OTP Bank Plc.

Interim Management Report
First nine months 2012 result

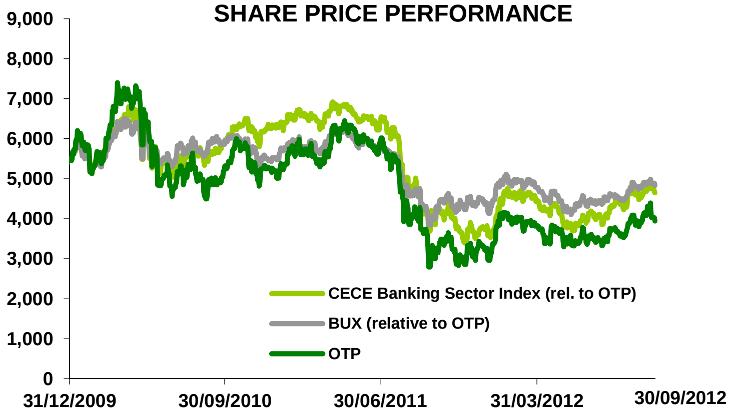
(English translation of the original report submitted to the Budapest Stock Exchange)

Budapest, 15 November 2012

CONSOLIDATED FINANCIAL HIGHLIGHTS[1] AND SHARE DATA

Main components of the Statement of recognised income in HUF million	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
Consolidated after tax profit	**109,640**	**96,441**	**-12%**	**35,165**	**41,074**	**42,539**	**4%**	**21%**
Adjustments (total)	**-21,573**	**-27,271**	**26%**	**-7,370**	**4,082**	**-416**	**-110%**	**-94%**
Consolidated adjusted after tax profit without the effect of adjustments	**131,214**	**123,711**	**-6%**	**42,534**	**36,992**	**42,955**	**16%**	**1%**
Pre-tax profit	170,818	152,802	-11%	62,252	46,078	55,496	20%	-11%
Operating profit	327,720	340,026	4%	112,307	111,953	115,528	3%	3%
Total income	593,293	629,689	6%	204,869	208,044	212,392	2%	4%
Net interest income	461,931	484,332	5%	159,230	158,907	161,278	1%	1%
Net fees and commissions	104,683	111,020	6%	36,577	37,929	39,013	3%	7%
Other net non-interest income	26,679	34,337	29%	9,061	11,208	12,101	8%	34%
Operating expenses	-265,573	-289,663	9%	-92,562	-96,092	-96,865	1%	5%
Total risk costs	-166,504	-183,414	10%	-59,339	-64,099	-60,574	-5%	2%
One off items	9,602	-3,810	-140%	9,284	-1,776	542	-131%	-94%
Corporate taxes	-39,604	-29,091	-27%	-19,717	-9,086	-12,541	38%	-36%
Main components of balance sheet closing balances in HUF million	2011	9M 2012	YTD	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
Total assets	10,200,527	9,827,507	-4%	9,902,667	9,937,155	9,827,507	-1%	-1%
Total customer loans (net, FX adjusted)	**6,596,585**	**6,357,433**	**-4%**	**6,737,600**	**6,394,082**	**6,357,433**	**-1%**	**-6%**
Total customer loans (gross, FX adjusted)	**7,585,445**	**7,449,696**	**-2%**	**7,652,467**	**7,454,049**	**7,449,696**	**0%**	**-3%**
Allowances for possible loan losses (FX adjusted)	-988,860	-1,092,263	10%	-914,867	-1,059,966	-1,092,263	3%	19%
Total customer deposits (FX adjusted)	**6,114,211**	**6,264,936**	**2%**	**6,090,168**	**6,118,553**	**6,264,936**	**2%**	**3%**
Issued securities	812,863	721,368	-11%	775,939	742,688	721,368	-3%	-7%
Subordinated loans	316,447	286,140	-10%	300,894	296,078	286,140	-3%	-5%
Total shareholders' equity	1,418,310	1,460,310	3%	1,406,337	1,420,036	1,460,310	3%	4%
Indicators based on one-off adjusted earnings %	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
ROE	12.9%	11.5%	-1.4%	12.3%	10.6%	11.9%	1.2%	-0.4%
ROA	1.8%	1.7%	-0.1%	1.7%	1.5%	1.7%	0.2%	0.0%
Operating profit margin	4.45%	4.54%	0.08%	4.54%	4.52%	4.65%	0.13%	0.11%
Total income margin	8.06%	8.40%	0.34%	8.29%	8.39%	8.55%	0.16%	0.26%
Net interest margin	6.28%	6.46%	0.19%	6.44%	6.41%	6.49%	0.08%	0.05%
Cost-to-asset ratio	3.61%	3.86%	0.26%	3.74%	3.88%	3.90%	0.02%	0.16%
Cost/income ratio	44.8%	46.0%	1.2%	45.2%	46.2%	45.6%	-0.6%	0.4%
Risk cost to average gross loans	2.95%	3.09%	0.14%	3.15%	3.32%	3.13%	-0.20%	-0.02%
Total risk cost-to-asset ratio	2.26%	2.45%	0.18%	2.40%	2.59%	2.44%	-0.15%	0.04%
Effective tax rate	23.2%	19.0%	-4.1%	31.7%	19.7%	22.6%	2.9%	-9.1%
Net loan/(deposit+retail bond) ratio (FX adjusted)	105%	97%	-8%	105%	99%	97%	-2%	-8%
Capital adequacy ratio (consolidated, IFRS) - Basel2	17.5%	18.2%	0.7%	17.5%	17.9%	18.2%	0.4%	0.7%
Core Tier1 ratio - Basel2	12.7%	13.9%	1.2%	12.7%	13.1%	13.9%	0.7%	1.2%
Share Data	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
EPS diluted (HUF) (from unadjusted net earnings)	409	360	-12%	132	153	159	4%	20%
EPS diluted (HUF) (from adjusted net earnings)	492	465	-6%	160	139	161	16%	1%
Closing price (HUF)	3,248	3,895	20%	3,248	3,570	3,895	9%	20%
Highest closing price (HUF)	6,450	4,160	-36%	6,020	3,841	4,091	7%	-32%
Lowest closing price (HUF)	2,798	2,960	6%	2,798	3,300	3,330	1%	19%
Market Capitalization (EUR billion)	3.1	3.8	23%	3.1	3.5	3.8	11%	23%
Book Value Per Share (HUF)	5,065	5,215	3%	5,023	5,072	5,215	3%	4%
Tangible Book Value Per Share (HUF)	4,139	4,383	6%	4,096	4,223	4,383	4%	7%
Price/Book Value	0.6	0.7	16%	0.6	0.7	0.7	6%	15%
Price/Tangible Book Value	0.8	0.9	13%	0.8	0.8	0.9	5%	12%
P/E (trailing, from accounting net earnings)	7.2	15.4	116%	7.2	15.8	15.4	-2%	116%
P/E (trailing, from adjusted net earnings)	5.6	7.1	27%	5.6	6.5	7.1	9%	27%
Average daily turnover (EUR million)	36	23	-36%	39	21	17	-20%	-58%
Average daily turnover (million share)	1.9	1.8	-4%	2.5	1.7	1.3	-26%	-50%

SHARE PRICE PERFORMANCE



MOODY'S RATINGS

OTP Bank	
Foreign currency senior debt	Ba1
Financial strength	D+
OTP Mortgage Bank	
Covered mortgage bond	Baa3
DSK Bank	
Foreign currency long term deposits	Baa3
Financial strength	D
OTP Bank Russia	
Foreign currency long term deposits	Ba2
Financial strength	D-
Long term national rating	Aa2.ru
STANDARD & POOR'S RATING	
OTP Bank and OTP Mortgage Bank	
Long term credit rating	BB+

[1] Structural adjustments made on consolidated IFRS profit and loss statement together with the calculation methodology of adjusted indicators are detailed in the Supplementary data section of the Report.

INTERIM MANAGEMENT REPORT – OTP BANK'S RESULTS FOR FIRST NINE MONTHS 2012

Interim Management Report for the first nine months 2012 results of OTP Bank Plc. has been prepared according to the 24/2008. (VIII.15.) PM resolution on the basis of its separate and consolidated condensed IFRS financial statements for 30 September 2012 or derived from that. At presentation of nine months 2012 report of OTP Bank we applied International Financial Reporting Standards adopted by the European Union.

SUMMARY OF THE FIRST NINE MONTHS 2012

Hungary: improving risk profile, moderate macroeconomic performance

In 3Q emerging markets rallied substantially: the underlying low interest rate environment coupled with further stimulus measures from the major central banks, but also the easing of concerns around the Eurozone made Hungary one of the main beneficiaries of investors' growing risk appetite.

Making use of the supportive international environment the National Bank of Hungary started a monetary easing cycle, cutting the base rate by 25 bps both in August and September. Yields on government securities contracted more rapidly, on average they dropped by 60-100 bps in the third quarter and the forint appreciated, too. In early October the Hungarian CDS spreads reached their 2012 lows tightening to around 230 bps. While major balance indicators showed a positive picture, the real economy remained sluggish: GDP growth was in the negative territory in the first two quarters of 2012, improving export capacities were off-set by a weak performance in the agriculture. Furthermore, both consumption and investments contracted.

In Hungary, on the sector level gross corporate loans declined by 6% in the first nine month of 2012 after adjusting for FX-effect. At the same time OTP Bank managed to increase its loan volumes to micro and small companies ytd by 9% and to the agricultural sector by 15%, respectively. An interest subsidy scheme for forint mortgage loans launched in August may generate some activity, however new mortgage lending volumes fell short of last year figures in 2Q-3Q 2012 once demand for forint refinancing loans induced by the early repayment phased out.

Consolidated earnings: HUF 43.0 billion adjusted 3Q net results with q-o-q improving net interest and fee income, efficient cost management, moderating portfolio deterioration

In 9M 2012 OTP Group posted HUF 96.4 billion accounting profit, whereas the adjusted net earnings represented HUF 123.7 billion and were down by 6% y-o-y. 3Q 2012 adjusted profit was HUF 43.0 billion underpinning a 16% q-o-q increase. Of that foreign subsidiaries contributed HUF 19.5 billion (+26% q-o-q). Thus the 9M profit contribution of non-Hungarian business comprised HUF 53.5 billion (43% of total adjusted earnings and 55% of accounting profit). During the same period OTP Core's net profit declined from HUF 91.3 billion to 74.1 billion.

The operating profit without one-offs for 3Q represented HUF 115 billion (+3% q-o-q), while 9M operating profit at HUF 340 billion improved by 4% y-o-y. Core revenues also showed a positive picture: 9M adjusted net interest income advanced by 5% and net fees improved by 6% y-o-y. Consolidated net interest margin remained high both in 3Q and 9M (6.49% and 6.46%) supported by the seasonally stronger consumer lending in Russia and the Ukraine. Operating expenses remained practically flat q-o-q, thus in the first 9M they grew by 9% y-o-y. The annual cost increase was partly due to the translation effect of the weaker forint, adjusted for this FX effect operating expenses grew by 5% only.

FX-adjusted loan volumes remained stable q-o-q and declined by 3% y-o-y. Deposit volumes advanced by 2 and 3% for the same periods. Meaningful loan volume increase was registered only in case of the Russian and Ukrainian consumer lending. The 8% y-o-y decline in the consolidated mortgage portfolio is mostly related to the early repayment of FX loans in Hungary. After the closing of this programme the decrease in mortgage volumes slowed down (in 3Q: -1% q-o-q). In Hungary the decline in OTP's corporate loan book reflects weak demand, whereas in other markets it is mostly the consequence of management decisions. The "net loan-to-deposit+retail bonds" ratio (97%) improved by 3 ppts q-o-q and 8 ppts y-o-y (adjusted for FX-effect).

The strong liquidity position of the Group did not require foreign currency denominated wholesale funding, on the contrary, through the excess liquidity generated by on-going loan repayments the Bank managed to reduce its outstanding net swap position. By the end of September the gross liquidity reserves of the Group reached EUR 5.8 billion equivalent.

Parallel with the loan portfolio deterioration the Group made HUF 61 billion risk costs in 3Q (-5% q-o-q), thus 9M risk costs amounted to HUF 183 billion underpinning a 10% y-o-y increase. The DPD90+ ratio grew from 18.8% to 19.0% over the quarter, underpinning the smallest quarterly increase since the beginning of the crisis. It was rather positive that out of the key markets the DPD90+

ratio grew only by 0.3 ppt in Hungary and by 0.2 ppt in Bulgaria. Deterioration was more meaningful in Russia and the Ukraine where the ratio advanced by 1.6 ppts and 1.0 ppt, respectively. At the smaller subsidiaries (Slovakia, Serbia, Montenegro, Merkantil) the portfolio quality either stagnated or improved.

The FX-adjusted DPD90+ volume formation in line with the management' expectation decelerated again in 3Q (HUF 47 billion versus HUF 80 billion in 2Q). Despite the lower quarterly risk costs, the provision coverage improved by 130 bps q-o-q getting close to 78%.

The consolidated capital adequacy ratio of OTP Group under IFRS increased to 18.2% in the third quarter (+0.4 ppt q-o-q). Within this, the Tier1 ratio reached 13.9%. The stand-alone capital adequacy ratio of OTP Bank stood at 18.2% by end-September. In the past three months there was no direct capital increase at any subsidiaries. In Montenegro subordinated debt was converted into equity in 3Q in the amount of EUR 8 million.

OTP Core: despite the higher tax burden 3Q net profit improved supported by higher operating profit and lower risk costs; moderating portfolio quality deterioration

The adjusted after tax profit of ***OTP Core*** (basic activity in Hungary) in 3Q 2012 represented HUF 27.0 billion (+19% q-o-q), thus 9M results amounted to HUF 74.1 billion underpinning a 19% y-o-y decline. The lower profit was mainly the result of the 11% y-o-y decline in operating profit, the negative one-off items, while risk costs remained practically the same. Though quarterly total income increased by 4% q-o-q due to stronger net interest result and other income, 9M total revenues fell short of the base period by HUF 15 billion. Interest earning assets declined and net interest income dropped by about HUF 24 billion as a result of early repayment of FX mortgage loans and growing competition in the deposit market.

After the outstandingly high portfolio deterioration in 2Q, non-performing loan formation was materially smaller in 3Q, as a result of the stronger HUF and the FX-fixing programme as well as the improving corporate portfolio. Given the lower quarterly increase of the DPD90+ ratio, despite q-o-q lower risk costs the provision coverage of non-performing loans nicely increased to 80.6% (up by 2.3 ppts q-o-q).

FX-adjusted loan volumes kept decreasing, true by smaller scale (-1% q-o-q, -8% y-o-y). Within that the retail loan book contracted by 9% over the past twelve months and the corporate portfolio by 2% respectively.

The 9M mortgage loan disbursement exceeded the base period by 15% as a result of a temporary demand generated by early repayment of FX mortgage loans, however 3Q origination fell short of 3Q 2011 by 29%. Going forward somewhat better activity may be expected from the new mortgage subsidy scheme sponsored by the Government and available from August. OTP was the first bank to offer that product to its customers. As for the cash loans, despite the Bank maintains its dominant position in new sales (9M 2012: 58% market share), volumes are still eroding.

The only segment where the Bank managed to have a growth was the small and medium enterprises where volumes grew by 2% q-o-q and 12% y-o-y.

The deposits and retail bonds dropped by 3% y-o-y (FX-adjusted), but grew by 1% q-o-q due to corporate deposits. Retail deposit volumes contracted as a result of the crowding out effect of household targeted government bonds. The "net loan-to-deposit+retail bond" ratio stood at 76% (-7 ppts y-o-y FX-adjusted).

Merkantil Group (the Hungarian car financing business) posted HUF 28 million of net earnings in 3Q (without banking tax). Thus its 9M profit represented HUF 1.5 billion. New loan origination showed a moderate recovery, the DPD90+ ratio (20.1%) q-o-q improved, as well as the provision coverage (92.1%).

OTP Fund Management posted HUF 414 million net result in 3Q and in 9M 2012 the profit reached HUF 891 million (without the banking levy). Due to a base effect technical in nature, net fee income increased four folds q-o-q (in 2Q the Company was obliged to remit a significant amount to OTP Private Pension Fund). The volume of total assets under management reached HUF 1,023 billion, underpinning a 6% q-o-q increase (+1% y-o-y). The company retained its dominant position, its market share of 26.2% showed a slight decline.

Significant increase in foreign subsidiaries' 9M profit contribution: stably profitable operation at the Russian, Bulgarian Croatian and Slovakian banks, hectic quarterly performance in the Ukraine and Romania, moderating losses in Serbia and Montenegro

In 3Q 2012 the non-Hungarian profit contribution represented HUF 19.5 billion (+26% q-o-q), thus in the first nine months foreign subsidiaries made all-in HUF 53.5 billion, by 28% more than a year ago. The 9M profit is basically related to Russia (HUF 33 billion) and Bulgaria (HUF 24 billion). The Croatian and Slovakian operations continued their positive performance, while the Ukrainian and Romanian subsidiaries turned into red. Losses in Serbia and Montenegro further moderated. In 3Q Russia and Bulgaria were the key contributors of non-Hungarian profits with HUF 10.6 billion and HUF 8 billion stakes respectively.

OTP Bank Russia booked HUF 10.6 billion profit after tax in 3Q, marginally less than in 2Q, but in ruble basically being flat q-o-q. Thus in 9M it posted HUF 33 billion net result underpinning a 27% growth y-o-y. During the same period operating results expanded rapidly (+57% y-o-y) as a result of the dynamic total income growth (+40%), but risk costs more than doubled.

FX-adjusted loan volumes grew by 17% y-o-y, within that the consumer book expanded by 30%. As a result of a deliberate management decision POS-volume growth (+31% y-o-y) was outpaced by a faster increase in credit card loans (+61%).

The robust loan growth was manly supported by the strong deposit volumes: volumes advanced both q-o-q and y-o-y (+8% and +25%, respectively). In 3Q there was no ruble bond transaction, however in the past 12 months (2011 November and 2012 March) the bank printed two series of bonds with a total face value of RUB 10 billion.

The portfolio quality worsened somewhat slower q-o-q, the DPD90+ ratio grew to 16.4% (2Q: +2.4 ppts, 3Q: 1.6 ppts). Parallel with lower quarterly risk costs the DPD90+ coverage decreased by 1.9 ppts (3Q 2012: 93.2%).

DSK Group realized HUF 8 billion net earnings in 3Q, thus 9M profit represented HUF 23.6 billion which is three times higher than in the base period. The key drivers behind the robust performance were the higher operating profit on one hand (+6% y-o-y) and the steady moderation of risk costs (-41%).

While the net interest and fee income was somewhat down q-o-q, this was offset by strong securities result. Operating expenses were reduced. DSK's net interest margin moderated (2Q: 5.76%, 3Q: 5.63%), but the cost-to-income ratio improved q-o-q from 36.1% to 35.1%.

The FX-adjusted loan portfolio stagnated both q-o-q and y-o-y, only corporate loans grew (+2% q-o-q and 3% y-o-y). Deposits advanced by 5% compared to the base period. The net loan-to deposit ratio improved by 5 ppts y-o-y to 100% (FX-adjusted). The portfolio quality worsening further moderated, DPD90+ ratio reached 18.2%. DPD90+ volumes grew only by HUF 3 billion, the lowest FX-adjusted quarterly increase in recent years. Despite the lower risk costs (-25% q-o-q) the DPD90+ coverage improved reaching 80.5%.

Despite posting HUF 1.9 billion profit in 3Q, ***OTP Bank Ukraine*** realized HUF 2.2 billion loss ytd. The key reason behind the 9M negative result was the soaring risk cost. In the first nine months operating profit grew by 18% y-o-y, but it was mainly due to translation effect. The net interest income grew by 20% y-o-y, while net fees advanced by 46%. Parallel with the gradual expansion of consumer loans, 3Q net interest and fee income increased by 23% and 32% respectively and the quarterly net interest margin improved to 7.75% (9M 2012: 6.57%).

The portfolio deterioration decelerated in 3Q, the DPD90+ ratio grew by 1 ppt q-o-q (35.4%) with the corporate loans even improving. Despite the higher risk costs, the DPD90+ coverage (78.5%) somewhat decreased.

The FX-adjusted loan book contracted by 5% q-o-q and by 7% y-o-y. Within that the corporate book dropped faster (-8% y-o-y). The retail segment shrank further (-1% q-o-q, -3% y-o-y) except the consumer lending launched in 2Q 2011. The latter grew by 34% q-o-q and within a year volumes increased seven folds. True from a low base, but cash loans and credit card loans advanced nicely, too. The number of selling agents involved in consumer lending doubled y-o-y and reached almost 2,300 people. Deposits kept growing (+10% y-o-y) and the net loan-to-deposit ratio further improved.

OTP Bank Romania realized HUF 2 billion cumulative loss in 9M 2012 against HUF 1.5 billion profit in the base period. 3Q negative result was HUF 1.7 billion. The hectic quarterly performances reflect the risk cost developments. The 9M operating profit decreased by 22% y-o-y: due to continuous deposit campaigns and the declining interest rate environment net interest margin eroded (9M 2012: 3.47%, -65 bps y-o-y), furthermore there was a technical swap effect having an adverse effect on net interest income, too. During the same period risk costs advanced by 42%. The FX-adjusted loan book grew by 5% y-o-y, within that the mortgage portfolio and the consumer loan volumes grew the fastest. By end of September the DPD90+ ratio grew to 15.9%, the coverage moderately dropped to 65.8%. In line with the management's target the net loan-to-deposit ratio improved further to 234% (-16% ppts q-o-q).

As a result of improving operating profit and significantly moderating risk costs ***OTP banka Hrvatska (Croatia)*** managed to post HUF 1.6 billion profit in 3Q, thus 9M results reached HUF 2.7 billion. The net interest margin y-o-y remained stable (3.16%). Since the DPD90+ ratio slightly increased (10.5%), its coverage declined (63.7%). The bank's net loan-to deposit ratio further improved (79%).

The ***Slovakian subsidiary*** continued its positive track record posting another profitable quarter and 9M net earnings reached HUF 0.6 billion. Due to improving consumer lending both net interest margin (3.16% in 9M) and net interest income grew (+13% y-o-y). Growth in the deposit base was considerable, too (+10% y-o-y). The DPD90+ ratio basically remained the same in 3Q (11.6%); the DPD90+ coverage was 54.8%.

While the ***Serbian subsidiary*** still remained in red in 3Q (HUF 1.3 billion loss) and 9M cumulative negative results amounted to HUF 2.6 billion, the latter was by HUF 1 billion lower than in the base period. 3Q total income declined in the wake of weaker other income, net interest result and fee income somewhat increased. With the quarterly decline of the DPD90+ ratio (57.2%), the coverage improved (52.1%) despite the q-o-q lower risk cost. The FX-adjusted consumer loan portfolio grew by 7% q-o-q and 27% y-o-y respectively supported by growing cash loan origination; the net interest margin widened, too.

Posting a minimal loss in 3Q ***CKB Montenegro*** realized a negative result of HUF 0.4 billion ytd against HUF 3.5 billion loss during 9M 2011. The quality of all major portfolio segments improved, but SME loans, and the DPD90+ ratio moderated to 39.4%. Despite lower quarterly risk costs the coverage improved (76.1%). With the FX-adjusted loan volumes contracting q-o-q, but deposits increasing, the net loan-to-deposit ratio dropped to 64%, the lowest within the Group.

Credit ratings, shareholder structure

In 3Q 2012 there was no change in the credit rating of OTP Bank. It has got a "BB+" rating from Standard & Poor's and "Ba1" from Moody's. Both being equal to that of the Hungarian sovereign. In the meantime Moody's confirmed its "Baa3" rating for DSK Bank and "Ba2" for OTP Bank Russia.

As for the ownership structure, by the end of 3Q four investors had more than 5% influence (beneficial ownership) in the Company, namely the Rahimkulov family (9.09%), MOL (the Hungarian Oil and Gas Company) (8.71%), Groupama Group (8.43%) and the Lazard Group (5.73%). BlackRock pierced 5% in the middle of October, but by the end of the month decreased it again below 5%.

POST BALANCE SHEET EVENTS

Hungary

- On 3 October 2012 the European Banking Authority (EBA) and the Hungarian Financial Supervisory Authority disclosed the final assessment of the capital exercise and fulfilment of the EBA December 2011 Recommendation, which shows that OTP Bank Plc. meets the 9% Core Tier1 ratio including the sovereign buffer as stated in the EBA December 2011 Recommendation.
- On 5 October 2012 the Minister for National Economy announced a fiscal austerity package aiming at improving the budget balance by HUF 397 billion in 2013. One element of the package that has effect on the banking sector is the increase of the financial transaction tax rate on cash withdrawals from 0.1% to 0.3%.
- On 17 October 2012 the Minister for National Economy unveiled another fiscal austerity package aiming at improving the budget balance by HUF 367 billion in 2013. Two measures have significant impact on the banking sector. First, despite the government's undertaking declared on 15 December 2011, the bank tax won't be halved in 2013, but paid in full amount (and the reduction will be postponed for 2014). Second, the general rate of the financial transaction tax will be increased from 0.1% to 0.2%.
- On 27 October 2012 the Prime Minister announced that the central government will assume HUF 612 billion worth of debt from altogether 1,956 local municipalities. According to the proposal, the state will fully take over the debt amounting to HUF 97 billion from local governments with a population of less than 5,000 people. In case of municipalities with a population of over 5,000 inhabitants the central government is willing to assume the debt amounting to HUF 515 billion in a partial and differentiated manner (40-50-60-70%), depending on the local governments' revenue generating capacity.
- On 30 October 2012 the central bank lowered its key policy rate by 25 basis points to 6.25%.
- The amendment proposals to a bill containing tax changes for 2013 submitted on 8 November 2012 comprise the following measures that have a direct effect on the banking system: financial institutions remain obliged to pay the full amount of bank tax in 2013 too it won't be halved as agreed earlier. Credit institutions will have to pay the contribution tax in 2013 as well. The general rate of the financial transaction tax will be lifted to 0.2%, while for cash withdrawals 0.3% rate will be applied. The National Bank of Hungary won't be subject to the financial transaction tax. The financial transaction tax will be extended on money change, cash withdrawal with credit card from ATMs, loan repayment, as well as on fees and commissions charged by financial service providers. Moreover from 1 January 2014, the tax will be extended on transactions with securities, including derivative transactions where the underlying products are securities. After the Parliament voted on the amendment proposals on 12 November 2012, they have been incorporated into the bill on 2013 tax changes. There was no final vote on latter bill yet.

Russia

- Moody's Investors Service in its report dated 25 October 2012 maintained the negative outlook for the Russian banking system.

- During September and October 2012 the Russian central bank proposed new regulatory initiatives to cool down unsecured consumer lending growth. According to the proposals, which have not been come into force yet, more provisions must be created for unsecured consumer loans granted after 1 January 2013. In case of performing loans the minimum provisioning requirement will increase from 1% to 2%, for loans with less than 30 days delay it will go up from 3% to 6%, while in case of DPD365+ loans the provisioning requirement changes from 75% to 100% (this rule applies to the whole unsecured consumer loan portfolio). This regulation change applies to reserves to be created under Russian Accounting Standards. According to the other draft regulation, effective from 1 February 2013, unsecured consumer loans would be subject to increased risk weights, depending on the effective interest rate and the currency denomination. The currently typically 100% risk weight of ruble loans would increase to 110-250% for loans granted after 1 March 2013.

