OTP Bank Plc.

Interim Management Report
First nine months 2013 result

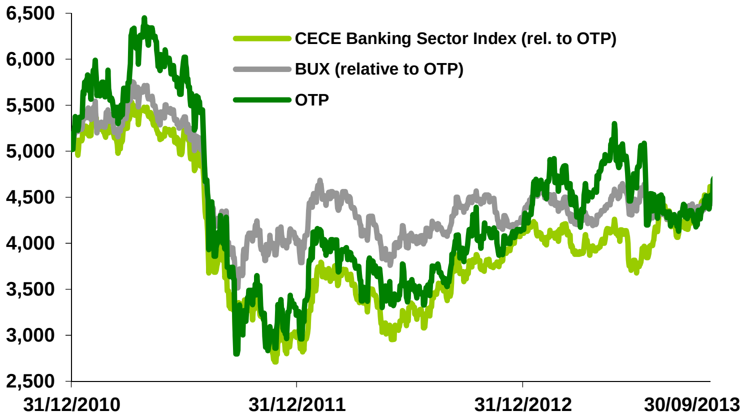
(English translation of the original report submitted
to the Budapest Stock Exchange)

Budapest, 14 November 2013

CONSOLIDATED FINANCIAL HIGHLIGHTS[1] AND SHARE DATA

Main components of the Statement of recognised income in HUF million	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
Consolidated after tax profit	**96,441**	**62,700**	**-35%**	**42,539**	**40,579**	**10,888**	**-73%**	**-74%**
Adjustments (total)	**-27,269**	**-72,568**	**166%**	**-414**	**-11,762**	**-31,295**	**166%**	
Consolidated adjusted after tax profit without the effect of adjustments	**123,709**	**135,269**	**9%**	**42,953**	**52,341**	**42,183**	**-19%**	**-2%**
Pre-tax profit	152,800	170,503	12%	55,494	58,327	54,215	-7%	-2%
Operating profit	340,024	341,307	0%	115,526	114,198	114,601	0%	-1%
Total income	629,689	651,027	3%	212,392	219,886	218,272	-1%	3%
Net interest income	484,332	493,901	2%	161,278	162,577	165,436	2%	3%
Net fees and commissions	111,020	122,107	10%	39,013	42,777	43,517	2%	12%
Other net non-interest income	34,337	35,020	2%	12,101	14,533	9,319	-36%	-23%
Operating expenses	-289,665	-309,721	7%	-96,866	-105,688	-103,672	-2%	7%
Total risk costs	-183,414	-180,816	-1%	-60,574	-59,762	-66,048	11%	9%
One off items	-3,810	10,012	-363%	542	3,891	5,663	46%	944%
Corporate taxes	-29,091	-35,234	21%	-12,541	-5,985	-12,032	101%	-4%
Main components of balance sheet closing balances in HUF million	2012	9M 2013	YTD	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
Total assets	10,113,466	10,060,381	-1%	9,827,507	10,048,610	10,060,381	0%	2%
Total customer loans (net, FX adjusted)	**6,493,887**	**6,359,288**	**-2%**	**6,509,762**	**6,342,793**	**6,359,288**	**0%**	**-2%**
Total customer loans (gross, FX adjusted)	**7,652,708**	**7,612,659**	**-1%**	**7,627,001**	**7,561,641**	**7,612,659**	**1%**	**0%**
Allowances for possible loan losses (FX adjusted)	-1,158,821	-1,253,371	8%	-1,117,239	-1,218,848	-1,253,371	3%	12%
Total customer deposits (FX adjusted)	**6,580,104**	**6,663,790**	**1%**	**6,377,603**	**6,607,240**	**6,663,790**	**1%**	**4%**
Issued securities	643,123	489,974	-24%	721,368	535,428	489,974	-8%	-32%
Subordinated loans	291,495	275,851	-5%	286,140	298,717	275,851	-8%	-4%
Total shareholders' equity	1,514,553	1,523,650	1%	1,460,310	1,525,340	1,523,650	0%	4%
Indicators based on one-off adjusted earnings %	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
ROE (from adjusted net earnings)	11.5%	11.9%	0.4%	11.9%	13.7%	11.0%	-2.7%	-0.9%
ROA (from adjusted net earnings)	1.7%	1.8%	0.1%	1.7%	2.0%	1.7%	-0.4%	-0.1%
Operating profit margin	4.54%	4.52%	-0.01%	4.65%	4.45%	4.52%	0.07%	-0.13%
Total income margin	8.40%	8.63%	0.23%	8.55%	8.58%	8.61%	0.04%	0.06%
Net interest margin	6.46%	6.55%	0.09%	6.49%	6.34%	6.53%	0.19%	0.04%
Cost-to-asset ratio	3.86%	4.11%	0.24%	3.90%	4.12%	4.09%	-0.03%	0.19%
Cost/income ratio	46.0%	47.6%	1.6%	45.6%	48.1%	47.5%	-0.6%	1.9%
Risk cost to average gross loans	3.09%	3.18%	0.09%	3.13%	3.25%	3.35%	0.11%	0.23%
Total risk cost-to-asset ratio	2.45%	2.40%	-0.05%	2.44%	2.33%	2.61%	0.28%	0.17%
Effective tax rate	19.0%	20.7%	1.6%	22.6%	10.3%	22.2%	11.9%	-0.4%
Net loan/(deposit+retail bond) ratio (FX adjusted)	97%	93%	-4%	97%	94%	93%	0%	-4%
Capital adequacy ratio (consolidated, IFRS) - Basel2	18.2%	20.0%	1.7%	18.2%	20.2%	20.0%	-0.2%	1.7%
Core Tier1 ratio - Basel2	13.9%	15.9%	2.0%	13.9%	15.3%	15.9%	0.6%	2.0%
Share Data	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
EPS diluted (HUF) (from unadjusted net earnings)	360	234	-35%	159	152	41	-73%	-74%
EPS diluted (HUF) (from adjusted net earnings)	465	506	9%	161	196	158	-19%	-2%
Closing price (HUF)	3,895	4,350	12%	3,895	4,755	4,350	-9%	12%
Highest closing price (HUF)	4,160	5,302	27%	4,091	5,302	5,086	-4%	24%
Lowest closing price (HUF)	2,960	4,130	40%	3,330	4,175	4,130	-1%	24%
Market Capitalization (EUR billion)	3.8	4.1	6%	3.8	4.5	4.1	-10%	6%
Book Value Per Share (HUF)	5,215	5,442	4%	5,215	5,448	5,442	0%	4%
Tangible Book Value Per Share (HUF)	4,383	4,741	8%	4,383	4,603	4,741	3%	8%
Price/Book Value	0.7	0.8	7%	0.7	0.9	0.8	-8%	7%
Price/Tangible Book Value	0.9	0.9	3%	0.9	1.0	0.9	-11%	3%
P/E (trailing, from accounting net earnings)	15.4	13.7	-11%	15.4	11.0	13.7	24%	-11%
P/E (trailing, from adjusted net earnings)	7.1	7.5	6%	7.1	8.2	7.5	-8%	6%
Average daily turnover (EUR million)	23	19	-17%	17	20	18	-9%	8%
Average daily turnover (million share)	1.8	1.2	-33%	1.3	1.2	1.2	-3%	-6%

SHARE PRICE PERFORMANCE



MOODY'S RATINGS

OTP Bank	
Foreign currency senior debt	Ba1
Financial strength	D
OTP Mortgage Bank	
Covered mortgage bond	Baa3
OTP Bank Russia	
Foreign currency long term deposits	Ba2
Financial strength	D-
OTP Bank Ukraine	
Foreign currency long term deposits	Caa2

STANDARD & POOR'S RATING

OTP Bank and OTP Mortgage Bank	
Long term credit rating	BB

FITCH'S RATING

OTP Bank Russia	
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 2013

Interim Management Report for the first nine months 2013 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 2013 or derived from that. At presentation of nine months 2013 report of OTP Bank we applied International Financial Reporting Standards adopted by the European Union.

SUMMARY OF THE FIRST NINE MONTHS AND THIRD QUARTER OF 2013

Major macroeconomic indicators for the first nine months in Hungary demonstrate a positive turnaround.

The overall favourable international environment and disinflation (September 2013 CPI: 1.4%) made further room for the Central Bank to ease monetary policy. In the third quarter the National Bank of Hungary cut base rate altogether by 65 bps and following a further 20 bps reduction on 29 October the policy rate declined to 3.4%. Despite a temporary weakening in September the Hungarian forint was one of the best performing emerging markets currencies, local government yields melted down further in 3Q, tightening by 60-80 bps on the short end and by 10-60 bps on the long end. The 5-year Hungarian CDS spread dropped to 260 bps in October.

Balance indicators provide strong cushion for maintaining the trust of markets: the fiscal deficit is expected to remain below 3% of GDP this year, whereas the current account surplus will exceed 2% of GDP. Furthermore, the debt financing is on stable track, the Debt Management Agency managed to refinance bulk of its maturities – amid declining yields – by October 2013.

According to OTP Bank's own forecasts the Hungarian GDP growth in 2013 may be around 0.7%, real wage increase may generate a modest growth in household consumption.

It is encouraging that the unemployment rate dropped to 9.8% in September, overall employment improved, the number of employed got close to 4 million people (+54 thousand people y-o-y).

Under the first phase of the Funding for Growth Programme initiated by the Hungarian National Bank, financial institutions contracted for HUF 701 billion out of HUF 750 billion being earmarked. The Program is expected to give a boost to the loan demand of the local SME sector thus contributing to a more pronounced economic growth. From early October the Hungarian National Bank commenced the second phase of the Programme with a HUF 500 billion tranche as a starter that could be enlarged up to HUF 2,000 billion.

According to the expectation of the Government 2013 is going to be the year of a turnaround in economic growth followed by stronger activity in 2014. Accordingly, next year budget assumes a GDP growth around 2% with 2.9% fiscal deficit and 2.4% average inflation.

As for the rest of the Group, the "old" EU-member states have performed relatively well. In Bulgaria the stable and improving macroeconomic indicators create room for a faster growth in 2014 after a modest increase this year. In Slovakia growth somehow fell short of expectations, but in 2014 the economy is forecast to increase by 2% giving boost to retail lending. The Romanian economic growth may exceed 2% both in 2013 and 2014; the recent IMF agreement on a EUR 4 billion pre-cautionary stand-by facility improved the overall risk profile of the country. Croatia, after becoming member of the EU on 1 July, on the opposite, faces growing challenges as a result of deteriorating balance indicators, mounting unemployment rates and debt service obligations. Negative rating actions gave no relief either. In Russia the weaker economic performance, as well as the more stringent regulatory environment may put a break on an aggressive growth in consumer lending experienced recently. Within the Group it is the Ukraine facing the biggest challenge: the steady decline of currency reserves and the massive short term debt obligation of the country made rating agencies downgrade the sovereign into deep speculative categories. The political leadership expects to gain some positive reactions from markets in forms of higher foreign direct investments and improving risk profile once the free trade agreement is signed with EU at the Vilnius summit in November 2013.

Consolidated earnings: the adjusted 9M after tax profit grew by 9%. Improving credit quality, higher DPD90+ coverage, stable margins, outstanding capital strength and liquidity

In the first nine months of 2013 OTP Group posted HUF 135 billion adjusted net profit (+9% y-o-y). The pre-tax profit showed a stronger improvement, +12% y-o-y (9M 2012: HUF 153 billion, 9M 2013: HUF 171 billion). The Group posted HUF 341 billion operating profit year-to-date practically being flat to the base period, within that all major revenue lines improved. Net interest income, net fees and other non-interest income grew by 2%, 10% and 2% y-o-y, respectively. During the same period of time operating expenses grew by 7%, whereas risk costs moderated by 1%.

In the third quarter the adjusted net profit represented HUF 42.2 billion (-19% q-o-q). The significant decline was partly related to doubling corporate tax and risk costs increased by 11%, too. The operating profit remained basically flat with net interest income and net fees improving by 2% each, whereas other non-interest results dropped by 36%. Operating expenses were under control and declined by 2% q-o-q.

Margins showed resilience or even improved: 9M income margin (8.63%) grew by 23 bps y-o-y, whereas the net interest margin (6.55%) improved by 9 bps. In 3Q the total income margin advanced by 5 bps q-o-q mainly due to higher net interest margin (+19 bps), the quarterly fee margin growth (+5 bps) was moderate.

For the first nine months in 2013 OTP Group posted HUF 62.7 billion accounting profit that fell short of the base period by 35%. The key reason for the material decline is a goodwill write-down related to the Ukrainian subsidiary. On consolidated level, under IFRS, out of the registered HUF 64.0 billion goodwill HUF 37.2 billion was written down in 3Q 2013. Of that HUF 6.4 billion was recognised against equity and HUF 30.8 billion against the P&L. The write-down had no tax shield effect, as under local accounting standards no write-off took place, since the Ukrainian enterprise value in the local balance sheet was lower than that of under IFRS. Thus until September in 2013 all-in HUF 72.6 billion of adjustments was recognised within the accounting profit: in 1Q HUF 28.9 billion Hungarian banking tax for 2013 had to be booked, in 2Q HUF 13.2 billion one-timer payment compensating the underperformance of financial transaction tax took its toll, while in 3Q the above-mentioned goodwill write-off had its negative impact.

Within the consolidated adjusted profit, earning contribution by foreign subsidiaries suffered a setback. In 1Q, 2Q and 3Q 2013 non-Hungarian business generated HUF 18.5 billion, HUF 12.8 billion and HUF 10.8 billion, respectively. Thus year-to-date foreign subsidiaries contributed HUF 42 billion, by 21% less than in 2012. In 3Q non-Hungarian profits represented 26% out of total versus 24% in 2Q. Among group members the Russian profit contribution further declined, DSK's bottom-line earnings also dropped due to higher risk costs (though still posting HUF 5.7 billion). The decline was partially offset by improving quarterly earnings in Ukraine, Romania, Slovakia and Montenegro.

The consolidated loan portfolio stagnated y-o-y, but grew by 1% q-o-q (FX-adjusted). Within the loan book the consumer portfolio advanced by 16% y-o-y and by 5% q-o-q. The Ukrainian, Romanian and Slovakian subsidiaries all managed to capture double digit consumer portfolio growth in 3Q. In Russia volumes advanced by 6% q-o-q with POS-loans declining (-0.4%), but credit card loans and cash loans increasing materially (by 10% and 5%, respectively).

The overall mortgage book further eroded (-2% q-o-q), however the consolidated micro- and small enterprise portfolio grew by 1%, fuelled by a 4% growth in the Hungarian book as a reflection of the Funding for Growth Programme of the Hungarian National Bank.

As for deposits, group level volumes grew by 5% y-o-y, but only by 1% q-o-q. The moderate increase was in line with the management's efforts aiming at reducing deposit rates across the group given the Group's strong liquidity position (ie.: for the rest of the year there is no material debt capital markets redemption of the group and in 3Q 2013 no issuance took place by group members). The „net loan-to-deposit+retail bonds" ratio stood at 93% by September, remaining practically flat q-o-q.

The outstanding volumes of Upper Tier2 and Lower Tier2 capital elements dropped by 8% q-o-q and 4% y-o-y. As for the UT2 Perpetual on group level EUR 11.4 and 58.3 million was repurchased in 2Q and 3Q 2013, respectively. Regarding the LT2 (maturing in 2015), EUR 12.5 million was repurchased and cancelled in 3Q 2013. As a result of those buy-back transactions in the first nine months of 2013 HUF 6.1 billion pre-tax gain was recognised (versus HUF 1.4 billion in 9M 2012).

For the first time since 2008, the consolidated DPD90+ ratio moderated q-o-q and declined from 20.8% to 20.6%. After outstandingly fast DPD90+ volume growth in 2Q 2013 (HUF 90 billion), in 3Q one could witness the slowest quarterly deterioration over the last three years (HUF 34 billion formation adjusted for write-offs, sales and FX-effect). New DPD90+ formation slowed significantly at all Group members, but at OTP Russia where the portfolio deterioration remained pronounced (NPL formation at HUF 23 billion in 3Q). The Group set aside HUF 66 billion of risk provisions in 3Q 2013. As a result, the provision coverage of DPD90+ loans improved by 2.0 ppts and reached its highest level since 2008 at 80.6%.

OTP Core: adjusted after tax profit in 9M grew by 18% y-o-y as a result of a 10% decline in operating profit and a 44% drop in risk costs. The portfolio deterioration moderated, stronger corporate lending as a result of the Funding for Growth Programme

The adjusted after tax profit of ***OTP Core*** (basic activity in Hungary) for the first nine months of 2013 represented HUF 87.6. The stronger net result (+18% y-o-y) was mainly due to lower risk costs, since the operating profit eroded by 10% y-o-y, too. Within the somewhat weaker total income the lower net interest income (-7% y-o-y) was to a high extent offset by the stronger non-interest income (+26%) supported by gains on the Hungarian government bond portfolio. Operating expenses for the first nine months increased by 5% y-o-y.

The adjusted after tax profit in 3Q represented HUF 27.8 billion, down by 27% q-o-q. The key driver behind the decline was the increasing corporate tax as a result of the declining tax shield impact of the revaluation of investments in foreign subsidiaries. The operating profit moderated by 3%, within total revenues the net interest income slightly improved and net fees remained stable. Other non-interest revenues dropped substantially due to a weaker profit on government bonds and lower FX results. It was positive, that operating expenses declined by 4%, while risk costs advanced by 8% q-o-q. The non-performing loan formation was the lowest since the onset of the crisis (in HUF billions, 1Q 2013: 14, 2Q: 18, 3Q: 9). The deterioration of FX mortgage loans moderated q-o-q, whereas the corporate book even improved. The DPD90+ coverage increased to 81.3%.

The loan portfolio declined by 1% q-o-q on an FX-adjusted basis (-7% y-o-y). Positive though, that OTP Bank's exposure to micro and small as well as medium and large companies grew by 4% and 3% respectively, partly as a result of the Funding for Growth Programme of the National Bank. By end-September OTP Group, as the biggest underwriter in the first phase of the Programme, managed to enter into loan contracts with principal value at HUF 91 billion. As a result, OTP Group's loans to Hungarian companies[2] advanced by 5% both y-o-y and q-o-q, whereas volumes of the rest of the banking sector dropped by 7% y-o-y, true, grew by 2% q-o-q. Due to its lending efforts, OTP Group's market share in loans to Hungarian companies further improved and reached 11.6% (+0.5 ppt q-o-q and +1.4 ppts y-o-y). The mortgage and municipality portfolio eroded further.

The Bank managed to maintain strong market position within new retail loan flows: out of newly disbursed mortgages OTP captured 30% year-to-date, whereas in case of cash loans its share represented 53%.

Deposits slightly declined q-o-q. Further erosion of retail deposits (-4%) could not be off-set by the strong seasonality of municipal deposits (+29%). Retail deposits melted down to a great extend due to the lower yield environment and the crowding out effect of appealing investment alternatives (ie. government securities and mutual funds).

[2] Based on the balance sheet data provision to the Hungarian Financial Supervisory Authority (HFSA), calculated from the aggregated financials for the „Loans to non-financial companies, other-financials companies and non-profit organisations serving households" line of OTP Bank, OTP Mortgage Bank, OTP Building Society and Merkantil Bank.

The ongoing investigations initiated by the Hungarian Competition Office regarding the behaviour of several Hungarian banks on their pricing policy of forint loans during the FX mortgage prepayment period is expected to be concluded by the end of November 2013. In case the outcome of the ruling is unfavourable, it may have a material impact on the Company's earnings.

Merkantil Group posted HUF 1.4 billion after tax profit (without banking tax) in the first nine months (-5% y-o-y) with 3Q earnings exceeding HUF 0.5 billion. The lower operating income (-25% y-o-y) was mainly compensated by lower risk costs. Car financing loan book decreased by 18% y-o-y and by 2% q-o-q – partly due to sale of non-performing loans. The DPD90+ ratio declined q-o-q from 14.5% to 13.9%, while the provision coverage improved to 92.8%.

OTP Fund Management realized HUF 2.2 billion net profit year-to-date in 2013 which underpins a two and a half times increase y-o-y. Out of that 3Q profit represented HUF 0.9 billion. Total assets under management represented HUF 1,324 billion (+30% y-o-y and +2% q-o-q) since investors' appetite for funds strengthened amid lower yield environment.

Moderating earnings in Bulgaria, significantly improving profit in Ukraine, weak performance in Russia; apart from the Serbian operation all other smaller subsidiaries were profit making

Within the overseas operation the biggest nominal net earnings were posted again in Bulgaria, but the strongest q-o-q improvement was registered in Ukraine and Romania with Russian profit eroding further.

While the 3Q net profit at the ***Bulgarian subsidiary*** almost halved q-o-q (HUF 5.7 billion) due to higher risk costs because of further increasing provision coverage, the year-to-date profit of HUF 25.7 billion already exceeded the full year profit of 2012. Operating profit moderated by 11% as a result of lower total income (-5%). Net interest income dropped by 5%, whereas operating expenses grew by the same magnitude. Despite the significant increase of risk costs in 3Q, their first nine months volume fell short that of in the base period by 34%.

As for loan volumes, there was a y-o-y decline in all categories, but the consumer and municipality loan segments. In 3Q the consumer loan book grew by 1% q-o-q, deposits increased by 2%. The DPD90+ ratio advanced only marginally q-o-q reaching 20.2% by the end of September. The provision coverage grew to 84.7% representing a 2.0 ppts q-o-q improvement.

Weaker performance by the ***Russian subsidiary*** continued in 3Q as a result of high risk costs. The bank posted a weak quarterly profit of HUF 0.9 billion. Thus in the first nine months of 2013 net earnings represented HUF 11.3 billion, third of the base period's results. While the operating profit improved 11% y-o-y and margins increased, too, the ultimate reason for the significant setback was a meaningful hike of risk costs (+83% y-o-y). Despite that the loan book deterioration was somewhat slower in 3Q with the FX-adjusted DPD90+ volumes increasing by HUF 23 billion (versus HUF 26 billion in 2Q), the DPD90+ ratio grew from 20.6% to 22.3%. Higher risk costs resulted in significantly higher provision coverage (98.7%, +2.7 ppts q-o-q).

In 3Q the consumer loan portfolio increased further (+6% q-o-q and +30% y-o-y). Since the management focused rather on the profitability of products, POS-volumes slightly decreased q-o-q. On the other hand, credit card loans and cash loans still advanced dynamically (+10% and 5%, respectively). The key source of lending was the expanding deposit base (up by 1% q-o-q and 16% y-o-y). In the last 12 months the bank did not tap the local bond market.

After a strong 3Q profit at HUF 3.1 billion, the ***Ukrainian subsidiary*** posted a 9M 2013 profit of HUF 4.9 billion versus a loss of HUF 2.2 billion a year before. It was already the fifth consecutive profitable quarter of the bank. Operating profit improved by 27% y-o-y with total income advancing by 16%. The profitable operation was strongly supported by the growing consumer loan book (up by 41% q-o-q and 126% y-o-y). Both the total revenue margin (10.86%) and the net interest margin (8.15%) improved further; risk costs declined by 13% y-o-y.

The FX-adjusted loan and deposit portfolio eroded slightly (-1% y-o-y) and the net loan to deposit ratio remained unchanged at 196%. Within the loan portfolio consumer lending activity remained dynamic and by end-September already represented 11% of the total loan book. In 3Q both cash loans and credit card loans advanced at a fast pace (+105% and 27% respectively). The DPD90+ ratio dropped to 35.9% (-3.0 ppts q-o-q) mainly due to a single non-performing corporate exposure being sold in 3Q. As a result of the latter transaction and the higher quarterly risk costs, the provision coverage of DPD90+ loans increased to 77.7%.

As a result of q-o-q improving operating profit (+13%) and significantly lower risk costs in 3Q the ***Romanian subsidiary*** turned into profit again and posted HUF 0.6 billion net results. Thus year-to-date the bank realized a total loss of HUF 1.7 billion (-14% y-o-y). Within the moderately increasing loan portfolio the consumer loan book advanced dynamically. Deposits grew nicely q-o-q, true, partly due to a single corporate ticket. Consequently the net loan-to-deposit ratio decreased to 183%. The DPD90+ ratio basically remained unchanged at 18.2% similarly to the provision coverage at 71.0%.

The after tax profit of the ***Croatian subsidiary*** represented HUF 0.6 billion in 3Q. As a result in 9M the bank posted HUF 2.0 billion net result (-24% y-o-y), mainly due to higher risk costs. The 3Q operating profit was flat to the level realized in 2Q. The FX-adjusted loan portfolio stagnated, the only segment demonstrating an increase was the municipality book. The DPD90+ ratio remained practically unchanged and the provision coverage of DPD90+ loans increased and reached 56.7%.

The ***Slovakian subsidiary*** remained profit making in 3Q (HUF 231 million), as a result in 9M the bank posted HUF 970 million of earnings underpinning a y-o-y 73% increase. The key driver behind the improvement was lower risk costs (-23% y-o-y), but higher operating profit (+4%) also helped bottom line earnings. The retail book kept growing with the consumer loan book increasing by 142% y-o-y, but mortgages also advanced nicely (+11%). The bank's DPD90+ ratio marginally decreased (11.3%); the provision coverage of DPD90+ loans improved to 59.6%.

