



OTP Bank Ltd.

**First Quarter 2005 Stock Exchange
Report**

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

Budapest, May 13, 2005

NON CONSOLIDATED AND CONSOLIDATED, NON AUDITED IFRS REPORTS OF OTP BANK LTD. FOR OF THE PERIOD ENDED 31 MARCH 2005

OTP Bank Ltd. has prepared its non consolidated and consolidated, non audited IFRS report for 31 March 2005. Below we present the our analysis derived from the unconsolidated and the consolidated condensed IFRS financial statements of 31 March 2005. The differences between HAR and IFRS data presented are summarized in the end of the report.

THE EFFECT OF ADOPTING REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS EFFECTIVE FROM JANUARY 1, 2005 ON THE 2004 FINANCIAL STATEMENTS

Effective from January 1, 2005 the Bank adopted the revised IAS 39 (“Financial Instruments: Recognition and Measurement”), and the IFRS 2 (“Share-based payment”). Revisions to a number of other IAS also took effect in the unconsolidated condensed financial statements of the Bank, but those revisions concerned matters of detailed application which have no significant effect on amounts reported.

IAS 39 FINANCIAL INSTRUMENTS: RECOGNITION AND MEASUREMENT

The revised IAS 39 standard, which is effective after January 1, 2005 will change the category held for trading instruments by introducing a new category „a financial asset at fair value through profit or loss”. In this category could be classified the previous held for trading assets and other instruments upon initial recognition it is designated by the entity as at fair value through profit or loss.

Previously changes in fair value of available-for-sale assets could have been recognised in the profit/loss or directly in the equity. Effective from January 1, 2005 unrealised gains and losses on available-for-sale financial instruments must be recognised directly in equity, unless such available-for-sale security is part of an effective fair value hedge. Such gains and losses will be reported in the profit and loss for the applicable period.

Due to the retrospective application of modified IAS 39, an opening adjustment has been presented in retained earnings and reserves as of January 1, 2004. Due to restatement of prior periods, income after income tax decreased for the year ended December 31, 2004, and the three month period ended March 31, 2004, respectively.

IFRS 2 SHARE BASED PAYMENTS

For equity settled share based compensation, under IFRS 2 the Bank is required to measure the fair value of services received, based on the fair value of the equity instrument granted, and to recognise such expense in the unconsolidated financial statements. IFRS 2 will be adopted from January 1, 2005 retrospectively, in respect of options which have a grant date later than November 7, 2002.

The Annual General Meeting of the year of 2000 approved a five year share option and bonus program for the years 2000 to 2004 which are granted on an annual basis. For the options after the year 2003 and 2004, which are under the scope of IFRS 2, the grant date is December 31, 2002.

Due to the retrospective application of IFRS 2, an opening adjustment of HUF 2,085 million is presented separately in the retained earnings and reserves as of January 1, 2004. Due to restatement of prior periods, the income after income tax was decreased by HUF 2,348 million and HUF 587 million for the year ended December 31, 2004, and for the three month period ended March 31, 2004, respectively

HIGHLIGHTS

IFRS

Financial highlights IFRS	1Q 2004	1Q 2005	Y-o-Y	4Q 2004	Q-o-Q
Total assets (HUF bn)	3,548.0	4,737.6	33.5%	4,162.4	13.8%
Total loans and advances (HUF bn)	2,057.6	2,742.1	33.3%	2,506.8	9.4%
Total deposits (HUF bn)	2,671.4	3,282.7	22.9%	2,902.2	13.1%
Loan/deposit ratio	77.0%	83.5%	8.4%	86.4%	-3.3%
Shareholders' equity (HUF bn)	328.1	429.7	31.0%	433.7	-0.9%
Balance sheet gearing	10.8	11	2.0%	9.6	14.9%
Share of non interest income in total income	34.7%	44.1%	9.4%	41.5%	2.6%
Cost to income ratio	54.2%	53.4%	-0.8%	67.9%	-14.5%
Pre-tax profits (HUF bn)	40.0	45.9	14.8%	32	43.5%
After tax profits (HUF bn)	34.0	38.4	12.7%	26.8	43.1%
EPS base (HUF)	131	146	10.8%	100	45.7%
EPS fully diluted (HUF)	131	146	10.8%	100	45.5%
Return on Assets	3.88%	3.45%	-0.43%	2.67%	0.78%
Return on Equity	42.5%	35.5%	-7.0%	25.6%	9.9%
Average assets (HUF bn)	3,504.4	4,450.0	27.0%	4,013.1	10.9%
Net interest income (HUF bn)	63.8	65.5	2.7%	66.4	-1.4%
Net interest margin after provision	6.74%	5.28%	-1.46%	6.17%	-0.89%

CONSOLIDATED BALANCE SHEET

On 31 March 2005 the consolidated IFRS total assets of the Bank were HUF4,737.5 billion, representing a 33.5% increase over the same period a year earlier. Balance sheet grew by HUF 575.2 billion or 13.8 during 1Q2005. The IFRS total assets of the Group were 42.1% higher on 31 March 2005 than that of the Bank, thus confirming the overwhelming position of the Bank within the Group. Both the balance sheet and its individual ones benefited from the consolidation of Nova banka (Croatia) for the first time on Marc 31, 2005.

The Bank's consolidated shareholder's equity on 31 March 2005 was HUF429.7 billion, 31.0% higher than the consolidated shareholders' equity as of 31 March 2004, and 10.1% higher than the unconsolidated shareholders' equity. The increase was caused by the creation of capital reserves from considerable part of the profits after taxes.

On the asset side, cash, deposits and balances with the NBH decreased by 88.7% compared to 2004, due mainly to the significant increase in short-term HUF and foreign currencies placements with the NBH. The growth in 1Q05 was 33.7%.

On 31 March 2005 the volume of interbank placements was 23.9% higher due to the change in the structure of placements. They grew 10.4% in Q1.

Financial assets at fair value through profit and loss decreased by 13.1% to HUF71.5 billion. Trading securities declined in 1Q by 5% to HUF63.9 billion and were 15.6% lower than a year earlier.

This volume was HUF44.4 billion higher than non-consolidated figure of the Bank, due to securities held by OTP-Garancia Insurance, OTP Building Society and OTP Mortgage Bank subsidiaries.

Available for sale securities grew by 28.9% in Q1 to HUF381.4 billion and were HUF 103.2 billion higher than a year earlier. This volume was HUF44.4 billion higher than non-consolidated figure of the Bank, due to securities held by OTP-Garancia Insurance, OTP Building Society and OTP Mortgage Bank subsidiaries and adjustment for mortgage bonds held by the parent bank.

Volume of loans, net of allowance for possible loan losses grew by 9.4% from HUF2506.8 billion on December 31, 2004 to HUF2742.1 billion as of 31 March 2005. This represented a 33,3% growth year-on-year..

Within consolidated gross loan volume of HUF2827.1 billion, corporate loans represented 36.9% (HUF 1043.9 billion); retail loans 59.6% (HUF1,683.6 billion) and municipality loans 3.5% (HUF99.7 billion). Within retail loans housing and mortgage loans stood at HUF 1072.4 billion; consumer loans at 611.1 billion. With the consolidation of Nova banka, 23.3% of total loans were issued by the foreign subsidiaries.

OTP Bank Ltd. First Quarter 2005 Stock Exchange Report

The loan growth of the 12 months period ending on March 31, 2005 was augmented OTP Bank (before consolidation corporate loans grew by 175.1 billion; consumer loans by 68.7 billion) by OBS (corporate loans grew by 25.4 billion, mortgage loans by 14.1 billion); by DSK corporate loans grew by 75.2 billion; consumer loans by 66.8 billion, mortgage loans by 32.2 billion) and OTP Mortgage Bank where 12 month loan book growth was 102.4 billion. Car financing by Merkantil Car was 52.1 billion above the level on March 31, 2004.

Loan volume grew by 9.3% or by 241 billion. HUF 224 billion of it was created by foreign subsidiaries mostly by the consolidation of Nova banka's HUF 123.5 billion loans and by the loan generation at DSK (partially as a response to BNB measure to curtail loan growth in Bulgaria). During 1Q2005 corporate loans grew by 13.4%; retail loans by 8,8% (mortgages by 5.6%, consumer loans by 13.9%) while municipality loans declined by 15.6% mostly for seasonality reasons.

Mortgage lending in Hungary during 1Q2005 was weak due to seasonal reasons, which were enhanced by high interest rates and low subsidies plus expectations of further assistance by the government (which resulted in the "Nest-making") had a withholding effect on already low demand. Borrowers preferred FX loans in spite of increased FX and interest rate risk. During 1Q 2005 OTP approved loan applications to the value of HUF34.5 billion (HUF82.6 billion in 1Q2004; 33.3 billion in 4Q2004) and disbursed loans of HUF32.6 billion (HUF76.6 billion in 1Q2004; 47.3 billion in 4Q2004). Subsidized loans reached HUF16.5 billion from the above, the rest were "ÖTP" loans (HUF16.1 billion) of which 11.3 billion was denominated in FX. HUF15.5 billion loans were transferred to the Mortgage bank, while Mortgage Bank clients repaid loans of HUF 13 billion.

IFRS consolidated gross loan volume of the Bank by business lines and by subsidiaries on March 31, 2005 in HUF billion:

	Corporate		Municipal		Retail		Consumer loans		Housing loans		Total	
	Mar 31, 2004	Mar 31, 2005	Mar 31, 2004	Mar 31, 2005	Mar 31, 2004	Mar 31, 2005	Mar 31, 2004	Mar 31, 2005	Mar 31, 2004	Mar 31, 2005	Mar 31, 2004	Mar 31, 2005
OTP Bank	665.4	840.4	91.0	95.2	322.1	392.4	143.2	211.9	178.9	180.5	1078.5	1328.0
OTP Factoring	2.5	1.8	0.5	0.4	4.3	8.2	0.4	0.4	3.9	7.7	7.3	10.4
OTP Building Society	0.0	0.0	0.0	0.0	8.5	7.5	0.0	0.0	8.5	7.5	8.5	7.5
Merkantil Bank	22.1	22.7	0.0	0.0	40.4	32.6	40.4	32.6	0.0	0.0	62.6	55.3
Merkantil Car	8.7	17.6	0.0	0.1	65.5	108.7	65.5	108.7	0.0	0.0	74.2	126.3
HIF	12.1	11.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	12.1	11.8
OTP Mortgage Bank	0.0	0.0	0.0	0.0	669.4	771.8	0.0	0.0	669.4	771.8	669.4	771.8
OTP Banka Slovensko	87.0	112.5	0.7	1.1	14.1	29.8	3.1	4.8	11.0	25.0	101.7	143.4
DSK Bank	38.8	114.0	0.1	0.2	140.5	239.4	117.3	184.0	23.2	55.4	179.3	353.5
OTP Leasing	0.0	5.4	0.0	0.0	0.0	3.0	0.0	3.0	0.0	0.0	0.0	8.4
RoBank	0.0	16.6	0.0	0.0	0.0	0.3	0.0	0.3	0.0	0.0	0.0	16.9
OTP Faktoring Slovensko	0.0	2.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.6
Nova banka	0.0	49.0	0.0	2.7	0.0	71.8	0.0	39.1	0.0	32.7	0.0	123.5
Total	836.5	1194.3	92.3	99.7	1264.7	1665.4	369.9	584.8	894.9	1080.7	2193.5	2959.4
Consolidated	758.1	1043.9	92.3	99.7	1276.0	1683.6	385.3	611.1	890.7	1072.4	2126.3	2827.1
Distribution	35.7%	36.9%	4.3%	3.5%	60.0%	59.6%	18.1%	21.6%	41.9%	37.9%	100.0%	100.0%
Foreign subsidiaries	137.9	311.7	0.7	4.0	154.5	344.4	120.3	231.2	34.2	113.1	293.1	660.1
Share of foreign subsidiaries	18.2%	26.1%	0.8%	4.0%	12.1%	20.7%	31.2%	39.5%	3.8%	10.5%	13.8%	22.3%

Quality of the loan book under IFRS was good at the end of December 2004; performing portion represented 88.3% of total, while 8.2% was to be monitored and problem loans were 3.4% of total. 12.5% of qualified loans and 7.8% of problem loans were in the books of foreign subsidiaries. The consolidated loan loss provisioning of HUF78.5 billion represented 26.0% coverage over the qualified loans. During the fourth quarter of 2004 performing loans grew by HUF132.4 billion, qualified loans by HUF5.7 billion (mainly due to the decrease at the parent bank and the creation at OTP Mortgage Bank and at Merkantil Car for new FX loans) and non performing loans declined by HUF0.9 billion. In the same time provisions increased by HUF2.9 billion, coverage increased by 0.5%point.

Quality of the loan book under IFRS was also good. At the end of March 2005; performing portion represented 88.4% of total, 8.1% was to be monitored and problem loans were 3.5% of total. 15.2% of qualified loans and 17.5% of problem loans were in the books of foreign subsidiaries.

Quality of the portfolio by companies:

HUF billion	Qualified loans	NPL	Qualified rate	NPL rate	Provision	Coverage
OTP Bank	64.9	30.2	5.0%	2.3%	18.9	29.1%
Merkantil Bank	28.5	7.5	51.6%	13.6%	5.6	19.7%
HIF	11.8	0	100.0%	0.1%	0.1	0.8%
OTP Building Society	0.1	0.1	1.4%	0.9%	0	31.6%
Merkantil Car	126	8.5	99.8%	6.7%	6	4.7%
OTP Mortgage Bank	18.5	0.1	2.4%	0.0%	0	0.1%
OTP Banka Slovensko	5.5	1.8	3.8%	1.3%	0.9	16.8%
DSK Bank	10	4.3	2.8%	1.2%	6.9	68.5%
OTP Factoring	9.7	5.6	93.6%	53.6%	2	20.8%
RoBank	12.7	0.6	75.0%	3.6%	0.3	2.7%
OTP Faktoring Slovensko	0.2	0.1	6.4%	3.9%	0	9.9%
Nova banka	4.2	4.2	3.4%	3.4%	0	
OTP Leasing	0	0			0	
Total	292	62.9	9.9%	2.1%	40.8	14.0%
Consolidated	327.7	98.9	11.6%	3.5%	85	26.3%
Distribution	11.6%	3.5%	6.7%	1.7%	3.0%	18.6%
Foreign subsidiaries	44.3	11	6.7%	1.7%	8.2	18.6%

The consolidated loan loss provisioning of HUF85 billion represented 25.9% coverage over the qualified loans. During the first quarter performing loans grew by HUF214.7 billion, qualified loans by HUF26.3 billion (mainly due to the decrease at the parent bank and the creation at OTP Mortgage Bank and at Merkantil Car for new FX loans) and non performing loans increased by HUF8.2 billion. In the same time provisions increased by HUF5.7 billion, coverage was unchanged.

Loan portfolio by group members and qualification categories in IFRS:

	31/03/2004	31/12/2004	31/03/2005	Q-o-Q	Y-o-Y		
Performing loans	1,841,814	2,284,688	2,499,404	214,716	9.4%	657,590	35.7%
To-be-monitored loans	199,594	210,752	228,805	18,053	8.6%	29,211	14.6%
Below average	17,370	25,381	22,562	-2,820	-11.1%	5,192	29.9%
Doubtful	20,357	19,493	25,961	6,468	33.2%	5,604	27.5%
Bad	47,192	45,797	50,365	4,569	10.0%	3,173	6.7%
Total receivables	2,126,327	2,586,111	2,827,097	240,986	9.3%	700,770	33.0%
QUALIFYING							
Total qualified	284,513	301,423	327,693	26,270	8.7%	43,180	15.2%
NPL	84,919	90,671	98,888	8,217	9.1%	13,969	16.4%
qualified rate	13.4%	11.7%	11.6%	-0.1%		-1.8%	
NPL rate	4.0%	3.5%	3.5%	0.0%		-0.5%	
COVERAGE							
Provision	68,714	79,315	85,011	5,695	7.2%	16,297	25.6%
Coverage	24.2%	26.3%	25.9%	0.0%		1.8%	
Net loans	2,057,613	2,506,795	2,742,086	235,291	9.4%	684,473	33.3%

Volume of debt securities held-to-maturity decreased by 5.1% to HUF264.1 billion yoy, and volume grew by 6.8% since 31 December 2004.

On the liability side, customer liabilities were HUF3,597.4 billion, or 26% higher than a year earlier and 46% higher than at the Bank. During the quarter customer deposits grew by 12.7% reaching HUF3,241.8 billion

20.4% of deposits came from corporate; 72.7% from retail and 6.8% from municipality sector customers.

Deposits by business lines and companies:

	Corporate		Municipal		Retail		Total	
	3/31/2004	3/31/2005	3/31/2004	3/31/2005	3/31/2004	3/31/2005	3/31/2004	3/31/2005
OTP Bank	425.9	520.7	169.9	183.3	1648.6	1757.2	2244.4	2461.2
OTP Building Society	1.8	2.8	0.0	0	48.0	62.7	49.7	65.5
Merkantil Bank	1.5	1.9	0.0	0	2.3	2.5	3.8	4.4
Merkantil Car	0.0	0	0.0	0	0.0	0.1	0.0	0.1
OTP Banka Slovensko	37.8	46.1	10.1	27.5	57.6	61.8	105.4	135.4
DSK Bank	24.6	63.9	13.8	8.6	237.0	302	275.4	374.6
OTP Leasing	0	0.7	0	0	0	0.2	0	0.9
RoBank	0	6.5	0	0	0	22.6	0	29.1
Nova Banka	0	29.4	0	4	0	171	0	204.5
Agregate	491.6	672.0	193.8	223.5	1,993.5	2,380.2	2,678.8	3,275.6
Consolidated	484.1	668.1	193.8	223.5	1,993.5	2,380.2	2,671.4	3,271.8
Megoszlás	18.1%	20.4%	7.3%	6.8%	74.6%	72.7%	100.0%	100.0%
Foreign	62.4	146.6	23.9	40.2	294.6	557.6	380.8	744.4
Foreign % of consolidated	12.9%	21.8%	12.3%	18.0%	14.8%	23.4%	14.3%	22.7%

Deposits grew by 22.5% or by 600.4 billion in 12 months mostly at the parent bank (corporate and retail) DSK (corporate and retail) OBS (municipality) RoBank Nova banka consolidation. Foreign subsidiaries collected 22.7% of total deposits as at March 2005 up from 14.3% a year earlier.

During 1Q2005 deposits at the parent bank and DSK grew significantly (by HUF120.3 billion and HUF43.2 bn resp.)

Volume of issued securities was 72% higher than a year earlier and reached HUF314.7 million. 1Q2005 decrease was HUF2.6 billion or 0.8% due to slowdown of issuance of mortgage bonds to third parties .

CONSOLIDATED STATEMENT OF OPERATIONS (PROFIT AND LOSS ACCOUNT)

The 1Q2005 consolidated IFRS net income of OTP Bank was HUF38.3 billion, HUF4.3 billion or 12.7% higher than for 1Q2004 rebased¹ and 43.1% or HUF11.6 billion higher than for 4Q2004. Consolidated PAT was 4.3 bn lower than at the parent bank, due to deconsolidation of dividends paid by the subsidiaries to the parent bank during 1Q2005. Income before income taxes grew by 14.8% to HUF45.9 billion and was HUF14 bn or 43.7% higher than in 1Q2004.

The consolidated net interest income reached HUF65.5 billion representing a 2.7% increase from 1Q2004 and was 82.3% higher than at the Bank. Net interest income was 1.3% below the performance of 4Q2004. Consolidated interest income amounted to HUF111.4 billion, 4.6% above 1Q2005 levels. Increase in interest income was particularly significant from loans (13.4% increase), in line with changes in volumes and with growing average mortgage volumes.

Interest income from interbank placements decreased (29.6%), from trading and debt securities held-to-maturity also declined (73.7% and 30.9% resp). IAS39 fair value adjustment had significant impact on the parent bank's interest income which was fully reflected in consolidated figures where interest income from swaps on interbank line decreased by HUF 5.5 bn or 43.6%.

