

OTP Bank

2005 preliminary results

Press Conference
(translation of the Hungarian presentation)

Dr. Sándor Csányi, Chairman-CEO
Dr. Zoltán Spéder, Vice Chairman, CFO
Budapest, February 14, 2006



Main challenges in 2005

- NBH cut the base rate by 350 bps between January and October 2005
- Intensifying competition, especially on retail market
- Steady growth of FX-linked lending in all segments
- Special banking tax for financial institutions (over HUF 10 billion for the whole year)
- Adoption of revised IFRS standards (IAS 39, IFRS 2)
- Ongoing acquisition efforts (OTP banka Hrvatska, Niška banka) and transformation of foreign subsidiaries
- Ongoing internal cost reduction efforts
- Implementation of new sales and incentive scheme (START) and introduction of new distribution channels (intensively using agency sale force)

OTP Bank realised HUF 158.3 billion profit after tax in 2005

Financial highlights of OTP Bank (consolidated, IFRS)

| HUF billion | 2004 | 2005P | Y-o-Y | 2004 4Q | 2005 3Q | 2005 4Q | Q-o-Q | Y-o-Y |
|---|---------|---------|--------|---------|---------|---------|--------|--------|
| Total assets | 4,162.4 | 5,216.5 | 25.3% | 4,162.4 | 4,910.4 | 5,216.5 | 6.2% | 25.3% |
| Gross loans | 2,586.1 | 3,302.0 | 27.7% | 2,586.1 | 3,089.0 | 3,302.0 | 6.9% | 27.7% |
| Deposits | 2,902.2 | 3,428.0 | 18.1% | 2,902.2 | 3,239.0 | 3,428.0 | 5.8% | 18.1% |
| Shareholders' equity | 433.7 | 547.1 | 26.2% | 433.7 | 523.9 | 547.1 | 4.4% | 26.2% |
| Gross loans/deposits ratio | 89.1% | 96.3% | 7.2% | 89.1% | 95.4% | 96.3% | 1.0% | 7.2% |
| HUF billion | 2004 | 2005P | Y-o-Y | 2004 4Q | 2005 3Q | 2005 4Q | Q-o-Q | Y-o-Y |
| Net interest income | 260.9 | 296.9 | 13.8% | 66.4 | 74.8 | 79.7 | 6.5% | 20.2% |
| Non-interest income | 161.8 | 217.8 | 34.6% | 47.2 | 63.8 | 57.6 | -9.7% | 22.0% |
| Non-interest expenses | 250.6 | 294.2 | 17.4% | 77.1 | 80.9 | 79.9 | -1.2% | 3.7% |
| Profit before tax | 156.0 | 191.9 | 23.0% | 32.1 | 49.1 | 50.4 | 2.7% | 57.1% |
| Profit after tax | 131.5 | 158.3 | 20.4% | 26.9 | 41.0 | 40.9 | -0.2% | 52.1% |
| Total income (with net fees) | 402.1 | 494.8 | 23.1% | 107.8 | 133.5 | 131.1 | -1.7% | 21.6% |
| Operating expenses | 230.0 | 274.2 | 19.2% | 71.3 | 75.7 | 73.7 | -2.6% | 3.4% |
| Cost/income ratio | 57.2% | 55.4% | -1.8% | 66.1% | 56.7% | 56.2% | -0.5% | -9.9% |
| Net interest margin (before provisioning) | 6.84% | 6.33% | -0.51% | 6.61% | 6.23% | 6.30% | 0.06% | -0.32% |
| EPS base (HUF) | 501 | 604 | 20.5% | 103 | 156 | 156 | 0.1% | 52.2% |
| EPS fully diluted (HUF) | 499 | 599 | 20.0% | 102 | 155 | 155 | -0.2% | 51.7% |
| Return on average total assets (ROA) | 3.45% | 3.38% | -0.07% | 2.68% | 3.41% | 3.23% | -0.18% | 0.55% |
| Return on average equity (ROE) | 35.3% | 32.3% | -3.0% | 25.8% | 32.8% | 30.6% | -2.2% | 4.8% |

From domestic subsidiaries Merkantil Group, OTP Garancia Insurance and OTP Mortgage Bank, from foreign members DSK Bank have outstanding results

| | OTP Bank | | | OTP Mortgage Bank | | | Merkantil Group | | | OTP Garancia Insurance | | | OTP Fund Management | | |
|---|-----------|-------|--------|---------------------|--------|--------|--------------------|--------|--------|------------------------|-------|-------|--------------------------|--------|--------|
| | 2004 | 2005P | Y-o-Y | 2004 | 2005P | Y-o-Y | 2004 | 2005P | Y-o-Y | 2004 | 2005P | Y-o-Y | 2004 | 2005P | Y-o-Y |
| Profit after tax (HUF bn) | 113.5 | 132.9 | 17.1% | 11.2 | 5.3 | -52.3% | 3.8 | 6.3 | 65.6% | 3.4 | 6.1 | 78.8% | 2.8 | 3.9 | 39.1% |
| Change in PAT | 61.8% | 17.1% | -44.7% | - | -52.3% | - | - | 65.6% | - | 57.5% | 78.8% | 21.3% | -36.2% | 39.1% | - |
| Cost/income ratio | 47.3% | 45.0% | -2.3% | 22.2% | 28.8% | 6.5% | 44.0% | 34.2% | -9.8% | 93.1% | 91.3% | -1.8% | 20.3% | 20.9% | 0.6% |
| Net interest margin (before provisioning) | 5.22% | 5.07% | -0.15% | 5.1% | 5.3% | 0.20% | 9.4% | 8.5% | -0.91% | 0.0% | 0.0% | 0.00% | - | - | - |
| ROAA | 3.92% | 4.00% | 0.08% | 1.44% | 0.58% | -0.86% | 2.12% | 2.80% | 0.68% | 3.16% | 4.46% | 1.30% | 27.28% | 38.37% | 11.09% |
| ROAE | 34.1% | 30.8% | -3.3% | 37.4% | 15.8% | -21.6% | 25.5% | 32.5% | 7.0% | 29.7% | 37.0% | 7.3% | 47.3% | 46.4% | -0.9% |
| Change in Total Assets | 11.8% | 17.6% | 5.8% | 30.6% | 8.6% | -22.0% | 22.3% | 28.3% | 6.0% | 17.4% | 34.5% | 17.1% | -26.8% | 33.8% | 60.6% |
| Gross loans/deposits ratio* | 55.4% | 59.8% | 4.4% | 97.2% | 104.3% | 7.1% | - | - | - | - | - | - | - | - | - |
| | DSK Group | | | OTP Banka Slovensko | | | OTP Bank Romania** | | | OTP banka Hrvatska** | | | OTP Group (consolidated) | | |
| | 2004 | 2005P | Y-o-Y | 2004 | 2005P | Y-o-Y | 2004 | 2005P | Y-o-Y | 2004 | 2005P | Y-o-Y | 2004 | 2005P | Y-o-Y |
| Profit after tax (HUF bn) | 12.0 | 16.6 | 38.7% | 0.4 | 1.4 | 275.7% | - | -2.1 | - | - | 2.5 | - | 131.5 | 158.3 | 20.4% |
| Change in PAT | 51.1% | 38.7% | -12.4% | - | 275.7% | - | - | - | - | - | - | - | 57.8% | 20.4% | -37.4% |
| Cost/income ratio | 50.0% | 45.2% | -4.8% | 97.5% | 79.3% | -18.2% | - | 141.8% | - | - | 63.7% | - | 57.2% | 55.4% | -1.8% |
| Net interest margin (before provisioning) | 6.71% | 6.90% | 0.19% | 2.65% | 2.31% | -0.34% | - | 3.21% | - | - | 3.50% | - | 6.84% | 6.33% | -0.51% |
| ROAA | 3.27% | 3.35% | 0.08% | 0.20% | 0.57% | 0.38% | - | -4.25% | - | - | 1.20% | - | 3.45% | 3.38% | -0.07% |
| ROAE | 24.0% | 26.4% | 2.4% | 2.5% | 8.6% | 6.1% | - | -19.8% | - | - | 12.4% | - | 35.3% | 32.3% | -3.0% |
| Change in Total Assets | 27.0% | 42.1% | 15.1% | 95.1% | 22.3% | -72.8% | - | 24.0% | - | - | - | - | 20.2% | 25.3% | 5.1% |
| Gross loans/deposits ratio | 82.5% | 88.9% | 6.4% | 96.2% | 126.7% | 30.5% | 56.9% | 97.0% | 40.0% | - | 65.7% | - | 89.1% | 96.3% | 7.2% |

