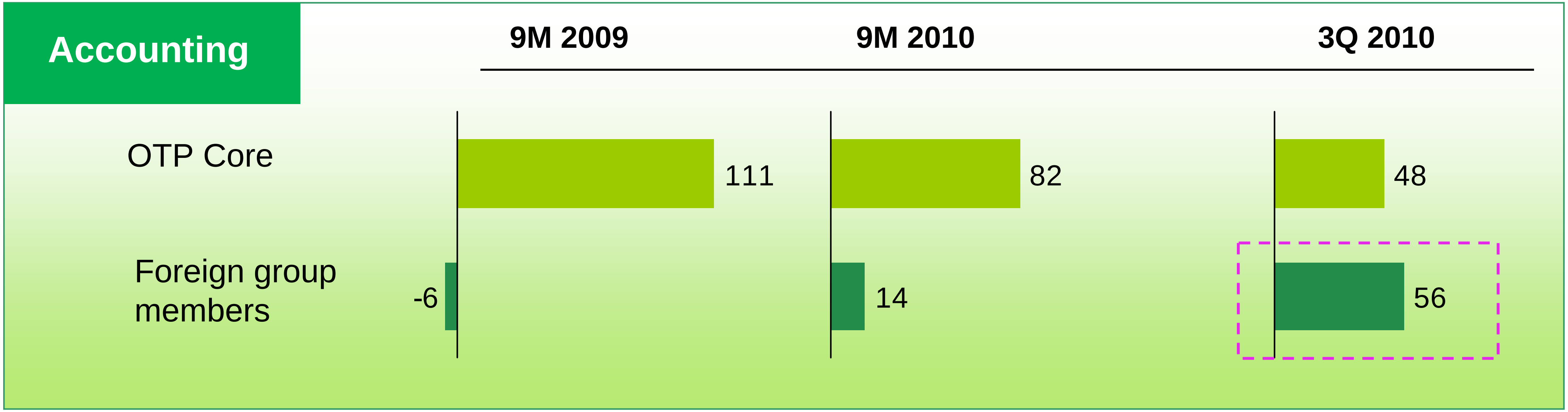
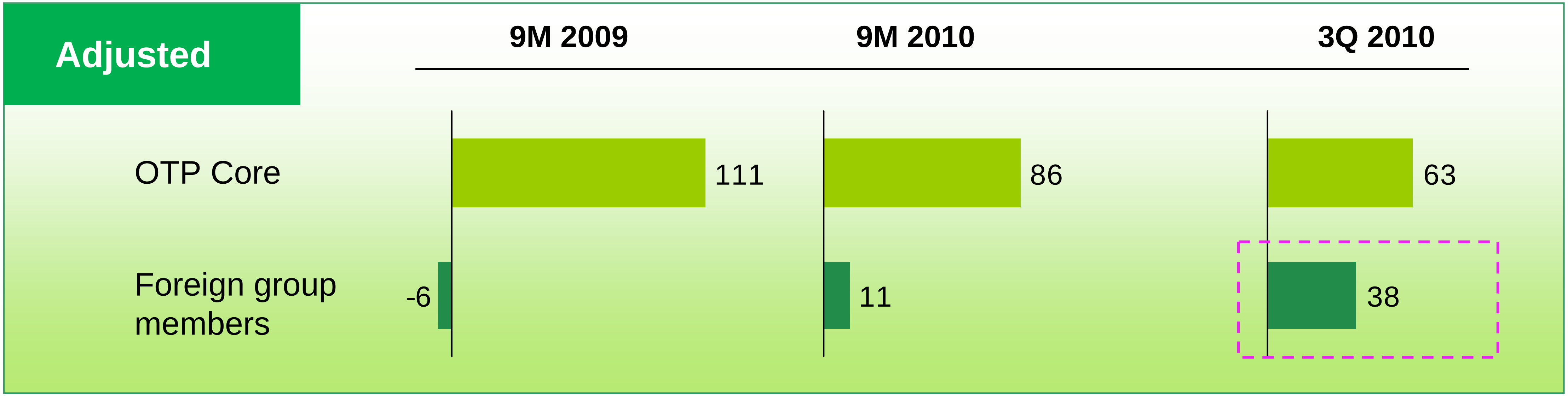
The foreign subsidiaries' contribution to adjusted consolidated profits increased close to 40% in 3Q, whereas their contribution to the accounting profits was even higher: 56%

Contribution to consolidated after-tax profit (%)





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Hungary: Accelerating GDP growth (3Q: 3.2%* q-o-q and 1.6% y-o-y), strong export performance and signs of domestic demand revival

In 2011 GDP growth is likely to be around 3%. External demand is likely to remain robust, as growth is expected to remain strong in our main trading partners.

In the first half of this year the main driver of the rebound was the exports. Nevertheless, in 3Q many macro-economic indicators suggest that consumption is likely to bottom out (e.g.: in 3Q the domestic sales of the consumer goods producers grew by 9.9% q-o-q). As a consequence of the introduction of the new PIT with a 16% flat rate, disposable income of the households may grow by 5% next year. It can boost the domestic demand further in 2011. The corporate investments can also accelerate as some big tickets investment, Audi (EUR 0.9 billion) and GM (EUR 0.5 billion) will start.

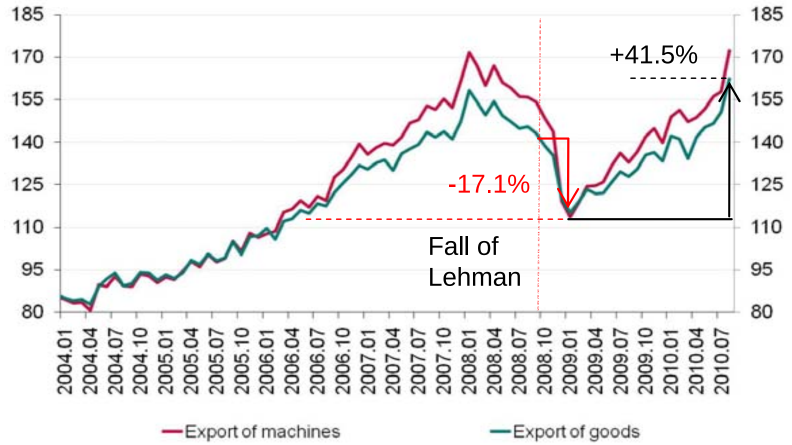
As the economic outlook improves, we can see turning point in the labour market. The labour demand of the export-led industries is particularly strong. The total employment grew by 50 thousand compared to the bottom, of which ~25 thousand came from manufacturing.

GDP

(Y-o-Y and annualized Q-o-Q growth rate, %)

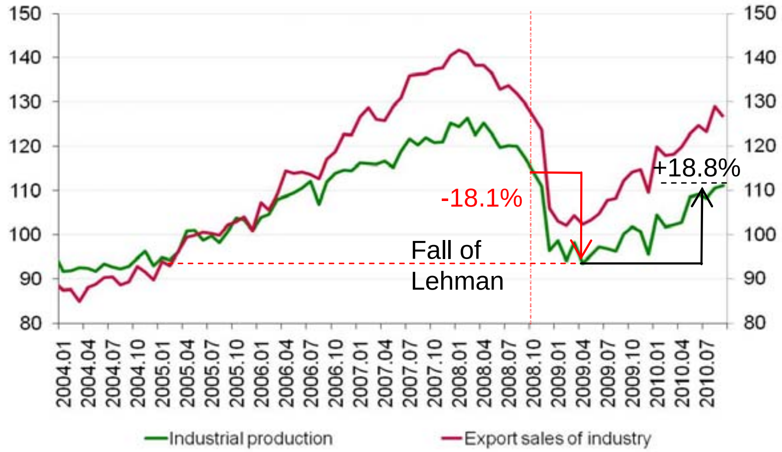
Export of goods

(seasonally adjusted monthly data, 2005=100)



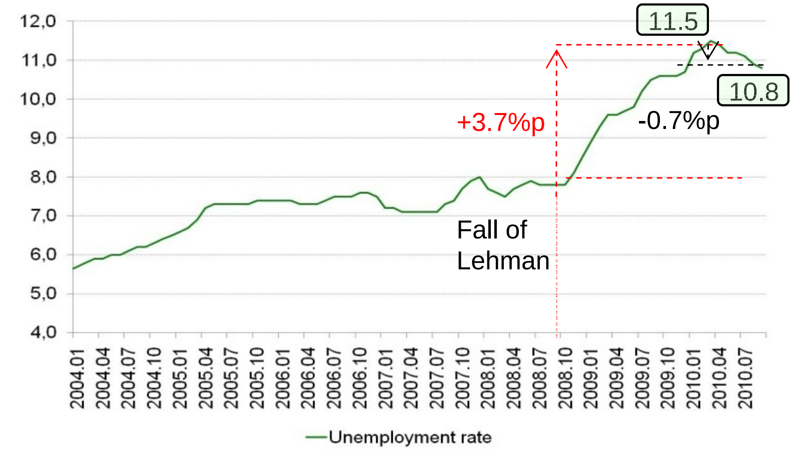
Industrial production

(seasonally adjusted monthly data, 2005=100)



Labour market indicators

(LFS, seasonally adjusted monthly data, %)



* annualized q-o-q growth rate

Source: Central Statistical Office, Eurostat

Hungary: surplus in trade balance and low fiscal deficit provide solid fundamentals for good economic performance

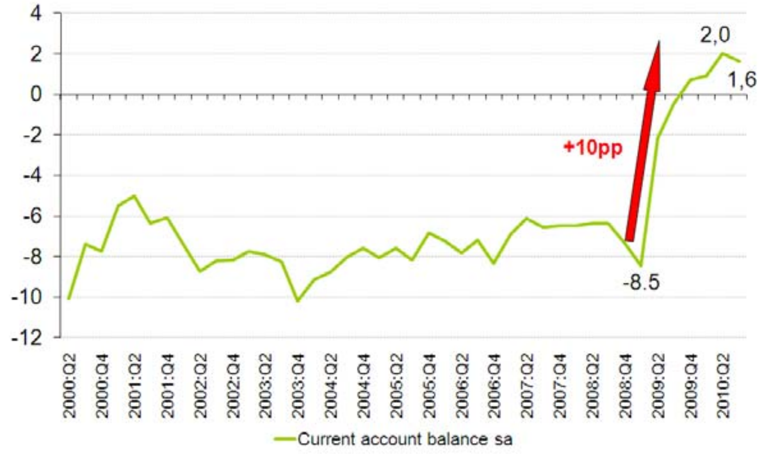
Current account deficit turned into a surplus from the beginning of 2009 as a consequence of sharp fiscal adjustment, the rise in household net savings ratio (up from 1.5% of GDP to 4.5-5%) and the sudden stop in capital flows. According to seasonally adjusted figures, it meant approximately 10%-points adjustment in the external balance.

As consumption is expected to pick up in 2011, demand for imports is forecasted to rise. In the following 2-3 years current account may creep back to a small deficit (1.5-2.5%) again. As it is expected to be covered by FDI, the fall in the net external debt will go on.

Deficit below 3% can be forecasted even without structural reforms in 2013 if 100% of the second pillar pension funds' clients opt for stepping back to the public pension system. If realized until the end of 2011, public deficit may swing to a surplus of 6.2% in 2011, owing to the one-off revenue from the private pension savings. In this case public debt can be reduced by almost 9%-points of GDP until the end of 2011, to 71.1%.

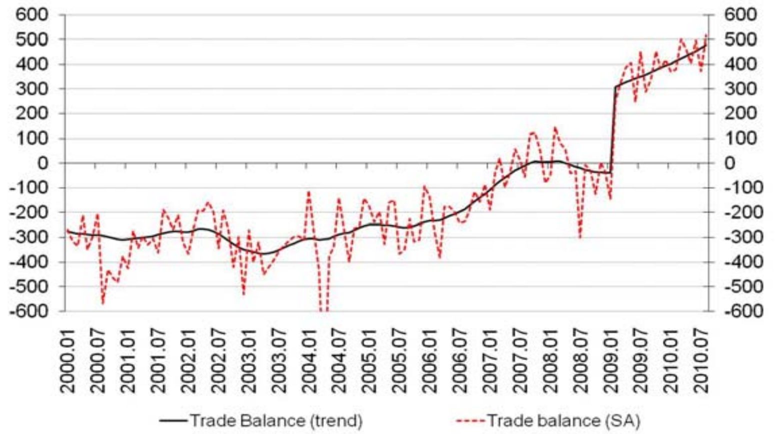
External imbalances

(in % of GDP)



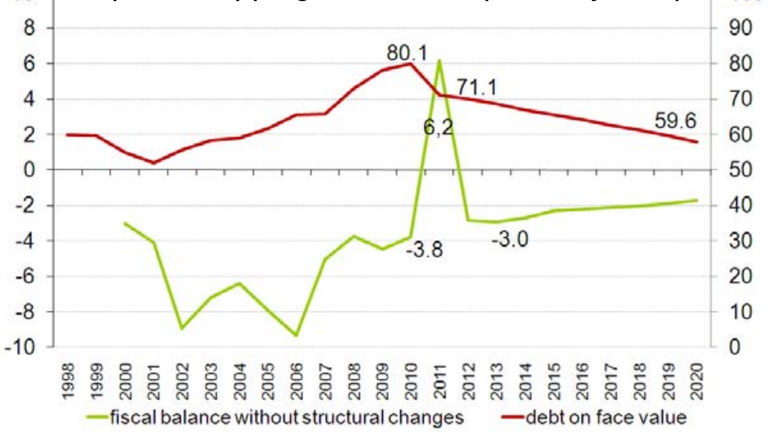
Trade balance

(seasonally adjusted monthly data, EUR million)



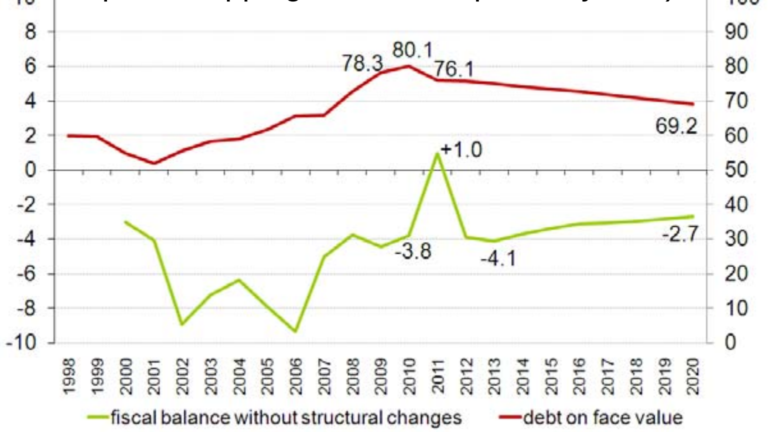
Deficit/Debt without structural reforms

(as % of GDP; if **100%** of the private pension clients opt for stepping back to the public system)