The ***Serbian subsidiary***'s 3Q loss was practically the same as in 2Q (HUF 0.8 billion), thus the bank posted a cumulative loss of HUF 2.5 billion in the first nine months of 2013 which is underpinning a moderate decrease. Despite the increase in total income (+27% y-o-y) and an effective cost control, higher risk costs (+33%) aimed at improving the provision coverage took their toll. The FX-adjusted loan portfolio grew by 4% y-o-y, within that consumer loans advanced by 25% having a positive impact on margins. The bank's DPD90+ ratio stagnated q-o-q (50.8%), provision coverage improved by 1 ppt q-o-q.

The ***Montenegrin subsidiary*** posted over HUF 900 million profits year-to-date in 2013. Of that profit for the third quarter represented almost HUF 500 million. As a result of strong consumer loan origination the bank's net interest income improves gradually (+8% y-o-y). Along with improving lending activity operating expenses remained under strong control. The DPD90+ ratio dropped to 38%, the provision coverage improved substantially (77.6%) despite lower risk costs in 3Q.

Consolidated and stand-alone capital adequacy ratio (in accordance with BASEL II)

By the end of September 2013 the regulatory capital of OTP Group represented HUF 1,472 billion, while the risk weighted assets, taking into account the capital need for credit-, market- and operational risks, stood at HUF 7,375 billion. The capital adequacy ratio was 20.0% (-0.2 ppt q-o-q) with the Tier1 ratio (after deducting goodwill and intangible assets) at 17.2% and the Core Tier1 ratio (further deducting hybrid instruments) at 15.9% (+0.6 ppt q-o-q and +2.0 ppts y-o-y).

The 1.7 ppts y-o-y improvement of the consolidated capital adequacy ratio was supported by the continuous profit generation of the Group and also by the higher revaluation reserves stemming from the weakening forint. In addition the lower yield environment resulted in a revaluation gain on the AFS portfolio recognised against the equity. Furthermore, from end-2012 the Group calculates its capital requirement for operational risk according to the Advanced Measurement Approach, which lowered the capital requirement.

The key reason behind the 0.6 ppt q-o-q increase in the Core Tier1 rate was the steadily profitable operation, whereas risk weighted assets remained practically flat over the third quarter.

OTP Bank's stand-alone capital adequacy ratio reached 22.8% by June 2013 underpinning a q-o-q 0.3 ppt improvement. In the third quarter there was no capital increase in subsidiaries made by OTP Bank Plc.

Credit rating, shareholder structure

As for the credit ratings assigned by Moody's, Standard & Poor's or Fitch, there was no change in 3Q neither at OTP Bank, nor at the subsidiaries except for the Ukrainian bank. Accordingly OTP Bank (Hungary)'s FX debt carries 'Ba1/BB' ratings, OTP Mortgage Bank's covered bonds are rated at 'Baa3', whereas OTP Bank Russia holds 'Ba2/BB' on its FX deposits. OTP Bank Ukraine 'Caa1' rating was downgraded to 'Caa2' on 25 September following a similar move in case of the sovereign. DSK, Bulgaria holds an unsolicited rating of 'Ba1' from Moody's.

Regarding the ownership structure of the bank, there were no material changes: by the end of September 2013 four investors had more than 5% influence (beneficial ownership) in the Company, namely the Rahimkulov family (9.00%), MOL (the Hungarian Oil and Gas Co.) (8.68%), Groupama Group (8.40%) and the Lazard Group (5.70%).

POST BALANCE SHEET EVENTS

Hungary

- On 25 October 2013 Standard & Poor's affirmed its 'BB/B' long- and short-term foreign and local currency sovereign credit ratings on Hungary. The outlook remains negative.
- The law on payment services (Act LXXXV/2009) was amended. Accordingly from 1 January 2014 the interchange fee of cards is capped at 0.2% of the transaction value in case of debit cards and 0.3% in case of credit cards. As a result, in 2014 OTP Core is expected to see a decline in revenues close to HUF 2 billion (before corporate income tax).
- On 30 October 2013 the Government decided to take over the remaining debt of Hungarian municipalities with a total volume of HUF 420 billion by 28 February 2014 – announced by Mr János Lázár, the State Secretary of the Cabinet. By end-September 2013 OTP Bank had HUF 208 billion municipality, state and public sector debt of which HUF 107 billion was a direct exposure to the Hungarian State. HUF 94 billion municipality exposure may be affected by the proposal at OTP Bank.
- On 5 November 2013 the Parliament amended the law on fixing the repayment exchange rates of foreign currency denominated mortgage loans and the administration of foreclosure of residential properties (Act LXXV/2011), accordingly the following borrowers gained eligibility for the fixing scheme: borrowers in more than 90 days of delinquency or participating in other financial relief programme of the banks or having a principal of over HUF 20 million equivalent at the initiation of the contract. Furthermore the precondition, under which borrowers with a mortgage collateral pledged by several financial institutions could not participate in the scheme if any of those obligations were over 90 days past due, was abolished. The State guarantee to the special account will be available in the future only if the credit institution forgives the loan amount in excess of 95% of the collateral value. Also, special account loans cannot be terminated by the credit institutions, unless the delay of payment reaches 180 days.
- On 5 November 2013 the Parliament amended the law on eviction (Act LIII/1994), accordingly the moratorium on evictions will be extended until 30 April 2014.
- On 5 November 2013 the European Commission published its Autumn Forecast according to which the fiscal deficit to GDP is expected to be 2.9% in 2013, 3.0% in 2014 and 2.7% in 2015. With respect to economic growth EC forecasts 0.7% for 2013, 1.8% for 2014 and 2.1% for 2015.
- On 7 November the Hungarian National Bank published its Report on Financial Stability that proposes certain measures for handling the overall problem of foreign currency loans.
- On 11 November 2013 the Parliament approved the amendment to the law on payment services (Act LXXXV/2009). Accordingly, from 1 February 2014 the first two cash withdrawals per month up to HUF 150,000 will be free of charge for those private individuals, who make a statement to their financial service provider. The law declares that any changes to fees and other commissions listed in the client contracts as well as the modification of their calculation methods in relation to the above mentioned

amendment are prohibited. At the same time according to the law on financial transaction tax (Act CXVI/2012) banks are obliged to pay 0.6% tax on cash withdrawals. In 2014 the potential negative impact on OTP Core's net total income – depending on the participation ratio – is expected to be around HUF 10 billion (before corporate income tax).

Russia

- On 4 October 2013 OTP Bank announced that Mr George Chesakov will take over as CEO of OTP Bank Russia after the necessary approval received from the Russian central bank.
- On 8 October 2013 Moody's Investors Service affirmed OTP Bank Russia's 'Ba2' global local currency deposit rating and 'D-' Bank Financial Strength rating. Both ratings carry a negative outlook.

Ukraine

- On 8 October 2013 Fitch warned in its statement that according to its expectations, borrowing and capital inflows would not be sufficient to cover the external debt repayments and the substantial current account deficit of the Ukraine in 2013 and 2014.
- The IMF delegation visited Ukraine at the end of October to continue negotiations over a USD 15 billion loan. In a statement released on 31 October 2013 IMF urged ambitious fiscal consolidation and reiterated the need for increasing the household gas and heating tariffs and called for a more flexible currency exchange rate regime.
- On 31 October Standard & Poor's downgraded Ukraine's long-term sovereign credit rating from 'B' to 'B-' reasoning that the government's strategy was unlikely to secure sufficient foreign currency to meet the elevated external financing needs. The outlook is negative.
- On 8 November 2013 Fitch lowered Ukraine's long term foreign and local currency Issuer Default Ratings (IDRs) from 'B' to 'B-' due to the increasingly fragile external financing position of the sovereign. The outlook on the Long-term IDRs is negative.

Romania

- On 28 October 2013 the government revised the 2013 budget deficit target up from 2.3% to 2.5%. Both EU and IMF gave its content to the plan. At the same time, the 2013 GDP growth projection was increased from 1.9% to 2.2%.
- On 5 November 2013 Romania and the IMF reached a staff-level agreement on the next EUR 200 million tranche under the EUR 2 billion precautionary stand-by facility provided by the IMF. Romania doesn't plan to draw down the money.

Croatia

- On 14 October 2013 the Croatian central bank suggested that the proposed amendments to the law on consumer lending in association with FX loan contracts would cost the banking sector cca. HRK 759 million annually and jeopardise the stability of the banking sector. On the same issue Croatia's Banking Association said that the proposed amendments were unconstitutional as they tried to retrospectively intervene into existing contracts.

Slovakia

- On 4 October 2013 Moody's affirmed Slovakia's 'A2' government bond rating, while the outlook was changed to stable from negative.

Serbia

- On 8 October 2013 the IMF concluded the review of Serbia's public finances. The IMF lowered its GDP growth projection for 2013 from 2% to 1.5% and forecast public deficit to be around 7.5% of GDP.
- On 8 October 2013 the Serbian government revealed a mid-term fiscal stabilization package. Cornerstones of the package: wage decrease in the public sector, VAT increase, subsidy cuts and finalization of privatization of public companies, reduction of expenditure caps of ministries. The IMF's representative in Serbia said that the consolidation program was a step in right direction.
- On 25 October 2013 Standard & Poor's affirmed its 'BB-/B' long- and short-term foreign and local currency sovereign credit ratings on Serbia. The outlook remained negative.

Montenegro

- On 22 October 2013 it was announced that on 27 September 2013 the Securities Commission of Montenegro approved the conversion of the Lower Tier2 Capital provided by OTP Bank Plc. to CKB into ordinary shares. The principal amount of the Lower Tier 2 Capital was EUR 10,000,000.

CONSOLIDATED AFTER TAX PROFIT BREAKDOWN BY SUBSIDIARIES (IFRS)[3]

in HUF million	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
Consolidated after tax profit	**96,441**	**62,700**	**-35%**	**42,539**	**40,579**	**10,888**	**-73%**	**-74%**
Adjustments (total)	**-27,269**	**-72,568**	**166%**	**-414**	**-11,762**	**-31,295**	**166%**	
Dividend and total net cash transfers (consolidated)	-192	-185	-3%	-235	282	-183	-165%	-22%
Goodwill/investment impairment charges (after tax)	3,977	-29,440	-840%	0	1,379	-30,819		
Special tax on financial institutions and one-timer payment compensating the underperformance of the financial transaction tax (after corporate income tax)	-29,278	-42,943	47%	-179	-13,423	-293	-98%	64%
Impact of early repayment of FX mortgage loans in Hungary (after corporate income tax)	-1,775	0	0%	0	0	0		
Consolidated adjusted after tax profit without the effect of adjustments	**123,709**	**135,269**	**9%**	**42,953**	**52,341**	**42,183**	**-19%**	**-2%**
Banks total without one-off items[1]	121,066	132,194	9%	44,641	50,644	42,679	-16%	-4%
OTP CORE (Hungary)[2]	74,086	87,554	18%	27,027	37,846	27,814	-27%	3%
Corporate Centre (after tax)[3]	-5,716	3,063	-154%	-1,722	118	4,098		-338%
OTP Bank Russia	32,996	11,262	-66%	10,621	2,625	907	-65%	-91%
CJSC OTP Bank (Ukraine)[4]	-2,168	4,924	-327%	1,906	235	3,076		61%
DSK Bank (Bulgaria)[5]	23,626	25,661	9%	8,019	10,898	5,730	-47%	-29%
OBR adj. (Romania)[6]	-1,966	-1,689	-14%	-1,724	-1,536	577	-138%	-133%
OTP banka Srbija (Serbia)[7]	-2,591	-2,480	-4%	-1,299	-811	-834	3%	-36%
OBH (Croatia)	2,662	2,013	-24%	1,630	927	578	-38%	-65%
OBS (Slovakia)[8]	561	970	73%	250	29	231	700%	-8%
CKB (Montenegro)	-423	917	-317%	-68	313	503	61%	-837%
Leasing	2,872	1,581	-45%	565	237	575	143%	2%
Merkantil Bank + Car, adj. (Hungary)[9]	1,475	1,398	-5%	28	163	547	237%	
Foreign leasing companies (Slovakia, Croatia, Bulgaria, Romania)[10]	1,397	182	-87%	537	74	28	-63%	-95%
Asset Management	894	2,328	160%	426	621	887	43%	108%
OTP Asset Management (Hungary)	891	2,243	152%	414	603	851	41%	106%
Foreign Asset Management Companies (Ukraine, Romania)[11]	3	85		12	18	36	103%	210%
Other Hungarian Subsidiaries	-181	-1,136	529%	-1,836	981	-1,780	-281%	-3%
Other Foreign Subsidiaries (Slovakia, United Kingdom, Cyprus, Romania, Belize)[12]	-644	154	-124%	-392	-2	-54		-86%
Eliminations	-292	149	-151%	-447	-140	-123	-13%	-73%
Total after tax profit of HUNGARIAN subsidiaries[13]	70,262	93,271	33%	23,465	39,571	31,408	-21%	34%
Total after tax profit of FOREIGN subsidiaries[14]	53,452	41,998	-21%	19,491	12,770	10,777	-16%	-45%
Share of foreign profit contribution, %	*43%*	*31%*	*-12%*	*45%*	*24%*	*26%*	*1%*	*-20%*

[3] 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 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
Consolidated after tax profit	**96,441**	**62,700**	**-35%**	**42,539**	**40,579**	**10,888**	**-73%**	**-74%**
Adjustments (total)	**-27,269**	**-72,568**	**166%**	**-414**	**-11,762**	**-31,295**	**166%**	
Dividends and net cash transfers (after tax)	-192	-185	-4%	-235	282	-183	-165%	-22%
Goodwill/investment impairment charges (after tax)	3,977	-29,440	-840%	0	1,379	-30,819		
Special tax on financial institutions and one-timer payment compensating the underperformance of the financial transaction tax (after corporate income tax)	-29,278	-42,943	47%	-179	-13,423	-293	-98%	64%
Impact of early repayment of FX mortgage loans in Hungary (after corporate income tax)	-1,775	0	-100%	0	0	0		
Consolidated adjusted after tax profit without the effect of adjustments	**123,709**	**135,269**	**9%**	**42,953**	**52,341**	**42,183**	**-19%**	**-2%**
Before tax profit	**152,800**	**170,503**	**12%**	**55,494**	**58,327**	**54,215**	**-7%**	**-2%**
Operating profit	**340,024**	**341,307**	**0%**	**115,526**	**114,198**	**114,601**	**0%**	**-1%**
Total income	**629,689**	**651,027**	**3%**	**212,392**	**219,886**	**218,272**	**-1%**	**3%**
Net interest income	**484,332**	**493,901**	**2%**	**161,278**	**162,577**	**165,436**	**2%**	**3%**
Net fees and commissions	**111,020**	**122,107**	**10%**	**39,013**	**42,777**	**43,517**	**2%**	**12%**
Other net non-interest income	**34,337**	**35,020**	**2%**	**12,101**	**14,533**	**9,319**	**-36%**	**-23%**
Foreign exchange result, net	16,460	12,820	-22%	5,704	6,621	3,666	-45%	-36%
Gain/loss on securities, net	4,176	9,403	125%	2,834	3,823	1,563	-59%	-45%
Net other non-interest result	13,701	12,797	-7%	3,564	4,089	4,090	0%	15%
Operating expenses	**-289,665**	**-309,721**	**7%**	**-96,866**	**-105,688**	**-103,672**	**-2%**	**7%**
Personnel expenses	-140,269	-154,104	10%	-46,750	-51,762	-51,219	-1%	10%
Depreciation	-34,837	-35,328	1%	-11,864	-12,116	-11,846	-2%	0%
Other expenses	-114,559	-120,289	5%	-38,252	-41,810	-40,607	-3%	6%
Total risk costs	**-183,414**	**-180,816**	**-1%**	**-60,574**	**-59,762**	**-66,048**	**11%**	**9%**
Provision for loan losses	-178,399	-179,168	0%	-58,366	-61,540	-63,293	3%	8%
Other provision	-5,015	-1,648	-67%	-2,208	1,778	-2,755	-255%	25%
Total one-off items	**-3,810**	**10,012**	**-363%**	**542**	**3,891**	**5,663**	**46%**	**944%**
Revaluation result of FX swaps at OTP Core	-2,527	1,012	-140%	29	310	270	-13%	839%
Gain on the repurchase of own Upper and Lower Tier2 Capital	1,415	6,072	329%	291	970	5,102	426%	
Result of the treasury share swap at OTP Core	-2,697	2,928	-209%	223	2,611	291	-89%	31%
Corporate taxes	**-29,091**	**-35,234**	**21%**	**-12,541**	**-5,985**	**-12,032**	**101%**	**-4%**
INDICATORS (%)	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
ROE (adjusted)	11.5%	11.9%	0.4%	11.9%	13.7%	11.0%	-2.7%	-0.9%
ROA (adjusted)	1.7%	1.8%	0.1%	1.7%	2.0%	1.7%	-0.4%	-0.1%
Operating profit margin	4.54%	4.52%	-0.01%	4.65%	4.45%	4.52%	0.07%	-0.13%
Total income margin	8.40%	8.63%	0.23%	8.55%	8.58%	8.61%	0.04%	0.06%
Net interest margin	6.46%	6.55%	0.09%	6.49%	6.34%	6.53%	0.19%	0.04%
Net fee and commission margin	1.48%	1.62%	0.14%	1.57%	1.67%	1.72%	0.05%	0.15%
Net other non-interest income margin	0.46%	0.46%	0.01%	0.49%	0.57%	0.37%	-0.20%	-0.12%
Cost-to-asset ratio	3.86%	4.11%	0.24%	3.90%	4.12%	4.09%	-0.03%	0.19%
Cost/income ratio	46.0%	47.6%	1.6%	45.6%	48.1%	47.5%	-0.6%	1.9%
Risk cost for loan losses-to-average gross loans	3.09%	3.18%	0.09%	3.13%	3.25%	3.35%	0.11%	0.23%
Risk cost for loan losses-to-average FX adjusted gross loans	3.12%	3.17%	0.05%	3.07%	3.29%	3.35%	0.05%	0.28%
Total risk cost-to-asset ratio	2.45%	2.40%	-0.05%	2.44%	2.33%	2.61%	0.28%	0.17%
Effective tax rate	19.0%	20.7%	1.6%	22.6%	10.3%	22.2%	11.9%	-0.4%
Non-interest income/total income	23%	24%	1%	24%	26%	24%	-2%	0%
EPS base (HUF) (from unadjusted net earnings)	360	234	-35%	159	152	41	-73%	-74%
EPS diluted (HUF) (from unadjusted net earnings)	360	234	-35%	159	152	41	-73%	-74%
EPS base (HUF) (from adjusted net earnings)	465	507	9%	161	196	158	-20%	-2%
EPS diluted (HUF) (from adjusted net earnings)	465	506	9%	161	196	158	-19%	-2%

Comprehensive Income Statement	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
Consolidated after tax profit	96,441	62,700	-35%	42,539	40,579	10,888	-73%	-74%
Fair value adjustment of securities available-for-sale (recognised directly through equity)	38,277	-2,769	-107%	9,890	-1,467	1,393	-195%	-86%
Fair value adjustment of derivative financial instruments designated as cash-flow hedge	398	397	0%	134	132	134	2%	0%
Fair value adjustment of strategic open FX position hedging net investment in foreign operations	6,802	-1,756	-126%	1,082	2,176	-704	-132%	-165%
Foreign currency translation difference	-74,184	-16,208	-78%	-13,547	-51,675	-13,580	-74%	0%
Net comprehensive income	**67,734**	**42,364**	**-37%**	**40,098**	**-10,255**	**-1,869**	**-82%**	**-105%**
o/w Net comprehensive income attributable to equity holders	67,838	42,731	-37%	39,817	-9,763	-1,555	-84%	-104%
Net comprehensive income attributable to non-controlling interest	-104	-367	253%	281	-492	-314	-36%	-212%
Average exchange rate of the HUF (in forint)	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
HUF/EUR	291	297	2%	283	296	298	1%	5%
HUF/CHF	242	241	0%	235	240	241	0%	3%
HUF/USD	227	225	-1%	226	226	225	-1%	-1%
HUF/100JPY	287	233	-19%	288	229	227	-1%	-21%

CONSOLIDATED BALANCE SHEET

Main components of balance sheet in HUF million	3Q 2012	2012 4Q	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y	YTD
TOTAL ASSETS	**9,827,507**	**10,113,466**	**10,048,610**	**10,060,381**	**0%**	**2%**	**-1%**
Cash and amount due from banks	508,184	602,521	501,916	541,136	8%	6%	-10%
Placements with other banks	443,002	356,866	352,003	328,671	-7%	-26%	-8%
Financial assets at fair value	245,068	222,874	215,750	202,753	-6%	-17%	-9%
Securities available-for-sale	1,529,690	1,411,177	1,388,768	1,372,812	-1%	-10%	-3%
Net customer loans	6,357,433	6,464,191	6,319,088	6,359,288	1%	0%	-2%
Net customer loans (FX adjusted)	**6,509,762**	**6,493,887**	**6,342,793**	**6,359,288**	**0%**	**-2%**	**-2%**
Gross customer loans	7,449,696	7,618,367	7,535,982	7,612,659	1%	2%	0%
Gross customer loans (FX adjusted)	**7,627,001**	**7,652,708**	**7,561,641**	**7,612,659**	**1%**	**0%**	**-1%**
o/w Retail loans	5,027,789	5,089,830	5,070,483	5,115,099	1%	2%	0%
Retail mortgage loans (incl. home equity)	2,871,473	2,829,117	2,737,164	2,692,468	-2%	-6%	-5%
Retail consumer loans	1,698,353	1,797,366	1,876,698	1,961,828	5%	16%	9%
SME loans	457,962	463,348	456,622	460,803	1%	1%	-1%
Corporate loans	2,222,173	2,196,683	2,144,143	2,154,852	0%	-3%	-2%
Loans to medium and large corporates	1,895,355	1,889,438	1,870,844	1,885,824	1%	-1%	0%
Municipal loans[1]	326,818	307,244	273,299	269,028	-2%	-18%	-12%
Car financing loans	304,814	291,849	265,226	256,781	-3%	-16%	-12%
Bills and accrued interest receivables related to loans	72,225	74,346	81,788	85,927	5%	19%	16%
Allowances for loan losses	-1,092,263	-1,154,176	-1,216,894	-1,253,371	3%	15%	9%
Allowances for loan losses (FX adjusted)	-1,117,239	-1,158,821	-1,218,848	-1,253,371	3%	12%	8%
Equity investments	6,777	7,936	7,323	9,035	23%	33%	14%
Securities held-to-maturity	120,158	429,303	596,802	621,916	4%	418%	45%
Premises, equipment and intangible assets, net	475,810	489,142	487,151	449,996	-8%	-5%	-8%
o/w Goodwill, net	186,931	189,619	189,279	149,814	-21%	-20%	-21%
Premises, equipment and other intangible assets, net	288,879	299,523	297,872	300,182	1%	4%	0%
Other assets	141,385	129,456	179,809	174,774	-3%	24%	35%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**9,827,507**	**10,113,466**	**10,048,610**	**10,060,381**	**0%**	**2%**	**-1%**
Liabilities to credit institutions and governments	548,402	534,324	519,405	582,328	12%	6%	9%
Customer deposits	6,264,936	6,550,708	6,602,506	6,663,790	1%	6%	2%
Customer deposits (FX adjusted)	**6,377,603**	**6,580,104**	**6,607,240**	**6,663,790**	**1%**	**4%**	**1%**
o/w Retail deposits	4,642,922	4,779,171	4,716,205	4,665,464	-1%	0%	-2%
Household deposits	4,048,559	4,164,315	4,104,027	4,030,897	-2%	0%	-3%
SME deposits	594,363	614,856	612,178	634,568	4%	7%	3%
Corporate deposits	1,682,819	1,759,924	1,844,946	1,950,454	6%	16%	11%
Deposits to medium and large corporates	1,380,224	1,468,378	1,561,101	1,585,732	2%	15%	8%
Municipal deposits	302,595	291,545	283,845	364,722	28%	21%	25%
Accrued interest payable related to customer deposits	51,863	41,009	46,088	47,871	4%	-8%	17%
Issued securities	721,368	643,123	535,428	489,974	-8%	-32%	-24%
o/w Retail bonds	288,050	230,626	124,057	94,215	-24%	-67%	-59%
Issued securities without retail bonds	433,318	412,497	411,371	395,759	-4%	-9%	-4%
Other liabilities	546,351	579,263	567,214	524,788	-7%	-4%	-9%
Subordinated bonds and loans	286,140	291,495	298,717	275,851	-8%	-4%	-5%
Total shareholders' equity	**1,460,310**	**1,514,553**	**1,525,340**	**1,523,650**	**0%**	**4%**	**1%**

Indicators	3Q 2012	2012 4Q	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y	YTD
Loan/deposit ratio (FX adjusted)	119%	116%	114%	114%	0%	-6%	-2%
Net loan/(deposit + retail bond) ratio (FX adjusted)	97%	95%	94%	93%	0%	-4%	-1%
90+ days past due loan volume	1,402,379	1,442,646	1,548,031	1,554,155	0%	11%	8%
90+ days past due loans/gross customer loans	19.0%	19.1%	20.8%	20.6%	-0.1%	1.6%	1.5%
Total provisions/90+ days past due loans	77.9%	80.0%	78.6%	80.6%	2.0%	2.8%	0.6%
Consolidated capital adequacy - Basel2	3Q 2012	2012 4Q	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y	YTD
Capital adequacy ratio (consolidated, IFRS)	18.2%	19.7%	20.2%	20.0%	-0.2%	1.7%	0.3%
Tier1 ratio	15.2%	16.0%	16.6%	17.2%	0.6%	2.1%	1.2%
Core Tier1 ratio	13.9%	14.7%	15.3%	15.9%	0.6%	2.0%	1.2%
Leverage (Total Assets/Shareholder's Equity)	6,7x	6,7x	6,6x	6,6x			
Regulatory capital (consolidated)	1,430,412	1,473,525	1,492,259	1,472,400	-1%	3%	0%
o/w Tier1 Capital	1,191,328	1,203,019	1,232,015	1,271,972	3%	7%	6%
o/w Core Tier1 Capital	1,087,310	1,098,882	1,129,065	1,170,539	4%	8%	7%
Hybrid Tier1 Capital	104,017	104,136	102,949	101,434	-1%	-2%	-3%
Tier2 Capital	239,457	270,849	260,589	200,772	-23%	-16%	-26%
Deductions from the regulatory capital	-372	-343	-345	-344	0%	-8%	0%
Consolidated risk weighted assets (RWA) (Credit&Market&Operational risk)	7,846,495	7,496,894	7,399,512	7,374,856	0%	-6%	-2%
o/w RWA (Credit risk)	5,943,779	6,015,748	5,945,498	5,907,281	-1%	-1%	-2%
RWA (Market & Operational risk)	1,902,716	1,481,146	1,454,014	1,467,575	1%	-23%	-1%
Closing exchange rate of the HUF (in forint)	3Q 2012	2012 4Q	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y	YTD
HUF/EUR	284	291	295	298	1%	5%	2%
HUF/CHF	235	241	239	244	2%	4%	1%
HUF/USD	219	221	226	221	-2%	1%	0%
HUF/100JPY	282	257	229	226	-1%	-20%	-12%

[1] As of 30 September 2013 on consolidated level out of HUF 269 billion exposure to municipalities the exposure to the Hungarian State amounted to HUF 107 billion.