Interest expense was HUF45.9 billion, 7.5% higher than in 1Q2004. Interest paid on customers' deposits declined by 13.5% y-o-y to HUF30.6 billion and 8.3% Q-o-Q due to falling interest rates in Hungary. Interest expense on issued securities was 117.2% higher and was HUF6.3 bn higher than at the parent bank, mostly due to securities issued by Mortgage Bank, OBS and Merkantil. Consolidated interest expenses on securities were HUF2.9 billion above the Bank due to securities issued by Merkantil Bank and OTP Mortgage Bank and foreign subsidiaries. Losses on swaps, booked on interbank interest expense line were 100.7% higher which resulted in a net swap results of HUF0.6 bn compared to HUF9.3 bn a year earlier.

¹ OTP has rebased 2004 balance sheet and profit and loss account due to changes in IFRS. The rebased data for each quarter and period is forming an attachment to the present report. In all further discussion on profits and results we use rebased data for the base periods of 1Q2004 and 4Q2004.

Provisions for possible loan and placement losses were 41.7% higher than in 1Q2004 reaching HUF6.7 billion. Provisioning cost as a percentage of average loans reached 0.99% compared to 0.94% a year earlier and 0.70% in 4Q2004.

Gross consolidated interest margin over mathematical average total assets (HUF4,450 bn) was 5.88% during the first quarter of 2005, 139 bps below 1Q2004 figure and 73 bp lower than in 4Q2004. Net interest margin (after provisioning) also declined in the first quarter and was 5.28% compared to 6.74% for 1Q2004. Adjusting for the effects of swaps (writing back IAS 39 adjustments) gross margin in 1Q2005 was 5.95% and net margin was 5.35% which was 67 bps and 73 bps lower than in 1Q2004 and 75 bps and 92 bps lower than in 4Q2004.

Since March 31, 2005 the Group has consolidated only the balance sheet of Nova banka therefore it is reasonable to calculate the group's interest margin based on average assets without Nova banka (HUF 4,322.4 bn). Gross margin calculated by this method reached 6.06% 122 bps lower than in 1Q2004 and 55 bps below 4Q2004. Margin after IAS39 adjustment write back was 6.13%, 49 bps and 58 bps below 1Q2004 and 4Q2004 resp.

Non-interest income was 39.9% higher than a year earlier and was HUF47.5 billion. Within non-interest income the increase in fee and commission income was 24.7% to HUF26 billion. Fee and commission income was 11.5% below fees and commissions at the Bank, due to the consolidation effect of fees from OTP Mortgage Bank. Net fees and commissions were HUF21.2 bn which is 31.3% higher than in 1Q2004 and 2.7% increase from the 4Q2004 performance.

Net gains on securities trading were HUF2.1 billion compared to the profit of HUF2.2 billion in 1Q2004. Net gains on foreign exchange transactions were HUF0.3 billion while the Group reported HUF3.9 billion losses in 1Q2005 and HUF1.6 billion gains in 4Q2004. The losses were related to the swap deals, since IAS 39 adjustment influences the bank's FX open position, thus balance sheet reevaluation gains/losses, which are contrary to the swap results. Real estate transactions results were HUF0.2 billion. Consolidated non-interest income was higher than at the Bank, partly due to the insurance premium of HUF14.2 billion (increase of 17.6% from 4Q2004 due to rebounding market for single payment life insurance products) at OTP Garancia Insurance subsidiary. Other income increased by 24.4% to HUF4.6 billion.

Consolidated non-interest expenses reached HUF60.3 billion and were 13.9% higher than during 1Q2004 and 102.3% above the figures of the Bank. Consolidated fee and commission expenses grew by 2%.

Consolidated personnel expenses were 15.7% higher than a year earlier, and 26.8% lower than in 4Q2004 mostly due to one off items in 2004. Increase in personnel expenses has already reflected IFRS2 effect. Depreciation declined significantly due to the disappearance of goodwill amortization in IFRS consolidated account. 1Q2005 expense was HUF1.9 bn lower than in 1Q2004 and HUF2.4 bn lower than in 4Q2004. Insurance expenses grew by 37.2% from 1Q2004 and 9.1% from 4Q2004; while net insurance income at HUF2.5 bn was 13.4% higher than a year earlier and 83% above previous quarter.

Other non-interest expenses were 21.6% higher than in 1Q2004. In 1Q2005 net interest income tax of 2.25bn was booked within other non-interest expenses.

Consolidated cost-income ratio was 53.4% down 0.8% from 1Q2004 and a decline of 14.6%-points from 4Q2004 (cost income ratio similar to HAR was 51.3%; 0.6% less than in 1Q2005 and 18.8% lower than in 4Q2004). Consolidated ROAA on average total assets was 3.45% (3.88% in 1Q2004 and 2.67% in 4Q2004), while consolidated ROAE reached 35.5% nominal, 7%-points lower than a year earlier. Consolidated net asset value per share was HUF1,535 on 31 March 2005. Basic earnings per share (EPS) reached HUF146, HUF15 above 1Q2004 data.

SUBSIDIARIES

The pre-tax profits of the fully consolidated major subsidiaries affecting the profit figures of the consolidated report are as follows for the 3 months ending on 31 March 2005 (in HUF millions):

	HAR	IFRS	Difference
OTP Bank	47,733	47,754	21
Merkantil Group	1,642	1,744	102
OTP Building Society	348	348	--
OTP Mortgage Bank	3,929	4,372	443
OTP Banka Slovensko	-76	335	411
DSK Group	4,506	4,876	370
RoBank	-52	-51	1
OTP Garancia Insurance	1,301	1,301	--
OTP Fund Management	902	902	--
HIF	42	41	-1
OTP Real Estate	117	117	--
OTP Factoring	141	141	--
OTP Factoring Asset Management	8	8	--
OTP Faktoring Slovensko	12	12	--
OTP Leasing	-29	-29	--
Bank Center No 1.	35	35	--
OTP Fund Services	45	45	--
OTP Mérleg	0	0	--
Inga-s	19	19	--
Concordia-Info	8	8	--
OTP Card Manufacturer	22	22	--
Subsidiaries total	12,920	14,246	1,326
I. Aggregated pre-tax profit	60,653	62,000	1,347
Equity consolidation	76	0	-76
Capital consolidation	-14,769	-14,421	348
Filtering of intra-company relations	-1,400	-1,307	93
II. Total consolidation effect	-16,093	-15,728	365
III. Filtering due to trading and available-for-sale mortgage bonds	--	-328	-328
Consolidated pre-tax profits	44,560	45,944	1,384

Main balance sheet data of subsidiaries (IFRS) in HUF bn.:

	March 31, 2004				March 31, 2005			
	Assets	Loans	Deposits	Equity	Assets	Loans	Deposits	Equity
OTP Bank	2,762.4	1,059.0	2,244.4	291.3	3,315.3	1,308.9	2,461.2	387.2
Merkantil Bank	167.2	136.8	3.8	13.6	57.4	55.3	4.4	12.4
OTP Mortgage Bank	731.6	669.4	0.0	29.3	879.8	771.8	0.0	30.8
OTP Building Society	56.0	8.5	49.7	4.2	73.2	7.5	65.5	5.4
OTP Banka Slovensko	153.0	101.7	105.4	14.3	204.9	143.4	135.4	15.4
DSK Group	333.8	179.3	275.1	47.2	511.3	353.5	374.5	55.9
RoBank					48.3	16.9	29.1	8.1
Nova banka					255.2	123.5	215.4	23.1
OTP Garancia Insurance	102.0	0.0	0.0	11.4	127.6	0.1	0.0	16.4
Merkantil Car					141.1	126.3	0.1	2.8
OTP Fund Management	12.5	0.0	0.0	5.9	8.3	0.0	0.0	7.1
HIF	12.8	12.1	0.0	2.1	12.8	11.8	0.0	2.0
OTP Leasing	7.8	0.0	0.0	7.7	12.2	8.4	0.9	0.0
OTP Real Estate	16.8	0.0	0.0	6.3	16.6	0.0	0.0	6.2
OTP Factoring	6.8	7.2	0.0	2.6	9.0	10.4	0.0	2.7
OTP Faktoring Slovensko					3.1	2.6	0.0	0.2
Other subsidiaries	20.6	0.0	0.0	17.9	30.2	0.0	0.0	27.3
Subsidiaries total	1,620.7	1,115.0	434.1	162.5	2,390.9	1,631.6	825.3	215.8
Total	4,383.1	2,174.0	2,678.5	453.8	5,706.2	2,940.5	3,286.5	603.0
Consolidated	3,548.0	2,057.6	2,671.4	328.1	4,740.0	2,740.8	3,282.7	426.4

MARKET SHARES BASED ON HAR

Based on aggregate volumes of the domestic Group members, part of the Hungarian banking system, the group's estimated market shares were:

	March 31, 2004		Dec 31, 2004		March 31, 2005	
	In Bank system	In Credit institutions	In Bank system	In Credit institutions	In Bank system	In Credit institutions
Total assets	26.3%	24.6%	25.8%	24.2%	26.8%	25.1%
Loans	20.7%	19.8%	21.4%	20.3%	20.8%	19.9%
Retail loans	48.2%	42.4%	45.1%	40.1%	44.5%	39.7%
Housing loans	57.1%	52.9%	53.5%	49.7%	52.8%	49.2%
HUF	57.9%	53.5%	57.7%	53.3%	57.6%	53.2%
FX	0.0%	0.0%	6.9%	6.9%	11.0%	11.0%
Consumer loans	28.6%	22.7%	28.4%	23.2%	28.1%	23.1%
Corporate loans	12.1%	11.8%	12.7%	12.3%	12.9%	12.5%
Municipal loans	55.8%	54.5%	53.4%	52.0%	52.8%	51.4%
Deposits	32.2%	28.8%	30.8%	27.5%	32.1%	28.6%
Retail deposits	43.8%	36.8%	42.4%	35.4%	42.6%	35.4%
HUF	45.1%	37.0%	43.4%	35.4%	43.5%	35.3%
FX	35.9%	35.9%	36.0%	36.0%	36.5%	36.5%
Sight	53.1%	48.8%	50.2%	46.2%	47.1%	43.5%
Term	33.8%	31.3%	34.5%	31.3%	34.7%	31.3%
Corporate deposits	15.4%	14.9%	13.8%	13.3%	16.9%	16.4%
Municipal deposits	73.1%	68.7%	70.5%	66.2%	73.7%	68.6%

OTP BANK

NON CONSOLIDATED BALANCE SHEET

Total assets of the Bank were HUF3,332.9 billion on 31 March 2005, which was 20.7% higher than a year earlier and 9.1% higher than on 31 December 2004..

On the asset side, the volume of cash, due from banks and balances with the National Bank of Hungary increased by 89.1%, placements with other banks declined by 6.4% compared to 31 March 2004. The volume of trading securities grew by 25% to HUF50.9 billion. Within Securities held for trading the volume of Government Bonds was HUF41 billion.

Securities available-for-sale grew by 15.7% to HUF337 bn; the volume of Government Bonds was HUF60.5 billion and mortgage bonds reached HUF254.5 billion.

The gross volume of loans grew by 23.1% yoy to HUF1,328 billion. Within this the loans maturing over a year amounted to HUF815 billion, their proportion was to 62.3%. The volume of provisions was 3% lower than a year earlier, reached HUF18.9 billion. The net volume of loans was HUF1,309.1 billion, 23.6% growth year on year and 2.6% growth during the quarter. Within loans, loans to enterprises amounted to HUF840.4 billion (26.3% growth), loans to municipalities HUF95.2 billion (4.6% growth), consumer loans HUF188.1 billion (47.9% growth) while housing loans amounted to HUF180.5 billion (0.9% increase) at the end of March 2005. Mortgage loans stood at HUF 23.8 bn. Corporate loans represented 63%, retail loans 30% of total loans on 31 March 2005.

The volume of debt securities kept until maturity decreased by 14.8% to HUF506.7 billion. Within these, the volume of government securities was HUF210.1 billion, mortgage bonds were HUF290.1 billion.

On the liability side, the 9.7% year on year increase of customer deposits was significant, thus the share of customer deposits in total liabilities decreased to 74.2% (81.2% in 2004). Within HUF2,461.2 billion customer deposits, deposits denominated in HUF represented 88.8%. 71.4% of the total deposits was retail (HUF1,757.2 billion volume; 6.6% increase), 21.2% corporate (22.2% increase in volume) and 7.4% (7.9% growth in volume) was municipal deposit. The liabilities from issued securities decreased by 1.6%.

Loan to deposit ratio stood at 53.2% slightly below that of at the end of 2004 (54.5%) but above the 47.2% at the end of March 2004.

The shareholders' equity of the Bank was 34% higher than in the same period of 2004 due to the 38% increase of reserves and the 45.1% increase of own shares at book value. Shareholder equity reached HUF390.4 billion and represented 11.7% of total assets.

NON CONSOLIDATED STATEMENT OF OPERATIONS (PROFIT AND LOSS ACCOUNT)

The net interest income of the Bank according to IFRS was HUF35.9 billion, which was 8.7% lower than in 1Q2004 and 1.7% below NII in 4Q2004. This was a result of 6.3% decrease in interest income and 3.7% decrease in interest expenses.

Within interest income 36.7% decline of interests on interbank placements was significant, partly due to the disparate run of swap deals. Interest income increased significantly from trading securities NBH and interbank accounts due to increase in volume and/or yields.

The results of the swap transaction show up on the interest income and expenses on interbank accounts lines. Since during 1Q2005 the medium term swap volumes were already significant, the fact that the HUF exchange rate fluctuated sorely in a wide band influenced significantly the results of these lines. The fair value adjustments based on IAS 39 resulted that the changes in results of swaps caused HUF0.6 billion higher net interest income. This improvement in result was HUF8.7 billion lower than in 1Q2004 and HUF1.9 billion lower than in HAR and highly contributed to that IFRS net interest margin was lower than in HAR. The significant decline swap income was partly compensated by the HUF 3.1 billion improvement in FX transaction accounts to 1Q2004.

Interests paid on customer deposits decreased by 17.3%, partly because of the decline in interest rate level and partly because of the change in the structure of the deposits.

Provisioning for possible loan and placement losses increased by 44.8% y-o-y and 100.7% q-o-q; and reached HUF3.2 billion. Provisioning on average volume of loans was 1% compared to 0.85% in 1Q2004.

Non-interest income grew by HUF20.9 billion or 87% to HUF44.9 billion. Within this, net FX losses reached HUF0.4 billion, fees and commissions received amounted to HUF29.4 billion. Net fees and commissions were 10.2% higher than in 1Q2004 and reached HUF27 bn. Net gains on securities trading was HUF1.5 billion. In 1Q2005 the Bank collected HUF13.7 bn dividend from subsidiaries. In 2004 dividend income occurred in the second quarter. Other non-interest income grew by 65.1% to HUF0.8 billion.

Non-interest expenses altogether were HUF32.2 billion; 14.7% higher than a year earlier. Within these the personnel expenses grew by 14.5% to HUF13 billion (of which 1.2 billion is due to application of IFRS 2 standards), fees and commissions paid by 18.3% to HUF2.4 billion and depreciation decreased by 4.9% to HUF3.3 billion. Other non-interest type expenses decreased by 1.2% yoy to HUF11.2 billion.

IFRS pre-tax profit of the Bank was HUF47.8 billion which represented a 44.7% growth y-o-y and 114.6% increase over 4Q2004. HUF13.7 bn from the increase is due to the dividend income collected. After-tax profit grew by 51.3% to HUF42.7 billion. Basic and diluted earnings per share reached HUF157 (in 2004 HUF160).

Calculated cost to income ratio (without dividend income) for 2004 was 39.9%, 4.5% lower than in 1Q2004. (After the calculation similar to the Hungarian standards, cost/income ratio was 38.1% for 1Q2004, 42.5% in 1Q2004.)

The gross interest margin of the Bank according to IFRS calculated on the mathematical average of total assets was 4.5% in 1Q2005, its net interest margin 4.09%, and partially due to the swap result 123 and 131 bps lower than in 1Q2004. Disregarding the FVA results of swaps both in 1Q2004 and 1Q2005 the gross margin in 1Q2005 was 4.66% and the net margin 4.25% which is 23 and 31 bps higher than in 1Q2004.

ROA calculated on the average total assets was 5.35% (in 1Q2004: 4.11%), while ROE calculated on average shareholders' equity was 43.8% (in 1Q2004: 39.8%). Net asset value per share of the Bank (diluted) grew by 34% to HUF1,394.

MERKANTIL GROUP

The aggregated balance sheet total of **Merkantil Group** reached HUF200 billion on 31 March 2005. Pretax profit of the Group approached HUF1.65 billion; an increase of 11.3% over 2004. Members of the Group have financed 12,075 car purchases during 1Q2005, of which 1,830 were HUF based bank loans at Merkantil Bank, 10203 were FX loans at Merkantil Car and 43 FX denominated operating leases at Merkantil Bérlet.

Main IFRS financial data of the bank for 1Q2004 and 1Q2005:

Balance sheet (HUF mn):

	Merkantil Bank	Merkantil Car	Merkantil Bérlet	Total
Cash and bank	650.4	755.0	40.6	1,446.0
Gross loans	55,256.8	126,321.4	0.0	181,578.3
Other assets	2,136.1	18,627.4	1,338.8	22,102.3
Invested financial assets	1,191.7	718.4	57.8	1,967.9
Securities held-to-maturity	2,853.0	0.0	0.0	2,853.0
Intangible assets	369.4	14.5	77.4	461.3
ASSETS	57,394.7	141,062.9	1,514.6	199,972.1
Liabilities to credit institutions	151.1	133,839.8	610.4	134,601.3
Deposits from customers	4,428.1	127.3	0.0	4,555.5
Issued securities	33,992.2	0.0	0.0	33,992.2
Other liabilities	2,953.2	4,299.8	62.0	7,314.9
Subordinated loans	600.0	0.0	0.0	600.0
LIABILITIES	44,970.9	138,289.3	674.6	183,934.9
TOTAL SHAREHOLDERS' EQUITY	12,423.7	2,773.6	840.0	16,037.3
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	57,394.7	141,062.9	1,514.6	199,972.1

Results of operation (HUF mn):

	Merkantil Bank	Merkantil Car	Merkantil Bérlet	Total
Interest income	2,058.10	3,630.80	46	5,734.90
Interest expense	660.8	665.3	7.6	1,333.70
Net interest income	1,397.30	2,965.50	38.4	4,401.20
Provision for possible loan losses	246.2	637.2	0	883.4
Net interest income after provision	1,151.10	2,328.30	38.4	3,517.80
Fees and commissions income	116.3	174.9	0	291.2
Foreign exchange gains, net	0	622.3	-0.2	622.1
Other	37.1	-69.4	337.1	304.8
Non interest income	153.3	727.8	336.9	1,218.00
Fees and commissions expense	291.1	1,271.40	2.5	1,565.00
Personnel expenses	391.3	131.8	27.8	551
Depreciation	11.7	1.1	0.6	13.4
Other	284.4	369.2	210.6	864.1
Non interest expense	978.5	1,773.40	241.5	2,993.40
Operating income	325.9	1,282.60	133.8	1,742.40
Income before income taxes	325.9	1,282.60	133.8	1,742.40
Income taxes	78.2	459	7.4	544.6
Deferred taxes	0	0	16.3	16.3
After tax profit	247.7	823.6	110.1	1,181.50

On 31 March 2005 **Merkantil Bank** had total assets of HUF57.4 billion and 1Q2005 pre-tax profits of HUF326 million.

Within total assets car loans represented 63.2%, dealer financing 26.3%. Outstanding balances of car loans reached HUF36.2 billion; the decline in 2005 was HUF2.6 bn. On the liability side Stabil and Mobil CDs represented 63.6% or HUF34 billion. Equity grew by 10.3% to HUF11.7 bn y-o-y. Capital adequacy under HAR reached 15.57%, compared to 17.8% at the end of December 2004.