Deficit/Debt without structural reforms

(as % of GDP; if **50%** of the private pension clients opt for stepping back to the public system)



Source: Central Statistical Office, National Bank of Hungary, Ministry of National Economy, OTP Research

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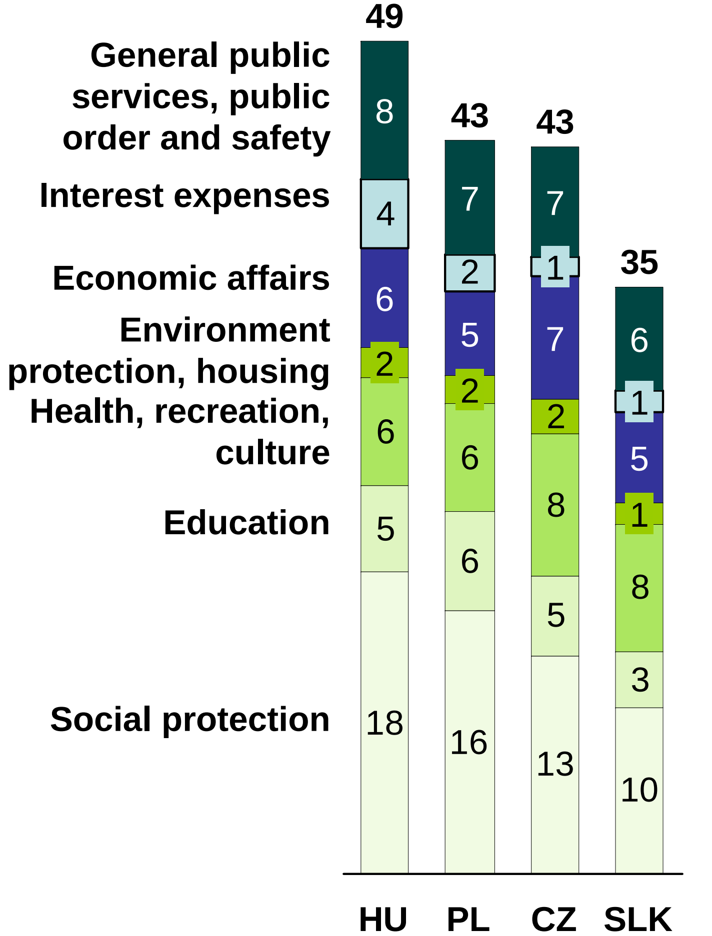
Compared to its peers, apart from its high debt-to-GDP ratio Hungary has suffered from 3 structural weaknesses: high central redistribution and therefore, high taxes and low employment

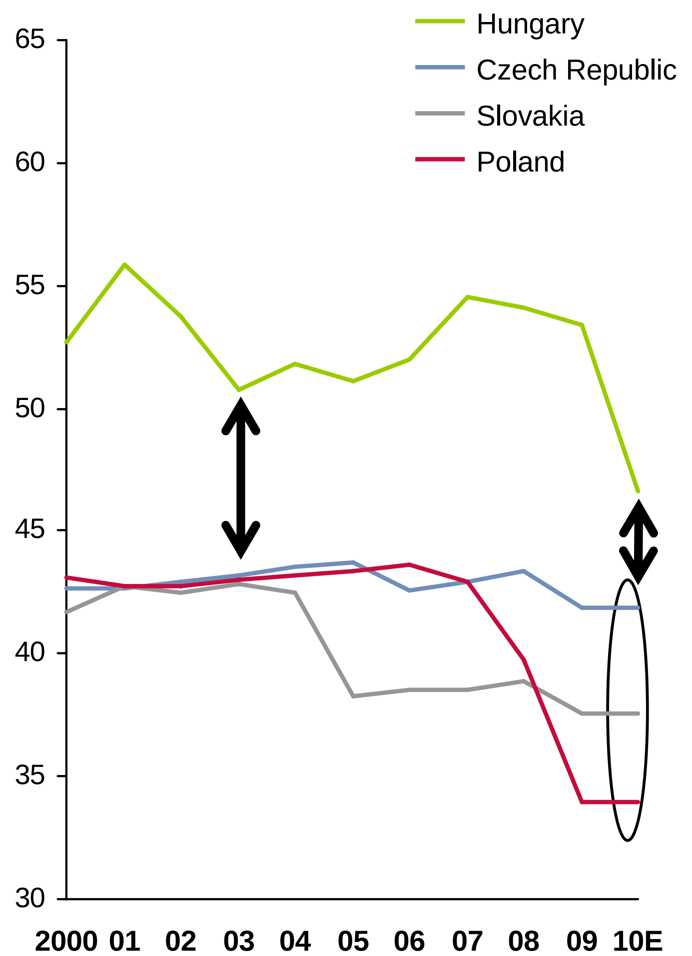
1. High level of central redistribution

Budget expenditure structure (as % of GDP, 2008)



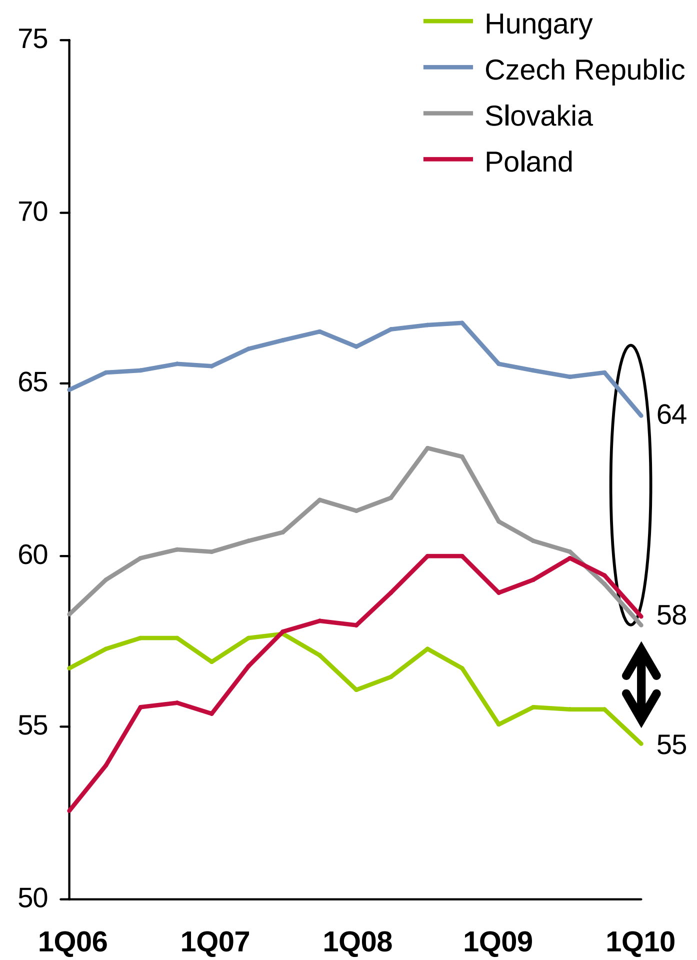
2. High level of taxes

Average tax wedge on average income* (%, 2000-2010E)



3. Low level of employment

Employment** (as % of total potential labor force, 1Q 2006-1Q 2010)



Source: Eurostat, OECD, OTP Research

* Average Tax wedge on average income: Total tax and social contribution paid by the employee and the employer imposed on the average income as % of the total labor costs (gross wage + social contribution paid by the employer);

** Employment: Total potential labor force between ages 15 and 64, LFS definition

The current government addresses all these 3 structural problems and aims for reviving the economic potential of the country

1. Structural changes

As announced on 15 November by the Prime Minister and the Minister of National Economy:

- Pension reform to balance the current HUF 900 billion (3.2% of the GDP) deficit in pension budget
- Health care reform to balance the social security fund deficit (HUF 700 billion or 2.5% of GDP) and improve the quality of the services
- State bureaucracy to be reduced by 25%; HUF 600-800 billion (2.1-2.8% of GDP) saving is expected
- Public transportation reform

Status

Detailed programme scheduled for spring

2. Lowering the tax burden

Corporate tax

- Reduction of the tax rate from 19% to 10% for small enterprises from June 2010 onwards
- Reduction of the tax rate from 19% to 10% for every corporate from 2013

Personal Income Tax

- 16% flat tax from 2011
- Elimination of 'super gross' tax base in two steps until 2013

Radical simplification of tax administration

Status

Already incorporated in the 2011 budget and the Parliament has voted through these tax changes

3. Boosting employment

Declared goals:

+1 million employees in ten years

+0.4 million employees in five years

Number of employed is already up by 50 thousand persons since the bottom

Education reform to ensure skilled workforce in the relevant industries

Status

Rising seasonally adjusted activity rate already visible

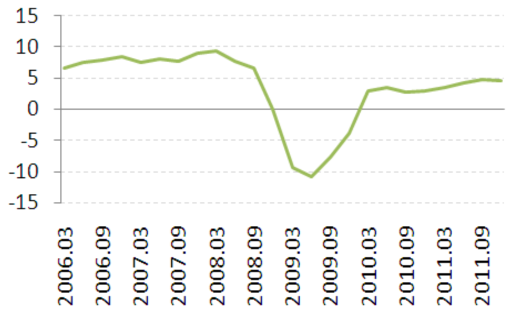
Source: Ministry of National Economy, OTP Research

Russia: strong growth everywhere; Ukraine: the highest growth in the region, IMF funding and Russian investment further boost confidence

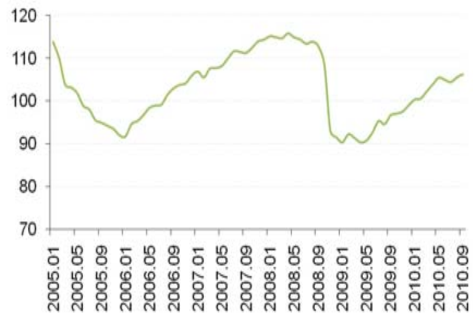
Russia

Strong growth can be observed in nearly every sector of the economy, although the record summer heat brought heavier losses in production than had been expected. Domestic demand firmly contributes to the growth with consumption and investment increasing 4-5% on a year average in 2010. Demand for oil and gas – if accompanied by liquidity in global markets – may boost prices of these products. The government's counter-cyclical spending from the fiscal reserves is a key factor which will lift growth above 4% in 2011.

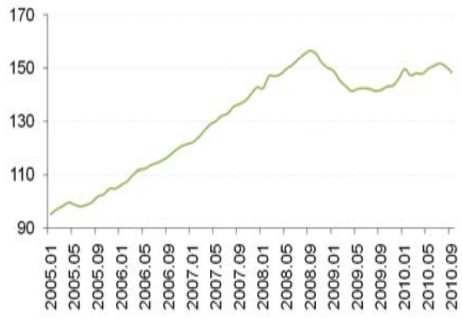
Real GDP growth (%)



Manufacturing (2005=100)



Retail sales (2005=100)



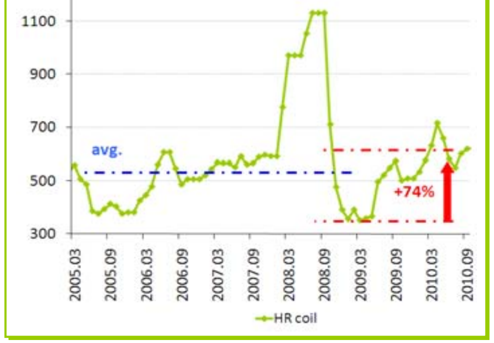
Ukraine

In June 2010 USD 14.9 billion IMF credit line was approved for Ukraine in exchange for structural reforms in the areas of the budget, national bank and exchange rate policy. IMF presence boosts prospects for the economic outlook. We expect growth to exceed 4% this year which will continue into 2011 as well. Exchange rate is forecasted to remain flat. As part of the Russian-Ukrainian agreement in April 2010, Russia is engaged in investing USD 40 billion in the following 10 years.

Central bank reserves (USD million)

Exchange rate and CDS-spread

Steel prices (USD/ton)

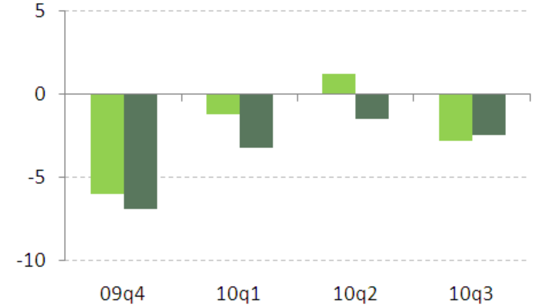


Romania: fiscal consolidation resulted in GDP contraction; Bulgaria: on the path of recovery; Slovakia: strong growth but fiscal adjustment will be required

Romania

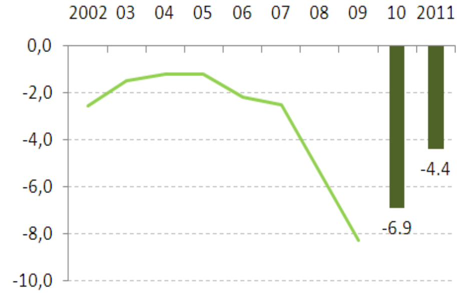
Romania started to implement significant austerity measures in July 2010. Short-term indicators of domestic demand fell very sharply after the implementation: construction fell by nearly 30%, retail trade by 10% within one month and 3Q GDP shows 2.8% annualized fall compared to previous quarter. Inflation rose to 7.8% due to the VAT hike and the rise in food prices. As the IMF agreement comes to an end in 2011, it is very likely that Romania will ask for a precautionary agreement next year.