Methodological note: in 4Q 2012 at OTP Bank Romania large- and medium sized corporate portfolio elements were reclassified into the SME segment – in case of loans and deposits in the amount of HUF 15.5 billion and HUF 12.3 billion, respectively.

OTP BANK'S HUNGARIAN CORE BUSINESS

OTP Core Statement of recognized income:

Main components of the Statement of recognised income in HUF million	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
Adjusted after tax profit without the effect of adjustments	74,086	87,554	18%	27,027	37,846	27,814	-27%	3%
Corporate income tax	-14,325	-23,771	66%	-8,404	-3,489	-8,369	140%	0%
Pre-tax profit	88,411	111,325	26%	35,432	41,336	36,183	-12%	2%
Operating profit	163,136	146,900	-10%	54,896	51,562	49,861	-3%	-9%
Total income	298,076	289,078	-3%	100,435	100,515	96,864	-4%	-4%
Net interest income	220,816	205,521	-7%	73,429	68,366	69,466	2%	-5%
Net fees and commissions	63,955	66,731	4%	21,344	23,523	23,550	0%	10%
Other net non-interest income	13,306	16,827	26%	5,662	8,626	3,847	-55%	-32%
Operating expenses	-134,940	-142,178	5%	-45,539	-48,953	-47,003	-4%	3%
Total risk costs	-70,916	-39,515	-44%	-20,007	-13,148	-14,238	8%	-29%
Provisions for possible loan losses	-70,821	-37,846	-47%	-21,186	-13,793	-12,382	-10%	-42%
Other provisions	-95	-1,669		1,179	645	-1,857	-388%	-257%
Total one-off items	-3,810	3,940	-203%	542	2,921	561	-81%	3%
Revaluation result of FX swaps	-2,527	1,012	-140%	29	310	270	-13%	839%
Gain on the repurchase of own Upper and Lower Tier2 Capital	1,415	0	-100%	291	0	0		-100%
Revaluation result of the treasury share swap agreement	-2,697	2,928	-209%	223	2,611	291	-89%	31%
Revenues by Business Lines	**9M 2012**	**9M 2013**	**Y-o-Y**	**3Q 2012**	**2Q 2013**	**3Q 2013**	**Q-o-Q**	**Y-o-Y**
RETAIL								
Total income	232,218	221,341	-5%	76,350	75,088	74,457	-1%	-2%
Net interest income	174,158	162,517	-7%	57,064	54,041	54,244	0%	-5%
Net fees and commissions	55,700	56,210	1%	18,317	20,163	19,450	-4%	6%
Other net non-interest income	2,360	2,614	11%	969	884	764	-14%	-21%
CORPORATE								
Total income	23,521	29,649	26%	7,801	9,865	11,278	14%	45%
Net interest income	15,238	19,451	28%	4,792	6,370	7,326	15%	53%
Net fees and commissions	7,593	9,434	24%	2,726	3,237	3,729	15%	37%
Other net non-interest income	690	764	11%	283	258	223	-14%	-21%
Treasury ALM								
Total income	38,352	34,655	-10%	14,792	14,109	9,793	-31%	-34%
Net interest income	31,419	23,553	-25%	11,574	7,954	7,896	-1%	-32%
Net fees and commissions	109	396	263%	-189	48	372	679%	-297%
Other net non-interest income	6,824	10,706	57%	3,407	6,107	1,525	-75%	-55%
Indicators (%)	**9M 2012**	**9M 2013**	**Y-o-Y**	**3Q 2012**	**2Q 2013**	**3Q 2013**	**Q-o-Q**	**Y-o-Y**
ROE	8.5%	9.6%	1.1%	9.2%	13.0%	9.1%	-3.8%	-0.1%
ROA	1.6%	1.9%	0.3%	1.7%	2.5%	1.8%	-0.6%	0.1%
Operating profit margin (operating profit / avg. total assets)	3.5%	3.2%	-0.3%	3.5%	3.3%	3.3%	-0.1%	-0.3%
Total income margin	6.30%	6.28%	-0.02%	6.47%	6.52%	6.34%	-0.18%	-0.13%
Net interest margin	4.67%	4.47%	-0.20%	4.73%	4.44%	4.55%	0.11%	-0.18%
Net fee and commission margin	1.4%	1.5%	0.1%	1.4%	1.5%	1.5%	0.0%	0.2%
Net other non-interest income margin	0.3%	0.4%	0.1%	0.4%	0.6%	0.3%	-0.3%	-0.1%
Operating costs to total assets ratio	2.9%	3.1%	0.2%	2.9%	3.2%	3.1%	-0.1%	0.1%
Cost/income ratio	45.3%	49.2%	3.9%	45.3%	48.7%	48.5%	-0.2%	3.2%
Cost of risk/average gross loans	2.76%	1.59%	-1.16%	2.55%	1.74%	1.57%	-0.16%	-0.97%
Cost of risk/average gross loans (FX adjusted)	2.76%	1.59%	-1.18%	2.51%	1.74%	1.57%	-0.17%	-0.94%
Effective tax rate	16.2%	21.4%	5.2%	23.7%	8.4%	23.1%	14.7%	-0.6%

- ***9M after tax profit improved by 18% y-o-y as a result of diminishing risk costs (-44%), gains on government bonds and one-off profits***
- ***3Q profit dropped by 27% q-o-q due to declining non-interest income and higher corporate income taxes***
- ***The slowest portfolio deterioration since the beginning of the crisis, the worsening of FX mortgages further moderated q-o-q, the provision coverage ratio increased (3Q 2013: 81.3%, +0.7 ppt q-o-q and y-o-y)***
- ***The Funding for Growth Programme gave further boost to corporate loan expansion (both SME and large company loans grew by 4% and 3% q-o-q)***

P&L developments

Without the effect of adjustment items[4] **OTP Core** posted a net profit of HUF 87.5 billion in the first nine months of 2013, underpinning an 18% y-o-y increase. Decelerating portfolio deterioration coupled with a 44% decline in risk cost played a key role in the improvement, in addition gains realised on the available-for-sale government bonds reached HUF 7.5 billion in 9M boosting the non-interest income line. Furthermore, HUF 3.9 billion one-off profit was realised in in the first nine months related to the treasury share swap agreement and the revaluation of FX swaps. In the base period on the contrary, a loss of HUF 3.8 billion was recognised, mainly in relation to the same items.

The operating profit for the first nine months deteriorated by 10% y-o-y. On the income side the net interest result melted down by 7% coupled with lower net interest margins (9M 2012: 4.67%, 9M 2013: 4.47%). Key reasons behind the lower net interest income were as follows: deposit margins narrowed amid the declining yield environment, the interest-bearing loan portfolio shrank and the regulatory ceiling for interest rates on loans had an unfavourable effect, too. Furthermore the fixed exchange rate scheme available for FX mortgage borrowers had a negative impact of HUF 2.2 billion on net interest income in 9M 2013 (mostly recognised in the first quarter). By the end of September 30% of eligible borrowers of OTP Core and OTP Flat Lease signed 36,231 FX protection contracts, as a result loan volumes under FX protection reached HUF 257 billion equivalent that is 50% of the performing FX mortgage portfolio. The deterioration of the net interest income was partly offset by gains realised on the available-for-sale government bond portfolio in 9M 2013 in the amount of HUF 7.5 billion versus HUF 1.4 billion realized a year ago. As a result, other net non-interest income expanded by 26% y-o-y. Operating income was unfavourably influenced by operating costs increasing by 5% y-o-y – mostly on the back of rising personnel expenses.

The risk costs for the first nine months moderated by 44%. By September 2013 the portfolio deterioration was significantly slower than in 9M 2012 (FX adjusted DPD90+ loan formation in HUF billion in 9M 2012: 66, in 9M 2013: 41). In 3Q 2013 the formation hit bottom with HUF 9 billion, the lowest reading since the onset of the crisis. (2012 1Q: 20, 2Q: 34, 3Q: 12, 2013 1Q: 14, 2Q: 18, 3Q: 9). Such positive trends were supported by the q-o-q improving corporate portfolio quality (both in the SME and large company segments), but the mortgage and the consumer loan books demonstrated slowing deterioration in 2013, too. By the end of 3Q the overall DPD90+ ratio reached 17.9%, the provision coverage of DPD90+ loans increased to 81.3% – up by 0.7 ppt q-o-q and y-o-y, as well.

The after-tax profit for the third quarter reached HUF 27.8 billion (-27% q-o-q and +3% y-o-y). The weaker quarterly profit was strongly influenced by an increase in the corporate tax burden (effective tax rate in 3Q 2013: 23%, +15 ppts q-o-q), stemming from the diminishing tax-shield impact of the revaluation of subsidiary investments (the amount of tax saving in HUF billion: 3Q 2012: 1.2, 2Q 2013: 4.3, 3Q: 0.5). The revaluation was triggered by the fluctuating closing rates of the forint. Furthermore, in 3Q HUF 0.8 billion additional tax obligations emerged as a result of utilizing general risk reserves set aside previously in accordance with the Hungarian accounting standards. In the past the Bank made general risk reserves up to the maximum limit as stipulated by local standards that was 1.25% of the prevailing adjusted total assets. Under IFRS, in line with the standards, these reserves were not recognised. In the third quarter the Bank decided not to set aside reserves up to the maximum limit, but in accordance with Government Decree 250/2000 those general risk reserves will be released to counterbalance current loan losses. In this context in 3Q the Bank released HUF 4.1 billion of general risk reserves (the positive P&L impact was only recognised under Hungarian accounting standards), which resulted in HUF 0.8 billion additional corporate tax burden (recognised under local standards and IFRS, too).

With respect to future expected utilization of the general risk reserves: according to the new CRR rules ('Capital Requirements Regulation')[5] effective

[4] Special tax on financial institutions, one-timer payment compensating the underperformance of the financial transaction tax, goodwill/investment impairment charges, dividends/net cash transfers and the impact of early repayment of FX mortgage loans in Hungary

[5] REGULATION (EU) No 575/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012.

from 1 January 2014, general risk reserve will be treated as Tier2 Capital element as opposed to the previous practice where it was recognised as Tier1 Capital, while calculating the stand alone capital adequacy ratio of OTP Bank under local accounting standards. In case the Bank decides to register the general risk reserves within retained earnings, then they can be still recognised as Tier1 Capital elements. The new Hungarian Law on Financial Institutions effective from 1 January 2014 allows the above registration with a balance sheet date of 31 December 2013. However, in this case the Bank is likely to be obliged to pay 19% contribution tax on the total amount of general risk reserves to-be-recognised as retained earnings and only the after tax amount can be registered as retained earnings. (See: Paragraph 4/C of the amendment to Act LIX/2006 on the Introduction of Special Tax and Bankers' contribution Intended to Improve the Balance of Public Finances). Provided, the amendment is going to be approved as suggested, OTP will be obliged to pay HUF 5.4 billion additional contribution tax after the registration of HUF 28 billion general risk reserves and that tax payment is going to lower IFRS results as well.

The 3Q pre-tax profit dropped by 12% q-o-q. Other non-interest income moderated due to weaker gain on the Hungarian Government bonds portfolio (in HUF billions, 2Q 2013: 3.6, 3Q: 0.8) and also smaller other FX results (in HUF billions, 2Q 2013: 2.2, 3Q: 0.0). The one-off profit of the treasury share swap agreement also moderated (in HUF billions, 2Q 2013: 2.6, 3Q: 0.3). It was favourable, however, that the net interest income improved q-o-q driven by higher net interest margins (+11 bps) and operating expenses dropped by 4% due to lower personnel and administrative expenses.

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

Main components of the balance sheet (closing balances, in HUF million)	3Q 2012	4Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y	YTD
Total Assets	6,082,183	6,229,359	6,039,762	6,075,753	1%	0%	-2%
Net customer loans	2,859,317	2,807,565	2,678,599	2,664,942	-1%	-7%	-5%
Net customer loans (FX adjusted)	**2,917,105**	**2,829,423**	**2,697,157**	**2,664,942**	**-1%**	**-9%**	**-6%**
Gross customer loans	3,285,067	3,234,343	3,122,786	3,119,139	0%	-5%	-4%
Gross customer loans (FX adjusted)	**3,353,877**	**3,260,878**	**3,146,095**	**3,119,139**	**-1%**	**-7%**	**-4%**
Retail loans	2,230,464	2,193,355	2,124,144	2,093,853	-1%	-6%	-5%
Retail mortgage loans (incl. home equity)	1,661,596	1,633,136	1,567,284	1,529,174	-2%	-8%	-6%
Retail consumer loans	445,928	439,399	435,446	437,969	1%	-2%	0%
SME loans	122,940	120,820	121,413	126,711	4%	3%	5%
Corporate loans	1,123,412	1,067,522	1,021,951	1,025,286	0%	-9%	-4%
Loans to medium and large corporates	832,381	798,457	796,679	816,918	3%	-2%	2%
Municipal loans[1]	291,031	269,065	225,273	208,368	-8%	-28%	-23%
Provisions	-425,749	-426,779	-444,187	-454,197	2%	7%	6%
Provisions (FX adjusted)	**-436,772**	**-431,455**	**-448,938**	**-454,197**	**1%**	**4%**	**5%**
Deposits from customers + retail bonds	3,755,616	3,863,322	3,758,889	3,694,773	-2%	-2%	-4%
Deposits from customers + retail bonds (FX adjusted)	**3,781,774**	**3,876,013**	**3,759,714**	**3,694,773**	**-2%**	**-2%**	**-5%**
Retail deposits + retail bonds	2,585,762	2,575,031	2,382,986	2,273,947	-5%	-12%	-12%
Household deposits + retail bonds	2,278,408	2,263,990	2,066,918	1,952,542	-6%	-14%	-14%
o/w: Retail bonds	288,050	230,626	124,057	94,215	-24%	-67%	-59%
SME deposits	307,354	311,041	316,069	321,405	2%	5%	3%
Corporate deposits	1,196,012	1,300,982	1,376,727	1,420,826	3%	19%	9%
Deposits of medium and large corporates	946,649	1,060,953	1,150,742	1,129,496	-2%	19%	6%
Municipal deposits	249,364	240,029	225,986	291,330	29%	17%	21%
Liabilities to credit institutions	419,456	403,947	324,357	397,529	23%	-5%	-2%
Issued securities without retail bonds	229,736	249,012	298,093	293,326	-2%	28%	18%
Total shareholders' equity	1,179,299	1,195,655	1,180,452	1,244,520	5%	6%	4%
Loan Quality (%)	3Q 2012	4Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y	YTD
90+ days past due loan volume	528,157	521,062	550,618	558,464	1%	6%	7%
90+ days past due loans/gross customer loans	16.1%	16.1%	17.6%	17.9%	0.3%	1.8%	1.8%
Total provisions/90+ days past due loans	80.6%	81.9%	80.7%	81.3%	0.7%	0.7%	-0.6%
Market Share (%)	3Q 2012	4Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y	YTD
Loans	19.0%	19.0%	18.6%	18.6%	0.0%	-0.4%	-0.4%
Deposits	22.6%	23.0%	22.9%	22.9%	0.0%	0.3%	-0.1%
Total Assets	26.2%	26.6%	26.7%	26.0%	-0.7%	-0.2%	-0.6%
Indicators (%)	3Q 2012	4Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y	YTD
Net loans to (deposits + retail bonds) (FX adjusted)	77%	73%	72%	72%	0%	-5%	-1%
Leverage (Shareholder's Equity/Total Assets)	19.4%	19.2%	19.5%	20.5%	0.9%	1.1%	1.3%
Leverage (Total Assets/Shareholder's Equity)	5,2x	5,2x	5,1x	4,9x			
Capital adequacy ratio (OTP Bank, non-consolidated, HAS)	18.2%	20.4%	22.5%	22.8%	0.3%	4.6%	2.3%
Tier1 ratio (OTP Bank, non-consolidated, HAS)	17.0%	19.3%	21.3%	22.6%	1.3%	5.6%	3.3%

[1] As of 30 September 2013 out of HUF 208 billion exposure to municipalities the exposure to the Hungarian State amounted to HUF 107 billion.

Balance sheet trends

During the third quarter FX-adjusted gross loans of OTP Core decreased by 1% q-o-q (-7% y-o-y) mainly as a result of further contraction in the mortgage portfolio (-2% q-o-q) and shrinking municipal volumes (-8% q-o-q) influenced by the seasonality of the tax collection of local governments. The 27% y-o-y drop in municipality loans was the result of the debt consolidation of Hungarian local governments[6].

It was encouraging, however that the Funding for Growth Programme initiated by the Hungarian National Bank gave boost to corporate loan expansion: both the MSE and medium and large corporate exposure grew by 4% and 3% q-o-q, respectively, at OTP Core.

By end-September OTP Group, as the biggest underwriter in the first phase of the Programme, managed to enter into loan contracts with principal value of HUF 91 billion. Out of HUF 91 billion HUF 71 billion was originated under the first pillar, within that new placements represented 62%. By end-September the principal of loans originated under the Programme amounted to HUF 84 billion in the Group's balance sheet. According to the conditions of the Programme, in case of investment loans the final deadline for the disbursement of the full principal is 31 March 2014[7].

As a result, the volume of OTP Bank's loans[8] to Hungarian companies expanded further (+5% y-o-y and q-o-q), while the portfolio of the Hungarian financial institutions excluding OTP dropped by 7% y-o-y and increased by 2% q-o-q. Consequently, the market share of OTP Group in loans to Hungarian companies[9] increased to 11.6% (up by 0.5 ppt q-o-q and 1.4 ppts y-o-y).

The erosion of the mortgage loan book continued. Positive though, that mortgage loan application statistics underpinned a significant increase against the base period in 2012[10] reflecting the positive impact of the new State subsidized housing loans (application in HUF billion, 9M 2012: 57, 9M 2013: 61, +8% y-o-y). In the first nine months of 2013 at OTP, applications for subsidised housing loans in the amount of HUF 17.4 billion represented 41% of total housing loan applications and 29% of total mortgage loan applications. OTP's market share in mortgage loan sales remained outstanding (3Q 2013: 28%, 9M: 30%).

Despite the outstanding market share in new sales (3Q 2013: 52%, 9M: 53%) there was no expansion in the volume of cash loans either. OTP Bank's sales performance remained on the previous year's level (9M 2012 and 9M 2013 both at HUF 36.0 billion), the cash loan portfolio slightly contracted, whereas the total consumer loan book stagnated.

Deposits fell q-o-q: further erosion of retail deposits could not be off-set by the favourable seasonality of municipal deposits. Retail deposits melted down to a great extend due to the lower yield environment and the crowding out effect of appealing investment alternatives (ie. government securities and mutual funds). The seasonality of municipal deposits was reasoned by the strong inflow of local taxes boosting deposits in 1Qs and 3Qs.

The outstanding volume of issued securities (without retail bonds) remained stable q-o-q and advanced by 28% y-o-y. During the last twelve months the total redemption of forint denominated mortgage bonds amounted to HUF 13 billion (basically in 3Q). During the same period the volume of forint senior bonds distributed to local institutional investors increased (3Q 2013 closing volume: HUF 96 billion, +7 billion q-o-q, +22 billion y-o-y). In the last twelve months there was no international bond issuance.

[6] By end-2012 local governments with less than 5 thousands inhabitants repaid their debt to OTP Bank in the total amount of HUF 28.8 billion. Then by end-June 2013 out of the total debt of local governments with more than 5 thousands inhabitants HUF 41.5 billion equivalent was prepaid, while HUF 101.2 billion equivalent was refinanced by a loan originated by OTP Bank for the Government Debt Management Agency. The latter exposure continues to be recognised as a municipal loan in the balance sheet of OTP Bank.

[7] In case of investment loans, at least 30% of the principal had to be originated by 30 September 2013. The remaining part may be disbursed by 31 March 2014 the latest.

[8] The calculation is based on the supervisory balance sheet of the Hungarian Financial Supervisory Authority: estimated FX adjusted change of the portfolio of „Loans to enterprises – Non-financial and other financial enterprises".

[9] Based on the balance sheet data provision to the Hungarian Financial Supervisory Authority (HFSA), calculated from the aggregated financials for the „Loans to non-financial companies, other-financials companies and non-profit organisations supporting households" line of OTP Bank, OTP Mortgage Bank, OTP Building Society and Merkantil Bank.

[10] Without applications for refinancing forint loans under the early repayment programme of FX mortgage loans.

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 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
After tax profit w/o dividends, net cash transfer and banking tax	891	2,243	152%	414	603	851	41%	106%
Corporate income tax	-121	-472	290%	-67	-188	-199	6%	198%
Profit before income tax	1,012	2,715	168%	481	791	1,050	33%	118%
Operating income	994	2,715	173%	463	791	1,050	33%	127%
Total income	2,726	4,136	52%	1,464	1,375	1,539	12%	5%
Net interest income	33	0	-100%	6	0	0	-22%	-100%
Net fee and commission income	2,832	4,054	43%	1,551	1,343	1,520	13%	-2%
Other net non-interest income	-138	82	-159%	-93	33	19	-43%	-120%
Operating expenses	-1,732	-1,421	-18%	-1,001	-584	-489	-16%	-51%
Other provisions	18	0	-100%	18	0	0	0%	-100%
Main components of balance sheet closing balances in HUF mn	2012	9M 2013	YTD	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
Total assets	6,617	8,504	29%	7,572	8,940	8,504	-5%	12%
Total shareholders' equity	5,092	5,034	-1%	4,111	4,636	5,034	9%	22%
Asset under management in HUF bn	2012	9M 2013	YTD	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
Assets under management, total (w/o duplicates)	**1,077**	**1,324**	**23%**	**1,023**	**1,299**	**1,324**	**2%**	**30%**
Retail investment funds (closing, w/o duplicates)	672	943	40%	632	908	943	4%	49%
Volume of managed assets (closing, w/o duplicates)	405	382	-6%	390	392	382	-3%	-2%
Volume of investment funds (with duplicates)	**771**	**1,036**	**34%**	**726**	**1,003**	**1,036**	**3%**	**43%**
money market	388	413	6%	384	413	413	0%	8%
bond	139	289	108%	114	294	289	-2%	155%
mixed	11	15	41%	11	14	15	14%	44%
security	94	88	-6%	89	87	88	2%	-1%
guaranteed	89	111	24%	91	100	111	11%	22%
other	50	119	137%	38	96	119	24%	215%

OTP Fund Management posted an almost three times higher, HUF 2.2 billion after tax profit over the comparable period a year earlier, excluding the special banking tax on financial institutions. The y-o-y improvement of operating income was driven by favourable net fee dynamics (+43%) in line with the expanding volume of assets under management. Operating expenses, excluding one-off items, remained unchanged compared to the base period.

The y-o-y rise in operating expenses is largely the result of the following one-off items: the Hungarian Financial Supervisory Authority ('HFSA') reviewed the practice of 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 considered as undue expenses to OTP Private Pension Fund, that increased cost base in 3Q 2012. Furthermore, in April 2013 HUF 125 million was refund to OTP Voluntary Pension Fund according to the resolution of HFSA again.

The series of rate cuts started in August 2012 made investment fund volumes soaring since people channel their savings from deposits into investment funds, boosting the improving profitability of the fund management sector. Accordingly, assets under management in Hungarian investment funds expanded substantially, by almost 30% ytd. Within that bond funds attracted most of the fresh money and their favourable market performance also delivered further asset growth.