Net interest income for the quarter reached HUF1.4 billion. Cost income ration declined to 60.4% from 48.1% a year earlier.

Total assets of *Merkantil Car* were HUF141 billion at the end of March 2005, pre-tax profit of the period reached HUF1,283 million. Net interest income was HUF3 billion an increase of 15.3% over 2004. Cost/income ratio was 14.8% compared to 20% in 2004.

The net volume of car-leasing and loans reached HUF124.3 billion, the volume of capital goods leasing business was HUF7.2 billion. In the 12 months prior to 31 March 2005 the company's shareholders' equity rose by 51% to HUF2.7 billion.

OTP BUILDING SOCIETY

Selected data of OTP Building Society in IFRS (HUF mn):

Balance Sheet	March 31, 2004	March 31, 2005	Change
Cash and bank	42.7	14291.5	33393.3%
Interbank	14050.0		-100.0%
Loans	8480.7	7485.3	-11.7%
Provision	-14.6	-33.8	131.1%
Securities available-for-sale	31591.9		-100.0%
Financial assets at fair value		49818.2	
Accrued interest receivable	1235.0	1182.3	-4.3%
Other assets	343.0	137.8	-59.8%
Intangible assets	252.5	269.5	6.8%
ASSETS	55981.1	73150.8	30.7%
Deposits from customers	49747.0	65490.9	31.6%
Accrued interests payable	595.6	990.2	6630.0%
Other liabilities	1436.6	1293.5	-10.0%
LIABILITIES	51779.2	67774.5	30.9%
TOTAL SHAREHOLDERS' EQUITY	4201.8	5376.3	28.0%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	55981.1	73150.8	30.7%

Profit and loss account	1Q 2004	1Q 2005	Change
Interest income	1,233.4	1,426.8	15.7%
Interest expense	363.0	487.9	34.4%
Net interest income	870.4	939.0	7.9%
Provision for possible loan losses	-1.9	-4.3	131.5%
Net interest income after provision	872.3	943.3	8.1%
Fees and commissions income	400.9	189.0	-52.9%
Gains on securities, net	-48.5		-100.0%
Other	0.0	0.3	1494.1%
Non interest income	352.5	189.2	-46.3%
Fees and commissions expense	803.9	360.9	-55.1%
Personnel expenses	113.8	183.4	61.2%
Depreciation	24.2	30.8	27.1%
Other	181.9	209.3	15.1%
Non interest expense	1,123.7	784.3	-30.2%
Operating income	101.1	348.2	244.6%
Income before income taxes	101.1	348.2	244.6%
Income taxes	16.2	83.6	416.9%
After tax profit	84.9	264.7	211.8%

OTP Building Society granted 625 loans until 31 March 2005, the volume of the loans issued in 2005 amounted to HUF391 million. The volume of customer deposits was more than HUF65.5 billion on 31 March 2005. ROA reached 1.53% and ROE stood at 39.4%.

Net interest income surpassed HUF0.9 billion. Cost income ratio reached 55.5%. The company generated close to HUF350 million pre-tax profits.

OTP MORTGAGE BANK

On 31 March 2005 *OTP Mortgage Bank's* receivables from customers were HUF771.8 billion purchased totally from OTP Bank's loan portfolio. Meanwhile, by 31 March 2005, the face value of the Bank's issued mortgage bonds reached HUF787.7 billion, of which bonds at HUF598.5 billion were purchased by the parent bank.

Total assets of OTPMB were HUF886 billion and its pre-tax profit reached HUF3.9 billion. Net interest income was over HUF12.7 billion, cost/income ratio was 19.8%. ROA reached 1.35% and ROE stood at 32.7%.

Net loan volume at the bank grew by HUF1.6 bn or 0.2% during 1Q2005 partially due to strong repayment, of which HUF0.2 billion carried both asset and liability side subsidies, while HUF0.4 billion was the liability subsidized new volume. The volume of FX loans on March 31 was HUF935 million. Volume of Forras loans declined by 8.9 bn during 1Q2005, the loans under June 2003 conditions grew by 1.3 bn, those under post December 2004 conditions increased by 7.2 bn and closing volume of 2005 loans was 1.1. bn.

It market share among the mortgage banks based on loan volume reached 64% and by mortgage bonds issued it was 65%.

Selected balance sheet data of OTP Mortgage Bank's IFRS balance sheet in HUF millions

	March 31, 2004	March 31, 2005	Change
Cash and bank	3,831.6	21,003.9	448.2%
Interbank	4,941.2	5,767.2	16.7%
Loans	669,438.8	771,840.7	15.3%
Provision	0.0	-19.9	
Financial assets at fair value	40,900.7	69,800.4	70.7%
Accrued interest receivable	5,025.1	4,208.1	-16.3%
Ohter assets	7,288.7	6,856.2	-5.9%
Intangible assets	203.8	307.0	50.7%
ASSETS	731,629.9	879,763.8	20.2%
Liabilities to credit institutions	56.1	1,122.2	1900.2%
Deposits from customers	0.6	0.0	-100.0%
Issued securities	674,624.3	795,574.8	17.9%
Accrued interests payable	18,272.4	31,842.2	74.3%
Other liabilities	9,404.6	20,452.8	117.5%
LIABILITIES	702,357.9	848,991.8	20.9%
TOTAL SHAREHOLDERS' EQUITY	29,272.0	30,771.9	5.1%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	731,629.9	879,763.8	20.2%

Selected IFRS results data of OTP Mortgage Bank in HUF millions

	1Q 2004	1Q 2005	Change
Interest income	25,870.3	29,777.0	15.1%
Interest expense	18,170.9	17,025.3	-6.3%
Net interest income	7,699.3	12,751.7	65.6%
Provision for possible loan losses	0.0	0.2	
Net interest income after provision	7,699.3	12,751.9	65.6%
Fees and commissions income	613.9	3,629.8	491.2%
Foreign exchange gains, net	0.0	-24.7	
Gains on securities, net	-148.8	-826.6	
Other	0.3	20.8	6840.0%
Non interest income	465.4	2,799.3	501.5%
Fees and commissions expense	5,598.7	10,219.6	82.5%
Personnel expenses	139.6	150.8	8.0%
Depreciation	15.2	30.5	100.8%
Other	559.9	778.2	-39.0%
Non interest expense	6,313.3	11,179.1	77.1%
Income before income taxes	1,851.4	4,372.1	136.2%
Income taxes	296.2	943.0	218.3%
After tax profit	1,555.2	3,429.1	120.5%

DSK BANK

DSK Bank is a fully owned subsidiary of OTP Bank since the beginning of October 2004, which in 2004 strengthened its position as largest retail bank in Bulgaria and became the largest bank by total assets in 2005. Its market share reached 13.9% up from 13.1% at the end of 2004.

On 31 March 2005 total HAR assets of DSK reached HUF511 billion, of which HUF351.5 billion were customer receivables.

During 1Q2005 DSK realized HUF9.4 billion interest income and HUF2 billion interest expenses, resulting in net interest income of HUF7.4 billion resulting in an interest margin (according to HAR) of 5.97%. Pre-tax profit for the same period reached HUF4.6 billion according to HAR and HUF 4.9 bn according to local GAAP.

On 31 March 2005 IFRS total assets of DSK were 25.8% higher than at the end of 2004 and 57.7% above the figure of 31 March 2004. Net loans were 30.6% and 102.7% higher resp. Loan to assets ratio grew to 68.7%. Retail loans stood at BGN1,925.2 million (an increase of 73.1% y-o-y), representing 69% of total loans. Corporate loans grew by 83.7% and 210.6% resp. and reached BGN912.2 million. Quality of the loan book is very good, on 31 March 2005 the ratio of performing loans was 97.2%. The provisioning of BGN5.9 mn in 1Q2005 represented 0.9% annualized of average loans. Provision per total loans ratio declined from 2.4% at the end of 2004 to 2%.

Customer deposits were BGN2,979 million representing an increase of 38.7% y-o-y and 13.7% q-o-q. Annual growth of retail deposits was 30.2% while corporate deposits were 173.7% higher than a year earlier and grew 59.4% in 1Q2005..

Loan to deposit ratio of DSK changed to 93.4% from 81.3% at the end of March 2004.

IFRS balance sheet of DSK is presented below in BGN million:

	31/03/2005				
	31/03/2004	31/12/2004	31/03/2005	Q-o-Q	Y-o-Y
Cash, due from banks and balances with the National Bank of Bulgaria	222.1	343.2	325.4	-5.2%	46.5%
Placements with other banks	252.1	147.4	308.9	109.6%	22.5%
Repo receivable	13.4	2.8	0.0	-100.0%	-100.0%
Securities held-for-trading and available-for-sale	118.0	86,0,6	87.9	2.2%	-25.5%
Debt securities held-to-maturity	428.7	353.5	378.5	7.1%	-11.7%
Loans, net of allowance for possible loan losses	1,373.6	2,131.2	2,784.0	30.6%	102.7%
Assets held-for-sale	0.2	0.2	0.2	0.0%	0.0%
Equity investments	19.1	16.3	17.1	4.9%	-10.5%
Other assets	10.9	8.7	19.8	127.6%	81.7%
Premises, equipment and intangible assets, net	131.1	131.6	129.9	-1.3%	-0.9%
TOTAL ASSETS	2,569.3	3,220.8	4,051.5	25.8%	57.7%
Due to banks and deposits from the National Bank of Bulgaria and other banks	53.8	160.6	602.0	274.8%	1019.0%
Deposits from customers	2,148.1	2,621.9	2,979.9	13.7%	38.7%
Other liabilities	39.6	52.9	50.2	-5.1%	26.8%
TOTAL LIABILITIES	2,241.5	2,835.4	3,632.1	28.1%	62.0%
TOTAL SHAREHOLDERS' EQUITY	327.8	385.4	419.5	8.8%	28.0%
Share capital	94.0	94.0	94.0	0.0%	0.0%
Retained earnings and reserves	121.8	145.2	220.0	51.5%	80.6%
Results of actual financial year	92.0	73.4	33.5	-54.4%	-63.6%
Revaluation of intangible assets	20.0	72.8	72.0	-1.1%	260.0%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,569.3	2,835.4	3,632.1	28.1%	62.0%

IFRS results of DSK were outstanding. Interest income grew by 47.4% and interest expenses were 37.1% above 1Q2004 figures. Yield on interest earning assets reached 9.53% while cost of funding at interest bearing liabilities was 2.18% resulting in a spread of 7.35%. Non interest income grew by 26.6% y-o-y slower than net interest income.

OTP Bank Ltd. First Quarter 2005 Stock Exchange Report

Operating income reached BGN45.3 mn 87.2% above 1Q2004. Pretax profits were BGN 39.4 mn, after tax profits BGN 33.5mn resulting in ROA of 2.7%% and ROE of 33.3%; both annualized. Capital adequacy reached 13.8% with RWA of BGN2.597 mn.

Below we present IFRS main financial data of DSK Group in BGN million:

	1Q 2004	4Q 2004	1Q 2005	Q-o-Q	Y-o-Y	2004
Interest income	52.9	71.5	78.1	9.1%	47.4%	189.3
Interest expense	11.6	13.3	15.9	19.5%	37.1%	48.5
Net interest income	41.3	58.2	62.2	6.9%	50.6%	140.8
Non interest income	10.9	10.8	14.8	28.9%	26.6%	27.9
Non interest income in total income	20.8%	14.8%	18.2%	2.5%	-2.7%	16.5%
Total income	52.3	69.1	76.1	9.8%	45.3%	167.6
Operating costs	28.1	36.1	30.7	-11.9%	8.5%	85.5
Cost income ratio before reorganization costs	53.7%	52.2%	40.4%	-12.1%	-13.6%	51.0%
Operating income	24.3	32.9	45.3	56.6%	87.2%	82.1
Cost of reorganization	0	7.1	0	-	-	19.1
Provisions and loan losses	-0.6	2.9	6	104.4%	-	-2.2
Income before income taxes	24.8	22.9	39.4	58.3%	58.2%	60.8
After tax profit	20	18.4	33.5	67.1%	58.1%	46.5
ROAA	3.2%	2.5%	2.8%	0.3%	-0.5%	2.1%
ROAE	25.2%	19.8%	33.3%	13.5%	8.1%	16.5%

Evolution of DSK Bank's market shares:

	31/03/2004	30/06/2004	30/09/2004	31/12/2004	31/03/2005
Deposits	16.1%	15.6%	15.9%	15.0%	14.9%
Retail	25.5%	25.5%	25.3%	25.9%	25.5%
BGN	46.7%	46.3%	44.8%	43.3%	42.3%
FX	10.2%	10.4%	10.7%	11.4%	11.6%
Corporate	4.8%	4.4%	5.5%	5.7%	
Loans	13.8%	14.6%	15.3%	15.7%	15.6%
Retail	45.7%	44.7%	44.3%	42.1%	42.2%
Consumer	49.4%	49.1%	48.3%	47.9%	47.3%
Housing	39.5%	37.8%	39.5%	38.0%	37.0%
Corporate	3.9%	4.3%	4.8%	5.1%	5.7%

On the dynamically growing bank card market DSK's market share is 20%. The number of debit cards issued surpassed 732 thousand an increase of almost 40 thousand. During 1Q2005 the number of ATMs of the bank grew by 22 to 373 and the bank operated POS terminals increased to 502 reaching 20% and 7% market share resp.

The number of employees at DSK Bank was 3,796 and 4,470 at the Group level.

OTP BANKA SLOVENSKO

On 31 March 2005 OBS's total assets were HUF204.7 billion representing a 33% growth over 31 March 2004 and 4.7% decline from end December 2004. Customer receivables were over HUF142.5 billion, which represents 69.6% of total assets. Pretax profits were HUF76 mn losses (according to SAS HUF179 mn profits) cost income ratio stood at 93.3%.

Main financial data of OBS according to HAR in HUF millions:

	1Q 2005				
	1Q 2004	4Q 2004	1Q 2005	Q-o-Q	Y-o-Y
Total interest income	2,596.1	2,411.3	2,349.5	-2.6%	-9.5%
Total interest expense	1,320.6	1,199.9	1,066.7	-11.1%	-19.2%
Net interest income	1,275.5	1,211.4	1,282.9	5.9%	0.6%
Net fees and commissions	303.0	325.0	333.6	2.7%	10.1%
Non interest income	496.4	306.6	783.9	155.7%	57.9%
Share of non interest income in total income	28.0%	20.2%	37.9%	17.7%	9.9%
Total income	1,771.9	1,518.0	2,066.8	36.2%	16.6%
Personnel expenses	504.9	756.7	642.5	-15.1%	27.3%
Depreciation	170.3	249.5	244.8	-1.9%	43.8%
Other non interest expenses	839.7	815.2	1,041.3	27.7%	24.0%
Non interest expense	1,514.9	1,821.4	1,928.6	5.9%	27.3%
Cost/income ratio	85.5%	120.0%	93.3%	-26.7%	7.8%
Operating income	257.0	-303.4	138.2	-145.6%	-46.2%
Diminution in value, provisions and loan losses	165.3	327.6	214.4	-34.6%	29.7%
Profit before tax/After tax profit	91.7	-631.0	-76.2	-87.9%	-183.1%
ROA	0.53%	-0.69%	-0.15%	0.5%	-0.7%
ROE	5.6%	-7.9%	-2.6%	5.3%	-8.2%

During 1Q2005, the Bank realized HUF2.3 billion interest income and HUF1.1 billion interest expenses resulting in a nearly HUF1.3 billion net interest income. Interest income was 9.5%, interest expenses 19.2% lower than a year earlier resulting in net interest income growth of 0.6%. Based on average total assets, the margin was 2.86% and it was 66 bps lower than the figures for 2004. Non interest income grew by 57.9% within which net fees and commissions surpassed the figure of 2004 by 10%. Total income was 16.6%, non interest expenses 27.3% higher than in 2004. As a result of HUF138 million operating income and HUF214 million provisioning, the pre-tax profits of the Bank reached HUF76 million losses.

Main balance sheet data of OBS in IFRS (HUF mn):

	March 31, 2004	March 31, 2005	Change
Cash and bank	3,426.8	4,120.6	20.2%
Interbank	12,372.3	16,332.5	32.0%
Loans	101,727.0	143,412.4	41.0%
Provision	-1,242.0	-919.6	-26.0%
Financial assets at fair value	18,375.3	3,742.5	-79.6%
Accrued interest receivable	3,673.5	800.6	-78.2%
Other assets	3,712.5	523.4	-85.9%
Investments in subsidiaries	464.7	718.1	54.5%
Securities held-to-maturity	28.9	24,896.0	86045.3%
Intangible assets	10,425.7	11,267.2	8.1%
ASSETS	152,964.7	204,893.7	33.9%
Liabilities to credit institutions	21,268.4	30,033.1	41.2%
Deposits from customers	105,448.6	135,350.3	28.4%
Issued securities	8,513.3	20,563.6	141.5%
Accrued interests payable	333.9	594.7	78.1%
Other liabilities	3,065.0	2,912.7	-5.0%
LIABILITIES	138,629.2	189,454.4	36.7%
TOTAL SHAREHOLDERS' EQUITY	14,335.5	15,439.3	7.7%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	152,964.7	204,893.7	33.9%

Main results data of OBS in IFRS (HUF mn):

	1Q 2004	1Q 2005	Change
Interest income	2,618.8	2,349.6	-10.3%
Interest expense	1,331.8	1,069.2	-19.7%
Net interest income	1,287.1	1,280.4	-0.5%
Provision for possible loan losses	47.0	8.4	-82.2%
Net interest income after provision	1,240.1	1,272.0	2.6%
Fees and commissions income	374.7	448.0	19.6%
Foreign exchange gains, net	-2.3	35.1	-1636.5%
Gains on securities, net	50.8	119.1	134.3%
Gains on real estate transactions, net		-3.2	
Other	91.0	752.9	727.4%
Non interest income	514.3	1,352.0	162.9%
Fees and commissions expense	80.4	104.3	29.7%
Personnel expenses	505.9	642.1	26.9%
Depreciation	175.7	244.5	39.1%
Other	779.7	1,298.6	66.5%
Non interest expense	1,541.8	2,289.5	48.5%
Income before income taxes	212.6	334.5	57.4%
After tax profit	212.6	334.5	57.4%

Based on Slovakian GAAP total assets of OBS were SKK32 billion (2.45% market share) at the end of 1Q2005 the loan volume reached SKK22.2 billion (up by 29%). Within it corporate loans were SKK17.4 billion (23.2% increase), retail loans were SKK4.6 billion (78.6% increase). Municipal loans grew by 50.4% to SKK183 million.

The Bank's deposits increased, during the same period, by 23% to SKK21.1 billion. Within this, retail deposits grew by 2.1% to SKK9.7 billion. Municipal deposits grew by 164.5% to SKK4.3 billion, corporate deposits increased by 17% to SKK7.1 billion from the previous year. Since 31 December 2004, balance sheet fell by 5.6%, deposits were 5.1% lower and loans grew by 5.5%.

Number of retail current accounts exceeded 87,500; loan accounts to over 19,300. The number of cards issued was close to 103,000 and the Bank operated 104 ATMs and 472 POS terminals at the end of March 2005.

Estimated market shares are as below:

	31/03/2004	31/12/2004	31/03/2005
Deposits	2.5%	2.6%	2.7%
Retail	2.5%	2.7%	2.8%
SKK	2.6%	2.8%	2.2%
FX	1.8%	2.0%	2.7%
Securities	16.2%	9.2%	9.1%
Municipal	2.8%	2.0%	4.2%
Corporate	2.4%	2.7%	2.2%
Loans	4.6%	5.0%	5.3%
Retail	2.9%	3.6%	3.7%
housing	3.0%	4.1%	4.3%
consumer	4.8%	2.9%	4.0%
Municipal	0.6%	0.5%	0.8%
Corporate	5.5%	6.1%	6.3%

Number of employees of OBS stood at 752 on 31 March 2005, a decline of 13 employees over a year earlier.