Real GDP growth (%, SA, annualized q-o-q and y-o-y rates)



Industrial production (SA, 1H 2008 = 100)

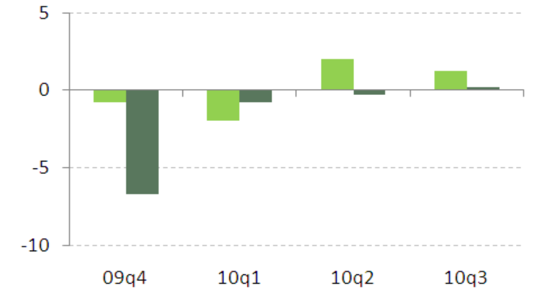
Budget balance and official target numbers (in % of GDP)



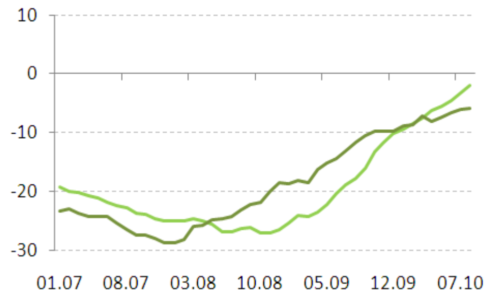
Bulgaria

The worst seems to be over for Bulgarian economy, GDP increased y-o-y by 0.2% in 3Q 2010. The main driver is industrial production and exports, but retail trade also looks to hit the bottom. Current account balance is getting close to zero, while FDI inflow still exceeds 5% of GDP. Budget deficit is likely to remain below 5% of GDP in 2010, which is quite moderate compared to CEE average and the government already took measures to reduce it. Taking into account the low public debt (16% of GDP), high fiscal (10% of GDP) and FX reserves (35% of GDP), the state financing is rock solid.

Real GDP growth (%, SA, annualized q-o-q and y-o-y rates)



Current account balance and FDI-inflow (-1x) (in % of GDP, 12M rolling)

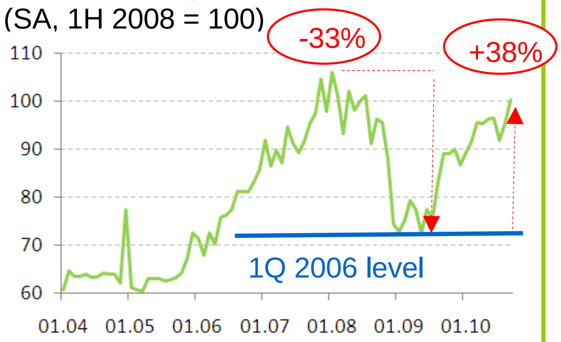


Industrial production and export (SA, 1H 2008 = 100)

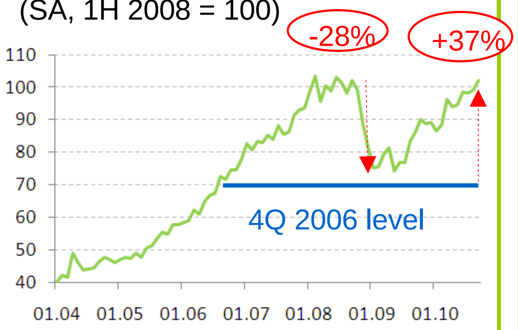
Slovakia

As global recovery took place after the fall of '09, Slovakia's economy gains momentum: both manufacturing production and export rose by about 35-40% from the depth. Household credit flow has remained in the positive territory and especially housing loan flow has performed well – despite of the still fragile domestic demand. Most analysts predict about 4% GDP growth for this year which is likely to be reduced due to the sharp fiscal tightening requirement. The budget consolidation will take place from 2011.

Manufacturing (SA, 1H 2008 = 100)



Export (SA, 1H 2008 = 100)



Monthly, annualized household mortgage loan flow (SA, in % of GDP)

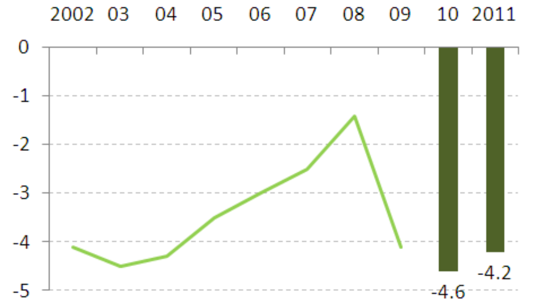
Source: Eurostat, Statistical Office of Romania, National Bank of Bulgaria, National Bank of Slovakia

Croatia: industrial production and retail trade have bottomed out; Serbia: strict fiscal policy with solid growth; Montenegro: positive developments in the last quarter

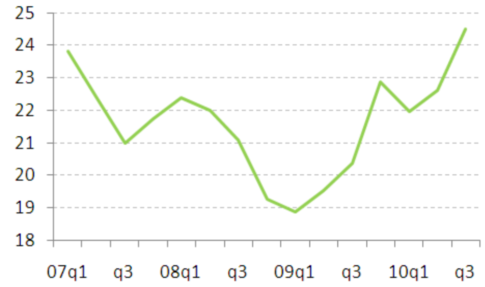
Croatia

Croatian politicians are still committed to solid policy framework: the budget deficit – even after abolishing some income measures introduced in the previous year – could be around 4.5% of GDP which is among the lowest levels across Europe and the exchange rate of Kuna is still in a tight corridor. This provides a base for future dynamic growth. But in the present it has its own cost: the lack of fiscal stimulus and currency depreciation have delayed recovery, although industrial production and retail trade have been bottoming out finally. The main risk about growth is the poorly performing labor market.

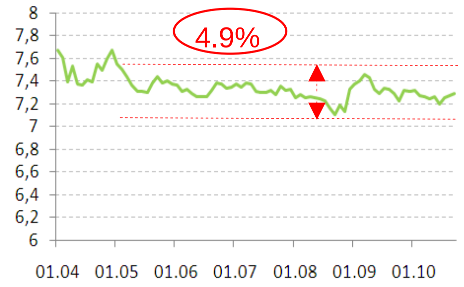
Deficit of general government *
(in % of GDP)



FX Reserves
(in % of GDP)



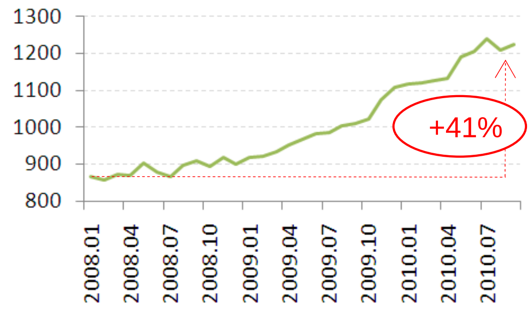
EUR/HRK
(eop)



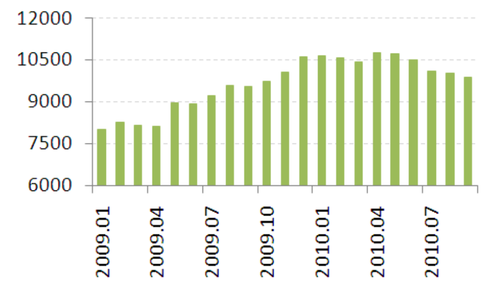
Serbia

Due to the IMF, fiscal policy is solid, the budget deficit is under control. Public debt is still low, while GDP growth could reach 2% this year (the latest data is 2.1% for 3Q). The depreciation of the dinar is manageable, but if anything happened, the National Bank's FX Reserves are over 40% of the GDP.
Continuing positive loan and deposit flows on the banking market.

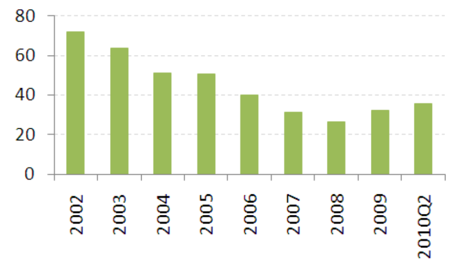
Deposit stocks (RSD billion)



FX Reserves (EUR million)



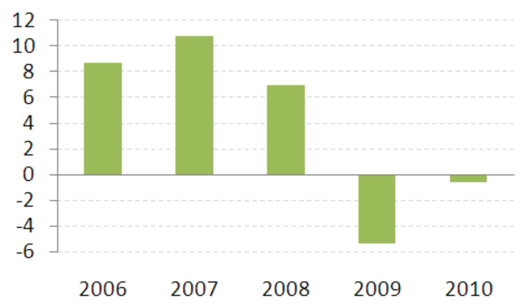
Public debt (as % of GDP)



Montenegro

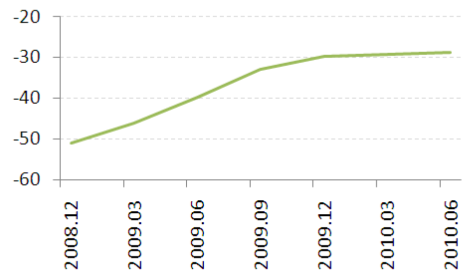
The economy recovered in 3Q after the constant contraction in the previous seven consecutive quarters. Though the current account deficit is still near 30% of the GDP, developments tend to a positive direction: in the last six quarters the deficit shrank by 22%-points. Due to the lack of currency depreciation the country lost competitiveness against regional competitors but on the other hand there is no need to fear of a currency crisis.

GDP growth (%, y-o-y)



Industrial production (2000=100)

Current Account balance
(as % of GDP)



* Consensus Economics' forecast
Source: Eurostat, National Bank of Croatia, Consensus Economics, Central Bank of Montenegro, National Bank of Serbia

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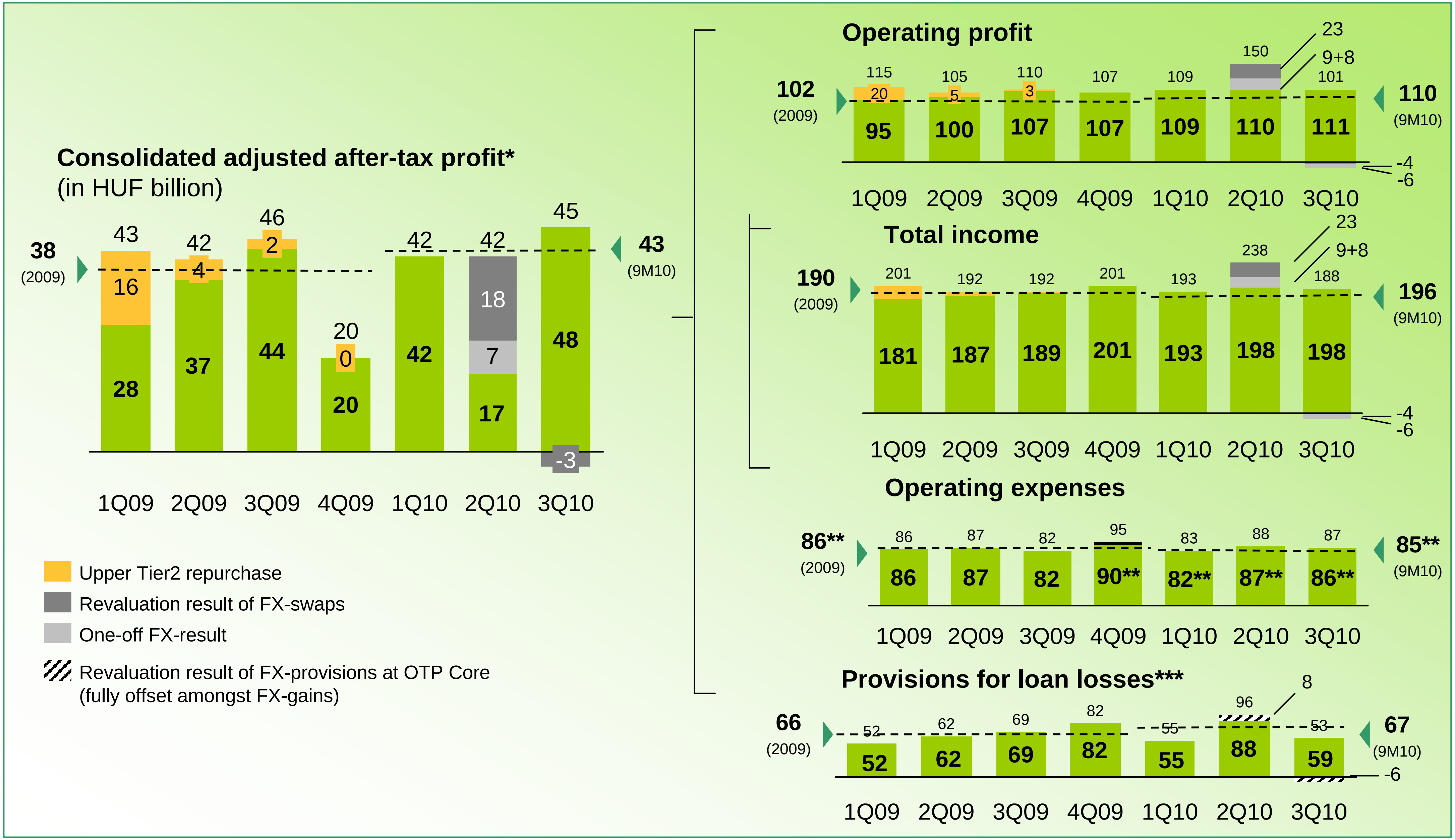
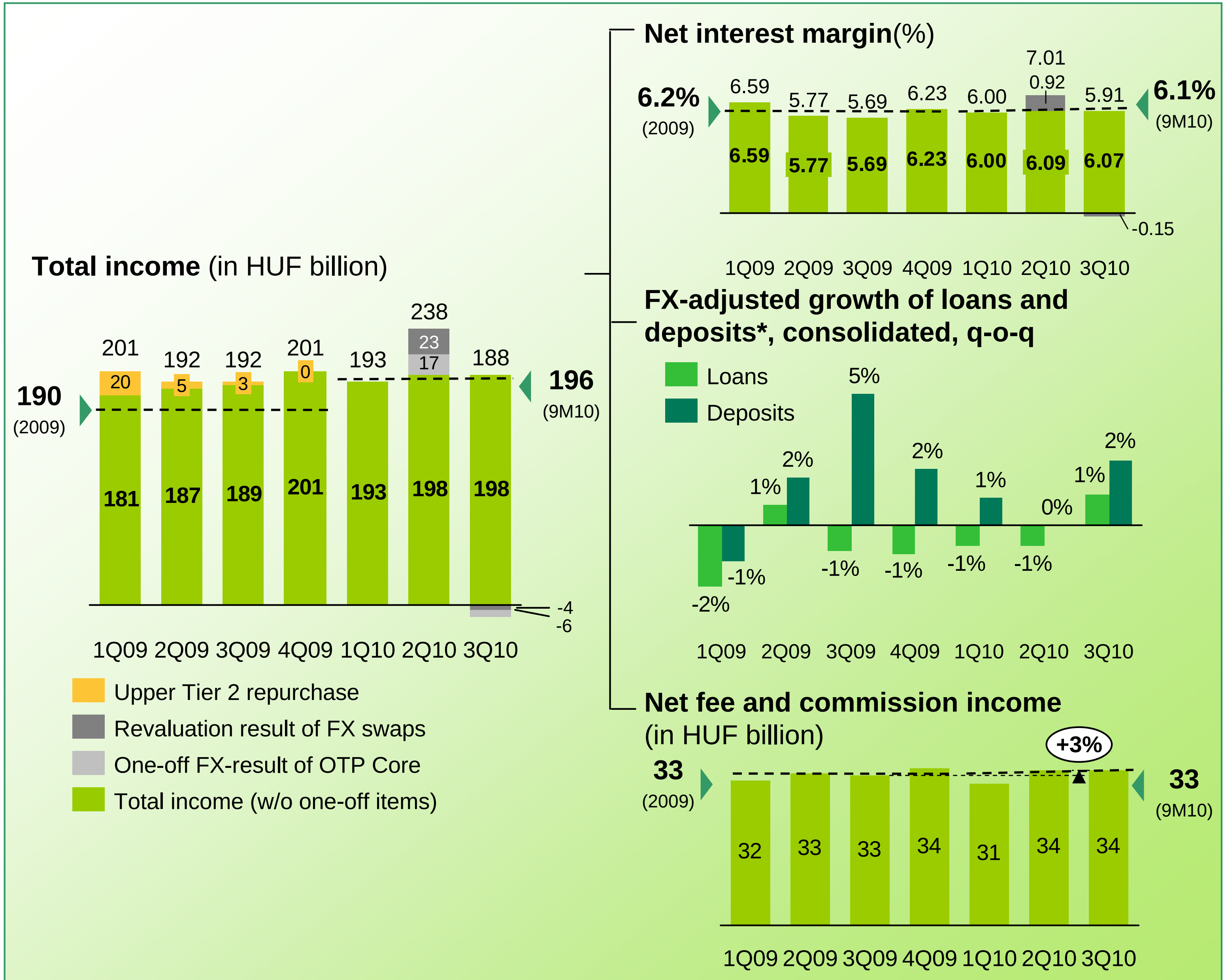
Adjusted for one-off items 3Q operating profit remained stable and amounted to HUF 111 billion, as a result of stable income generation and continuously strict cost control