The volume of investment funds managed by OTP Fund Management increased by 23% ytd, nearly four times faster than in the base period. Within that substantial asset growth was observed in case of bond and guaranteed funds (+108% and +24% ytd, respectively). While in case of equity funds, after the decline in the first half of the year, there was stabilization in the third quarter as equity markets performed better.

OTP still maintains its leading position in the rapidly expanding Hungarian investment fund market.

The other two consolidated fund management companies within the Group (in Ukraine and Romania) posted a total profit of HUF 85 million for the first nine months in 2013.

MERKANTIL GROUP (HUNGARY)

Performance of Merkantil Bank and Car:

Main components of P&L account in HUF mn	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
After tax profit w/o dividends, net cash transfers and one-offs	1,475	1,398	-5%	28	163	547	237%	
Income tax	23	19	-18%	-63	-62	-69	11%	9%
Profit before income tax	1,452	1,379	-5%	91	225	616	174%	575%
Operating profit	6,449	4,809	-25%	2,045	1,019	1,903	87%	-7%
Total income	10,982	9,354	-15%	3,477	2,584	3,376	31%	-3%
Net interest income	11,601	10,908	-6%	3,716	3,543	3,695	4%	-1%
Net fees and commissions	-2,258	-2,168	-4%	-786	-701	-713	2%	-9%
Other net non-interest income	1,640	614	-63%	547	-258	394	-253%	-28%
Operating expenses	-4,533	-4,545	0%	-1,432	-1,565	-1,474	-6%	3%
Total risk costs	-4,997	-3,430	-31%	-1,954	-794	-1,287	62%	-34%
Provision for possible loan losses	-4,876	-3,894	-20%	-1,920	-1,351	-1,249	-8%	-35%
Other provision	-121	465	-483%	-34	557	-37	-107%	9%
Main components of balance sheet closing balances in HUF mn	**2012**	**9M 2013**	**YTD**	**3Q 2012**	**2Q 2013**	**3Q 2013**	**Q-o-Q**	**Y-o-Y**
Total assets	242,982	289,799	19%	248,402	267,330	289,799	8%	17%
Gross customer loans	267,744	262,601	-2%	270,547	245,284	262,601	7%	-3%
Gross customer loans (FX-adjusted)	269,939	262,601	-3%	277,535	248,229	262,601	6%	-5%
Retail loans	4,043	5,624	39%	3,665	4,891	5,624	15%	53%
Corporate loans	39,968	62,259	56%	37,351	45,519	62,259	37%	67%
Car financing loans	225,928	194,719	-14%	236,520	197,819	194,719	-2%	-18%
Allowances for possible loan losses	-47,891	-33,804	-29%	-50,229	-32,871	-33,804	3%	-33%
Allowances for possible loan losses (FX-adjusted)	-47,985	-33,804	-30%	-50,526	-33,018	-33,804	2%	-33%
Deposits from customers	4,276	6,059	42%	4,098	5,108	6,059	19%	48%
Deposits from customers (FX-adjusted)	4,276	6,058	42%	4,097	5,108	6,058	19%	48%
Retail deposits	1,321	2,460	86%	1,438	2,183	2,460	13%	71%
Corporate deposits	2,955	3,598	22%	2,659	2,925	3,598	23%	35%
Liabilities to credit institutions	172,987	217,190	26%	173,495	194,995	217,190	11%	25%
Total shareholders' equity	26,293	26,993	3%	26,369	26,446	26,993	2%	2%
Loan Quality	**9M 2012**	**9M 2013**	**Y-o-Y**	**3Q 2012**	**2Q 2013**	**3Q 2013**	**Q-o-Q**	**Y-o-Y**
90+ days past due loan volume (in HUF million)	54,509	36,434	-33.2%	54,509	35,685	36,434	2.1%	-33.2%
90+ days past due loans/gross customer loans (%)	20.1%	13.9%	-6.3%	20.1%	14.5%	13.9%	-0.7%	-6.3%
Cost of risk/average gross loans (%)	2.26%	1.96%	-0.30%	2.75%	2.16%	1.95%	-0.20%	-0.80%
Cost of risk/average gross loans (FX-adjusted) (%)	2.27%	1.96%	-0.32%	2.70%	2.16%	1.94%	-0.22%	-0.76%
Total provisions/90+ days past due loans (%)	92.1%	92.8%	0.6%	92.1%	92.1%	92.8%	0.7%	0.6%
Performance Indicators (%)	**9M 2012**	**9M 2013**	**Y-o-Y**	**3Q 2012**	**2Q 2013**	**3Q 2013**	**Q-o-Q**	**Y-o-Y**
ROA	0.8%	0.7%	-0.1%	0.0%	0.3%	0.8%	0.5%	0.7%
ROE	7.6%	7.0%	-0.6%	0.4%	2.5%	8.1%	5.7%	7.7%
Net interest margin	5.97%	5.47%	-0.49%	5.90%	5.57%	5.26%	-0.30%	-0.64%
Cost/income ratio	41.3%	48.6%	7.3%	41.2%	60.6%	43.6%	-16.9%	2.5%

- ***In the first nine months Merkantil Bank and Car realized an aggregated after tax profit of HUF 1.4 billion***
- ***In the third quarter loan quality developments were favourable with further declining problem loan ratio and climbing coverage***
- ***New car financing loan origination kept on growing, while the q-o-q expansion of corporate loans was attributable to the Funding for Growth Program***

Merkantil Bank and Car's aggregated 9M 2013 after tax result totalled to HUF 1.4 billion (excluding special tax on financial institutions), 5% lower than a year ago.

The 25% decline in 9M operating result was driven by declining total income, as operating expenses remained flat on yearly basis.

Between January-September 2013 net interest income dropped by 6%. The net interest margin continued eroding: in the first nine months it came down by 61 bps to 5.36%, in the third quarter by 41 bps to 5.16% respectively.

The yearly setback of other revenues in 9M 2013 can be mainly explained by the sale of receivables 100% covered by provisions in the second quarter. The write-off of those receivables was booked on other revenues line, while the provision release affected other provisions.

In contrast to the tendency seen in previous quarters, in the third quarter the volume of loans with more than 90 days of delay increased only marginally. The ratio of DPD90+ loans fell by 0.7 ppt to 13.9% q-o-q. Thus, contrary to large-scale sale or write-down of problem loans in previous quarters, in the third quarter a negligible amount of those loans was sold or written down. The improvement of the DPD90+ ratio is reasoned by the quarterly expansion of gross loans. The provision coverage ratio went up to 92.8% (+0.7 ppt q-o-q).

The FX-adjusted car financing loan book continued eroding: it contracted by 18% y-o-y and 2% q-o-q. The relatively fast pace of the yearly decline is explained by the sale of non-performing loan portfolios altogether in the amount of HUF 22 billion in the last 12 months. In 9M 2013 new car financing loan disbursements kept on growing (+20% y-o-y). The 37% growth of corporate loan volumes in 3Q was fuelled by new loan sales related to the Funding for Growth Scheme.

IFRS REPORTS OF THE MAIN SUBSIDIARIES

In the following parts of the Interim Management Report the after tax profit of the subsidiaries are presented without any received dividends and net cash transfers. The structural adjustments on the lines of subsidiaries' Statements of recognised 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 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
After tax profit w/o dividends, net cash transfers and one-offs	32,996	11,262	-66%	10,621	2,625	907	-65%	-91%
Income tax	-9,579	-3,269	-66%	-3,083	-762	-263	-65%	-91%
Profit before income tax	42,575	14,532	-66%	13,705	3,387	1,170	-65%	-91%
Operating profit	88,376	98,383	11%	29,603	32,022	30,240	-6%	2%
Total income	140,491	161,103	15%	46,777	53,271	51,379	-4%	10%
Net interest income	124,165	142,693	15%	41,461	47,006	45,702	-3%	10%
Net fees and commissions	14,854	17,392	17%	5,595	5,898	5,773	-2%	3%
Other net non-interest income	1,472	1,019	-31%	-279	368	-96	-126%	-66%
Operating expenses	-52,115	-62,720	20%	-17,174	-21,250	-21,139	-1%	23%
Total risk costs	-45,800	-83,851	83%	-15,898	-28,635	-29,070	2%	83%
Provision for possible loan losses	-45,289	-84,489	87%	-15,919	-28,973	-29,257	1%	84%
Other provision	-511	637	-225%	21	338	187	-45%	771%
Main components of balance sheet closing balances in HUF mn	**2012**	**9M 2013**	**YTD**	**3Q 2012**	**2Q 2013**	**3Q 2013**	**Q-o-Q**	**Y-o-Y**
Total assets	1,027,763	1,003,692	-2%	962,833	1,074,034	1,003,692	-7%	4%
Gross customer loans	843,424	873,722	4%	731,563	845,873	873,722	3%	19%
Gross customer loans (FX-adjusted)	793,637	873,722	10%	705,064	832,927	873,722	5%	24%
Retail and SME loans	757,812	842,846	11%	666,848	802,056	842,846	5%	26%
Corporate loans	29,503	26,888	-9%	30,732	26,252	26,888	2%	-13%
Car financing loans	6,322	3,988	-37%	7,484	4,619	3,988	-14%	-47%
Allowances for possible loan losses	-129,491	-192,655	49%	-112,051	-167,560	-192,655	15%	72%
Allowances for possible loan losses (FX-adjusted)	-121,550	-192,655	58%	-107,690	-164,923	-192,655	17%	79%
Deposits from customers	590,958	579,324	-2%	513,049	581,032	579,324	0%	13%
Deposits from customer (FX-adjusted)	561,454	579,324	3%	498,139	572,125	579,324	1%	16%
Retail and SME deposits	447,126	437,600	-2%	395,751	438,827	437,600	0%	11%
Corporate deposits	114,327	141,724	24%	102,388	133,298	141,724	6%	38%
Liabilities to credit institutions	75,112	74,312	-1%	95,895	130,476	74,312	-43%	-23%
Issued securities	118,063	104,900	-11%	135,013	112,053	104,900	-6%	-22%
Subordinated debt	16,399	16,112	-2%	16,124	16,346	16,112	-1%	0%
Total shareholders' equity	191,883	191,065	0%	172,237	192,037	191,065	-1%	11%
Loan Quality	**9M 2012**	**9M 2013**	**Y-o-Y**	**3Q 2012**	**2Q 2013**	**3Q 2013**	**Q-o-Q**	**Y-o-Y**
90+ days past due loan volume (in HUF million)	120,168	195,226	62.5%	120,168	174,631	195,226	11.8%	62.5%
90+ days past due loans/gross customer loans (%)	16.4%	22.3%	5.9%	16.4%	20.6%	22.3%	1.7%	5.9%
Cost of risk/average gross loans (%)	8.28%	13.16%	4.88%	9.03%	13.23%	13.50%	0.27%	4.47%
Total provisions/90+ days past due loans (%)	93.2%	98.7%	5.4%	93.2%	96.0%	98.7%	2.7%	5.4%
Performance Indicators (%)	**9M 2012**	**9M 2013**	**Y-o-Y**	**3Q 2012**	**2Q 2013**	**3Q 2013**	**Q-o-Q**	**Y-o-Y**
ROA	4.8%	1.5%	-3.3%	4.5%	1.0%	0.3%	-0.6%	-4.2%
ROE	27.8%	7.9%	-19.9%	25.7%	5.3%	1.9%	-3.4%	-23.8%
Total income margin	20.50%	21.21%	0.71%	20.01%	19.57%	19.62%	0.05%	-0.39%
Net interest margin	18.12%	18.78%	0.67%	17.74%	17.27%	17.45%	0.19%	-0.29%
Cost/income ratio	37.1%	38.9%	1.8%	36.7%	39.9%	41.1%	1.3%	4.4%
Net loans to deposits (FX-adjusted)	120%	118%	-2%	120%	117%	118%	1%	-2%
FX rates (in HUF)	**9M 2012**	**9M 2013**	**Y-o-Y**	**3Q 2012**	**2Q 2013**	**3Q 2013**	**Q-o-Q**	**Y-o-Y**
HUF/RUB (closing)	7.09	6.80	-4%	7.09	6.91	6.80	-2%	-4%
HUF/RUB (average)	7.32	7.13	-3%	7.08	7.15	6.86	-4%	-3%

- ***HUF 11.3 billion profit for 9M 2013 is about one-third of the 9M 2012 results, the 3Q profit is also down by 65% q-o-q***
- ***Operating profit increased by 15% y-o-y, with slightly improving margins***
- ***Further portfolio deterioration, risk cost surged by 83% y-o-y, while provision coverage grew (98.7%, +5.4 ppts y-o-y)***
- ***Increasing credit card and cash loan portfolios q-o-q (+10% and 5%, respectively)***
- ***Growing branch network and higher cost/income ratio, 9M 2013: 38.9%, +1.8 ppts y-o-y***

After tax profit of **OTP Bank Russia** for the first nine months of 2013 amounted to HUF 11.3 billion which is one-third of the profit a year ago. The HUF 907 million result for the third quarter is the lowest quarterly reading since 2Q 2009, mainly because of higher risk cost on the still deteriorating consumer loan book. Despite nine months' operating profit grew by 11% y-o-y, profit before tax dropped by 66% as risk cost surged by 83%.

Total income in the first nine months of 2013 increased by 15%, net interest income and net fees were up by 15% and 17%, respectively. The increase in total income was fuelled by the growth of the loan portfolio, while net interest margin improved (9M 2013: 18.8%, +0.7 ppt y-o-y) and net fee margin got also higher (2.29%, +0.1 ppt y-o-y). Net interest income could improve in 9M despite the fact that non-accrued interest of non-performing loans more than doubled (+120% y-o-y). Net fee income increase was driven by the still outstandingly strong dynamics of the credit card business.

3Q 2013 profit after tax dropped significantly both on quarterly and yearly basis (-65% and -91%, respectively). Notwithstanding the FX-adjusted growth of the loan book, which was 5% q-o-q (however, slower than a year ago), total income was stable in rouble terms. This was the combined effect of the 1.5% growth of net interest income, the 2.2% increase of net fees and the RUB 65 million drop of other net non-interest income. The latter is mainly reasoned by lower result on FX transactions and lower FX swap result partly because of the repayment of the intra-group funding. In 3Q interest rates on POS loans and cash loans increased fuelling net interest income.

The main focus in case of consumer loans was higher profitability and more efficient utilisation of the sales channels. As a result, in 3Q net interest margin improved by 19 bps to 17.45%, despite the fact that provisions on interest income due to the deteriorating portfolio lessened the margins by 89 bps q-o-q. The 3Q improvement of net fees (+2% q-o-q and +6% y-o-y in rouble terms) was mainly driven by the outstandingly strong credit card sales, but also commissions paid to agents decreased a bit on the quarterly basis.

Operating expenses increased in the first nine months of 2013 (+20% y-o-y), which is reasoned by the stronger business activity and advisory expenses related to the transformation project in 2Q and 3Q 2013. Quarterly operating expenses were also higher because of the newly opened 24 branches, which resulted in higher rental fees and elevated personnel expenses. Accordingly, cost/income ratio of the bank slightly worsened.

Despite portfolio deterioration slowed down slightly in 3Q (2Q: +26 billion, 3Q +23 billion new DPD90+ formation, adjusted by loan sale and write-offs), risk cost still grew by 2% q-o-q. Risk cost grew substantially on the yearly basis (+83%), both in 3Q and in 9M. The portfolio quality deterioration is the reason behind the higher risk cost and also the improvement of provision coverage of non-performing loans. The DPD90+ ratio grew to 22.3% by end-September from the 20.6% in June. The worsening of the ratio was observed in all major product segments but the corporate loans, where due to the RUB 190 million sold and written-off loans the ratio improved. Due to the intensive provisioning, the coverage of DPD90+ loans significantly improved (3Q 2013: 98.7%, +2.7 ppts q-o-q, +5.4 ppts y-o-y). As a result of the portfolio deterioration lending conditions have become more stringent, and the management took measures in order to enhance the efficiency of collection activities.

Consumer loans are still the main products of the Bank, the book grew by 30% and 6% y-o-y and q-o-q, respectively (FX-adjusted). In 3Q the Bank's main target was the improvement of the profitability of consumer loan products, so in case of POS loans the 3Q volume growth was behind the market average. The total POS portfolio slightly decreased in 3Q, but grew 18% on the yearly basis. Owing to the slower dynamics compared to the market, the market share dropped below 20%, but the bank maintained its second position in the segment. With regards to the credit card business, the bank showed robust growth in 3Q 2013 (+42% y-o-y, +10% q-o-q), so the credit card loan portfolio reached 90% of the size of the POS book. The bank gained one position in 3Q, currently being the sixth largest player in this segment. Since 2H 2012 cash loan disbursements have started picking up again and continued in 3Q 2013 as well; the portfolio grew by 5% q-o-q (+23% y-o-y).

Other retail and corporate lending products are on a downward trend, nevertheless after the growth of the large corporate segment in 2Q, it increased again in 3Q (2Q: +3%, 3Q +2% q-o-q). Among the corporate banking products the Russian bank rather focuses on trade finance, bank guarantee, treasury products and documentary businesses.

In 3Q 2013 FX-adjusted total deposits grew by 16% on the yearly basis, while the quarterly growth was 1%. Due to the slightly higher offered interest rates retail and SME deposits grew compared to 3Q 2012 (+11%), but were stable compared to 2Q 2013. In case of corporate deposits, the offered rates increased somewhat, especially for term deposits, so the volumes grew both on quarterly and yearly basis. As a result of the increasing deposit base and moderated loan growth, FX-adjusted net loan-to-deposit ratio decreased by 2 ppts to 118% y-o-y. The quarterly change was +1 ppt. The Russian bank made no bond issuance in the last 12 months, the loan book expansion was financed by deposits. In the course of 3Q the loans from credit institutions dropped by 43% q-o-q as significant portion of the mother bank financing was repaid.

Since the beginning of 2013, the Russian Central Bank (CBR) took several measures in order to cool down the overheated consumer loans market. As from 1st March provisioning rates under local accounting standards were hiked in some delinquency buckets for consumer loans originated after 1st January 2013. From 1st July, the risk weights used for calculation of risk weighted assets increased for unsecured rouble and FX consumer loans, especially for those with higher annual percentage rates. From October 2013 CBR is entitled to set minimum and maximum deposit rates for financially unstable financial institutions, thus limiting their risky pace of growth. In the future further regulation may come: additional increase to the above mentioned provisioning rates and risk weights, introduction of interest rate caps on consumer loan products, broadening of the scope of the deposit insurance framework and introduction of differentiated rates of deposit insurance, based on the financial strength of the individual bank. The measures already being implemented are negative for the banks' capital adequacy, thus limiting their excessive growth. The capital adequacy ratio of the Russian subsidiary was 13.2% (-350 bps y-o-y), but it exceeds the regulatory minimum of 10%.

The number of branches increased by 24 q-o-q to 169 by the end of 3Q 2013, at the same time the number of employees increased by 6% q-o-q to 5,876 people. The number of active points of sales decreased by 2.6% q-o-q and reached almost 32 thousand by the end of 3Q.

DSK GROUP (BULGARIA)

Performance of DSK Group:

Main components of P&L account in HUF mn	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
After tax profit w/o dividends, net cash transfers and one-offs	23,626	25,661	9%	8,019	10,898	5,730	-47%	-29%
Income tax	-3,060	-2,984	-2%	-1,175	-1,165	-714	-39%	-39%
Profit before income tax	26,686	28,645	7%	9,195	12,063	6,444	-47%	-30%
Operating profit	47,148	42,086	-11%	16,030	13,929	13,744	-1%	-14%
Total income	73,212	69,445	-5%	24,697	23,035	23,081	0%	-7%
Net interest income	57,177	54,426	-5%	18,606	18,004	18,050	0%	-3%
Net fees and commissions	12,533	13,553	8%	4,254	4,754	4,656	-2%	9%
Other net non-interest income	3,501	1,466	-58%	1,838	277	376	36%	-80%
Operating expenses	-26,064	-27,359	5%	-8,668	-9,106	-9,337	3%	8%
Total provisions	-20,462	-13,441	-34%	-6,835	-1,866	-7,300	291%	7%
Provision for possible loan losses	-20,436	-13,446	-34%	-6,807	-1,866	-7,305	291%	7%
Other provision	-26	5	-118%	-28	0	5		-117%
Main components of balance sheet closing balances in HUF mn	**2012**	**9M 2013**	**YTD**	**3Q 2012**	**2Q 2013**	**3Q 2013**	**Q-o-Q**	**Y-o-Y**
Total assets	1,292,031	1,348,315	4%	1,309,487	1,334,178	1,348,315	1%	3%
Gross customer loans	1,143,861	1,145,709	0%	1,115,791	1,134,817	1,145,709	1%	3%
Gross customer loans (FX-adjusted)	1,172,073	1,145,709	-2%	1,173,809	1,147,497	1,145,709	0%	-2%
Retail loans	913,344	909,791	0%	922,448	909,774	909,791	0%	-1%
Corporate loans	258,730	235,917	-9%	251,361	237,723	235,917	-1%	-6%
Allowances for possible loan losses	-178,538	-196,101	10%	-163,205	-186,757	-196,101	5%	20%
Allowances for possible loan losses (FX-adjusted)	-182,918	-196,101	7%	-171,692	-188,809	-196,101	4%	14%
Deposits from customers	979,054	1,034,631	6%	956,677	1,008,416	1,034,631	3%	8%
Deposits from customer (FX-adjusted)	1,002,607	1,034,631	3%	1,004,589	1,018,797	1,034,631	2%	3%
Retail deposits	882,424	903,028	2%	870,264	891,760	903,028	1%	4%
Corporate deposits	120,184	131,603	10%	134,324	127,036	131,603	4%	-2%
Liabilities to credit institutions	36,356	28,094	-23%	30,005	43,895	28,094	-36%	-6%
Subordinated debt	43,901	44,978	2%	99,825	44,475	44,978	1%	-55%
Total shareholders' equity	209,187	216,780	4%	203,223	217,634	216,780	0%	7%

Loan Quality	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
90+ days past due loan volume (in HUF million)	202,729	231,417	14.2%	202,729	225,804	231,417	2.5%	14.2%
90+ days past due loans/gross customer loans (%)	18.2%	20.2%	2.03%	18.2%	19.9%	20.2%	0.30%	2.03%
Cost of risk/average gross loans (%)	2.34%	1.57%	-0.77%	2.41%	0.65%	2.54%	1.89%	0.13%
Cost of risk/average (FX-adjusted) gross loans	2.33%	1.55%	-0.78%	2.31%	0.65%	2.53%	1.88%	0.22%
Total provisions/90+ days past due loans (%)	80.5%	84.7%	4.2%	80.5%	82.7%	84.7%	2.0%	4.2%
Performance Indicators (%)	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
ROA	2.4%	2.6%	0.2%	2.4%	3.2%	1.7%	-1.5%	-0.7%
ROE	15.3%	16.1%	0.8%	15.5%	19.6%	10.5%	-9.2%	-5.0%
Total income margin	7.33%	7.03%	-0.29%	7.47%	6.83%	6.83%	0.00%	-0.64%
Net interest margin	5.72%	5.51%	-0.21%	5.63%	5.34%	5.34%	0.00%	-0.29%
Cost/income ratio	35.6%	39.4%	3.8%	35.1%	39.5%	40.5%	0.9%	5.4%
Net loan to deposit ratio (FX-adjusted)	100%	92%	-8%	100%	94%	92%	-2%	-8%
FX rates (in HUF)	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
HUF/BGN (closing)	145.1	152.6	5%	145.1	150.9	152.6	1%	5%
HUF/BGN (average)	149.0	151.7	2%	144.7	151.2	152.3	1%	5%

- ***The after tax profit in the first nine months of 2013 grew by 9% driven by lower risk costs, whereas operating result declined***
- ***Profit halved in the third quarter amid stable margins and leaping risk cost resulting higher coverage level***
- ***Strong new consumer loan disbursement in 3Q contributed to expanding volumes. Total gross loans stagnated over the third quarter; deposits saw further increasing volumes***

DSK Group reached HUF 25.7 billion after tax profit in the period between January-September 2013 underpinning a 9% increase over the base period. After the record profit posted in 2Q, the 3Q net earnings dropped by 47% to HUF 5.7 billion.

The first nine months 2013 operating result melted down by 11% y-o-y. The erosion in total revenues was stemming mainly from the 5% reduction of net interest income. The change in interest accrual methodology starting from last October (the Bank does not accrue interest on DPD180+ loans and also terminated the related provisioning) played a key role in the setback of net interest revenues. The 3Q net interest margin remained stable (narrowed slightly in local currency terms). In 3Q the Bank hiked interest rate of newly originated consumer loans, but rates remained below the level prevailing before 2Q. Furthermore, in 3Q the Bank earned lower interest revenues on increasing liquid assets. At the same time, lower interest expenses on deposits had a favourable impact.

Net fees and commissions grew across the board (+8% in 9M y-o-y). Other revenues fell by 58%, driven partly by the non-realized loss on government securities.

Operating expenses grew by 5%, owing mainly to personnel expenses. The development of other costs was determined mainly by higher deductible taxes, supervisory fees and telecommunication expenses.

As for the FX-adjusted change in DPD90+ loan volumes, after the spike experienced in the second quarter relating mainly to corporate loans, in the third quarter it returned to more normal levels observed from the second half of last year. The ratio of loans with more than 90 days of arrears stood at 20.2% (+0.3 ppt q-o-q). The moderate pace of loan quality deterioration in 3Q was owing to corporate exposures. Compared to the record low risk cost created in 2Q, the cost of risk jumped to almost 4-fold in 3Q, explained by significant provisioning set aside in relation to corporate exposures.