Ukraine

- According to the results of the parliamentary elections on 28 October 2012 the majority of the coalition backing the President, Mr. Viktor Yanukovych is likely to remain. The UAH has not been devaluated.
- On 1 November 2012 Fitch Ratings announced that the 'B' sovereign credit rating of Ukraine may be downgraded without an IMF loan agreement.

Bulgaria

- On 10 October 2012 the government approved the budget draft for 2013 with a deficit target of 1.3% of the GDP, while the GDP growth may reach 1.2-1.9%. According to the draft, a 10% tax on interest from deposits for households will be imposed in 2013.

Serbia

- In its meeting on 9 October 2012, the central bank raised the benchmark rate by 25 basis points to 10.75%.
- On 25 October 2012 the government passed the 2013 budget draft with a 2% GDP growth assumption and a deficit target of 3.6% of the GDP. On 5 November the Parliament reversed some changes to the central bank law passed in August that drew criticism from the European Union and IMF.

CONSOLIDATED AFTER TAX PROFIT BREAKDOWN BY SUBSIDIARIES (IFRS)[2]

in HUF million	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
Consolidated after tax profit	**109,640**	**96,441**	**-12%**	**35,165**	**41,074**	**42,539**	**4%**	**21%**
Adjustments (total)	**-21,573**	**-27,271**	**26%**	**-7,370**	**4,082**	**-416**	**-110%**	**-94%**
Dividend and total net cash transfers (consolidated)	581	-194	-133%	302	181	-237	-231%	-179%
Goodwill/investment impairment charges (after tax)	0	3,977		0	3,977	0	-100%	
Special tax on financial institutions (after corporate income tax)	-21,724	-29,278	35%	-7,241	-76	-179	135%	-98%
Impact of early repayment of FX mortgage loans in Hungary (after corporate income tax)	-430	-1,775	0%	-430	0	0		
Consolidated adjusted after tax profit without the effect of adjustments	**131,214**	**123,711**	**-6%**	**42,534**	**36,992**	**42,955**	**16%**	**1%**
Banks total without one-off items[1]	123,717	121,066	-2%	38,848	35,917	44,641	24%	15%
OTP CORE (Hungary)[2]	91,263	74,086	-19%	28,533	22,760	27,027	19%	-5%
Corporate Centre (after tax)[3]	-5,408	-5,716	6%	-1,227	-1,896	-1,722	-9%	40%
OTP Bank Russia	26,000	32,996	27%	9,005	11,043	10,621	-4%	18%
CJSC OTP Bank (Ukraine)[4]	7,827	-2,168	-128%	1,865	-1,473	1,906	-229%	2%
DSK Bank (Bulgaria)[5]	8,718	23,626	171%	3,219	5,717	8,019	40%	149%
OBR adj. (Romania)[6]	1,465	-1,966	-234%	-9	921	-1,724	-287%	
OTP banka Srbija (Serbia)[7]	-3,557	-2,591	-27%	-584	-836	-1,299	55%	122%
OBH (Croatia)	4,176	2,662	-36%	3,225	275	1,630	492%	-49%
OBH, adj.	736	2,662	262%	-215	275	1,630	492%	-857%
OBH one-off items[8]	3,440	-	-100%	3,440	-	-		-100%
OBS (Slovakia)[9]	152	561	269%	23	72	250	249%	994%
CKB (Montenegro)	-3,480	-423	-88%	-1,761	-667	-68	-90%	-96%
Leasing	2,019	2,872	42%	490	951	565	-41%	15%
Merkantil Bank + Car, adj. (Hungary)[10]	1,811	1,475	-19%	628	451	28	-94%	-96%
Foreign leasing companies (Slovakia, Croatia, Bulgaria, Romania)[11]	207	1,397	573%	-138	500	537	8%	-488%
Asset Management	2,673	894	-67%	724	-53	426	-900%	-41%
OTP Asset Management (Hungary)	2,708	891	-67%	736	-50	414	-927%	-44%
Foreign Asset Management Companies (Ukraine, Romania)[12]	-35	3	-109%	-12	-3	12	-472%	-197%
Other Hungarian Subsidiaries	-455	-181	-60%	-710	813	-1,836	-326%	159%
Other Foreign Subsidiaries (Slovakia, United Kingdom, Cyprus, Romania, Belize)[13]	346	-644	-286%	161	-61	-392	541%	-343%
Eliminations	-526	-292	-44%	-419	-572	-447	-22%	7%
Total after tax profit of HUNGARIAN subsidiaries[14]	*89,394*	*70,262*	*-21%*	*27,542*	*21,507*	*23,465*	*9%*	*-15%*
Total after tax profit of FOREIGN subsidiaries[15]	*41,820*	*53,452*	*28%*	*14,992*	*15,487*	*19,491*	*26%*	*30%*
Share of foreign profit contribution, %	***32%***	***43%***	***11%***	***35%***	***42%***	***45%***	***4%***	***10%***

[2] Belonging footnotes are in the Supplementary data section of the Report.

CONSOLIDATED AND SEPARATE, UNAUDITED IFRS REPORTS OF OTP BANK PLC.

CONSOLIDATED STATEMENT OF RECOGNIZED INCOME

Main components of the Statement of recognized income in HUF million	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
Consolidated after tax profit	**109,640**	**96,441**	**-12%**	**35,165**	**41,074**	**42,539**	**4%**	**21%**
Adjustments (total)	**-21,573**	**-27,271**	**26%**	**-7,370**	**4,082**	**-416**	**-110%**	**-94%**
Dividends and net cash transfers (after tax)	581	-194	-133%	302	181	-237	-231%	-178%
Goodwill/investment impairment charges (after tax)	0	3,977		0	3,977	0	-100%	
Special tax on financial institutions (after corporate income tax)	-21,724	-29,278	35%	-7,241	-76	-179	135%	-98%
Impact of early repayment of FX mortgage loans in Hungary (after corporate income tax)	-430	-1,775	313%	-430	0	0		-100%
Consolidated adjusted after tax profit without the effect of adjustments	**131,214**	**123,711**	**-6%**	**42,534**	**36,992**	**42,955**	**16%**	**1%**
Before tax profit	**170,818**	**152,802**	**-11%**	**62,252**	**46,078**	**55,496**	**20%**	**-11%**
Operating profit	**327,720**	**340,026**	**4%**	**112,307**	**111,953**	**115,528**	**3%**	**3%**
Total income	**593,293**	**629,689**	**6%**	**204,869**	**208,044**	**212,392**	**2%**	**4%**
Net interest income	**461,931**	**484,332**	**5%**	**159,230**	**158,907**	**161,278**	**1%**	**1%**
Net fees and commissions	**104,683**	**111,020**	**6%**	**36,577**	**37,929**	**39,013**	**3%**	**7%**
Other net non-interest income	**26,679**	**34,337**	**29%**	**9,061**	**11,208**	**12,101**	**8%**	**34%**
Foreign exchange result, net	13,957	16,460	18%	4,553	6,334	5,704	-10%	25%
Gain/loss on securities, net	2,243	4,176	86%	-587	287	2,834	887%	-583%
Net other non-interest result	10,479	13,701	31%	5,095	4,587	3,564	-22%	-30%
Operating expenses	**-265,573**	**-289,663**	**9%**	**-92,562**	**-96,092**	**-96,865**	**1%**	**5%**
Personnel expenses	-120,634	-140,269	16%	-42,665	-46,615	-46,750	0%	10%
Depreciation	-36,505	-34,837	-5%	-12,600	-11,832	-11,864	0%	-6%
Other expenses	-108,434	-114,557	6%	-37,297	-37,644	-38,250	2%	3%
Total risk costs	**-166,504**	**-183,414**	**10%**	**-59,339**	**-64,099**	**-60,574**	**-5%**	**2%**
Provision for loan losses	-166,659	-178,399	7%	-58,500	-62,469	-58,366	-7%	0%
Other provision	155	-5,015		-839	-1,630	-2,208	35%	163%
Total one-off items	**9,602**	**-3,810**	**-140%**	**9,284**	**-1,776**	**542**	**-131%**	**-94%**
Revaluation result of FX swaps at OTP Core	3,530	-2,527	-172%	3,530	-1,356	29	-102%	-99%
Gain on the repurchase of own Upper and Lower Tier2 Capital at OTP Core	1,772	1,415	-20%	1,454	0	291		-80%
Gain on Croatian government bonds at OTP Croatia	4,300	0	-100%	4,300	0	0		-100%
Result of the treasury share swap at OTP Core	0	-2,697		0	-420	223	-153%	
Corporate taxes	**-39,604**	**-29,091**	**-27%**	**-19,717**	**-9,086**	**-12,541**	**38%**	**-36%**
INDICATORS (%)	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
ROE (adjusted)	12.9%	11.5%	-1.4%	12.3%	10.6%	11.9%	1.2%	-0.4%
ROA (adjusted)	1.8%	1.7%	-0.1%	1.7%	1.5%	1.7%	0.2%	0.0%
Operating profit margin	4.45%	4.54%	0.08%	4.54%	4.52%	4.65%	0.13%	0.11%
Total income margin	8.06%	8.40%	0.34%	8.29%	8.39%	8.55%	0.16%	0.26%
Net interest margin	6.28%	6.46%	0.19%	6.44%	6.41%	6.49%	0.08%	0.05%
Net fee and commission margin	1.42%	1.48%	0.06%	1.48%	1.53%	1.57%	0.04%	0.09%
Net other non-interest income margin	0.36%	0.46%	0.10%	0.37%	0.45%	0.49%	0.04%	0.12%
Cost-to-asset ratio	3.61%	3.86%	0.26%	3.74%	3.88%	3.90%	0.02%	0.16%
Cost/income ratio	44.8%	46.0%	1.2%	45.2%	46.2%	45.6%	-0.6%	0.4%
Risk cost for loan losses-to-average gross loans	2.95%	3.09%	0.14%	3.15%	3.32%	3.13%	-0.20%	-0.02%
Risk cost for loan losses-to-average FX adjusted gross loans	2.93%	3.20%	0.27%	3.07%	3.40%	3.15%	-0.25%	0.08%
Total risk cost-to-asset ratio	2.26%	2.45%	0.18%	2.40%	2.59%	2.44%	-0.15%	0.04%
Effective tax rate	23.2%	19.0%	-4.1%	31.7%	19.7%	22.6%	2.9%	-9.1%
Non-interest income/total income	22%	23%	1%	22%	24%	24%	0%	2%
EPS base (HUF) (from unadjusted net earnings)	410	360	-12%	132	153	159	4%	21%
EPS diluted (HUF) (from unadjusted net earnings)	409	360	-12%	132	153	159	4%	20%
EPS base (HUF) (from adjusted net earnings)	492	465	-6%	160	139	161	16%	1%
EPS diluted (HUF) (from adjusted net earnings)	492	465	-6%	160	139	161	16%	1%
Comprehensive Income Statement	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
Net comprehensive income	**117,838**	**67,838**	**-42%**	**71,664**	**38,185**	**39,817**	**4%**	**-44%**
Net profit attributable to equity holders	**109,174**	**95,794**	**-12%**	**35,160**	**40,842**	**42,343**	**4%**	**20%**
Consolidated after tax profit	109,640	96,441	-12%	35,165	41,074	42,539	4%	21%
(-) Net profit attributable to non-controlling interest	466	647	39%	5	232	196	-15%	
Other net comprehensive income elements	**8,664**	**-27,956**	**-423%**	**36,504**	**-2,657**	**-2,526**	**-5%**	**-107%**
Fair value adjustment of securities available-for-sale (recognised directly through equity)	-4,122	38,277	-1029%	-17,399	17,769	9,890	-44%	-157%
Fair value adjustment of derivative financial instruments designated as cash-flow hedge	357	398	11%	120	132	134	2%	12%
Fair value adjustment of strategic open FX position hedging net investment in foreign operations	-3,264	6,802	-308%	-6,580	1,851	1,082	-42%	-116%
Foreign currency translation difference	15,693	-73,433	-568%	60,363	-22,409	-13,632	-39%	-123%

Average exchange rate of the HUF (in forint)	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
EUR/HUF	271	291	7%	275	294	283	-4%	3%
CHF/HUF	220	242	10%	236	245	235	-4%	0%
USD/HUF	193	227	18%	195	229	226	-1%	16%
JPY/100HUF	240	287	20%	251	286	288	0%	15%

- ***HUF 124 billion 9M adjusted profit down by 6% y-o-y as a result of improving operating profits and higher risk costs***
- ***9M operating profit grew by 4% y-o-y fuelled by rapidly increasing Russian contribution (+57%, +HUF 32 billion y-o-y)***
- ***Improving 3Q adjusted net earnings due to moderating risk costs and higher revenues***

In 9M 2012 **OTP Group** posted an adjusted after tax profit of HUF 123.7 billion (excluding the special banking levy, the impact of early prepayment of FX mortgage loans, and positive tax shield of investment impairment charges) showing a y-o-y 6% decline. The accounting profit including the special banking tax, the loss from early repayment of FX mortgage loans and the tax shield of investment impairment charges came out at HUF 96.4 billion, down by 12% y-o-y. The significant drop in accounting profit was practically entirely reasoned by the following: in 2012 the full annual amount of the special banking tax paid by Hungarian group members was already recognised in the first quarter, whereas previously accrual accounting was applied. This methodological change was based on a draft statement of the IFRS Interpretation Committee ("IFRIC") released in March 2012.

The 3Q consolidated adjusted profit after tax was at HUF 43.0 billion, +16% q-o-q and +1% y-o-y. In the absence of significant adjustment items, the accounting profit of 3Q representing HUF 42.5 billion (+4% q-o-q, +21% y-o-y) fell very close to the adjusted one. The key reason behind the smaller quarterly improvement in the accounting profit is due to a base effect: an adjustment item[3] improved the Group's IFRS accounting profit in 2Q 2012.

The 6% decline in 9M adjusted profit was partly caused by one-off items (revaluation of FX swaps and the result of the treasury share swap), but also by the y-o-y 10% increase in risk costs – mostly related to the loan books of OTP Core, OTP Russia, OTP Ukraine and OTP Romania. However, the operating profit improved by 4% due to the rapid growth of the Russian net interest income (+43%, +HUF 37 billion y-o-y) which offset the weaker Hungarian net interest result. Operating expenses for the first nine months expanded by 9% y-o-y (by HUF 24 billion), of which HUF 11 billion increase was caused by the y-o-y weaker forint. Thus the FX-adjusted cost increase was only 5% (+HUF 13 billion). Bulk of the FX adjusted change was related to OTP Core (+HUF 6 billion y-o-y), where personnel expenses grew fundamentally on the back of enhanced collection activity, moreover technical effects emerged from bringing the management compensation system in line with regulatory requirements of CRD III in 2010. Operating expenses in Russia and the Ukraine also kept growing (y-o-y up by HUF 3.7 billion and HUF 1.1 billion respectively), but in those units higher costs were triggered by enhanced business activity.

The key factor behind the q-o-q 16% improvement in 3Q adjusted net results was the 5% quarterly drop in risk costs. The consolidated portfolio deterioration slowed down remarkably in 3Q (new DPD90+ loan formation in HUF billion in 2012: 1Q: 51, 2Q: 80, 3Q: 47). Also, The DPD90+ ratio grew only by 0.2 ppt to 19.0% q-o-q. Lower quarterly risk costs were mainly related to the Hungarian and Bulgarian portfolios. In Hungary and Bulgaria the new DPD90+ loan formation moderated a lot q-o-q. Still, even with lower quarterly risk costs the DPD90+ coverage improved in both units. In Russia the 2Q risk cost rate reached 10% partly due to an increase in provision coverage. In 3Q the risk cost rate somewhat declined (to 9.0%), risk costs were lower, too, however the overall portfolio deterioration remained quite substantial (DPD90+ rate at 16.4%, +1.6 ppts q-o-q).

Apart from lower risk costs in 3Q, the other profit-improving element was the q-o-q stronger net interest income (+HUF 2.4 billion, +1% q-o-q). This revenue line was supported by higher net interest income at OTP Core (+HUF 2.2 billion q-o-q), where the net interest margin also improved (3Q 2012: 4.73%, +19 bps q-o-q). Furthermore, 3Q net interest income was strong in Ukraine, too (+HUF 2.5 billion q-o-q): as a result of the strengthening consumer lending activity and the higher interbank and corporate interest rates the net interest margin advanced sharply (3Q 2012: 7.75%, +184 bps q-o-q).

[3] On the investments into the Serbian and Montenegrin subsidiaries impairment charges were recognised at OTP Bank (under local accounting standards: HUF 15 billion and HUF 5.9 billion respectively). Though under IFRS these impairments had direct effect neither on the consolidated balance sheet nor on the P&L, there was a positive tax shield of HUF 4.0 billion that added to the Group's IFRS accounting profit.

CONSOLIDATED BALANCE SHEET

Main components of balance sheet in HUF million	3Q 2011	4Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y	YTD
TOTAL ASSETS	**9,902,667**	**10,200,527**	**9,937,155**	**9,827,507**	**-1%**	**-1%**	**-4%**
Cash and amount due from banks	453,926	595,986	560,263	508,184	-9%	12%	-15%
Placements with other banks	604,060	422,777	429,375	443,002	3%	-27%	5%
Financial assets at fair value	207,767	241,282	213,113	245,068	15%	18%	2%
Securities available-for-sale	1,077,531	1,125,855	1,502,010	1,529,690	2%	42%	36%
Net customer loans	6,807,824	7,047,179	6,476,948	6,357,433	-2%	-7%	-10%
Net customer loans (FX adjusted)	**6,737,600**	**6,596,585**	**6,394,082**	**6,357,433**	**-1%**	**-6%**	**-4%**
Gross customer loans	7,730,127	8,108,631	7,554,220	7,449,696	-1%	-4%	-8%
Gross customer loans (FX adjusted)	**7,652,467**	**7,585,445**	**7,454,049**	**7,449,696**	**0%**	**-3%**	**-2%**
o/w Retail loans	4,983,664	4,942,966	4,880,385	4,926,896	1%	-1%	0%
Retail mortgage loans (incl. home equity)	3,040,705	2,936,545	2,814,116	2,789,148	-1%	-8%	-5%
Retail consumer loans	1,499,127	1,570,145	1,619,207	1,692,759	5%	13%	8%
SME loans	443,832	436,322	447,062	444,989	0%	0%	2%
Corporate loans	2,250,873	2,239,939	2,186,724	2,153,572	-2%	-4%	-4%
Loans to medium and large corporates	1,891,381	1,902,016	1,854,792	1,833,392	-1%	-3%	-4%
Municipal loans	359,492	337,918	331,920	320,180	-4%	-11%	-5%
Car financing loans	351,997	339,646	315,701	297,003	-6%	-16%	-13%
Bills and accrued interest receivables related to loans	65,932	62,865	71,202	72,225	1%	10%	15%
Allowances for loan losses	-922,303	-1,061,452	-1,077,272	-1,092,263	1%	18%	3%
Allowances for loan losses (FX adjusted)	-914,867	-988,860	-1,059,966	-1,092,263	3%	19%	10%
Equity investments	8,635	10,342	7,712	6,777	-12%	-22%	-34%
Securities held-to-maturity	139,485	124,887	132,007	120,158	-9%	-14%	-4%
Premises, equipment and intangible assets, net	485,503	491,666	474,534	475,810	0%	-2%	-3%
o/w Goodwill, net	211,638	198,896	188,956	186,931	-1%	-12%	-6%
Premises, equipment and other intangible assets, net	273,865	292,770	285,578	288,879	1%	5%	-1%
Other assets	117,936	140,553	141,193	141,385	0%	20%	1%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**9,902,667**	**10,200,527**	**9,937,155**	**9,827,507**	**-1%**	**-1%**	**-4%**
Liabilities to credit institutions and governments	670,385	646,968	711,119	548,402	-23%	-18%	-15%
Customer deposits	6,138,382	6,398,853	6,170,700	6,264,936	2%	2%	-2%
Customer deposits (FX adjusted)	**6,090,168**	**6,114,211**	**6,118,553**	**6,264,936**	**2%**	**3%**	**2%**
o/w Retail deposits	4,529,420	4,569,218	4,553,833	4,552,333	0%	1%	0%
Household deposits	3,988,582	4,011,678	3,983,907	3,967,841	0%	-1%	-1%
SME deposits	540,817	557,486	569,926	584,492	3%	8%	5%
Corporate deposits	1,519,453	1,510,551	1,515,229	1,660,740	10%	9%	10%
Deposits to medium and large corporates	1,219,765	1,261,479	1,287,766	1,361,816	6%	12%	8%
Municipal deposits	299,690	249,077	227,464	298,925	31%	0%	20%
Accrued interest payable related to customer deposits	41,288	34,403	49,491	51,863	5%	26%	51%
Issued securities	775,939	812,863	742,688	721,368	-3%	-7%	-11%
o/w Retail bonds	323,741	344,510	316,503	288,050	-9%	-11%	-16%
Issued securities without retail bonds	452,198	468,353	426,185	433,318	2%	-4%	-7%
Other liabilities	610,730	607,086	596,534	546,351	-8%	-11%	-10%
Subordinated bonds and loans	300,894	316,447	296,078	286,140	-3%	-5%	-10%
Total shareholders' equity	**1,406,337**	**1,418,310**	**1,420,036**	**1,460,310**	**3%**	**4%**	**3%**
Indicators	3Q 2011	4Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y	YTD
Loan/deposit ratio (FX adjusted)	125%	124%	122%	119%	-3%	-7%	-5%
Net loan/(deposit + retail bond) ratio (FX adjusted)	105%	102%	99%	97%	-2%	-8%	-5%
90+ days past due loan volume	1,228,099	1,335,917	1,406,672	1,402,379	0%	14%	5%
90+ days past due loans/gross customer loans	16.0%	16.6%	18.8%	19.0%	0.2%	3.0%	2.4%
Total provisions/90+ days past due loans[1]	75.1%	76.7%	76.6%	77.9%	1.3%	2.8%	1.2%
Consolidated capital adequacy - Basel2	3Q 2011	4Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y	YTD
Capital adequacy ratio (consolidated, IFRS)	17.5%	17.3%	17.9%	18.2%	0.4%	0.7%	1.0%
Tier1 ratio	14.1%	13.3%	14.4%	15.2%	0.7%	1.1%	1.9%
Core Tier1 ratio	12.7%	12.0%	13.1%	13.9%	0.7%	1.2%	1.8%
Leverage (Total Assets/Shareholder's Equity)	7x	7.2x	7x	6.7x			
Regulatory capital (consolidated)	1,397,705	1,433,085	1,427,744	1,430,412	0%	2%	0%
o/w Tier1 Capital	1,124,070	1,105,876	1,153,637	1,191,328	3%	6%	8%
o/w Core Tier1 Capital	1,014,470	997,583	1,048,213	1,087,310			
Hybrid Tier1 Capital	109,600	108,293	105,425	104,017	-1%	-5%	-4%
Tier2 Capital	274,068	327,587	274,479	239,457	-13%	-13%	-27%
Deductions from the regulatory capital	-433	-377	-372	-372	0%	-14%	-1%
Consolidated risk weighted assets (RWA) (Credit&Market&Operational risk)	7,986,655	8,297,547	7,986,641	7,846,495	-2%	-2%	-5%
o/w RWA (Credit risk)	6,057,953	6,397,182	6,094,912	5,943,779	-2%	-2%	-7%
RWA (Market & Operational risk)	1,928,702	1,900,365	1,891,729	1,902,716	1%	-1%	0%
Closing exchange rate of the HUF (in forint)	3Q 2011	4Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y	YTD
EUR/HUF	292	311	288	284	-2%	-3%	-9%
CHF/HUF	239	256	240	235	-2%	-2%	-8%
USD/HUF	216	241	229	219	-4%	2%	-9%
JPY/100 HUF	281	311	288	282	-2%	1%	-9%

[1] Excluding provisions related to the early repayment of FX mortgage loans.

- ***Further increase in consumer loan volumes in the Ukraine (+34% q-o-q), Russia (+10%), Slovakia (+12%), Romania (+17%) and Serbia (+12%)***
- ***In the mortgage segment only the Slovakian book increased (+2% q-o-q), in the Hungarian one contraction slowed down (-0.9% q-o-q)***
- ***Deposit volumes grew due to the corporate segment***
- ***Net loan-to-deposit ratio melted to 97% (-2 ppts q-o-q, -8 ppts y-o-y, FX-adjusted)***

The consolidated FX-adjusted loan portfolio stagnated q-o-q and contracted by 3% y-o-y. In 3Q 2012 only the consumer segment could grow (+5% q-o-q) with the Russian and Ukrainian portfolio remaining the engines of growth. From the beginning of the year the Slovakian, Serbian and Romanian cash loans also gained spectacular strength.

As for the consumer lending, due to seasonality the Russian growth accelerated (+10% q-o-q) and the annual dynamism remained strong (+30%). The Ukrainian consumer lending remained vibrant, due to the relatively low base even the q-o-q increase was significant (+34%). Closing volumes represented HUF 33 billion in 3Q 2012 underpinning a q-o-q increase of HUF 8 billion and +HUF 28 billion y-o-y. In the Ukraine the selling network expanded rapidly, the bank used almost 2,300 agents (of which number of own agents was at 1.979) by the end of September and increased the network of partner retail chains. In order to capitalize on cross sale potentials starting from the last autumn the Bank entered the market with new credit card products and cash loan sale was intensified, too. By the end of September credit card loan volumes represented HUF 6 billion with cash loans standing at HUF 7 billion.

Regarding the other consolidated loan segments, mortgages, car loans and corporate exposures shrank further q-o-q. The consolidated mortgage portfolio moderated only by 0.9% in 3Q as the Hungarian FX-mortgage prepayment came to end in February. On the positive side the Slovakian mortgage volumes could increase (q-o-q +2%, y-o-y +8%). The Romanian and Croatian mortgage book stopped growing in 3Q, however the yearly expansion is still meaningful (+6% and 3% respectively).

The 3% y-o-y decline of the consolidated loan book to a great extent reflects the negative impact of the early repayment of FX mortgages in Hungary. The strong Russian and the increasing Ukrainian consumer lending could not fully offset the negative effect of the early repayment in 4Q 2011 and 1Q 2012. Recall: the FX mortgage book dropped by HUF 217 billion as a result of the prepayment (2011: HUF 110 billion, 1Q 2012: HUF 107 billion). The volume decline of FX mortgages was counterbalanced to some extent by newly sold forint refinancing loans. By 28 February 2012, their total amount reached HUF 64 billion, out of which HUF 41 billion was disbursed to own clients; the remaining part was sold to clients of other banks.

FX-adjusted deposit volumes increased by 2% q-o-q and 3% y-o-y, respectively. Significant quarterly growth was registered in Hungary, Russia, Romania and Croatia (2%, 8%, 7% and 7% respectively). In Hungary mainly corporate deposits expanded (+11% q-o-q), whereas retail deposit and bond volumes together dropped (-3%) due to the intensified selling campaign of the Government Debt Management Agency supporting the distribution of government bonds to retail clients. Thus the lower consolidated retail deposits were mainly the consequence of the shrinking Hungarian retail volumes.