* Profit after tax is shown without one-off items (result of strategic open FX position, goodwill impairment of CKB, consolidated dividends and special tax on financial institutions)
** From 4Q 2009 without the consolidated result of foreign leasing companies
*** Provisions for loan losses together with other provisions

Adjusted total income remained stable q-o-q: adjusted net interest income grew by HUF 4 billion, net fees and commissions did not change; consolidated loan portfolio started to grow again



Net interest income (consolidated, adjusted) increased by HUF 4.4 billion q-o-q (w/o one-off revaluation result of FX swaps).

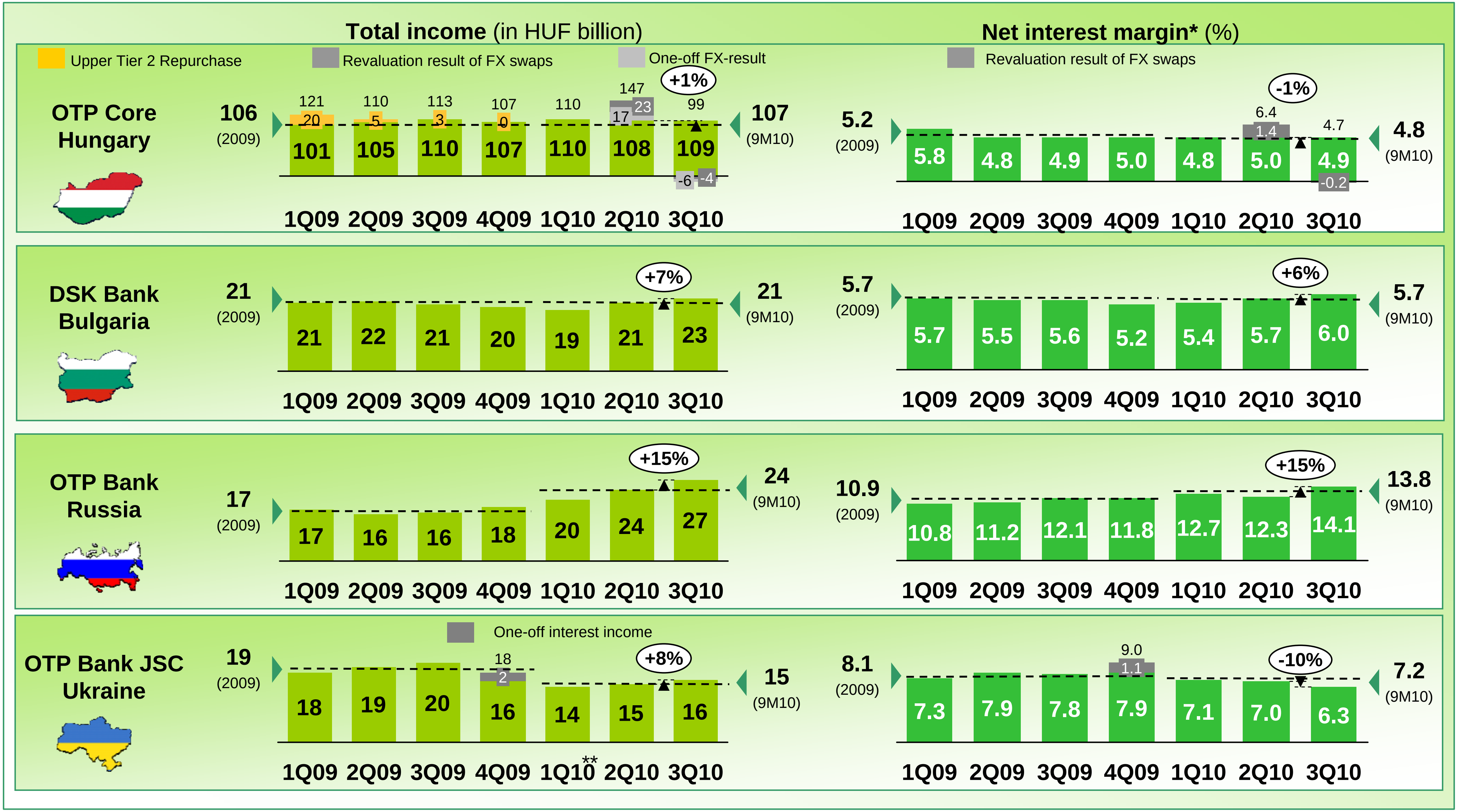
- Net interest income of OTP Core was supported by positive revaluation of FX-denominated interest income as a result of weaker HUF (+HUF 2.8 billion q-o-q)
- Soaring Russian consumer lending (+HUF 3.8 billion q-o-q)
- Positive effects of deposit repricing at DSK (+HUF 1.5 billion q-o-q)
- Decreasing Corporate Centre interest income (-HUF 3.8 billon q-o-q) due to increasing funding costs

Stable **net fees and commissions**:

- Q-o-q by HUF 0.6 billion increasing Russian commissions due to successful credit-card cross-selling and deposit campaigns
- Improving Croatian, Montenegrin and Serbian fee income, partly due to seasonal effects of tourism
- At OTP Core, HUF 1.3 billion fee expense (arrangement fees of the EUR 250 million syndicated loan signed in July) was fully booked into 3Q results, leading to a HUF 1.3 billion q-o-q decline in net fees

* In 2Q 2010 adjusted with the reclassification effect of municipal bonds into loans of OTP Core. Since 2Q 2010 portfolio of municipality bonds bought by OTP Bank are reclassified from the category securities-available-for-sale into customer loans. The base periods has not been adjusted according to this. For information purposes: the size of the relevant bond portfolio (in HUF billion: 2Q 2009: 86; 1Q 2010: 89; 2Q 2010: 99).

Stable income, slightly tightening margin in Hungary; in Bulgaria net interest margin increased due to the improving deposit margins; in Russia excellent y-o-y income dynamics, significantly improving interest margin; in Ukraine total income increased q-o-q due to HUF depreciation, but NIM declined further



*The accrued but not paid interest income of problematic loans is included into net interest income and total income of some subsidiaries. This means material difference only in case of the Ukraine.** Q-o-q decline of income in the Ukraine is caused by: the interest rate accrual is ceased on loans sold to OTP Factoring (Ukraine). Interest accrual on DPD30+ loans is ceasing if the following conditions are met: 1. the loan is under judicial enforcement, 2. all loans of the customer go bankrupt, 3. the loan is in bad or doubtful category

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Change of net loan-to-deposit ratios adjusted for technical effects* shows a Group-wide y-o-y improvement; further decline q-o-q, though with a moderate dynamics

Loan to deposit ratio, % (30 September 2010)

Gross loan to deposit

Net loan to deposit

100%

Change of net loan to deposit ratio, adjusted*

	Net loan to deposit	Gross loan to deposit	Y-o-Y	Q-o-Q
OTP Group**	106%	123%	-12%	-2%
OTP Core**	83%	97%	-7%	-2%
DSK	116%	126%	-8%	-2%
OBU	285%	363%	-112%	-4%
OBRu	109%	125%	-3%	+25%
OBR	287%	306%	-54%	+3%
OBH	84%	87%	-7%	-8%
OBS	103%	109%	-11%	+1%
OBSrb	239%	287%	-10%	-19%
CKB	82%	99%	-52%	-5%

At the end of September on Group level the retail bond adjusted net loan/(deposit + retail bond) ratio stood at 106%. The reason of the significant y-o-y decline is that the deposit book grew dynamically while the gross loan portfolio stagnated y-o-y (adjusted with the effects of FX-rate changes and the reclassification of municipality bonds into customer loans in 2Q). In the meantime even provisions incremented significantly.

Q-o-q the consolidated, FX-adjusted net loan/(deposit + retail bond) ratio declined by 2%, mainly due to the declining ratios of OTP Core, the Bulgarian and Ukrainian subsidiaries representing the major weight in the Group.

In 3Q 2010 the consolidated, FX-adjusted deposit portfolio increased by 2% q-o-q and by 5% y-o-y. In both relations corporate deposits were the engine of growth. The flat retail deposit base q-o-q reflects the management's intention to reprice the deposit portfolio. As a result of that, deposit book decreased q-o-q at several subsidiaries where an increase was experienced in the previous quarters.

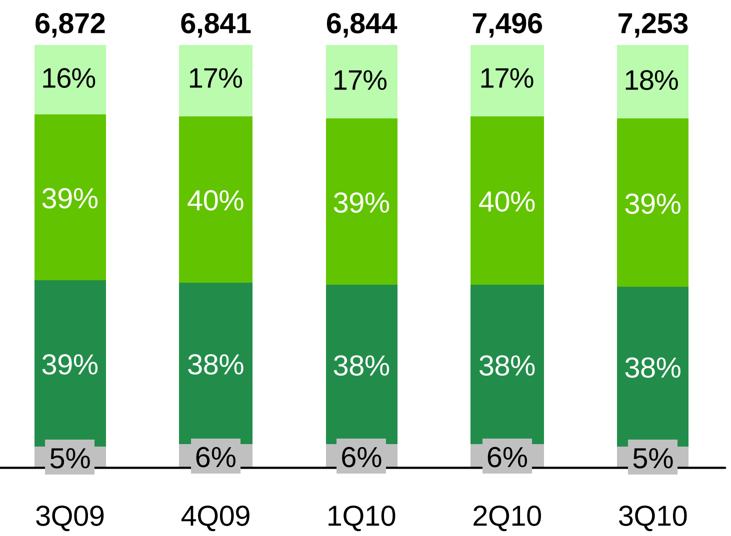
Consolidated FX-adjusted gross loans did not change y-o-y but started to increase again in 3Q (by 1% q-o-q). In Russia the increment of consumer lending is extremely spectacular. Q-o-q the Hungarian mortgage loan portfolio is stable due to the improving disbursements and the Ukrainian corporate loans increased for the first time since the crisis. Y-o-y the loan portfolio shrank significantly in Ukraine, Montenegro and in case of Merkantil Group (Hungary).

*Q-o-q and y-o-y changes are adjusted with the effects of FX-rate changes and the reclassification of Hungarian municipality bonds into customer loans in 2Q 2010

** In case of the consolidated and OTP Core's ratio the displayed ratio is: net loan/(deposit+retail bond)

Consolidated loan book started to increase again q-o-q, still spectacular Russian consumer loan dynamics, the Ukrainian corporate lending increased for the first time since the crisis, stabilizing Hungarian mortgage loan book

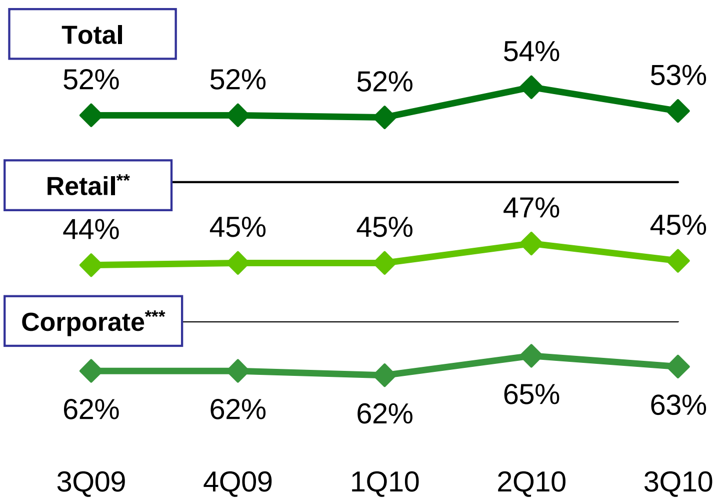
Breakdown of consolidated loan book (in HUF billion)



Q-o-Q loan volume changes in 3Q 2010, adjusted for FX-effect

	Cons	Core	Merk	OBRu	OBU	DSK	OBR	OBH	OBS	OBSr	CKB
Total	1%	1%	-3%	11%	-1%	0%	1%	0%	2%	0%	-5%
Consumer	5%	1%		23%	-3%	-1%	-10%	-1%		9%	-6%
Mortgage	0%	0%		11%	-3%	1%	2%	0%	-1%	2%	-4%
Corporate*	1%	4%	5%	-13%	2%	0%	1%	0%	1%	-2%	-5%
Car-financing	-5%		-4%	0%	-9%			-4%			