ROBANK

OTP acquired Robank in June 2004. Balance sheet of Robank reached HUF48.3 bn on March 31, 2005. Pretax losses for 1Q2005 reached HUF52 mn.

IFRS condensed balance sheet and p&l of Robank:

	March 31, 2005
Cash and bank	1,026.8
Interbank	26,631.2
Loans	16,889.1
Available-for-sale financial assets	501.5
Financial assets at fair value	501.5
Other assets	1,123.8
Invested financial assets	35.4
Securities held-to-maturity	33.7
Intangible assets	2,227.9
ASSETS	48,297.2
Liabilities to credit institutions	10,518.1
Deposits from customers	29,065.5
Other liabilities	152.1
Subordinated loans	0.0
LIABILITIES	40,189.2
TOTAL SHAREHOLDERS' EQUITY	8,108.0
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	48,297.2

	1Q 2005
Interest income	1,322.4
Interest expense	764.9
Net interest income	557.5
Provision for possible loan losses	868.7
Net interest income after provision	-311.2
Fees and commissions income	261.5
Foreign exchange gains, net	-47.9
Other	894.6
Non interest income	1,108.2
Fees and commissions expense	33.6
Personnel expenses	365.8
Depreciation	109.5
Other	338.9
Non interest expense	847.8
Operating income	-50.9
Income before income taxes	-50.9
Income taxes	1.6
After tax profit	-52.5

On March 31, 2005 Robank operated 15 branches, the number of employees reached 348 an increase of 48 since the end of 2004.

NOVA BANKA

OTP acquired Nova banka for Euro 236 million in March 2005. On 31 March 2005 total assets of Nova banka reached HUF 255.2 bn of which 48.4% or 123.5 bn was customer receivables, 28.1% or HUF71.7 bn internal receivables and 16.1% government papers.

IFRS condensed balance sheet of Nova banka :

	March 31, 2005
Cash and bank	6,207.6
Interbank	71,724.0
Loans	123,548.5
Financial assets at fair value through profit and loss	66.9
Available-for-sale financial assets	41,108.6
Financial assets at fair value	41,175.4
Accrued interest receivable	1,677.5
Other assets	2,935.3
Invested financial assets	1,342.6
Securities held-to-maturity	1,188.2
Intangible assets	5,424.2
ASSETS	255,223.4
Liabilities to credit institutions	9,312.9
Deposits from customers	215,428.4
Other liabilities	4,560.4
Subordinated loans	1,247.8
LIABILITIES	232,134.1
TOTAL SHAREHOLDERS' EQUITY	23,089.3
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	255,223.4

OTP GARANCIA INSURANCE

OTP Garancia Insurance total assets grew by 22% from HUF101.3 billion on 31 March 2004 to HUF 124.3 billion at the end of March 2005. Pre-tax profit for 1Q2005 reached over HUF1.3 billion, and was 71% higher than in 1Q2004.

Premium income was 28% higher than in 1Q2004 and reached HUF 15.7 billion. Life insurance premium was HUF8 bn a 53% increase. Within life insurance annuity income grew by 18%; single payment fee by 112%. Non life fee income was HUF 7 bn; 9% higher than a year earlier. Significant gains were achieved in residential property (22%) mandatory car insurance (16%).

Insurance expenses in non-life business declined by 18% from 1Q2004 (mainly for the lack of agricultural damages) while in life business declined by 6% totaling in 4% growth for the company. In non life business the damages and changes in reserves represented 45% of 1Q2005 premium income.

Existing volume of annuity type life and bank assurance was HUF14.6 billion an increase of 5% during 1Q2005. Premium income on single payment life and bank assurance products reached HUF1.9 billion a decline from HUF4.7 billion in 1Q2004.

Shareholder equity grew by 16% year on year to HUF13.1 billion, and the company meets excess solvency requirements of the Hungarian regulations.

Insurance technical reserves were at HUF103.8 billion, of which increase in 1Q2005 represented HUF5.1 billion. Closing reserves of unit linked policies grew by HUF4.1 billion and reached HUF76.2 billion.

Main components of OTP Garancia's balance sheet (HAR) in HUF millions:

	12/31/2004	3/31/2005	change
A. Intangible assets	188	211	12.2%
B. Investments	30,211	31,574	4.5%
C. Investment on behalf of unit linked insurance	62,918	64,114	1.9%
D. Receivables	2,381	2,692	13.1%
E. Other assets	1,031	1,091	5.8%
F. Prepayments and accrued income	2,324	2,231	-4.0%
Total Assets	99,053	101,913	2.9%
A. Shareholders' equity	10,650	11,288	6.0%
C. Insurance technical reserves	21,309	22,909	7.5%
D. Insurance technical reserves on behalf of unit linked insurance	62,918	64,114	1.9%
G. Liabilities	3,663	2,515	-31.3%
H. Accruals and deferred income	514	1,087	111.5%
Total Liabilities	99,053	101,913	2.9%

Main components of OTP Garancia's P&L (HAR) by sectors in HUF millions:

	1Q 2004	1Q 2005	change	1Q 2004	1Q 2005	change	1Q 2004	1Q 2005	change
Insurance fee income	10,679	14,377	34.6%	4,847	7,835	61.6%	5,833	6,542	12.2%
from this: gross fees	12,281	15,667	27.6%	5,202	7,944	52.7%	7,079	7,723	9.1%
Insurance technical income	2,287	2,855	24.8%	2,287	2,855	24.8%	0	0	-
Expenses related to damages	-6,621	-6,917	4.5%	-3,647	-3,422	-6.2%	-2,974	-3,495	17.5%
Changes in reserves	-1,898	-4,954	161.0%	-1,843	-4,878	164.7%	-55	-76	38.2%
Net operating costs	-3,667	-3,712	1.2%	-1,505	-1,408	-6.4%	-2,162	-2,304	6.6%
Insurance technical expenses from investments	-20	19	-195.0%	-20	19	-195.0%	0	0	-
Other insurance technical expenses	-146	-133	-8.9%	0	0	-	-146	-133	-8.9%
Insurance technical result	614	1,535	150.0%	119	1,001	741.2%	496	534	7.7%
Investment income	243	331	36.2%		119		243	212	-12.8%
Balance of other income/expenses	-97	-353	263.9%	-41	-179	336.6%	-56	-173	208.9%
Operating income	760	1,514	99.2%	78	941	1106.4%	682	572	-16.1%
Extraordinary income/(losses)	0	-213	-	0	-108	-	0	-105	-
Pre-tax profits	760	1,301	71.2%	78	834	969.2%	682	467	-31.5%
Tax	-122	-208	70.5%	-12	-133	1008.3%	-109	-75	-31.2%
After tax profits	638	1,093	71.3%	65	700	976.9%	573	393	-31.4%

Main performance data and indicators of OTP-Garancia (HAR) in HUF million:

	1Q 2005				
	1Q 2004	4Q 2004	1Q 2005	Q-o-Q %	Y-o-Y %
Fee income from life insurances	5,202	6,171	7,944	52.7	28.7
Fee income from non-life insurances	7,079	7,112	7,723	9.1	8.6
Total fee income	12,281	13,284	15,667	27.6	17.9
Incomes from investments	2,612	5,009	3,314	26.9	-33.8
Other incomes	15	26	30	101.4	17.7
Total income	14,908	18,318	19,011	27.5	3.8
Pre-tax profits from life insurances	78	979	834	975.1	-14.8
Pre-tax profits from non-life insurances	682	336	467	-31.5	39
Pre-tax profits	760	1,315	1,301	71.3	-1.1
After tax profits	638	1,103	1,093	71.3	-0.9
Combined ratio (%)	89.7	98.6	87	-2.9	-11.7
Total assets	101,913	116,273	124,335	22	6.9

OTP FUND MANAGEMENT

Pre-tax profit of *OTP Fund Management* for 1Q2005 was almost HUF902 million, which is 41.2% higher than in 1Q2004. Total assets were close to HUF8.3 billion, shareholders equity surpassed HUF7.1 bn.

	March 31, 2004	March 31, 2005	Change
Cash and bank	34.9	14.0	-60.0%
Securities held-for-trade	5,544.7		-100.0%
Financial assets at fair value		719.6	
Other assets	789.2	1,459.3	84.9%
Securities held-to-maturity	6,050.8	6,098.1	0.8%
Intangible assets	33.4	39.8	19.2%
ASSETS	12,452.9	8,330.7	-33.1%
Other liabilities	6,537.8	1,197.1	-81.7%
LIABILITIES	6,537.8	1,197.1	-81.7%
TOTAL SHAREHOLDERS' EQUITY	5,915.1	7,133.7	20.6%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	12,452.9	8,330.7	-33.1%

	1Q 2004	1Q 2005	change
Interest income	0.7	0.1	-85.3%
Interest expense			
Net interest income	0.7	0.1	-85.3%
Net interest income after provision	0.7	0.1	-85.3%
Fees and commissions income	1685.0	2084.4	23.7%
Foreign exchange gains, net	0.1	-1.6	-1856.2%
Gains on securities, net	17.1	45.6	166.9%
Other	0.1		-100.0%
Non interest income	1702.3	2128.4	25.0%
Fees and commissions expense	854.3	989.7	15.9%
Personnel expenses	74.2	89.7	20.8%
Depreciation	4.4	5.4	22.4%
Other	131.0	0.7	-99.4%
Non interest expense	1064.0	1226.7	15.3%
Operating income	639.1	901.8	41.1%
Income before income taxes	639.1	901.8	41.1%
Income taxes	101.6	142.5	40.3%
After tax profit	537.5	759.3	41.3%

The assets of the funds managed by OTP Fund Management stood at HUF494 billion at the end of March 2005 an increase of HUF103 billion in 1Q 2005. Pension fund assets grew from HUF295 to HUF323 during the quarter. Other institutional funds under management stood at HUF86.6 bn an increase of 15.6 during 1Q 2005. Total AuM surpassed HUF903 billion an increase of 18.8% since the end of 2004. The market share of the company was 25% at the end of 2004.

Development of assets of funds managed by the Company in HUF million:

	31/03/2004	31/12/2004	31/03/2005	Q-o-Q		Y-o-Y	
				HUF mn	%	HUF mn	%
Money market			3,813.2	3,813.2		3,813.2	
Optima	251,508.1	317,953.7	406,520.6	88,566.9	27.9%	155,012.5	61.6%
Maxima	5,519.8	5,872.1	8,965.9	3,093.8	52.7%	3,446.1	62.4%
Euro (EUR mn)	17.5	14.0	13.5	-0.5	-3.6%	-4.1	-23.2%
US Dollar (USD mn)	11.3	7.7	6.6	-1.1	-14.1%	-4.6	-41.1%
Paletta	2,341.6	2,549.2	3,707.9	1,158.7	45.5%	1,366.2	58.3%
Quality	23,312.4	29,568.3	34,012.9	4,444.6	15.0%	10,700.5	45.9%
OTP-UBS fund of funds	19,007.1	19,605.3	20,692.0	1,086.7	5.5%	1,684.9	8.9%
Fantazia		1,143.9	1,165.0	21.1	1.8%	1,165.0	
Total	301,717.8	376,714.2	478,897.5	102,183.3	27.1%	177,179.7	58.7%

The assets managed by the company for pension funds reached HUF 217.2 billion while other institutional assets were HUF58 billion on 31 March 2005.

In 1Q2005, net sales of **OTP Real Estate** were close to HUF2.3 billion. Its pre-tax profit reached HUF117 million. The 112.2% cost/income ratio, which is higher than in 1Q2004, reflects the results. The company's total assets were HUF16.6 billion. Current assets amounted to HUF13.4 billion of which inventories represented HUF11.3 billion.

OTP Factoring concluded contracts with OTP Bank for the purchase of 20 thousand receivables in a gross value of HUF6.2 billion until 31 March 2005. From third parties, the company purchased 600 contracts. Gross income was HUF1.6 billion and the net factoring income reached HUF735 million.

Due to the favourable development of the incomes, pre tax profit of the company for 1Q2005 was HUF141 million and the cost/income ratio was 61.1%.

FIRST QUARTER OF 2005 REPORT BASED ON HAR

HAR CONSOLIDATED

The guiding principle in consolidating the balance sheets and profit and loss accounts prepared by OTP Bank's fully integrated non-banking, non-financial subsidiaries - in line with the Bank's consolidation accounting policy - was to report the subsidiaries' asset, liability, income and expense items under non-banking, non-financial activities.

First quarter 2004 and first quarter 2005 consolidated data of the OTP Group in HUF million

	Shareholders' Equity		Total assets		Pre-tax profits	
	31-Mar-04	31-Mar-05	31-Mar-04	31-Mar-05	1Q 2004	1Q 2005
OTP Bank Ltd,	277,175	355,735	2,782,083	3,310,872	30,626	47,733
Subsidiaries total	157,616	210,069	1,621,534	2,394,496	8,276	12,920
Total (non consolidated)	434,791	565,804	4,403,617	5,705,368	38,902	60,653
Consolidated	326,262	415,583	3,587,450	4,768,198	37,845	44,560

Compared to the end of the previous year, the circle of fully consolidated subsidiaries has changed, since 1Q 2005 the Slovak OTP Leasing, OTP Faktoring Slovensko and the Croatian Nova banka are also consolidated.

In preparing the Stock Exchange Report of March 31, 2005, the bank applied the following methodology:

Fully consolidated subsidiaries	28
Equity consolidated companies	6
of which	
- affiliated companies	6
- mutually managed companies	--
- associated companies	--

HAR CONSOLIDATED BALANCE SHEETS

Total consolidated assets of the group as at March 31, 2005 were HUF 4,768.2 billion, 44.0% higher than total assets of the Bank. The consolidated balance sheet total for the Group increased by HUF 1,180.7 billion or 32.9% from a year earlier. Compared to March 31, 2004, excluding the consolidation steps, the newly consolidated Nova banka with HUF 255.2 billion and the HUF 154.4 billion growth of OTP Mortgage Bank's balance sheet total and the DSK Bank and its subsidiaries with HUF 179.8 billion growth in total assets were the largest contributor. The Mortgage Bank's growth is due to the increase of the mortgage loan volume taken over from OTP Bank

The change in the consolidated balance sheet on the asset side was the result of the increase of the current assets (HUF 724.2 billion), the growth of the invested assets (HUF 454.8 billion).

In the consolidated balance sheet as of March 31, 2005, the proportion of the current assets is 43.7% and invested assets are 55.3%. A year ago, these values were 37.9% and 60.8%, respectively. In the consolidated report, the increase of current assets was a result of the increase of cash (HUF 292.5 billion), short term receivables (HUF 334.1 billion). Within the 88.6% increase of consolidated cash and balances with banks, the most significant amounts were the HUF 245 billion expansion of the balances with NBH at OTP Bank.

The 38.8% increase in consolidated volume of trading securities was mostly caused by the HUF 58 billion growth in government securities, at OTP Bank. The securities portfolio grew at OTP Mortgage Bank by HUF 28.8 billion and at OTP Building Society by HUF 17.8 billion. Of the HUF 32.9 billion volume of own shares, OTP Bank holds 62.7% according to the book value, while the rest is owned by three subsidiaries.

In the consolidated balance sheet of March 31, 2005, the volume of short-term receivables increased by HUF 334.1 billion compared to March 31, 2004. Receivables from customers rose by HUF 253.1 billion (50.1%), receivables from credit institutions by HUF 62.6 billion (25.6%) while other receivables grew by HUF 18.5 billion (78.4%).

The change of the consolidated receivables from credit institutions reflects the consolidation of Nova banka (HUF 71.6 billion) and the volume increase at RoBank (HUF 26.6 billion).

In short-term receivables from customers, the largest growth was caused by OTP Bank (HUF 94.8 billion) and the volume increase before consolidation of DSK Bank (HUF 69.4 billion) and the consolidation of Nova banka (HUF 57 billion).

Compared to March 31, 2004, the volume of investments was 20.9% higher in the consolidated balance sheet. The receivables from customers maturing over a year grew by HUF 420.3 billion, the change was influenced considerably by the OTP Bank (HUF 131.0 billion), by DSK Bank (HUF 103.2 billion) and by OTP Mortgage Bank (HUF 93.7 billion) and the consolidation of Nova banka (HUF 66.5 billion).

On March 31, 2005 within the consolidated loan portfolio of HUF 2,863.1 billion the corporate customers represented 37.3% (HUF 1,067.5 billion); retail clients 59.4% (HUF 1,699.6 billion) and municipality loans 3.4% (HUF 96.0 billion). At the end of March 2005 23.9% of all loans (HUF 685.3 billion) were carried on the books of the foreign subsidiaries of OTP Bank.

In spite of the 33.0% growth since March 31, 2004, the quality of the loan portfolio on a consolidated basis improved. In the loan portfolio, performing loans grew by 36.4% and represented 87.1% (84.9% on March 31, 2004) while 8.4% (10.1% on March 31, 2004) belongs to the to-be-monitored category, the volume of which grew by 10.1%. The problem loans representing 4.5% (5.0% on March 31, 2004) which volume grew by 21.7%. Consolidated provisions was HUF 105.2 billion (39.5% growth), which meant 28.4% coverage ratio (23% coverage on March 31, 2004). 18.0% of qualified and 25.2% of problem loans was on the books of the foreign subsidiaries (28.4% and 15.3% at the end of March 2004).

On the liability side, the increase of the consolidated balance sheet total compared to the previous period was the result of HUF 1,050.0 billion increase of liabilities, HUF 21.8 billion increase in provisions, HUF 89.3 billion increase of shareholders' equity, and HUF 19.6 billion increase in accrued liabilities.

Within liabilities, short-term liabilities increased by 29.4% (HUF 815.7 billion) and long-term liabilities by 72.7% (HUF 234.3 billion).

Growth of short term liabilities to customers was caused mainly by the increase in liabilities before consolidation of OTP Bank (HUF 239.5 billion), Merkantil Car (HUF 44 billion), DSK Bank (HUF 24.4 billion), OTP Building Society (HUF 15.8 billion), OBS (HUF 14.3 billion). The newly consolidated Nova banka contributed to the consolidated increase by HUF 13.8 billion. It was counterbalanced by the HUF 8.4 billion decrease of liabilities of Merkantil Bank, and by the HUF 98.2 billion growth of consolidation effect of covered mortgage bonds issued by OTP Mortgage Bank and subscribed by the consolidated members of OTP Group.

The proportion of customer liabilities within total liabilities on a consolidated level was 79.6% as at March 31, 2005 and 86.5% as at March 31, 2004.

On March 31, 2005 within the consolidated deposits of HUF 3,280.0 billion (increase of 22.2% since March 31, 2004) the corporate customers represented 20.0% (HUF 656.7 billion; a growth of 39.9% y-o-y); retail clients 73.6% (HUF 2,414.0 billion and increase of 18.6% y-o-y) and municipality deposits 6.4% (HUF 209.3 billion; an increase of 16.5% y-o-y). 22.7% of all deposits (14.2% on March 31, 2004) were carried on the books of the foreign subsidiaries of OTP Bank. Growth of deposits at foreign subsidiaries reached 48.9% in 1Q 2005, producing 66.9% or HUF 244.2 billion of the HUF 365.1 billion consolidated quarterly growth. This increase was mainly due to the newly consolidated Nova banka (HUF 204.5 billion) and OTP Leasing a.s.)

Liability side provisions rose by HUF 21.8 billion from March 31, 2004. The growth came from the following sources: general risk provisions grew by HUF 7.1 billion and other provisions increased by HUF 16.5 billion. Within the latter, HUF 16.8 billion growth in reserves of OTP Garancia Insurance was important.

Consolidated shareholders' equity was HUF 415.6 billion (27.4% growth) at the end of March 2005 representing 8.7% of balance sheet total compared to 9.1% on March 31, 2004.