The volume of issued securities dropped by 3% q-o-q and by 7% y-o-y. The q-o-q drop was related to the volume decline of retail bonds (-9%), furthermore forint denominated mortgage bonds matured in August 2012 in the amount of HUF 14 billion. The y-o-y decline was reasoned partially by Hungarian retail bond redemptions (-HUF 36 billion) and mortgage bond maturities (-HUF 59 billion equivalent in the last 12 months). On the top of that OTP Mortgage Bank repaid EUR 84 million (HUF 24 billion) mortgage bond in December 2011, whereas OTP Bank had a senior bond maturity with face value of CHF 100 million in February 2012.

The decrease caused by these repayments was mitigated by HUF 29 billion y-o-y increase in forint denominated Hungarian institutional bonds. Furthermore, during the course of 2011-2012 the Russian subsidiary issued 4 series of senior bonds with face value of RUB 17.5 billion, cca. HUF 124 billion (out of that in 4Q 2011: HUF 28 billion, in 1Q 2012 HUF 43 billion equivalent was issued).

The FX-adjusted volume of Lower and Upper Tier2 capital ("LT2", "UT2") shrank a bit q-o-q and y-o-y as a result of buybacks resumed from June 2011. In 2011 out of the UT2 OTP bought back EUR 5 million in 2Q, 12 million in 3Q and 5.4 million in 4Q, while in 3Q 2012 the Bank repurchased 2.4 billion. From the LT2 maturing on 4 March 2015 the Bank repurchased EUR 3.2 million in 3Q 2011, 1.9 million in 4Q and 14 million in 1Q 2012.

Since the beginning of the crisis OTP Group accumulated a significant liquidity buffer[4]. By end-September 2012, the volume of liquid reserves reached EUR 5.8 billion equivalent, which is by EUR

[4] The Group's operating liquidity reserve consists of bonds of the National Bank of Hungary, government bonds, liquid asset surplus within one month and repoable covered bonds and municipal bonds.

4.3 billion more than the total FX denominated debt of the Group.

CONSOLIDATED CAPITAL ADEQUACY RATIO (IN ACCORDANCE WITH BASEL II)

At the end of June 2012 the regulatory capital of OTP Group represented HUF 1,430 billion, while the risk-weighted-assets, taking into account the capital needs for credit-, market- and operational risks, stood at HUF 7,846 billion. The capital adequacy ratio stood at 18.2% with the Tier1 ratio (after deducting goodwill and intangible assets) at 15.2% and the Core Tier1 ratio (further deducting hybrid instruments) at 13.9%.

OTP BANK'S HUNGARIAN CORE BUSINESS

OTP Core Statement of recognized income:

Main components of the Statement of recognised income in HUF million	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
After-tax profit without the banking levy, dividends and net cash transfer	91,263	74,086	-19%	28,533	22,760	27,027	19%	-5%
Corporate income tax	-28,944	-14,325	-51%	-15,282	-3,330	-8,404	152%	-45%
Pre-tax profit	120,207	88,411	-26%	43,815	26,090	35,432	36%	-19%
Operating profit	184,212	163,136	-11%	61,622	52,126	54,896	5%	-11%
Total income	313,170	298,076	-5%	108,100	97,032	100,435	4%	-7%
Net interest income	245,084	220,816	-10%	84,884	71,248	73,429	3%	-13%
Net fees and commissions	63,591	63,955	1%	21,731	22,182	21,344	-4%	-2%
Other net non-interest income	4,495	13,306	196%	1,485	3,602	5,662	57%	281%
Operating expenses	-128,958	-134,940	5%	-46,477	-44,906	-45,539	1%	-2%
Total risk costs	-69,307	-70,916	2%	-22,792	-24,261	-20,007	-18%	-12%
Provisions for possible loan losses	-72,707	-70,821	-3%	-23,169	-23,492	-21,186	-10%	-9%
Other provisions	3,400	-95	-103%	378	-768	1,179	-254%	212%
Total one-off items	5,303	-3,810	-172%	4,984	-1,776	542	-131%	-89%
Revaluation result of FX swaps	3,530	-2,527	-172%	3,530	-1,356	29	-102%	-99%
Gain on the repurchase of own Upper and Lower Tier2 Capital	1,772	1,415	-20%	1,454	0	291		-80%
Revaluation result of the treasury share swap agreement	0	-2,697		0	-420	223	-153%	
Revenues by Business Lines								
RETAIL								
Total income	240,387	232,218	-3%	81,572	76,392	76,350	0%	-6%
Net interest income	182,444	174,158	-5%	61,772	56,181	57,064	2%	-8%
Net fees and commissions	55,177	55,700	1%	18,649	19,388	18,317	-6%	-2%
Other net non-interest income	2,766	2,360	-15%	1,150	822	969	18%	-16%
CORPORATE								
Total income	28,124	23,521	-16%	9,076	8,236	7,801	-5%	-14%
Net interest income	19,567	15,238	-22%	5,860	5,353	4,792	-10%	-18%
Net fees and commissions	7,749	7,593	-2%	2,880	2,642	2,726	3%	-5%
Other net non-interest income	808	690	-15%	336	240	283	18%	-16%
Treasury ALM								
Total income	44,431	38,352	-14%	15,953	11,560	14,792	28%	-7%
Net interest income	43,072	31,419	-27%	17,252	9,714	11,574	19%	-33%
Net fees and commissions	581	109	-81%	128	93	-189	-303%	-248%
Other net non-interest income	778	6,824	778%	-1,426	1,753	3,407	94%	-339%
Indicators (%)	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
ROE	10.1%	7.4%	-2.6%	8.8%	6.9%	7.9%	1.0%	-1.0%
ROA	1.9%	1.6%	-0.3%	1.7%	1.5%	1.7%	0.3%	0.0%
Operating profit margin (operating profit / avg. total assets)	3.8%	3.5%	-0.3%	3.7%	3.3%	3.5%	0.2%	-0.1%
Total income margin	6.42%	6.30%	-0.12%	6.44%	6.19%	6.47%	0.29%	0.03%
Net interest margin	5.02%	4.67%	-0.35%	5.06%	4.54%	4.73%	0.19%	-0.33%
Net fee and commission margin	1.3%	1.4%	0.0%	1.3%	1.4%	1.4%	0.0%	0.1%
Net other non-interest income margin	0.1%	0.3%	0.2%	0.1%	0.2%	0.4%	0.1%	0.3%
Operating costs to total assets ratio	2.6%	2.9%	0.2%	2.8%	2.9%	2.9%	0.1%	0.2%
Cost/income ratio	41.2%	45.3%	4.1%	43.0%	46.3%	45.3%	-0.9%	2.3%
Cost of risk/average gross loans	2.71%	2.76%	0.05%	2.61%	2.82%	2.55%	-0.27%	-0.06%
Cost of risk/average gross loans (FX adjusted)	2.69%	2.82%	0.13%	2.57%	2.85%	2.56%	-0.29%	-0.01%
Effective tax rate	24.1%	16.2%	-7.9%	34.9%	12.8%	23.7%	11.0%	-11.2%

- ***9M net profit dropped by 19% as a result of decreasing operating income, higher risk costs and negative one-off effects***
- ***3Q net profit improved by 19% mainly as a result of better net interest income, lower risk costs and q-o-q gain on the Hungarian government bonds***
- ***Slower portfolio deterioration in FX mortgage loans, improving quality of corporate loans***
- ***The loan book shrank by 1% q-o-q, deposits increased 1%, the net loan-to-deposit ratio melted further (2012 3Q: 76%)***

P&L developments

Without the effect of banking tax and FX mortgage loan prepayments **OTP Core** reached a net profit of HUF 74.1 billion in 9M 2012, by 19% lower than a year ago. 9M 2012 profit on one hand decreased by HUF 3.8 billion due to one-off items such as the revaluation effect of FX swaps and the profit impact of the treasury share-swap transaction. Furthermore, operating income also declined by 11%.

On the revenue side (-5% y-o-y) the decrease was primarily driven by lower interest income realised on a decreasing interest earning portfolio, partly as a result of early repayment of FX mortgage loans. At the same time, deposit margins narrowed, too. Simultaneously operating expenses grew by 5%. The latter is the result of several factors: personnel expenses grew fundamentally due to higher number of employees aimed at strengthening the collection processes, moreover technical effects emerged from bringing the management compensation system in line with regulatory requirements of CRD III in 2010. On the other hand other expenses advanced in the wake of the weaker forint (rental fees are typically charged in FX) and higher innovation tax. Prior to January 2012 the Bank could deduct its research and development related expenses from the payable innovation tax.

Risk cost hovered around the base period levels (+ 2% y-o-y). While the 9M portfolio deterioration accelerated somewhat (FX-adjusted new DPD90+ formation in HUF billions: 9M 2011: 64, 9M 2012: 66), the provision coverage improved substantially (2012 3Q: 80.6%, +1.5%-point ytd).

Tax burden of 9M 2012 decreased significantly (effective tax rate dropped from 24% to 16% y-o-y). The main reason was the revaluation of subsidiary investments generating HUF 7.6 billion tax savings in 9M 2012 due to HUF appreciation. On the contrary, in 9M 2011 an extra tax of HUF 2.0 billion emerged as a result of forint depreciation.

OTP Core reached a net profit of HUF 27.0 billion in 3Q 2012 underpinning a 19% q-o-q increase. Improving profitability was primarily due to better total income (+ 4% q-o-q). Net interest income grew by 3% on the back of higher net interest margin (2012 3Q: 4.73%, +19 ppts). Other income also increased in 3Q due to gains on the securities (appr. HUF 1.4 billion) as a result of Hungarian government yield tightening. The q-o-q decline in net fees was due to technical reasons: fee revenues from loan guarantees provided by a 3rd party company for corporate clients were booked time-proportionally in the quarters of 9M 2012. Payments to the credit guarantee provider are recognised as fee expenses in the P&L of the Bank, however these costs were recognised mostly in 3Q – against the roughly even distribution of revenues in the first three quarters. This item caused a q-o-q HUF 0.8 billion drop in net fee income mostly affecting the SME segment.

The quarterly risk cost shrank by 18% q-o-q. During 3Q 2012 the non-performing loan formation decelerated to its lowest quarterly level since the outset of the crisis. (FX-adjusted DPD90+ loan formation in HUF billion 2011 4Q: 18, 2012 1Q: 20, 2Q: 34, 3Q: 12). The large corporate portfolio improved q-o-q (DPD 90+ rate 2011 4Q: 15.4%, 2012 1Q: 14.7%, 2Q: 16.1%, 3Q: 15.4%). Besides, the mortgage loan portfolio weakening moderated remarkably (DPD90+ rate of mortgages 2011 4Q: 12.6%, 2012 1Q: 14.5%, 2Q: 16.2%, 3Q: 16.9%). The consumer loan book was relatively stable, too in 3Q (DPD90+ 2011 4Q: 22.7% 2012 1Q: 23.1%, 2Q: 23.6%, 3Q: 24.2%), while the municipality portfolio remained good (DPD90+ 2011 4Q: 0.4%, 2012 1Q: 0.2%, 2Q: 0.2%, 3Q: 0.3%). As a result of the above developments, the coverage ratio of DPD90+ loans increased nicely from 78.3% to 80.6%.

The tax burden grew q-o-q with the effective tax rate increasing from 13% to 24%. The main reason being the drop in positive tax shield stemming from the revaluation of subsidiary investments (2012 2Q: HUF 2.6 billion, 3Q: HUF 1.2 billion tax savings).

The conversion of FX mortgage loans with more than 90 days delinquency and the subsequent 25% debt forgiveness did not have a material P&L impact in 3Q 2012.

Main components of OTP Core's Statement of financial position:

Main components of the balance sheet (closing balances, in HUF million)	3Q 2011	4Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y	YTD
Total Assets	6,547,111	6,548,167	6,262,420	6,082,183	-3%	-7%	-7%
Net customer loans	3,247,674	3,194,835	2,924,459	2,859,317	-2%	-12%	-11%
Net customer loans (FX adjusted)	**3,215,304**	**3,055,376**	**2,895,925**	**2,859,317**	**-1%**	**-11%**	**-6%**
Gross customer loans	3,593,390	3,581,382	3,336,029	3,285,067	-2%	-9%	-8%
Gross customer loans (FX adjusted)	**3,558,107**	**3,423,015**	**3,302,331**	**3,285,067**	**-1%**	**-8%**	**-4%**
Retail loans	2,407,057	2,301,307	2,202,941	2,192,338	0%	-9%	-5%
Retail mortgage loans (incl. home equity)	1,857,360	1,754,491	1,641,976	1,626,681	-1%	-12%	-7%
Retail consumer loans	439,001	434,871	440,758	443,045	1%	1%	2%
SME loans	110,696	111,945	120,207	122,612	2%	11%	10%
Corporate loans	1,151,050	1,121,708	1,099,390	1,092,729	-1%	-5%	-3%
Loans to medium and large corporates	824,729	818,766	803,770	806,539	0%	-2%	-1%
Municipal loans	326,321	302,942	295,620	286,190	-3%	-12%	-6%
Provisions[1]	-345,716	-386,547	-411,570	-425,749	3%	23%	10%
Provisions (FX adjusted)[1]	**-342,803**	**-367,639**	**-406,406**	**-425,749**	**5%**	**24%**	**16%**
Deposits from customers + retail bonds	3,870,533	3,913,977	3,722,929	3,755,616	1%	-3%	-4%
Deposits from customers + retail bonds (FX adjusted)	**3,858,653**	**3,863,735**	**3,711,897**	**3,755,616**	**1%**	**-3%**	**-3%**
Retail deposits + retail bonds	2,773,688	2,760,332	2,643,477	2,569,594	-3%	-7%	-7%
Household deposits + retail bonds	2,483,860	2,458,938	2,342,877	2,263,811	-3%	-9%	-8%
o/w: Retail bonds	323,741	344,510	316,503	288,050	-9%	-11%	-16%
SME deposits	289,828	301,394	300,601	305,783	2%	6%	1%
Corporate deposits	1,084,965	1,103,402	1,068,420	1,186,022	11%	9%	7%
Deposits of medium and large corporates	845,636	906,580	889,724	937,781	5%	11%	3%
Municipal deposits	239,329	196,822	178,696	248,241	39%	4%	26%
Liabilities to credit institutions	574,209	572,721	583,952	420,235	-28%	-27%	-27%
Issued securities without retail bonds	308,638	284,194	230,791	229,736	0%	-26%	-19%
Total shareholders' equity	1,288,399	1,278,409	1,351,820	1,379,776	2%	7%	8%
Loan Quality (%)	3Q 2011	4Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y	YTD
90+ days past due loan volume	442,044	488,668	525,566	528,157	0%	19%	8%
90+ days past due loans/gross customer loans	12.3%	13.6%	15.8%	16.1%	0.3%	3.8%	2.4%
Total provisions/90+ days past due loans[1]	78.2%	79.1%	78.3%	80.6%	2.3%	2.4%	1.5%
Market Share (%)	3Q 2011	4Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y	YTD
Loans	18.3%	18.2%	18.8%	19.0%	0.2%	0.7%	0.7%
Deposits	23.5%	22.7%	22.7%	22.6%	-0.1%	-0.9%	-0.1%
Total Assets	25.6%	25.4%	26.8%	26.2%	-0.6%	0.6%	0.8%
Indicators (%)	3Q 2011	4Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y	YTD
Net loans to (deposits + retail bonds) (FX adjusted)	83%	79%	78%	76%	-2%	-7%	-3%
Leverage (Shareholder's Equity/Total Assets)	19.7%	19.5%	21.6%	22.7%	1.1%	3.0%	3.2%
Leverage (Total Assets/Shareholder's Equity)	5.1x	5.1x	4.6x	4.4x			
Capital adequacy ratio (OTP Bank, non-consolidated, HAS)	18.4%	17.9%	18.6%	18.2%	-0.4%	-0.2%	0.3%
Tier1 ratio (OTP Bank, non-consolidated, HAS)	16.2%	15.8%	16.7%	17.0%	0.3%	0.9%	1.3%

[1] End-2011 statistics do not include provisions related to the early repayment of FX mortgage loans.

Balance sheet trends

In 3Q 2012 FX-adjusted gross loan portfolio further decreased as a result of a 0.5% q-o-q contraction of retail volumes and a 0.6% decline in the corporate segment. The deposit book together with retail bonds slightly increased (+1% q-o-q) to a great extend due to the seasonally strong municipality deposit growth (+39% q-o-q) supported by local tax collection, though deposit flows of large corporates were meaningful, too (+5%). As a result, the "net loan-to-deposit+retail bond" ratio improved by 2% q-o-q and by 7% y-o-y (3Q 2012: 76%).

Loan demand in the retail sector is still missing momentum. The FX-adjusted decrease of the mortgage portfolio continued after closing the early repayment scheme, though at a moderate pace (-1% q-o-q, -9% y-o-y). OTP's market position pierced 30% again (2012 3Q: 32%, thus in 1-3Q: 23%). However, the overall loan disbursement dropped as temporary demand for refinancing forint loans boosted by the early repayments came to end in February (3Q 2012 disbursement: HUF 14 billion, +4% q-o-q, -29% y-o-y). Going forward the interest subsidy scheme on forint mortgages launched by the Government may result in stronger customer demand. OTP was the first bank which started offering this product from early August. Under the scheme the mortgage borrower can enjoy a forint interest rate of around 8% in the first year provided relevant requirements are met.

Apart from outstanding market share in new sales (1-3Q 2011: 52%, 1-3Q 2012: 58%) no material expansion was experienced in cash loans: due to sluggish demand the newly sold personal loan portfolio lagged behind that of the previous year (in HUF billion: 9M 2011: 37, 9M 2012: 36) and the loan book decreased. However the portfolio of overdrafts increased in 9M, thus the total consumer loan book slightly increased (+1% q-o-q and y-o-y).

Loan volumes to middle and large companies expanded for the first time this year in 3Q, but the growth was moderate. Loans to micro and small enterprises however kept expanding at a more dynamic rate (+2% q-o-q and +11% y-o-y). The decline in the municipal loan book (-3% q-o-q) was related to the seasonality of local taxes: from the proceeds local government repaid their overdrafts.

The deposit base of OTP Core (together with retail bonds) increased by 1% q-o-q supported by strong corporate flows. The apparently significant municipality volume growth (+39% q-o-q) reflects seasonality: in first and third quarters local tax is collected boosting the cash revenues of local governments. Few big ticket corporate deposits also increased overall volumes. As for retail deposits, y-o-y volume development was determined by the fact that clients could use their savings for early repayment of FX mortgage loans. Furthermore, since the beginning of 2012 the state offers attractive interest rates on the government bonds and conducts intensive promotional campaign. As a result, the structure of retail savings realigned at the expense of term deposits and bank bonds in favour of government bonds.

The portfolio of issued securities (without retail bonds) remained flat q-o-q and dropped by 26% y-o-y. The significant yearly decline was caused by repayments of forint denominated mortgage bonds (in the amount of HUF 59 billion). Furthermore, on 5 December 2011 a mortgage bond issued by OTP Mortgage Bank (part of OTP Core) became due with an original maturity of 2 years and a nominal value of EUR 1,350 million. Out of the total notional about EUR 84 million (HUF 24 billion) was sold to external investors, so the consolidated volume decreased only by this amount.

There were no major international covered bond issuances[5] in the last 12 months. Thus the set back of the portfolio was balanced by smaller size forint denominated senior notes issued for Hungarian institutional investors (3Q 2012 closing volume: HUF 114 billion, -HUF 2 billion q-o-q, +HUF 28 billion y-o-y).

OTP FUND MANAGEMENT (HUNGARY)

Changes in assets under management and financial performance of OTP Fund Management:

Main components of P&L account in HUF mn	9M 2011	9M 2012	Y-o-Y	3Q 2012	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
After tax profit w/o dividends, net cash transfer and banking tax	2,708	891	-67%	736	-50	414	-923%	-44%
Corporate income tax	-635	-121	-81%	-173	55	-67	-220%	-61%
Profit before income tax	3,343	1,012	-70%	909	-106	481	-555%	-47%
Total income	4,326	2,726	-37%	1,254	306	1,464	378%	17%
Net interest income	66	33	-50%	0	9	6	-37%	
Net fee and commission income	3,633	2,832	-22%	1,130	313	1,551	396%	37%
Other net non-interest income	627	-138	-122%	124	-16	-93	488%	-175%
Operating expenses	-983	-1,732	76%	-345	-412	-1,001	143%	190%
Personnel expenses	-358	-528	47%	-149	-178	-173	-3%	16%
Operating expenses	-614	-1,177	92%	-192	-225	-819	264%	327%
Depreciation	-11	-28	151%	-4	-9	-9	2%	110%
Other provisions	0	18		0	0	18	0%	0%
Main components of balance sheet closing balances in HUF mn	2011	9M 2012	YTD	3Q 2012	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
Total assets	8,633	7,572	-12%	7,967	8,291	7,572	-9%	-5%
Total shareholders' equity	7,115	4,111	-42%	6,422	3,567	4,111	15%	-36%
Asset under management in HUF bn	2011	9M 2012	YTD	3Q 2012	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
Assets under management, total (w/o duplicates)	**993**	**1,023**	**3%**	**1,008**	**966**	**1,023**	**6%**	**1%**
Retail investment funds (closing, w/o duplicates)	594	632	7%	610	590	632	7%	4%
Volume of managed assets (closing, w/o duplicates)	400	390	-2%	398	375	390	4%	-2%

[5] The mortgage bonds issued by OTP Mortgage Bank on 18 November 2011 with a notional principal of EUR 750 million and on 6 September 2012 with a notional principal of EUR 500 million were mostly purchased by OTP Bank. Only a tranche of EUR 9 million was bought by investors outside OTP Group.

Asset under management in HUF bn	2011	9M 2012	YTD	3Q 2012	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
Volume of investment funds (with duplicates)	**796**	**726**	**-9%**	**945**	**708**	**726**	**3%**	**-23%**
money market	375	384	2%	359	366	384	5%	7%
bond	112	114	2%	137	103	114	10%	-17%
mixed	11	11	-6%	12	11	11	1%	-12%
security	196	89	-54%	326	114	89	-22%	-73%
guaranteed	81	91	13%	91	86	91	6%	0%
other	21	38	83%	20	28	38	36%	91%

OTP Fund Management posted HUF 891 million after tax profit in 9M 2012 (excluding the special banking tax on financial institutions), representing a decrease of almost 70% over the base period a year earlier. The 9M 2012 earnings were practically influenced by a one-off item: the Hungarian Financial Supervisory Authority ('HFSA') reviewed the practice of the local fund managers as to how much fees they charged directly and indirectly for handling private pension fund investments. As a result HFSA obliged OTP Fund Management to refund HUF 597 million to OTP Private Pension Fund.

The company's 9M operating profit fell short of base period performance (-70% y-o-y), within net fee and commission income dynamics show a 22% decline y-o-y, while the rate of operating costs elevated significantly. The declining operating income was partially due to the redemption of investment fund units held earlier in the portfolios of private pension funds reducing the managed portfolios of institutional investors. At the same time, retail investors also withdrew funds in order to finance higher debt burden and charges for the early mortgage prepayment. The sharp rise in quarterly net fee and commission income was due to technical reason: the amount of compensation (HUF 0.6 billion), pursuant to the decision of the HFSA, was booked as commission expense in 2Q, while in 3Q it was reclassified to operating expenses.

Over the last nine months the Hungarian investment fund market suffered a capital outflow of HUF 37 billion, the most victimized segment by the outflow was the equity funds due to the redemptions of investment fund units. At the same time, the National Bank of Hungary cut its base rate twice in this year (in August and September) by 25-25 basis points, shifting investors' attention on money market and bond funds.

The significant redemption hit the equity funds managed by OTP Asset Management suffering from a HUF 33 billion capital outflow. However, substantial inflow was observed in case of money market (HUF 13 billion) and bond funds (HUF 7 billion). The volume of investment funds of the company increased by 3% q-o-q, underpinning a q-o-q 6 basis points increase in market share (3Q 2012: 26.2%).

The other two consolidated fund management companies within OTP Group (in the Ukraine and in Romania) posted HUF 3 million after tax profit in 9M 2012.

MERKANTIL GROUP (HUNGARY)

Performance of Merkantil Bank and Car:

Main components of P&L account in HUF mn	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
After tax profit w/o dividends, net cash transfers and one-offs	1,811	1,475	-19%	628	451	28	-94%	-96%
Income tax	0	23		0	-79	-63	-20%	
Profit before income tax	1,811	1,452	-20%	628	530	91	-83%	-85%
Operating profit	7,726	6,449	-17%	2,146	2,203	2,045	-7%	-5%
Total income	12,083	10,982	-9%	3,416	3,803	3,477	-9%	2%
Net interest income	11,916	11,601	-3%	3,857	3,900	3,716	-5%	-4%
Net fees and commissions	-2,548	-2,258	-11%	-820	-716	-786	10%	-4%
Other net non-interest income	2,715	1,640	-40%	378	620	547	-12%	44%
Operating expenses	-4,357	-4,533	4%	-1,270	-1,601	-1,432	-11%	13%
Total risk costs	-5,915	-4,997	-16%	-1,518	-1,673	-1,954	17%	29%
Provision for possible loan losses	-5,661	-4,876	-14%	-1,419	-1,631	-1,920	18%	35%
Other provision	-254	-121	-52%	-99	-41	-34	-17%	-65%
Main components of balance sheet closing balances in HUF mn	**2011**	**9M 2012**	**YTD**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
Total assets	270,894	248,402	-8%	265,071	252,616	248,402	-2%	-6%
Gross customer loans	305,445	270,547	-11%	300,204	285,234	270,547	-5%	-10%
Gross customer loans (FX-adjusted)	287,248	270,547	-6%	295,712	281,247	270,547	-4%	-9%
Retail loans	2,286	3,653	60%	1,719	3,024	3,653	21%	113%
Corporate loans	30,031	36,805	23%	31,415	35,306	36,805	4%	17%
Car financing loans	254,931	230,089	-10%	262,579	242,917	230,089	-5%	-12%

Main components of balance sheet closing balances in HUF mn	2011	9M 2012	YTD	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
Allowances for possible loan losses	-54,563	-50,229	-8%	-52,526	-56,226	-50,229	-11%	-4%
Allowances for possible loan losses (FX-adjusted)	-53,807	-50,229	-7%	-52,326	-56,056	-50,229	-10%	-4%
Deposits from customers	4,673	4,098	-12%	5,311	4,135	4,098	-1%	-23%
Deposits from customers (FX-adjusted)	4,671	4,097	-12%	5,311	4,135	4,097	-1%	-23%
Retail deposits	1,673	1,438	-14%	2,286	1,241	1,438	16%	-37%
Corporate deposits	2,998	2,659	-11%	3,025	2,894	2,659	-8%	-12%
Liabilities to credit institutions	211,429	173,495	-18%	209,670	187,756	173,495	-8%	-17%
Total shareholders' equity	25,332	26,369	4%	23,789	26,327	26,369	0%	11%
Loan Quality	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
90+ days past due loan volume (in HUF million)	56,517	54,509	-3.6%	56,517	61,364	54,509	-11.2%	-3.6%
90+ days past due loans/gross customer loans (%)	18.8%	20.1%	1.3%	18.8%	21.5%	20.1%	-1.4%	1.3%
Cost of risk/average gross loans (%)	2.49%	2.26%	-0.23%	1.92%	2.28%	2.75%	0.47%	0.83%
Cost of risk/average gross loans (FX-adjusted) (%)	2.46%	2.29%	-0.16%	1.88%	2.33%	2.77%	0.44%	0.88%
Total provisions/90+ days past due loans (%)	92.9%	92.1%	-0.8%	92.9%	91.6%	92.1%	0.5%	-0.8%
Performance Indicators (%)	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
ROA	0.9%	0.8%	-0.1%	1.0%	0.7%	0.0%	-0.7%	-0.9%
ROE	10.5%	7.5%	-3.0%	10.5%	7.0%	0.4%	-6.5%	-10.1%
Net interest margin	5.79%	5.97%	0.18%	5.95%	6.12%	5.90%	-0.22%	-0.05%
Cost/income ratio	36.1%	41.3%	5.2%	37.2%	42.1%	41.2%	-0.9%	4.0%

- ***HUF 1.5 billion profit was realized in the first nine months of 2012***
- ***Loan quality went on deteriorating; the quarterly decline in DPD90+ ratio is due to a loan transfer to OTP Factoring. The provision coverage ratio remained comfortably high at 92.1%.***
- ***Despite the improving sales performance, car financing loan volumes continued eroding***

Merkantil Bank and Car's aggregated first nine months 2012 after tax result totalled to HUF 1.5 billion, 19% lower than a year ago. Merkantil reached a positive result even in 3Q 2012, but the quarterly profit dropped by 94% since operating result showed a decline and risk cost went up q-o-q.