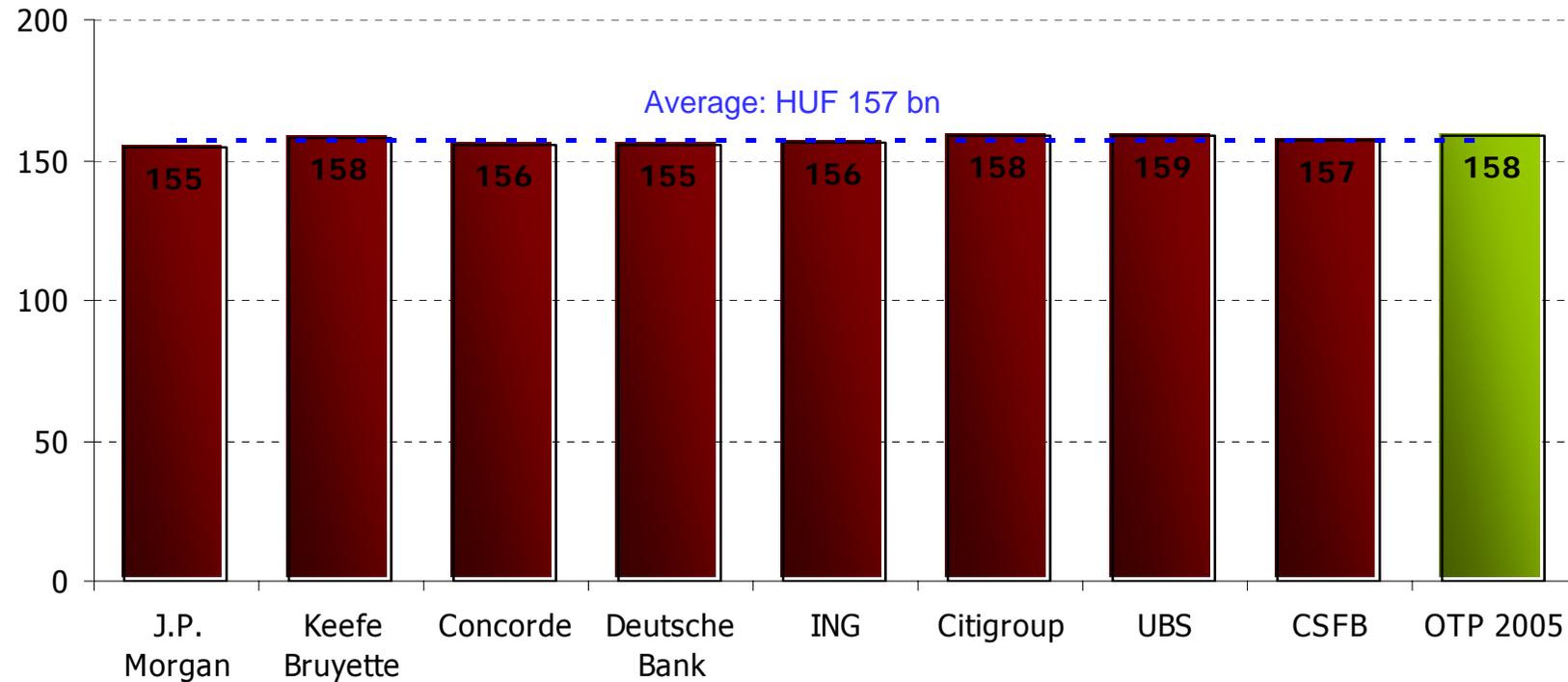
* In case of OTP Mortgage bank gross loans to mortgage bonds issued.

** Date of first consolidation by OTP Bank Romania was 31 December, 2004 and 31 March, 2005 by OTP banka Hrvatska, respectively.

2005 result of OTP Group exceeds the average of analysts expectations

Analysts expectations and preliminary data for 2005

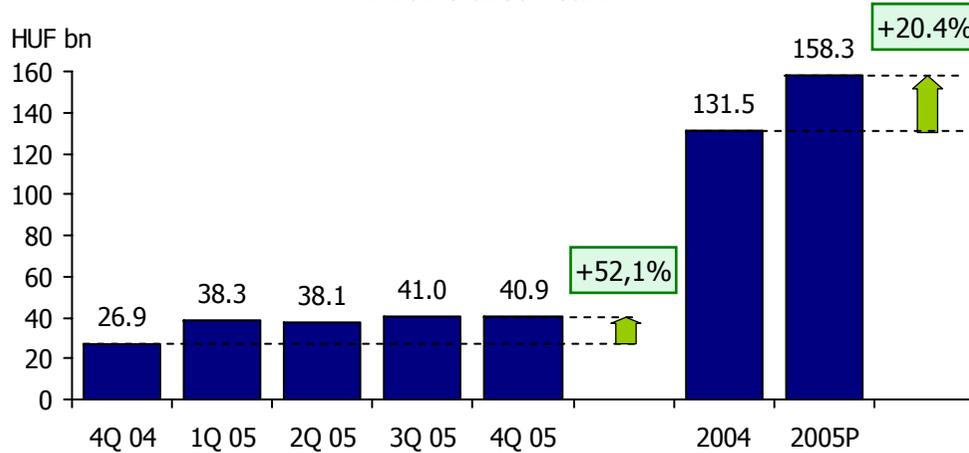
Profit after tax (consolidated IFRS, in HUF bn)



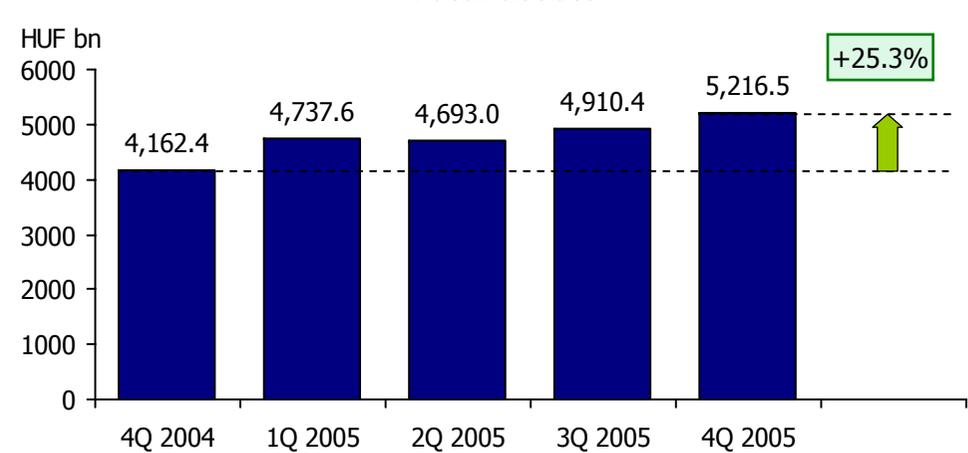
Source: Bloomberg, IBES, and researches published after 15 November, 2005