HAR CONSOLIDATED results

Consolidated *pre-tax profit* for 1Q 2005 was HUF 44.6 billion, 17.7% higher than in 1Q 2004 and 6.6% lower than pre-tax profit of the parent company.

Consolidated *after-tax profit* for 1Q 2005 was HUF 36.7 billion, 17.6% higher than consolidated after-tax profit for 1Q 2004 and 13.8% lower than after-tax profit of the parent company.

Consolidated *after tax earnings per share* calculated for 1Q 2005 were HUF 140 undiluted, whereas diluted EPS was HUF 131. US dollar equivalents were USD 0.75 and USD 0.70 respectively, based on the National Bank's average middle exchange rate between January 1, and March 31, 2005 (i.e. 186.69 HUF/USD).

Consolidated net interest income for 1Q 2005, reached HUF 64.8 billion, 13.6% higher than in 1Q 2004 and 72.2% more than at the Bank. This can be explained mainly by interest income of OTP Mortgage Bank from retail mortgages and securities, and the operation of the parent Bank, and of DSK Bank. Consolidated interest income was 10.5% or HUF 10.4 billion higher and expenses grew by 6.4% or HUF 2.7 billion compared to 1Q 2004.

Within consolidated interest income of HUF 109.5 billion, retail accounts hold the biggest part of HUF 38.7 billion. Interest income from corporate accounts of HUF 21.7 billion and from securities of HUF 27 billion was considerable as well. To the growth of the consolidated interest income compared to the previous year, the retail interest income growth (HUF 4.5 billion); interest income growth from municipalities (HUF 2.7 billion) and from interbank placements (HUF 4.5 billion) made the largest contribution.

Within interest expenses of HUF 44.7 billion, the interests paid on retail deposits represented the largest part (HUF 22.6 billion). The growth of interest paid on interbank accounts was considerable (HUF 4 billion) while the interest paid on retail accounts decreased by HUF 2.5 billion, year-on-year.

Consolidated non-interest income increased by 28%. Within this, consolidated net fees and commissions grew by 36.6%. Insurance income increased by 28.3% from HUF 12 billion in 1Q 2004 to HUF 15.4 billion in 1Q 2005. Consolidated non-interest expenses increased by 16.8% or HUF 53.7 billion compared to 1Q 2004. The consolidated cost/income ratio improved from 50.6% in 1Q 2004 to 49.7% in 1Q 2005.

Consolidated operating income was HUF 9.5 billion, 21.1% higher than a year earlier; provisioning and loan losses were HUF 81 million (1.6% decline) compared to 1Q 2004. In 1Q 2005 provisioning and loan losses represented 9.0% of the operating income; in 1Q 2004 these were 11.1%.

Consolidated annualized ROAA in the first quarter of 2005 reached 3.28% (3.53% in 1Q 2004). Meantime consolidated ROAE was 36.5% (39.6% in 1Q 2004), that, based on an average annualized inflation of 3.6% in 2004, means a 32.9% real ROAE (32.8% in 1Q 2004).

HAR NON-CONSOLIDATED

HAR non-consolidated balance sheets

Non-Consolidated HAR (HUF bn)	Mar 31, 2004	Dec 31, 2004	Mar 31, 2005	Y-o-Y	Q-o-Q
Total assets	2,782.1	3,044.8	3,310.9	19.0%	8.7%
Average assets	2,776.4	2,887.7	3,029.3	9.1%	4.9%
Total loans and advances	1,076.7	1,272.1	1,308.7	21.5%	2.9%
Corporate loans	676.2	806.3	827.7	22.4%	2.7%
Municipal loans	79.0	94.6	91.4	15.8%	-3.3%
Housing loans	179.9	170.4	181.4	0.8%	6.5%
Consumer loans	141.6	200.9	208.2	47.0%	3.6%
Retail loans	321.5	371.3	389.6	21.2%	4.9%
Total deposits	2,213.1	2,318.5	2,435.6	10.1%	5.0%
Corporate deposits	411.2	421.1	509.7	23.9%	21.0%
Municipal deposits	155.8	159.7	169.1	8.5%	5.9%
Retail deposits	1,646.1	1,737.7	1,756.8	6.7%	1.1%
Loan/deposit ratio	48.7%	54.9%	53.7%	5.1%	-1.1%
Shareholders' equity	277.2	325.0	355.7	28.4%	9.5%
Balance sheet gearing	10.0	9.4	9.3	-7.3%	-0.7%

OTP Bank's total assets as at March 31, 2004 were HUF 528.8 billion or 10.4% higher than a year earlier. Since March 31, 2004 within banking assets, cash and banks increased by 81.9% (HUF 253.5 billion) and the volume of government securities decreased by HUF 44.5 billion or 12.1% from a year earlier. The volume of the interbank placements declined by 5.7% since March 31, 2004.

Receivables from customers grew by HUF 232.0 billion or 21.5% mainly due to the HUF 151.4 billion increase of corporate loans and HUF 68.1 billion increase of retail loans. Within retail loans consumer loans (without home

equity loans) were 63.6% higher and personal loans reached HUF 84,025.4 million compared to HUF 3.9 million at the end of March 2004. Volume of housing and mortgage loans increased by HUF 1.5 billion. The in July 2004 introduced FX housing loans exceeded HUF 19.9 billion in the Bank's balance sheet at the end of March 2005. Liabilities to credit institutions grew by 142.4%, within this sight deposits decreased by 52.2% or by HUF 5.3 billion, term deposits increased by HUF 148.9 billion or 164.0%.

On March 31, 2005, volume of **customer deposits** was HUF 222.5 billion and the increase in retail business was HUF 110.7 billion, deposits in corporate business grew by HUF 98.5 billion and in municipal business was HUF 13.3 billion higher than a year earlier. Total HUF deposits increased by HUF208.3 billion, foreign currency deposits grew by HUF 14.2 billion. Within corporate deposits, deposits of legal entities increased by 41.0% to HUF 341.1 billion and deposits of small businesses and individual entrepreneurs declined by 10.9%. 75.9% of **retail deposits** are current account deposits their volume exceeded HUF 1,153.2 billion, increased by 12.4% from a year ago. Passbook deposits decreased by 6.3%. The share of HUF deposits in total retail deposits was 86.5% and the share of foreign currency deposits was 13.5% on March 31, 2005.

Shareholders' equity of OTP Bank on March 31, 2005 reached HUF 355.7 billion, an increase of HUF 78.6 billion compared to the same period a year ago. The growth was a result of an additional HUF 12.2 billion in general reserves, as well as a HUF 45.5 billion increase in retained earnings, a HUF 7.2 billion increase in fixed reserves and a HUF 13.7 billion growth in net profits. Non-audited book value of 1 share on March 31, 2005 was HUF 1,270. On March 31, 2005, the **HAR guarantee capital** of the Bank stood at HUF 161,761 million (HUF 192,918 million including after tax profits for the period). With HUF 1,801.0 billion risk weighted assets (a 29.6% growth compared to March 31, 2004) the **capital adequacy ratio** - calculated according to Hungarian regulations with "intra-year method" - was 8.98% as at March 31, 2005 (10.71% including after tax profits for the period), in excess of the 8% required by the Banking Act.

HAR non-consolidated results

Non-consolidated HAR (HUF million)	1Q 2004	4Q 2004	1Q 2005	Q-o-Q	Y-o-Y
Total interest income	70,212	74,741	70,606	-5.5%	0.6%
Total interest expense	35,858	36,773	32,995	-10.3%	-8.0%
Net interest income	34,354	37,968	37,611	-0.9%	9.5%
Non interest income	27,031	29,915	29,079	-2.8%	7.6%
Share of non interest income in total income	44.0%	44.1%	43.6%	-0.5%	-0.4%
Total income	61,385	67,883	66,690	-1.8%	8.6%
Operating costs	24,961	43,609	26,734	-38.7%	7.1%
Operating income	36,424	24,274	39,956	64.6%	9.7%
Dividend received	3,996	1,830	1,607	-12.2%	-59.8%
Diminution in value, provisions and loan losses	0	0	13,666	-	-
Accounting for acquisition goodwill	-1,802	-2,077	-2,032	-2.2%	12.8%
	0	0	-2,250		
Pre-tax profits	30,626	20,367	47,733	134.4%	55.9%
After tax profits	25,664	16,895	42,640	152.4%	66.1%
EPS undiluted (HUF)	96	63	158	150.8%	64.6%
EPS fully diluted (HUF)	92	60	152	153.3%	65.2%
Cost to income ratio	40.7%	64.2%	40.1%	-24.2%	-0.6%
Return on Assets (ROA)	3.71%	2.28%	5.37%	3.09%	1.66%
Return on Equity (ROE)	38.1%	21.0%	50.1%	29.1%	12.0%
Net interest margin	4.95%	5.26%	4.97%	-0.29%	0.02%

The bank's net interest income for 1Q 2005 was HUF 37,611 million, 9.5% higher than in 1Q 2004. The growth of net interest income was a result of HUF 394 million increase in interest income and HUF 2,863 million decline in interest expenses.

Interest earned on interbank accounts was 21.6% higher and the average interest on placements was 13.58%. In interbank interest incomes HUF 6.4 billion FX and interest swap income was accounted compared to the HUF 5.9 billion income in 1Q 2004. Income from securities decreased by 19.7% and the average yield was 8.56% compared to 1Q 2004. OTP Bank's portfolio of almost HUF 523.2 billion from the mortgage bonds issued by the OTP Mortgage Bank contributed to the growth of interest income and volume, too. In line with the 14.2% increase in average volume and with the increase in rates, interest income from retail accounts grew by 32.4%. The interest income increased by 7.4% in corporate lending and decreased by 15.3% in municipal lending, meanwhile the interest level declined in corporate and in municipal lending and the growth in volume was 18.0% in corporate

business and 16.1% in municipal volume. 26.6% of interest incomes came from retail accounts, 20.1% from corporate accounts and 3.4% from municipal accounts.

Interest expenses in line with the decline in the interest rate level and the growing volume of customer liabilities decreased by 12.4% on retail accounts and by 28.9% on corporate and by 29.7% on municipal accounts. Interest paid on interbank accounts grew both in HUF and in foreign exchange. The growth was caused, in HUF, by the HUF 4.2 billion loss on interest swap deals and, in foreign currency, by the interest expenses of the syndicated loans and by swap losses. Interest expenses on issued securities increased by HUF 31million. Share of interest paid on retail accounts was 60.5% correspondently with the liability structure.

The result of the FX and interest swap deals – accounted in interbank interest incomes and expenses – improved the net interest income of the Bank by HUF 1,874 million, (47.4% less than in 1Q 2004), and improved the net interest margin by 25 bps. The profit of the swaps charged in HUF was HUF 2,130 million, charged in FX was HUF 165 million while interest swaps decreased the net interest income by HUF 421 million.

In 1Q 2005, yield on average interest earning assets represented 10.48% rate and interest paid on interest bearing liabilities represented 5.20% rate. The interest spread between average interest bearing liabilities and interest earning assets was 5.29%. Average assets were 9.1% higher than a year earlier and the yield on average assets was 9.32%, 79 bps lower than in 1Q 2004 and the yield on average liabilities represented 4.29%, a decline of 88 bps from a year ago. Interest margin over total average assets was 4.97% a decline of 2 bps from a year earlier and of 29 bps from 4Q 2004.

During the first quarter of 2005 non-interest income was HUF 2,048 million higher than in 1Q 2004, and reached HUF 29,079 million. Net fees and commissions increased by 11.2% than in the first quarter of 2004.

The fees on loans grew by 7.7% to HUF 11.5 billion. On the level of the Bank, HUF 10.1 billion fee income is from OTP Mortgage Bank (HUF 8.7 billion in 1Q 2004), from which the transfer fee for the loan sold was almost HUF 6.8 billion (HUF 5.2 billion in 1Q 2004). The fees from the card business were 21.9% higher than in 1Q 2004 and was more than HUF 7 billion. Fee income from retail current accounts increased by 11.2% to HUF 2.9 billion. Deposit business fee income increased by 19.3% to HUF 1.7 billion. Securities transaction fees declined by 5.7% to HUF 2.0 billion mainly because of the decrease in depository fees and in securities' issuing organizing fees.

Net result on securities trading in 1Q 2005 was HUF 1,212 million from this, HUF 57 million loss came from the trading activities, HUF 501 million from exchange rate result and accrued HUF 768 premium. Foreign exchange profits totaled at HUF 120 million for 1Q 2005, in 1Q 2004 the profit was HUF 2,201 million. The Bank held a significantly larger long average FX position in its balance sheet (HUF161.3 billion average volume in 1Q 2005, HUF 107.7 billion in 1Q 2004). The overall net FX open position was also higher, it reached HUF 51.3 billion average, compared to HUF 12.4 billion averages in 1Q 2004.

Total income for the Bank reached HUF 66,690 million, a 8.6% increase. Non-interest income represented 43.6% of total income, 0.4%-point higher than a year earlier.

During the first quarter of 2005, non-interest expenses reached HUF 26,734 million, 7.1% higher than a year earlier. Personnel expenses were 10.0% higher than in 1Q 2004. Personnel expenses represented 17.7% of total income compared to 17.5% during 1Q 2004. Depreciation was HUF 2,732 million, HUF 496 million higher than a year ago reflecting the impact of the outsourced IT equipments.

The other non-interest expenses were by HUF 207 million higher than a year earlier. Within these, the most important items are the material type of costs that declined by HUF 358 million or by 4.3%. Technical equipments service fees decreased by HUF 480 million of 37.9% compared to 1Q 2004. Fees paid for domestic other services increased by HUF 50 million or 4.2%. Fees paid for foreign specialists declined by HUF 118 million or by 88.1%, fees paid for domestic specialists decreased by HUF 138 million. Local taxes increased by 20.1% to HUF 1.5 billion, value added tax on the result was HUF 96 million or 10.3% higher than a year earlier.

OTP Bank's **pre-tax profit** for 1Q 2005 was obtained as a result of HUF 39,956 million **operating income**, HUF 1,607 million of diminution in value and provisions, HUF 2,032 million acquisition badwill, HUF 13,666 million dividend income and HUF 2,250 million special tax for financial institutions.

Pre-tax profit for the first quarter of 2005 amounted to HUF 47,733 million, the Bank's after tax profit was HUF 42,640 million, 55.9% and 66.1% higher than in 1Q 2004 and 134.4% and 152.4% higher than in the fourth quarter of 2004.

After having generated the HUF 4,264 million of general reserves and the dividend fund for the period, representing 40% payout ratio (estimated at HUF 170 per share for the full year), the Bank's retained earnings for 2004 were HUF 26,493 million, an increase of 106.5% over the year earlier.

Earnings per share for the period were HUF 158 undiluted, HUF 152 diluted (HUF 96 and HUF 92 in 1Q 2004). US dollar equivalents are USD 0.85 and USD 0.82 respectively, based on the central banks average middle exchange rate between January 1, 2005 and March 31, 2005 (186.69 HUF/USD).

Annualized return on average equity (ROE) for 2004 was 50.1% (1,202 bps higher than in 1Q 2004 and 2,911 bps higher than in 4Q 2004), on average assets (ROA) 5.37% (166 bps higher than in 1Q 2004 and 309 bps higher than in 4Q 2004). Non consolidated real ROE (ROE less inflation) reached 46.5% (31.3% in 1Q 2004).

Quality of loan portfolio

During the first quarter of 2005 the quality of the loan portfolio improved. On March 31, 2005 the portion of qualified receivables within total receivables was 4.6% compared to 5.0% on March 31, 2004 and 4.8% on December 31, 2004. It is due to that the total receivables grew by 17.4% year-on-year and within this performing loans grew by 17.9% while qualified loans increased by 8.5% to HUF 68.6 billion. Non-performing loans decreased by HUF 9.2 billion or by 21.8% to the end of the first quarter of 2005. Proportion of NPL was 2.2% on March 31, 2005 compared to 3.3% a year ago.

	March 31, 2004		March 31, 2005		Change		
	HUF mn	Distribution	HUF mn	Distribution	HUF mn	%	Distribution
Total receivables	1,268,049	100.0%	1,488,971	100.0%	220,922	17.4%	0.0%
No problem loans	1,204,851	95.0%	1,420,403	95.4%	215,552	17.9%	0.4%
To-be-monitored loans	20,836	1.6%	35,429	2.4%	14,593	70.0%	0.7%
Below average	18,329	1.4%	13,172	0.9%	-5,157	-28.1%	-0.6%
Doubtful	16,777	1.3%	10,370	0.7%	-6,407	-38.2%	-0.6%
Bad	7,256	0.6%	9,598	0.6%	2,342	32.3%	0.1%
Total qualified	63,198	5.0%	68,569	4.6%	5,371	8.5%	-0.4%
Provision	21,057	1.7%	19,910	1.3%	-1,147	-5.4%	-0.3%
Coverage (%)	33.3%		29.0%			-4.3%	
NPL	42,361	3.3%	33,140	2.2%	-9,221	-21.8%	-1.1%
Provision	19,604	1.5%	17,647	1.2%	-1,957	-10.0%	-0.4%
Coverage (%)	46.3%		53.2%			7.0%	

In the first quarter of 2005 within total receivables customer receivables grew by 21.2%. In the corporate business there was a 22.2% increase in receivables during a year, while the qualified volume was 6.5% of HUF 3.2 billion lower and within this problem loans declined by 47.2% of HUF 15.0 billion. In the retail business, receivables increased by 21.7%, qualified receivables increased by 66.4% or HUF 8.8 billion. To-be-monitored loans increased by HUF 2.7 billion and doubtful loans by HUF 4.2. In the municipality business, receivables were higher by 12.9% and qualified receivables decreased by HUF 71 million to HUF 29 million compared to March 31, 2004. There was no qualified loans with credit institutions at the end of March 2005 and the volume was by HUF 11 billion lower year-on-year.

The bank has continued reserve generation for the loans sold to the Mortgage bank which are covered by repurchase guarantee, in a way that the on loans in delay of payment, including those expected to be repurchased after a 60 days of delay (the cut-off date of guarantee), it generates 10% provisions. On March 31, 2005 HUF 44.3 billion loans were in delay, of which HUF 14.6 billion were more than 30 days overdue. In connection with the increase in overdue volumes the Bank created HUF 555.3 million provisions in 1Q 2005. Such method of provisioning shall be continued in future quarters. On March 31, 2005 from the total volume of HUF 773.7 billion loans to the amount of 5.73% were qualified, compared to 45.11% on March 31, 2004.

The provisioning and loan losses on customer receivables for 1Q 2005 were HUF 1,232 million (decrease of 61.2% from a year earlier). The HUF 677 million loan loss provisioning represented 0.21% (annualized) of the average customer receivables (HUF 1,303.5 billion) compared to 0.78% for 1Q 2004.

MARKET SHARES OF THE BANK

	March 31, 2004		Dec 31, 2004		March 31, 2005	
	In Bank system	In Credit institutions	In Bank system	In Credit institutions	In Bank system	In Credit institutions
Total assets	20.1%	18.8%	19.4%	18.1%	20.5%	19.2%
Loans	12.4%	11.8%	13.1%	12.5%	12.8%	12.2%
Retail loans	15.4%	13.6%	14.7%	13.0%	14.9%	13.3%
Housing loans	12.1%	11.2%	9.7%	9.0%	10.1%	9.4%
HUF	12.3%	11.3%	9.9%	9.2%	10.0%	9.2%
FX	0.0%	0.0%	6.9%	6.9%	10.7%	10.6%
Consumer loans	22.7%	18.0%	24.6%	20.0%	24.5%	20.1%
Corporate loans	11.7%	11.4%	12.4%	12.1%	12.5%	12.1%
Municipal loans	55.8%	54.5%	53.4%	52.0%	52.7%	51.4%
Deposits	30.8%	27.6%	29.5%	26.4%	30.8%	27.4%
Retail deposits	41.4%	34.8%	40.2%	33.6%	40.3%	33.5%
HUF	42.3%	34.7%	40.8%	33.3%	40.9%	33.1%
FX	35.9%	35.9%	36.0%	36.0%	36.5%	36.5%
Sight	52.9%	48.6%	50.1%	46.1%	47.0%	43.4%
Term	33.7%	31.2%	34.4%	31.2%	34.6%	31.2%
Corporate deposits	15.3%	14.8%	13.6%	13.2%	16.8%	16.2%
Municipal deposits	73.1%	68.7%	70.4%	66.2%	73.7%	68.6%

OTHER

The number of **retail current accounts**, the leading product of the Bank, was almost 3,088 thousand at the end of March 2005. The number of issued retail **bank cards** exceeded 3.3 million on March 31, 2005 (3.7% growth year-on-year). The number credit cards was more than 255 thousand on March 31, 2005, its proportion was 6.9% in total issued cards. Including corporate and FX based cards, the total number of cards issued approached 3,731 thousand, an increase of 1.9% over March 2004. The Bank's estimated market share of cards issued was almost 60%.