Share of FX loans in the consolidated loan portfolio



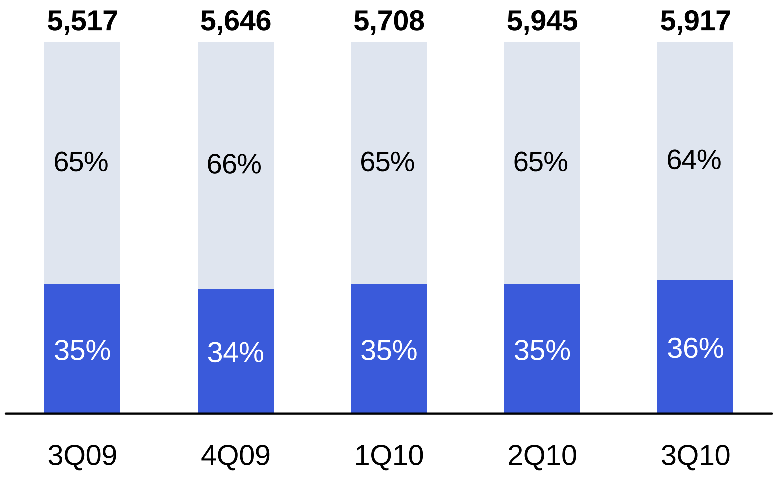
Y-o-Y loan volume changes in 3Q 2010, adjusted for FX-effect

	Cons	Core	Merk	OBRu	OBU	DSK	OBR	OBH	OBS	OBSr	CKB
Total	0%	2%	-9%	20%	-11%	1%	-3%	1%	-4%	2%	-31%
Consumer	8%	1%		57%	-16%	0%	-29%	4%		18%	-23%
Mortgage	-1%	-2%		2%	-8%	4%	3%	-1%	2%	3%	-12%
Corporate*	-2%	8%	18%	-23%	-10%	-2%	-6%	1%	-10%	0%	-37%
Car-financing	-6%		-13%	-13%	-27%			-20%			

* including SME, LME and municipality loans as well
** including loans to households and SME loans
*** including LME and municipality loans as well

Deposits continued to grow mostly due to the seasonally strong municipal deposits of OTP Core and partly to the successful Croatian deposit campaigns

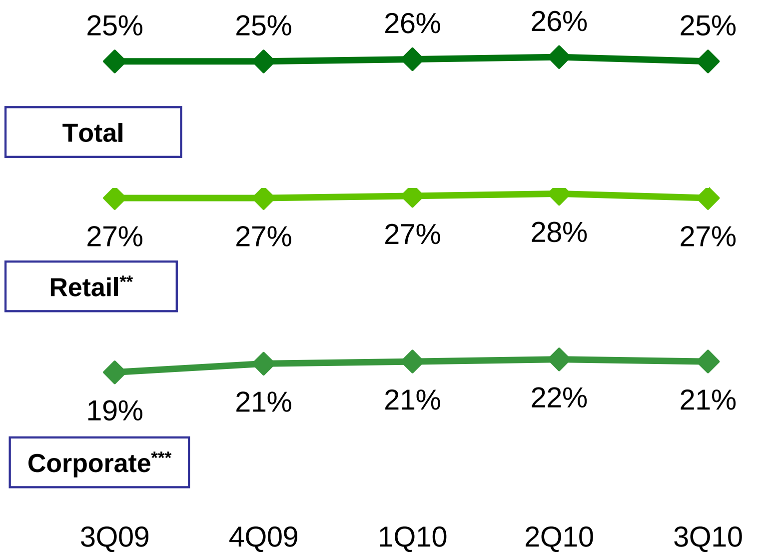
Breakdown of consolidated customer deposits (in HUF billion)



Q-o-Q deposit volume changes in 3Q 2010, adjusted for FX-effect

	Cons	Core	OBRu	OBU	DSK	OBR	OBH	OBS	OBSr	CKB
Total	2%	3%	-1%	0%	1%	-2%	9%	0%	5%	-1%
Retail	0%	0%	3%	-3%	0%	-11%	7%	0%	2%	2%
Corporate*	6%	8%	-9%	2%	7%	11%	17%	1%	9%	-5%

Proportion of FX deposits in the consolidated deposit portfolio



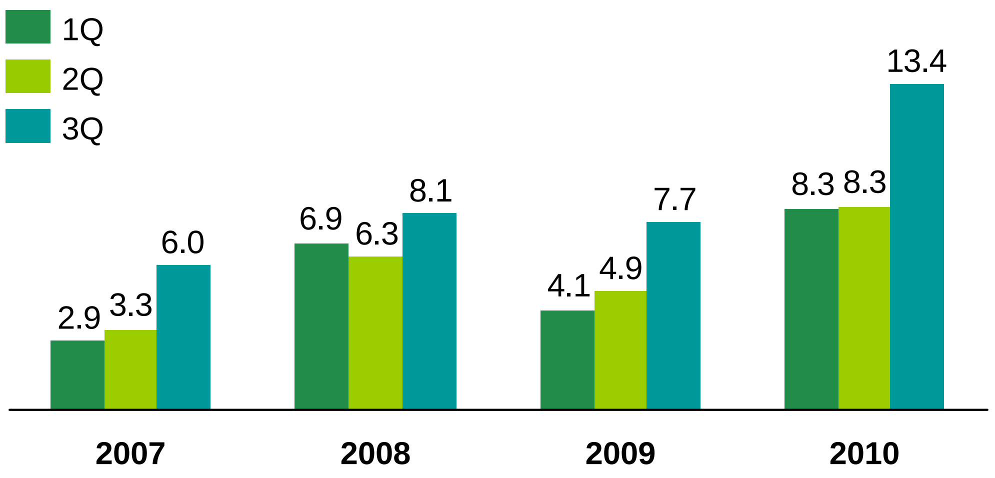
Y-o-Y deposit volume changes in 3Q 2010, adjusted for FX-effect

	Cons	Core	OBRu	OBU	DSK	OBR	OBH	OBS	OBSr	CKB
Total	5%	4%	34%	11%	5%	11%	9%	3%	-4%	-2%
Retail	3%	-2%	27%	18%	6%	-3%	10%	3%	0%	17%
Corporate*	9%	13%	49%	4%	-1%	27%	0%	4%	-9%	-22%

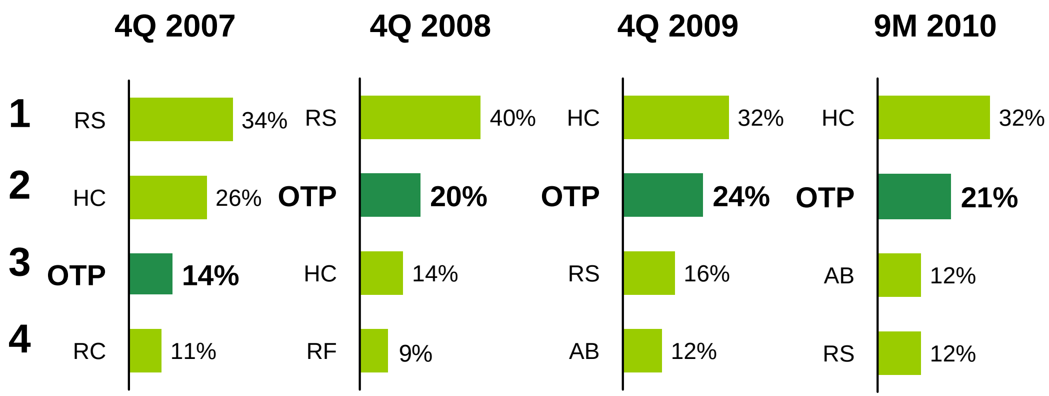
* including SME, LME and municipality deposits as well
** including households' deposits and SME deposits
*** including LME and municipality deposits as well

Due to strengthening demand for consumer loans as well as the improving sales performance, OTP Bank Russia posted significant further accelerating growth of POS and credit card loans

POS-loan disbursement (in RUB billion)

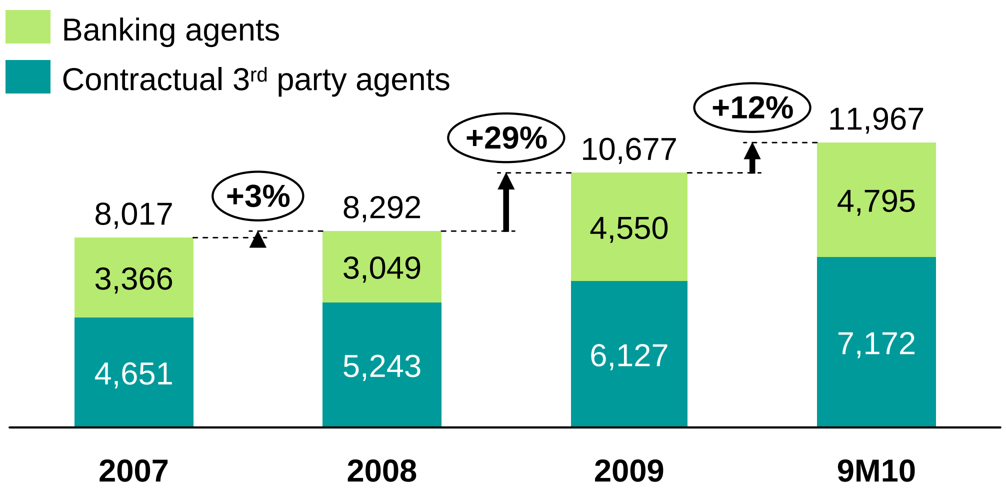


Market share in new POS-loan disbursement (%)

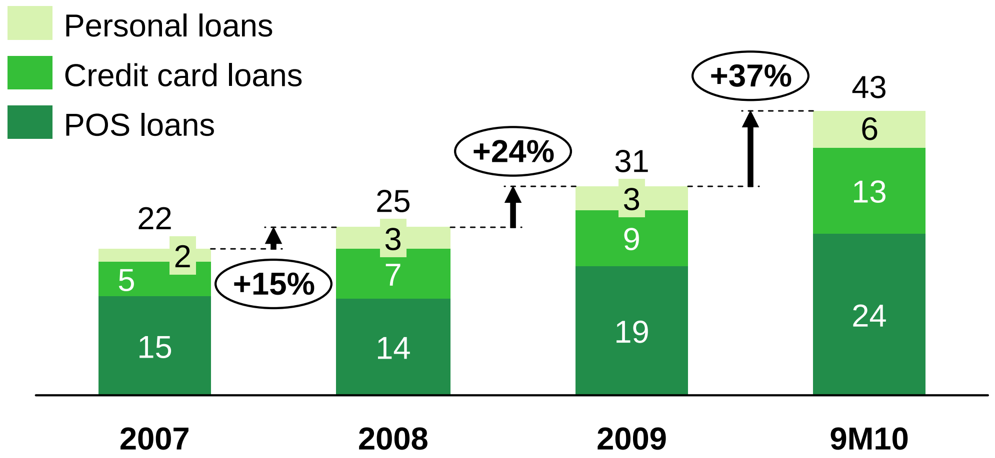


AB - Alfa Bank, HC - Home Credit Bank, RC Renaissance Credit, RF - Russian Finance Bank, RS - Russian Standard Forrás: Franklin Research

Headcount of POS-agents (person)

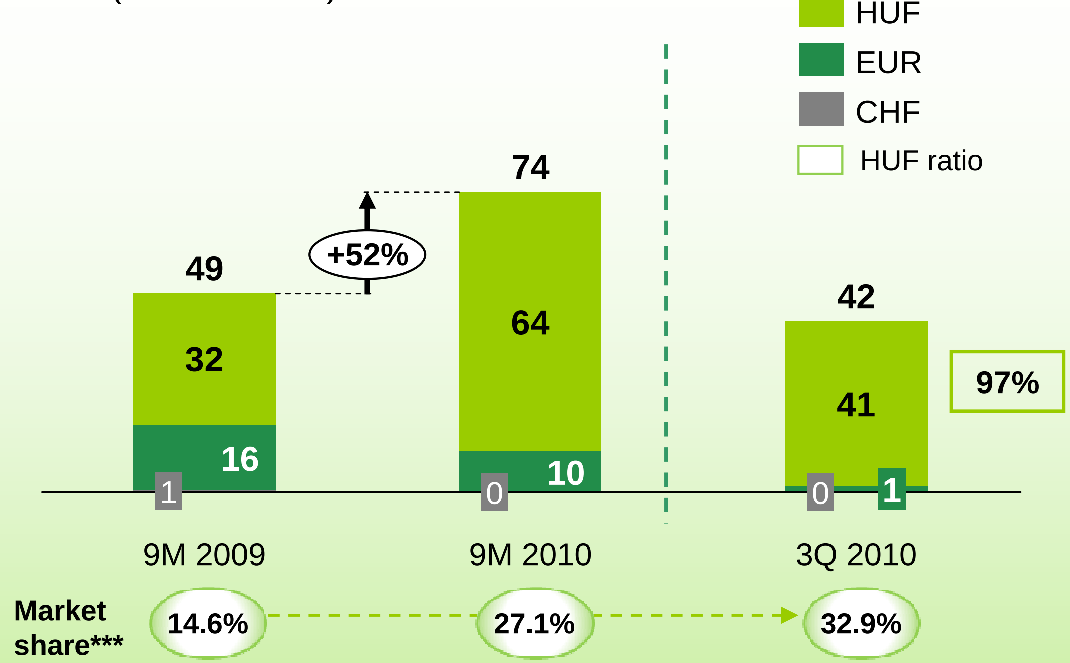


Personal-, POS- and credit card loan volumes
(in RUB billion, closing, adjusted for the effect of loan write-offs in 2009)

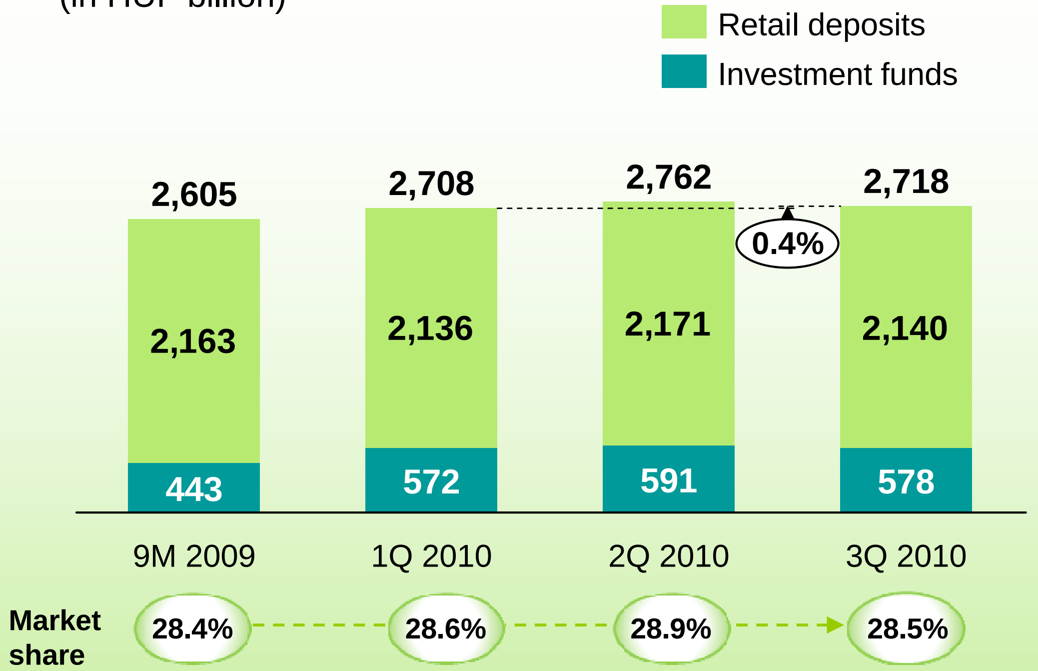


In 9M 2010 OTP Core (Hungary) almost doubled its market share in new mortgage loan disbursements y-o-y, and kept its stable share in savings

Mortgage loan disbursements of OTP Bank and OTP Mortgage Bank* (in HUF billion)



Liquid savings portfolio and market share of OTP Bank (in HUF billion)



FX-adjusted decline in mortgage loan portfolio stopped in 3Q (1Q 2010: -HUF 24 billion, 2Q 2010: -HUF 13.4 billion, 3Q 2010: +HUF 1 billion)**.