In 2005 net interest margin dropped by 51 bps compared to 2004

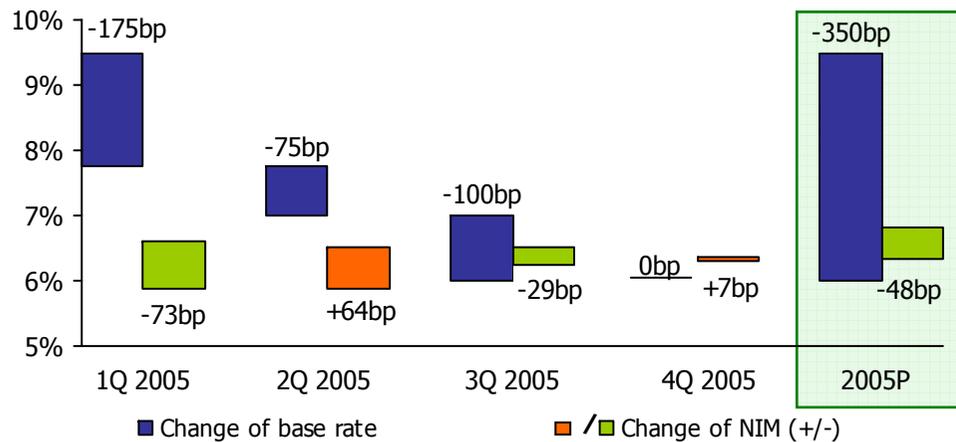
Profit after tax



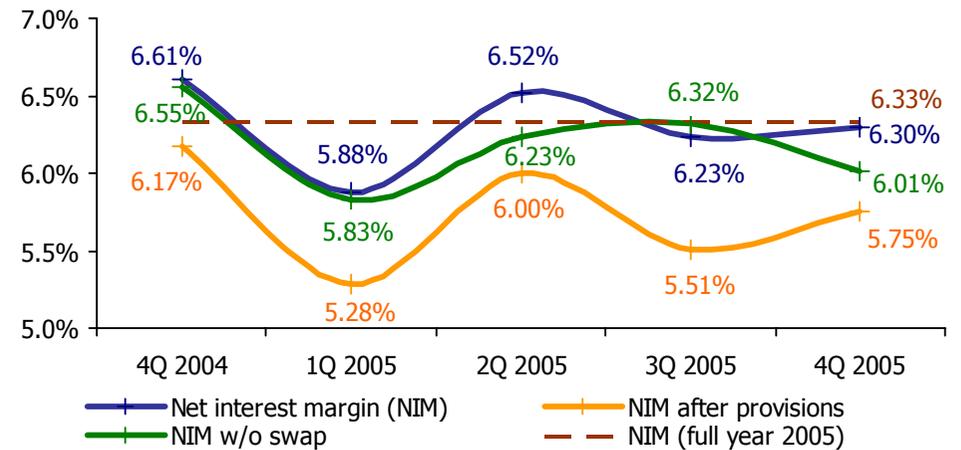
Total assets



Changes in base rate and net interest margin of OTP

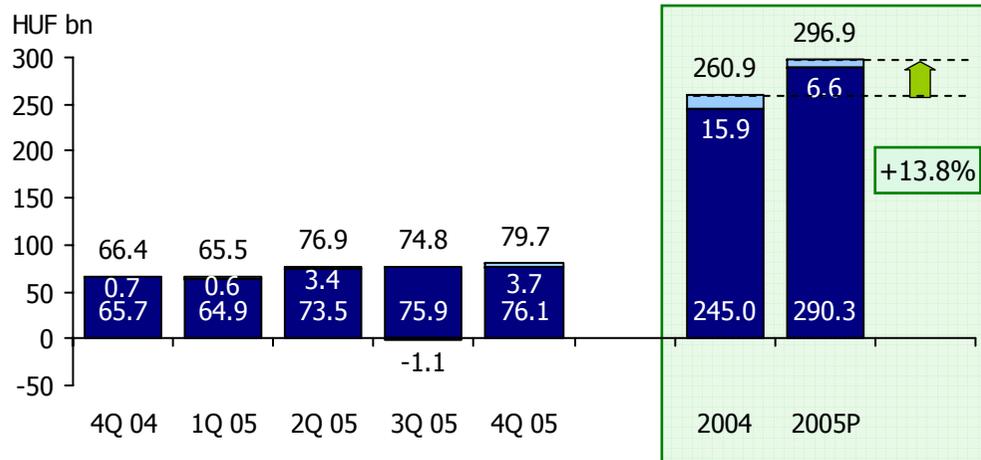


Net interest margin

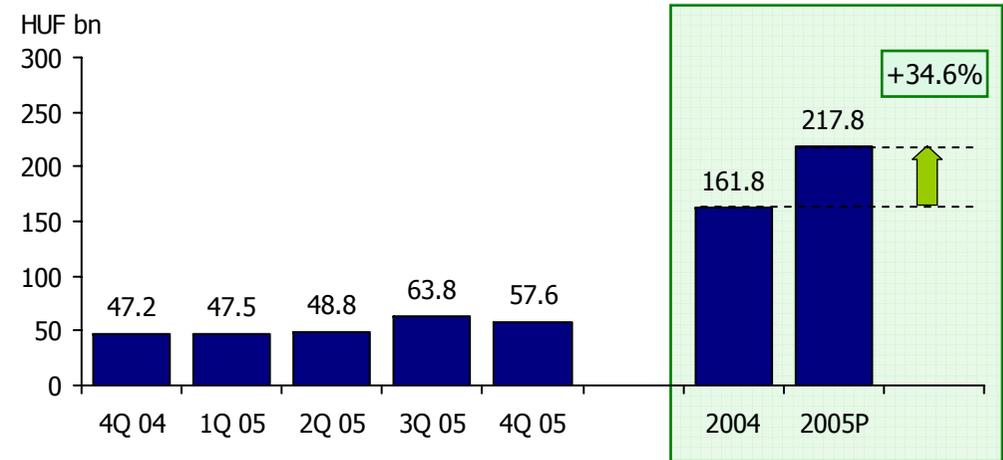