The number of the Bank's **ATMs** expanded from 1,303 a year earlier to 1,415. The number of transactions executed by the Bank's card owners, performed through the Bank's ATMs, reached 16.3 million in 1Q 2005, while the turnover of these transactions was HUF 432.7 billion, an increase of 2.7% and 8.7%, resp. over 1Q 2004. The number of **POS terminals** on March 31, 2005 stood at 22,086, 1,488 more than one year earlier. The number of withdrawal transactions on the Bank's own POS network was 1.5 million, the turnover was HUF 212.0 billion. The number of purchases on POS terminals at merchants was 13.2 million (15.6% increase) valuing HUF105.1 billion (16.6% increase). The number of client terminals operating through telephone lines reached 12,920 on March 31, 2005. At the end of March 2005 the number of contracted customers for telephone banking, mobile banking and internet banking service was 732,460.

The closing number of OTP Bank staff was 7,791 persons on March 31, 2005, 97 persons lower than at the end of March 2004 and 14 persons more than at the end of December 2004. In the first quarter of 2005 the staff in the branch network decreased by 51 persons owing to the staff reduction process and to the natural fluctuation. In the Headquarters the staff increased by 65 persons.

	March 31, 2004	Dec 31, 2004	March 31, 2005	Q-o-Q	Y-o-Y
Closing staff (persons)	7,888	7,777	7,791	0.2%	-1.2%
Average staff (persons)	7,890	7,974	7,749	-2.8%	-1.8%
Per capita total assests (HUF mn)	352.7	391.5	425.1	8.6%	20.5%
Per capita profit after tax (HUF mn)	3.3	13.1	5.1	-61.4%	56.0%

PERSONNEL AND ORGANIZATIONAL CHANGES DURING THE FOURTH QUARTER OF 2004 AT OTP BANK LTD.

During the first quarter of 2005, the Top Management, the Auditor, the Board of Directors and the Supervisory Board of the Bank did not change.

Budapest, May 13, 2005

OTP Bank Ltd.

OTP Bank Ltd. First Quarter 2005 Stock Exchange Report

Non consolidated and Consolidated HAR Balance Sheets

in HUF million

	March 31, 2004 OTP Bank	March 31, 2005 OTP Bank	change	March 31, 2004 Consolidated	March 31, 2005 Consolidated	change
1. Cash in hand, balances with central banks	309,503	562,961	81.9%	330,082	622,615	88.6%
2. Treasury bills	368,908	324,380	-12.1%	583,633	635,535	8.9%
3. Loans and advances to credit institutions	176,646	166,598	-5.7%	255,153	316,732	24.1%
4. Loans and advances to customers	1,076,653	1,302,391	21.0%	2,098,011	2,771,363	32.1%
5. Debt securities including fixed-income securities	550,127	546,891	-0.6%	31,845	46,064	44.7%
6. Shares and other variable-yield securities	7,618	7,648	0.4%	14,019	9,321	-33.5%
7. Shares and participating interest as financial fixed assets	1,015	999	-1.6%	6,868	8,564	24.7%
8. Shares and participating interest in affiliated undertakings	101,018	133,911	32.6%	40,010	75,121	87.8%
9. Intangible assets	45,763	85,239	86.3%	13,112	22,149	68.9%
10. Tangible assets	62,567	69,099	10.4%	106,226	122,602	15.4%
11. Own shares	14,213	20,628	45.1%	25,726	32,916	27.9%
12. Other assets	11,070	19,041	72.0%	36,291	57,024	57.1%
13. Prepayments and accrued income	56,982	71,086	24.8%	46,474	48,192	3.7%
TOTAL ASSETS	2,782,083	3,310,872	19.0%	3,587,450	4,768,198	32.9%
From this: -CURRENT ASSETS	1,111,218	1,412,913	27.1%	1,361,139	2,085,340	53.2%
- FIXED ASSETS	1,613,883	1,826,873	13.2%	2,179,837	2,634,666	20.9%
1. Liabilities to credit institutions	100,879	244,519	142.4%	128,196	346,629	170.4%
2. Liabilities to customers	2,201,963	2,440,943	10.9%	2,674,056	3,296,204	23.3%
3. Liabilities from issued debt securities	55,493	48,342	-12.9%	191,174	323,659	69.3%
4. Other liabilities	64,192	104,776	63.2%	80,032	125,297	56.6%
5. Accruals and deferred income	38,427	38,945	1.3%	48,928	68,508	40.0%
6. Provisions	28,881	32,055	11.0%	119,422	141,220	18.3%
7. Subordinated liabilities	15,073	45,557	202.2%	19,380	51,098	163.7%
8. Subscribed capital	28,000	28,000	0.0%	28,000	28,000	0.0%
9. Subscribed but unpaid capital (-)	0	0	-	0	0	0.0%
10. Capital reserves	52	52	0.0%	52	52	0.0%
11. General reserves	43,892	56,071	27.7%	43,892	56,071	27.7%
12. Retained earnings (accumulated profit reserve) (+)	178,186	223,724	25.6%	179,826	224,755	25.0%
13. Legal reserves	14,213	21,395	50.5%	14,213	21,395	50.5%
14. Revaluation reserve	0	0	-	0	0	0.0%
15. Profit or loss for the financial year according to the balance sheet (+)	12,832	26,493	106.5%	18,200	20,255	11.3%
16. Subsidiaries' equity increases/decreases (+-) *	0	0	-	38,809	60,905	56.9%
17. Increases/decreases due to consolidation (+-)	0	0	-	2,836	2,274	-19.8%
18. Participation of outside members (other owners)	0	0	-	434	1,876	332.3%
TOTAL LIABILITIES	2,782,083	3,310,872	19.0%	3,587,450	4,768,198	32.9%
From this: - SHORT-TERM LIABILITIES	2,324,238	2,707,292	16.5%	2,770,524	3,586,224	29.4%
- LONG-TERM LIABILITIES	113,362	176,845	56.0%	322,314	556,663	72.7%
- EQUITY (CAPITAL AND RESERVES)	277,175	355,735	28.3%	326,262	415,583	27.4%
OFF-BALANCE SHEET COMMITMENTS	782,270	1,053,892	34.7%	822,931	1,145,617	39.2%
1. Contingent liabilities	488,962	722,802	47.8%	523,832	749,444	43.1%
2. Future liabilities	293,308	331,090	12.9%	299,099	396,173	32.5%
* Book value of shares owned by subsidiaries				11,513	12,288	

OTP Bank Ltd. First Quarter 2005 Stock Exchange Report

Non consolidated and Consolidated HAR Profit and Loss Account

in HUF million

	IQ 2004	IQ 2005	change	IQ 2004	IQ 2005	change
	OTP Bank	OTP Bank		Consolidated	Consolidated	
1. Interest received and interest-type income	70,212	70,606	0.6%	99,032	109,468	10.5%
2. Interest paid and interest-type expenses	35,858	32,995	-8.0%	42,001	44,692	6.4%
Interest difference	34,354	37,611	9.5%	57,031	64,776	13.6%
3. Incomes from securities	0	13,666	-	4	29	625.0%
4. Fees and Commission received	26,218	29,212	11.4%	18,973	24,429	28.8%
5. Fees and Commission paid	1,984	2,239	12.9%	3,314	3,826	15.5%
6. Profit or loss from financial transactions	1,946	340	-82.5%	1,589	485	-69.5%
7. Other incomes from business	77,871	39,471	-49.3%	23,202	31,369	35.2%
8. General administration expenses	19,127	19,839	3.7%	23,989	25,938	8.1%
9. Depreciation and amortization	4,229	4,955	17.2%	3,268	4,324	32.3%
10. Other expenses from business	82,338	48,678	-40.9%	28,009	38,501	37.5%
11. Write-off of loans and provision for contingent and future liabilities	7,198	5,830	-19.0%	16,002	21,267	32.9%
12. Reversal of write-off of loans and credit for contingent and future liabilities	5,466	8,184	49.7%	12,352	19,182	55.3%
12/ Difference between the creation and write-off of general risk provision	-330	-941	185.2%	-681	-1,849	
13. Write-off of securities for investing purposes, signifying a creditor relationship, equity investments in associated or other company	36	0	-100.0%	36	0	-100.0%
14. Reversal of write-off of securities for investing purposes, signifying a creditor relationship, and equity investments in associated or other company	20	1,121	5505.0%	3	3	0.0%
15. Result of ordinary business activities	30,633	47,123	53.8%	37,855	44,568	17.7%
Including: - RESULT OF FINANCIAL AND INVESTMENT SERVICES	30,623	47,095	53.8%	36,075	41,504	15.0%
- RESULT OF NON-FINANCIAL AND INVESTMENT SERVICES	10	28	180.0%	1,780	3,064	72.1%
16. Extraordinary revenues	4	619	15375.0%	4	14	250.0%
17. Extraordinary expenses	11	9	-18.2%	14	22	57.1%
18. Extraordinary profit or loss (16-17)	-7	610	-8814.3%	-10	-8	-20.0%
19. Profit or loss before tax (±15±18)	30,626	47,733	55.9%	37,845	44,560	17.7%
20. Tax liabilities	4,962	5,093	2.6%	6,752	7,824	15.9%
a) Tax difference due to consolidation	0	0	-	-157	-13	-91.7%
21. After-tax profit or loss (±19-20+20/a)	25,664	42,640	66.1%	31,250	36,749	17.6%
22. Formation and utilization of general reserves (±)	-2,567	-4,264	66.1%	-2,782	-4,614	65.9%
23. Use of accumulated profit reserve for dividends and profit-sharings	0	0	-	0	0	0.0%
24. Dividends and profit-sharings paid (approved)	10,265	11,883	15.8%	10,268	11,880	15.7%
25. Balance-sheet profit or loss figure (±21±22+23-24)	12,832	26,493	106.5%	18,200	20,255	11.3%

OTP Bank Ltd. First Quarter 2005 Stock Exchange Report

Selected Non consolidated and Consolidated financial data

	in HUF million					
	1Q 2004	1Q 2005	change	1Q 2004	1Q 2005	change
	OTP Bank	OTP Bank		Consolidated	Consolidated	
Interest from interbank accounts	12,013	14,607	21.6%	12,485	16,952	35.8%
Interest from retail accounts	14,199	18,804	32.4%	34,237	38,742	13.2%
Interest from corporate accounts	15,322	14,184	-7.4%	18,983	21,720	14.4%
Interest from municipal accounts	2,813	2,384	-15.3%	2,829	2,401	-15.1%
Interest from bonds	22,633	18,172	-19.7%	26,989	27,028	0.1%
Interest from mandatory reserves	3,232	2,455	-24.0%	3,509	2,625	-25.2%
Total interest income	70,212	70,606	0.6%	99,032	109,468	10.5%
Interest to interbank accounts	3,164	5,873	85.6%	3,467	7,438	114.5%
Interest on retail accounts	22,772	19,955	-12.4%	25,091	22,605	-9.9%
Interest on corporate accounts	6,715	4,772	-28.9%	7,087	5,764	-18.7%
Interest on municipal accounts	2,934	2,063	-29.7%	3,177	2,194	-30.9%
Interest on bonds	74	105	41.9%	2,970	6,450	117.2%
Interest on subordinated loan	199	227	14.1%	209	241	15.3%
Total interest expense	35,858	32,995	-8.0%	42,001	44,692	6.4%
Net interest income	34,354	37,611	9.5%	57,031	64,776	13.6%
Fees & commissions income	26,377	29,362	11.3%	20,705	26,550	28.2%
Fees & commissions paid	1,984	2,239	12.9%	4,659	4,634	-0.5%
Net fees & commissions	24,393	27,123	11.2%	16,046	21,916	36.6%
Securities trading	195	1,212	521.5%	997	1,841	84.7%
Forex trading	2,200	120	-94.5%	1,873	871	-53.5%
Losses/Gains on property transactions	-3	-2	-33.3%	355	157	-55.8%
Insurance fee income	0	0	-	12,045	15,433	28.1%
Other	246	626	154.5%	2,484	3,039	22.3%
Non interest income	27,031	29,079	7.6%	33,800	43,257	28.0%
Ratio of non interest income	44.0%	43.6%	-0.4%	37.2%	40.0%	2.8%
Total income	61,385	66,690	8.6%	90,831	108,033	18.9%
Personnel costs	10,728	11,798	10.0%	15,916	17,946	12.8%
Depreciation	2,236	2,732	22.2%	4,244	4,982	17.4%
Insurance costs	0	0	-	8,716	11,826	35.7%
Other costs	11,997	12,204	1.7%	17,113	18,963	10.8%
Operating costs	24,961	26,734	7.1%	45,989	53,717	16.8%
Cost/income ratio	40.7%	40.1%	-0.6%	50.6%	49.7%	-0.9%
Operating income	36,424	39,956	9.7%	44,842	54,316	21.1%
Diminution in value, provisions and loan losses	3,996	1,607	-59.8%	4,958	4,877	-1.6%
Dividend received	0	13,666	-	4	29	625.0%
Accounting for acquisition goodwill	-1,802	-2,032	12.8%	-2,043	-2,658	30.1%
Special financial institution tax for the year 2005	0	-2,250	-	0	-2,250	0.0%
Pre-tax profit	30,626	47,733	55.9%	37,845	44,560	17.7%
Taxes	4,962	5,093	2.6%	6,752	7,353	8.9%
Special financial institution tax for the year 2005	0	0	-	0	472	0.0%
Taxes due to consolidation	0	0	-	-157	-14	-91.1%
Tax rate	16.2%	10.7%	-5.5%	17.4%	17.5%	0.1%
After tax profits	25,664	42,640	66.1%	31,250	36,749	17.6%

Non consolidated and Consolidated IFRS balance sheets

in HUF million

	March 31, 2005	March 31, 2004		March 31, 2005	March 31, 2004	
	OTP Bank	OTP Bank	change	Consolidated	Consolidated	change
Cash, due from banks and balances with the National Bank of Hungary	562,961	309,503	81.9%	623,047	330,237	88.7%
Placements with other banks, net of allowance for possible placement losses	165,288	176,646	-6.4%	316,093	255,019	23.9%
Financial assets at fair value through profit and loss	58,146	47,193	23.2%	71,520	82,255	-13.1%
Securities held-for-trading	50,860	40,701	25.0%	63,900	75,685	-15.6%
Fair value adjustment of derivative financial instruments	7,286	6,492	12.2%	7,620	6,570	16.0%
Securities available-for-sale	336,976	291,270	15.7%	381,373	278,150	37.1%
Loans, net of allowance for possible loan losses	1,309,095	1,059,013	23.6%	2,742,087	2,057,613	33.3%
Accrued interest receivable	39,249	33,813	16.1%	29,857	32,077	-6.9%
Investments in subsidiaries	211,201	138,793	52.2%	10,310	5,842	76.5%
Securities held-to-maturity	506,655	594,671	-14.8%	264,060	278,351	-5.1%
Premises, equipment and intangible assets, net	96,461	86,190	11.9%	221,378	163,627	35.3%
Other assets	46,826	25,301	85.1%	77,857	64,861	20.0%
TOTAL ASSETS	3,332,858	2,762,393	20.7%	4,737,582	3,548,032	33.5%
Due to banks and deposits from the National Bank of Hungary and other banks	264,102	100,878	161.8%	346,682	128,244	170.3%
Deposits from customers	2,461,185	2,244,425	9.7%	3,282,712	2,671,371	22.9%
Liabilities from issued securities	1,991	2,023	-1.6%	314,653	182,899	72.0%
Accrued interest payable	12,597	15,080	-16.5%	30,361	22,362	35.8%
Other liabilities	157,056	93,588	67.8%	286,708	199,981	43.4%
Subordinated bonds and loans	45,557	15,073	202.2%	46,805	15,073	210.5%
TOTAL LIABILITIES	2,942,488	2,471,067	19.1%	4,307,921	3,219,930	33.8%
SHARE CAPITAL	28,000	28,000	0.0%	28,000	28,000	0.0%
RETAINED EARNINGS AND RESERVES	382,998	277,539	38.0%	432,664	325,401	33.0%
Retained earnings and reserves without earnings	340,321	249,340	36.5%	394,321	291,380	35.3%
Reserves	323,648	248,944	30.0%	385,539	289,509	33.2%
Fair value adjustment of securities available-for-sale and of derivative financial instruments recognised directly through equity	11,080	-2,276	-586.8%	3,189	-801	-498.1%
Fair value adjustment of share based payments	5,593	2,672	109.3%	5,593	2,672	109.3%
Retained earnings	42,677		51.3%	38,343	34,021	12.7%
Treasury shares	-20,628	-14,213	45.1%	-32,916	-25,726	27.9%
MINORITY INTEREST	0	0	-	1,913	427	348.0%
TOTAL SHAREHOLDERS' EQUITY	390,370	291,326	34.0%	429,661	328,102	31.0%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	3,332,858	2,762,393		4,737,582	3,548,032	33.5%

OTP Bank Ltd. First Quarter 2005 Stock Exchange Report

Non consolidated and Consolidated IFRS Profit and Loss Account

	in HUF million					
	1Q 2005		1Q 2004			
	OTP Bank	OTP Bank		Consolidated	Consolidated	change
Loans	35,226	31,862	10.6%	63,121	55,655	13.4%
Placements with other banks	9,532	15,058	-36.7%	10,620	15,079	-29.6%
interest income without swap	2,488	2,541	-2.1%	3,559	2,562	38.9%
results of swaps	7,044	12,517	-43.7%	7,061	12,517	-43.6%
Due from banks and balances with the National Bank of Hungary	8,649	6,674	29.6%	9,593	7,532	27.4%
Securities held-for-trading	302	853	-64.6%	565	2,152	-73.7%
Securities available-for-sale	6,151	6,084	1.1%	22,354	18,610	20.1%
Securities held-to-maturity	11,229	15,312	-26.7%	5,156	7,460	-30.9%
Total Interest Income	71,089	75,843	-6.3%	111,409	106,488	4.6%
Due to banks and deposits from the National Bank of Hungary and other banks	8,059	3,886	107.4%	8,683	4,210	106.2%
interest expenses without swap	1,600	667	139.9%	2,224	991	124.4%
losses of swaps	6,459	3,219	100.7%	6,459	3,219	100.7%
Deposits from customers	26,792	32,402	-17.3%	30,570	35,361	-13.5%
Liabilities from issued securities		42	-4.8%	6,385	2,939	117.3%
Subordinated bonds and loans	291	199	46.2%	305	209	45.9%
Other entrepreneurs	0	0	-	6	13	-53.8%
Total Interest Expense	35,182	36,529	-3.7%	45,949	42,732	7.5%
NET INTEREST INCOME	35,907	39,314	-8.7%	65,460	63,756	2.7%
Provision for possible loan losses	3,245	2,250	44.2%	6,722	4,752	41.5%
Provision for possible placement losses	-1		-88.9%	-1	-9	-88.9%
Provision for possible loan and placement losses		2,241	44.8%	6,721	4,743	41.7%
NET INTEREST INCOME AFTER PROVISION FOR POSSIBLE LOAN AND PLACEMENT LOSSES	32,663	37,073	-11.9%	58,739	59,013	-0.5%
Fees and commissions	29,364	26,506	10.8%	25,995	20,851	24.7%
Foreign exchange gains and losses, net	-436	-3,558	-87.7%	314	-3,885	-108.1%
Gains and losses on securities, net	1,503	581	158.7%	2,121	2,180	-2.7%
Gains and losses on real estate transactions, net	-3	0	-	230	354	-35.0%
Dividend income and gains and losses of associated companies	13,666	0	-	29	4	625.0%
Insurance premiums	0	0	-	14,205	10,742	32.2%
Other	791	479	65.1%	4,595	3,694	24.4%
Total Non-Interest Income	44,885	24,008	87.0%	47,489	33,940	39.9%
Fees and commissions	2,367	2,001	18.3%	4,778	4,686	2.0%
Personnel expenses	12,958	11,315		19,105	16,517	15.7%
Depreciation and amortization	3,284	3,452	-4.9%	5,374		-26.4%
Insurance expenses	0		-	11,665	8,502	37.2%
Total Non-Interest Expense	11,185	11,321	-1.2%	60,284	52,930	21.6%
INCOME BEFORE INCOME TAXES	47,754	32,992		45,944	40,023	14.8%
Income taxes	5,077	4,793	5.9%	7,592		26.6%
INCOME AFTER INCOME TAXES	42,677	28,199	51.3%	38,352	34,027	12.7%
Minority interest	0	0	-	-9	-6	50.0%
NET INCOME	42,677	28,199	51.3%	38,343	34,021	12.7%



OTP Bank Ltd.

