



July 7, 2006

Extraordinary announcement

OTP Bank Plc. acquires Kulska banka

Representing the buyer OTP Bank Plc., László Wolf, Deputy CEO and Sándor Móczár, integration advisor, and representing the main owners of Kulska banka a.d. Novi Sad (Kulska banka) – the bank offered for sale -, Zdravko Pavicevic, Chairman of the Board of Directors and Mita Katic, General Manager, has today signed the sale and purchase agreement for the acquisition of a majority stake in Kulska banka a.d. Novi Sad (Kulska banka). The largest Hungarian financial institution pays a purchase price of EUR 118.6 million for the 67% share package. The purchase price is based on Kulska banka's market value and it is scheduled to be paid at the time of the closing of the transaction in October 2006, in possession of the necessary approvals.

OTP Bank announced on May 18, 2006, that it would make a buyout offer for an at least 67% stake in Kulska banka. The main shareholders of the Serbian lending institution confirmed on the same day that they supported OTP Bank's acquisition offer. With end-2005 total assets of EUR 136.3 million, the Novi Sad-based bank has a 1.5% market share in the Serbian banking market. Kulska banka closed last year with an after-tax profit of EUR 12.1 million, while its shareholders' equity was EUR 68.8 million. The bank had a 1.6% market share in credits and 1.2% in deposits. The lending institution serves its 62,000 clients via 39 branches.

The purchase of Kulska banka paves the way for OTP Bank to further expand its activity on the Serbian banking market. OTP Bank acquired a 89.39% stake in Niška banka a.d. Niš in December 2005, with the acquisition closed on March 7, 2006. OTP Bank signed the sale and purchase agreement for a 75.1% stake in Belgrade-based Zepter banka a.d. Beograd on March 31. Based on total assets, the three banks have an approximately 3% combined market share on the Serbian banking market, where OTP Bank will focus on strong organic growth following the merger of the banks.

The Serbian banking system is ahead of significant growth. Preliminary data for 2005 show that the banking system's total assets/GDP data is around 43%, compared with an around 70% average in Central and Eastern Europe. This data, together with a low, 24% figure for the share of aggregate loans in the Serbian banking system compared to GDP, anticipate a sharp increase in banks' lending activity.

As a key player in Central-Eastern Europe, OTP Bank Group currently operates in Bulgaria, Croatia, Romania, Serbia and Slovakia via its subsidiaries, and it bought the 100% of Raiffeisen Ukraine on June 1, 2006 and the 96.4% of Investsberbank in Russia on July 3, 2006. Based on the closed acquisitions, the banking group serves around 10 million clients via 1000 branches and the electronic channels. OTP Bank closed the first quarter of 2006 with an IFRS consolidated net profit of HUF 46.2 billion, while its total assets amounted to HUF 5.444,8 billion at the end of March.

OTP Bank Plc.