Total income increased by 23.1%

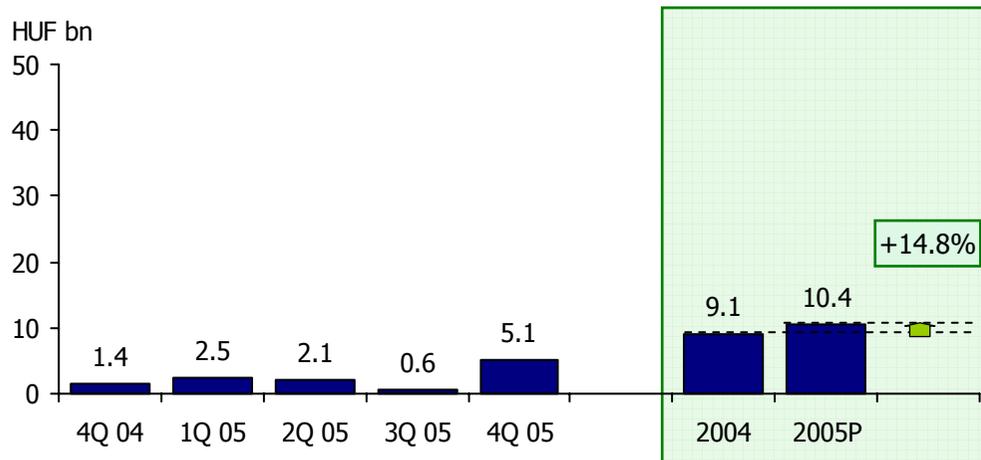
Net interest income



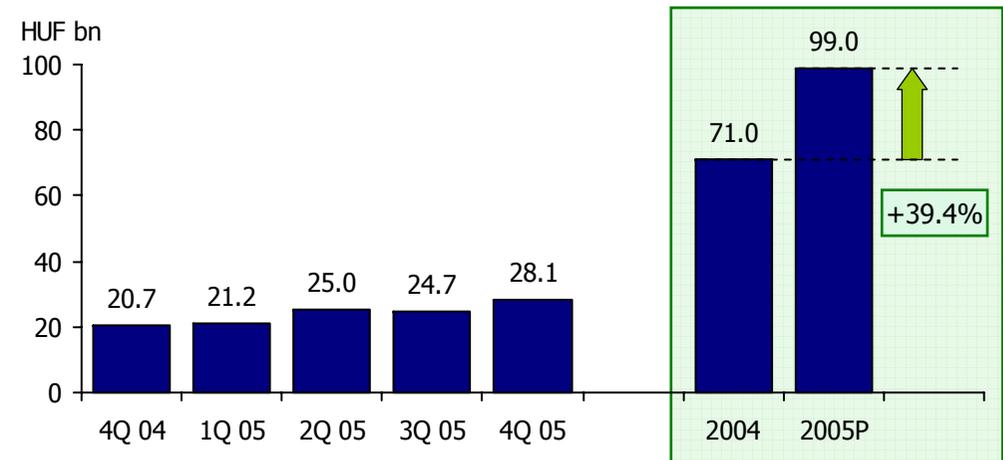
Non-interest income



Net insurance income

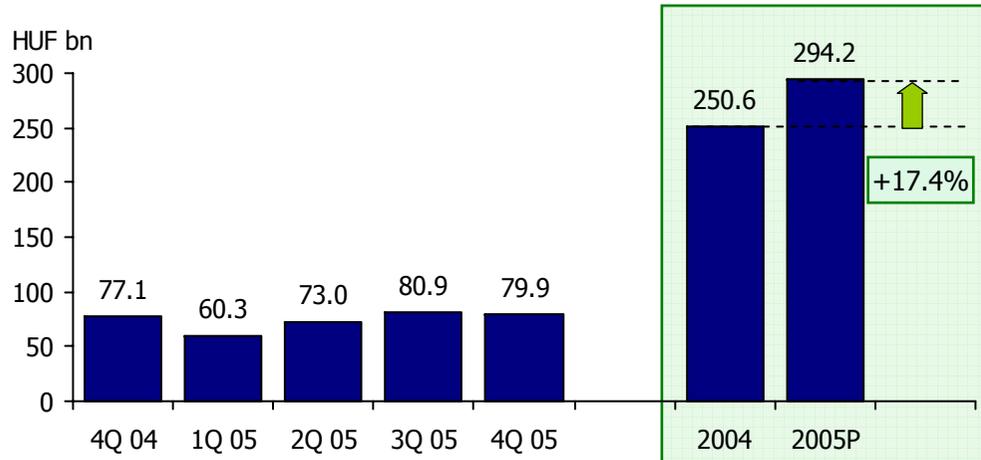


Net fees and commissions

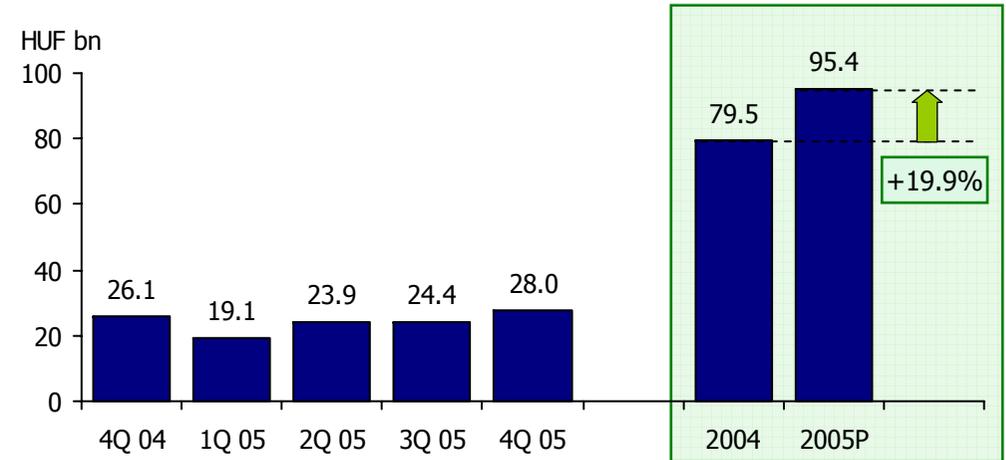


Non-interest expenses were 17.4% higher than 2004