The operating result in the first nine months declined by 17% y-o-y, owing to the 9% drop in total income, while operating costs rose by 4%. At the same time, quality of the income structure improved as core banking revenues remained stable, but other net non-interest income eroded due to a base effect. Merkantil realized significant FX gain in the base period: in the first nine months of 2011 open FX positions were gradually closed at stronger HUF levels. These positions had been closed in the meantime fully and did not influence the 9M 2012 result.

The 2012 first nine months net interest income sank by 3% y-o-y. Intragroup funding spreads widened, however, this was somewhat offset by the weakening average exchange rate of HUF against CHF (+10% y-o-y). The trend-like shrinkage of net fee and commission expenses continued.

The ratio of loans with more than 90 days of delay declined q-o-q by 1.4 ppts to 20.1%, thanks to the sale of HUF 7.4 billion non-performing loans 100% covered by provisions to Factoring. Despite the composition effect coming from this loan transfer, the provision coverage ratio improved further and stood at a satisfactorily high level (92.1%, +0.5 ppt q-o-q), because the 3Q risk cost rate was the highest in 5 quarters.

The FX-adjusted car financing loan book continued eroding: the decline reached 9% y-o-y and 4% q-o-q. The relatively fast pace of the quarterly decline is explained by the sale of loans to Factoring. In January-September 2012 new car loan sales jumped to 1.5-fold y-o-y, as the lending activity was strengthened further. The corporate loan portfolio which accounts for the smaller part of the total loans expanded nicely both q-o-q and y-o-y, because new big ticket leasing sales volumes doubled in the first nine months.

IFRS REPORTS OF THE MAIN SUBSIDIARIES

In the following parts of the Interim Management Report the after tax profit w/o dividends and net cash transfers of subsidiaries are presented. The structural adjustments on the lines of subsidiaries' Statements of recognized income as well as description of calculation methods of performance indices are to be found in Supplementary data annex.

OTP BANK RUSSIA

Performance of OTP Bank Russia:

Main components of P&L account in HUF mn	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
After tax profit w/o dividends, net cash transfers and one-offs	26,000	32,996	27%	9,005	11,043	10,621	-4%	18%
Income tax	-8,258	-9,579	16%	-2,843	-3,206	-3,083	-4%	8%
Profit before income tax	34,259	42,575	24%	11,848	14,249	13,705	-4%	16%
Operating profit	56,243	88,376	57%	22,197	31,657	29,603	-6%	33%
Total income	100,492	140,491	40%	36,679	48,488	46,777	-4%	28%
Net interest income	87,014	124,165	43%	30,565	41,197	41,461	1%	36%
Net fees and commissions	12,282	14,854	21%	4,716	5,581	5,595	0%	19%
Other net non-interest income	1,195	1,472	23%	1,398	1,710	-279	-116%	-120%
Operating expenses	-44,248	-52,115	18%	-14,482	-16,830	-17,174	2%	19%
Total risk costs	-21,984	-45,800	108%	-10,349	-17,408	-15,898	-9%	54%
Provision for possible loan losses	-21,410	-45,289	112%	-10,038	-17,133	-15,919	-7%	59%
Other provision	-575	-511	-11%	-311	-275	21	-108%	-107%
Main components of balance sheet closing balances in HUF mn	**2011**	**9M 2012**	**YTD**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
Total assets	868,231	962,833	11%	706,781	896,738	962,833	7%	36%
Gross customer loans	729,910	731,563	0%	597,200	671,719	731,563	9%	22%
Gross customer loans (FX-adjusted)	690,140	731,563	6%	626,241	681,264	731,563	7%	17%
Retail and SME loans	626,293	693,296	11%	560,457	636,977	693,296	9%	24%
Corporate loans	51,573	30,598	-41%	51,717	35,261	30,598	-13%	-41%
Car financing loans	12,273	7,668	-38%	14,068	9,026	7,668	-15%	-45%
Allowances for possible loan losses	-72,332	-112,051	55%	-68,786	-94,493	-112,051	19%	63%
Allowances for possible loan losses (FX-adjusted)	-68,504	-112,051	64%	-72,289	-96,054	-112,051	17%	55%
Deposits from customers	488,582	513,049	5%	394,145	471,311	513,049	9%	30%
Deposits from customer (FX-adjusted)	460,569	513,049	11%	411,522	475,617	513,049	8%	25%
Retail and SME deposits	378,480	408,101	8%	334,840	392,678	408,101	4%	22%
Corporate deposits	82,089	104,948	28%	76,682	82,939	104,948	27%	37%
Liabilities to credit institutions	91,738	95,895	5%	89,278	89,693	95,895	7%	7%
Issued securities	105,490	135,013	28%	68,612	138,117	135,013	-2%	97%
Subordinated debt	17,567	16,124	-8%	15,873	16,540	16,124	-3%	2%
Total shareholders' equity	144,838	172,237	19%	120,053	156,497	172,237	10%	43%
Loan Quality	**9M 2011**	**9M 2012**	**Y-o-Y**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
90+ days past due loan volume (in HUF million)	77,437	120,168	55.2%	77,437	99,315	120,168	21.0%	55.2%
90+ days past due loans/gross customer loans (%)	13.0%	16.4%	3.5%	13.0%	14.8%	16.4%	1.6%	3.5%
Cost of risk/average gross loans (%)	5.18%	8.28%	3.10%	7.19%	9.86%	9.03%	-0.83%	1.83%
Cost of risk/average (FX-adjusted) gross loans (%)	4.96%	8.51%	3.55%	6.75%	10.08%	8.97%	-1.12%	2.22%
Total provisions/90+ days past due loans (%)	88.8%	93.2%	4.4%	88.8%	95.1%	93.2%	-1.9%	4.4%
Performance Indicators (%)	**9M 2011**	**9M 2012**	**Y-o-Y**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
ROA	5.1%	4.8%	-0.3%	5.4%	4.9%	4.5%	-0.3%	-0.9%
ROE	31.9%	27.8%	-4.1%	30.6%	28.1%	25.7%	-2.4%	-4.9%
Total income margin	19.60%	20.50%	0.90%	22.13%	21.39%	20.01%	-1.38%	-2.11%
Net interest margin	16.97%	18.12%	1.15%	18.44%	18.18%	17.74%	-0.44%	-0.70%
Cost/income ratio	44.0%	37.1%	-6.9%	39.5%	34.7%	36.7%	2.0%	-2.8%
Net loans to deposits (FX-adjusted)	135%	121%	-14%	135%	123%	121%	-2%	-14%
FX rates	**9M 2011**	**9M 2012**	**Y-o-Y**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
HUF/RUB (closing)	6.72	7.09	6%	6.72	6.96	7.09	2%	6%
HUF/RUB (average)	6.70	7.32	9%	6.68	7.38	7.08	-4%	6%

- ***HUF 33 billion profit for 9M 2012 tops 9M 2011 results by about 27%, 3Q profit was about the same as in 2Q in RUB terms***
- ***Operating profit surged by 57% y-o-y***
- ***Leaping 3Q risk cost, y-o-y improving provision coverage (3Q 2012: 93.2%)***
- ***Still robust consumer loan disbursement***
- ***Cost efficiency is further improving (9M 2012 cost/income ratio at 37.1%, -6.9 ppts y-o-y)***

After tax profit of **OTP Bank Russia** for 9M 2012 amounted to HUF 33 billion, by 27% above the net profit for the base period; the HUF 10.6 billion 3Q profit is by 4% less than in the previous quarter, which is due to the quarterly change in average HUF/RUB exchange rate – in local currency profit even improved a bit q-o-q.

Total income in 9M 2012 showed dynamic increase, net interest income grew by 43%, net fees increased by 21% y-o-y. Besides swelling loan volumes (FX-adjusted 24% increase) higher interest margin (9M 2012: 18.0%, +1.1 ppt y-o-y) also fuelled the increase of income. Although net fee margin decreased by 23 basis points, net fee income increased by 21% y-o-y, mainly driven by the still outstandingly strong dynamics of the credit card business and the growing amount of loans sold with insurance. In 9M 2012 HUF 1.5 billion other net non-interest income beefed up the results, mainly owing to the FX gains due to revaluation of open positions in 2Q. This gain is the result of the different exchange rates used by the National Bank and markets at the revaluation of the open USD positions and the hedging transactions. In the long run no major profit and loss impact is expected from this discrepancy. Operating expenses grew (+18% y-o-y, +12% in rouble terms), which is caused by the stronger business activity, nevertheless, operating profit surged by 57%, which is an outstanding yearly improvement. As a result, cost/income ratio of the bank improved significantly (9M 2012: 37.1%, -6.9 ppts y-o-y).

Risk cost grew significantly in 9M 2012, by 108% y-o-y; 2Q risk cost exceeded 1Q basis by 39%, while in 3Q the q-o-q change was 7% decrease. In August, due to the fine-tuning of the provisioning methods, a one-off decrease of provision rate in relation to some POS and credit card buckets caused a 9% q-o-q decrease in risk cost. After the record disbursements at the end of last year the DPD90+ ratio started to grow (3Q 2012: 16.4%, +3.4 ppts y-o-y). On the quarterly basis all product segments showed deterioration, however the portfolio deterioration slowed down in 3Q (2Q: 2.4 ppts, 3Q: 1.6 ppts DPD90+ ratio growth q-o-q). Due to the high risk cost, provision coverage of DPD90+ portfolio further improved y-o-y (3Q 2012: 93.2%, +4.4 ppts); while on the quarterly basis, the aforementioned change in the provisioning methodology resulted in a 190 basis points decline in the DPD90+ coverage ratio.

3Q 2012 after tax profit in rouble terms virtually remained unchanged on the quarterly basis, which is the result of the slightly worsening operating profit and the 9% q-o-q decline of risk cost.

Operating profit dynamics (-6% q-o-q, -2.3% in rouble terms) was driven by the improving NII and net F&C income, the negative other net non-interest income and the slightly higher operating expenses. Although net interest margin decreased by 44 bps to 17.74% q-o-q, and net fee and commission income margin also shrank (2.39%, -7 bps), due to the seasonality higher POS lending net interest income and net F&C income grew q-o-q by 5% each, in RUB terms. The decline of NIM is reasoned on one hand by the fact that temporarily deposits with high interest rates were invested into lower yielding interbank assets, on the other hand, the proportion of interest bearing assets declined in line with the portfolio deterioration. In relation to net fee and commission income it is to be noted, that credit card related fee and commission income as well as POS loans related insurance fee income grew. Furthermore there was a decrease in the fees paid to POS agents and expenses incurred in connection with the collection activities. Operating expenses increased by 7% q-o-q in RUB terms; the bank's cost/income ratio in HUF worsened by 2 ppts to 36.7% in 3Q (-2.8 ppts y-o-y).

The Russian bank is still very successful in selling consumer loans; the gross consumer loan portfolio increased by 30% y-o-y (FX-adjusted growth). In case of the flagship POS-loan product, with the start of the high season q-o-q growth was significant (+10%); furthermore, the Bank managed to further increase its market share (21.6%, +0.3 ppts q-o-q). The y-o-y growth of 31% in case of the POS loan portfolio is still very robust. The bank kept its No. 2 position in this segment, and is as close as 39 basis points to the market leader Home with its 3Q 21.6% market share.

Notwithstanding the strengthening market competition, the credit card segment grew further in 3Q 2012 (+61% y-o-y, +13% q-o-q). Currently the bank is the sixth largest player in this segment.

Beside the two main products cash loan portfolio also thrived significantly in 2011, however, at the end of 2011 the management decided to put more emphasis on the sales of products with higher profitability, thus cash loan portfolio was shrinking in the first half of 2012. In 3Q however, despite the higher APRs the cash loan portfolio started picking up (3Q 2012: +6% q-o-q, -1% y-o-y).

Together with the shrinkage of other retail products (car loan, mortgage loan), corporate loans portfolio further declined, in 3Q 2012 it dropped by 41%, while on the quarterly basis the FX-adjusted decrease was 13%. This typically low margin segment is dominated by state owned banks; OTP

Bank Russia started to improve the letter of credit business since 2Q 2012.

In 3Q 2012 total deposits grew by 25% y-o-y and by 8% q-o-q FX-adjusted. Due to the slightly higher interest rates portfolio volume grew in all segments q-o-q: retail deposits increased by 4%, SME by 2% and corporate by 27%, respectively. Latter is caused by the growth of term deposits and short term deposits, mainly deposited by financial institutions and treasuries. As a combined effect of the seasonally increasing loan portfolio and the growing deposit base, FX-adjusted net loan-to-deposit ratio decreased to 121% in 3Q, -2 ppts q-o-q, while the yearly improvement was -14 ppts.

With the aim of diversifying the funding base, the Bank continued its bond issuance programme launched in March 2011. After the total of RUB 11.5 billion bonds issued in 2011 the Bank printed a RUB 6 billion note on 6 March 2012 with 3 years maturity; since then the Bank made no new transactions.

The number of employees decreased q-o-q by 4 to 5,063 by the end of 3Q 2012, at the same time the number of branches decreased from 152 to 147. The number of POS loan agents exceeded 24 thousand (+6% q-o-q, +22% y-o-y) of which the number of own agents was 7,516 while number of third party agents reached 16,706.

DSK GROUP (BULGARIA)

Performance of DSK Group:

Main components of P&L account in HUF mn	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
After tax profit w/o dividends, net cash transfers and one-offs	8,718	23,626	171%	3,219	5,717	8,019	40%	149%
Income tax	-970	-3,060	215%	-355	-777	-1,175	51%	231%
Profit before income tax	9,688	26,686	175%	3,574	6,495	9,195	42%	157%
Operating profit	44,378	47,148	6%	14,651	15,580	16,030	3%	9%
Total income	67,985	73,212	8%	22,720	24,377	24,697	1%	9%
Net interest income	54,731	57,177	4%	18,379	19,054	18,606	-2%	1%
Net fees and commissions	11,318	12,533	11%	3,950	4,351	4,254	-2%	8%
Other net non-interest income	1,936	3,501	81%	391	973	1,838	89%	370%
Operating expenses	-23,607	-26,064	10%	-8,068	-8,798	-8,668	-1%	7%
Total provisions	-34,690	-20,462	-41%	-11,077	-9,085	-6,835	-25%	-38%
Provision for possible loan losses	-34,772	-20,436	-41%	-11,075	-9,085	-6,807	-25%	-39%
Other provision	81	-26	-132%	-2	0	-28		
Main components of balance sheet closing balances in HUF mn	**2011**	**9M 2012**	**YTD**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
Total assets	1,360,510	1,309,487	-4%	1,254,625	1,321,827	1,309,487	-1%	4%
Gross customer loans	1,221,517	1,115,791	-9%	1,146,641	1,132,236	1,115,791	-1%	-3%
Gross customer loans (FX-adjusted)	1,113,942	1,115,791	0%	1,113,734	1,114,419	1,115,791	0%	0%
Retail loans	879,984	876,815	0%	881,082	878,977	876,815	0%	0%
Corporate loans	233,958	238,976	2%	232,652	235,442	238,976	2%	3%
Allowances for possible loan losses	-158,490	-163,205	3%	-138,590	-159,153	-163,205	3%	18%
Allowances for possible loan losses (FX-adjusted)	-144,534	-163,205	13%	-134,608	-156,651	-163,205	4%	21%
Deposits from customers	1,013,310	956,677	-6%	932,887	968,859	956,677	-1%	3%
Deposits from customer (FX-adjusted)	924,188	956,677	4%	907,594	952,542	956,677	0%	5%
Retail deposits	813,715	828,215	2%	784,123	826,603	828,215	0%	6%
Corporate deposits	110,473	128,462	16%	123,471	125,939	128,462	2%	4%
Liabilities to credit institutions	12,223	30,005	145%	7,077	24,642	30,005	22%	324%
Subordinated debt	109,262	99,825	-9%	103,005	101,150	99,825	-1%	-3%
Total shareholders' equity	209,484	203,223	-3%	192,883	209,039	203,223	-3%	5%
Loan Quality	**9M 2011**	**9M 2012**	**Y-o-Y**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
90+ days past due loan volume (in HUF million)	172,566	202,729	17.5%	172,566	203,310	202,729	-0.3%	17.5%
90+ days past due loans/gross customer loans (%)	15.0%	18.2%	3.1%	15.0%	18.0%	18.2%	0.2%	3.1%
Cost of risk/average gross loans (%)	4.19%	2.34%	-1.85%	4.04%	3.19%	2.41%	-0.78%	-1.63%
Cost of risk/average (FX-adjusted) gross loans	4.22%	2.45%	-1.77%	3.97%	3.28%	2.43%	-0.85%	-1.54%
Total provisions/90+ days past due loans (%)	80.3%	80.5%	0.2%	80.3%	78.3%	80.5%	2.2%	0.2%
Performance Indicators (%)	**9M 2011**	**9M 2012**	**Y-o-Y**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
ROA	0.9%	2.4%	1.4%	1.1%	1.7%	2.4%	0.7%	1.4%
ROE	5.7%	15.3%	9.6%	6.7%	11.0%	15.5%	4.5%	8.8%
Total income margin	7.35%	7.33%	-0.02%	7.50%	7.37%	7.47%	0.10%	-0.03%
Net interest margin	5.92%	5.72%	-0.20%	6.07%	5.76%	5.63%	-0.13%	-0.44%
Cost/income ratio	34.7%	35.6%	0.9%	35.5%	36.1%	35.1%	-1.0%	-0.4%
Net loan to deposit ratio (FX-adjusted)	108%	100%	-8%	108%	101%	100%	-1%	-8%
FX rates	**9M 2011**	**9M 2012**	**Y-o-Y**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
HUF/BGN (closing)	149	145	-3%	149	147	145	-2%	-3%
HUF/BGN (average)	139	149	7%	141	150	145	-4%	3%

- ***9M net profit almost tripled mainly due to significantly moderating (y-o-y -41%) loan loss provisioning***
- ***Q-o-q stagnating FX-adjusted loan and deposit portfolio; stable net loan-to-deposit ratio (100%, -8 ppts y-o-y)***
- ***Narrowing net interest margin due to exchange rate movements (5.63%; -0.44 ppts y-o-y)***
- ***Moderating portfolio quality deterioration, stable DPD90+ coverage (80.5%)***

The **DSK Group** reached HUF 23.6 billion after tax profit in 9M 2012 (in 3Q: HUF 8 billion) which is almost triple of 9M 2012 net profit (y-o-y +171%, q-o-q +40%). The outstanding growth is primarily due to moderate risk provisioning (y-o-y -41%, q-o-q -25%) operating profit improved (y-o-y +6%) due to exchange rate movements.

In 9M 2012 the y-o-y 8% total income growth is due to exchange rate movements, the amount of total income in BGN is almost equal to 2011 figure. 3% decrease of net interest income in BGN was set-off by slight increase of net fee income (+3% y-o-y in BGN) and the outstanding growth of other net non-interest income (+70% y-o-y in BGN)

Beyond the 2% quarterly decline of net interest income and fee income (+2% q-o-q in BGN), the 3% increase of operating income (+7% q-o-q in BGN) is due to doubling other net non-interest income. Favourable q-o-q formation of other non-interest income is the result of exchange rate gain, realized primarily on government securities and on FX transactions.

Net interest margin narrowed slightly both in 3Q and in 9M (9M 2012: 5.72%; 3Q 2012: 5.63%). In 3Q as a result of stable total income and higher operating cost (q-o-q +3% in BGN) – latter is due to higher marketing and advisory costs - cost/income ratio increased by 0.9 ppts (9M 2012: 35.6%, 9M 2011: 34.7%, 3Q 2012: 35.1%).

Thus significant y-o-y improvement of 9M net profit is due to moderate risk provisioning. HUF 20.5 billion 9M amount underpins a y-o-y 41% drop. In spite of lower risk costs in 3Q (q-o-q -25%), thanks to the moderating portfolio deterioration, the coverage ratio of DPD90+ portfolio grew to 80.5% (q-o-q +2.2 ppts, y-o-y +0.2 ppts).

In 2012 portfolio deterioration slowed down quarter by quarter (DPD90+ ratio: 1Q: 17.4%, 2Q: 18.0%, 3Q: 18.2%). Regarding the composition of portfolio deterioration: by the end of 3Q the DPD90+ ratio of mortgage loans increased to 21.3%, while the ratio of consumer- and SME loans went up to 15.6% and 40.8%, respectively. DPD90+ ratio of large corporate loan portfolio declined by 130 basis point to 10.6%.

The FX-adjusted loan portfolio remained flat both q-o-q and y-o-y, only the corporate loan book increased by +2% q-o-q and by +3% y-o-y. Retail loan market share decreased slightly (29.4%, y-o-y -0.7 ppts, q-o-q -0.5 ppts) as a result of loan transfer to OTP Faktoring Bulgaria, while corporate loan market share is stable with 6%. Thus end of 3Q loan market share of DSK was 13.5% (q-o-q -0.3 ppt).

In spite of the continuously decreasing deposit interest rates the FX-adjusted deposit base in 3Q stagnated (y-o-y +5%). Regarding the segments: while the retail portfolio stagnated, the SME, the large corporate and the municipality deposit book advanced up by 3%, 1% and 6% respectively. As a result of that DSK's overall deposit market share shrank to 11.3% (q-o-q -0.3 ppt), within that the retail segment decreased to 16.4% (q-o-q -0.5 ppt) while the corporate segment to 5.1% (q-o-q +0.2 ppt) respectively.

Due to stagnating loan and deposit base the net-loan-to-deposit ratio is stably 100% (y-o-y -8 ppts).

Capital position of DSK remained very strong, the capital adequacy ratio is more than 1.5 times higher than the regulatory minimum (9M 2012: 19.1% vs. 12%; Tier1 ratio: 15.3% vs. 10%).

OTP BANK UKRAINE

Performance of OTP Bank Ukraine:

Main components of P&L account in HUF mn	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
After tax profit w/o dividends and net cash transfer	7,827	-2,168	-128%	1,865	-1,473	1,906	-229%	2%
Corporate income tax	-173	-1,027		-160	-913	607		
Profit before income tax	8,000	-1,141	-114%	2,025	-560	1,299	-332%	-36%
Operating profit	18,978	22,450	18%	5,101	6,506	9,293	43%	82%
Total income	37,485	45,195	21%	11,892	14,210	17,056	20%	43%
Net interest income	29,168	35,045	20%	9,369	10,815	13,326	23%	42%
Net fees and commissions	6,116	8,949	46%	2,343	2,760	3,654	32%	56%
Other net non-interest income	2,201	1,201	-45%	181	635	77	-88%	-57%
Operating expenses	-18,508	-22,744	23%	-6,791	-7,704	-7,763	1%	14%

Main components of P&L account in HUF mn	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
Total risk costs	-10,978	-23,591	115%	-3,077	-7,065	-7,994	13%	160%
Provision for possible loan losses	-10,921	-23,844	118%	-3,062	-6,923	-8,008	16%	162%
Other provision	-57	253	-547%	-14	-142	14	-110%	-198%
Main components of balance sheet closing balances in HUF mn	**2011**	**9M 2012**	**YTD**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
Total assets	778,198	647,700	-17%	713,659	720,325	647,700	-10%	-9%
Gross customer loans	799,117	660,812	-17%	702,643	727,239	660,812	-9%	-6%
Gross customer loans (FX-adjusted)	725,787	660,812	-9%	709,274	695,215	660,812	-5%	-7%
Retail loans	313,549	305,259	-3%	316,252	308,365	305,259	-1%	-3%
Corporate loans	368,313	320,935	-13%	347,679	348,920	320,935	-8%	-8%
Car financing loans	43,925	34,618	-21%	45,343	37,931	34,618	-9%	-24%
Allowances for possible loan losses	-193,587	-183,852	-5%	-170,888	-198,302	-183,852	-7%	8%
Allowances for possible loan losses (FX-adjusted)	-176,061	-183,852	4%	-172,803	-189,754	-183,852	-3%	6%
Deposits from customers	251,176	241,872	-4%	219,133	267,123	241,872	-9%	10%
Deposits from customer (FX-adjusted)	227,593	241,872	6%	219,135	255,925	241,872	-5%	10%
Retail and SME deposits	136,482	159,613	17%	126,411	163,453	159,613	-2%	26%
Corporate deposits	91,112	82,259	-10%	92,724	92,473	82,259	-11%	-11%
Liabilities to credit institutions	350,556	234,751	-33%	325,229	285,722	234,751	-18%	-28%
Subordinated debt	47,971	42,109	-12%	44,149	44,698	42,109	-6%	-5%
Total shareholders' equity	120,149	108,772	-9%	108,874	112,232	108,772	-3%	0%
Loan Quality	**9M 2011**	**9M 2012**	**Y-o-Y**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
90+ days past due loan volume (in HUF million)	216,406	234,138	8%	216,406	250,423	234,138	-7%	8%
90+ days past due loans/gross customer loans (%)	30.8%	35.4%	4.6%	30.8%	34.4%	35.4%	1.0%	4.6%
Cost of risk/average gross loans (%)	2.09%	4.36%	2.27%	1.89%	3.83%	4.59%	0.76%	2.70%
Cost of risk/average (FX-adjusted) gross loans	2.04%	4.59%	2.56%	1.74%	3.94%	4.70%	0.75%	2.96%
Total provisions/90+ days past due loans (%)	79.0%	78.5%	-0.4%	79.0%	79.2%	78.5%	-0.7%	-0.4%
Performance Indicators (%)	**9M 2011**	**9M 2012**	**Y-o-Y**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
ROA	1.5%	-0.4%	-1.9%	1.1%	-0.8%	1.1%	1.9%	0.0%
ROE	9.6%	-2.5%	-12.1%	7.3%	-5.4%	6.9%	12.2%	-0.4%
Total income	7.01%	8.47%	1.46%	7.13%	7.77%	9.92%	2.15%	2.79%
Net interest margin	5.46%	6.57%	1.11%	5.62%	5.91%	7.75%	1.84%	2.13%
Cost/income ratio	49.4%	50.3%	1.0%	57.1%	54.2%	45.5%	-8.7%	-11.6%
Net loans to deposits (FX-adjusted)	245%	197%	-48%	245%	198%	197%	-1%	-48%
FX rates	**9M 2011**	**9M 2012**	**Y-o-Y**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
HUF/EUR (closing)	27.0	26.9	0%	27.0	28.4	26.9	-5%	0%
HUF/EUR (average)	24.2	28.2	17%	24.3	28.5	27.9	-2%	15%

- ***As a result of 3Q profit 9M 2012 negative result decreased to HUF 2.2 billion***
- ***The gross loan portfolio further decreased and the DPD90+ ratio reached 35.4%, but the coverage y-o-y remained stable (3Q 2012: 78.5%, -0.44 ppts y-o-y)***
- ***Positive trends in POS lending, cash loan disbursement and cross sale of credit card loans gradually accelerated***
- ***Attractive deposit rates boosted deposit volumes (+21% ytd FX-adjusted); the growth rate is outstanding across the Group***

In 9M 2012 **OTP Bank Ukraine** posted above HUF 2 billion losses, a sharp difference against the HUF 7.8 billion after-tax profit in the same period a year earlier. However, in 3Q the bank realized an after-tax profit of around HUF 2 billion as a result of improving operating profit (+43% q-o-q), but still high loan loss provisioning. The good quarterly result partially reflected a technical factor: tax accrual of the first half of 2012 was partially reversed in the third quarter resulting a positive tax burden in 3Q. Thus the accrued ytd amount of corporate income tax followed the full year profit forecast of the company changing from 2Q to 3Q.