The provision coverage ratio improved by 2.0 ppts during the third quarter, getting close to the end-2012 level. In 9M 2013 risk cost fall back by one-third, implying a risk cost rate at 1.6%.

The loan book contracted by 2% y-o-y (adjusted for the FX-effect), but remained unchanged q-o-q as a result of strong consumer loan disbursement. A successful consumer lending campaign supported by promotional interest rates was in place from April to June. Beside slightly increasing lending rates, new origination volumes in 3Q fell short of that in the previous quarter, but remained reasonably strong. The mortgage loan portfolio kept slowly eroding.

The FX-adjusted deposits expanded by 2% q-o-q and 3% y-o-y, even with offered deposit rates kept permanently below the market average. Household deposits that make up the majority of total volumes stagnated q-o-q, coupled with a slight decrease of market share. The quarterly growth of total deposit volumes was attributable to the micro- and small and large corporate segments.

The capital position of DSK Bank remained strong: by the end of September the capital adequacy ratio stood at 18.9%. The BGN 60 million dividend paid by DSK Bank to the mother company in the third quarter had neutral impact on the capital adequacy ratio.

OTP BANK UKRAINE

Performance of OTP Bank Ukraine:

Main components of P&L Account in HUF mn	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
After tax profit w/o dividends and net cash transfer	-2,168	4,924	-327%	1,906	235	3,076		61%
Corporate income tax	-1,027	-2,983	190%	607	-308	-1,133	267%	-287%
Profit before income tax	-1,141	7,907	-793%	1,299	543	4,209	674%	224%
Operating profit	22,450	28,450	27%	9,293	8,717	10,419	20%	12%
Total income	45,195	52,283	16%	17,056	17,107	18,599	9%	9%
Net interest income	35,045	39,208	12%	13,326	12,727	13,465	6%	1%
Net fees and commissions	8,949	11,853	32%	3,654	4,313	4,887	13%	34%
Other net non-interest income	1,201	1,222	2%	77	67	248	270%	223%
Operating expenses	-22,744	-23,833	5%	-7,763	-8,391	-8,180	-3%	5%
Total risk costs	-23,591	-20,543	-13%	-7,994	-8,173	-6,211	-24%	-22%
Provision for possible loan losses	-23,844	-19,885	-17%	-8,008	-8,075	-6,235	-23%	-22%
Other provision	253	-659	-361%	14	-98	24	-125%	75%
Main components of balance sheet closing balances in HUF mn	2012	9M 2013	YTD	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
Total assets	653,603	633,454	-3%	647,700	678,010	633,454	-7%	-2%
Gross customer loans	683,478	660,665	-3%	660,812	687,058	660,665	-4%	0%
Gross customer loans (FX-adjusted)	681,962	660,665	-3%	667,188	672,163	660,665	-2%	-1%
Retail loans	308,817	317,805	3%	308,210	302,780	317,805	5%	3%
Corporate loans	336,750	305,189	-9%	324,048	329,465	305,189	-7%	-6%
Car financing loans	36,395	37,671	4%	34,930	39,918	37,671	-6%	8%
Allowances for possible loan losses	-196,132	-184,455	-6%	-183,852	-199,077	-184,455	-7%	0%
Allowances for possible loan losses (FX-adjusted)	-195,981	-184,455	-6%	-185,761	-194,966	-184,455	-5%	-1%
Deposits from customers	243,132	242,935	0%	241,872	249,154	242,935	-2%	0%
Deposits from customer (FX-adjusted)	242,843	242,935	0%	245,233	244,428	242,935	-1%	-1%
Retail and SME deposits	167,549	160,743	-4%	162,075	169,405	160,743	-5%	-1%
Corporate deposits	75,295	82,192	9%	83,158	75,023	82,192	10%	-1%
Liabilities to credit institutions	242,571	200,930	-17%	234,751	239,397	200,930	-16%	-14%
Subordinated debt	42,925	42,215	-2%	42,109	43,840	42,215	-4%	0%
Total shareholders' equity	112,464	115,881	3%	108,772	114,914	115,881	1%	7%
Loan Quality	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
90+ days past due loan volume (in HUF million)	234,138	237,254	1%	234,138	267,063	237,254	-11%	1%
90+ days past due loans/gross customer loans (%)	35.4%	35.9%	0.5%	35.4%	38.9%	35.9%	-3.0%	0.5%
Cost of risk/average gross loans (%)	4.36%	3.96%	-0.41%	4.59%	4.61%	3.67%	-0.94%	-0.92%
Cost of risk/average (FX-adjusted) gross loans (%)	4.55%	3.96%	-0.59%	4.58%	4.83%	3.71%	-1.12%	-0.87%
Total provisions/90+ days past due loans (%)	78.5%	77.7%	-0.8%	78.5%	74.5%	77.7%	3.2%	-0.8%
Performance Indicators (%)	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
ROA	-0.4%	1.0%	1.4%	1.1%	0.1%	1.9%	1.7%	0.8%
ROE	-2.5%	5.8%	8.3%	6.9%	0.8%	10.6%	9.8%	3.7%
Total income margin	8.47%	10.86%	2.39%	9.92%	9.97%	11.25%	1.28%	1.33%
Net interest margin	6.57%	8.15%	1.58%	7.75%	7.42%	8.15%	0.73%	0.40%
Cost/income ratio	50.3%	45.6%	-4.7%	45.5%	49.0%	44.0%	-5.1%	-1.5%
Net loans to deposits (FX-adjusted)	196%	196%	0%	196%	195%	196%	1%	0%
FX rates (in HUF)	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
HUF/UAH (closing)	26.90	26.99	0%	26.90	27.73	26.99	-3%	0%
HUF/UAH (average)	28.20	27.70	-2%	27.92	27.83	27.61	-1%	-1%

- ***As a result of outstanding 3Q earnings the 9M profit reached HUF 4.9 billion, driven by improving operating income (+27% y-o-y) and shrinking risk cost (-13%)***
- ***Further strengthening consumer lending focus; in 3Q dynamic growth in cash loans (+105% q-o-q) and credit card loans (+27% q-o-q) due to outstanding sales performance and successful cross-sale activity***
- ***FX-adjusted gross loans declined further (-2% q-o-q, -1% y-o-y); in 3Q sale of non-performing corporate volumes also contributed to shrinking volumes***
- ***The DPD90+ ratio decreased to 35.9% (-3.0 ppts q-o-q), its coverage improved to 77.7% (+3.2 ppts q-o-q)***

OTP Bank Ukraine posted HUF 4.9 billion after tax profit in 9M 2013, comparing favourably to the loss of HUF 2.2 billion realized a year ago. The 3Q net profit was at HUF 3.1 billion, so the Bank was profit making in the fifth consecutive quarter and its contribution to consolidated adjusted profits improved to 7%.

As for the main components of 9M net earnings: in line with soaring disbursements of high-margin consumer loans – especially POS and cash loans – and parallel with the decline in interest expense attributable to lower interest rates on deposits, net interest income grew.

The remarkable y-o-y increase (32%) of net fees and commission related to the insurance fees on consumer loans sold with payment protection policies. In 3Q the take-up rate of such insurance policies was exceptionally high and there was a pick-up in fees related to the FX transactions of corporate clients.

The 7% y-o-y decrease of (FX-adjusted) operating expenses was counterbalanced by the strong income generation, thus the 9M cost-income ratio diminished by 4.7 ppts to 45.6%. The improvement was also supported by savings on the operating expenses in 3Q (ie. costs were down by 2 ppts, cost-income ratio fell to 44%). Other expenses showed a y-o-y 20% increase, mainly due to higher collection-related legal advisory fees and supervisory fees related to deposit insurance. With a focus on enhancing consumer lending the agent-based distribution is gaining ground against the traditional branch-based operation and the rationalization of sales network is still in progress. Accordingly, 9 branches were closed over the last nine months, while the number of selling agents (own and contracted) increased further and reached almost 3.300 people.

The risk costs for 9M 2013 moderated by 13% y-o-y. The portfolio deterioration in 3Q was much slower than in the first two quarters, as a result the year-to-date deterioration resembled the level of last year. (FX adjusted DPD90+ loan formation in HUF billion: 9M 2012: 23, 1Q 2013: 4, 2Q: 18, 3Q: 0). At the same time the coverage ratio of DPD90+ loans remained high at 77.7%.

The FX-adjusted loan portfolio stagnated on a yearly and quarterly basis as well (-1% y-o-y, -2% q-o-q). As a result of promotion campaigns and the development of the agent network the consumer portfolio showed a dynamic growth (+126% y-o-y, +41% q-o-q), the share of consumer loans within retail loans reached 24% (3Q 2012: 11%). Since the focus of distribution shifted more towards consumer lending this could offset the further decline of both mortgages (-13% y-o-y, -3% q-o-q) and corporate loans (-6% y-o-y, -7% q-o-q).

The share of loans with more than 90 days delinquency decreased year-to-date (DPD90+ ratio: 3Q 2013: 35.9% vs. 4Q 2012: 36.4%). The quality of consumer loans showed significant improvement (DPD90+ ratio 3Q 2013: 8.9% vs. 4Q 2012: 11.0%) on the back of strong lending dynamics and falling default rates of new disbursements.

The FX-adjusted deposit base – being the key source of the hryvnia liquidity for the growing need of consumer lending – stagnated on a yearly and quarterly basis, too. The volume of retail deposits, representing the bulk of total deposit book, diminished further (-1% y-o-y, -5% q-o-q) coupled with a slight decrease in the bank's market share. In 3Q a significant portion (UAH 1.1 billion) of the mother bank financing was repaid, thus loans from credit institutions dropped by 16% q-o-q. As a result, the net loan-to-deposit ratio stood at 196% by end-September.

The capital adequacy of the bank reached 19.5% (-1.2 ppts q-o-q) that is roughly twice as high as the regulatory minimum requirement.

OTP BANK ROMANIA

Performance of OTP Bank Romania:

Main components of P&L account in HUF mn	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
After tax profit w/o dividends, net cash transfers and one-offs	-1,966	-1,689	-14%	-1,724	-1,536	577	-138%	-133%
Income tax	0	0		0	0	0	-100%	
Profit before income tax	-1,966	-1,689	-14%	-1,724	-1,536	577	-138%	-133%
Operating profit	5,034	5,115	2%	1,363	1,840	2,071	13%	52%
Total income	15,024	14,887	-1%	4,522	5,164	5,220	1%	15%
Net interest income	11,813	10,915	-8%	3,233	3,399	3,171	-7%	-2%
Net fees and commissions	1,170	1,472	26%	324	490	533	9%	64%
Other net non-interest income	2,041	2,500	22%	965	1,275	1,516	19%	57%
Operating expenses	-9,990	-9,772	-2%	-3,159	-3,324	-3,150	-5%	0%
Total risk costs	-7,000	-6,804	-3%	-3,088	-3,376	-1,493	-56%	-52%
Provision for possible loan losses	-6,969	-6,686	-4%	-3,077	-3,272	-1,488	-55%	-52%
Other provision	-31	-119	282%	-11	-103	-5	-95%	-52%
Main components of balance sheet closing balances in HUF mn	**2012**	**9M 2013**	**YTD**	**3Q 2012**	**2Q 2013**	**3Q 2013**	**Q-o-Q**	**Y-o-Y**
Total assets	461,458	453,682	-2%	448,383	477,170	453,682	-5%	1%
Gross customer loans	392,608	402,459	3%	375,171	393,452	402,459	2%	7%
Gross customer loans (FX-adjusted)	399,792	402,459	1%	393,738	399,428	402,459	1%	2%
Retail loans	311,270	314,749	1%	295,558	311,582	314,749	1%	6%
Corporate loans	88,522	87,710	-1%	98,181	87,846	87,710	0%	-11%
Allowances for possible loan losses	-45,583	-52,077	14%	-39,168	-50,637	-52,077	3%	33%
Allowances for possible loan losses (FX-adjusted)	-46,389	-52,077	12%	-41,113	-51,408	-52,077	1%	27%
Deposits from customers	155,348	191,576	23%	143,422	176,681	191,576	8%	34%
Deposits from customers (FX-adjusted)	158,423	191,576	21%	152,256	177,973	191,576	8%	26%
Retail deposits	131,261	142,072	8%	115,723	150,234	142,072	-5%	23%
Corporate deposits	27,162	49,504	82%	36,533	27,739	49,504	78%	36%
Liabilities to credit institutions	239,464	210,821	-12%	237,915	233,405	210,821	-10%	-11%
Total shareholders' equity	32,581	31,826	-2%	31,449	30,953	31,826	3%	1%
Loan Quality	**9M 2012**	**9M 2013**	**Y-o-Y**	**3Q 2012**	**2Q 2013**	**3Q 2013**	**Q-o-Q**	**Y-o-Y**
90+ days past due loan volume (in HUF million)	59,522	73,353	23%	59,522	71,273	73,353	3%	23%
90+ days past due loans/gross customer loans (%)	15.9%	18.2%	2.4%	15.9%	18.1%	18.2%	0.1%	2.4%
Cost of risk/average gross loans (%)	2.42%	2.25%	-0.17%	3.24%	3.27%	1.48%	-1.79%	-1.76%
Cost of risk/average gross loans (FX-adjusted) (%)	2.42%	2.23%	-0.19%	3.13%	3.28%	1.47%	-1.81%	-1.65%
Total provisions/90+ days past due loans (%)	65.8%	71.0%	5.2%	65.8%	71.0%	71.0%	-0.1%	5.2%
Performance Indicators (%)	**9M 2012**	**9M 2013**	**Y-o-Y**	**3Q 2012**	**2Q 2013**	**3Q 2013**	**Q-o-Q**	**Y-o-Y**
ROA	-0.6%	-0.5%	0.1%	-1.5%	-1.3%	0.5%	1.7%	2.0%
ROE	-8.8%	-7.0%	1.8%	-20.9%	-19.0%	7.3%	26.3%	28.2%
Total income margin	4.42%	4.35%	-0.07%	3.99%	4.23%	4.45%	0.22%	0.46%
Net interest margin	3.47%	3.19%	-0.28%	2.85%	2.78%	2.70%	-0.08%	-0.15%
Cost/income ratio	66.5%	65.6%	-0.9%	69.8%	64.4%	60.3%	-4.0%	-9.5%
Net loans to deposits (FX-adjusted)	232%	183%	-49%	232%	196%	183%	-13%	-49%
FX rates (in HUF)	**9M 2012**	**9M 2013**	**Y-o-Y**	**3Q 2012**	**2Q 2013**	**3Q 2013**	**Q-o-Q**	**Y-o-Y**
HUF/RON (closing)	62.6	66.9	7%	62.6	66.3	66.9	1%	7%
HUF/RON (average)	65.7	67.3	2%	62.6	67.3	67.1	0%	7%

- ***The Bank posted a profitable third quarter as risk cost declined parallel with the remarkable slowdown in loan quality deterioration. Thus, loss in the first nine months diminished y-o-y***
- ***Cash loan sales performance strengthened further in 3Q***
- ***Although household deposit volumes contracted slightly in 3Q, a single large corporate deposit sent the net loan to deposit ratio to 183%, its lowest level since 2006***

Methodological note: in 4Q 2012 at OTP Bank Romania large- and medium sized corporate portfolio elements were reclassified into the SME segment – in case of loans and deposits in the amount of HUF 15.5 billion and HUF 12.3 billion, respectively.

OTP Bank Romania realized HUF 1.7 billion loss in 9M 2013, 14% lower than a year ago. The Bank turned profitable in 3Q after making loss in the previous four quarters.

The operating result advanced by 2% y-o-y over the first nine months, reflecting the strict cost control pursued by the Bank to offset the 1% decline in total revenues.

Between January-September the net interest income dwindled by 8%. The loan quality deterioration negatively influenced interest revenues. In the third quarter interest expenses on deposits edged down despite the significant q-o-q expansion of volumes, reflecting the declining interest rate environment and general market trends. In the third quarter net interest income was down by 7% q-o-q, attributable to the swap revaluation result which is recognised on this line. Excluding this, net interest income would have increased by 5% q-o-q. After the gradual and trend-like decline in net interest margin in the last two years, in the third quarter it showed a significant improvement.

The 26% growth of 9M net fee and commission income was partly due to the strengthening business activity and also to the reallocation of certain fee items from net fees into interest income line in the base period. The other net non-interest income grew by 22%. FX result improved further in the third quarter.

As for operating expenses, the Bank posted a saving of 2% in the first nine months, thanks mainly to lower personnel expenses and rental fees. The main reason for the 5% decline of operating costs in 3Q was that costs relating to on-going marketing campaigns will be recognized in the fourth quarter.

All in all, the pace of loan quality deterioration slowed down remarkably during the third quarter: in case of mortgage loans it was similar to the average of the previous quarters, while the corporate loan quality improved significantly. The risk cost emerging in 3Q has been the lowest since 2Q 2012, but its level was enough to keep provision coverage level over the quarter. In yearly comparison the level of coverage showed a remarkable uptick.

The total gross loan volumes expanded by 1% q-o-q and 2% y-o-y adjusted for the FX-effect. In the third quarter the Bank's performance was outstanding in new cash loan disbursement, capturing a growth of 50% compared to the previous quarter, while it grew by 2.5-fold compared to 3Q 2012. Consequently, the volume of consumer loans leaped by a quarter q-o-q and doubled y-o-y on an FX-adjusted basis. Mortgage loan volumes kept on eroding gradually, despite the pick-up in new origination in 3Q, although from a relatively low basis. The aggregated volume of loans to micro- and small companies and corporate clients expanded by 1% y-o-y.

The liability structure continued to tilt to deposits, as the share of interbank exposure declined further. Deposit volumes grew by 8% q-o-q and one-fourth in the last twelve months. After the steady expansion experienced since the beginning of 2011, household deposits contracted by 1% in 3Q. Parallel with general market trends, the Bank lowered household deposit rates in the second and third quarter, too. In addition to this, the Bank put more emphasis on selling alternative forms of retail savings products like investment units. Along with the Bank's improving liquidity position, pricing steps have been made to bring down funding costs even in the corporate segment. Deposits of micro- and small enterprises melted down by 15% in 3Q, but corporate deposits jumped by almost 80% as a result of a single big ticket deposit.

In the third quarter the number of branches declined by 2 units to 87.

OTP BANKA HRVATSKA (CROATIA)

Performance of OTP banka Hrvatska:

Main components of P&L account in HUF mn	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
After tax profit w/o dividends, net cash transfers and one-offs	2,662	2,013	-24%	1,630	927	578	-38%	-65%
Income tax	-673	-555	-17%	-414	-219	-177	-19%	-57%
Profit before income tax	3,335	2,568	-23%	2,043	1,146	756	-34%	-63%
Operating profit	6,364	5,763	-9%	2,297	2,134	2,092	-2%	-9%
Total income	17,218	16,841	-2%	5,861	5,761	5,859	2%	0%
Net interest income	12,364	11,878	-4%	4,078	3,991	3,982	0%	-2%
Net fees and commissions	3,446	3,647	6%	1,212	1,243	1,323	6%	9%
Other net non-interest income	1,407	1,317	-6%	571	528	554	5%	-3%
Operating expenses	-10,854	-11,078	2%	-3,564	-3,628	-3,766	4%	6%
Total risk costs	-3,029	-3,195	5%	-253	-987	-1,337	35%	428%
Provision for possible loan losses	-2,520	-3,039	21%	-157	-1,024	-1,212	18%	671%
Other provision	-509	-156	-69%	-96	37	-124	-436%	30%
Main components of balance sheet closing balances in HUF mn	**2012**	**9M 2013**	**YTD**	**3Q 2012**	**2Q 2013**	**3Q 2013**	**Q-o-Q**	**Y-o-Y**
Total assets	519,570	553,675	7%	517,082	528,905	553,675	5%	7%
Gross customer loans	351,410	377,216	7%	342,790	376,522	377,216	0%	10%
Gross customer loans (FX-adjusted)	358,743	377,216	5%	357,747	378,254	377,216	0%	5%
Retail loans	230,408	232,973	1%	228,105	234,069	232,973	0%	2%
Corporate loans	127,520	143,760	13%	128,703	143,601	143,760	0%	12%
Car financing loans	815	483	-41%	940	584	483	-17%	-49%
Allowances for possible loan losses	-23,740	-27,230	15%	-22,888	-26,159	-27,230	4%	19%
Allowances for possible loan losses (FX-adjusted)	-24,143	-27,230	13%	-23,616	-25,984	-27,230	5%	15%

Main components of balance sheet closing balances in HUF mn	2012	9M 2013	YTD	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
Deposits from customers	407,754	434,248	6%	406,566	406,933	434,248	7%	7%
Deposits from customer (FX-adjusted)	415,756	434,248	4%	423,160	407,613	434,248	7%	3%
Retail deposits	368,583	383,653	4%	369,508	368,349	383,653	4%	4%
Corporate deposits	47,173	50,595	7%	53,652	39,263	50,595	29%	-6%
Liabilities to credit institutions	37,832	41,968	11%	37,728	43,223	41,968	-3%	11%
Subordinated debt	1,489	1,525	2%	1,454	1,510	1,525	1%	5%
Total shareholders' equity	59,813	62,756	5%	58,234	62,700	62,756	0%	8%
Loan Quality	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
90+ days past due loan volume (in HUF million)	35,953	48,059	33.7%	35,953	47,511	48,059	1.2%	33.7%
90+ days past due loans/gross customer loans (%)	10.5%	12.7%	2.3%	10.5%	12.6%	12.7%	0.1%	2.3%
Cost of risk/average gross loans	0.93%	1.12%	0.18%	0.18%	1.09%	1.28%	0.19%	1.10%
Cost of risk/average (FX-adjusted) gross loans	0.94%	1.10%	0.17%	0.17%	1.10%	1.27%	0.18%	1.10%
Total provisions/90+ days past due loans (%)	63.7%	56.7%	-7.0%	63.7%	55.1%	56.7%	1.6%	-7.0%
Performance Indicators (%)	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
ROA	0.7%	0.5%	-0.2%	1.3%	0.7%	0.4%	-0.3%	-0.9%
ROE	6.1%	4.4%	-1.7%	11.3%	5.9%	3.7%	-2.3%	-7.6%
Total income margin	4.39%	4.20%	-0.20%	4.63%	4.30%	4.29%	0.00%	-0.34%
Net interest margin	3.16%	2.96%	-0.20%	3.22%	2.98%	2.92%	-0.06%	-0.31%
Cost/income ratio	63.0%	65.8%	2.7%	60.8%	63.0%	64.3%	1.3%	3.5%
Net loans to deposits (FX-adjusted)	79%	81%	2%	79%	86%	81%	-6%	2%
FX rates (in HUF)	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
HUF/HRK (closing)	38.16	39.19	3%	38.16	39.63	39.19	-1%	3%
HUF/HRK (average)	38.75	39.24	1%	37.88	39.14	39.48	1%	4%

- ***After tax profit year-to-date fell by 24% along with decreasing operating profit and rising provisioning***
- ***FX-adjusted gross loans advanced by 5% due to strong corporate lending***
- ***DPD90+ ratio increased to 12.7%, while the coverage improved q-o-q***
- ***FX-adjusted deposit book advanced significantly due to seasonality***

OTP banka Hrvatska posted HUF 2 billion after tax profit in 9M 2013 against HUF 2.7 billion in the base period. The 9% lower operating result y-o-y which was weakened by increasing risk costs (+5%) explains the diminishing net earnings.

Net interest income for the first nine months fell by 4% as reference rates declined, while the loan book increased. The pricing of deposits didn't follow changes in reference rates to the same extent as for loans, thus the net interest margin of the nine months shrank by 20 basis points.

Net fees in the first nine months improved by 6% y-o-y mainly due to higher utilization of deposit and money transfer services in the wake of the growing deposit book.

In first three quarters net non-interest income lagged behind the base period by 6%, although in 3Q other revenues surged by 5% q-o-q due to the seasonally higher FX result.

The 9M operating costs expanded moderately by 2% y-o-y.

The share of loans with more than 90 days of delay reached 12.7% by the end of September, underpinning a y-o-y 2.3 ppts, q-o-q 0.1 ppt deterioration. Risk costs for the nine months went up by 5% y-o-y and jumped by 35% on quarterly basis. There were several factors behind such increase. As a result of bankruptcy proceedings initiated by corporate clients, the DPD90+ volumes increased, thus the Bank raised the provision coverage of company loans concerned. Furthermore, the Croatian authorities prescribed stricter provisioning for banks, which affected moderately the risk costs of the corporate segment. As a result the coverage ratio of DPD90+ loans improved by 1.6 ppts q-o-q.

The FX-adjusted gross loan portfolio advanced by 5% y-o-y and stagnated q-o-q. The yearly increase was mainly stemming from the municipal segment (+63% y-o-y, +10% q-o-q) – the Bank places particular emphasis on lending to state-backed companies with guarantees and adequate collaterals. Retail loans stagnated q-o-q because of low demand by clients.

The FX-adjusted deposit book grew by 3% y-o-y, while the expansion was 7% on quarterly basis. Deposit volumes were increasing significantly in all segments during the quarter as a reflection of the summer tourist season. Thus the net loan-to-deposit rate decreased by 6 ppts to 81% q-o-q.