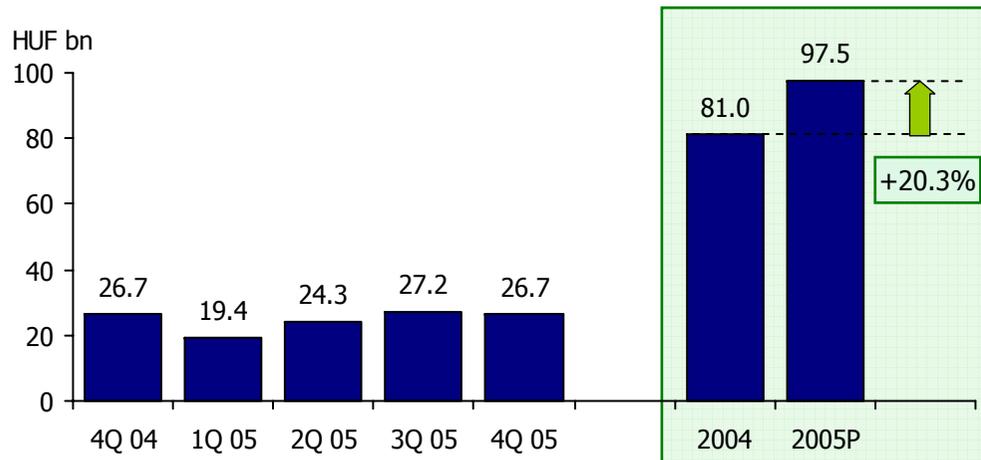
Non-interest expenses



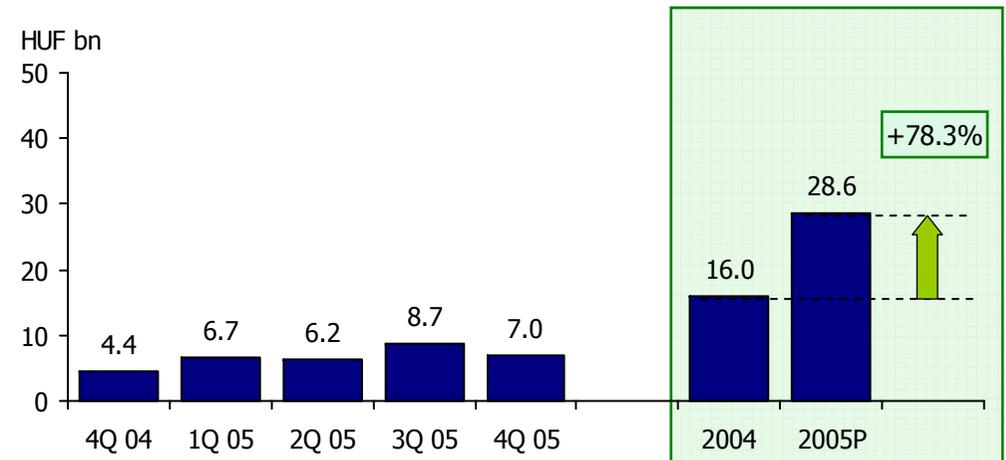
Personnel expenses



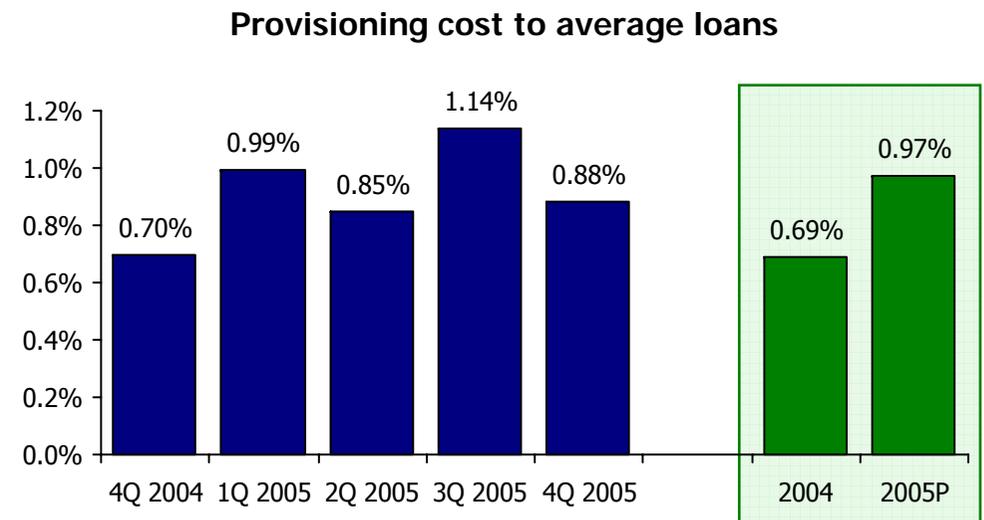
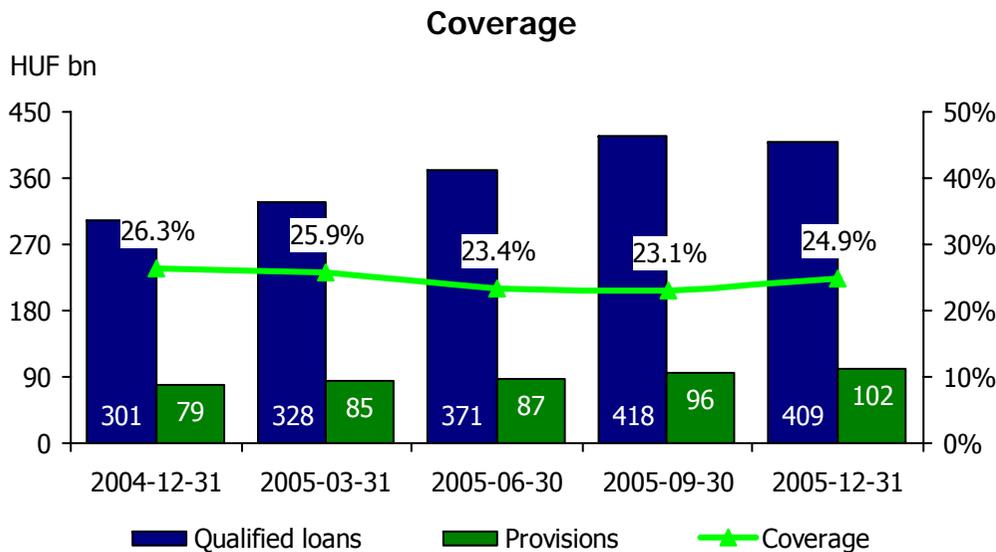
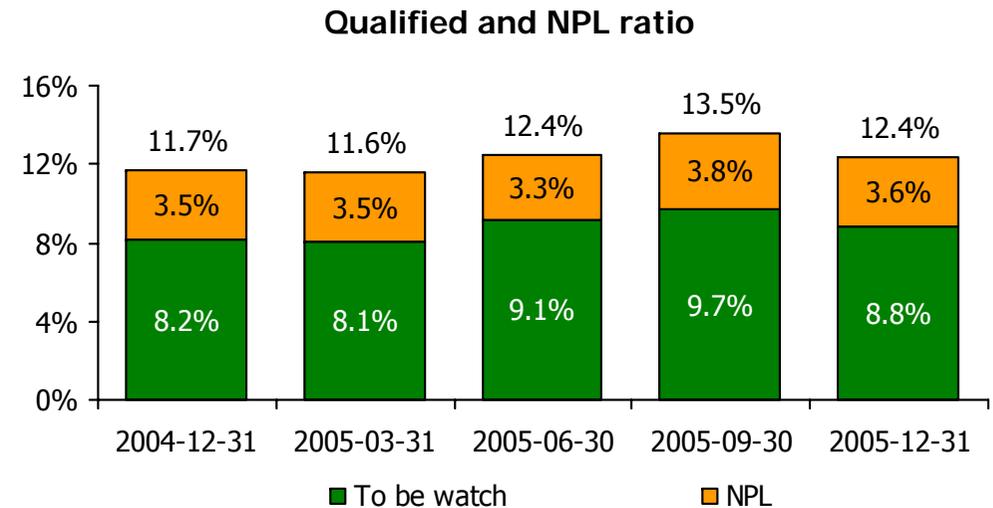
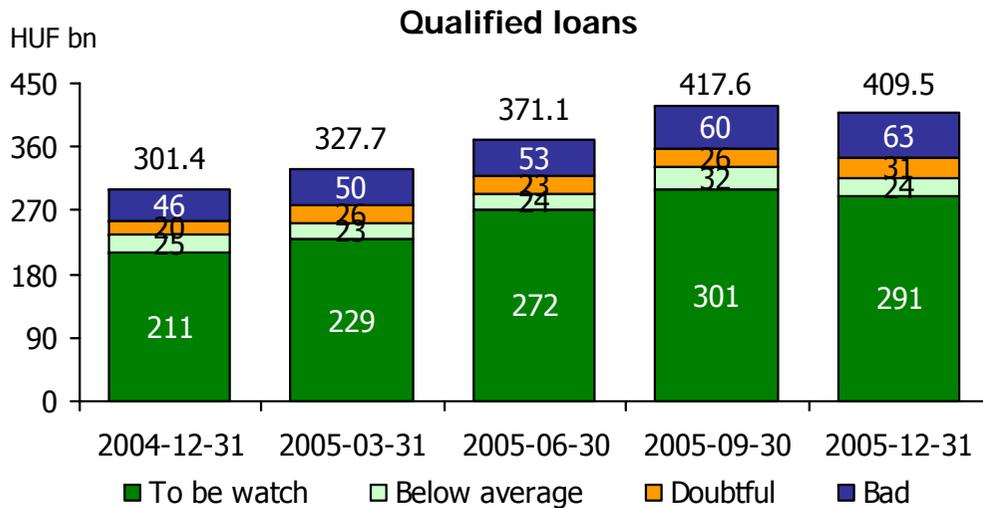
Other non-interest expenses



