



OTP BANK Ltd.

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October 24, 2005

Extraordinary announcement

OTP Bank has submitted binding bid to purchase the Serbian Niška banka a.d. Niš

OTP Bank has submitted a binding bid to purchase a 89.39% stake in Niška banka a.d. Nis ("Niška banka") to the Agency For Insurance Deposits, acting on behalf of the seller, the Government of the Serbian Republic, on 24 October 2005.

After OTP Bank completed its due diligence OTP Bank's acquisition team, together with its legal advisors and auditor, evaluated Niška banka and prepared the binding bid in accordance with the approval of OTP Bank's Board of Directors.

As known, the largest Hungarian financial institution submitted a Letter of Intent for the purchase of the small Serbian bank, which had a 0.7% market share, on 31 March 2005. The majority state owned Serbian bank has 80,000 customers. Niška banka provides banking services through a 24-unit branch network. The total assets of Niška banka was EUR 40.2 million, the total deposits stood at EUR 13.2 million and financed its clients with loans in the range of EUR 8.1 million at the end of the first half of 2005. The equity of Niška banka was up to EUR 18.0 million at the same time.

OTP Bank sees a good opportunity in the privatisation of Niška banka, to accomplish its plans to enter the Serbian banking market, while at the same time exercising its traditional prudence regarding its investment policy.

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