Capital adequacy ratio of the Bank was stable at 15.9% (regulatory minimum at 12%).

OTP BANKA SLOVENSKO (SLOVAKIA)

Performance of OTP Banka Slovensko*:

Main components of P&L account in HUF mn	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
After tax profit w/o dividends, net cash transfers and one-offs	561	970	73%	250	29	231	700%	-8%
Income tax	-112	-250	123%	-43	-82	-85	4%	99%
Profit before income tax	673	1,220	81%	293	111	316	185%	8%
Operating profit	2,649	2,744	4%	983	886	1,030	16%	5%
Total income	10,561	10,695	1%	3,419	3,552	3,664	3%	7%
Net interest income	9,092	8,862	-3%	3,139	2,974	2,982	0%	-5%
Net fees and commissions	2,168	2,327	7%	701	790	778	-1%	11%
Other net non-interest income	-699	-494	-29%	-421	-212	-96	-55%	-77%
Operating expenses	-7,912	-7,951	0%	-2,437	-2,666	-2,634	-1%	8%
Total risk costs	-1,976	-1,524	-23%	-690	-775	-714	-8%	4%
Provision for possible loan losses	-2,019	-1,563	-23%	-691	-781	-721	-8%	4%
Other provision	43	39	-10%	1	6	7	9%	493%
Main components of balance sheet closing balances in HUF mn	**2012**	**9M 2013**	**YTD**	**3Q 2012**	**2Q 2013**	**3Q 2013**	**Q-o-Q**	**Y-o-Y**
Total assets	374,224	404,300	8%	381,266	385,794	404,300	5%	6%
Gross customer loans	291,991	325,320	11%	285,863	302,532	325,320	8%	14%
Gross customer loans (FX-adjusted)	299,179	325,320	9%	300,711	305,921	325,320	6%	8%
Retail and SME loans	227,814	251,542	10%	227,282	237,090	251,542	6%	11%
Corporate loans	70,832	73,311	4%	72,866	68,324	73,311	7%	1%
Allowances for possible loan losses	-21,042	-21,854	4%	-18,249	-21,129	-21,854	3%	20%
Allowances for possible loan losses (FX-adjusted)	-21,561	-21,854	1%	-19,199	-21,366	-21,854	2%	14%
Deposits from customers	299,014	323,883	8%	289,534	308,262	323,883	5%	12%
Deposits from customer (FX-adjusted)	306,305	323,883	6%	304,452	311,605	323,883	4%	6%
Retail and SME deposits	281,550	295,820	5%	273,296	282,426	295,820	5%	8%
Corporate deposits	24,755	28,064	13%	31,155	29,179	28,064	-4%	-10%
Liabilities to credit institutions	6,074	5,989	-1%	5,907	6,067	5,989	-1%	1%
Issued securities	28,296	27,574	-3%	41,366	27,419	27,574	1%	-33%
Subordinated debt	8,464	8,673	2%	8,246	8,586	8,673	1%	5%
Total shareholders' equity	26,993	27,257	1%	28,085	26,993	27,257	1%	-3%
Loan Quality	**9M 2012**	**9M 2013**	**Y-o-Y**	**3Q 2012**	**2Q 2013**	**3Q 2013**	**Q-o-Q**	**Y-o-Y**
90+ days past due loan volume (in HUF million)	33,284	36,639	10.1%	33,284	36,373	36,639	0.7%	10.1%
90+ days past due loans/gross customer loans (%)	11.6%	11.3%	-0.4%	11.6%	12.0%	11.3%	-0.8%	-0.4%
Cost of risk/average gross loans (%)	0.92%	0.68%	-0.24%	0.96%	1.03%	0.91%	-0.12%	-0.05%
Cost of risk/average (FX-adjusted) gross loans (%)	0.92%	0.67%	-0.25%	0.92%	1.03%	0.91%	-0.13%	-0.01%
Total provisions/90+ days past due loans (%)	54.8%	59.6%	4.8%	54.8%	58.1%	59.6%	1.6%	4.8%
Performance Indicators (%)	**9M 2012**	**9M 2013**	**Y-o-Y**	**3Q 2012**	**2Q 2013**	**3Q 2013**	**Q-o-Q**	**Y-o-Y**
ROA	0.2%	0.3%	0.1%	0.3%	0.0%	0.2%	0.2%	0.0%
ROE	2.6%	4.8%	2.2%	3.5%	0.4%	3.4%	3.0%	-0.1%
Total income margin	3.68%	3.67%	0.00%	3.55%	3.58%	3.68%	0.10%	0.12%
Net interest margin	3.16%	3.04%	-0.12%	3.26%	3.00%	2.99%	0.00%	-0.27%
Cost/income ratio	74.9%	74.3%	-0.6%	71.3%	75.1%	71.9%	-3.2%	0.6%
Net loans to deposits	92%	94%	1%	92%	91%	94%	2%	1%
Net loans to deposits (FX-adjusted)	92%	94%	1%	92%	91%	94%	2%	1%
Operating costs / Average assets	2.75%	2.73%	0%	2.53%	2.69%	2.65%	0%	0%
Leverage (Total Assets/Shareholder's Equity)	13.9	14.8	1.0	13.6	14.3	14.8	0.5	1.3
FX rates (in HUF)	**9M 2012**	**9M 2013**	**Y-o-Y**	**3Q 2012**	**2Q 2013**	**3Q 2013**	**Q-o-Q**	**Y-o-Y**
HUF/EUR (closing)	284	298	5%	284	295	298	1%	5%
HUF/EUR (average)	291	297	2%	283	296	298	1%	5%

* P&L account lines and indicators are adjusted for banking tax

- ***Y-o-y 15% improvement in 9M adjusted after tax profit, without banking tax and one-offs***
- ***Slightly improving portfolio quality q-o-q, increasing provision coverage (3Q 2013: 59.6%)***
- ***Further strengthening mortgage lending, consumer loans surged by 142% y-o-y***
- ***Growing retail deposit base y-o-y, net loan-to-deposit ratio was 94% at the end of 3Q (+2.4 ppts q-o-q)***

In 9M 2013 **OTP Banka Slovensko** posted HUF 970 million after tax profit without the banking tax, compared to the HUF 561 million in the same period last year. Apart from the 4% improvement of operating income y-o-y, the material increase of the 9M profit was due to the 23% drop of risk cost, related to a one-off positive element on this line in 1Q 2013 (without that, the PAT would have increased by 15% y-o-y). The special banking tax paid by the bank amounted to HUF 815 million in 9M 2013.

9M total income grew by 1% y-o-y, fuelled by the growth of average assets, with total income margin remaining stable. The 3% decrease of net interest income was counterbalanced with the 7% growth of net fee and commission income; net non-interest income grew by HUF 200 million y-o-y. As a result of the stringent cost control, operating expenses hardly grew on the yearly basis, thus operating profit increased by 4%. The yearly change of operating expenses is partly reasoned by the abolishment of the contribution to the deposit protection fund in lieu of the higher banking tax, which no longer appeared as an expense in 9M 2013, compared to the base period. Cost/income ratio slightly improved to 74.3%, -0.6 ppt y-o-y.

With regards to 3Q 2013, the operating profit increased by 16% q-o-q and 5% y-o-y. In line with market trends net interest margin was under pressure, although this was hardly seen on the q-o-q stable net interest margin (3%), owing to the swap revaluation result recognised within net interest income (+17 bps effect to the margin). Net interest income was stable in spite of the higher loan volumes. Net fees declined by 1% in 3Q, partly due to the new regulation introduced in June 2013, which abolished some fees for setting up, maintenance and administration of credit accounts. At the same time, fees were supported by the still active early redemption of mortgage loans. All-in-all, total income margin improved in 3Q by 10 bps q-o-q. Other net non-interest income was less negative for 3Q results; the loss on this line was almost half of the amount in the second quarter. Operating expenses were down by 1% in 3Q owing to the stringent cost control, so cost/income ratio showed a bit of improvement (3Q 2013: 71.9%, -3.2 ppts q-o-q, +0.6 ppt y-o-y).

The 9M risk cost decreased by 23% y-o-y underpinning a 1% decrease if adjusted for the 1Q 2013 one-off provision release in the amount of HUF 424 million. Nevertheless, during 3Q 2013 risk cost decreased by 8% q-o-q, which suggest a slow-down in portfolio quality deterioration. In 3Q provisioning enhanced the provision coverage of 90+ days past due loans, so the coverage ratio improved to 59.6% (+1.5 ppts q-o-q and +4.8 ppts y-o-y). The small drop in the DPD90+ ratio (3Q 2013: 11.3%, -0.8 ppt q-o-q, -0.4 ppt y-o-y) was supported not just by the growing loan portfolio, but also by the sale of EUR 1.4 million worth of non-performing loans.

The yearly development of loan volumes was characterised by the increasing share of retail loans within the loan book. Total loans grew by 8% y-o-y, within that retail and SME loan growth was 11%, while the corporate and municipal loan portfolio increased by 1%. Within the retail portfolio mortgage loans increase was significant (+11% y-o-y), whereas the consumer loan portfolio more than doubled (+142%) compared to end-September 2012. The total loan portfolio increased by 6% q-o-q with consumer loan disbursement remaining strong (+25% q-o-q). The mortgage loan segment grew more than in 2Q and the expansion reached 6% on the quarterly basis, despite the early repayment of loans, which were higher compared to the previous periods.

The deposit base grew by 6% on yearly basis and increased by 4% q-o-q serving as a source of financing for the expanding loan portfolio. In the retail segment both term deposits and sight deposits got bigger (+4% and +3%, respectively), while SME deposits rose by 8% during the same period. Corporate and municipal deposits (given their small overall volume) showed higher volatility: after the 10% growth in the first quarter and 7% in 2Q, the portfolio shrank by 4% in 3Q. Y-o-y the corporate and municipal deposit base declined by 10%. All-in-all, net loan-to-deposit ratio grew to 94% by the end of September, representing a 1 ppt growth y-o-y and 2 ppts increase q-o-q.

OTP BANKA SRBIJA (SERBIA)

Performance of OTP banka Srbija:

Main components of P&L account in HUF mn	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
After tax profit w/o dividends, net cash transfers and one-offs	-2,591	-2,480	-4%	-1,299	-811	-834	3%	-36%
Income tax	0	0	-100%	0	0	0		-100%
Profit before income tax	-2,591	-2,480	-4%	-1,299	-811	-834	3%	-36%
Operating profit	-456	352	-177%	-371	17	325		-188%
Total income	4,595	5,813	27%	1,243	1,840	2,149	17%	73%
Net interest income	2,122	3,309	56%	777	1,056	1,111	5%	43%
Net fees and commissions	1,202	1,226	2%	391	404	436	8%	12%
Other net non-interest income	1,271	1,279	1%	76	379	602	59%	695%
Operating expenses	-5,051	-5,462	8%	-1,615	-1,823	-1,824	0%	13%
Total risk costs	-2,135	-2,832	33%	-928	-828	-1,159	40%	25%
Provision for possible loan losses	-2,206	-2,678	21%	-958	-792	-1,116	41%	16%
Other provision	71	-153	-316%	30	-37	-43	18%	-242%
Main components of balance sheet closing balances in HUF mn	2012	9M 2013	YTD	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
Total assets	122,994	105,737	-14%	110,458	101,439	105,737	4%	-4%
Gross customer loans	90,026	91,094	1%	83,692	90,286	91,094	1%	9%
Gross customer loans (FX-adjusted)	91,766	91,094	-1%	87,991	91,027	91,094	0%	4%
Retail loans	39,067	42,702	9%	38,849	41,221	42,702	4%	10%
Corporate loans	52,699	48,392	-8%	49,142	49,806	48,392	-3%	-2%
Allowances for possible loan losses	-26,404	-28,105	6%	-24,967	-27,282	-28,105	3%	13%
Allowances for possible loan losses (FX-adjusted)	-26,893	-28,105	5%	-26,269	-27,469	-28,105	2%	7%
Main components of balance sheet closing balances in HUF mn	2012	9M 2013	YTD	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
Deposits from customers	38,268	48,161	26%	34,849	43,199	48,161	11%	38%
Deposits from customers (FX-adjusted)	39,076	48,161	23%	36,634	43,563	48,161	11%	31%
Retail deposits	30,336	35,545	17%	28,068	32,311	35,545	10%	27%
Corporate deposits	8,739	12,616	44%	8,565	11,252	12,616	12%	47%
Liabilities to credit institutions	17,088	10,721	-37%	9,657	10,857	10,721	-1%	11%
Subordinated debt	37,561	8,377	-78%	36,650	8,316	8,377	1%	-77%
Total shareholders' equity	25,171	34,887	39%	26,089	35,576	34,887	-2%	34%
Loan Quality	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
90+ days past due loan volume (in HUF million)	47,894	46,238	-3%	47,894	45,646	46,238	1%	-3%
90+ days past due loans/gross customer loans (%)	57.2%	50.8%	-6.5%	57.2%	50.6%	50.8%	0.2%	-6.5%
Cost of risk/average gross loans (%)	3.38%	3.95%	0.57%	4.61%	3.43%	4.88%	1.45%	0.27%
Cost of risk/average gross loans (FX-adjusted) (%)	3.43%	3.92%	0.49%	4.41%	3.48%	4.86%	1.38%	0.45%
Total provisions/90+ days past due loans (%)	52.1%	60.8%	8.7%	52.1%	59.8%	60.8%	1.0%	8.7%
Performance Indicators (%)	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
ROA	-3.0%	-2.9%	0.1%	-4.7%	-3.0%	-3.2%	-0.2%	1.5%
ROE	-12.9%	-11.0%	1.8%	-19.3%	-8.8%	-9.4%	-0.6%	9.9%
Total income margin	5.29%	6.80%	1.50%	4.46%	6.77%	8.23%	1.46%	3.78%
Net interest margin	2.44%	3.87%	1.42%	2.78%	3.89%	4.26%	0.37%	1.47%
Cost/income ratio	109.9%	93.9%	-16.0%	129.9%	99.1%	84.9%	-14.2%	-45.0%
Net loans to deposits (FX-adjusted)	168%	131%	-38%	168%	146%	131%	-15%	-38%
FX rates (in HUF)	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
HUF/RSD (closing)	2.47	2.60	5%	2.47	2.59	2.60	0%	5%
HUF/RSD (average)	2.59	2.63	2%	2.42	2.64	2.61	-1%	8%

- ***Decreasing after tax loss, operating profit turned into positive territory***
- ***9M net interest income grew by 56% y-o-y***
- ***DPD90+ ratio slightly deteriorated q-o-q, prudent provisioning boosted the coverage***
- ***Gross loans advanced by 4% y-o-y, consumer loans by 25%***
- ***Deposits surged further in all segments, thus net loan-to-deposit rate declined 15 ppts q-o-q***

OTP banka Srbija posted HUF 2.5 billion net loss in 9M 2013 against the negative result of HUF 2.6 billion last year. The 3Q loss remained flat q-o-q with increasing operating result and higher risk cost.

The operating profit notably improved in the first nine months, the HUF 0.5 billion loss of base period was replaced by HUF 0.4 billion profit. The 9M total revenues expanded by 27% y-o-y, fuelled by net interest income that was up by 56%. The surge of net interest income was caused by three factors: cash loans expanded, the subordinated interest bearing loan within the bank's liabilities was substituted by non-interest bearing capital in

2013 and performing loans increased. As a result of these factors the 9M net interest margin improved by 1.4 ppts y-o-y.

Apart from the marginal y-o-y rise of 9M net fees, other net non-interest revenues gained 1% y-o-y and 59% q-o-q. The quarterly jump can be explained by higher suspended interest collection, moreover gains on FX transactions heightened.

The 9M operating expenses advanced by 8% y-o-y, driven mainly by higher personnel- and marketing costs. The remarkable drop of 9M and 3Q cost/income ratio (9M: -16 ppts y-o-y, 3Q: -14 ppts q-o-q) indicates efficiency improvement.

The DPD90+ ratio moderated by 6.5 ppts y-o-y to 50.8%, although slightly deteriorated q-o-q. Increasing provisioning (9M: +33% y-o-y, 3Q: +40% q-o-q) resulted in an improving coverage ratio (+8.7 ppts y-o-y, +1 ppt q-o-q). The higher risk costs were affected by notable coverage raise in few cases in the corporate segment.

Gross loans expanded by 4% y-o-y and stagnated q-o-q (FX-adjusted). In the retail segment the Bank focused its lending activity on consumer loans that grew by 25% y-o-y and 9% q-o-q due to the success of new cash loan products introduced in April. Loans in other segments eroded marginally y-o-y and q-o-q.

Deposits increased by 31% and 11% y-o-y and q-o-q, respectively. The net loan-to-deposit ratio dropped to 131% underpinning a 15 ppts q-o-q and 38 ppts y-o-y improvement.

The capital adequacy ratio of the Bank stood at 39.7%, which notably exceeds the regulatory minimum of 12%.

CRNOGORSKA KOMERCIJALNA BANKA (MONTENEGRO)

Performance of CKB:

Main components of P&L account in HUF mn	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
After tax profit w/o dividends and net cash transfer	-423	917	-317%	-68	313	503	60%	-837%
Corporate income tax	-13	0	-100%	0	0	0		
Pre-tax profit	-410	917	-324%	-68	313	503	60%	-837%
Operating profit	2,241	2,856	27%	905	1,063	1,159	9%	28%
Total income	7,591	8,026	6%	2,640	2,739	2,945	8%	12%
Net interest income	5,471	5,912	8%	1,811	1,981	2,128	7%	18%
Net fees and commissions	1,890	1,839	-3%	730	669	710	6%	-3%
Other net non-interest income	230	276	20%	99	88	107	21%	8%
Operating expenses	-5,350	-5,171	-3%	-1,735	-1,676	-1,786	7%	3%
Total risk costs	-2,651	-1,939	-27%	-973	-750	-656	-12%	-33%
Provision for possible loan losses	-1,034	-2,146	108%	361	-1,075	-540	-50%	-250%
Other provision	-1,617	207	-113%	-1,334	326	-116	-136%	-91%
Main components of balance sheet closing balances in HUF mn	**2012**	**9M 2013**	**YTD**	**3Q 2012**	**2Q 2013**	**3Q 2013**	**Q-o-Q**	**Y-o-Y**
Total assets	208,633	206,285	-1%	213,997	198,081	206,285	4%	-4%
Gross customer loans	147,244	168,080	14%	144,629	156,447	168,080	7%	16%
Gross customer loans (FX-adjusted)	150,878	168,080	11%	152,158	158,207	168,080	6%	10%
Retail loans	66,889	69,299	4%	67,486	68,247	69,299	2%	3%
Corporate loans	83,990	98,781	18%	84,672	89,960	98,781	10%	17%
Allowances for possible loan losses	-46,252	-49,525	7%	-43,351	-48,479	-49,525	2%	14%
Allowances for possible loan losses (FX-adjusted)	-47,394	-49,525	4%	-45,608	-49,024	-49,525	1%	9%
Deposits from customers	157,924	157,274	0%	159,388	146,374	157,274	7%	-1%
Deposits from customers (FX-adjusted)	161,690	157,274	-3%	167,459	147,851	157,274	6%	-6%
Retail deposits	124,615	124,812	0%	129,087	121,781	124,812	2%	-3%
Corporate deposits	37,075	32,463	-12%	38,372	26,070	32,463	25%	-15%
Liabilities to credit institutions	21,671	18,453	-15%	22,743	20,236	18,453	-9%	-19%
Subordinated debt	2,041	2,115	4%	1,987	5,045	2,115	-58%	6%
Total shareholders' equity	17,048	21,363	25%	20,059	17,688	21,363	21%	7%
Loan Quality	**9M 2012**	**9M 2013**	**Y-o-Y**	**3Q 2012**	**2Q 2013**	**3Q 2013**	**Q-o-Q**	**Y-o-Y**
90+ days past due loan volume (in HUF million)	56,941	63,834	12.1%	56,941	66,655	63,834	-4.2%	12.1%
90+ days past due loans/gross customer loans (%)	39.4%	38.0%	-1.4%	39.4%	42.6%	38.0%	-4.6%	-1.4%
Cost of risk/average gross loans (%)	0.92%	1.82%	0.90%	-0.98%	2.84%	1.32%	-1.52%	2.30%
Cost of risk/average (FX-adjusted) gross loans (%)	0.90%	1.80%	0.90%	-0.95%	2.79%	1.33%	-1.46%	2.28%
Total provisions/90+ days past due loans (%)	76.1%	77.6%	1.5%	76.1%	72.7%	77.6%	4.9%	1.5%

Performance Indicators (%)	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
ROA	-0.3%	0.6%	0.8%	-0.1%	0.6%	1.0%	0.4%	1.1%
ROE	-3.1%	6.4%	9.5%	-1.4%	7.1%	10.2%	3.2%	11.6%
Total income margin	4.54%	5.17%	0.63%	4.95%	5.32%	5.78%	0.46%	0.83%
Net interest margin	3.27%	3.81%	0.54%	3.39%	3.85%	4.18%	0.33%	0.78%
Cost/income ratio	70.5%	64.4%	-6.1%	65.7%	61.2%	60.6%	-0.5%	-5.1%
Net loans to deposits (FX-adjusted)	64%	75%	12%	64%	74%	75%	2%	12%
FX rates (in HUF)	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
HUF/EUR (closing)	283.7	298.5	5%	283.7	295.2	298.5	1%	5%
HUF/EUR (average)	291.3	296.8	2%	283.0	295.9	298.0	1%	5%

- ***HUF 917 million 9M 2013 net earnings as a result of improving operating profit and lower risk costs y-o-y***
- ***The FX-adjusted deposit base shrank by 6% y-o-y, in line with management objectives, mainly due to withdrawal of retail term- and corporate deposits***
- ***The FX-adjusted loan book advanced by 10% y-o-y supported partly by the strong demand for consumer loans and a one-off item***

The Montenegrin **CKB Bank** posted HUF 917 million after tax profit in the first nine months of 2013 versus a loss of HUF 423 million a year ago. The y-o-y performance to a large extent was driven by the decline in risk costs and the improving operating income (+27% y-o-y). On a quarterly basis the portfolio quality improved and loan loss provisioning halved; still, the provision coverage of DPD90+ loans improved substantially (+4.9% q-o-q) and reached 77.6%.

The 9M 2013 operating profit increased by 27% y-o-y. Despite the stagnation of the loan market the income stream was stable and coupled with lower operating expenses. Regarding the income side the net interest income increased by 8%, since the bank managed to pay lower interest on customer and interbank deposits supported by its favourable liquidity position.

The management realized 2% saving on operating expenses (y-o-y, FX-adjusted). The decline was the result of a 5% increase in other expenses, due to higher IT and rental fees and lower personnel costs (-5%). Accordingly, the cost income ratio of the bank improved by 6.1 ppts to 64.4%, while the branch network (31 branches) and number of active employees (3Q 2013: 450 people) remained basically unchanged.

The total loan book advanced both y-o-y and q-o-q (by 10% and 6%, respectively) reflecting partially the strengthening of consumer lending focus. Within the consumer segment cash loans showed an outstanding growth along with changes in the pricing policy, and the sales performance in 3Q exceeded that of in the previous two quarters.

The erosion of the mortgage book continued. Volumes dropped by 6% y-o-y and 2% q-o-q (FX-adjusted). The growth of corporate loans in 3Q was due to a one-off transaction: the municipality book advanced by HUF 10 billion as CKB Bank originated a loan for the Montenegrin Government in relation to the drawdown of the state guarantee provided on a syndicated loan[11] of KAP, the Podgorica Aluminium Factory, with the principal amount at EUR 42 million.

After a significant increase of DPD90+ loan volumes in 2Q, the new formation was negative in 3Q, as a result the DPD90+ ratio decreased to 38.0%. While the mortgage book further deteriorated (DPD90+ ratio: 23.4%), the SME, LME loans as well as the consumer book improved.

The deposit base decreased by 6% y-o-y mainly as a result of lower retail term deposit volumes (-5%). Due to the sizeable liquidity buffer of the bank, further pricing steps are expected in line with the management's intention to bring down deposit volumes in coming periods.

In order to comply with changes in local regulation CKB received EUR 10 million subordinated loan from OTP Bank in April 2013. In September this loan was converted into ordinary shares, accordingly, by the end of September 2013 CKB's capital adequacy level reached 12.7%.

[11] The exposure was previously included in the loan book of OTP Bank (Hungary) and in 3Q 2013 it was fully repaid.

STAFF LEVEL AND OTHER INFORMATION

The closing staff number of OTP Group (including the number of employed selling agents) was 37,819 as of 30 September 2013. During 9M 2013 there was an increase in Russia and the Ukraine in the headcount of agents as consumer lending increased further in the wake of partnering up with new retail chains. OTP Group provides services through almost 1,400 branches in 9 countries of the CEE-region. In Hungary, OTP Bank has an extensive distribution network, which includes around 381 branches and 1,993 ATM terminals. The bank (Hungary) has 53 thousands POS terminals at the same time.