9M net interest income in hryvnia terms improved by 3% y-o-y, but quarterly dynamics were more pronounced boosted by accelerating consumer lending and better net interest margin caused by higher interest rates on corporate and interbank loans. 3Q 2012 net interest margin was at 7.75%, up by 1.84 ppts q-o-q. Net fees (in hryvnia terms again) for the first nine months increased by 30% y-o-y partially due to expanding deposit and transaction related fees, but also to increasing revenues from payment protection policies sold with consumer loans.

Operating expenses surged on a yearly base by 6% in UAH terms mainly driven by the gradual increase in personnel and administrative expenses. Parallel with the expansion of POS lending and cash loan origination the recruitment of selling agents, as well as branch network rationalization continued. The total agency network showed a dynamic expansion and grew by 1,250 people y-o-y (9M 2012: 2,286 people), one branch was closed. Yearly cost dynamics reflected strong cost management and relatively low inflation environment. As a result, the cost-to-income ratio remained stable (9M 2012: 50.3%, +1 ppt q-o-q). The 3Q ratio however dropped significantly due to consumer lending boosted revenue growth (3Q: 45.5%, -8.7 ppts q-o-q).

Risk cost doubled y-o-y, while quarterly provisioning increased by 16% q-o-q. Despite growing risk costs the DPD90+ coverage slightly declined (-44 ppts y-o-y) since the DPD90+ loan volumes increased by more than 8% y-o-y, thus 9M 2012 coverage level stood at 78.5%.

The melt down of retail loans continued as the FX-adjusted volumes contracted by 3% since the beginning of the year. However, the volume of monthly disbursement of consumer loan products showed a steady increase y-o-y. The DPD90+ ratio reached 12.3% by 3Q in this segment, thus the improvement of soft collection activity, as well as the further development of the scoring is a top priority. As for the mortgages, the non-performing ratio further advanced partly because overall volumes dropped by 10% y-o-y in the absence of new sales. The debtor protection scheme offers solution mainly for delinquent mortgage borrowers, by the end of September 2012 43.9% of retail exposure has been rescheduled.

Regarding the corporate segment, as a result of repayments the portfolio further contracted, however its quality somewhat improved (DPD90+ rate 9M 2012: 19.5%) against the trend in previous quarters. It reflects a corporate exposure write off of HUF 10.6 billion: the move was in line with the central bank regulation.

In order to provide enough hryvnia liquidity for the growing need of consumer lending, the bank launched deposit campaigns focusing on household depositors. As a result of attractive offered rates, FX-adjusted retail term deposits advanced by 17% ytd and part of the existing deposits was repriced accordingly (the share of lower yielding saving deposits shrank). Despite the rate cut in the FX-deposit segment, volumes remained stable q-o-q reflecting the population’s expectation for the devaluation of the local currency. Accordingly, the net loan to deposit ratio decreased further (2012 9M: 197%, -1 ppt q-o-q and -48 ppts y-o-y).

The Ukrainian subsidiary retained its stable capital position, its capital adequacy ratio calculated under local standards stood at 20.3% (regulatory minimum: 10%) as of end September 2012.

OTP BANK ROMANIA

Performance of OTP Bank Romania:

Main components of P&L account in HUF mn	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
After tax profit w/o dividends, net cash transfers and one-offs	1,465	-1,966	-234%	-9	921	-1,724	-287%	
Income tax	-112	0	-100%	-102	0	0		-100%
Profit before income tax	1,577	-1,966	-225%	93	921	-1,724	-287%	
Operating profit	6,493	5,034	-22%	2,382	1,460	1,363	-7%	-43%
Total income	16,066	15,024	-6%	5,444	4,998	4,522	-10%	-17%
Net interest income	13,555	11,813	-13%	4,731	3,973	3,233	-19%	-32%
Net fees and commissions	1,768	1,170	-34%	566	426	324	-24%	-43%
Other net non-interest income	742	2,041	175%	147	599	965	61%	558%
Operating expenses	-9,573	-9,990	4%	-3,062	-3,538	-3,159	-11%	3%
Total risk costs	-4,916	-7,000	42%	-2,289	-540	-3,088	472%	35%
Provision for possible loan losses	-4,860	-6,969	43%	-2,263	-535	-3,077	475%	36%
Other provision	-56	-31	-45%	-25	-5	-11	123%	-57%
Main components of balance sheet closing balances in HUF mn	**2011**	**9M 2012**	**YTD**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
Total assets	460,623	448,383	-3%	453,877	453,223	448,383	-1%	-1%
Gross customer loans	394,188	375,171	-5%	367,923	379,506	375,171	-1%	2%
Gross customer loans (FX-adjusted)	358,288	375,171	5%	357,327	371,346	375,171	1%	5%
Retail loans	267,194	282,074	6%	260,620	279,396	282,074	1%	8%
Corporate loans	91,095	93,097	2%	96,707	91,950	93,097	1%	-4%
Allowances for possible loan losses	-33,266	-39,168	18%	-31,322	-36,960	-39,168	6%	25%
Allowances for possible loan losses (FX-adjusted)	-30,140	-39,168	30%	-30,309	-36,109	-39,168	8%	29%
Deposits from customers	120,822	143,422	19%	123,842	137,958	143,422	4%	16%
Deposits from customers (FX-adjusted)	107,085	143,422	34%	118,078	133,970	143,422	7%	21%
Retail deposits	85,942	109,130	27%	87,182	101,673	109,130	7%	25%
Corporate deposits	21,143	34,292	62%	30,895	32,297	34,292	6%	11%
Liabilities to credit institutions	280,966	237,915	-15%	271,916	248,149	237,915	-4%	-13%
Total shareholders' equity	28,353	31,449	11%	27,233	34,320	31,449	-8%	15%

Loan Quality	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
90+ days past due loan volume (in HUF million)	48,276	59,522	23%	48,276	55,495	59,522	7%	23%
90+ days past due loans/gross customer loans (%)	13.1%	15.9%	2.7%	13.1%	14.6%	15.9%	1.2%	2.7%
Cost of risk/average gross loans (%)	1.86%	2.42%	0.56%	2.56%	0.56%	3.24%	2.68%	0.68%
Cost of risk/average gross loans (FX-adjusted) (%)	1.86%	2.55%	0.69%	2.53%	0.58%	3.28%	2.70%	0.75%
Total provisions/90+ days past due loans (%)	64.9%	65.8%	0.9%	64.9%	66.6%	65.8%	-0.8%	0.9%
Performance Indicators (%)	**9M 2011**	**9M 2012**	**Y-o-Y**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
ROA	0.4%	-0.6%	-1.0%	0.0%	0.8%	-1.5%	-2.3%	-1.5%
ROE	7.5%	-8.8%	-16.3%	-0.1%	10.7%	-20.9%	-31.6%	-20.7%
Total income margin	4.89%	4.42%	-0.48%	5.05%	4.46%	3.99%	-0.47%	-1.06%
Net interest margin	4.13%	3.47%	-0.65%	4.39%	3.55%	2.85%	-0.69%	-1.53%
Cost/income ratio	59.6%	66.5%	6.9%	56.2%	70.8%	69.8%	-0.9%	13.6%
Net loans to deposits (FX-adjusted)	277%	234%	-43%	277%	250%	234%	-16%	-43%
FX rates	**9M 2011**	**9M 2012**	**Y-o-Y**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
HUF/RON (closing)	67	63	-7%	67	65	63	-3%	-7%
HUF/RON (average)	64	66	2%	65	66	63	-6%	-3%

- ***HUF 2 billion loss in the first nine months of 2012, 3Q result turned into negative since risk cost grew and net interest margin narrowed***
- ***Significant loan quality deterioration in 3Q, along with slipping provision coverage***
- ***In 2012 ytd the Romanian bank posted the second strongest loan growth within the Group after Russia. The Bank kept on focusing on RON consumer lending***
- ***The trend-like fall of the net loan to deposit ratio was driven by the successful deposit collection***

OTP Bank Romania realized HUF 2 billion loss in January-September 2012, a sharp contrast to the HUF 1.5 billion profit in the base period.

Operating result declined by 22% y-o-y.

The 9M 2012 net interest income dwindled by 13%, driven by the 65 basis points drop in net interest margin. The setback can be partially explained by the elevated interest expenses due to the successful deposit collection. Moreover, the risk cost set aside in relation to non-realized interest income of DPD90+ loans was reclassified from provision for possible loan losses into net interest income line. Further factor that influenced the net interest income was that part of the revaluation result of swaps was booked on this line. This revaluation result reached -HUF 260 million in 9M 2012 (+HUF 880 million in the first nine months of 2011). Excluding the swap revaluation result the net interest income in the first nine months decreased by 5% y-o-y.

The net interest margin in 3Q 2012 narrowed by 69 bps q-o-q and by 153 bps y-o-y. Beside the volatile swap result that accounts for the bigger part of the y-o-y margin squeeze, this year's deposit collection and retention campaigns offering attractive interest rates played a role, too.

The 34% y-o-y decline of 9M net fee and commission income was attributable to the reclassification of some items from fees into net interest income from 2012 onwards.

The other net non-interest income grew almost 3-fold in 9M 2012 and expanded by 61% in the third quarter q-o-q, owing mainly to the higher FX result.

Operating expenses went up by 4% in HUF terms and by 2% in RON terms which reflects solid cost control, bearing in mind the inflationary environment. The 11% q-o-q fall in operating costs is explained by the spike in costs in the previous quarter, the 3% cost growth seen in y-o-y comparison was induced by higher personnel expenses.

In 3Q no deceleration of the pace of loan quality worsening was witnessed: the DPD90+ ratio climbed to 15.9% (+1.2 ppts q-o-q, +2.7 ppts y-o-y). In the last several quarters bulk of portfolio quality deterioration came from the mortgage loan segment, while the DPD90+ ratio increased less significantly in the SME and corporate loan segments.

At the end of September 9.5% of the households' loan portfolio was involved in the debtor protection program (4Q 2011: 14%).

The FX-adjusted gross loans grew further: by 1% q-o-q and 5% y-o-y, respectively. New mortgage loan disbursements declined further in 3Q resulting in stagnating volumes q-o-q (+6% y-o-y). Due to continuous lending campaigns, consumer loan production strengthened further in 3Q, even after interest rate hikes. Consumer loan volumes leaped by 17% q-o-q and 43% y-o-y. Both corporate and SME loan volumes expanded by 1% q-o-q.

Deposit collection was successful in 3Q, too. Adjusted for the FX-effect, in 3Q the expansion reached 7% q-o-q (+21% y-o-y), indicating the results of the deposit retention campaign launched after the collection campaigns started this March. Thanks to the attractive deposit rates, households' deposits grew by 9% q-o-q and 37% y-o-y.

Within the frame of network rationalization the number of branches declined ytd by 3 units to 97.

OTP BANKA HRVATSKA (CROATIA)

Performance of OTP banka Hrvatska:

Main components of P&L account in HUF mn	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
After tax profit w/o dividends and net cash transfer	4.176	2.662	-36%	3.225	275	1.630	492%	-49%
One-off items, after-tax	3.440	0	-100%	3.440	0	0		-100%
After tax profit w/o dividends, net cash transfers and one-offs	736	2,662	262%	-215	275	1,630	492%	-857%
Income tax	-183	-673	267%	54	-69	-414	503%	-872%
Profit before income tax	920	3,335	263%	-269	344	2,043	494%	-860%
Operating profit	5,946	6,364	7%	2,334	2,154	2,297	7%	-2%
Total income	15,838	17,218	9%	5,633	5,801	5,861	1%	4%
Net interest income	11,259	12,364	10%	3,705	4,194	4,078	-3%	10%
Net fees and commissions	2,904	3,446	19%	1,054	1,173	1,212	3%	15%
Other net non-interest income	1,675	1,407	-16%	875	434	571	32%	-35%
Operating expenses	-9,892	-10,854	10%	-3,299	-3,646	-3,564	-2%	8%
Total risk costs	-5,027	-3,029	-40%	-2,603	-1,810	-253	-86%	-90%
Provision for possible loan losses	-4,403	-2,520	-43%	-1,846	-1,453	-157	-89%	-91%
Other provision	-624	-509	-19%	-757	-358	-96	-73%	-87%
Main components of balance sheet closing balances in HUF mn	**2011**	**9M 2012**	**YTD**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
Total assets	529,853	517,082	-2%	508,438	489,253	517,082	6%	2%
Gross customer loans	377,592	342,790	-9%	346,901	350,537	342,790	-2%	-1%
Gross customer loans (FX-adjusted)	345,849	342,790	-1%	337,959	345,827	342,790	-1%	1%
Retail loans	217,000	218,770	1%	214,179	220,110	218,770	-1%	2%
Corporate loans	127,548	123,113	-3%	122,336	124,693	123,113	-1%	1%
Car financing loans	1,301	907	-30%	1,443	1,023	907	-11%	-37%
Allowances for possible loan losses	-22,013	-22,888	4%	-18,472	-22,844	-22,888	0%	24%
Allowances for possible loan losses (FX-adjusted)	-20,301	-22,888	13%	-18,058	-22,670	-22,888	1%	27%
Deposits from customers	421,618	406,566	-4%	402,742	385,455	406,566	5%	1%
Deposits from customer (FX-adjusted)	386,090	406,566	5%	394,173	379,202	406,566	7%	3%
Retail deposits	344,236	354,811	3%	347,074	339,004	354,811	5%	2%
Corporate deposits	41,855	51,755	24%	47,099	40,198	51,755	29%	10%
Liabilities to credit institutions	36,041	37,728	5%	32,401	33,301	37,728	13%	16%
Subordinated debt	1,589	1,454	-9%	1,493	1,473	1,454	-1%	-3%
Total shareholders' equity	58,485	58,234	0%	60,624	56,622	58,234	3%	-4%
Loan Quality	**9M 2011**	**9M 2012**	**Y-o-Y**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
90+ days past due loan volume (in HUF million)	34,530	35,953	4.1%	34,530	34,589	35,953	3.9%	4.1%
90+ days past due loans/gross customer loans (%)	10.0%	10.5%	0.5%	10.0%	9.9%	10.5%	0.6%	0.5%
Cost of risk/average gross loans	1.72%	0.93%	-0.79%	2.20%	1.64%	0.18%	-1.46%	-2.02%
Cost of risk/average (FX-adjusted) gross loans	1.73%	0.98%	-0.75%	2.16%	1.69%	0.18%	-1.50%	-1.98%
Total provisions/90+ days past due loans (%)	53.5%	63.7%	10.2%	53.5%	66.0%	63.7%	-2.4%	10.2%
Performance Indicators (%)	**9M 2011**	**9M 2012**	**Y-o-Y**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
ROA	0.2%	0.7%	0.5%	-0.2%	0.2%	1.3%	1.1%	1.5%
ROE	1.7%	6.1%	4.4%	-1.5%	1.9%	11.3%	9.3%	12.7%
Total income margin	4.26%	4.39%	0.13%	4.65%	4.71%	4.63%	-0.07%	-0.01%
Net interest margin	3.03%	3.16%	0.12%	3.06%	3.40%	3.22%	-0.18%	0.17%
Cost/income ratio	62.5%	63.0%	0.6%	58.6%	62.9%	60.8%	-2.0%	2.2%
Net loans to deposits (FX-adjusted)	81%	79%	-2%	81%	85%	79%	-7%	-2%
FX rates	**9M 2011**	**9M 2012**	**Y-o-Y**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
HUF/HRK (closing)	39	38	-2%	39	38	38	-1%	-2%
HUF/HRK (average)	37	39	6%	37	39	38	-3%	3%

- ***6 times higher 3Q after tax profit as a result of stable operating income and significantly lower risk costs***
- ***Shrinking coverage as a result of lower provisioning (3Q 2012: 63.7%, q-o-q -2.4 ppts), moderate portfolio deterioration (DPD90+ ratio: 10,5%, q-o-q +0,6 ppts)***
- ***Declining net loan-to-deposit ratio (3Q 2012: 79%, q-o-q -7 ppts) due to increasing deposit and stagnating loan volumes***
- ***Stable net interest margin 3.2% (q-o-q -0,2 ppts), improving cost/income ratio: 60.8% (q-o-q -2 ppts)***

In 9M 2012 **OTP banka Hrvatska** (OBH) Group posted HUF 2.7 billion net profit (y-o-y -36%), with a q-o-q six times higher quarterly net profit (1.6 billion forint). Apart from the higher operating income (y-o-y +7%), which was mainly due to exchange rate movements, the significantly moderating risk provisioning (q-o-q -40%) was the driver of periodic profit development.

9M 2012 total income of OBH – mainly due to exchange rate movement – grew by 9% y-o-y. As a joint result of declining interest rates on loans and on deposits and changing volume of the portfolio, the net interest income increased by 10% y-o-y (in kuna terms +4%). Net interest margin both in 3Q and in 9M was around 3.2%.

In 9M engines of net fee income growth (y-o-y +19%) were – apart from exchange rate effects – the improving card and POS-terminal revenues of the summer tourist season and loan prepayment fees. 7% quarterly increase of operating income in 3Q was boosted by two factors. On one hand – apart from the improving fee income (+3% q-o-q) and the declining net interest income (-3% q-o-q) – the FX-gain driven 32% growth of other net non-interest income, while on the other hand, lower operating costs – due to exchange rate movements – supported that improvement.

As a result of continuously stringent cost control FX-adjusted operating expenses in 3Q increased by 1% q-o-q. Cost/income ratio of OBH in 9M improved continuously (1Q 2012: 65.6%, 2Q: 62.9% 3Q: 60.8%).

Following its improvement in 2Q, the portfolio quality – mainly due to some larger corporate customer – started to decline again, ratio of DPD90+ loans increased to 10.5% (q-o-q +0.6 ppts). Regarding the composition of portfolio quality: ratio of DPD90+ mortgage loans grew to 7.8% (q-o-q +0.4 ppt), quality of consumer loans deteriorated by 0.6 ppt from 9.5% to 10.1%. The quality of SME and car loan portfolios worsened by 1.80 and 1.50 ppts, respectively (DPD90+ ratios are 20.7% and 13.0%). The DPD90+ ratio of corporate loans was 14.7% (q-o-q +0.9 ppt). The DPD90+ coverage ratio shrank to 63.7% in (q-o-q -2.3 ppts).

Due to shrinking economy and high level of unemployment the loan demand remained benign. In 3Q 2012 the FX-adjusted loan portfolio shrank in all segments, but in the stagnating retail mortgage segment, the overall q-o-q decline was 1%. As shrinking loan portfolio is typical on the Croatian market as a whole, market share of OBH in overall loans is a stable 3.2%.

FX-adjusted deposit base of OBH in 3Q 2012 grew in all segments, overall by 7% q-o-q (+3% y-o-y). Increasing retail and SME portfolio (+4, and +32% q-o-q respectively) alike growing large corporate and municipality deposit book (+27, and +51% respectively) are the result of summer tourist season. As a result, market share of OBH practically remained unchanged at 4.3%. On the back of decreasing loan and increasing deposit portfolio, in 3Q 2012 net loan to deposit rate dropped by 7 ppts to 79%.

Capital adequacy ratio of the Bank increased from 15.1% to 15.3% q-o-q (regulatory minimum: 12%).

OTP BANKA SLOVENSKO (SLOVAKIA)

Performance of OTP Banka Slovensko:

Main components of P&L account in HUF mn	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
After tax profit w/o dividends, net cash transfers and one-offs	152	561	269%	23	72	250	250%	995%
Income tax	-51	-112	118%	-15	-26	-43	62%	192%
Profit before income tax	203	673	231%	38	98	293	199%	681%
Operating profit	2,682	2,649	-1%	911	792	983	24%	8%
Total income	9,996	10,561	6%	3,339	3,552	3,419	-4%	2%
Net interest income	8,054	9,092	13%	2,729	3,051	3,139	3%	15%
Net fees and commissions	1,797	2,168	21%	559	736	701	-5%	25%
Other net non-interest income	145	-699	-581%	50	-234	-421	80%	-933%
Operating expenses	-7,314	-7,912	8%	-2,428	-2,761	-2,437	-12%	0%
Total risk costs	-2,479	-1,976	-20%	-874	-694	-690	-1%	-21%
Provision for possible loan losses	-2,467	-2,019	-18%	-865	-699	-691	-1%	-20%
Other provision	-12	43	-446%	-9	5	1	-77%	-113%

Main components of balance sheet closing balances in HUF mn	2011	9M 2012	YTD	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
Total assets	386,313	381,266	-1%	370,159	384,066	381,266	-1%	3%
Gross customer loans	300,970	285,863	-5%	290,496	287,152	285,863	0%	-2%
Gross customer loans (FX-adjusted)	274,444	285,863	4%	282,191	282,635	285,863	1%	1%
Retail and SME loans	200,138	216,035	8%	200,960	211,753	216,035	2%	8%
Corporate loans	73,776	69,293	-6%	80,717	70,346	69,293	-1%	-14%
Allowances for possible loan losses	-18,992	-18,249	-4%	-19,222	-18,736	-18,249	-3%	-5%
Allowances for possible loan losses (FX-adjusted)	-17,318	-18,249	5%	-18,668	-18,443	-18,249	-1%	-2%
Deposits from customers	290,157	289,534	0%	270,237	293,193	289,534	-1%	7%
Deposits from customer (FX-adjusted)	264,824	289,534	9%	262,921	288,549	289,534	0%	10%
Retail and SME deposits	243,865	259,921	7%	242,235	257,424	259,921	1%	7%
Corporate deposits	20,959	29,614	41%	20,686	31,125	29,614	-5%	43%
Liabilities to credit institutions	7,596	5,907	-22%	19,708	6,162	5,907	-4%	-70%
Issued securities	42,250	41,366	-2%	38,791	40,437	41,366	2%	7%
Subordinated debt	9,057	8,246	-9%	8,503	8,380	8,246	-2%	-3%
Total shareholders' equity	30,421	28,085	-8%	26,338	28,464	28,085	-1%	7%
Loan Quality	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
90+ days past due loan volume (in HUF million)	38,719	33,284	-14.0%	38,719	33,014	33,284	0.8%	-14.0%
90+ days past due loans/gross customer loans (%)	13.3%	11.6%	-1.7%	13.3%	11.5%	11.6%	0.1%	-1.7%
Cost of risk/average gross loans (%)	1.17%	0.92%	-0.25%	1.24%	0.97%	0.96%	-0.01%	-0.28%
Cost of risk/average (FX-adjusted) gross loans (%)	1.18%	0.96%	-0.21%	1.22%	0.99%	0.97%	-0.03%	-0.25%
Total provisions/90+ days past due loans (%)	49.6%	54.8%	5.2%	49.6%	56.8%	54.8%	-1.9%	5.2%
Performance Indicators (%)	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
ROA	0.1%	0.2%	0.1%	0.0%	0.1%	0.3%	0.2%	0.2%
ROE	0.8%	2.6%	1.8%	0.4%	1.0%	3.5%	2.5%	3.2%
Total income margin	3.71%	3.68%	-0.04%	3.75%	3.75%	3.55%	-0.20%	-0.20%
Net interest margin	2.99%	3.16%	0.17%	3.07%	3.22%	3.26%	0.04%	0.20%
Cost/income ratio	73.2%	74.9%	1.8%	72.7%	77.7%	71.3%	-6.5%	-1.5%
Net loans to deposits (FX-adjusted)	100%	92%	-8%	100%	92%	92%	1%	-8%
FX rates	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
HUF/EUR (closing)	292	284	-3%	292	288	284	-2%	-3%
HUF/EUR (average)	271	291	7%	275	294	283	-4%	3%

- ***HUF 561 million after tax profit in 9M 2012, adjusted for banking tax***
- ***Decreasing 9M risk cost (-20% y-o-y); stable loan portfolio quality q-o-q***
- ***Further strengthening retail focus: home equity and consumer loans kept growing***
- ***Stable deposit base, net loan-to-deposit ratio remained 92%***

In 9M 2012 **OTP Banka Slovensko** posted HUF 561 million after tax profit without the banking tax, compared to the HUF 152 million profit in 9M 2011. The total burden of banking tax in 9M 2012 was HUF 331 million (after corporate tax) for the Slovakian bank. According to the decision of the Slovakian parliament the base of the banking tax broadened from 2H 2012, and there is an extraordinary banking tax due since October 2012. Thus, the total burden of banking taxes is expected to reach EUR 2.7 million in 2012 and EUR 3.9 million in 2013 for the Slovakian subsidiary (both after corporate tax).

Due to the FX-adjusted total loan growth and the stable total income margin (9M 2012: 3.68%, -4 bps y-o-y) total income shaped well in the first nine months y-o-y. Net interest income grew by 13% and net fees by 21%, respectively. The strong income generation was somewhat off-set by the HUF 700 million other net non-interest income loss, mainly stemming from swap revaluation.

Operating expenses grew by 8% y-o-y, which is slightly above the change of average HUF/EUR exchange rate (+7%). In 3Q 2012 operating expenses (within that other expenses) declined as the contribution to the deposit protection fund (DPF) was abolished with respect to the higher banking tax payable. The total effect was HUF 109 million before tax in 3Q. Cost/income ratio worsened by 1.8 ppts to 74.9% in 9M 2012.

For 3Q 2012 operating profit increased by 24% q-o-q, (3Q 2012: HUF 983 million), due to unchanged total income (-4% in HUF, no change in EUR) and the 12% drop in operating expenses. The significant fall of operating expenses in 3Q was mainly caused by the aforementioned abolishment of DPF contribution; depreciation also declined while personnel expenses slightly grew q-o-q. Net interest income improved by 3% q-o-q, owing to the higher loan volumes and the revaluation result on the securities portfolio. Net fees and commissions did not change much in the last quarter (-1% in EUR terms), as the drop in corporate loans related F&C income was counterbalanced by the increase of card related income. Furthermore, higher than usual proportion of early repaid loans was also beneficial to this income line.

In the first nine months of 2012 OBS put HUF 2 billion aside as provisions (-20% y-o-y) while 3Q risk cost totalled to HUF 0.7 billion (-1% q-o-q). By the end of 3Q 2012 the ratio of 90 days past due loans decreased to 11.6% (-1.7 ppts y-o-y), however the yearly comparison is biased by the write-off and sale of corporate loans in 4Q 2011, in the total amount of EUR 16 million. Compared to 2Q 2012 a deterioration of 10 bps was observed in the DPD90+ ratio in 3Q. On the quarterly basis the quality of mortgage and corporate loans deteriorated. Provision coverage of DPD90+ loans grew by 5.2 ppts to 54.8% on the yearly basis, but slightly worsened on the quarterly basis (-1.9 ppts). Latter is mainly reasoned by the write-off of a corporate loan with 100% coverage in August (total amount was EUR 2.8 million).