In order to diminish the monthly instalments of customers' OTP Bank voluntarily decreased its rates several times :

- CHF-denominated mortgage loans:-25bps due to lower funding costs, another -75 bps for the period of steadily high CHF rates (effective from 4 June 2010)
- JPY-denominated mortgage loans: -25 bps for the period of steadily high JPY rates (effective from 4 June 2010)
- Mainly EUR-denominated mortgage loans: -30-72 bps due to lower funding costs, (effective from 1 September 2010)

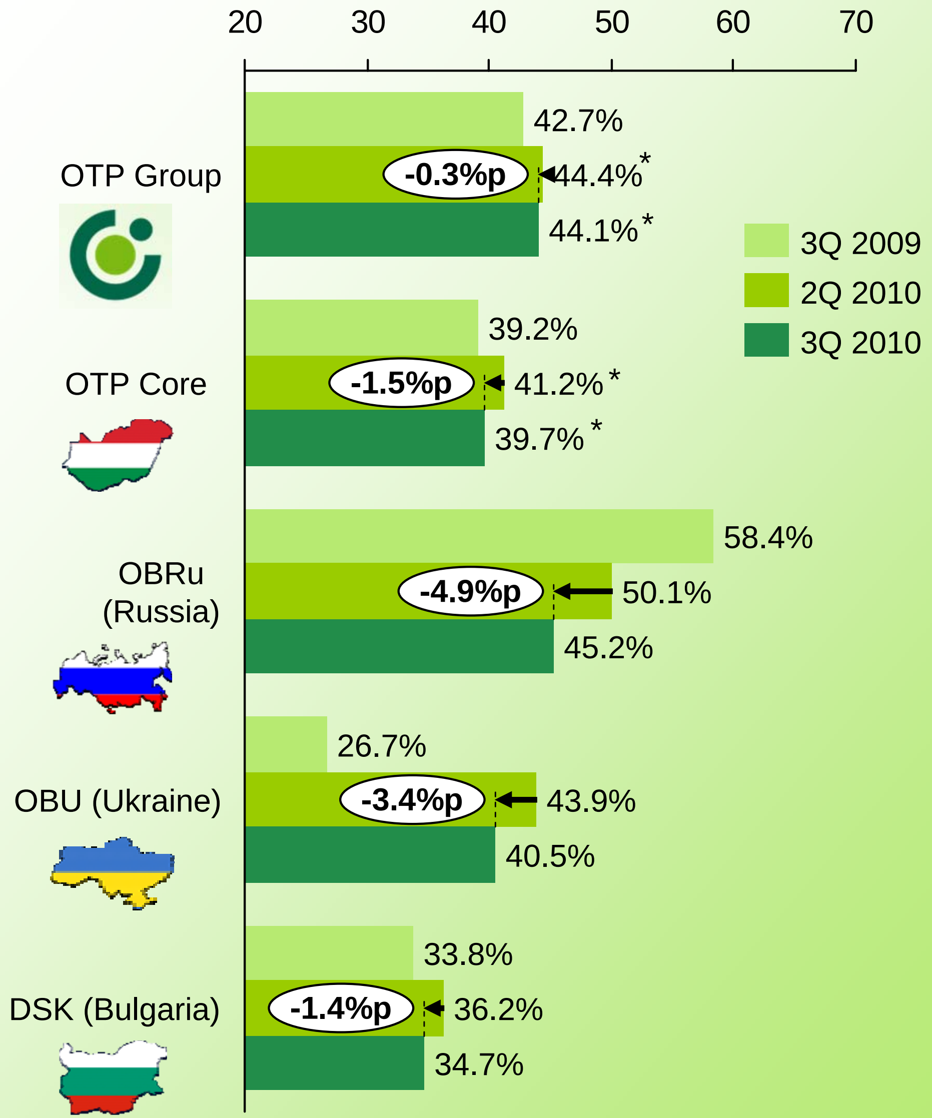
In 1H 2010 OTP Fund Management launched 4 yield protected funds, while two other funds were launched for institutional investors.

In 3Q a further 3 funds for institutional investors and 5 public funds were launched.

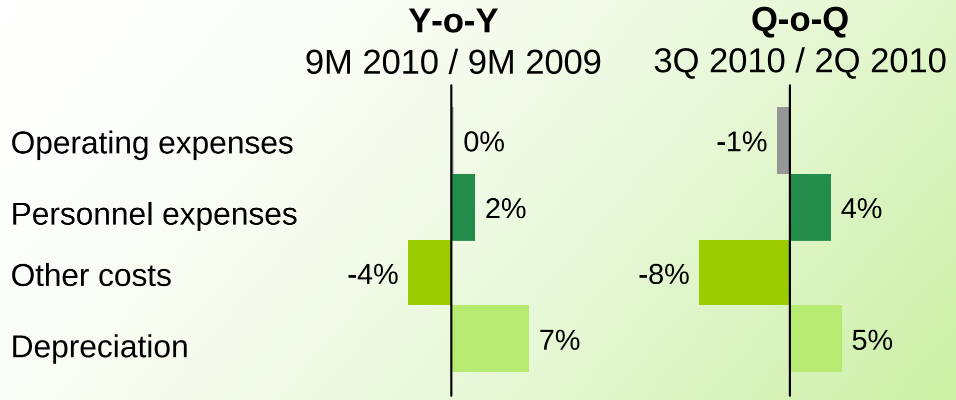
* Calculated on the basis of new contractual amounts
**Statistics calculated from the regular data provision submitted to the Supervisory Authority
*** Market share w/o CHF-denominated loan portfolio

Development of operating expenses indicates effective cost control. In 2Q consolidated cost/income ratio adjusted for the one-off income items showed a slight improvement q-o-q

Cost/Income ratio (%)



Change of consolidated operating expenses** (%)



The personnel expenses' 2% y-o-y growth (+HUF 2 billion) is related to the Russian bank's yearly cost increment of HUF 4.4 billion, but part of the latter increment (HUF 1.3 billion) is explained by the FX-effect.

Among positives, the personnel cost saving in the amount of HUF 2.1 billion can be mentioned at OTP Core (driven by headcount reduction in 2009, also, the social contributions paid by the employer were lowered by 5%-points effective from 2010). The y-o-y decline of Serbian personnel costs (-HUF 1.3 billion) is noteworthy.

As for the yearly decline of other costs, the rationalization of infrastructure in previous years and renegotiation of contracts with suppliers played significant role (i.e rental expenses abroad and OTP Core's savings achieved on telecommunication-, IT maintenance- and cash carrier-services).

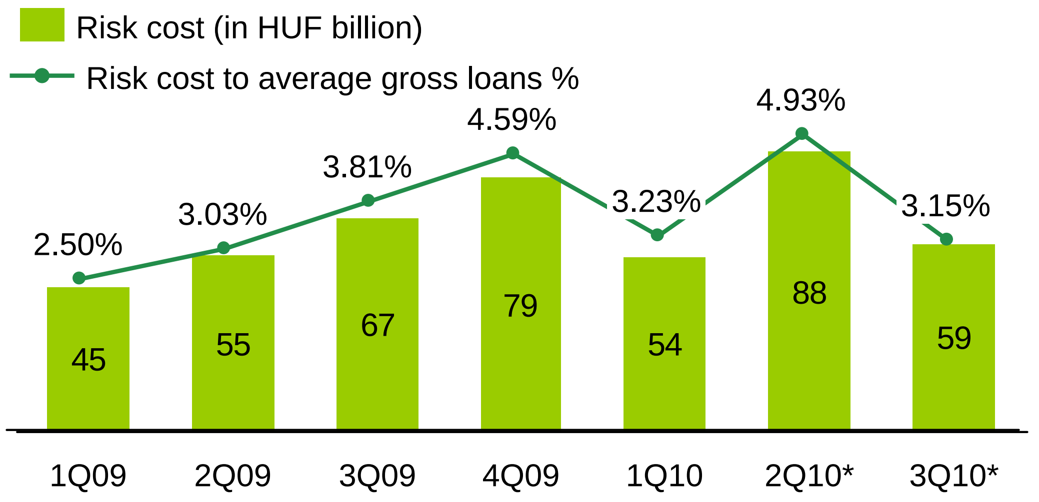
The majority of the quarterly setback of other costs (-HUF 3 billion) came from the q-o-q lower local taxes to be paid by OTP Core (-HUF 2.2 billion effect q-o-q), due to the lower 3Q tax base (as a consequence of revaluation of investments in subsidiaries).

The 9M depreciation rose by 7% y-o-y, mainly because in 4Q 2009 significant investments were activated at OTP Core compared to the previous years.

* Adjustments on the total income in 2Q and 3Q 2010 (in HUF billion): result of swap revaluation (+22.6 in 2Q; -3,9 in 3Q), FX-result related to hedging the revaluation of FX provisions of OTP Core (+8.0 in 2Q, -5.9 in 3Q) and FX gain from revaluation of hedging position related to Ukrainian provision (+8.9 in 2Q).
** Without the operating expenses of leasing companies first time consolidated in 4Q 2009

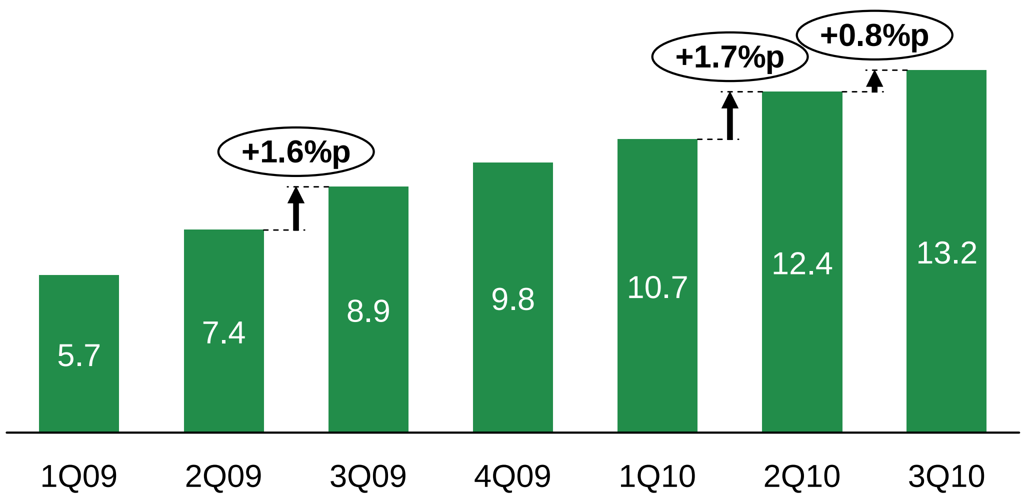
The pace of portfolio quality deterioration slowed down q-o-q, and the risk cost rate came out significantly below the 2Q level. However, coverage remained stable at a high level (3Q:73.4%)

Consolidated risk costs and its ratio to average gross loans

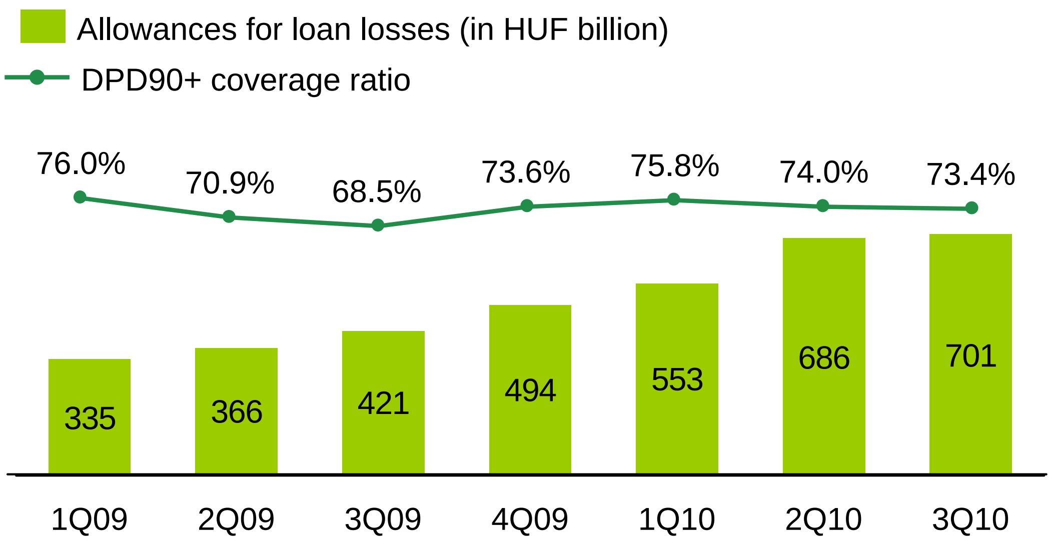


- Lowering risk costs at OTP Core, since the (+3%-points) increase in the coverage in 2Q was followed by a smaller one in 3Q (+1%-point q-o-q 3Q rate: 78%), and this was accompanied by a slightly slower new DPD90+ formation in 3Q (adjusted for the FX-effect)
- In Russia significantly lower provisions were set aside q-o-q (2Q: HUF 7.7 billion, 3Q: 3.2 billion), due to the phase out of negative effects of the Technosila exposure
- The Montenegrin risk cost fell back drastically in 3Q (from HUF 7.6 billion in 2Q to only HUF 0.5 billion), but the coverage ratio climbed by 11%-points to 81% since the DPD90+ ratio was down by 1.6%-points to 21%
- Risk cost rate remained relatively high in Romania but this led to higher coverage ratio (risk cost totalled to HUF 4.4 billion in 3Q, the coverage rose by 8%-points to 66%)
- Risk costs remained high too in Bulgaria (at HUF 9.3 billion in 3Q) resulting in a stable coverage ratio at 75%