Provision for possible loan losses

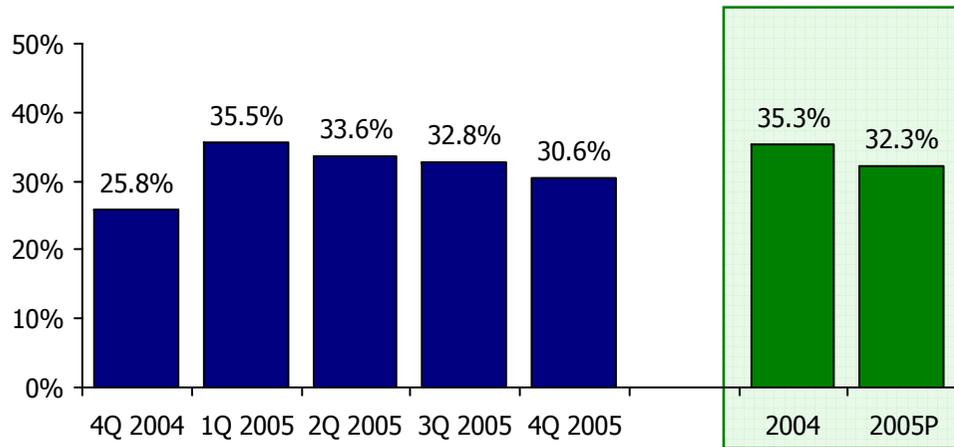


NPL ratio stood at 3.6% on 31 December, 2005

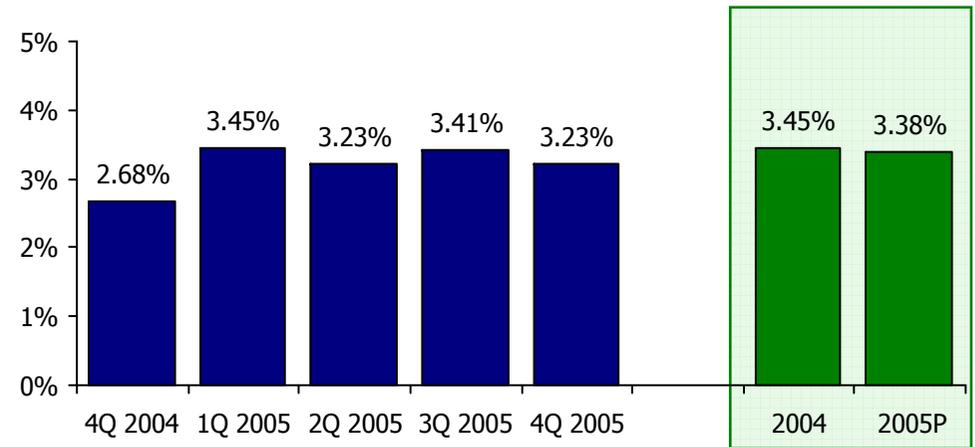


OTP Group remained one of the highest earning banking groups in the region

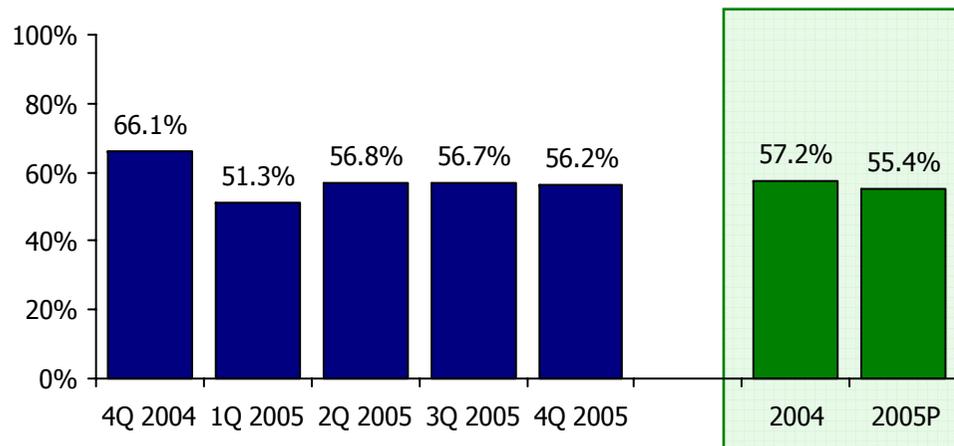
Return on average equity (ROE)



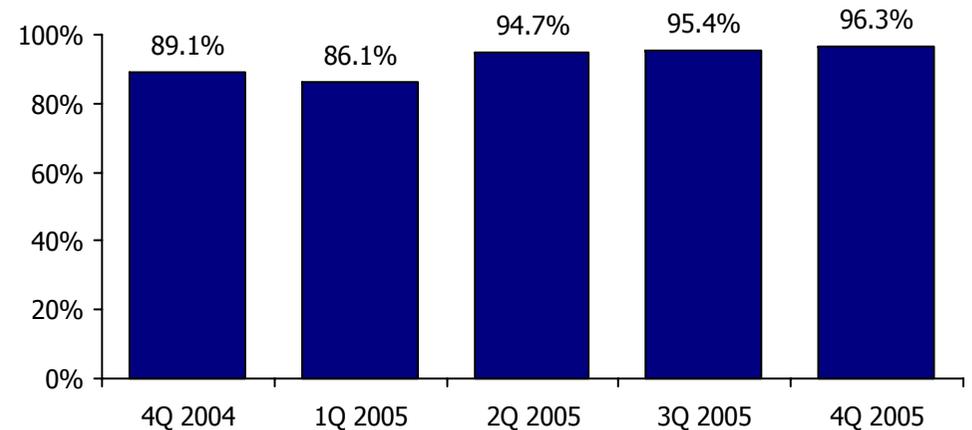
Return on average assets (ROA)