	30/09/2013				31/12/2012			
	Branches	**ATM**	**POS**	**Headcount** (closing)	**Branches**	**ATM**	**POS**	**Headcount** (closing)
OTP Core	381	1,993	52,614	8,567	380	1,956	49,385	8,507
OTP Bank Russia (w/o employed agents)	169	212	3,038	5,876	146	255	2,697	5,177
DSK Group[1]	378	860	4,319	4,541	381	878	4,196	4,736
OTP Bank Ukraine (w/o employed agents)	141	160	356	3,218	150	164	358	3,052
OTP Bank Romania	87	126	1,215	941	89	122	1,323	970
OTP banka Hrvatska	103	222	1,598	983	103	222	1,261	984
OTP Banka Slovenko	68	119	182	658	70	113	193	639
OTP banka Srbija	51	137	2,879	683	51	151	2,959	660
CKB	31	82	4,620	450	31	79	4,272	422
Foreign subsidiaries, total	**1,028**	**1,918**	**18,207**	**17,349**	**1,021**	**1,984**	**17,259**	**16,639**
Other Hungarian and foreign subsidiaries				894				840
OTP Group total (w/o employed agents)				**26,811**				**25,986**
OTP Bank Russia – employed agents				*8,566*				*8,339*
OTP Bank Ukraine – employed agents				*2,442*				*2,107*
OTP Group total (aggregated)	**1,409**	**3,911**	**70,821**	**37,819**	**1,401**	**3,940**	**66,644**	**36,431**

[1] Regarding the headcount of DSK Group, ytd decline reflects a change in calculation methodology.

PERSONAL AND ORGANIZATIONAL CHANGES

The Annual General Meeting elected Mr Dominique Uzel to the member of the Bank's Supervisory Board until the closing AGM of the fiscal year 2013 but the latest until April 30, 2014. In the first nine months of the year 2013 there was no change in the composition of the Board of Directors and the Auditor of the Bank.

FINANCIAL DATA

SEPARATE AND CONSOLIDATED IFRS STATEMENT OF FINANCIAL POSITION

in HUF million	OTP Bank			Consolidated		
	30/09/2013	31/12/2012	Change	30/09/2013	31/12/2012	Change
Cash amounts due from banks and balances with the National Bank of Hungary	166,554	245,548	-32%	541,136	602,521	-10%
Placements with other banks, net of allowance for placement losses	700,222	665,417	5%	328,671	356,866	-8%
Financial assets at fair value through profit or loss	217,280	243,015	-11%	202,753	222,874	-9%
Securities available-for-sale	1,767,759	1,953,871	-10%	1,372,812	1,411,177	-3%
Loans, net of allowance for loan losses	2,204,405	2,356,291	-6%	6,359,288	6,464,191	-2%
Associates and other investments	634,988	661,352	-4%	9,035	7,936	14%
Securities held-to-maturity	569,534	371,992	53%	621,916	429,303	45%
Property, equipment and intangible assets	110,385	109,649	1%	449,996	489,142	-8%
Other assets	42,367	32,686	30%	174,774	129,456	35%
TOTAL ASSETS	**6,413,494**	**6,639,821**	**-3%**	**10,060,381**	**10,113,466**	**-1%**
Amounts due to banks, the Hungarian Government, deposits from the National Bank of Hungary and other banks	819,657	826,968	-1%	582,328	534,324	9%
Deposits from customers	3,454,678	3,500,790	-1%	6,663,790	6,550,708	2%
Liabilities from issued securities	207,130	335,963	-38%	489,974	643,123	-24%
Financial liabilities at fair value through profit or loss	205,273	259,211	-21%	90,701	122,032	-26%
Other liabilities	224,967	232,557	-3%	434,087	457,231	-5%
Subordinated bonds and loans	302,584	303,750	0%	275,851	291,495	-5%
TOTAL LIABILITIES	**5,214,289**	**5,459,239**	**-4%**	**8,536,731**	**8,598,913**	**-1%**
Share capital	28,000	28,000	0%	28,000	28,000	0%
Retained earnings and reserves	1,178,282	1,157,516	2%	1,546,179	1,534,572	1%
Treasury shares	-7,077	-4,934	43%	-55,945	-53,802	4%
Non-controlling interest				5,416	5,783	
TOTAL SHAREHOLDERS' EQUITY	**1,199,205**	**1,180,582**	**2%**	**1,523,650**	**1,514,553**	**1%**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**6,413,494**	**6,639,821**	**-3%**	**10,060,381**	**10,113,466**	**-1%**

SEPARATE AND CONSOLIDATED IFRS STATEMENT OF RECOGNIZED INCOME

in HUF million	OTP Bank 9M 2013	OTP Bank 9M 2012	Change	Consolidated 9M 2013	Consolidated 9M 2012	Change
Loans	144,264	163,337	-12%	586,872	596,283	-2%
Placements with other banks	205,267	274,134	-25%	175,937	260,844	-33%
Amounts due from banks and balances with the National Banks	2,982	5,128	-42%	3,065	5,294	-42%
Securities held for trading	0	1,214	-100%	644	1,453	-56%
Securities available-for-sale	80,171	94,955	-16%	56,270	65,445	-14%
Securities held-to-maturity	21,889	5,418	304%	24,259	5,358	353%
Total interest income	*454,573*	*544,186*	*-16%*	*847,047*	*934,677*	*-9%*
Amounts due to banks, the Hungarian Government, deposits from the National Banks and other banks	202,591	261,383	-22%	159,005	226,949	-30%
Deposits from customers	78,018	105,571	-26%	154,516	177,074	-13%
Liabilities from issued securities	12,067	18,705	-35%	27,219	39,799	-32%
Subordinated bonds and loans	12,681	12,759	-1%	8,510	8,669	-2%
Other entrepreneurs				2,486	2,417	3%
Total interest expense	*305,357*	*398,418*	*-23%*	*351,736*	*454,908*	*-23%*
NET INTEREST INCOME	**149,216**	**145,768**	**2%**	**495,311**	**479,769**	**3%**
Provision for impairment on loan and placement losses	17,563	30,150	-42%	182,518	159,336	15%
NET INTEREST INCOME AFTER PROVISION FOR POSSIBLE LOAN AND PLACEMENT LOSSES	**131,653**	**115,618**	**14%**	**312,793**	**320,433**	**-2%**
Income from fees and commissions	110,230	84,795	30%	184,702	148,889	24%
Foreign exchange gains, net	6,391	-7,352	-187%	16,271	-3,488	-566%
Net losses / gains on securities	11,160	-7,321	-252%	10,015	-787	
Gains on real estate transactions	57	46	24%	1,515	773	96%
Dividend income	47,582	43,098	10%	2,824	2,802	1%
Other income	5,931	3,645	63%	20,604	18,882	9%
Non-interest income	*181,351*	*116,911*	*55%*	*235,931*	*167,071*	*41%*
Expense from fees and commissions	17,428	16,046	9%	39,600	35,833	11%
Personnel expenses	65,762	59,313	11%	154,104	140,268	10%
Depreciation and amortization	16,044	15,760	2%	66,147	34,837	90%
Other expenses	158,987	111,852	42%	205,298	164,436	25%
Non-interest expenses	*258,221*	*202,971*	*27%*	*465,149*	*375,374*	*24%*
PROFIT BEFORE INCOME TAX	**54,783**	**29,558**	**85%**	**83,575**	**112,130**	**-25%**
Income tax	5,842	-4,987	-217%	20,875	15,689	33%
PROFIT AFTER INCOME TAX	**48,941**	**34,545**	**42%**	**62,700**	**96,441**	**-35%**
Non-controlling interest				-245	-647	-1
NET PROFIT FOR THE YEAR	**48,941**	**34,545**	**42%**	**62,455**	**95,794**	**-35%**

SEPARATE AND CONSOLIDATED IFRS STATEMENT OF CASH FLOWS

in HUF million	OTP Bank			Consolidated		
	30/09/2013	30/09/2012	Change	30/09/2013	30/09/2012	Change
OPERATING ACTIVITIES						
Profit before income tax	54,783	29,558	85%	83,575	112,130	-25%
Adjustments to reconcile income before income taxes to net cash provided by operating activities						
Income tax paid	-1,992	-3,395	-41%	-13,775	-17,372	-21%
Goodwill impairment				30,819		
Depreciation and amortization	16,044	15,760	2%	35,328	34,837	1%
Provision for impairment / Release of provision	61,035	64,388	-5%	183,915	162,694	13%
Share-based payment	4,262	3,600	18%	4,262	3,600	18%
Unrealized (losses) / gains on fair value adjustment of securities held for trading	-416	-2,707	-85%	-419	-2,575	-84%
Unrealized losses on fair value adjustment of derivative financial instruments	18,928	7,090	167%	13,396	-2,424	-653%
Changes in operating assets and liabilities	-20,479	24,122	-185%	-73,884	356,934	-121%
Net cash provided by operating activities	**132,165**	**138,416**	**-5%**	**263,217**	**647,824**	**-59%**
INVESTING ACTIVITIES						
Net cash used in investing activities	**-28,734**	**-100,276**	**-71%**	**-153,035**	**-388,723**	**-61%**
FINANCING ACTIVITIES						
Net cash used in financing activities	**-179,841**	**-66,216**	**172%**	**-174,808**	**-324,382**	**-46%**
Net increase in cash and cash equivalents	**-76,410**	**-28,076**	**172%**	**-64,626**	**-65,281**	**-1%**
Cash and cash equivalents at the beginning of the period	164,385	146,208	12%	331,929	315,177	5%
Cash and cash equivalents at the end of the period	**87,975**	**118,132**	**-26%**	**267,303**	**249,896**	**7%**
Analysis of cash and cash equivalents						
Cash, amounts due from banks and balances with the National Banks	245,548	226,976	8%	602,521	595,986	1%
Compulsory reserve established by the National Banks	-81,163	-80,768	0%	-270,592	-280,809	-4%
Cash and cash equivalents at the beginning of the period	**164,385**	**146,208**	**12%**	**331,929**	**315,177**	**5%**
Cash, amounts due from banks and balances with the National Banks	166,554	198,673	-16%	541,136	508,184	6%
Compulsory reserve established by the National Banks	-78,579	-80,541	-2%	-273,833	-258,288	6%
Cash and cash equivalents at the end of the period	**87,975**	**118,132**	**-26%**	**267,303**	**249,896**	**7%**

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 reserves	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 profit for the year	--	--	--	95,794		--	647	96,441
Other comprehensive income				-27,956			-751	-28,707
Share-based payment	--	--	3,600			--	--	3,600
Treasury shares								0
Dividend for the year 2011	--	--	--	-28,000		--	--	-28,000
Put option								0
Treasury shares								
– sale						3,369		3,369
– loss on sale				-132				-132
– volume change						-2,790		-2,790
Payment to ICES holders				-1,781				-1,781
Balance as at 30 September 2012	**28,000**	**52**	**9,815**	**1,526,221**	**-55,468**	**-53,807**	**5,497**	**1,460,310**

in HUF million	Share capital	Capital reserve	Share based payment reserve	Retained earnings and reserves	Put option reserves	Treasury shares	Non-controlling interest	Total
Balance as at 1 January 2013	**28,000**	**52**	**10,800**	**1,579,188**	**-55,468**	**-53,802**	**5,783**	**1,514,553**
Net profit for the year	--	--	--	62,455		--	245	62,700
Other comprehensive income				-19,724			-612	-20,336
Share-based payment	--	--	4,262			--	--	4,262
Treasury shares								0
Dividend for the year 2012	--	--	--	-33,600		--	--	-33,600
Put option								0
Treasury shares								
– sale						13,821		13,821
– loss on sale				371				371
– volume change						-15,964		-15,964
Payment to ICES holders				-2,157				-2,157
Balance as at 30 September 2013	**28,000**	**52**	**15,062**	**1,586,533**	**-55,468**	**-55,945**	**5,416**	**1,523,650**

Ownership structure of OTP Bank Plc.

as at 30 September 2013

Description of owner	Total equity					
	1 January 2013			30 September 2013		
	%[1]	%[2]	Qty	%[1]	%[2]	Qty
Domestic institution/company	10.93%	11.10%	30,612,195	12.10%	12.26%	33,880,220
Foreign institution/company	51.16%	51.94%	143,234,419	62.13%	62.92%	173,952,406
Domestic individual	9.96%	10.11%	27,880,066	9.16%	9.28%	25,642,835
Foreign individual	1.12%	1.14%	3,145,920	1.05%	1.06%	2,942,604
Employees, senior officers	1.84%	1.87%	5,157,202	1.55%	1.57%	4,336,019
Treasury shares	1.50%	0.00%	4,207,443	1.27%	0.00%	3,553,212
Government held owner[3]	4.88%	4.96%	13,675,713	4.96%	5.02%	13,874,245
International Development Institutions[4]	0.00%	0.00%	0	0.00%	0.00%	0
Other[5]	18.60%	18.89%	52,087,052	7.79%	7.89%	21,818,469
TOTAL	**100.00%**	**100.00%**	**280,000,010**	**100.00%**	**100.00%**	**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	2,133,883	2,023,532	1,700,581	1,479,652	
Subsidiaries	2,073,560	2,073,560	2,073,560	2,073,560	
TOTAL	4,207,443	4,097,092	3,774,141	3,553,212	

Shareholders with over/around 5% stake

Name	Number of shares	Voting rights	Beneficial ownership
Megdet, Timur and Ruszlan Rahimkulov	24,881,995	8.89%	9.00%
MOL (Hungarian Oil and Gas Company Plc.)	24,000,000	8.57%	8.68%
Groupama Group	23,228,306	8.30%	8.40%
Lazard Group	15,763,962	5.63%	5.70%

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	10,000
IT	Mihály Baumstark	member	16,000
IT	Dr. Tibor Bíró	member	44,980
IT	Péter Braun	member	343,905
IT	Tamás Erdei	member	6,439
IT	Dr. István Gresa	member	72,557
IT	Zsolt Hernádi	member	16,000
IT	Dr. István Kocsis[3]	member	13,670
IT	Dr. Antal Pongrácz	Deputy Chairman, Deputy CEO	14,400
IT	Dr. László Utassy	member	281,000
IT	Dr. József Vörös	member	133,200
FB	Tibor Tolnay	Chairman	54
FB	Dr. Gábor Horváth	member	0
FB	Antal Kovács	member, Deputy CEO	23,000
FB	András Michnai	member	15,000
FB	Dominique Uzel	member	0
FB	Dr. Márton Gellért Vági	member	0
SP	László Bencsik	Chief Financial and Strategic Officer, Deputy CEO	4,780
SP	Daniel Gyuris	Deputy CEO	0
SP	Ákos Takáts	Deputy CEO	153,347
SP	László Wolf	Deputy CEO	637,182
TOTAL No. of shares held by management:			**1,785,514**

[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: 510,000
[3] Membership suspended since 3 October 2012

OFF-BALANCE SHEET ITEMS ACCORDING TO IFRS (consolidated, in HUF million) [1]

a) Contingent liabilities

	30/09/2013	30/09/2012
Commitments to extend credit	1,318,774	1,136,538
Guarantees arising from banking activities	326,060	292,832
Confirmed letters of credit	26,074	13,366
Legal disputes (disputed value)	75,535	5,783
Contingent liabilities related to OTP Mortgage Bank	--	--
Other	132,193	108,887
Total:	**1,878,636**	**1,557,406**

[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.)

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	8,102	8,032	8,089
Consolidated	35,351	36,431	37,819

Security issuances on Group level in the course of 4Q 2012 and 9M 2013

Issuer	Type of security	Security name	Date of issue	Date of maturity	Ccy	Outstanding consolidated debt (in original currency or HUF million) 30/09/2013	Outstanding consolidated debt (in HUF million) 30/09/2013
OTP Bank Plc.	Retail bond	OTP DNT HUF 131007 7%	05/10/2012	05/10/2013	HUF	2,680	2,680
OTP Bank Plc.	Retail bond	OTP EUR 1 2013/XX	12/10/2012	12/10/2013	EUR	7,172,900	2,141
OTP Bank Plc.	Retail bond	OTP EUR 2 2014/XX	12/10/2012	12/10/2014	EUR	216,100	65
OTP Bank Plc.	Corporate bond	OTP 2020/RF/C	19/10/2012	19/10/2013	HUF	2,660	2,660
OTP Bank Plc.	Retail bond	OTP EUR 1 2013/XXI	26/10/2012	26/10/2013	EUR	5,767,000	1,721
OTP Bank Plc.	Retail bond	OTP EUR 2 2014/XXI	26/10/2012	26/10/2014	EUR	472,000	141
OTP Bank Plc.	Corporate bond	OTP 2018/Dx	29/10/2012	26/10/2018	HUF	3,108	3,108
OTP Bank Plc.	Corporate bond	OTP 2022/Cx	29/10/2012	28/10/2022	HUF	310	310
OTP Bank Plc.	Corporate bond	OTP 2022/RF/E	29/10/2012	31/10/2022	HUF	66	66
OTP Bank Plc.	Corporate bond	OTP 2015/Gx	08/11/2012	16/11/2015	HUF	435	435
OTP Bank Plc.	Retail bond	OTP EUR 1 2013/XXII	09/11/2012	09/11/2013	EUR	5,235,100	1,563
OTP Bank Plc.	Retail bond	OTP EUR 2 2014/XXII	09/11/2012	09/11/2014	EUR	204,400	61
OTP Bank Plc.	Retail bond	OTP 2013/XXI	12/11/2012	12/11/2013	HUF	4,070	4,070
OTP Bank Plc.	Retail bond	OTP 2013/XXII	23/11/2012	23/11/2013	HUF	2,932	2,932
OTP Bank Plc.	Retail bond	OTP EUR 1 2013/XXIII	23/11/2012	23/11/2013	EUR	9,094,400	2,714
OTP Bank Plc.	Retail bond	OTP EUR 2 2014/XXIII	23/11/2012	23/11/2014	EUR	373,300	111
OTP Bank Plc.	Retail bond	OTP 2013/XX	07/12/2012	07/12/2013	HUF	2,241	2,241
OTP Bank Plc.	Retail bond	OTP EUR 1 2013/XXIV	07/12/2012	07/12/2013	EUR	10,194,500	3,043
OTP Bank Plc.	Retail bond	OTP EUR 2 2014/XXIV	07/12/2012	07/12/2014	EUR	410,000	122
OTP Bank Plc.	Retail bond	OTP 2013/XXIII	21/12/2012	21/12/2013	HUF	1,819	1,819
OTP Bank Plc.	Retail bond	OTP TBSZ 4 2015/II	21/12/2012	15/12/2015	HUF	48	48
OTP Bank Plc.	Retail bond	OTP EUR 1 2013/XXV	21/12/2012	21/12/2013	EUR	4,134,900	1,234
OTP Bank Plc.	Corporate bond	OTP 2015/Fx	21/12/2012	16/11/2015	EUR	2,073,900	619
OTP Bank Plc.	Retail bond	OTP EUR 2 2014/XXV	21/12/2012	21/12/2014	EUR	364,400	109
OTP Bank Plc.	Corporate bond	OTP 2018/Ex	28/12/2012	28/12/2018	HUF	3,250	3,250
OTP Bank Plc.	Corporate bond	OTP 2016/Ex	28/12/2012	27/12/2016	HUF	395	395
OTP Bank Plc.	Corporate bond	OTP 2022/Dx	28/12/2012	27/12/2022	HUF	350	350
OTP Bank Plc.	Corporate bond	OTP 2015/Hx	28/12/2012	27/12/2015	HUF	170	170
OTP Bank Plc.	Corporate bond	OTP 2022/RF/F	28/12/2012	28/12/2022	HUF	42	42
OTP Bank Plc.	Retail bond	OTP 2014/I	11/01/2013	11/01/2014	HUF	3,435	3,435
OTP Bank Plc.	Retail bond	OTP EUR 1 2014/I	11/01/2013	11/01/2014	EUR	3,392,900	1,013
OTP Bank Plc.	Retail bond	OTP EUR 2 2015/I	11/01/2013	11/01/2015	EUR	161,200	48
OTP Bank Plc.	Retail bond	OTP TBSZ 4 2016/I	18/01/2013	15/12/2016	HUF	158	158
OTP Bank Plc.	Retail bond	OTP EUR 1 2014/II	25/01/2013	25/01/2014	EUR	2,539,600	758
OTP Bank Plc.	Retail bond	OTP EUR 2 2015/II	25/01/2013	25/01/2015	EUR	171,200	51
OTP Bank Plc.	Retail bond	OTP 2013/XXIV	01/02/2013	01/02/2014	HUF	1,542	1,542
OTP Bank Plc.	Retail bond	OTP EUR 1 2014/III	01/02/2013	01/02/2014	EUR	2,719,100	812
OTP Bank Plc.	Retail bond	OTP EUR 2 2015/III	01/02/2013	01/02/2015	EUR	158,100	47
OTP Bank Plc.	Retail bond	OTP EUR 1 2014/IV	15/02/2013	15/02/2014	EUR	4,063,100	1,213
OTP Bank Plc.	Retail bond	OTP EUR 2 2015/IV	15/02/2013	15/02/2015	EUR	158,300	47
OTP Bank Plc.	Retail bond	OTP 2014/III	01/03/2013	01/03/2014	HUF	2,834	2,834
OTP Bank Plc.	Retail bond	OTP EUR 1 2014/V	01/03/2013	01/03/2014	EUR	3,834,300	1,144
OTP Bank Plc.	Retail bond	OTP EUR 2 2015/V	01/03/2013	01/03/2015	EUR	263,100	79
OTP Bank Plc.	Corporate bond	OTP 2019/Dx	22/03/2013	21/03/2019	HUF	4,500	4,500
OTP Bank Plc.	Corporate bond	OTP 2016/Fx	22/03/2013	24/03/2016	HUF	670	670
OTP Bank Plc.	Corporate bond	OTP 2023/Ax	22/03/2013	24/03/2023	HUF	395	395

Issuer	Type of security	Security name	Date of issue	Date of maturity	Ccy	Outstanding consolidated debt (in original currency or HUF million) 30/09/2013	Outstanding consolidated debt (in HUF million) 30/09/2013
OTP Bank Plc.	Corporate bond	OTP 2023/RF/A	22/03/2013	24/03/2023	HUF	34	34
OTP Bank Plc.	Retail bond	OTP EUR 1 2014/VI	22/03/2013	22/03/2014	EUR	3,213,700	959
OTP Bank Plc.	Retail bond	OTP EUR 2 2015/VI	22/03/2013	22/03/2015	EUR	197,600	59
OTP Bank Plc.	Corporate bond	OTP 2014/Ax	05/04/2013	07/10/2013	HUF	2,708	2,708
OTP Bank Plc.	Retail bond	OTP TBSZ2014/I	05/04/2013	05/04/2014	HUF	1,917	1,917
OTP Bank Plc.	Retail bond	OTP EUR 1 2014/VII	05/04/2013	05/04/2014	EUR	1,366,800	408
OTP Bank Plc.	Retail bond	OTP EUR 2 2015/VII	05/04/2013	05/04/2015	EUR	383,700	115
OTP Bank Plc.	Retail bond	OTP EUR 1 2014/VIII	19/04/2013	19/04/2014	EUR	3,023,000	902
OTP Bank Plc.	Retail bond	OTP EUR 2 2015/VIII	19/04/2013	19/04/2015	EUR	312,600	93
OTP Bank Plc.	Retail bond	OTP 2014/V	26/04/2013	26/04/2014	HUF	1,161	1,161
OTP Bank Plc.	Retail bond	OTP EUR 1 2014/IX	10/05/2013	10/05/2014	EUR	5,820,700	1,737
OTP Bank Plc.	Retail bond	OTP EUR 2 2015/IX	10/05/2013	10/05/2015	EUR	738,600	220
OTP Bank Plc.	Retail bond	OTP 2014/II	24/05/2013	24/05/2014	HUF	1,473	1,473
OTP Bank Plc.	Retail bond	OTP EUR 1 2014/X	24/05/2013	24/05/2014	EUR	2,370,400	708
OTP Bank Plc.	Retail bond	OTP EUR 2 2015/X	24/05/2013	24/05/2015	EUR	363,800	109
OTP Bank Plc.	Retail bond	OTP 2014/VI	31/05/2013	29/11/2013	HUF	1,285	1,285
OTP Bank Plc.	Retail bond	OTP EUR 1 2014/XI	07/06/2013	07/06/2014	EUR	2,613,000	780
OTP Bank Plc.	Retail bond	OTP EUR 2 2015/XI	07/06/2013	07/06/2015	EUR	390,300	116
OTP Bank Plc.	Retail bond	OTP 2014/VII	14/06/2013	14/06/2014	HUF	780	780
OTP Bank Plc.	Retail bond	OTP EUR 1 2014/XII	21/06/2013	21/06/2014	EUR	2,198,800	656
OTP Bank Plc.	Retail bond	OTP EUR 2 2015/XII	21/06/2013	21/06/2015	EUR	211,500	63
OTP Bank Plc.	Corporate bond	OTP 2019/Ex	28/06/2013	24/06/2019	HUF	3,550	3,550
OTP Bank Plc.	Corporate bond	OTP 2023/Bx	28/06/2013	26/06/2023	HUF	295	295
OTP Bank Plc.	Retail bond	OTP EUR 1 2014/XIII	28/06/2013	28/06/2014	EUR	1,395,500	417
OTP Bank Plc.	Retail bond	OTP EUR 2 2015/XIII	28/06/2013	28/06/2015	EUR	274,200	82
OTP Bank Plc.	Retail bond	OTP DNT HUF 140108 6%	12/07/2013	08/01/2014	HUF	2,919	2,919
OTP Bank Plc.	Retail bond	OTP DC EUR 131015 3,5%	12/07/2013	15/10/2013	EUR	6,956,400	2,076
OTP Bank Plc.	Retail bond	OTP DC USD 131015 3,5%	12/07/2013	15/10/2013	USD	7,125,500	1,575
OTP Bank Plc.	Retail bond	OTP EUR 1 2014/XIV	12/07/2013	12/07/2014	EUR	2,815,400	840
OTP Bank Plc.	Retail bond	OTP EUR 2 2015/XIV	12/07/2013	12/07/2015	EUR	123,900	37
OTP Bank Plc.	Retail bond	OTP EUR 1 2014/XV	26/07/2013	26/07/2014	EUR	5,229,100	1,561
OTP Bank Plc.	Retail bond	OTP EUR 2 2015/XV	26/07/2013	26/07/2015	EUR	630,100	188
OTP Bank Plc.	Retail bond	OTP EK 2015/I	29/07/2013	29/01/2015	HUF	5,651	5,651
OTP Bank Plc.	Retail bond	OTP 2014/VIII	16/08/2013	16/08/2014	HUF	631	631
OTP Bank Plc.	Retail bond	OTP EUR 1 2014/XVI	16/08/2013	16/08/2014	EUR	10,363,100	3,093
OTP Bank Plc.	Retail bond	OTP EUR 2 2015/XVI	16/08/2013	16/08/2015	EUR	790,100	236
OTP Bank Plc.	Retail bond	OTP EUR 1 2014/XVII	30/08/2013	30/08/2014	EUR	6,895,600	2,058
OTP Bank Plc.	Retail bond	OTP EUR 2 2015/XVII	30/08/2013	30/08/2015	EUR	423,400	126
OTP Bank Plc.	Retail bond	OTP 2014/IX	13/09/2013	13/09/2014	HUF	538	538
OTP Bank Plc.	Retail bond	OTP EUR 1 2014/XVIII	13/09/2013	13/09/2014	EUR	7,927,400	2,366
OTP Bank Plc.	Retail bond	OTP EUR 2 2015/XVIII	13/09/2013	13/09/2015	EUR	648,800	194
OTP Bank Plc.	Retail bond	OTP EUR 1 2014/XIX	27/09/2013	27/09/2014	EUR	8,314,900	2,482
OTP Bank Plc.	Retail bond	OTP EUR 2 2015/XIX	27/09/2013	27/09/2015	EUR	508,700	152