Modification of the consolidated IFRS balance sheets and profit and loss accounts for the year 2004 according to the IFRS for the year 2005 (adjustment of the basis)

Budapest, May 10, 2005

Modification of the consolidated IFRS profit and loss accounts for the year 2004 according to the IFRS for the year 2005 (adjustment of the basis)

Profit and Loss Account	1Q 2004		2Q2004		1H2004		3Q2004		9M 2004		4Q2004		2004A	
	original	new												
		(modified)												
Loans	55,655	55,655	58,700	58,700	114,355	114,355	62,608	62,608	176,963	176,963	64,270	64,270	241,233	241,233
Placements with other banks	15,079	15,079	5,654	5,654	20,733	20,733	12,008	12,008	32,741	32,741	9,690	9,690	42,431	42,431
interest income without swap	15,079	15,079	-9,482	-9,482	5,597	5,597	2,120	2,120	7,717	7,717	3,614	3,614	11,331	11,331
results of swaps	0	0	15,136	15,136	15,136	15,136	9,888	9,888	25,024	25,024	6,076	6,076	31,100	31,100
Due from banks and balances with the National Bank of Hungary	7,532	7,532	9,436	9,436	16,968	16,968	7,694	7,694	24,662	24,662	9,156	9,156	33,818	33,818
Securities held-for-trading and available-for-sale	20,762	0	22,812	0	43,574	0	22,928	0	66,502	0	22,699	0	89,201	0
Securities held-for-trading	0	2,152	0	1,328	0	3,480	0	1,353	0	4,833	0	1,815	0	6,648
Securities available-for-sale	0	18,610	0	21,484	0	40,094	0	21,575	0	61,669	0	20,884	0	82,553
Securities held-to-maturity	7,460	7,460	6,374	6,374	13,834	13,834	5,843	5,843	19,677	19,677	7,318	7,318	26,995	26,995
Total Interest Income	106,488	106,488	102,976	102,976	209,464	209,464	111,081	111,081	320,545	320,545	113,133	113,133	433,678	433,678
Due to banks and deposits from the National Bank of Hungary and other banks	4,210	4,210	4,113	4,113	8,323	8,323	5,303	5,303	13,626	13,626	7,014	7,014	20,640	20,640
interest expenses without swap	4,210	4,210	-1,820	-1,820	2,390	2,390	1,485	1,485	3,875	3,875	1,596	1,596	5,471	5,471
losses of swaps	0	0	5,933	5,933	5,933	5,933	3,818	3,818	9,751	9,751	5,418	5,418	15,169	15,169
Deposits from customers	35,361	35,361	32,246	32,246	67,607	67,607	30,859	30,859	98,466	98,466	33,328	33,328	131,794	131,794
Liabilities from issued securities	2,939	2,939	4,657	4,657	7,596	7,596	5,600	5,600	13,196	13,196	6,186	6,186	19,382	19,382
Subordinated bonds and loans	209	209	228	228	437	437	257	257	694	694	249	249	943	943
Other entrepreneurs	13	13	16	16	29	29	-2	-2	27	27	3	3	30	30
Total Interest Expense	42,732	42,732	41,260	41,260	83,992	83,992	42,017	42,017	126,009	126,009	46,780	46,780	172,789	172,789
NET INTEREST INCOME	63,756	63,756	61,716	61,716	125,472	125,472	69,064	69,064	194,536	194,536	66,353	66,353	260,889	260,889
Provision for possible loan losses	4,752	4,752	3,727	3,727	8,479	8,479	3,173	3,173	11,652	11,652	4,577	4,577	16,229	16,229
Provision for possible placement losses	-9	-9	2	2	-7	-7	-4	-4	-11	-11	-170	-170	-181	-181
Provision for possible loan and placement losses	4,743	4,743	3,729	3,729	8,472	8,472	3,169	3,169	11,641	11,641	4,407	4,407	16,048	16,048
NET INTEREST INCOME AFTER PROVISION FOR POSSIBLE LOAN AND PLACEMENT LOSSES	59,013	59,013	57,987	57,987	117,000	117,000	65,895	65,895	182,895	182,895	61,946	61,946	244,841	244,841
Fees and commissions	20,851	20,851	21,897	21,897	42,748	42,748	22,420	22,420	65,168	65,168	26,457	26,457	91,625	91,625
Foreign exchange gains and losses, net	-3,885	-3,885	4,223	4,223	338	338	-725	-725	-387	-387	1,637	1,637	1,250	1,250
Gains and losses on securities, net	2,780	2,180	-1,269	-1,391	1,511	789	4,062	2,304	5,573	3,093	9,197	3,169	14,770	6,262
Gains and losses on real estate transactions, net	354	354	172	172	526	526	388	388	914	914	904	904	1,818	1,818
Dividend income and gains and losses of associated companies	4	4	327	327	331	331	241	241	572	572	21	21	593	593
Insurance premiums	10,742	10,742	14,430	14,430	25,172	25,172	12,089	12,089	37,261	37,261	12,076	12,076	49,337	49,337
Other	3,694	3,694	2,608	2,608	6,302	6,302	1,517	1,517	7,819	7,819	2,861	2,861	10,680	10,680
Total Non-Interest Income	34,540	33,940	42,388	42,266	76,928	76,206	39,992	38,234	116,920	114,440	53,153	47,125	170,073	161,565
Fees and commissions	4,686	4,686	5,344	5,344	10,030	10,030	4,767	4,767	14,797	14,797	5,791	5,791	20,588	20,588
Personnel expenses	15,930	16,517	18,638	19,225	34,568	35,742	17,094	17,681	51,662	53,423	25,528	26,115	77,190	79,538
Depreciation and amortization	7,299	7,299	6,911	6,911	14,210	14,210	7,179	7,179	21,389	21,389	7,761	7,761	29,150	29,150
Insurance expenses	8,502	8,502	11,718	11,718	20,220	20,220	9,356	9,356	29,576	29,576	10,688	10,688	40,264	40,264
Other	15,926	15,926	19,343	19,343	35,269	35,269	19,035	19,035	54,304	54,304	26,742	26,742	81,046	81,046
Total Non-Interest Expense	52,343	52,930	61,954	62,541	114,297	115,471	57,431	58,018	171,728	173,489	76,510	77,097	248,238	250,586
INCOME BEFORE INCOME TAXES	41,210	40,023	38,421	37,712	79,631	77,735	48,456	46,111	128,087	123,846	38,589	31,974	166,676	155,820
Income taxes	6,084	5,996	6,351	6,330	12,435	12,326	7,268	6,986	19,703	19,312	6,141	5,194	25,844	24,506
INCOME AFTER INCOME TAXES	35,126	34,027	32,070	31,382	67,196	65,409	41,188	39,125	108,384	104,534	32,448	26,780	140,832	131,314
Minority interest	-6	-6	-9	-9	-15	-15	-7	-7	-22	-22	10	10	-12	-12
NET INCOME	35,120	34,021	32,061	31,373	67,181	65,394	41,181	39,118	108,362	104,512	32,458	26,790	140,820	131,302
due to securities	-512		-101		-613		-1,476		-2,089		-5,081		-7,170	
due to IFRS2	-587		-587		-1,174		-587		-1,761		-587		-2,348	
total	-1,099		-688		-1,787		-2,063		-3,850		-5,668		-9,518	

Balance Sheets	31-Mar-04		30-Jun-04		30-Sep-04		31-Dec-04	
	original	new (modified)	original	new (modified)	original	new (modified)	original	new (modified)
Cash, due from banks and balances with the National Bank of Hungary	330,237	330,237	311,011	311,011	352,365	352,365	465,887	465,887
Placements with other banks, net of allowance for possible placement losses	255,019	255,019	184,786	184,786	252,170	252,170	286,200	286,200
Securities held-for-trading and available-for-sale	353,835	0	350,170	0	335,827	0	363,093	0
Financial assets at fair value through profit and loss	0	82,255	0	77,864	0	84,541	0	71,392
Financial assets available-for-sale	0	278,150	0	275,257	0	256,470	0	295,835
Loans, net of allowance for possible loan losses	2,057,613	2,057,613	2,227,127	2,227,127	2,371,630	2,371,630	2,506,795	2,506,795
Accrued interest receivable	32,077	32,077	27,842	27,842	30,995	30,995	31,400	31,400
Investments in subsidiaries	5,842	5,842	5,968	5,968	6,429	6,429	9,389	9,389
Securities held-to-maturity	278,351	278,351	270,624	270,624	269,654	269,654	247,259	247,259
Premises, equipment and intangible assets, net	163,627	163,627	163,695	163,695	167,997	167,997	174,775	174,775
Other assets (by derivative financial assets)	71,431	64,861	68,017	65,066	76,734	71,550	77,561	73,427
TOTAL ASSETS	3,548,032	3,548,032	3,609,240	3,609,240	3,863,801	3,863,801	4,162,359	4,162,359
Due to banks and deposits from the National Bank of Hungary and other banks	128,244	128,244	178,899	178,899	216,090	216,090	254,125	254,125
Deposits from customers	2,671,371	2,671,371	2,585,648	2,585,648	2,723,944	2,723,944	2,902,190	2,902,190
Liabilities from issued securities	182,899	182,899	238,633	238,633	253,770	253,770	317,222	317,222
Accrued interest payable	22,362	22,362	30,065	30,065	38,894	38,894	27,015	27,015
Other liabilities	199,981	199,981	198,297	198,297	214,503	214,503	213,798	213,798
Subordinated bonds and loans	15,073	15,073	15,295	15,295	14,949	14,949	14,324	14,324
TOTAL LIABILITIES	3,219,930	3,219,930	3,246,837	3,246,837	3,462,150	3,462,150	3,728,674	3,728,674
Share capital	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000
Reserves	290,281	289,509	291,736	290,964	290,280	289,508	290,307	289,535
Fair value adjustment of securities available-for-sale recognised directly through equity	0	-801	0	-700	0	776	0	5,857
Share based payments	0	2,672	0	3,259	0	3,846	0	4,433
Retained earnings	35,120	34,021	67,181	65,394	108,362	104,512	140,820	131,302
Treasury shares	-25,726	-25,726	-24,959	-24,959	-25,433	-25,433	-25,867	-25,867
MINORITY INTEREST (from 2005)	0	427	0	445	0	442	0	425
TOTAL SHAREHOLDERS' EQUITY	327,675	328,102	361,958	362,403	401,209	401,651	433,260	433,685
MINORITY INTEREST (until 2004)	427	0	445	0	442	0	425	0
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	3,548,032	3,548,032	3,609,240	3,609,240	3,863,801	3,863,801	4,162,359	4,162,359

Balance Sheets	31-Mar-04				
	original	due to structure	due to securities	IFRS4	new (modified)
Cash, due from banks and balances with the National Bank of Hungary	330,237	0	0	0	330,237
Placements with other banks, net of allowance for possible placement losses	255,019	0	0	0	255,019
Securities held-for-trading and available-for-sale	353,835	-353,835	0	0	0
Financial assets at fair value through profit and loss	0	154,183	-71,928	0	82,255
Financial assets available-for-sale	0	206,222	71,928	0	278,150
Loans, net of allowance for possible loan losses	2,057,613	0	0	0	2,057,613
Accrued interest receivable	32,077	0	0	0	32,077
Investments in subsidiaries	5,842	0	0	0	5,842
Securities held-to-maturity	278,351	0	0	0	278,351
Premises, equipment and intangible assets, net	163,627	0	0	0	163,627
Other assets (by derivative financial assets)	71,431	-6,570	0	0	64,861
TOTAL ASSETS	3,548,032	0	0	0	3,548,032
Due to banks and deposits from the National Bank of Hungary and other banks	128,244	0	0	0	128,244
Deposits from customers	2,671,371	0	0	0	2,671,371
Liabilities from issued securities	182,899	0	0	0	182,899
Accrued interest payable	22,362	0	0	0	22,362
Other liabilities	199,981	0	0	0	199,981
Subordinated bonds and loans	15,073	0	0	0	15,073
TOTAL LIABILITIES	3,219,930	0	0	0	3,219,930
Share capital	28,000	0	0	0	28,000
Reserves	290,281	0	1,313	-2,085	289,509
Fair value adjustment of securities available-for-sale recognised directly through equity	0	0	-801	0	-801
Share based payments	0	0	0	2,672	2,672
Retained earnings	35,120	0	-512	-587	34,021
Treasury shares	-25,726	0	0	0	-25,726
MINORITY INTEREST (from 2005)	0	427	0	0	427
TOTAL SHAREHOLDERS' EQUITY	327,675	427	0	0	328,102
MINORITY INTEREST (until 2004)	427	-427	0	0	0
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	3,548,032	0	0	0	3,548,032

Balance Sheets	30-Jun-04				
	original	due to structure	due to securities	IFRS2	new (modified)
Cash, due from banks and balances with the National Bank of Hungary	311,011	0	0	0	311,011
Placements with other banks, net of allowance for possible placement losses	184,786	0	0	0	184,786
Securities held-for-trading and available-for-sale	350,170	-350,170	0	0	0
Financial assets at fair value through profit and loss	0	152,028	-74,164	0	77,864
Financial assets available-for-sale	0	201,093	74,164	0	275,257
Loans, net of allowance for possible loan losses	2,227,127	0	0	0	2,227,127
Accrued interest receivable	27,842	0	0	0	27,842
Investments in subsidiaries	5,968	0	0	0	5,968
Securities held-to-maturity	270,624	0	0	0	270,624
Premises, equipment and intangible assets, net	163,695	0	0	0	163,695
Other assets (by derivative financial assets)	68,017	-2,951	0	0	65,066
TOTAL ASSETS	3,609,240	0	0	0	3,609,240
Due to banks and deposits from the National Bank of Hungary and other banks	178,899	0	0	0	178,899
Deposits from customers	2,585,648	0	0	0	2,585,648
Liabilities from issued securities	238,633	0	0	0	238,633
Accrued interest payable	30,065	0	0	0	30,065
Other liabilities	198,297	0	0	0	198,297
Subordinated bonds and loans	15,295	0	0	0	15,295
TOTAL LIABILITIES	3,246,837	0	0	0	3,246,837
Share capital	28,000	0	0	0	28,000
Reserves	291,736	0	1,313	-2,085	290,964
Fair value adjustment of securities available-for-sale recognised directly through equity	0	0	-700	0	-700
Share based payments	0	0	0	3,259	3,259
Retained earnings	67,181	0	-613	-1,174	65,394
Treasury shares	-24,959	0	0	0	-24,959
MINORITY INTEREST (from 2005)	0	445	0	0	445
TOTAL SHAREHOLDERS' EQUITY	361,958	445	0	0	362,403
MINORITY INTEREST (until 2004)	445	-445	0	0	0
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	3,609,240	0	0	0	3,609,240

Modification of the consolidated IFRS balance sheets for the year 2004 according to the IFRS for the year 2005
(adjustment of the basis)

Balance Sheets	30-Sep-04				
	original	due to structure	due to securities	IFRS0	new (modified)
Cash, due from banks and balances with the National Bank of Hungary	352,365	0	0	0	352,365
Placements with other banks, net of allowance for possible placement losses	252,170	0	0	0	252,170
Securities held-for-trading and available-for-sale	335,827	-335,827	0	0	0
Financial assets at fair value through profit and loss	0	157,632	-73,091	0	84,541
Financial assets available-for-sale	0	183,379	73,091	0	256,470
Loans, net of allowance for possible loan losses	2,371,630	0	0	0	2,371,630
Accrued interest receivable	30,995	0	0	0	30,995
Investments in subsidiaries	6,429	0	0	0	6,429
Securities held-to-maturity	269,654	0	0	0	269,654
Premises, equipment and intangible assets, net	167,997	0	0	0	167,997
Other assets (by derivative financial assets)	76,734	-5,184	0	0	71,550
TOTAL ASSETS	3,863,801	0	0	0	3,863,801
Due to banks and deposits from the National Bank of Hungary and other banks	216,090	0	0	0	216,090
Deposits from customers	2,723,944	0	0	0	2,723,944
Liabilities from issued securities	253,770	0	0	0	253,770
Accrued interest payable	38,894	0	0	0	38,894
Other liabilities	214,503	0	0	0	214,503
Subordinated bonds and loans	14,949	0	0	0	14,949
TOTAL LIABILITIES	3,462,150	0	0	0	3,462,150
Share capital	28,000	0	0	0	28,000
Reserves	290,280	0	1,313	-2,085	289,508
Fair value adjustment of securities available-for-sale recognised directly through equity	0	0	776	0	776
Share based payments	0	0	0	3,846	3,846
Retained earnings	108,362	0	-2,089	-1,761	104,512
Treasury shares	-25,433	0	0	0	-25,433
MINORITY INTEREST (from 2005)	0	442	0	0	442
TOTAL SHAREHOLDERS' EQUITY	401,209	442	0	0	401,651
MINORITY INTEREST (until 2004)	442	-442	0	0	0
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	3,863,801	0	0	0	3,863,801

Balance Sheets	31-Dec-04				
	original	due to structure	due to securities	IFRS2	new (modified)
Cash, due from banks and balances with the National Bank of Hungary	465,887	0	0	0	465,887
Placements with other banks, net of allowance for possible placement losses	286,200	0	0	0	286,200
Securities held-for-trading and available-for-sale	363,093	-363,093	0	0	0
Financial assets at fair value through profit and loss	0	71,371	21	0	71,392
Financial assets available-for-sale	0	295,835	0	0	295,835
Loans, net of allowance for possible loan losses	2,506,795	0	0	0	2,506,795
Accrued interest receivable	31,400	0	0	0	31,400
Investments in subsidiaries	9,389	0	0	0	9,389
Securities held-to-maturity	247,259	0	0	0	247,259
Premises, equipment and intangible assets, net	174,775	0	0	0	174,775
Other assets (by derivative financial assets)	77,561	-4,113	-21	0	73,427
TOTAL ASSETS	4,162,359	0	0	0	4,162,359
Due to banks and deposits from the National Bank of Hungary and other banks	254,125	0	0	0	254,125
Deposits from customers	2,902,190	0	0	0	2,902,190
Liabilities from issued securities	317,222	0	0	0	317,222
Accrued interest payable	27,015	0	0	0	27,015
Other liabilities	213,798	0	0	0	213,798
Subordinated bonds and loans	14,324	0	0	0	14,324
TOTAL LIABILITIES	3,728,674	0	0	0	3,728,674
Share capital	28,000	0	0	0	28,000
Reserves	290,307	0	1,313	-2,085	289,535
Fair value adjustment of securities available-for-sale recognised directly through equity	0	0	5,857	0	5,857
Share based payments	0	0	0	4,433	4,433
Retained earnings	140,820	0	-7,170	-2,348	131,302
Treasury shares	-25,867	0	0	0	-25,867
MINORITY INTEREST (from 2005)	0	0	425	0	425
TOTAL SHAREHOLDERS' EQUITY	433,260	0	425	0	433,685
MINORITY INTEREST (until 2004)	425	0	-425	0	0
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	4,162,359	0	0	0	4,162,359