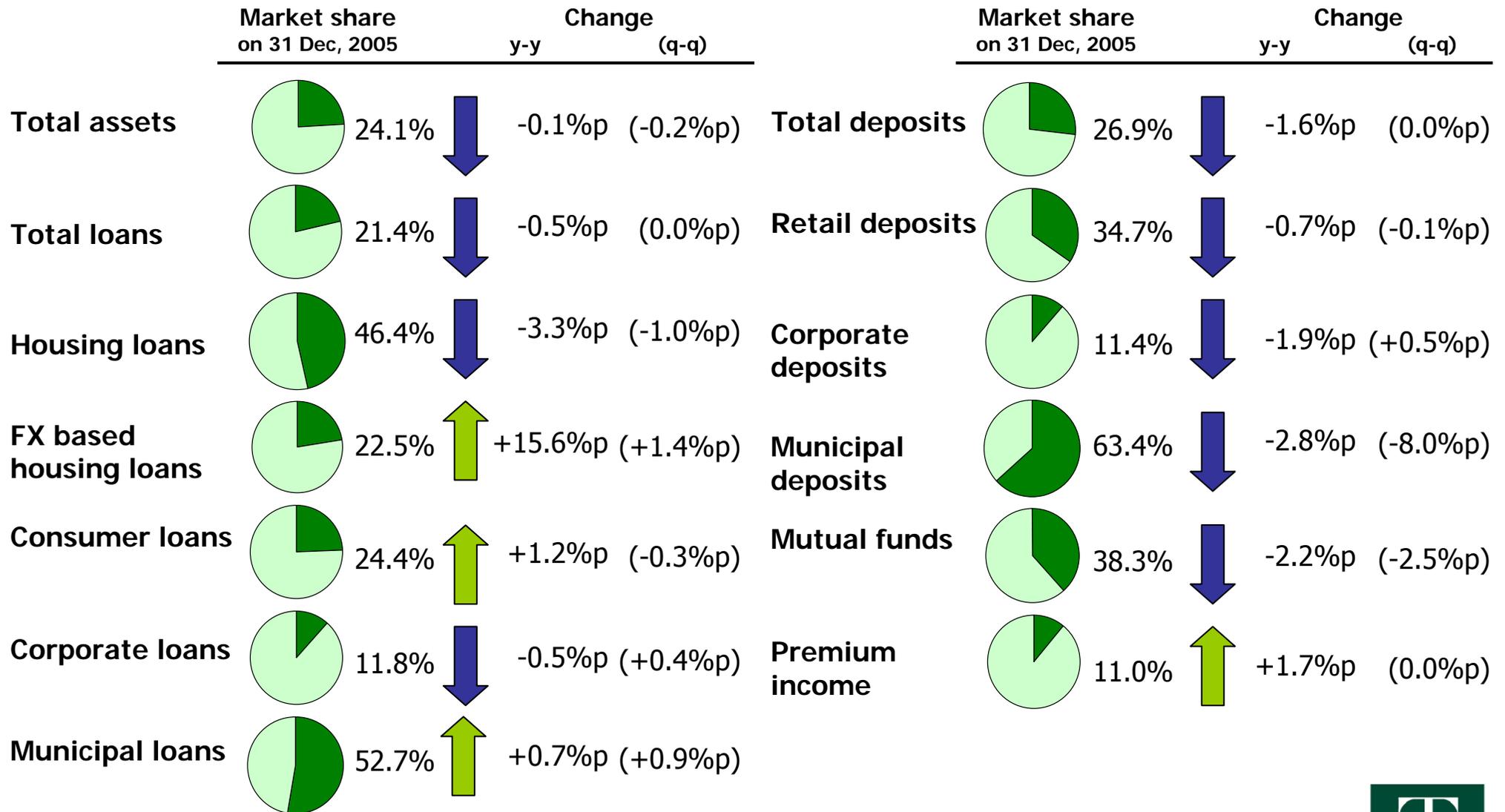
Cost/income ratio



Gross loans/deposits ratio



OTP Group managed to keep its leading position in Hungary



Contribution of foreign subsidiaries to profit after tax was 10.5%

| |  OTP Group | |  OTP Bank | |  DSK Group | |  OTP Banka Slovensko | |  OTP banka Hrvatska | |  OTP Bank Romania | |
|----------------------------------|---|--------|--|-------|---|-------|---|--------|--|--------|--|--------|
| Main balance sheet items, HUF bn | 2005P | Y-o-Y | 2005P | Y-o-Y | 2005P | Y-o-Y | 2005P | Y-o-Y | 2005P | Q-o-Q | 2005P | Y-o-Y |
| Total assets | 5,216.5 | 25.3% | 3,592.7 | 17.6% | 583.5 | 42.1% | 262.9 | 22.3% | 300.0 | 5.1% | 55.2 | 24.0% |
| Gross loans | 3,302.0 | 27.7% | 1,497.7 | 15.6% | 384.4 | 40.6% | 192.3 | 42.9% | 152.8 | 10.1% | 24.6 | 50.3% |
| Deposits | 3,428.0 | 18.1% | 2,506.2 | 7.1% | 432.4 | 30.5% | 151.9 | 8.5% | 232.5 | 1.0% | 25.3 | -11.8% |
| Shareholders' equity | 547.1 | 26.2% | 473.0 | 21.6% | 71.3 | 30.7% | 17.1 | 14.5% | 30.7 | 20.3% | 13.7 | 78.7% |
| Gross loans/deposits ratio | 96.3% | 7.2% | 59.8% | 4.4% | 88.9% | 6.4% | 126.7% | 30.5% | 65.7% | 5.5% | 97.0% | 40.0% |
| Main P&L items, HUF million | 2005P | Y-o-Y | 2005P | Y-o-Y | 2005P | Y-o-Y | 2005P | Y-o-Y | 2005P | Y-o-Y* | 2005P | Y-o-Y* |
| Net interest income | 296,918 | 13.8% | 168,638 | 11.6% | 34,298 | 39.4% | 5,520 | 11.4% | 7,297 | - | 1,602 | - |
| Non-interest income | 217,796 | 34.6% | 158,417 | 25.4% | 11,549 | -9.0% | 6,186 | 125.4% | 4,412 | - | 1,874 | - |
| Non-interest expenses | 294,157 | 17.4% | 154,777 | 13.4% | 21,073 | 11.3% | 9,402 | 25.0% | 7,829 | - | 4,878 | - |
| Profit after tax | 158,325 | 20.4% | 132,889 | 17.1% | 16,634 | 38.7% | 1,373 | 275.7% | 2,508 | - | -2,122 | - |
| Total income | 494,762 | 23.1% | 313,258 | 17.0% | 45,187 | 23.2% | 11,155 | 53.6% | 10,692 | - | 3,357 | - |
| Operating expenses | 274,205 | 19.2% | 140,980 | 11.2% | 20,413 | 11.4% | 8,851 | 25.0% | 6,812 | - | 4,760 | - |
| Cost/income ratio | 55.4% | -1.8% | 45.0% | -2.3% | 45.2% | -4.8% | 79.3% | -18.2% | 63.7% | - | 141.8% | - |
| Net Interest Margin | 6.3% | -0.5% | 5.1% | -0.2% | 6.9% | 0.2% | 2.3% | -0.3% | 3.5% | - | 3.2% | - |
| ROA | 3.38% | -0.07% | 4.00% | 0.08% | 3.35% | 0.08% | 0.57% | 0.38% | 1.20% | - | -4.3% | - |
| ROE | 32.3% | -3.0% | 30.8% | -3.3% | 26.4% | 2.4% | 8.6% | 6.1% | 12.4% | - | -19.8% | - |
| Market share, % | 2005P | Y-o-Y | 2005P | Y-o-Y | 2005P | Y-o-Y | 2005P | Y-o-Y | 2005P | Y-o-Y | 2005P | Y-o-Y |
| Total assets | 24.1% | -0.1% | 18.1% | 0.0% | 13.6% | 0.5% | 2.8% | -0.1% | 3.4% | -0.1% | 0.6% | -0.1% |
| Retail loans | 37.7% | -0.4% | 12.7% | -0.3% | 37.7% | -5.4% | 3.9% | 0.3% | 3.8% | 0.0% | 0.2% | 0.1% |
| Corporate loans | 11.7% | -0.6% | 11.3% | -0.8% | 5.4% | 0.3% | 6.2% | -0.1% | 2.9% | 0.1% | 0.5% | -0.1% |
| Retail deposits | 34.7% | -0.7% | 32.7% | -0.9% | 24.1% | -1.8% | 2.4% | -0.2% | 5.5% | -0.4% | 0.5% | -0.3% |
| Corporate deposits | 11.4% | -1.9% | 11.3% | -1.9% | 6.7% | 0.9% | 2.8% | -0.1% | 2.1% | 0.3% | 0.5% | -0.3% |

* Date of first consolidation by OTP Bank Romania was 31 December, 2004 and 31 March, 2005 by OTP banka Hrvatska, respectively.