Security redemptions on Group level in the course of 4Q 2012 and 9M 2013

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 Plc.	Retail bond	OTP 2012/XX	07/10/2011	06/10/2012	HUF	7,259	7,259
OTP Bank Plc.	Retail bond	OTP EUR 2012/VI	07/10/2011	06/10/2012	EUR	7,805,500	2,214
OTP Bank Plc.	Retail bond	OTP 2012/XXI	21/10/2011	20/10/2012	HUF	7,919	7,919
OTP Bank Plc.	Retail bond	OTP EUR 2012/VII	21/10/2011	20/10/2012	EUR	5,700,800	1,617
OTP Bank Plc.	Retail bond	OTP DNT HUF 2012B	27/04/2012	31/10/2012	HUF	5,461	5,461
OTP Bank Plc.	Retail bond	OTP_DC_USD 121105	03/08/2012	05/11/2012	USD	14,852,300	3,255
OTP Bank Plc.	Retail bond	OTP 2012/XXII	07/11/2011	06/11/2012	HUF	18,167	18,167
OTP Bank Plc.	Retail bond	OTP EUR 2012/VIII	07/11/2011	06/11/2012	EUR	3,608,900	1,024
OTP Bank Plc.	Retail bond	OTP 2012/XXIII	18/11/2011	17/11/2012	HUF	14,119	14,119
OTP Bank Plc.	Retail bond	OTP EUR 2012/IX	18/11/2011	17/11/2012	EUR	8,078,600	2,292
OTP Bank Plc.	Retail bond	OTP EUR 2012/X	25/11/2011	24/11/2012	EUR	4,117,100	1,168
OTP Bank Plc.	Retail bond	OTP 2012/XXIV	02/12/2011	01/12/2012	HUF	8,765	8,765
OTP Bank Plc.	Retail bond	OTP EUR 2012/XI	02/12/2011	01/12/2012	EUR	3,873,900	1,099
OTP Bank Plc.	Retail bond	OTP 2012/XXV	16/12/2011	15/12/2012	HUF	18,564	18,564
OTP Bank Plc.	Retail bond	OTP EUR 2012/XII	16/12/2011	15/12/2012	EUR	2,851,400	809

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 Plc.	Retail bond	OTP EUR 2012/XIII	29/12/2011	28/12/2012	EUR	1,002,200	284
OTP Bank Plc.	Retail bond	OTP 2013/I	06/01/2012	05/01/2013	HUF	8,787	8,787
OTP Bank Plc.	Retail bond	OTP_DC_EUR 130108	27/09/2012	08/01/2013	EUR	10,550,700	2,993
OTP Bank Plc.	Retail bond	OTP EUR 1 2013/I	13/01/2012	12/01/2013	EUR	1,107,400	314
OTP Bank Plc.	Retail bond	OTP 2013/II	20/01/2012	19/01/2013	HUF	21,608	21,608
OTP Bank Plc.	Retail bond	OTP EUR 1 2013/II	27/01/2012	26/01/2013	EUR	1,818,500	516
OTP Bank Plc.	Retail bond	OTP 2013/III	03/02/2012	02/02/2013	HUF	12,675	12,675
OTP Bank Plc.	Retail bond	OTP EUR 1 2013/III	10/02/2012	09/02/2013	EUR	1,018,700	289
OTP Bank Plc.	Retail bond	OTP 2013/IV	17/02/2012	16/02/2013	HUF	17,240	17,240
OTP Bank Plc.	Retail bond	OTP EUR 1 2013/IV	24/02/2012	23/02/2013	EUR	1,081,600	307
OTP Bank Plc.	Retail bond	OTP 2013/V	02/03/2012	02/03/2013	HUF	9,066	9,066
OTP Bank Plc.	Retail bond	OTP EUR 1 2013/V	09/03/2012	09/03/2013	EUR	832,200	236
OTP Bank Plc.	Retail bond	OTP 2013/VI	23/03/2012	23/03/2013	HUF	8,261	8,261
OTP Bank Plc.	Retail bond	OTP EUR 1 2013/VI	23/03/2012	23/03/2013	EUR	757,500	215
OTP Bank Plc.	Retail bond	OTP_DNT_2013A	27/09/2012	25/03/2013	HUF	3,761	3,761
OTP Bank Plc.	Retail bond	OTP 2013/VII	06/04/2012	06/04/2013	HUF	10,207	10,207
OTP Bank Plc.	Retail bond	OTP EUR 1 2013/VII	06/04/2012	06/04/2013	EUR	1,163,600	330
OTP Bank Plc.	Retail bond	OTP EUR 1 2013/VIII	20/04/2012	20/04/2013	EUR	2,312,600	656
OTP Bank Plc.	Retail bond	OTP 2013/VIII	21/04/2012	21/04/2013	HUF	10,687	10,687
OTP Bank Plc.	Retail bond	OTP EUR 1 2013/IX	04/05/2012	04/05/2013	EUR	2,929,300	831
OTP Bank Plc.	Retail bond	OTP 2013/IX	11/05/2012	11/05/2013	HUF	10,741	10,741
OTP Bank Plc.	Retail bond	OTP 2013/X	25/05/2012	11/05/2013	HUF	5,026	5,026
OTP Bank Plc.	Retail bond	OTP EUR 1 2013/X	11/05/2012	11/05/2013	EUR	524,900	149
OTP Bank Plc.	Retail bond	OTP EUR 1 2013/XI	25/05/2012	25/05/2013	EUR	872,800	248
OTP Bank Plc.	Retail bond	OTP 2013/XI	08/06/2012	08/06/2013	HUF	5,607	5,607
OTP Bank Plc.	Retail bond	OTP EUR 1 2013/XII	08/06/2012	08/06/2013	EUR	1,095,100	311
OTP Bank Plc.	Retail bond	OTP 2013/XII	22/06/2012	22/06/2013	HUF	4,506	4,506
OTP Bank Plc.	Retail bond	OTP EUR 1 2013/XIII	22/06/2012	22/06/2013	EUR	2,338,800	664
OTP Bank Plc.	Retail bond	OTP 3Y EURHUF	25/06/2010	25/06/2013	HUF	2,102	2,102
OTP Bank Plc.	Retail bond	OTP 2013/XIII	06/07/2012	06/07/2013	HUF	5,805	5,805
OTP Bank Plc.	Corporate bond	OTP 2013/Ax	28/06/2010	08/07/2013	HUF	428	428
OTP Bank Plc.	Retail bond	OTP_EUR_1_2013_XIV	13/07/2012	13/07/2013	EUR	5,006,500	1,420
OTP Bank Plc.	Retail bond	OTP 2013/XIV	20/07/2012	20/07/2013	HUF	9,655	9,655
OTP Bank Plc.	Retail bond	OTP_EUR_1_2013_XV	03/08/2012	03/08/2013	EUR	13,467,000	3,821
OTP Bank Plc.	Retail bond	OTP EUR 2013/I	05/08/2011	05/08/2013	EUR	448,600	127
OTP Bank Plc.	Retail bond	OTP 2013/X	10/08/2012	10/08/2013	HUF	5,904	5,904
OTP Bank Plc.	Retail bond	OTP EUR 2013/II	12/08/2011	12/08/2013	EUR	437,400	124
OTP Bank Plc.	Retail bond	OTP_EUR_1_2013_XVI	17/08/2012	17/08/2013	EUR	7,886,100	2,237
OTP Bank Plc.	Retail bond	OTP 2013/XVI	24/08/2012	24/08/2013	HUF	3,668	3,668
OTP Bank Plc.	Retail bond	OTP OVK 2013/I	26/08/2011	26/08/2013	HUF	1,263	1,263
OTP Bank Plc.	Retail bond	OTP EUR 2013/III	26/08/2011	26/08/2013	EUR	914,800	260
OTP Bank Plc.	Retail bond	OTP_EUR_1_2013_XVII	31/08/2012	31/08/2013	EUR	9,099,900	2,582
OTP Bank Plc.	Retail bond	OTP 2013/XVII	07/09/2012	07/09/2013	HUF	4,161	4,161
OTP Bank Plc.	Retail bond	OTP EUR 2013/IV	09/09/2011	09/09/2013	EUR	765,400	217
OTP Bank Plc.	Retail bond	OTP_EUR_1_2013_XVIII	14/09/2012	14/09/2013	EUR	8,593,700	2,438
OTP Bank Plc.	Retail bond	OTP 2013/XVIII	21/09/2012	21/09/2013	HUF	3,672	3,672
OTP Bank Plc.	Retail bond	OTP EUR 2013/V	23/09/2011	23/09/2013	EUR	493,900	140
OTP Bank Plc.	Retail bond	OTP_EUR_1_2013_XIX	28/09/2012	28/09/2013	EUR	4,716,600	1,338
OTP Banka Slovensko	Mortgage bond	OTP	15/10/2003	15/10/2012	EUR	16,596,960	4,709
OTP Banka Slovensko	Mortgage bond	OTP XIX.	02/11/2009	02/11/2012	EUR	9,762,000	2,770
OTP Banka Slovensko	Mortgage bond	OTP XXI.	20/05/2010	20/05/2013	EUR	9,856,000	2,796
OTP Mortgage Bank	Mortgage bond	OJB2013_III	29/05/2009	29/05/2013	HUF	0	0
OTP Mortgage Bank	Mortgage bond	OJB2013_II	20/12/2002	31/08/2013	HUF	13,433	13,433
OTP Mortgage Bank	Mortgage bond	OJB2013_IV	25/05/2011	31/08/2013	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	9M 2012	9M 2013	Y-o-Y	3Q 2012	2Q 2013	3Q 2013	Q-o-Q	Y-o-Y
Total	**9,092**	**11,298**	**24%**	**2,723**	**4,427**	**3,210**	**-27%**	**18%**
Short-term employee benefits	5,854	7,404	26%	1,783	3,375	2,143	-37%	20%
Share-based payment	2,242	3,076	37%	658	792	768	-3%	17%
Other long-term employee benefits	788	729	-7%	193	260	210	-19%	9%
Termination benefits	198	89	-55%	89		89		0%
Redundancy payments	10		-100%	0		0		
Loans provided to companies owned by members of the management[1] or their family members (normal course of business)	35,152	34,705	-1%	35,152	35,456	34,705	-2%	-1%
Credit lines of the members of Board of Directors and the Supervisory Board and their close family members (at normal market conditions)	112	466	316%	112	508	466	-8%	316%
Commitments to extend credit and guarantees	630	1,113	77%	630	1,161	1,113	-4%	77%
Loans provided to unconsolidated subsidiaries	5,108	1,586	-69%	5,108	982	1,586	62%	-69%

[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) From 2011 on Balance Sheet contains consolidated data of OTP Banka Slovensko and OTP Faktor Slovensko s.r.o., adjusted for 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 for the special banking tax.

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

(10) 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).

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

(12) 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).

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

(14) Total Foreign subsidiaries: sum of the after tax profits 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, the tax shield effect of investment write-offs, special tax on financial institutions, the one-timer payment compensating the underperformance of the financial transaction tax in 2013, 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 administrative 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, Special tax on financial institutions and the one-timer payment compensating the underperformance of the financial transaction tax.
- From 4Q 2010 onwards, the fee expenses paid by Merkantil Group to car dealers ('dealer fees') were registered as interest expense in 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 and in 2Q 2013, seven subsidiaries of OTP Real Estate Ltd. were for the first time consolidated into OTP Group. The cumulated loss of the 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.
- Tax deductible transfers paid by Hungarian group members in 2H 2012 were reclassified from Other

non-interest expenses to Corporate income tax. As a result, the net P&L effect of the transfers (ie. the paid transfer less the related tax allowances) is recognised in the corporate income tax line of the adjusted P&L. Thus these transfers had no material P&L effect in the adjusted P&L in 2H 2012.

- From 2012 credit institutions' contribution tax started to be recognised in the accounting P&L of OTP Group and OTP Core as OTP Core's burden share in the fixed exchange rate scheme provided to Hungarian FX mortgage debtors. The paid contribution tax equals 50% of the forgiveness provided on the interest payments of the clients. In the adjusted P&L the tax is reclassified from other (administrative) expenses and to a lesser extent from other risk cost to net interest income.
- The financial transaction tax paid from the beginning of 2013 in Hungary is reclassified from other (administrative) expenses to net fees and commissions.
- 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 12	2Q 12	3Q 12	9M 12	4Q 12 Audited	2012 Audited	1Q 13	2Q 13	3Q 13	9M 13
Net interest income	**162,243**	**156,899**	**160,627**	**479,768**	**165,697**	**645,466**	**167,955**	**162,301**	**165,055**	**495,310**
(-) Agent fees paid to car dealers by Merkantil Group	-704	-652	-680	-2,036	-732	-2,768	-624	-552	-587	-1,763
(+) Credit institutions' contribution tax paid in relation to the fixed exchange rate scheme	0	0	0	0	-442	-442	-2,161	-30	34	-2,157
(+) Other risk costs recognised in relation to the fixed exchange rate scheme							-98	64	30	-3
Net interest income (adj.) with one-offs	**162,947**	**157,551**	**161,307**	**481,804**	**165,988**	**647,792**	**166,320**	**162,887**	**165,706**	**494,913**
(-) Revaluation result of FX swaps at OTP Core (booked within net interest income)	-1,200	-1,356	29	-2,527	0	-2,528	432	310	270	1,012
Net interest income (adj.) without one-offs	**164,147**	**158,907**	**161,278**	**484,332**	**165,988**	**650,319**	**165,888**	**162,577**	**165,436**	**493,901**
Net fees and commissions	**34,782**	**38,581**	**39,693**	**113,056**	**41,282**	**154,338**	**42,189**	**49,494**	**53,420**	**145,103**
(+) Agent fees paid to car dealers by Merkantil Group	-704	-652	-680	-2,036	-732	-2,768	-624	-552	-587	-1,763
(+) Financial Transaction Tax							-5,752	-6,165	-9,316	-21,233
Net fees and commissions (adj.)	**34,078**	**37,929**	**39,013**	**111,020**	**40,550**	**151,570**	**35,813**	**42,777**	**43,517**	**122,107**
Foreign exchange result on Consolidated IFRS P&L	**-7,236**	**3,147**	**601**	**-3,488**	**6,659**	**3,171**	**12,487**	**-5,385**	**9,169**	**16,270**
(-) Revaluation result of FX positions hedging the revaluation of FX provisions	-11,659	-3,187	-5,103	-19,949	3,256	-16,692	9,954	-12,006	5,502	3,451
Foreign exchange result (adj.) with one-offs	**4,423**	**6,334**	**5,704**	**16,460**	**3,402**	**19,863**	**2,533**	**6,621**	**3,666**	**12,820**
Foreign exchange result (adj.) without one-offs	**4,423**	**6,334**	**5,704**	**16,460**	**3,402**	**19,863**	**2,533**	**6,621**	**3,666**	**12,820**
Gain/loss on securities, net	**-1,446**	**-2,398**	**3,057**	**-787**	**551**	**-236**	**4,043**	**4,118**	**1,854**	**10,015**
Gain/loss on securities, net (adj.) with one-offs	**-1,446**	**-2,398**	**3,057**	**-787**	**551**	**-236**	**4,043**	**4,118**	**1,854**	**10,015**
(-) Revaluation result of the treasury share swap agreement (booked as Gain on securities, net (adj) at OTP Core)	-2,501	-2,685	223	-4,962	31	-4,932	26	295	291	612
Gain/loss on securities, net (adj.) without one-offs	**1,054**	**287**	**2,834**	**4,176**	**521**	**4,696**	**4,017**	**3,823**	**1,563**	**9,403**
Gains and losses on real estate transactions	**214**	**152**	**407**	**773**	**358**	**1,131**	**499**	**589**	**427**	**1,515**
(+) Other non-interest income	**7,428**	**6,276**	**5,178**	**18,882**	**5,105**	**23,986**	**4,910**	**6,160**	**9,533**	**20,604**
(-) Received cash transfers	2	0	1	3	11	14	9	4	151	164
(-) Non-interest income from the release of pre-acquisition provisions	232	47	45	324	91	416	22	36	66	123
(+) Other non-interest expenses	-734	-1,793	-3,649	-6,176	-956	-7,132	-760	-2,128	-552	-3,440
(+) Release of loan loss provisioning related to the consolidation of the subsidiaries of OTP Real Estate Ltd.	0	0	307	307	0	307	0	224	0	224
(+) Release of other provisioning related to the consolidation of the subsidiaries of OTP Real Estate Ltd.	0	0	1,657	1,657	0	1,657	0	254	0	254
Net other non-interest result (adj.) with one-offs	**6,674**	**4,587**	**3,855**	**15,116**	**4,403**	**19,520**	**4,618**	**5,059**	**9,192**	**18,869**
(-) Gain on the repurchase of own Upper and Lower Tier2 Capital (booked as Net other non-interest result (adj.) at OTP Core and at the Corporate Centre)	1,124	0	291	1,415	0	1,415	0	970	5,102	6,072
Net other non-interest result (adj.) without one-offs	**5,550**	**4,587**	**3,564**	**13,701**	**4,403**	**18,105**	**4,618**	**4,089**	**4,090**	**12,797**
Provision for possible loan losses	**-47,006**	**-59,329**	**-53,001**	**-159,336**	**-67,644**	**-226,980**	**-64,311**	**-49,346**	**-68,861**	**-182,519**
(+) Non-interest income from the release of pre-acquisition provisions	232	47	45	324	91	416	22	36	66	123
(-) Revaluation result of FX provisions	11,659	3,187	5,103	19,949	-3,256	16,692	-9,954	12,006	-5,502	-3,451
(-) Loss from early repayment of FX mortgage loans in Hungary	4,409	0	0	4,409	0	4,409	0	0	0	0
(-) Revaluation result on FX purchased from the National Bank of Hungary to cover the FX need of early repayments	-5,278	0	0	-5,278	0	-5,278	0	0	0	0
(-) Release of loan loss provisioning related to the consolidation of the subsidiaries of OTP Real Estate Ltd.	0	0	307	307	0	307	0	224	0	224
Provision for possible loan losses (adj.)	**-57,564**	**-62,469**	**-58,366**	**-178,399**	**-64,296**	**-242,695**	**-54,335**	**-61,540**	**-63,293**	**-179,168**

in HUF million	1Q 12	2Q 12	3Q 12	9M 12	4Q 12 Audited	2012 Audited	1Q 13	2Q 13	3Q 13	9M 13
Other expenses	**-77,577**	**-41,420**	**-45,438**	**-164,435**	**-57,198**	**-221,633**	**-83,416**	**-67,143**	**-54,739**	**-205,298**
(-) Other provisions	-1,177	-1,630	-551	-3,358	-5,982	-9,340	-768	2,096	-2,725	-1,397
(-) Paid cash transfers	-652	-752	-3,199	-4,603	-6,177	-10,780	-686	-2,792	-1,366	-4,844
(+) Sponsorships, subsidies and cash transfers to public benefit organisations	-510	-495	-2,867	-3,871	-5,966	-9,837	-390	-2,676	-920	-3,986
(-) Other non-interest expenses	-734	-1,793	-3,649	-6,176	-956	-7,132	-760	-2,128	-552	-3,440
(-) Special tax on financial institutions	-35,539	-94	-221	-35,854	100	-35,754	-35,808	-351	-350	-36,510
(-) Special banking tax refund	-1,323	0	0	-1,323	0	-1,323	0	0	0	0
(-) Tax deductible transfers	0	0	-2,434	-2,434	-5,748	-8,182	0	-2,400	-748	-3,148
(-) Credit institutions' contribution tax paid in relation to the fixed exchange rate scheme	0	0	0	0	-442	-442	-2,161	-30	34	-2,157
(-) Financial Transaction Tax							-5,752	-6,165	-9,316	-21,233
(-) One-timer payment compensating the underperformance of the Financial Transaction Tax							0	-16,238	-29	-16,267
Other expenses (adj.)	**-38,663**	**-37,645**	**-38,252**	**-114,559**	**-43,958**	**-158,517**	**-37,872**	**-41,810**	**-40,607**	**-120,289**
Other risk costs	**-1,177**	**-1,630**	**-551**	**-3,358**	**-5,982**	**-9,340**	**-768**	**2,096**	**-2,725**	**-1,397**
(-) Release of other provisioning related to the consolidation of the subsidiaries of OTP Real Estate Ltd.	0	0	1,657	1,657	0	1,657	0	254	0	254
(-) Other risk costs recognised in relation to the fixed exchange rate scheme							-98	64	30	-3
Other risk costs (adj.)	**-1,177**	**-1,630**	**-2,208**	**-5,015**	**-5,982**	**-10,997**	**-671**	**1,778**	**-2,755**	**-1,648**
After tax dividends and net cash transfers	**-648**	**1,952**	**-3,102**	**-1,798**	**-6,165**	**-7,963**	**-674**	**-78**	**-1,103**	**-1,855**
(-) Sponsorships, subsidies and cash transfers to public benefit organisations	-510	-495	-2,867	-3,871	-5,966	-9,837	-390	-2,676	-920	-3,986
(-) Dividend income of swap counterparty shares kept under the treasury share swap agreement		2,265	0	2,265	0	2,265		2,316	0	2,316
After tax dividends and net cash transfers	**-138**	**182**	**-235**	**-192**	**-199**	**-391**	**-284**	**282**	**-183**	**-185**
Depreciation	**-11,141**	**-11,832**	**-11,864**	**-34,837**	**-12,583**	**-47,420**	**-11,366**	**-12,116**	**-42,664**	**-66,147**
(-) Goodwill impairment charges (OTP banka Srbija (Serbia), OTP Bank JSC (Ukraine), OTP banka Hrvatska (Croatia), CKB (Montenegro))	0	0	0	0	0	0	0	0	-30,819	-30,819
Depreciation (adj.)	**-11,141**	**-11,832**	**-11,864**	**-34,837**	**-12,583**	**-47,420**	**-11,366**	**-12,116**	**-11,846**	**-35,328**
Income taxes	**-532**	**-5,092**	**-10,066**	**-15,689**	**-7,399**	**-23,088**	**-10,636**	**959**	**-11,198**	**-20,875**
(-) Corporate tax impact of goodwill/investment impairment charges	0	3,977	0	3,977	0	3,977	0	1,379	0	1,379
(-) Corporate tax impact of the special tax on financial institutions	6,516	18	42	6,575	5	6,580	6,581	81	81	6,742
(-) Corporate tax impact of the loss from early repayment of FX mortgage loans in Hungary	-838	0	0	-838	0	-838	0	0	0	0
(-) Corporate tax impact of the special banking tax refund	251	0	0	251	0	251	0	0	0	0
(-) Corporate tax impact of the revaluation of FX purchased from the National Bank of Hungary to cover the FX need of early repayments	1,003	0	0	1,003	0	1,003	0	0	0	0
(+) Tax deductible transfers	0	0	-2,434	-2,434	-5,748	-8,182	0	-2,400	-748	-3,148
(-) Corporate tax impact of the one-timer payment compensating the underperformance of the Financial Transaction Tax							0	3,085	5	3,091
Corporate income tax (adj.)	**-7,464**	**-9,086**	**-12,541**	**-29,091**	**-13,152**	**-42,243**	**-17,217**	**-5,985**	**-12,032**	**-35,234**

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