Consolidated DPD90+ loans to total loans (%)

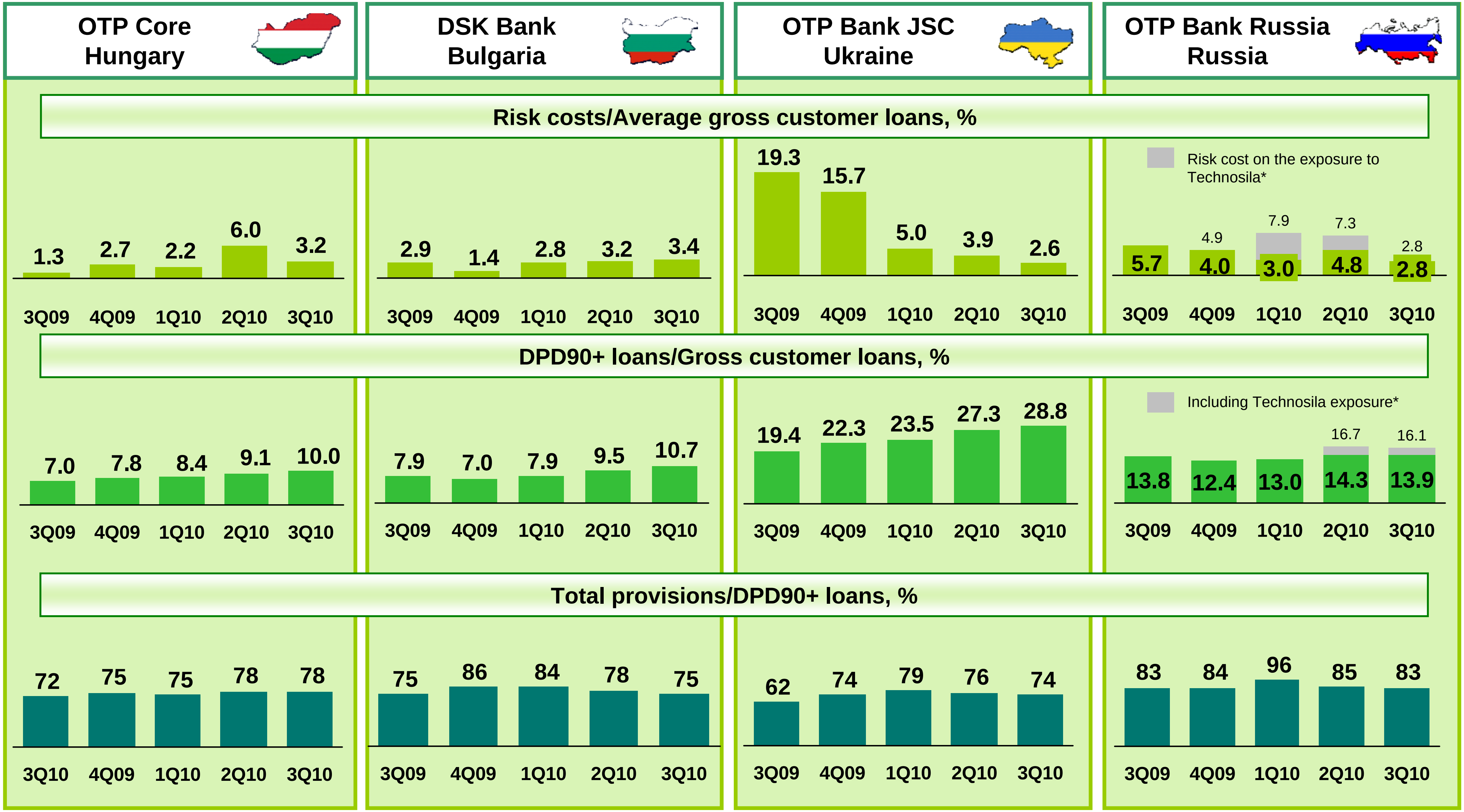


Development of the consolidated coverage ratio



* Without revaluation result of FX-provisions at OTP Core (2Q 2010: -HUF 8.0 billion, 3Q 2010: +HUF 5.9 billion)

Stable coverage in case of large portfolios, decreasing q-o-q risk cost rates except Bulgaria, at the Russian unit the risk cost rate was positively influenced by the phasing-out of a one-off item and favourable portfolio dynamics



*One-timer provisioning was made for the loan of Techosila Group (engaged in retail trade of electronic and home appliances) amounted to HUF 0.8 billion in 4Q 2009, HUF 4.6 billion in 1Q 2010 and 2.7 billion in 2Q 2010. The total outstanding exposure of OTP Bank Russia to the above mentioned company amounted to USD 46.6 million, majority of which was overdue. The total provision coverage of the exposure was 89% in RUB at the end of September 2010, further increase of provision coverage is not expected in the future.

In Hungary the mortgage book further deteriorated; q-o-q improvement in Russia due to steady volume growth; quality worsening is driven by the mortgage and SME book at DSK; in Ukraine the DPD90+ growth slowed down

DPD90+ loan volumes

OTP Core (Hungary)	3Q09	4Q09	1Q10	2Q10	3Q10	Q-o-Q
Total	**7.0%**	**7.8%**	**8.4%**	**9.1%**	**10.0%**	***1.0%p***
Household	7.1%	7.2%	7.7%	8.5%	9.8%	*1.3%p*
Mortgage	5.0%	5.1%	5.5%	6.3%	7.4%	*1.2%p*
Consumer	15.4%	15.9%	16.5%	17.8%	19.1%	*1.3%p*
SME	10.7%	11.2%	11.1%	12.6%	12.7%	*0.1%p*
Corporate	7.0%	9.7%	10.8%	12.0%	12.6%	*0.7%p*
Municipal	0.0%	0.0%	0.0%	0.9%	0.7%	*-0.2%p*

DPD90+ loan volumes

OTP Bank Russia	3Q09	4Q09	1Q10	2Q10	3Q10	Q-o-Q
Total	**13.8%**	**12.4%**	**13.0%**	**16.7%**	**16.1%**	***-0.6%p***
Mortgage	5.9%	10.2%	8.8%	10.9%	10.5%	*-0.4%p*
Consumer	23.6%	17.8%	18.3%	19.0%	16.9%	*-3.1%p*
Corporate+ SME	3.6%	4.0%	4.6%	15.3%	18.3%	*3.0%p*
Car-financing	14.0%	15.4%	17.0%	17.1%	17.0%	*-0.1%p*

DPD90+ loan volumes

DSK (Bulgaria)	3Q09	4Q09	1Q10	2Q10	3Q10	Q-o-Q
Total	**7.9%**	**7.0%**	**7.9%**	**9.5%**	**10.7%**	***1.2%p***
Mortgage	7.4%	6.6%	7.0%	8.3%	9.9%	*1.6%p*
Consumer	8.0%	7.3%	8.2%	9.2%	9.6%	*0.4%p*
SME	17.9%	18.2%	22.4%	25.4%	28.7%	*3.4%p*
Corporate	4.0%	2.3%	3.0%	6.1%	7.5%	*1.3%p*

DPD90+ loan volumes

OTP Bank Ukraine	3Q09	4Q09	1Q10	2Q10	3Q10	Q-o-Q
Total	**19.4%**	**22.3%**	**23.5%**	**27.3%**	**28.8%**	***1.5%p***
Mortgage	19.4%	22.3%	25.6%	30.2%	33.1%	*3.0%p*
SME	25.4%	29.1%	35.7%	40.5%	43.6%	*3.2%p*
Corporate	18.3%	21.2%	18.3%	20.7%	20.7%	*0.0%p*
Car-financing	13.6%	16.3%	20.1%	23.5%	27.0%	*3.5%p*

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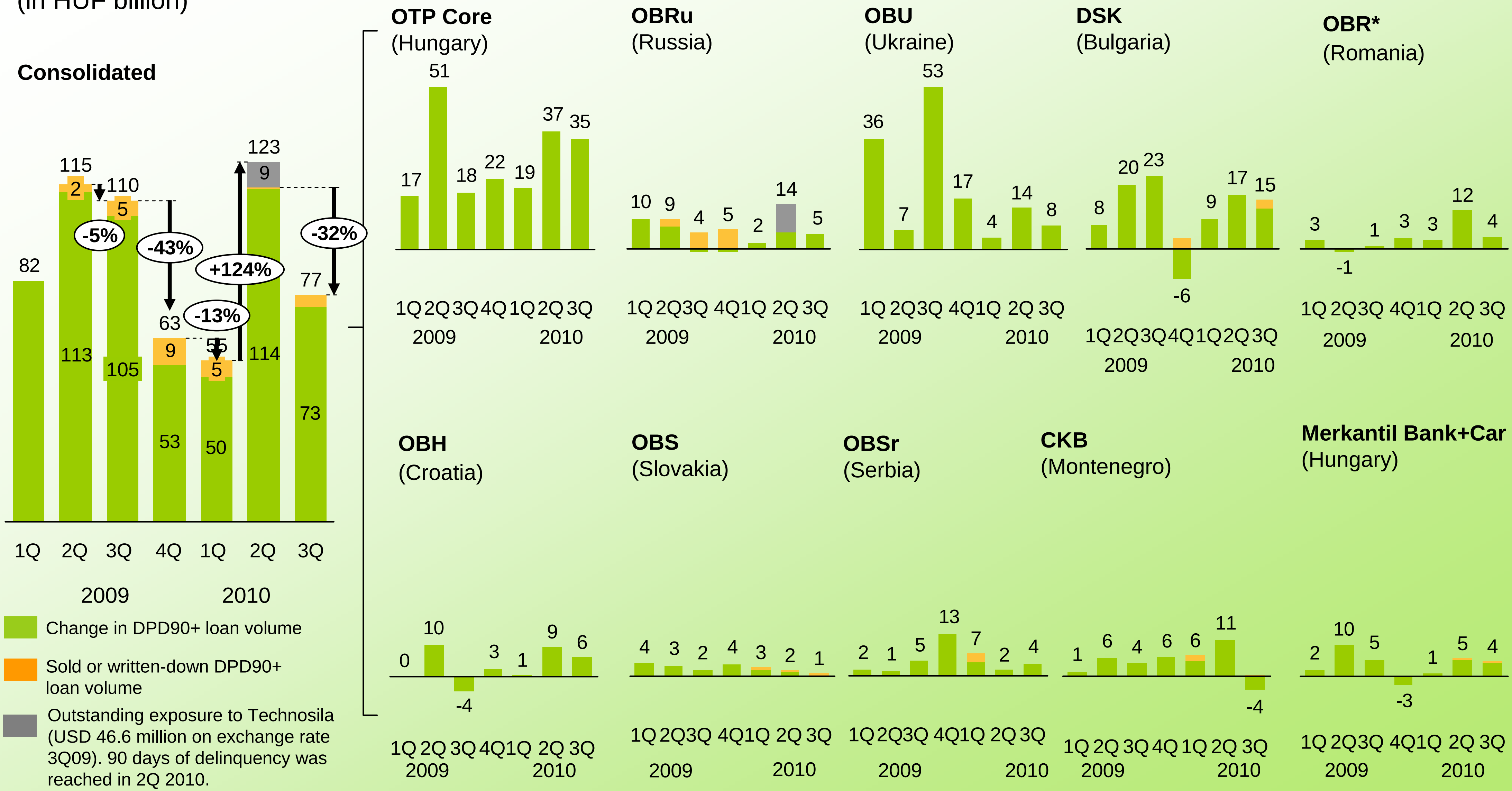
FX adjusted DPD90+ formation decelerated q-o-q, the favourable tendency was present in every subsidiary but in Serbia, however the deterioration is still relatively strong in case of OTP Core and Bulgaria

FX-adjusted quarterly change in DPD90+ loan volumes

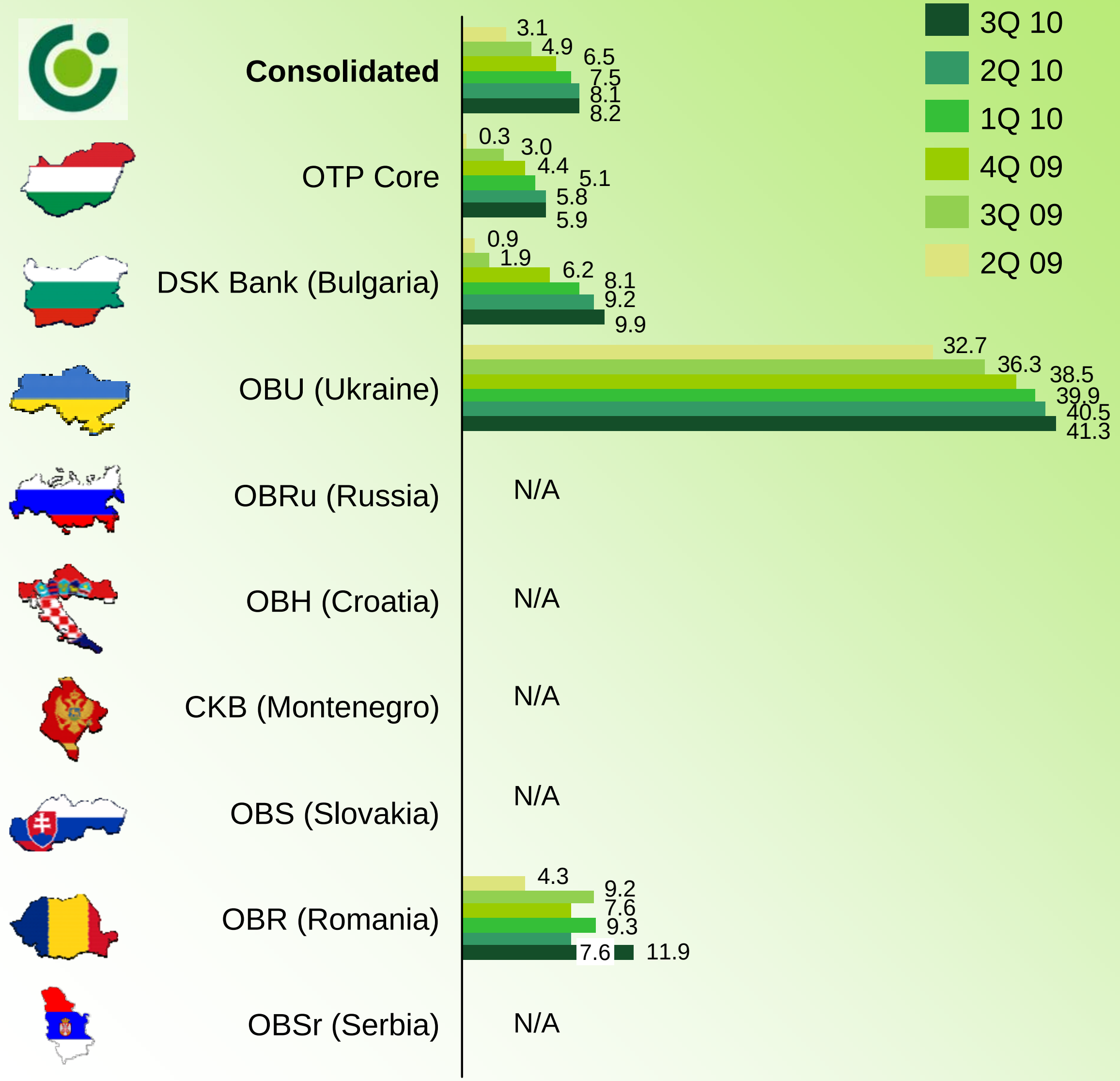
(in HUF billion)



* From 2Q 2010 including the loan volumes transferred to OTP Faktoring Romania SRL.