Macroeconomic forecast

| | 2003 | 2004 | 2005P | 2006F | 2007F |
|---------------------------------------|--------|--------|--------|--------|--------|
| Nominal GDP (HUF bn) | 18,651 | 20,413 | 22,058 | 23,886 | 25,189 |
| Real GDP growth | 3.4% | 4.6% | 4.1% | 4.5% | 3.3% |
| Households consumption | 7.8% | 3.1% | 3.1% | 3.9% | 1.5% |
| Export | 7.8% | 16.4% | 10.5% | 11.7% | 10.5% |
| Import | 11.1% | 13.2% | 10.5% | 11.6% | 9.5% |
| Budget deficit (HUF bn) | -1,363 | -1,323 | -1,632 | -1,889 | -1,553 |
| as a % of GDP | -7.3% | -6.5% | -7.4% | -7.9% | -6.2% |
| Budget deficit* (HUF bn) | -1,195 | -1,098 | -1,390 | -1,603 | -1,277 |
| as a % of GDP | -6.4% | -5.4% | -6.3% | -6.7% | -5.1% |
| Current account deficit (EUR bn) | -6.36 | -7.12 | -7.89 | -8.66 | -8.63 |
| as a % of GDP | -8.7% | -8.9% | -8.9% | -9.2% | -8.6% |
| Nominal wages | 14.3% | 5.7% | 8.2% | 6.0% | 3.0% |
| Real wages | 9.2% | -1.0% | 4.5% | 4.1% | 0.0% |
| Unemployment | 5.9% | 6.1% | 7.1% | 6.7% | 6.0% |
| Inflation (average) | 4.7% | 6.8% | 3.6% | 1.8% | 3.0% |
| Inflation (dec/dec) | 5.7% | 5.5% | 3.3% | 1.7% | 3.2% |
| Base rate (year end) | 12.50% | 9.50% | 6.00% | 5.75% | 5.75% |
| 1Y interest rate (average) | 8.02% | 10.70% | 6.83% | 6.36% | 6.43% |
| Real interest rate (average, ex post) | 3.17% | 3.65% | 3.14% | 4.48% | 3.33% |
| HUF/EUR (average) | 253.51 | 251.39 | 248.02 | 251.91 | 248.89 |
| HUF/EUR (year end) | 262.23 | 245.22 | 252.73 | 249.40 | 247.91 |

* Reduced by private pension fund transfers

Source: CSO, NBH, OTP Bank



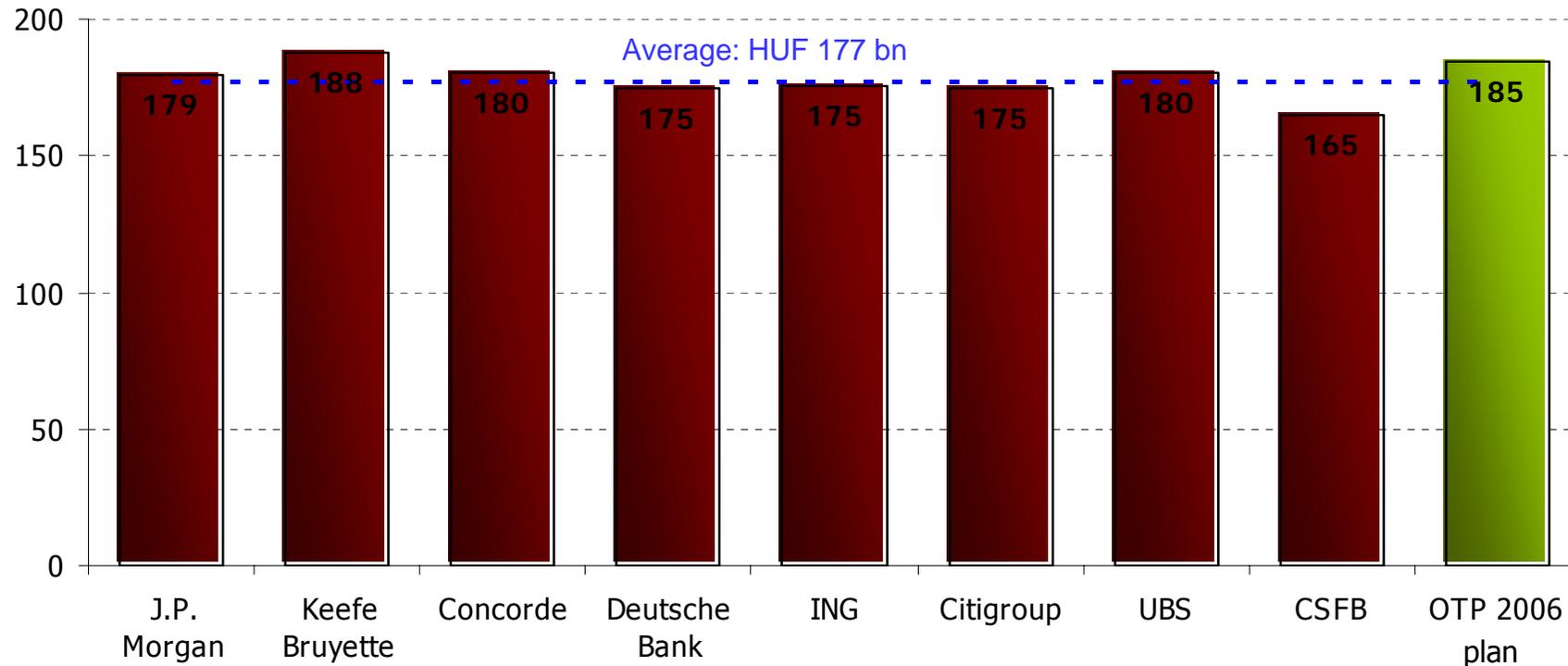
OTP Bank expects 16-17% profit growth in 2006

Financial highlights of OTP Bank (consolidated, IFRS)

| HUF billion | 2004 | 2005 | 2006P | Change | |
|---|---------|---------|---------|--------|---------|
| | | | | 05E/04 | 06P/05E |
| Total assets | 4,162.4 | 5,216.5 | 6,014.4 | 25.3% | 15.3% |
| Gross loans | 2,586.1 | 3,302.0 | 4,087.3 | 27.7% | 23.8% |
| Deposits | 2,902.2 | 3,428.0 | 3,840.0 | 18.1% | 12.0% |
| Shareholders' equity | 433.7 | 547.1 | 681.0 | 26.2% | 24.5% |
| Gross loans/deposits ratio | 89.1% | 96.3% | 106.4% | 7.2% | 10.1% |
| HUF billion | 2004 | 2005 | 2006P | Change | |
| | | | | 05E/04 | 06P/05E |
| Net interest income | 260.9 | 296.9 | 325.0 | 13.8% | 9.4% |
| Non-interest income | 161.8 | 217.8 | 262.5 | 34.6% | 20.5% |
| Non-interest expenses | 250.6 | 294.2 | 336.9 | 17.4% | 14.5% |
| Profit before tax | 156.0 | 191.9 | 221.3 | 23.0% | 15.3% |
| Profit after tax | 131.5 | 158.3 | 184.7 | 20.4% | 16.6% |
| Cost/income ratio | 57.2% | 55.4% | 55.6% | -1.8% | 0.2% |
| Net interest margin (before provisioning) | 6.84% | 6.33% | 5.79% | -0.51% | -0.54% |
| Return on average total assets (ROA) | 3.45% | 3.38% | 3.29% | -0.07% | -0.09% |
| Return on average equity (ROE) | 35.3% | 32.3% | 30.1% | -3.0% | -2.2% |

OTP's profit target is close to HUF 8 bn higher than average of analysts forecast

Analysts expectations and OTP own target for 2006
Profit after tax (consolidated IFRS, in HUF bn)



Source: Bloomberg, IBES, and researches published after 15 November, 2005

OTP Bank acquired two further banks in the region in 2005



Forward looking statements

This presentation contains certain forward-looking statements with respect to the financial condition, results of operations, and businesses of OTP Bank. These statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that will occur in the future. There are a number of factors which could cause actual results or developments to differ materially from those expressed or implied by these forward looking statements and forecasts. The statements have been made with reference to forecast price changes, economic conditions and the current regulatory environment. Nothing in this announcement should be construed as a profit forecast.

OTP Bank Investor Relations

Tel: + 36 1 473 5460

+ 36 1 473 5457

Fax: + 36 1 473 5951

E-mail: investor.relations@otpbank.hu

Website: www.otpbank.hu