The development of loan and deposit volumes was in line with the intention of the management to strengthen the retail focus of the Bank. The quarterly dynamics of loan portfolio was influenced by the moderating loan demand as the spring campaign phased out; but also the volume of prepaid loans grew which counterbalanced the positive effects of disbursement activities. In yearly comparison retail mortgage loan growth was significant (+8%), with SME loan growth slightly behind (+3%). Corporate loans portfolio dropped by 14% compared to 3Q 2011. The 3Q quarterly retail loan portfolio growth (+2%) was mainly driven by the surging personal loans (+15% q-o-q, +76% y-o-y). The Bank expects further improvement as it started a campaign on 1 September, supported by TV and radio commercials, whereby it offers mortgage and consumer loans with favourable interest rates without administration fee. On the quarterly basis, the growth of SME loans (+1%) was almost offset by the decline of large corporate and municipal loan portfolios (-1%).

FX-adjusted deposit base surged by 10% y-o-y, which is a combined effect of the 7% growth of retail and SME deposits and the 43% increase of corporate deposits. Beside the fierce competition on the retail deposit market, a slight decrease in paid interest was seen in 3Q; nevertheless, OBS managed to further broaden its deposit base in 3Q (+1%), even if at a slower pace compared to 2Q. Net loans-to-deposits ratio stood at 92% at the end of 3Q 2012 (-8 ppts y-o-y and +1 ppt q-o-q).

OTP BANKA SRBIJA (SERBIA)

Performance of OTP banka Srbija:

Main components of P&L account in HUF mn	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
After tax profit w/o dividends, net cash transfers and one-offs	-3,557	-2,591	-27%	-584	-836	-1,299	55%	122%
Income tax	0	0		0	0	0	-98%	
Profit before income tax	-3,557	-2,591	-27%	-584	-836	-1,299	55%	122%
Operating profit	-367	-456	24%	-56	-90	-371	311%	563%
Total income	3,906	4,595	18%	1,413	1,781	1,243	-30%	-12%
Net interest income	914	2,122	132%	362	755	777	3%	114%
Net fees and commissions	1,381	1,202	-13%	466	407	391	-4%	-16%
Other net non-interest income	1,610	1,271	-21%	585	618	76	-88%	-87%
Operating expenses	-4,273	-5,051	18%	-1,469	-1,871	-1,615	-14%	10%
Total risk costs	-3,190	-2,135	-33%	-528	-745	-928	25%	76%
Provision for possible loan losses	-3,260	-2,206	-32%	-509	-754	-958	27%	88%
Other provision	70	71	1%	-20	9	30	236%	-255%
Main components of balance sheet closing balances in HUF mn	**2011**	**9M 2012**	**YTD**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
Total assets	121,475	110,458	-9%	109,735	111,512	110,458	-1%	1%
Gross customer loans	90,523	83,692	-8%	85,586	81,729	83,692	2%	-2%
Gross customer loans (FX-adjusted)	79,889	83,692	5%	79,273	80,666	83,692	4%	6%
Retail loans	33,937	36,992	9%	33,912	36,092	36,992	2%	9%
Corporate loans	45,952	46,701	2%	45,361	44,574	46,701	5%	3%
Allowances for possible loan losses	-26,078	-24,967	-4%	-23,169	-24,339	-24,967	3%	8%
Allowances for possible loan losses (FX-adjusted)	-22,650	-24,967	10%	-20,911	-24,057	-24,967	4%	19%
Deposits from customers	36,476	34,849	-4%	38,257	34,422	34,849	1%	-9%
Deposits from customers (FX-adjusted)	32,360	34,849	8%	36,025	33,946	34,849	3%	-3%
Retail deposits	26,309	26,705	2%	28,300	26,797	26,705	0%	-6%
Corporate deposits	6,052	8,144	35%	7,725	7,148	8,144	14%	5%
Liabilities to credit institutions	6,602	9,657	46%	6,882	9,469	9,657	2%	40%
Subordinated debt	45,967	36,650	-20%	43,425	37,256	36,650	-2%	-16%
Total shareholders' equity	27,706	26,089	-6%	18,388	27,602	26,089	-5%	42%
Loan Quality	**9M 2011**	**9M 2012**	**Y-o-Y**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
90+ days past due loan volume (in HUF million)	53,523	47,894	-10.5%	53,523	47,313	47,894	1.2%	-10.5%
90+ days past due loans/gross customer loans (%)	62.5%	57.2%	-5.3%	62.5%	57.9%	57.2%	-0.7%	-5.3%

Cost of risk/average gross loans (%)	5.00%	3.38%	-1.62%	2.41%	3.66%	4.61%	0.95%	2.19%
Cost of risk/average gross loans (FX-adjusted) (%)	5.19%	3.67%	-1.52%	2.48%	3.78%	4.64%	0.86%	2.16%
Total provisions/90+ days past due loans (%)	43.3%	52.1%	8.8%	43.3%	51.4%	52.1%	0.7%	8.8%
Performance Indicators (%)	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
ROA	-4.2%	-3.0%	1.3%	-2.2%	-2.9%	-4.7%	-1.7%	-2.5%
ROE	-26.1%	-12.9%	13.3%	-13.8%	-12.9%	-19.3%	-6.3%	-5.4%
Total income margin	4.65%	5.29%	0.64%	5.32%	6.22%	4.46%	-1.76%	-0.87%
Net interest margin	1.09%	2.44%	1.36%	1.36%	2.64%	2.78%	0.15%	1.42%
Cost/income ratio	109.4%	109.9%	0.5%	104.0%	105.1%	129.9%	24.8%	25.9%
Net loans to deposits (FX-adjusted)	162%	169%	7%	162%	167%	169%	2%	7%
FX rates	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
HUF/RSD (closing)	2.9	2.5	-15%	2.9	2.5	2.5	-1%	-15%
HUF/RSD (average)	2.7	2.6	-3%	2.7	2.6	2.4	-6%	-10%

- ***The loss realized in 9M 2012 dropped by 27% due to lower risk cost, while operating result remained in red***
- ***Provision coverage improved further, coupled with decline in the DPD90+ ratio***
- ***The FX-adjusted expansion of the loan portfolio was supported by the strong consumer and corporate loan disbursement***

In the first nine months of 2012 net loss of **OTP banka Srbija** reached HUF 2.6 billion against the negative result of HUF 3.6 billion in the base period.

The development of the net result was determined by the trajectory of risk cost: in the first nine months of the year it declined by 33% y-o-y. All in all, portfolio quality developed favourably during 2012, although the 3Q 2012 the DPD90+ loan formation was the highest in the last 5 quarters. The DPD90+ ratio declined further q-o-q. The Bank is deliberately striving for lifting the provision coverage ratio (up by 8.8 ppts y-o-y and by 0.7 ppt q-o-q).

The nine months operating result did not break even yet. Total revenues grew by 18% y-o-y, within that net interest income jumped by 132%. This change is partly attributable to a base effect: in 9M 2011 both rapid portfolio quality deterioration and high interest expenses on deposits were a drag on net interest income. On the contrary, in 9M 2012 interest expenses on interbank- and customer deposits were lower. Moreover, the change of the loan portfolio composition (higher share of consumer loans) gave a positive impetus to the net interest income, too. As a consequence of the capital increase in 2Q 2012 when subordinated debt was converted into equity, interest expenses on subordinated debt declined.

Apart from the y-o-y 13% erosion of 9M net fees, other net non-interest revenues declined by 21% as FX result declined. In 3Q 2012 the quarterly contraction in other revenues was explained by the drop of previously suspended, but in the current period collected interest income that appears on this line.

In the first nine months of 2012 operating costs went up by 18% y-o-y. The main reasons are the higher personnel expenses and marketing costs. In 3Q 2012 costs came down by 14% q-o-q from a relatively high base in 2Q (a tax payable for previous years together with penalty interest was booked in 2Q accounts).

Adjusted for the FX-effect, total gross loan portfolio expanded by 6% y-o-y and by 4% q-o-q. The Bank concentrated its lending activity on RSD personal loans; the continuously improving sales performance resulted in remarkable FX-adjusted volume growth in this segment (+11% q-o-q, +59% y-o-y). In 3Q corporate lending gained momentum, strong new disbursements underpinned a remarkable 5% q-o-q volume growth.

Deposit volumes showed a 3% FX-adjusted decline y-o-y, while the 3% quarterly growth was driven by corporate deposits. Household deposits expanded by 2% q-o-q, moderating the annual decline to 8%. Latter is owing to the declining deposit rates offered to households in line with the overall lower interest rate environment on the market and the improving RSD liquidity position of the Bank.

CRNOGORSKA KOMERCIJALNA BANKA (MONTENEGRO)

Performance of CKB:

Main components of P&L account in HUF mn	9M 2011	9M 2012	Y-o-Y	3Q 2011	2Q 2012	3Q 2012	Q-o-Q	Y-o-Y
After tax profit w/o dividends and net cash transfer	-3,480	-423	-88%	-1,761	-667	-68	-90%	-96%
Corporate income tax	0	13		0	13	0	-100%	
Pre-tax profit	-3,480	-410	-88%	-1,761	-654	-68	-90%	-96%
Operating profit	1,467	2,241	53%	722	742	905	22%	25%
Total income	5,954	7,591	27%	2,306	2,538	2,640	4%	14%

Net interest income	3,975	5,471	38%	1,476	1,853	1,811	-2%	23%
Net fees and commissions	1,959	1,890	-4%	771	633	730	15%	-5%
Other net non-interest income	20	230		59	52	99	89%	66%
Operating expenses	-4,487	-5,350	19%	-1,584	-1,796	-1,735	-3%	10%
Total risk costs	-4,947	-2,651	-46%	-2,483	-1,396	-973	-30%	-61%
Provision for possible loan losses	-3,844	-1,034	-73%	-1,464	-1,025	361	-135%	-125%
Other provision	-1,103	-1,617	47%	-1,019	-371	-1,334	259%	31%
Main components of balance sheet closing balances in HUF mn	**2011**	**9M 2012**	**YTD**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
Total assets	232,750	213,997	-8%	223,111	210,701	213,997	2%	-4%
Gross customer loans	165,708	144,629	-13%	149,168	152,521	144,629	-5%	-3%
Gross customer loans (FX-adjusted)	151,104	144,629	-4%	144,874	150,134	144,629	-4%	0%
Retail loans	66,272	64,147	-3%	67,405	65,068	64,147	-1%	-5%
Corporate loans	84,833	80,482	-5%	77,469	85,066	80,482	-5%	4%
Car financing loans	0	0		0	0	0		
Allowances for possible loan losses	-46,536	-43,351	-7%	-42,109	-44,500	-43,351	-3%	3%
Allowances for possible loan losses (FX-adjusted)	-42,394	-43,351	2%	-40,897	-43,804	-43,351	-1%	6%
Deposits from customers	171,982	159,388	-7%	167,694	154,747	159,388	3%	-5%
Deposits from customers (FX-adjusted)	156,845	159,388	2%	163,137	152,182	159,388	5%	-2%
Retail deposits	122,694	122,856	0%	127,021	117,986	122,856	4%	-3%
Corporate deposits	34,151	36,532	7%	36,116	34,195	36,532	7%	1%
Liabilities to credit institutions	22,287	22,743	2%	21,601	23,335	22,743	-3%	5%
Subordinated debt	8,408	1,987	-76%	7,930	4,325	1,987	-54%	-75%
Total shareholders' equity	16,231	20,059	24%	16,179	18,137	20,059	11%	24%
Loan Quality	**9M 2011**	**9M 2012**	**Y-o-Y**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
90+ days past due loan volume (in HUF million)	56,605	56,941	0.6%	56,605	60,467	56,941	-5.8%	0.6%
90+ days past due loans/gross customer loans (%)	37.9%	39.4%	1.4%	37.9%	39.6%	39.4%	-0.3%	1.4%
Cost of risk/average gross loans (%)	3.38%	0.87%	-2.52%	4.03%	2.62%	-0.93%	-3.55%	-4.96%
Cost of risk/average (FX-adjusted) gross loans (%)	3.25%	0.92%	-2.33%	3.77%	2.78%	-0.95%	-3.74%	-4.73%
Total provisions/90+ days past due loans (%)	74.4%	76.1%	1.7%	74.4%	73.6%	76.1%	2.5%	1.7%
Performance Indicators (%)	**9M 2011**	**9M 2012**	**Y-o-Y**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
ROA	-2.1%	-0.3%	1.9%	-3.3%	-1.3%	-0.1%	1.1%	3.2%
ROE	-28.7%	-3.1%	25.6%	-42.9%	-14.3%	-1.4%	12.9%	41.5%
Total income margin	3.66%	4.54%	0.88%	4.30%	4.80%	4.95%	0.15%	0.65%
Net interest margin	2.44%	3.27%	0.83%	2.75%	3.50%	3.39%	-0.11%	0.64%
Cost/income ratio	75.4%	70.5%	-4.9%	68.7%	70.8%	65.7%	-5.0%	-3.0%
Net loans to deposits (FX-adjusted)	64%	64%	0%	64%	70%	64%	-6%	0%
FX rates	**9M 2011**	**9M 2012**	**Y-o-Y**	**3Q 2011**	**2Q 2012**	**3Q 2012**	**Q-o-Q**	**Y-o-Y**
HUF/EUR (closing)	292.1	283.7	-3%	292.1	288.2	283.7	-2%	-3%
HUF/EUR (average)	271.2	291.3	7%	274.6	294.2	283.0	-4%	3%

- ***The 9M 2012 loss dropped significantly y-o-y due to the 53% increase in operating profit and the diminishing loan loss provisioning (-46% y-o-y)***
- ***The gross loan portfolio was still shrinking owing to the moderate loan demand and repayments of corporate and municipal loans; the DPD90+ ratio (9M 2012: 39.4%) as well as the provision coverage improved further (9M 2012: 76.1% +1.7 ppts)***
- ***CKB meets the capital requirements to sustain stable operation; the CAR improved to 14.5% (+1.8 ppts q-o-q) due to the conversion of the Lower Tier2 Capital into ordinary shares***

In 9M 2012 **the Montenegrin CKB Bank** realized a loss of HUF 423 million in contrast to HUF 3.5 billion loss in the base period. On a yearly basis, the diminishing loss was mainly underpinned by the improving net interest income (+38% y-o-y). In particular, the interbank loan portfolio expanded further due to the favourable liquidity position, and the Bank realized higher net interest income on its interbank assets. At the same time interest rates on retail term deposits were lowered, too.

The quarterly loss moderated to HUF 68 million, due to the quarterly 22% increase of operating income and the diminishing loan loss provisioning (-30% q-o-q). As a result of the above positive effects and in the wake of the conversion of subordinated debt into equity resulted net interest margin improved by 83 bps y-o-y (9M 2012: 3.3%).

The net fees for the first nine months showed a slight y-o-y decrease (-4%), while the higher quarterly fee income was partially driven by the favourable development of card related fees

The y-o-y increase (+20%) of operating expenses was mainly induced by higher personnel expenses. Due to the intensive marketing campaigns to promote retail deposits and higher level of property rental fees other expenses increased, too.

Risk cost decreased by 73% y-o-y, while the 90+ days overdue portfolio diminished, thereby increasing the provision coverage ratio to 76.1% (+1.7 ppts y-o-y, and +2.5 ppts q-o-q).

The demand for loans remained sluggish; the FX-adjusted loan portfolio decreased by 4% ytd. Regarding the retail segments, the consumer loan portfolio is expected to show substantial growth in the forthcoming periods supported by sales campaigns. The corporate and SME loan portfolio showed decrease on FX-adjusted base by 5% and by 3% ytd, respectively.

In September 2012 the capital adequacy ratio of CKB improved by 1.7 ppts reaching 14.5% (the minimum is at 10%). The improvement of the ratio was the consequence of an EUR 8 million subordinated loan (provided by OTP Bank Hungary) converted into share capital, while the maturity of the remaining EUR 7 million was extended.

STAFF LEVEL AND OTHER INFORMATION

The closing staff number of OTP Group (including the number of employed selling agents) was 35,351 as at 30 September 2012 (+1.525 people ytd). During 9M 2012 there was a staff increase in Russia and Ukraine the headcount of people employed in consumer lending increased further (+577 people, and +569 people ytd) parallel with seeking new retail partner chains. OTP Group provides services through more than 1,400 branches in 9 countries of the CEE-region. In Hungary, OTP Bank has an extensive distribution network, which includes around 380 branches and 2,020 ATM terminals. The Bank has more than 47,000 POS-units at the same time.

	30 September 2012				31 December 2011			
	Branches	ATM	POS	Headcount (closing)	Branches	ATM	POS	Headcount (closing)
OTP Core	379	2,020	47,040	8,598	377	2,028	42,122	8,470
OTP Bank Russia (w/o employed agents)	147	255	2,697	5,063	148	242	2,697	5,108
DSK Group	383	850	4,228	4,663	386	890	4,178	4,477
OTP Bank Ukraine (w/o employed agents)	152	163	350	3,028	152	165	406	3,003
OTP Bank Romania	97	130	1,312	968	100	136	1,302	957
OTP banka Hrvatska	103	222	1,295	979	103	218	1,139	971
OTP Banka Slovensko	70	113	197	628	74	115	202	609
OTP banka Srbija	51	152	3,099	678	52	162	3,557	649
CKB	32	79	4,170	431	32	84	4,010	450
Foreign subsidiaries, total	1,035	1,964	17,348	16,438	1,047	1,985	17,491	16,223
Other Hungarian and foreign subsidiaries				820				783
OTP Group total (w/o employed agents)				**25,855**				**25,476**
OTP Bank Russia – employed agents				***7,517***				***6,940***
OTP Bank Ukraine – employed agents				***1,979***				***1,410***
OTP Group total	**1,414**	**3,984**	**64,388**	**35,351**	**1,424**	**4,013**	**59,613**	**33,826**

PERSONAL AND ORGANIZATIONAL CHANGES

In the first nine months of the year 2012, the Annual General Meeting of OTP Bank held on 27 April 2012 elected Mr. Tamás Erdei and Dr. István Gresa into the Bank's Board of Directors until the closing AGM of the fiscal year 2015, but the latest until April 30, 2016. Furthermore, Mr. Pierre Lefévre resigned from his title as member of the Supervisory Board effective from 26 September 2012.

There was no a change in the Auditor of the Bank.

FINANCIAL DATA

SEPARATE AND CONSOLIDATED IFRS STATEMENT OF FINANCIAL POSITION

In HUF million	OTP Bank			Consolidated		
	30/09/2012	31/12/2011	change	30/09/2012	31/12/2011	change
Cash, due from banks and balances with the National Bank of Hungary	198,673	226,976	-12%	508,184	595,986	-15%
Placements with other banks, net of allowance for possible placement losses	735,467	897,980	-18%	443,002	422,777	5%
Financial assets at fair value through profit and loss	270,399	272,577	-1%	245,068	241,282	2%
Securities available-for-sale	2,068,827	1,711,418	21%	1,529,690	1,125,855	36%
Loans, net of allowance for loan losses	2,431,287	2,741,827	-11%	6,357,433	7,047,179	-10%
Investments in subsidiaries	645,711	651,709	-1%	6,777	10,342	-34%
Securities held-to-maturity	69,903	120,467	-42%	120,158	124,887	-4%
Premises, equipment and intangible assets, net	105,747	104,332	1%	475,810	491,666	-3%
Other assets	33,003	57,404	-43%	141,385	140,553	1%
TOTAL ASSETS	**6,559,017**	**6,784,690**	-3%	**9,827,507**	**10,200,527**	-4%
Due to banks and deposits from the National Bank of Hungary and other banks	938,949	871,770	8%	548,402	646,968	-15%
Deposits from customers	3,341,747	3,416,221	-2%	6,264,936	6,398,853	-2%
Liabilities from issued securities	384,380	453,423	-15%	721,368	812,863	-11%
Financial liabilities at fair value through profit or loss	222,504	345,955	-36%	142,740	230,149	-38%
Other liabilities	219,951	267,184	-18%	403,611	376,937	7%
Subordinated bonds and loans	299,167	325,997	-8%	286,140	316,447	-10%
TOTAL LIABILITIES	**5,406,698**	**5,680,550**	-5%	**8,367,197**	**8,782,217**	-5%
SHARE CAPITAL	28,000	28,000	0%	28,000	28,000	0%
RETAINED EARNINGS AND RESERVES	1,129,258	1,081,659	4%	1,480,620	1,439,095	3%
TREASURY SHARES	-4,939	-5,519	-11%	-53,807	-54,386	-1%
MINORITY INTEREST				5,497	5,601	-2%
TOTAL SHAREHOLDERS' EQUITY	1,152,319	1,104,140	4%	1,460,310	1,418,310	3%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**6,559,017**	**6,784,690**	-3%	**9,827,507**	**10,200,527**	-4%

SEPARATE AND CONSOLIDATED IFRS STATEMENT OF RECOGNIZED INCOME

in HUF million	OTP Bank			Consolidated		
	9M 2012	9M 2011	change	9M 2012	9M 2011	change
Loans	163,337	168,615	-3%	596,283	552,726	8%
Interest income without swap	157,129	157,089	0%	590,075	541,200	9%
Results of swaps	5,911	11,526	-49%	6,208	11,526	-46%
Placements with other banks	274,134	191,006	44%	260,844	205,525	27%
Interest income without swap	20,840	12,929	61%	8,400	5,887	43%
Results of swaps	246,542	178,077	38%	252,444	199,638	26%
Due from banks and balances with the National Bank of Hungary	5,128	4,699	9%	5,294	4,943	7%
Securities held-for-trading	1,214	1,448	-16%	1,453	1,141	27%
Securities available-for-sale	94,955	86,654	10%	65,445	57,667	13%
Securities held-to-maturity	5,418	7,655	-29%	5,358	6,275	-15%
Total Interest Income	544,186	460,077	18%	934,677	828,277	13%
Due to banks and deposits from the National Bank of Hungary and other banks	261,383	152,750	71%	226,949	158,219	43%
Interest expenses without swap	23,377	14,653	60%	15,575	13,101	19%
Losses of swaps	231,781	138,097	68%	211,374	145,118	46%
Deposits from customers	105,571	97,802	8%	177,074	156,027	13%
Interest expenses without swap	99,921	89,150	12%	171,424	147,375	16%
Losses of swaps	5,650	8,652	-35%	5,650	8,652	-35%
Liabilities from issued securities	18,705	22,061	-15%	39,799	39,832	0%
Subordinated bonds and loans	12,759	11,917	7%	8,669	8,720	-1%
Other entrepreneurs	0	0		2,417	2,495	-3%
Total Interest Expense	398,418	284,530	40%	454,908	365,293	25%
NET INTEREST INCOME	**145,768**	**175,547**	**-17%**	**479,769**	**462,984**	**4%**
Provision for possible loan losses	30,288	51,835	-42%	153,647	182,982	-16%
Provision for possible placement losses	-138	-643	-79%	5,689	-387	-1570%
Provision for possible loan and placement losses	30,150	51,192	-41%	159,336	182,595	-13%
NET INTEREST INCOME AFTER PROVISION FOR POSSIBLE LOAN AND PLACEMENT LOSSES	115,618	124,355	-7%	320,433	280,389	14%
Fees and commissions	84,795	95,099	-11%	148,889	133,584	11%
Foreign exchange gains and losses, net	-7,352	13,775	-153%	-3,488	28,385	-112%
Gains and losses on securities, net	-7,321	1,237	-692%	-787	6,544	-112%
Gains and losses on real estate transactions, net	46	-17		773	711	9%
Dividend income and gains and losses of associated companies	43,098	74,701	-42%	2,802	846	231%
Other	3,645	3,660	0%	18,882	17,033	11%
Total Non-Interest Income	116,911	188,455	-38%	167,071	187,103	-11%
Fees and commissions	16,046	15,513	3%	35,833	26,424	36%
Personnel expenses	59,313	51,924	14%	140,268	120,634	16%
Depreciation and amortization	15,760	18,291	-14%	34,837	36,505	-5%
Other	111,852	78,470	43%	164,436	139,659	18%
Total Non-Interest Expense	202,971	164,198	24%	375,374	323,222	16%
INCOME BEFORE INCOME TAXES	**29,558**	**148,612**	**-80%**	**112,130**	**144,270**	**-22%**
Income taxes	-4,987	18,436	-127%	15,689	34,630	-55%
INCOME AFTER INCOME TAXES	**34,545**	**130,176**	**-73%**	**96,441**	**109,640**	**-12%**
Minority interest				-647	-466	39%
NET INCOME	**34,545**	**130,176**	**-73%**	**95,794**	**109,174**	**-12%**

SEPARATE AND CONSOLIDATED IFRS STATEMENT OF CASH FLOWS

in HUF million	OTP Bank			Consolidated		
	9M 2012	9M 2011	change	9M 2012	9M 2011	change
OPERATING ACTIVITIES						
Income before income taxes	**29,558**	**148,612**	**-80%**	**112,130**	**144,270**	**-22%**
Adjustments to reconcile income before income taxes to net cash provided by operating activities						
Income tax paid	-3,395	-5,258	-35%	-17,372	-19,378	-10%
Goodwill impairment loss	0	0		0	0	
Depreciation and amortization	15,760	18,291	-14%	34,837	36,505	-5%
Provision for loan and placement losses	64,388	59,022	9%	162,694	182,441	-11%
Share-based compensation	3,600	5,592	-36%	3,600	5,992	-40%
Unrealised losses on fair value adjustment of securities held of trading	-2,707	1,318	-305%	-2,575	1,246	-307%
Unrealised losses / (gains) on fair value adjustment of derivative financial instruments	7,090	-3,691	-292%	-2,424	-44,012	-94%
Changes in operating assets and liabilities	24,122	68,126	-65%	356,934	129,876	175%
Net cash provided by operating activities	**138,416**	**292,012**	**-53%**	**647,824**	**436,540**	**48%**
INVESTING ACTIVITIES						
Net cash used in investing activities	**-100,276**	**-500,776**	**-80%**	**-388,723**	**-172,924**	**125%**
FINANCING ACTIVITIES						
Net cash provided by financing activities	**-66,216**	**199,841**	**-133%**	**-324,382**	**-307,492**	**5%**
Net (decrease) / increase in cash and cash equivalents	**-28,076**	**-8,923**	**215%**	**-65,281**	**-43,876**	**49%**
Cash and cash equivalents at the beginning of the period	146,208	88,197	66%	315,177	255,045	24%
Cash and cash equivalents at the end of the period	**118,132**	**79,274**	**49%**	**249,896**	**211,169**	**18%**
DETAILS OF CASH AND CASH EQUIVALENTS						
Cash, due from banks and balances with the National Bank of Hungary	226,976	171,677	32%	595,986	513,038	16%
Compulsory reserve established by the National Bank of Hungary	-80,768	-83,480	-3%	-280,809	-257,993	9%
Cash and equivalents at the beginning of the period	**146,208**	**88,197**	**66%**	**315,177**	**255,045**	**24%**
Cash, due from banks and balances with the National Bank of Hungary	198,673	164,384	21%	508,184	453,926	12%
Compulsory reserve established by the National Bank of Hungary	-80,541	-85,110	-5%	-258,288	-242,757	6%
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**118,132**	**79,274**	**49%**	**249,896**	**211,169**	**18%**

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY (IFRS)

in HUF million	Share capital	Capital reserve	Share-based payment reserve	Retained earnings and reserves	Put option reserve	Treasury shares	Non-controlling interest	Total
Balance as at 1 January 2011	**28,000**	**52**	**28**	**1,383,026**	**-55,468**	**-52,597**	**5,888**	**1,308,929**
Net comprehensive income	--	--	--	109,174		--	--	109,174
Net comprehensive income elements				8,664				8,664
Share-based payment	--	--	5,592			--	--	5,592
Closed share-based payments								
Treasury share transactions								
Dividend for the year 2010	--	--	--	-20,160		--	--	-20,160
Treasury shares								
– gain on sale						2,878		2,878
– loss on sale				-24				-24
– change of volume						-4,474		-4,474
Payments to ICES holders				-2,936				-2,936
Non-controlling interest	--	--	--	--	--	--	-1,306	-1,306
Balance as at 30 September 2011	**28,000**	**52**	**5,620**	**1,477,744**	**-55,468**	**-54,193**	**4,582**	**1,406,337**

in HUF million	Share capital	Capital reserve	Share-based payment reserve	Retained earnings and reserves	Put option reserve	Treasury shares	Non-controlling interest	Total
Balance as at 1 January 2012	**28,000**	**52**	**6,215**	**1,488,296**	**-55,468**	**-54,386**	**5,601**	**1,418,310**
Net comprehensive income	--	--	--	95,794		--	--	95,794
Net comprehensive income elements				-27,956				-27,956
Share-based payment	--	--	3,600			--	--	3,600
Closed share-based payments								
Treasury share transactions								
Dividend for the year 2011	--	--	--	-28,000		--	--	-28,000
Treasury shares								
– gain on sale						3,369		3,369
– loss on sale				-132				-132
– change of volume						-2,790		-2,790
Payments to ICES holders				-1,781				-1,781
Non-controlling interest	--	--	--	--	--	--	-104	-104
Balance as at 30 September 2012	**28,000**	**52**	**9,815**	**1,526,221**	**-55,468**	**-53,807**	**5,497**	**1,460,310**

Ownership structure of OTP Bank Plc.