Profit and Loss Account	1Q 2004				
	original	due to structure	due to securities	IFRS4	new (modified)
Loans	55,655	0	0	0	55,655
Placements with other banks	15,079	0	0	0	15,079
interest income without swap	15,079	0	0	0	15,079
results of swaps	0	0	0	0	0
Due from banks and balances with the National Bank of Hungary	7,532	0	0	0	7,532
Securities held-for-trading and available-for-sale	20,762	-20,762	0	0	0
Securities held-for-trading	0	2,152	0	0	2,152
Securities available-for-sale	0	18,610	0	0	18,610
Securities held-to-maturity	7,460	0	0	0	7,460
Total Interest Income	106,488	0	0	0	106,488
Due to banks and deposits from the National Bank of Hungary and other banks	4,210	0	0	0	4,210
interest expenses without swap	4,210	0	0	0	4,210
losses of swaps	0	0	0	0	0
Deposits from customers	35,361	0	0	0	35,361
Liabilities from issued securities	2,939	0	0	0	2,939
Subordinated bonds and loans	209	0	0	0	209
Other entrepreneurs	13	0	0	0	13
Total Interest Expense	42,732	0	0	0	42,732
NET INTEREST INCOME	63,756	0	0	0	63,756
Provision for possible loan losses	4,752	0	0	0	4,752
Provision for possible placement losses	-9	0	0	0	-9
Provision for possible loan and placement losses	4,743	0	0	0	4,743
NET INTEREST INCOME AFTER PROVISION FOR POSSIBLE LOAN AND PLACEMENT LOSSES	59,013	0	0	0	59,013
Fees and commissions	20,851	0	0	0	20,851
Foreign exchange gains and losses, net	-3,885	0	0	0	-3,885
Gains and losses on securities, net	2,780	0	-600	0	2,180
Gains and losses on real estate transactions, net	354	0	0	0	354
Dividend income and gains and losses of associated companies	4	0	0	0	4
Insurance premiums	10,742	0	0	0	10,742
Other	3,694	0	0	0	3,694
Total Non-Interest Income	34,540	0	-600	0	33,940
Fees and commissions	4,686	0	0	0	4,686
Personnel expenses	15,930	0	0	587	16,517
Depreciation and amortization	7,299	0	0	0	7,299
Insurance expenses	8,502	0	0	0	8,502
Other	15,926	0	0	0	15,926
Total Non-Interest Expense	52,343	0	0	587	52,930
INCOME BEFORE INCOME TAXES	41,210	0	-600	-587	40,023
Income taxes	6,084	0	-88	0	5,996
INCOME AFTER INCOME TAXES	35,126	0	-512	-587	34,027
Minority interest	-6	0	0	0	-6
NET INCOME	35,120	0	-512	-587	34,021

Profit and Loss Account	2Q2004				
	original	due to structure	due to securities	IFRS4	new (modified)
Loans	58,700	0	0	0	58,700
Placements with other banks	5,654	0	0	0	5,654
interest income without swap	-9,482	0	0	0	-9,482
results of swaps	15,136	0	0	0	15,136
Due from banks and balances with the National Bank of Hungary	9,436	0	0	0	9,436
Securities held-for-trading and available-for-sale	22,812	-22,812	0	0	0
Securities held-for-trading	0	1,328	0	0	1,328
Securities available-for-sale	0	21,484	0	0	21,484
Securities held-to-maturity	6,374	0	0	0	6,374
Total Interest Income	102,976	0	0	0	102,976
Due to banks and deposits from the National Bank of Hungary and other banks	4,113	0	0	0	4,113
interest expenses without swap	-1,820	0	0	0	-1,820
losses of swaps	5,933	0	0	0	5,933
Deposits from customers	32,246	0	0	0	32,246
Liabilities from issued securities	4,657	0	0	0	4,657
Subordinated bonds and loans	228	0	0	0	228
Other entrepreneurs	16	0	0	0	16
Total Interest Expense	41,260	0	0	0	41,260
NET INTEREST INCOME	61,716	0	0	0	61,716
Provision for possible loan losses	3,727	0	0	0	3,727
Provision for possible placement losses	2	0	0	0	2
Provision for possible loan and placement losses	3,729	0	0	0	3,729
NET INTEREST INCOME AFTER PROVISION FOR POSSIBLE LOAN AND PLACEMENT LOSSES	57,987	0	0	0	57,987
Fees and commissions	21,897	0	0	0	21,897
Foreign exchange gains and losses, net	4,223	0	0	0	4,223
Gains and losses on securities, net	-1,269	0	-122	0	-1,391
Gains and losses on real estate transactions, net	172	0	0	0	172
Dividend income and gains and losses of associated companies	327	0	0	0	327
Insurance premiums	14,430	0	0	0	14,430
Other	2,608	0	0	0	2,608
Total Non-Interest Income	42,388	0	-122	0	42,266
Fees and commissions	5,344	0	0	0	5,344
Personnel expenses	18,638	0	0	587	19,225
Depreciation and amortization	6,911	0	0	0	6,911
Insurance expenses	11,718	0	0	0	11,718
Other	19,343	0	0	0	19,343
Total Non-Interest Expense	61,954	0	0	587	62,541
INCOME BEFORE INCOME TAXES	38,421	0	-122	-587	37,712
Income taxes	6,351	0	-21	0	6,330
INCOME AFTER INCOME TAXES	32,070	0	-101	-587	31,382
Minority interest	-9	0	0	0	-9
NET INCOME	32,061	0	-101	-587	31,373

Profit and Loss Account	1H2004				
	original	due to structure	due to securities	IFRS4	new (modified)
		0	0		
Loans	114,355	0	0	0	114,355
Placements with other banks	20,733	0	0	0	20,733
interest income without swap	5,597	0	0	0	5,597
results of swaps	15,136	0	0	0	15,136
Due from banks and balances with the National Bank of Hungary	16,968	0	0	0	16,968
Securities held-for-trading and available-for-sale	43,574	-43,574	0	0	0
Securities held-for-trading	0	3,480	0	0	3,480
Securities available-for-sale	0	40,094	0	0	40,094
Securities held-to-maturity	13,834	0	0	0	13,834
Total Interest Income	209,464	0	0	0	209,464
Due to banks and deposits from the National Bank of Hungary and other banks	8,323	0	0	0	8,323
interest expenses without swap	2,390	0	0	0	2,390
losses of swaps	5,933	0	0	0	5,933
Deposits from customers	67,607	0	0	0	67,607
Liabilities from issued securities	7,596	0	0	0	7,596
Subordinated bonds and loans	437	0	0	0	437
Other entrepreneurs	29	0	0	0	29
Total Interest Expense	83,992	0	0	0	83,992
NET INTEREST INCOME	125,472	0	0	0	125,472
Provision for possible loan losses	8,479	0	0	0	8,479
Provision for possible placement losses	-7	0	0	0	-7
Provision for possible loan and placement losses	8,472	0	0	0	8,472
NET INTEREST INCOME AFTER PROVISION FOR POSSIBLE LOAN AND PLACEMENT LOSSES	117,000	0	0	0	117,000
Fees and commissions	42,748	0	0	0	42,748
Foreign exchange gains and losses, net	338	0	0	0	338
Gains and losses on securities, net	1,511	0	-722	0	789
Gains and losses on real estate transactions, net	526	0	0	0	526
Dividend income and gains and losses of associated companies	331	0	0	0	331
Insurance premiums	25,172	0	0	0	25,172
Other	6,302	0	0	0	6,302
Total Non-Interest Income	76,928	0	-722	0	76,206
Fees and commissions	10,030	0	0	0	10,030
Personnel expenses	34,568	0	0	1,174	35,742
Depreciation and amortization	14,210	0	0	0	14,210
Insurance expenses	20,220	0	0	0	20,220
Other	35,269	0	0	0	35,269
Total Non-Interest Expense	114,297	0	0	1,174	115,471
INCOME BEFORE INCOME TAXES	79,631	0	-722	-1,174	77,735
Income taxes	12,435	0	-109	0	12,326
INCOME AFTER INCOME TAXES	67,196	0	-613	-1,174	65,409
Minority interest	-15	0	0	0	-15
NET INCOME	67,181	0	-613	-1,174	65,394

Profit and Loss Account	3Q2004				
	original	due to structure	due to securities	IFRS4	new (modified)
Loans	62,608	0	0	0	62,608
Placements with other banks	12,008	0	0	0	12,008
interest income without swap	2,120	0	0	0	2,120
results of swaps	9,888	0	0	0	9,888
Due from banks and balances with the National Bank of Hungary	7,694	0	0	0	7,694
Securities held-for-trading and available-for-sale	22,928	-22,928	0	0	0
Securities held-for-trading	0	1,353	0	0	1,353
Securities available-for-sale	0	21,575	0	0	21,575
Securities held-to-maturity	5,843	0	0	0	5,843
Total Interest Income	111,081	0	0	0	111,081
Due to banks and deposits from the National Bank of Hungary and other banks	5,303	0	0	0	5,303
interest expenses without swap	1,485	0	0	0	1,485
losses of swaps	3,818	0	0	0	3,818
Deposits from customers	30,859	0	0	0	30,859
Liabilities from issued securities	5,600	0	0	0	5,600
Subordinated bonds and loans	257	0	0	0	257
Other entrepreneurs	-2	0	0	0	-2
Total Interest Expense	42,017	0	0	0	42,017
NET INTEREST INCOME	69,064	0	0	0	69,064
Provision for possible loan losses	3,173	0	0	0	3,173
Provision for possible placement losses	-4	0	0	0	-4
Provision for possible loan and placement losses	3,169	0	0	0	3,169
NET INTEREST INCOME AFTER PROVISION FOR POSSIBLE LOAN AND PLACEMENT LOSSES	65,895	0	0	0	65,895
Fees and commissions	22,420	0	0	0	22,420
Foreign exchange gains and losses, net	-725	0	0	0	-725
Gains and losses on securities, net	4,062	0	-1,758	0	2,304
Gains and losses on real estate transactions, net	388	0	0	0	388
Dividend income and gains and losses of associated companies	241	0	0	0	241
Insurance premiums	12,089	0	0	0	12,089
Other	1,517	0	0	0	1,517
Total Non-Interest Income	39,992	0	-1,758	0	38,234
Fees and commissions	4,767	0	0	0	4,767
Personnel expenses	17,094	0	0	587	17,681
Depreciation and amortization	7,179	0	0	0	7,179
Insurance expenses	9,356	0	0	0	9,356
Other	19,035	0	0	0	19,035
Total Non-Interest Expense	57,431	0	0	587	58,018
INCOME BEFORE INCOME TAXES	48,456	0	-1,758	-587	46,111
Income taxes	7,268	0	-282	0	6,986
INCOME AFTER INCOME TAXES	41,188	0	-1,476	-587	39,125
Minority interest	-7	0	0	0	-7
NET INCOME	41,181	0	-1,476	-587	39,118

Profit and Loss Account	9M 2004				
	original	due to structure	due to securities	IFRS4	new (modified)
Loans	176,963	0	0	0	176,963
Placements with other banks	32,741	0	0	0	32,741
interest income without swap	7,717	0	0	0	7,717
results of swaps	25,024	0	0	0	25,024
Due from banks and balances with the National Bank of Hungary	24,662	0	0	0	24,662
Securities held-for-trading and available-for-sale	66,502	-66,502	0	0	0
Securities held-for-trading	0	4,833	0	0	4,833
Securities available-for-sale	0	61,669	0	0	61,669
Securities held-to-maturity	19,677	0	0	0	19,677
Total Interest Income	320,545	0	0	0	320,545
Due to banks and deposits from the National Bank of Hungary and other banks	13,626	0	0	0	13,626
interest expenses without swap	3,875	0	0	0	3,875
losses of swaps	9,751	0	0	0	9,751
Deposits from customers	98,466	0	0	0	98,466
Liabilities from issued securities	13,196	0	0	0	13,196
Subordinated bonds and loans	694	0	0	0	694
Other entrepreneurs	27	0	0	0	27
Total Interest Expense	126,009	0	0	0	126,009
NET INTEREST INCOME	194,536	0	0	0	194,536
Provision for possible loan losses	11,652	0	0	0	11,652
Provision for possible placement losses	-11	0	0	0	-11
Provision for possible loan and placement losses	11,641	0	0	0	11,641
NET INTEREST INCOME AFTER PROVISION FOR POSSIBLE LOAN AND PLACEMENT LOSSES	182,895	0	0	0	182,895
Fees and commissions	65,168	0	0	0	65,168
Foreign exchange gains and losses, net	-387	0	0	0	-387
Gains and losses on securities, net	5,573	0	-2,480	0	3,093
Gains and losses on real estate transactions, net	914	0	0	0	914
Dividend income and gains and losses of associated companies	572	0	0	0	572
Insurance premiums	37,261	0	0	0	37,261
Other	7,819	0	0	0	7,819
Total Non-Interest Income	116,920	0	-2,480	0	114,440
Fees and commissions	14,797	0	0	0	14,797
Personnel expenses	51,662	0	0	1,761	53,423
Depreciation and amortization	21,389	0	0	0	21,389
Insurance expenses	29,576	0	0	0	29,576
Other	54,304	0	0	0	54,304
Total Non-Interest Expense	171,728	0	0	1,761	173,489
INCOME BEFORE INCOME TAXES	128,087	0	-2,480	-1,761	123,846
Income taxes	19,703	0	-391	0	19,312
INCOME AFTER INCOME TAXES	108,384	0	-2,089	-1,761	104,534
Minority interest	-22	0	0	0	-22
NET INCOME	108,362	0	-2,089	-1,761	104,512

Profit and Loss Account	4Q2004				
	original	due to structure	due to securities	IFRS4	new (modified)
Loans	64,270	0	0	0	64,270
Placements with other banks	9,690	0	0	0	9,690
interest income without swap	3,614	0	0	0	3,614
results of swaps	6,076	0	0	0	6,076
Due from banks and balances with the National Bank of Hungary	9,156	0	0	0	9,156
Securities held-for-trading and available-for-sale	22,699	-22,699	0	0	0
Securities held-for-trading	0	1,815	0	0	1,815
Securities available-for-sale	0	20,884	0	0	20,884
Securities held-to-maturity	7,318	0	0	0	7,318
Total Interest Income	113,133	0	0	0	113,133
Due to banks and deposits from the National Bank of Hungary and other banks	7,014	0	0	0	7,014
interest expenses without swap	1,596	0	0	0	1,596
losses of swaps	5,418	0	0	0	5,418
Deposits from customers	33,328	0	0	0	33,328
Liabilities from issued securities	6,186	0	0	0	6,186
Subordinated bonds and loans	249	0	0	0	249
Other entrepreneurs	3	0	0	0	3
Total Interest Expense	46,780	0	0	0	46,780
NET INTEREST INCOME	66,353	0	0	0	66,353
Provision for possible loan losses	4,577	0	0	0	4,577
Provision for possible placement losses	-170	0	0	0	-170
Provision for possible loan and placement losses	4,407	0	0	0	4,407
NET INTEREST INCOME AFTER PROVISION FOR POSSIBLE LOAN AND PLACEMENT LOSSES	61,946	0	0	0	61,946
Fees and commissions	26,457	0	0	0	26,457
Foreign exchange gains and losses, net	1,637	0	0	0	1,637
Gains and losses on securities, net	9,197	0	-6,028	0	3,169
Gains and losses on real estate transactions, net	904	0	0	0	904
Dividend income and gains and losses of associated companies	21	0	0	0	21
Insurance premiums	12,076	0	0	0	12,076
Other	2,861	0	0	0	2,861
Total Non-Interest Income	53,153	0	-6,028	0	47,125
Fees and commissions	5,791	0	0	0	5,791
Personnel expenses	25,528	0	0	587	26,115
Depreciation and amortization	7,761	0	0	0	7,761
Insurance expenses	10,688	0	0	0	10,688
Other	26,742	0	0	0	26,742
Total Non-Interest Expense	76,510	0	0	587	77,097
INCOME BEFORE INCOME TAXES	38,589	0	-6,028	-587	31,974
Income taxes	6,141	0	-947	0	5,194
INCOME AFTER INCOME TAXES	32,448	0	-5,081	-587	26,780
Minority interest	10	0	0	0	10
NET INCOME	32,458	0	-5,081	-587	26,790

Profit and Loss Account	2004A				
	original	due to structure	due to securities	IFRS4	new (modified)
Loans	241,233	0	0	0	241,233
Placements with other banks	42,431	0	0	0	42,431
interest income without swap	11,331	0	0	0	11,331
results of swaps	31,100	0	0	0	31,100
Due from banks and balances with the National Bank of Hungary	33,818	0	0	0	33,818
Securities held-for-trading and available-for-sale	89,201	-89,201	0	0	0
Securities held-for-trading	0	6,648	0	0	6,648
Securities available-for-sale	0	82,553	0	0	82,553
Securities held-to-maturity	26,995	0	0	0	26,995
Total Interest Income	433,678	0	0	0	433,678
Due to banks and deposits from the National Bank of Hungary and other banks	20,640	0	0	0	20,640
interest expenses without swap	5,471	0	0	0	5,471
losses of swaps	15,169	0	0	0	15,169
Deposits from customers	131,794	0	0	0	131,794
Liabilities from issued securities	19,382	0	0	0	19,382
Subordinated bonds and loans	943	0	0	0	943
Other entrepreneurs	30	0	0	0	30
Total Interest Expense	172,789	0	0	0	172,789
NET INTEREST INCOME	260,889	0	0	0	260,889
Provision for possible loan losses	16,229	0	0	0	16,229
Provision for possible placement losses	-181	0	0	0	-181
Provision for possible loan and placement losses	16,048	0	0	0	16,048
NET INTEREST INCOME AFTER PROVISION FOR POSSIBLE LOAN AND PLACEMENT LOSSES	244,841	0	0	0	244,841
Fees and commissions	91,625	0	0	0	91,625
Foreign exchange gains and losses, net	1,250	0	0	0	1,250
Gains and losses on securities, net	14,770	0	-8,508	0	6,262
Gains and losses on real estate transactions, net	1,818	0	0	0	1,818
Dividend income and gains and losses of associated companies	593	0	0	0	593
Insurance premiums	49,337	0	0	0	49,337
Other	10,680	0	0	0	10,680
Total Non-Interest Income	170,073	0	-8,508	0	161,565
Fees and commissions	20,588	0	0	0	20,588
Personnel expenses	77,190	0	0	2,348	79,538
Depreciation and amortization	29,150	0	0	0	29,150
Insurance expenses	40,264	0	0	0	40,264
Other	81,046	0	0	0	81,046
Total Non-Interest Expense	248,238	0	0	2,348	250,586
INCOME BEFORE INCOME TAXES	166,676	0	-8,508	-2,348	155,820
Income taxes	25,844	0	-1,338	0	24,506
INCOME AFTER INCOME TAXES	140,832	0	-7,170	-2,348	131,314
Minority interest	-12	0	0	0	-12
NET INCOME	140,820	0	-7,170	-2,348	131,302



FOR FURTHER INFORMATION, PLEASE CONTACT:

**OTP Bank Ltd.
Investor Relation
George Fenyo, Director**

H-1051 Budapest, Nádor u. 16.
Phone: + 36 1 269 1693
Fax: + 36 1 331 6312
e-mail: FenyoG@otpbank.hu
investor.relations@otpbank.hu
www.otpbank.hu