The speed of retail rescheduling is slowing down. Significant rescheduling has taken place in the Ukraine (41%), Bulgaria (10%), Romania (12%) and at OTP Core (6%). In other units the rescheduled book is negligible so far

Development of rescheduled retail portfolio* (as % of the outstanding retail loan portfolio*)



Altogether 8% of consolidated retail loan book was participating in the loan protection programme as at end 3Q 2010.

Rescheduling started in Ukraine during 1Q 2009, the pace of it slowed down materially in 2H 2009. In original currency terms, the volume of the rescheduled book has been decreasing since 4Q 2009. However, the pace of the decline is lagging behind the decrease in the total loan book, therefore the rescheduled ratio is still on the rise. In 3Q 2010 the ratio of re-default reached almost 31% within the rescheduled retail book (+5%-points q-o-q).

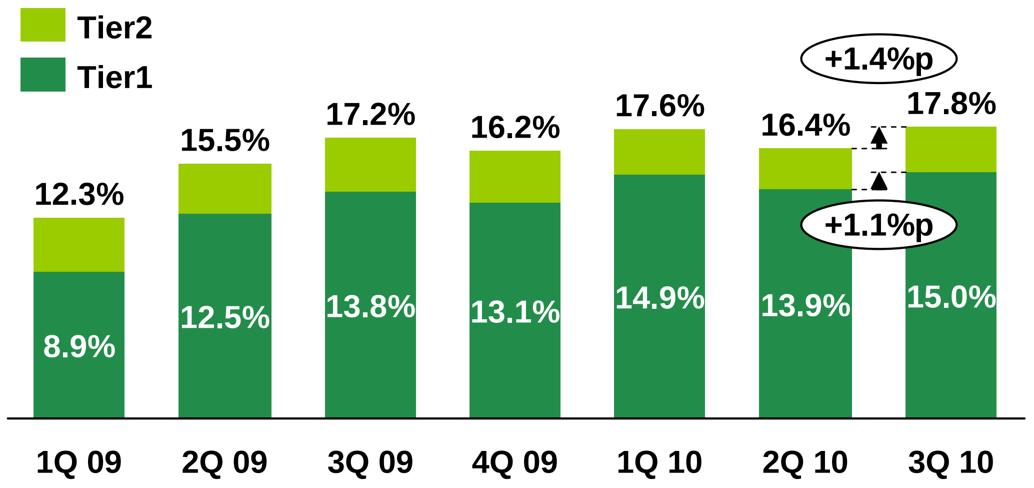
In Romania the rescheduling started in 2Q 2009, in Hungary and Bulgaria in 3Q 2009.

In other countries the volume of rescheduled portfolio is negligible.

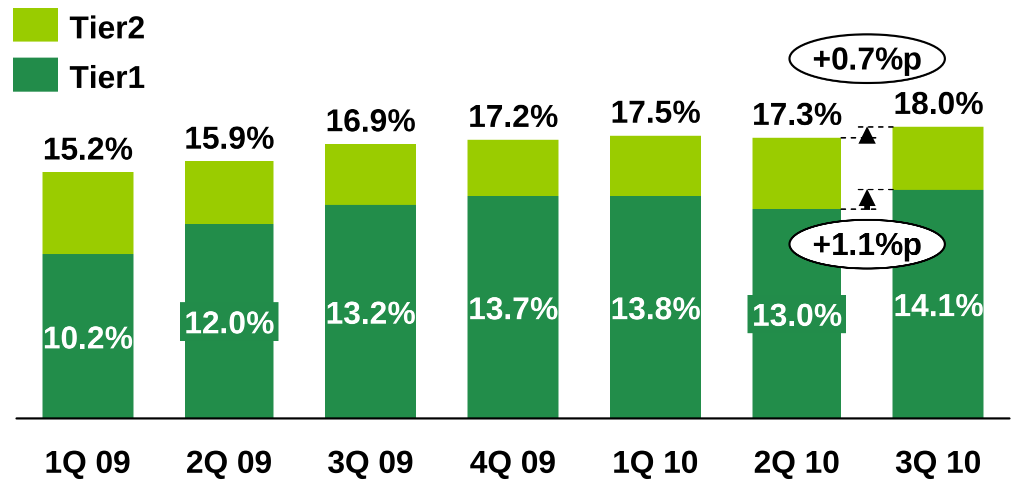
* Without loans to SMEs

Capital adequacy ratios of both OTP Bank (unconsolidated) and OTP Group (consolidated) are above regulatory minimum and remained outstandingly high in international comparison

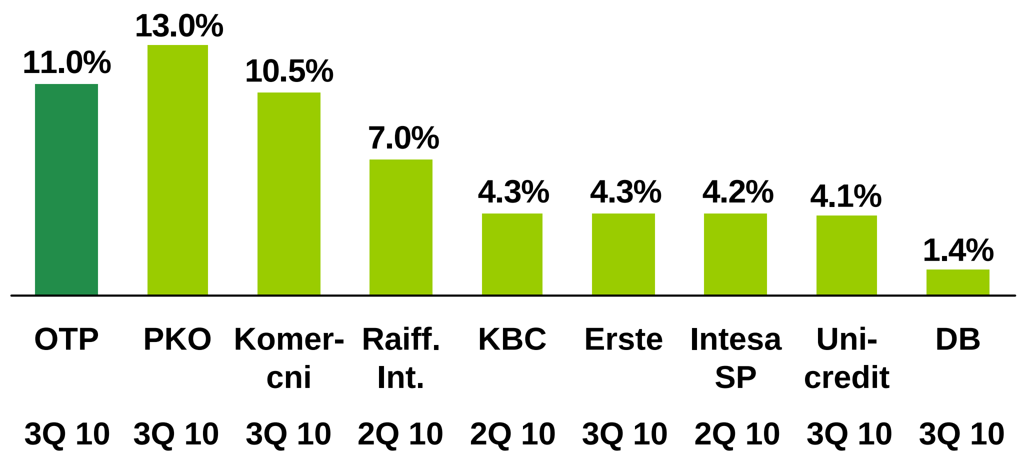
Capital Adequacy Ratio – OTP Bank unconsolidated (HAR)



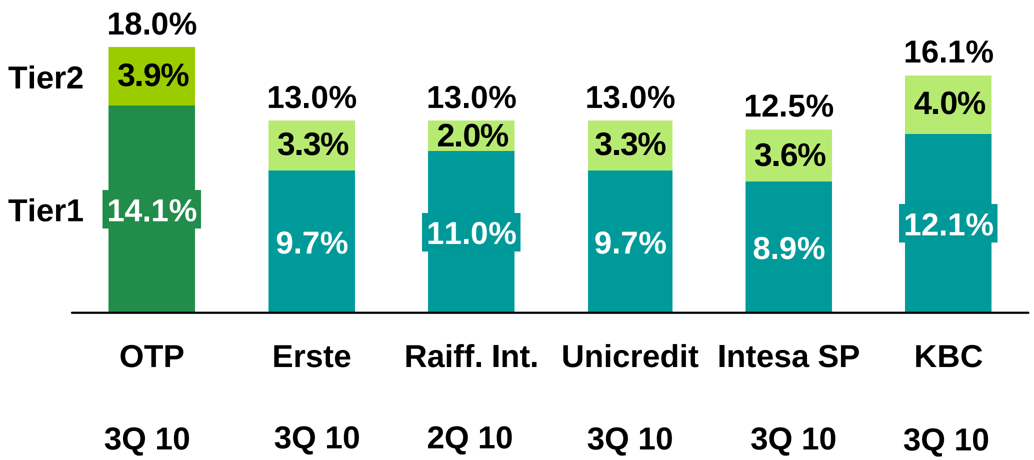
Capital Adequacy Ratio – OTP Group consolidated (IFRS)



Tangible equity/tangible asset ratios in international comparison*



OTP Group's capital adequacy ratio in international comparison*



*Source: Bloomberg, OTP

On the 12 September 2010 meeting global banking regulators agreed to significantly increase the required capital reserves. OTP Group is fully complied with the expectations, much before the implementation

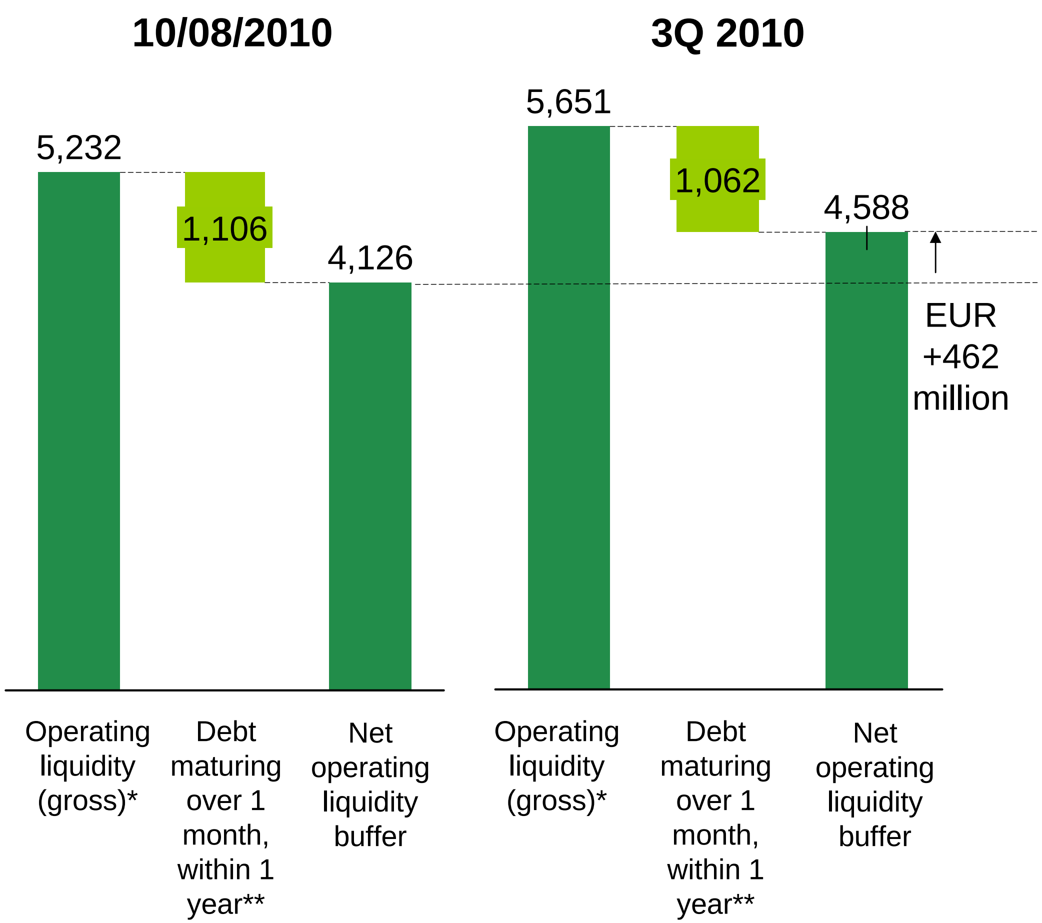
	Expected regulatory minimum[1]	OTP Group (3Q 20102) [2]	Expected implementation
Common equity[3] + Capital Conservation Buffer[4]	4.5% + 2.5% = 7%	12.8%	2013 - 2019
Tier1 Capital + CCB	6% + 2.5% = 8.5%	14.3%	2013 - 2015
CAR[5] + CCB	8% + 2.5% =10.5%	18.2%	2013 - 2019
Leverage ratio	3%	8.5% - 9.5%	2018
Liquidity coverage ratio	100%	~ 170%	2015
Net stable funding ratio	100%	~ 100%	2018

[1] Expected regulatory minimum after full of implementation (2019); [2] Estimated ratios according to currently available information; [3] Common Equity; [4] Capital Conservation Buffer (CCB); [5] Capital Adequacy Ratio (CAR)

OTP Group managed to maintain a safe liquidity cushion with operating liquidity reserves of EUR 5.7 billion at the end of 3Q 2010

Current operating liquidity is by EUR 4.6 billion above debt maturing over 1 month, within 1 year

(in EUR million)



- **Key reasons behind the growth of liquidity reserves in 3Q:**
  - **Steady inflow of intragroup liquidity and liquidity generating business lines**
  - **HUF strengthened compared to the previous quarter, which eased swap margin requirements**
  - **Stable Hungarian retail bond market**
    Closing volume reached HUF 276 billion (EUR 994 million) by the end of 3Q 2010
  - **EUR 250 million syndicated loan with 2 years maturity (July 2010)**
- **Comfortable redemption profile in the coming 12 months**
  - EUR 300 million senior bond + 320 million loans (December 2010)
  - EUR 500 million senior bond (May 2011)
  - EUR 750 million covered bond (July 2011) – with minimal renewal risk, as mortgage bonds are repoable instruments

* Liquid asset surplus within 1 month + repo value of government bonds, covered bonds, municipal bonds

** Does not include redeeming mortgage bonds

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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Investor Relations

Tel: + 36 1 473 5460; + 36 1 473 5457

Fax: + 36 1 473 5951

E-mail: investor.relations@otpbank.hu

www.otpbank.hu