Description of owner	Total equity					
	1 January 2012			30 September 2012		
	%[1]	%[2]	Qty	%[1]	%[2]	Qty
Domestic institution/company	17.2%	17.5%	48,167,622	13.3%	13.5%	37,106,670
Foreign institution/company	59.9%	60.9%	167,611,237	63.2%	64.2%	176,938,451
Domestic individual	11.1%	11.3%	31,040,428	10.5%	10.7%	29,360,336
Foreign individual	1.1%	1.2%	3,204,215	1.2%	1.2%	3,392,002
Employees, senior officers	1.8%	1.9%	5,103,361	1.8%	1.9%	5,133,533
Treasury shares	1.7%	0.0%	4,716,888	1.5%	0.0%	4,318,664
Government held owner[3]	0.4%	0.4%	1,132,501	4.9%	5.0%	13,675,541
International Development Institutions[4]	1.5%	1.6%	4,320,559	0.0%	0.0%	0
Other[5]	5.3%	5.3%	14,703,199	3.6%	3.7%	10,074,813
TOTAL	**100.0%**	**100.0%**	**280,000,010**	**100.0%**	**100.0%**	**280,000,010**

[1] Voting rights
[2] Beneficial ownership
[3] E.g.: State Privatization Holding Co. Ltd., Social Security, Municipality, 100% state-owned companies, Pension Reform and Debt Reduction Fund etc.
[4] E.g.: EBRD, EIB, etc.
[5] Non-identified shareholders according to the shareholders' registry

Number of treasury shares held in the year under review

	1 January	31 March	30 June	30 September	31 December
Company	2,643,328	2,640,987	2,411,014	2,245,104	
Subsidiaries	2,073,560	2,073,560	2,073,560	2,073,560	
TOTAL	4,716,888	4,714,547	4,484,574	4,318,664	

Shareholders with over/around 5% stake

Name	Number of shares	Voting rights	Beneficial ownership
Megdet, Timur and Ruszlan Rahimkulov	25,050,912	8.95%	9.09%
MOL (Hungarian Oil and Gas Company Plc.)	24,000,000	8.57%	8.71%
Groupama Group	23,248,668	8.30%	8.43%
Lazard Group	15,804,554	5.64%	5.73%

Senior officers, strategic employees and their shareholding of OTP shares

Type[1]	Name	Position	No. of shares held
IT	Dr. Sándor Csányi [2]	Chairman and CEO	208,000
IT	Mihály Baumstark	member	6,400
IT	Dr. Tibor Bíró	member	37,081
IT	Péter Braun	member	534,305
IT	Tamás Erdei	member	11,150
IT	Dr. István Gresa	member	64,564
IT	Zsolt Hernádi	member	6,400
IT	Dr. István Kocsis	member	88,000
IT	Dr. Antal Pongrácz	Deputy Chairman, Deputy CEO	203,600
IT	Dr. László Utassy	member	266,400
IT	Dr. József Vörös	member	123,600
FB	Tibor Tolnay	Chairman	54
FB	Dr. Gábor Horváth	member	10,000
FB	Antal Kovács	member, Deputy CEO	23,000
FB	András Michnai	member	16,000
FB	Dr. Márton Gellért Vági	member	0
SP	László Bencsik	Chief Financial and Strategic Officer, Deputy CEO	2,800
SP	Daniel Gyuris	Deputy CEO	0
SP	Ákos Takáts	Deputy CEO	153,347
SP	László Wolf	Deputy CEO	644,640
TOTAL No. of shares held by management:			**2,399,341**

[1] Employee in strategic position (SP), Board Member (IT), Supervisory Board Member (FB)
[2] Number of OTP shares owned by Mr. Csányi directly or indirectly: 2,708,000

OFF-BALANCE SHEET ITEMS ACCORDING TO IFRS (IN HUF MILLION) [1]

a) Contingent liabilities

	30/09/2012	30/09/2011
Commitments to extend credit	1,136,538	917,980
Guarantees arising from banking activities	292,832	253,616
Confirmed letters of credit	13,366	4,720
Legal disputes (disputed value)[2]	5,783	9,917,948
Contingent liabilities related to OTP Mortgage Bank	--	--
Other	108,887	114,700
Total:	**1,557,406**	**11,208,964**

[1] Those financial undertakings, which are important from valuation perspectives however not booked within the balance sheet (such as surety, guarantees, pledge related obligations, etc.)
[2] With regard to the pending payment obligation the United States Court of Appeals for the Seventh Circuit (Chicago) granted the petition for writs of mandamus submitted by OTP Bank Plc. and ordered the district court to dismiss the plaintiffs' claims against OTP Bank Plc. for lack of personal jurisdiction in the class action

Changes in the headcount (number of persons) employed by the Bank and the subsidiaries

	End of reference period	Current period opening	Current period closing
Bank	7,947	7,912	8,102
Consolidated	33,623	33,826	35,351

Security issuances on Group level in the course of 4Q 2011 and 9M 2012

Issuer	Type of security	Security name	Date of issue	Date of maturity	Ccy	Outstanding consolidated debt (in original currency or HUF million) 30/09/2012	Outstanding consolidated debt (in HUF million) 30/09/2012
OTP Bank Nyrt.	Corporate bond	OTP 2014/Fx	20/10/2011	21/10/2014	HUF	391	391
OTP Bank Nyrt.	Corporate bond	OTP 2021/RF/B	20/10/2011	25/10/2021	HUF	272	272
OTP Bank Nyrt.	Corporate bond	OTP 2017/Dx	21/10/2011	19/10/2017	HUF	540	540
OTP Bank Nyrt.	Corporate bond	OTP 2014/Gx	21/12/2011	30/12/2014	HUF	320	320
OTP Bank Nyrt.	Corporate bond	OTP 2017/Ex	21/12/2011	28/12/2017	HUF	4,000	4,000
OTP Bank Nyrt.	Corporate bond	OTP 2021/Dx	21/12/2011	27/12/2021	HUF	425	425
OTP Bank Nyrt.	Corporate bond	OTP 2021/RF/C	21/12/2011	30/12/2021	HUF	28	28
OTP Bank Nyrt.	Corporate bond	OTP 2021/RF/D	21/12/2011	30/12/2021	HUF	26	26
OTP Bank Nyrt.	Corporate bond	OTP 2021/RF/E	21/12/2011	30/12/2021	HUF	16	16
OTP Bank Nyrt.	Corporate bond	OTP 2016/Dx	22/12/2011	29/12/2016	EUR	1,245,100	353
OTP Bank Nyrt.	Corporate bond	OTP 2018/Ax	03/01/2012	09/01/2018	HUF	1,200	1,200
OTP Bank Nyrt.	Corporate bond	OTP 2015/Dx	19/03/2012	23/03/2015	HUF	520	520
OTP Bank Nyrt.	Corporate bond	OTP 2018/Bx	22/03/2012	22/03/2018	HUF	4,680	4,680
OTP Bank Nyrt.	Corporate bond	OTP 2022/RF/A	22/03/2012	23/03/2022	HUF	90	90
OTP Bank Nyrt.	Corporate bond	OTP 2022/RF/B	22/03/2012	23/03/2022	HUF	31	31
OTP Bank Nyrt.	Corporate bond	OTP 2022/Ax	22/03/2012	23/03/2022	HUF	310	310
OTP Bank Nyrt.	Corporate bond	OTP 2017/Fx	14/06/2012	16/06/2017	EUR	776,800	220
OTP Bank Nyrt.	Corporate bond	OTP 2022/RF/D	28/06/2012	28/06/2022	HUF	89	89
OTP Bank Nyrt.	Corporate bond	OTP 2022/RF/C	28/06/2012	28/06/2022	HUF	71	71
OTP Bank Nyrt.	Corporate bond	OTPX 2015E	16/07/2012	20/07/2015	HUF	390	390
OTP Bank Nyrt.	Corporate bond	OTPX 2018C	16/07/2012	18/07/2018	HUF	3,990	3,990
OTP Bank Nyrt.	Corporate bond	OTPX 2022B	16/07/2012	18/07/2022	HUF	295	295
OTP Bank Nyrt.	Retail bond	OTP 2012/XX	07/10/2011	06/10/2012	HUF	7,259	7,259
OTP Bank Nyrt.	Retail bond	OTP EUR 2012/VI	07/10/2011	06/10/2012	EUR	7,805,500	2,214
OTP Bank Nyrt.	Retail bond	OTP EUR 2013/VI	07/10/2011	07/10/2013	EUR	552,000	157
OTP Bank Nyrt.	Retail bond	OTP 2012/XXI	21/10/2011	20/10/2012	HUF	7,919	7,919
OTP Bank Nyrt.	Retail bond	OTP EUR 2012/VII	21/10/2011	20/10/2012	EUR	5,700,800	1,617
OTP Bank Nyrt.	Retail bond	OTP EUR 2013/VII	21/10/2011	21/10/2013	EUR	509,600	145
OTP Bank Nyrt.	Retail bond	OTP 2012/XXII	07/11/2011	06/11/2012	HUF	18,167	18,167
OTP Bank Nyrt.	Retail bond	OTP EUR 2012/VIII	07/11/2011	06/11/2012	EUR	3,608,900	1,024
OTP Bank Nyrt.	Retail bond	OTP EUR 2013/VIII	07/11/2011	07/11/2013	EUR	269,000	76
OTP Bank Nyrt.	Retail bond	OTP 2012/XXIII	18/11/2011	17/11/2012	HUF	14,119	14,119
OTP Bank Nyrt.	Retail bond	OTP EUR 2012/IX	18/11/2011	17/11/2012	EUR	8,078,600	2,292
OTP Bank Nyrt.	Retail bond	OTP EUR 2013/IX	18/11/2011	18/11/2013	EUR	418,400	119
OTP Bank Nyrt.	Retail bond	OTP EUR 2012/X	25/11/2011	24/11/2012	EUR	4,117,100	1,168
OTP Bank Nyrt.	Retail bond	OTP EUR 2013/X	25/11/2011	25/11/2013	EUR	140,700	40
OTP Bank Nyrt.	Retail bond	OTP 2012/XXIV	02/12/2011	01/12/2012	HUF	8,765	8,765
OTP Bank Nyrt.	Retail bond	OTP EUR 2012/XI	02/12/2011	01/12/2012	EUR	3,873,900	1,099
OTP Bank Nyrt.	Retail bond	OTP EUR 2013/XI	02/12/2011	02/12/2013	EUR	182,300	52
OTP Bank Nyrt.	Retail bond	OTP 2012/XXV	16/12/2011	15/12/2012	HUF	18,564	18,564
OTP Bank Nyrt.	Retail bond	OTP EUR 2012/XII	16/12/2011	15/12/2012	EUR	2,851,400	809
OTP Bank Nyrt.	Retail bond	OTP EUR 2013/XII	16/12/2011	16/12/2013	EUR	104,600	30
OTP Bank Nyrt.	Retail bond	OTP EUR 2012/XIII	29/12/2011	28/12/2012	EUR	1,002,200	284

Issuer	Type of security	Security name	Date of issue	Date of maturity	Ccy	Outstanding consolidated debt (in original currency or HUF million) 30/09/2012	Outstanding consolidated debt (in HUF million) 30/09/2012
OTP Bank Nyrt.	Retail bond	OTP EUR 2013/XIII	29/12/2011	29/12/2013	EUR	149,800	42
OTP Bank Nyrt.	Retail bond	OTP 2013/I	06/01/2012	05/01/2013	HUF	8,787	8,787
OTP Bank Nyrt.	Retail bond	OTP TBSZ 4 2015/I	13/01/2012	15/12/2015	HUF	484	484
OTP Bank Nyrt.	Retail bond	OTP TBSZ6 2017/I	13/01/2012	15/12/2017	HUF	236	236
OTP Bank Nyrt.	Retail bond	OTP EUR 1 2013/I	13/01/2012	12/01/2013	EUR	1,107,400	314
OTP Bank Nyrt.	Retail bond	OTP EUR 2 2014/I	13/01/2012	13/01/2014	EUR	60,000	17
OTP Bank Nyrt.	Retail bond	OTP 2013/II	20/01/2012	19/01/2013	HUF	21,608	21,608
OTP Bank Nyrt.	Retail bond	OTP OJK 2017/I	27/01/2012	27/01/2017	HUF	43	43
OTP Bank Nyrt.	Retail bond	OTP EUR 1 2013/II	27/01/2012	26/01/2013	EUR	1,818,500	516
OTP Bank Nyrt.	Retail bond	OTP EUR 2 2014/II	27/01/2012	27/01/2014	EUR	193,400	55
OTP Bank Nyrt.	Retail bond	OTP OVK 2014/I	31/01/2012	27/01/2014	HUF	238	238
OTP Bank Nyrt.	Retail bond	OTP 2013/III	03/02/2012	02/02/2013	HUF	12,675	12,675
OTP Bank Nyrt.	Retail bond	OTP EUR 1 2013/III	10/02/2012	09/02/2013	EUR	1,018,700	289
OTP Bank Nyrt.	Retail bond	OTP EUR 2 2014/III	10/02/2012	10/02/2014	EUR	244,600	69
OTP Bank Nyrt.	Retail bond	OTP 2013/IV	17/02/2012	16/02/2013	HUF	17,240	17,240
OTP Bank Nyrt.	Retail bond	OTP EUR 1 2013/IV	24/02/2012	23/02/2013	EUR	1,081,600	307
OTP Bank Nyrt.	Retail bond	OTP EUR 2 2014/IV	24/02/2012	24/02/2014	EUR	444,400	126
OTP Bank Nyrt.	Retail bond	OTP 2013/V	02/03/2012	02/03/2013	HUF	9,066	9,066
OTP Bank Nyrt.	Retail bond	OTP EUR 1 2013/V	09/03/2012	09/03/2013	EUR	832,200	236
OTP Bank Nyrt.	Retail bond	OTP EUR 2 2014/V	09/03/2012	09/03/2014	EUR	95,000	27
OTP Bank Nyrt.	Retail bond	OTP 2013/VI	23/03/2012	23/03/2013	HUF	8,261	8,261
OTP Bank Nyrt.	Retail bond	OTP EUR 1 2013/VI	23/03/2012	23/03/2013	EUR	757,500	215
OTP Bank Nyrt.	Retail bond	OTP EUR 2 2014/VI	23/03/2012	23/03/2014	EUR	103,100	29
OTP Bank Nyrt.	Retail bond	OTP 2013/VII	06/04/2012	06/04/2013	HUF	10,207	10,207
OTP Bank Nyrt.	Retail bond	OTP EUR 1 2013/VII	06/04/2012	06/04/2013	EUR	1,163,600	330
OTP Bank Nyrt.	Retail bond	OTP EUR 2 2014/VII	06/04/2012	06/04/2014	EUR	148,000	42
OTP Bank Nyrt.	Retail bond	OTP EUR 1 2013/VIII	20/04/2012	20/04/2013	EUR	2,312,600	656
OTP Bank Nyrt.	Retail bond	OTP EUR 2 2014/VIII	20/04/2012	20/04/2014	EUR	252,000	71
OTP Bank Nyrt.	Retail bond	OTP 2013/VIII	21/04/2012	21/04/2013	HUF	10,687	10,687
OTP Bank Nyrt.	Retail bond	OTP DNT HUF 2012B	27/04/2012	31/10/2012	HUF	5,461	5,461
OTP Bank Nyrt.	Retail bond	OTP EUR 1 2013/IX	04/05/2012	04/05/2013	EUR	2,929,300	831
OTP Bank Nyrt.	Retail bond	OTP EUR 2 2014/IX	04/05/2012	04/05/2014	EUR	341,100	97
OTP Bank Nyrt.	Retail bond	OTP 2013/IX	11/05/2012	11/05/2013	HUF	10,741	10,741
OTP Bank Nyrt.	Retail bond	OTP EUR 1 2013/X	11/05/2012	11/05/2013	EUR	524,900	149
OTP Bank Nyrt.	Retail bond	OTP EUR 2 2014/X	11/05/2012	11/05/2014	EUR	50,200	14
OTP Bank Nyrt.	Retail bond	OTP 2013/X	25/05/2012	11/05/2013	HUF	5,026	5,026
OTP Bank Nyrt.	Retail bond	OTP EUR 1 2013/XI	25/05/2012	25/05/2013	EUR	872,800	248
OTP Bank Nyrt.	Retail bond	OTP EUR 2 2014/XI	25/05/2012	25/05/2014	EUR	101,900	29
OTP Bank Nyrt.	Retail bond	OTP 2013/XI	08/06/2012	08/06/2013	HUF	5,607	5,607
OTP Bank Nyrt.	Retail bond	OTP EUR 1 2013/XII	08/06/2012	08/06/2013	EUR	1,095,100	311
OTP Bank Nyrt.	Retail bond	OTP EUR 2 2014/XII	08/06/2012	08/06/2014	EUR	128,600	36
OTP Bank Nyrt.	Retail bond	OTP 2013/XII	22/06/2012	22/06/2013	HUF	4,506	4,506
OTP Bank Nyrt.	Retail bond	OTP EUR 1 2013/XIII	22/06/2012	22/06/2013	EUR	2,338,800	664
OTP Bank Nyrt.	Retail bond	OTP EUR 2 2014/XIII	22/06/2012	22/06/2014	EUR	198,900	56
OTP Bank Nyrt.	Retail bond	OTP 2013/XIII	06/07/2012	06/07/2013	HUF	5,805	5,805
OTP Bank Nyrt.	Retail bond	OTP_EUR_1_2013_XIV	13/07/2012	13/07/2013	EUR	5,006,500	1,420
OTP Bank Nyrt.	Retail bond	OTP_EUR_2_2014_XIV	13/07/2012	13/07/2014	EUR	204,800	58
OTP Bank Nyrt.	Retail bond	OTP 2013/XIV	20/07/2012	20/07/2013	HUF	9,655	9,655
OTP Bank Nyrt.	Retail bond	OTP_DC_USD 121105	03/08/2012	05/11/2012	USD	14,852,300	3,255
OTP Bank Nyrt.	Retail bond	OTP_EUR_1_2013_XV	03/08/2012	03/08/2013	EUR	13,467,000	3,821
OTP Bank Nyrt.	Retail bond	OTP_EUR_2_2014_XV	03/08/2012	03/08/2014	EUR	228,600	65
OTP Bank Nyrt.	Retail bond	OTP 2013/X	10/08/2012	10/08/2013	HUF	5,904	5,904
OTP Bank Nyrt.	Retail bond	OTP_EUR_1_2013_XVI	17/08/2012	17/08/2013	EUR	7,886,100	2,237
OTP Bank Nyrt.	Retail bond	OTP_EUR_2_2014_XVI	17/08/2012	17/08/2014	EUR	227,500	65
OTP Bank Nyrt.	Retail bond	OTP 2013/XVI	24/08/2012	24/08/2013	HUF	3,668	3,668
OTP Bank Nyrt.	Retail bond	OTP_EUR_1_2013_XVII	31/08/2012	31/08/2013	EUR	9,099,900	2,582
OTP Bank Nyrt.	Retail bond	OTP_EUR_2_2014_XVII	31/08/2012	31/08/2014	EUR	466,400	132
OTP Bank Nyrt.	Retail bond	OTP 2013/XVII	07/09/2012	07/09/2013	HUF	4,161	4,161
OTP Bank Nyrt.	Retail bond	OTP_EUR_1_2013_XVIII	14/09/2012	14/09/2013	EUR	8,593,700	2,438
OTP Bank Nyrt.	Retail bond	OTP_EUR_2_2014_XVIII	14/09/2012	14/09/2014	EUR	311,800	88
OTP Bank Nyrt.	Retail bond	OTP 2013/XVIII	21/09/2012	21/09/2013	HUF	3,672	3,672
OTP Bank Nyrt.	Retail bond	OTP_DNT_2013A	27/09/2012	25/03/2013	HUF	3,761	3,761
OTP Bank Nyrt.	Retail bond	OTP_DC_EUR 130108	27/09/2012	08/01/2013	EUR	10,550,700	2,993
OTP Bank Nyrt.	Retail bond	OTP_EUR_1_2013_XIX	28/09/2012	28/09/2013	EUR	4,716,600	1,338
OTP Bank Nyrt.	Retail bond	OTP_EUR_2_2014_XIX	28/09/2012	28/09/2014	EUR	290,900	83
OTP Bank Russia	Corporate bond	OTPRU 14/10	03/11/2011	30/10/2014	RUR	3,906,500,000	27,697
OTP Bank Russia	Corporate bond	OTPRU 13/03	06/03/2012	03/03/2015	RUR	4,555,000,000	32,295

Issuer	Type of security	Security name	Date of issue	Date of maturity	Ccy	Outstanding consolidated debt (in original currency or HUF million) 30/09/2012	Outstanding consolidated debt (in HUF million) 30/09/2012
OTP Banka Slovensko	Mortgage bond	OTP XXV.	28/09/2012	28/09/2016	EUR	291,000	83
OTP Mortgage Bank.	Mortgage bond	OMB2013_I	11/11/2011	18/11/2013	EUR	3,500,000	993
OTP Mortgage Bank.	Mortgage bond	OJB2015_II	17/05/2012	17/05/2015	HUF	0	0
OTP Mortgage Bank.	Mortgage bond	OMB2015 I	30/08/2012	06/03/2015	EUR	5,000,000	1,419

Security redemptions on Group level in the course of 4Q 2011 and 9M 2012

Issuer	Type of security	Security name	Date of issue	Date of maturity	Ccy	Outstanding consolidated debt (in original currency or HUF million) 30/09/2011	Outstanding consolidated debt (in HUF million) 30/09/2011
OTP Bank Nyrt.	Retail bond	OTP 2011/XX	01/10/2010	01/10/2011	HUF	4,729	4,729
OTP Bank Nyrt.	Retail bond	OTP DC HUF 2011/A	27/06/2011	03/10/2011	HUF	2,632	2,632
OTP Bank Nyrt.	Retail bond	OTP DC EUR 2011/A	27/06/2011	03/10/2011	EUR	7,131,200	2,083
OTP Bank Nyrt.	Retail bond	OTP 2011/XXI	15/10/2010	15/10/2011	HUF	6,314	6,314
OTP Bank Nyrt.	Retail bond	OTP DC USD 2011/A	20/07/2011	20/10/2011	USD	1,598,000	345
OTP Bank Nyrt.	Retail bond	OTP 2011/XXII	29/10/2010	29/10/2011	HUF	19,202	19,202
OTP Bank Nyrt.	Corporate bond	OTP 2011/C	09/11/2009	09/11/2011	HUF	2,000	2,000
OTP Bank Nyrt.	Retail bond	OTP 2011/XXIII	12/11/2010	12/11/2011	HUF	12,254	12,254
OTP Bank Nyrt.	Retail bond	OTP 2011/XXV	13/12/2010	13/12/2011	HUF	15,396	15,396
OTP Bank Nyrt.	Corporate bond	OTP 2011/Cx	14/12/2009	20/12/2011	HUF	527	527
OTP Bank Nyrt.	Retail bond	OTP DNT HUF 2011/C	27/06/2011	21/12/2011	HUF	9,999	9,999
OTP Bank Nyrt.	Retail bond	OTP DNT EUR 2011/C	27/06/2011	21/12/2011	EUR	16,668,200	4,869
OTP Bank Nyrt.	Retail bond	OTP DNT USD 2011/C	27/06/2011	21/12/2011	USD	5,623,300	1,213
OTP Bank Nyrt.	Retail bond	OTP DNT CHF 2011/B	27/06/2011	21/12/2011	CHF	1,095,100	262
OTP Bank Nyrt.	Retail bond	OTP 2012/II	21/01/2011	07/01/2012	HUF	15,317	15,317
OTP Bank Nyrt.	Retail bond	OTP 2012/I	07/01/2011	07/01/2012	HUF	8,527	8,527
OTP Bank Nyrt.	Retail bond	OTP 2012/III	04/02/2011	04/02/2012	HUF	9,474	9,474
OTP Bank Nyrt.	Retail bond	OTP 2012/IV	18/02/2011	18/02/2012	HUF	23,489	23,489
OTP Bank Nyrt.	Corporate bond	OTPHB402/12	24/02/2010	24/02/2012	CHF	55,830,000	13,366
OTP Bank Nyrt.	Retail bond	OTP 2012/V	04/03/2011	03/03/2012	HUF	15,134	15,134
OTP Bank Nyrt.	Retail bond	OTP 2012/VI	25/03/2011	24/03/2012	HUF	14,930	14,930
OTP Bank Nyrt.	Corporate bond	OTP 2012/Cx	25/03/2010	30/03/2012	HUF	629	629
OTP Bank Nyrt.	Retail bond	OTP 2012/VII	08/04/2011	07/04/2012	HUF	18,717	18,717
OTP Bank Nyrt.	Retail bond	OTP 2012/VIII	22/04/2011	21/04/2012	HUF	14,244	14,244
OTP Bank Nyrt.	Retail bond	OTP 2012/IX	06/05/2011	05/05/2012	HUF	16,078	16,078
OTP Bank Nyrt.	Retail bond	OTP 2012/X	20/05/2011	19/05/2012	HUF	10,665	10,665
OTP Bank Nyrt.	Retail bond	OTP 2012/XI	03/06/2011	02/06/2012	HUF	8,719	8,719
OTP Bank Nyrt.	Retail bond	OTP 2012/XII	17/06/2011	16/06/2012	HUF	5,735	5,735
OTP Bank Nyrt.	Retail bond	OTP 2012/XIII	01/07/2011	30/06/2012	HUF	8,123	8,123
OTP Bank Nyrt.	Retail bond	OTP 2012/XIV	15/07/2011	14/07/2012	HUF	9,007	9,007
OTP Bank Nyrt.	Retail bond	OTP 2012/XV	29/07/2011	28/07/2012	HUF	10,052	10,052
OTP Bank Nyrt.	Retail bond	OTP EUR 2012/I	05/08/2011	04/08/2012	EUR	3,211,700	938
OTP Bank Nyrt.	Retail bond	OTP 2012/XVI	12/08/2011	11/08/2012	HUF	14,420	14,420
OTP Bank Nyrt.	Retail bond	OTP EUR 2012/II	12/08/2011	11/08/2012	EUR	4,866,700	1,422
OTP Bank Nyrt.	Retail bond	OTP 2012/XVII	26/08/2011	25/08/2012	HUF	6,737	6,737
OTP Bank Nyrt.	Retail bond	OTP EUR 2012/III	26/08/2011	25/08/2012	EUR	8,246,200	2,409
OTP Bank Nyrt.	Retail bond	OTP 2012/XVIII	09/09/2011	08/09/2012	HUF	13,638	13,638
OTP Bank Nyrt.	Retail bond	OTP EUR 2012/IV	09/09/2011	08/09/2012	EUR	12,667,700	3,700
OTP Bank Nyrt.	Retail bond	OTP 2012/Ax	11/09/2009	11/09/2012	HUF	1,678	1,678
OTP Bank Nyrt.	Retail bond	OTP 2012/XIX	23/09/2011	22/09/2012	HUF	9,757	9,757
OTP Bank Nyrt.	Retail bond	OTP EUR 2012/V	23/09/2011	22/09/2012	EUR	4,115,000	1,202
OTP Banka Slovensko	Mortgage bond	OTP XVIII.	18/09/2009	18/03/2012	EUR	900,000	263
OTP Banka Slovensko	Mortgage bond	OTP XVII.	08/06/2009	08/06/2012	EUR	3,030,000	885
OTP Mortgage Bank.	Mortgage bond	OJB2011/III	28/02/2005	30/11/2011	HUF	2	2
OTP Mortgage Bank.	Mortgage bond	OJB2011/VI	25/05/2011	30/11/2011	HUF	0	0
OTP Mortgage Bank.	Mortgage bond	OMB2011_II	04/12/2009	05/12/2011	EUR	83,650,000	24,436
OTP Mortgage Bank.	Mortgage bond	OJB2012/VIII	25/05/2011	31/01/2012	HUF	0	0
OTP Mortgage Bank.	Mortgage bond	OJB2012/I	17/03/2004	21/03/2012	HUF	13,870	13,870
OTP Mortgage Bank.	Mortgage bond	OJB2012/II	14/04/2004	16/05/2012	HUF	30,468	30,468
OTP Mortgage Bank.	Mortgage bond	OJB2012/VI	25/05/2011	16/05/2012	HUF	0	0
OTP Mortgage Bank.	Mortgage bond	OJB2012/III	19/11/2004	15/08/2012	HUF	14,353	14,353
OTP Mortgage Bank.	Mortgage bond	OJB2012/VII	25/05/2011	15/08/2012	HUF	0	0

RELATED-PARTY TRANSACTIONS

The compensation of key management personnel, such as the members of the Board of Directors, members of the Supervisory Board, key employees of the Bank and its major subsidiaries involved in the decision-making process in accordance with the compensation categories defined in IAS 24 Related party disclosures, is summarised below.

Compensations in HUF million	2011 9M	2012 9M	Y/Y
Total	**8,252**	**9,092**	**10%**
Short-term employee benefits	5,801	5,854	1%
Share-based payment	1,757	2,242	28%
Other long-term employee benefits	669	788	18%
Termination benefits	25	198	692%
Redundancy payments		10	
Loans provided to companies owned by members of the management[1] or their family members (normal course of business)	36,001	35,152	-2%
Credit lines of the members of Board of Directors and the Supervisory Board and their close family members (at normal market conditions)	117	112	-4%
Commitments to extend credit and guarantees	3	630	
Loans provided to unconsolidated subsidiaries	8,871	5,108	-42%

1 Members of the Board of Directors and the Supervisory Board, senior officers and the auditor of the company

SUPPLEMENTARY DATA

FOOTNOTES OF THE TABLE 'CONSOLIDATED AFTER TAX PROFIT BREAKDOWN BY SUBSIDIARIES (IFRS)

General note: regarding OTP Core and other subsidiaries, profit after tax is calculated without received dividends and net cash transfers. Regarding dividends and net cash transfers received from non-group member companies, it is shown on a separate line in one sum in the table, regardless to the particular receiver or payer group member company.

(1) OTP Core, Corporate Centre and foreign banks aggregated, excluding one-timers.

(2) OTP Core is an economic unit for measuring the result of core business activity of OTP Group in Hungary. Financials for OTP Core are calculated from the consolidated financial statements of the companies engaged in OTP Group's underlying banking operation in Hungary. These companies include OTP Bank Hungary Plc, OTP Mortgage Bank Ltd, OTP Building Society Ltd, OTP Factoring Ltd, OTP Financing Netherlands Ltd and OTP Holding Ltd. The consolidated accounting result of these companies are segmented into OTP Core and Corporate Centre, the latter being a virtual entity responsible for rendering debt and capital market related services to the subsidiaries across OTP Group.

(3) Within OTP Group, the Corporate Centre acts as a virtual entity established by the equity investment of OTP Core for managing the wholesale financing activity for all the subsidiaries within OTP Group but outside OTP Core. Therefore the balance sheet of the Corporate Centre is funded by the equity and intragroup lending received from OTP Core plus the subordinated debt and senior notes arranged by OTP Bank under its running EMTN program. From this funding pool, the Corporate Centre is to provide intragroup lending to, and hold equity stakes in OTP subsidiaries outside OTP Core. Within OTP Group, the full range of financing and investments into non-OTP Core subsidiaries is allocated to the Corporate Centre. Main subsidiaries financed by Corporate Centre are as follows: Hungarians: Merkantil Bank Ltd, Merkantil Car Ltd, Merkantil Leasing Ltd, OTP Real Estate Leasing Ltd, OTP Fund Management Ltd, OTP Real Estate Fund Management Ltd, OTP Life Annuity Ltd; foreigners: leasing companies, factoring companies.

(4) From 4Q 2008 figures are based on the aggregated financial statements of OTP Bank JSC and LLC OTP Leasing Ukraine, from 4Q 2009 the result of LLC OTP Factoring Ukraine was also aggregated, while in 4Q 2010 the financial statement and balance sheet of LLC OTP Credit was also added.

(5) From 3Q 2010, statements are based on the aggregated financials of DSK Group and the newly established Bulgarian collection company, OTP Factoring Bulgaria LLC. DSK Group balance sheet contains the loans sold to the factoring company at before sale gross value and the related provisions as well.

(6) Net earnings are adjusted with the result of CIRS swap transactions executed with OTP Bank in relation to interbank financing. Before transfer balance sheet numbers are displayed.

(7) Including the financial performance of OTP Factoring Serbia d.o.o from 4Q 2010.

(8) Revaluation result (revaluation benchmark: Croatian industrial price index) of HRK denominated government bonds issued in 1991 with 20 years tenor, 5% fixed interest rates aiming the restructuring of the Croatian economy was accounted against capital during the maturity. At maturity the revaluation result was transferred from capital to P&L on Other net non-interest income line.

(9) From 2011 on Balance Sheet contains consolidated data of OBS and OTP Faktor Slovensko s.r.o., adjusted to loans sold to OTP Bank Plc and OTP Factoring Ltd., and the related interbank financing in the net amount of the sold loans. The recoveries of sold loans to OTP Faktoring are recognised in the P&L accounts as risk cost decreasing elements since 2011. From 2012 on P&L data and related indices are adjusted to banking tax.

(10) Aggregated after tax profit of Merkantil Bank and Merkantil Car without dividends, net cash transfer and provisioning for investments in subsidiaries.

(11) From 4Q 2009: OTP Leasing Romania IFN S.A. (Romania), Z plus d.o.o. (Croatia), OTP Leasing d.d. (Croatia), DSK Leasing AD (Bulgaria).

(12) LLC AMC OTP Capitol (Ukraine) and OTP Asset Management SAI S.A. (Romania).

(13) HIF Ltd. (United Kingdom), OTP Faktoring Slovensko (Slovakia) (until 1Q 2011), OTP Buildings (Slovakia), OTP Real Slovensko (Slovakia), OTP Holding Limited (Cyprus), Velvin Ventures Ltd. (Belize), OTP Faktoring SRL (Romania).

(14) Total Hungarian subsidiaries: sum of after tax results of Hungarian group members including (Corporate Centre) and related eliminations.

(15) Total Foreign subsidiaries: sum of profit after tax (without dividends and net cash transfers) of foreign subsidiaries.

CALCULATION OF ADJUSTED LINES OF IFRS PROFIT AND LOSS STATEMENTS PRESENTED IN THE REPORT

In order to present Group level trends in a comprehensive way in the Interim Management Report, the presented consolidated and Separate profit and loss statements of the Report were adjusted in the following way, and the adjusted P&Ls are shown and analysed in the Report. Consolidated accounting figures together with Separate accounting figures of OTP Bank are still disclosed in the Financial Data section of the Report.

- As non-recurring results, the after tax effect of the following items are shown separately on the Statement of Recognised Income: received dividends, received and paid cash transfers, goodwill write-offs, special tax on financial institutions, the loss from early repayment of FX mortgage loans in Hungary, the revaluation result on FX purchased from the National Bank of Hungary to cover the FX need of early repayments and the special banking tax refund related to the early repayments.
- Other non-interest income elements stemming from provisioning release in connection with loans originated before the acquisitions of the subsidiaries have been reclassified to and deducted from the volume of provisions for possible loan losses in the income statement.
- Other non-interest income is shown together with gains/losses on real estate transactions, but without the above mentioned income from the release of pre-acquisition provisions and without received cash transfers. However other non-interest expenses stemming from non-financial activities are added to the adjusted net other non-interest income line, therefore the latter incorporates the net amount of other non-interest income from non-financial activities.
- Out of other expenses, other provisions are deducted and shown separately as other risk costs in the adjusted income statement. Other provisions contain provisioning on off-balance sheet liabilities and on legal contests, provisioning on securities, shares and other investments as well as provisioning on other assets.
- Other administrative expenses have been adjusted in the following way in order to create a category comprising material cost items exclusively. Other costs and expenses and other non-interest expenses were included into the adjusted Other non-interest expenses. At the same time, the following cost items were excluded from adjusted other non-interest expenses: paid cash transfers – except for movie subsidies and cash transfers to public benefit organisations, which are quasi marketing expenses but kept as paid cash transfer on the P&L –, Other non-interest expenses and Special tax on financial institutions.
- In 1Q 2010, parallel losses on sale of securities and release of other provisions for these securities were netted and are shown together on line "Gain/loss on securities, net" both at OTP Group consolidated and at OTP Core stand alone level. The negative P&L effect stemming from the deteriorated value of these securities was suffered in previous quarters – at the time of emerging of the above mentioned other provisions.
- From 4Q 2010 onwards, the fee expenses paid by Merkantil Group to car dealers ('dealer fees') were registered as interest expense on the accounting income statement. Earlier this item had been booked as fee expense. In order to create a comparable time series, since 4Q 2010 dealer fees have been reclassified from net interest income to net fees and commissions – both on the consolidated and on a standalone level.
- Within the aggregated income statement of Merkantil Bank and Car, other risk cost related to leasing companies – as investments of the Merkantil Group – is eliminated. The reason behind is that this provisioning is eliminated in the consolidated income statement of OTP Group, and only the net result of the leasing companies is making part of OTP Group's consolidated net earnings.
- Cost/income ratio, net interest margin, risk cost to average gross loans as well as ROA and ROE ratios are calculated on the basis of the adjusted profit and loss statement, excluding adjustment items such as received dividends and net cash transfers, the after tax effect of the goodwill write-downs, the effect of special banking tax, the loss from early repayment of FX mortgage loans in Hungary and the revaluation result on FX purchased from the National Bank of Hungary to cover the FX need of early repayments. Cost/income ratio is calculated from operating costs, excluding other risk costs.
- OTP Group is hedging the revaluation result of the FX provisions on its FX loans by keeping hedging open FX positions. In its accounting statement of income, the revaluation of FX provisions is part of the risk costs (within line "Provision for loan losses"), whereas the revaluation of the hedging open FX positions is made through other non-interest income (within line "Foreign exchange result, net"). The two items have the same absolute amount but an opposite sign. As an adjustment to the accounting statement of income, these items are eliminated from the adjusted P&L. By modifying only the structure of the income statement, this correction does not have any impact on the bottom line net profits.
- In 3Q 2012, four subsidiaries of OTP Real Estate Ltd. were for the first time consolidated into OTP Group. The cumulated loss of the four companies' previous operation was recognised as Other expenses in the accounting P&L, while loan loss and other provisioning earlier made by OTP Bank and OTP Real Estate in relation to these companies were released. By influencing only the structure of the income statement, the net effect of these two entries was neutral to consolidated net earnings. As

an adjustment to the accounting statement of income, these items are eliminated from the adjusted P&L.

- The sponsorship paid for spectator sports by Hungarian group members in 3Q 2012 was reclassified from Other non-interest expenses to corporate income tax. As a result, the net P&L effect of the sponsorship (ie. the paid sponsorship less the related tax allowances) is recognised in the corporate income tax line of the adjusted P&L.
- Within the report, FX-adjusted statistics for business volumes are disclosed. For FX adjustment, the closing cross currency rates for the current period were used to calculate the HUF equivalent of loan and deposit volumes in the base periods. Thus the FX adjusted volumes will be different from those published earlier.

ADJUSTMENTS OF CONSOLIDATED IFRS P&L LINES

in HUF million	1Q 11	2Q 11	3Q 11	9M 11	4Q 11 Audited	2011 Audited	1Q 12	2Q 12	3Q 12	9M 12
Net interest income	**150,868**	**150,143**	**161,974**	**462,985**	**167,833**	**630,817**	**162,243**	**156,899**	**160,627**	**479,768**
(-) Agent fees paid to car dealers by Merkantil Group	-856	-834	-787	-2,477	-767	-3,244	-704	-652	-680	-2,036
Net interest income (adj.) with one-offs	**151,724**	**150,977**	**162,761**	**465,462**	**168,600**	**634,061**	**162,947**	**157,551**	**161,307**	**481,804**
(-) Revaluation result of FX swaps at OTP Core (booked within net interest income)	0	0	3,530	3,530	-361	3,169	-1,200	-1,356	29	-2,527
Net interest income (adj.) without one-offs	**151,724**	**150,977**	**159,230**	**461,931**	**168,961**	**630,892**	**164,147**	**158,907**	**161,278**	**484,332**
Net fees and commissions	**33,587**	**36,208**	**37,364**	**107,160**	**39,364**	**146,524**	**34,782**	**38,581**	**39,693**	**113,056**
(+) Agent fees paid to car dealers by Merkantil Group	-856	-834	-787	-2,477	-767	-3,244	-704	-652	-680	-2,036
Net fees and commissions (adj.)	**32,731**	**35,374**	**36,577**	**104,683**	**38,597**	**143,280**	**34,078**	**37,929**	**39,013**	**111,020**
Foreign exchange result on Consolidated IFRS P&L	**-3,651**	**9,078**	**22,958**	**28,385**	**21,646**	**50,031**	**-7,236**	**3,147**	**601**	**-3,488**
(-) Revaluation result of FX positions hedging the revaluation of FX provisions	-11,095	7,117	16,631	12,653	14,410	27,063	-11,659	-3,187	-5,103	-19,949
(-) Revaluation result on FX purchased from the National Bank of Hungary to cover the FX need of early repayments	0	0	1,775	1,775	-1,775	0	0	0	0	0
Foreign exchange result (adj.) with one-offs	**7,444**	**1,961**	**4,553**	**13,957**	**9,011**	**22,968**	**4,423**	**6,334**	**5,704**	**16,460**
(-) Non-recurring FX-gains and losses (booked within Foreign exchange gains, net at OTP Core)	0	0	0	0	3,926	3,926	0	0	0	0
Foreign exchange result (adj.) without one-offs	**7,444**	**1,961**	**4,553**	**13,957**	**5,085**	**19,042**	**4,423**	**6,334**	**5,704**	**16,460**
Gain/loss on securities, net	**516**	**2,314**	**3,713**	**6,543**	**6,747**	**13,290**	**-1,446**	**-2,398**	**3,057**	**-787**
Gain/loss on securities, net (adj.) with one-offs	**516**	**2,314**	**3,713**	**6,543**	**6,747**	**13,290**	**-1,446**	**-2,398**	**3,057**	**-787**
(-) Gain on Croatian government bonds (booked as Gain on securities, net (adj.) at OBH Croatia)	0	0	4,300	4,300	0	4,300	0	0	0	0
(-) Revaluation result of the treasury share swap agreement (booked as Gain on securities, net (adj.) at OTP Core)	0	0	0	0	5,572	5,572	-2,501	-2,685	223	-4,962
Gain/loss on securities, net (adj.) without one-offs	**516**	**2,314**	**-587**	**2,243**	**1,176**	**3,419**	**1,054**	**287**	**2,834**	**4,176**
Gains and losses on real estate transactions	**255**	**351**	**104**	**711**	**291**	**1,002**	**214**	**152**	**407**	**773**
(+) Other non-interest income	**4,807**	**5,376**	**6,850**	**17,033**	**10,220**	**27,252**	**7,428**	**6,276**	**5,178**	**18,882**
(-) Received cash transfers	0	5	15	20	17	37	2	0	1	3
(-) Non-interest income from the release of pre-acquisition provisions	775	72	130	976	54	1,030	232	47	45	324
(+) Other non-interest expenses	-2,625	-1,611	-261	-4,496	-5,152	-9,648	-734	-1,793	-3,649	-6,176
(+) Release of loan loss provisioning related to the consolidation of the subsidiaries of OTP Real Estate Ltd.							0	0	307	307
(+) Release of other provisioning related to the consolidation of the subsidiaries of OTP Real Estate Ltd.							0	0	1,657	1,657
Net other non-interest result (adj.) with one-offs	**1,662**	**4,040**	**6,549**	**12,251**	**5,288**	**17,538**	**6,674**	**4,587**	**3,855**	**15,116**
(-) Gain on the repurchase of own Upper and Lower Tier2 Capital (booked as Net other non-interest result (adj.) at OTP Core)	0	318	1,454	1,772	807	2,580	1,124	0	291	1,415
Net other non-interest result (adj.) without one-offs	**1,662**	**3,722**	**5,095**	**10,479**	**4,480**	**14,959**	**5,550**	**4,587**	**3,564**	**13,701**

in HUF million	1Q 11	2Q 11	3Q 11	9M 11	4Q 11 Audited	2011 Audited	1Q 12	2Q 12	3Q 12	9M 12
Provision for possible loan losses	**-47,070**	**-57,958**	**-77,566**	**-182,594**	**-134,080**	**-316,675**	**-47,006**	**-59,329**	**-53,001**	**-159,336**
(+) Non-interest income from the release of pre-acquisition provisions	775	72	130	976	54	1,030	232	47	45	324
(-) Revaluation result of FX provisions	11,095	-7,117	-16,631	-12,653	-14,410	-27,063	11,659	3,187	5,103	19,949
(-) Loss from early repayment of FX mortgage loans in Hungary	0	0	-2,306	-2,306	-67,157	-69,463	4,409	0	0	4,409
(-) Revaluation result on FX purchased from the National Bank of Hungary to cover the FX need of early repayments	0	0	0	0	9,313	9,313	-5,278	0	0	-5,278
(-) Release of loan loss provisioning related to the consolidation of the subsidiaries of OTP Real Estate Ltd.							0	0	307	307
Provision for possible loan losses (adj.)	**-57,390**	**-50,768**	**-58,500**	**-166,659**	**-61,773**	**-228,432**	**-57,564**	**-62,469**	**-58,366**	**-178,399**
Other expenses	**-45,878**	**-46,424**	**-47,357**	**-139,659**	**-48,003**	**-187,662**	**-77,577**	**-41,420**	**-45,438**	**-164,435**
(-) Other provisions	237	756	-839	155	-5,761	-5,607	-1,177	-1,630	-551	-3,358
(-) Paid cash transfers	-205	-438	-312	-956	-5,631	-6,587	-652	-752	-3,199	-4,603
(+) Film subsidies and cash transfers to public benefit organisations	-176	-277	-217	-670	-5,596	-6,266	-510	-494	-2,865	-3,869
(-) Other non-interest expenses	-2,625	-1,611	-261	-4,496	-5,152	-9,648	-734	-1,793	-3,649	-6,176
(-) Special tax on financial institutions	-8,866	-8,866	-8,866	-26,597	-8,866	-35,463	-35,539	-94	-221	-35,854
(-) Special banking tax refund	0	0	0	0	20,839	20,839	-1,323	0	0	-1,323
(-) Sponsorship for spectator sports							0	0	-2,434	-2,434
Other expenses (adj.)	**-34,595**	**-36,542**	**-37,297**	**-108,434**	**-49,028**	**-157,462**	**-38,663**	**-37,644**	**-38,250**	**-114,557**
Other risk costs	**237**	**756**	**-839**	**155**	**-5,761**	**-5,607**	**-1,177**	**-1,630**	**-551**	**-3,358**
(-) Release of other provisioning related to the consolidation of the subsidiaries of OTP Real Estate Ltd.							0	0	1,657	1,657
Other risk costs (adj.)	**237**	**756**	**-839**	**155**	**-5,761**	**-5,607**	**-1,177**	**-1,630**	**-2,208**	**-5,015**
After tax dividends and net cash transfers	**155**	**-329**	**85**	**-89**	**-5,513**	**-5,603**	**-648**	**1,952**	**-3,102**	**-1,798**
(-) Film subsidies and cash transfers to public benefit organisations	-176	-277	-217	-670	-5,596	-6,266	-510	-494	-2,865	-3,869
(-) Dividend income of swap counterparty shares kept under the treasury share swap agreement								2,265	0	2,265
After tax dividends and net cash transfers	**331**	**-52**	**302**	**581**	**82**	**663**	**-138**	**181**	**-237**	**-194**
Depreciation	**-11,740**	**-12,165**	**-12,600**	**-36,505**	**-36,927**	**-73,433**	**-11,141**	**-11,832**	**-11,864**	**-34,837**
(-) Goodwill impairment charges (OTP banka Srbija (Serbia), OTP Bank JSC (Ukraine), OTP banka Hrvatska (Croatia), CKB (Montenegro))	0	0	0	0	-23,979	-23,979	0	0	0	0
Depreciation (adj.)	**-11,740**	**-12,165**	**-12,600**	**-36,505**	**-12,948**	**-49,454**	**-11,141**	**-11,832**	**-11,864**	**-34,837**
Income taxes	**-5,558**	**-11,080**	**-17,992**	**-34,630**	**-4,567**	**-39,197**	**-532**	**-5,092**	**-10,066**	**-15,689**
(-) Corporate tax impact of goodwill/investment impairment charges	0	0	0	0	6,278	6,278	0	3,977	0	3,977
(-) Corporate tax impact of the special tax on financial institutions	1,624	1,624	1,624	4,873	1,624	6,498	6,516	18	42	6,575
(-) Corporate tax impact of the loss from early repayment of FX mortgage loans in Hungary	0	0	438	438	12,760	13,198	-838	0	0	-838
(-) Corporate tax impact of the special banking tax refund	0	0	-337	-337	-3,382	-3,719	251	0	0	251
(-) Corporate tax impact of the revaluation of FX purchased from the National Bank of Hungary to cover the FX need of early repayments	0	0	0	0	-1,770	-1,770	1,003	0	0	1,003
(+) Sponsorship for spectator sports							0	0	-2,434	-2,434
Corporate income tax (adj.)	**-7,183**	**-12,704**	**-19,717**	**-39,604**	**-20,077**	**-59,682**	**-7,464**	**-9,086**	**-12,541**	**-29,091**

METHODOLOGICAL NOTE ON THE DISCLOSURE OF THE REVALUATION OF FX PROVISIONS AND THE REVALUATION RESULT REALISED ON HEDGING OPEN FX PROVISONS WITHIN THE HALF YEAR FINANCIAL REPORT

Representing a methodological change compared to the previous reporting structure, the following adjustment is implemented on the financials shown within the financial reports and interim management reports published since 2Q 2011.

OTP Group is hedging the revaluation result of the FX provisions on its FX loans by keeping hedging open FX positions. In its accounting statement of income, the revaluation of FX provisions is part of the risk costs (within line “Provision for loan losses”), whereas the revaluation of the hedging open FX positions is made through other non-interest income (within line “Foreign exchange result, net”). The two items have the same absolute amount but an opposite sign. As an adjustment to the accounting statement of income, these items are eliminated from the adjusted P&L. By modifying only the structure of the income statement, this correction does not have any impact on the bottom line net profits.

In order to prepare and present comparable time series, this adjustment was implemented retrospectively back to the first quarter of 2010. Therefore statistics for the base periods in the affected P&L lines of this report are differing from the disclosure published before 2Q 2011. As a result of the adjustment the sum of the affected lines did not change (ie. the sum of „Provision for loan losses” and „Other net non-interest income”), the modification is only influencing the profit split between these lines. Financial indicators calculated from these lines changed as well.

The FX result reached on the hedging open FX positions is included in the table following this paragraph.

FX RESULT FROM THE REVALUATION OF OPEN FX POSITION HEGDING THE REVALUATION OF FX PROVISIONS (THIS ITEM IS COMPENSATED BY THE REVALUATION OF FX PROVISIONS THROUGH THE RISK COST LINE OF THE ACCOUNTING INCOME STATEMENT)

in HUF million	2011 1Q	2011 2Q	2011 3Q	2011 9M	2012 1Q	2012 2Q	2012 3Q	2012 9M
OTP Group Total	**-11,095**	**7,117**	**16,631**	**12,653**	**-11,659**	**-3,187**	**-5,103**	**-19,949**
of which OTP Core (Hungary)	-8,188	5,035	15,723	12,571	-12,431	-3,611	-5,273	-21,315
of which OTP Bank	-6,374	1,334	10,014	4,974	-6,427	-1,881	-2,368	-10,676
OTP Mortgage Bank	-1,814	1,341	2,553	2,080	-2,961	-232	-938	-4,131
OTP Factoring		2,360	3,156	5,516	-3,043	-1,499	-1,967	-6,508
OTP Bank Russia	-839	76	475	-288	-313	337	-198	-175
CJSC OTP Bank (Ukraine)	306	355	-429	232	397	-661	363	99
OBR adj. (Romania)	-1,117	1,342	526	751	498	574	408	1,479
OBH (Croatia)	-21	66	49	94	-8	4	-40	-44
OTP Banka Srbija (Serbia)	-231	-183	-119	-533	681	434	-56	1,059
Merkantil Bank + Car (Hungary)	-1,005	426	405	-174	-483	-264	-307	-1,053

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