OTP Bank Plc.

Interim Management Report
First nine months 2009 result

(English translation of the original report submitted

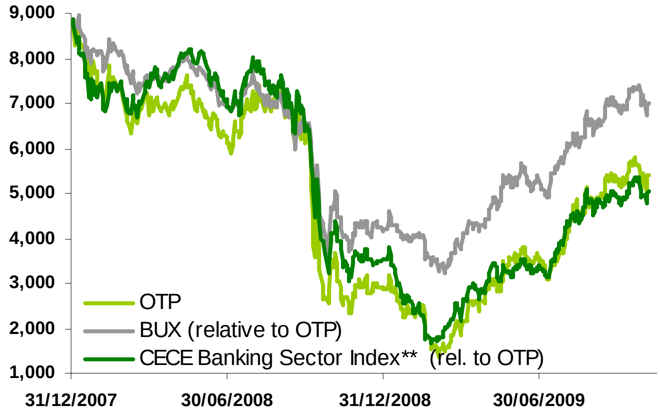
to the Budapest Stock Exchange)

Budapest, 13 November 2009

CONSOLIDATED FINANCIAL HIGHLIGHTS[1] AND SHARE DATA

Main components of P&L account in HUF mn	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
Consolidated after tax profit	**301,745**	**129,922**	**-57%**	**172,127**	**42,214**	**45,899**	**9%**	**-73%**
Consolidated after tax profit without the result of strategic open FX position, consolidated dividend and net cash transfers and the result of the sale of OTP Garancia Group	**173,820**	**130,939**	**-25%**	**53,564**	**41,728**	**45,870**	**10%**	**-14%**
Pre-tax profit	204,964	147,419	-28%	65,030	43,015	40,907	-5%	-37%
Operating profit	252,143	330,180	31%	84,305	105,142	109,947	5%	30%
Total income	521,413	584,655	12%	175,141	191,990	191,943	0%	10%
Net interest income (adj.)	370,151	437,001	18%	129,207	141,120	137,754	-2%	7%
Net fees and commissions	103,615	98,458	-5%	34,851	33,458	33,123	-1%	-5%
Total other non-interest income (adj.)	47,647	49,196	3%	11,083	17,412	21,066	21%	90%
Operating expenses (adj.)	-269,270	-254,476	-5%	-90,836	-86,848	-81,996	-6%	-10%
Provision for possible loan losses (adj.)	-45,361	-167,529	269%	-17,247	-55,493	-66,635	20%	286%
Other provisions	-1,818	-15,231	738%	-2,029	-6,633	-2,405	-64%	19%
Main components of balance sheet closing balances in HUF mn	2008	9M 2009	YTD	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
Total assets	9,379,436	9,697,729	3%	9,363,461	9,504,062	9,697,729	2%	4%
Placements with other banks and securities	593,542	515,752	-13%	682,834	653,635	515,752	-21%	-24%
Gross customer loans	**7,000,850**	**6,874,374**	**-2%**	**6,660,303**	**6,998,231**	**6,874,374**	**-2%**	**3%**
Allowances for possible loan losses	-270,680	-420,918	56%	-218,775	-365,897	-420,918	15%	92%
Liabilities to credit institutions and governments	842,867	881,199	5%	761,759	947,598	881,199	-7%	16%
Total customer deposits	**5,219,226**	**5,517,376**	**6%**	**5,375,929**	**5,296,596**	**5,517,376**	**4%**	**3%**
Issued securities	1,526,639	1,359,160	-11%	1,425,603	1,351,719	1,359,160	1%	-5%
Subordinated bonds and loans	316,148	276,604	-13%	291,216	285,655	276,604	-3%	-5%
Total shareholders' equity	1,048,971	1,171,348	12%	1,136,482	1,125,511	1,171,348	4%	3%
Indicators %	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
ROA (adj.)	2.6%	1.8%	-0.8%	2.3%	1.7%	1.9%	0.2%	-0.4%
ROE (adj.)	22.9%	15.6%	-7.2%	20.5%	14.9%	15.9%	1.0%	-4.6%
Total income margin	7.81%	8.19%	0.38%	7.65%	7.86%	7.93%	0.07%	0.28%
Net interest margin (adj.)	5.55%	6.13%	0.58%	5.64%	5.77%	5.69%	-0.08%	0.05%
Risk cost to average gross loans (adj.)	0.98%	3.23%	2.25%	1.07%	3.02%	3.81%	0.79%	2.74%
Cost/income ratio (adj.)	51.6%	43.5%	-8.1%	51.9%	45.2%	42.7%	-2.5%	-9.1%
Net loan/(deposit+retail bond) ratio (%)	120%	112%	-7%	120%	122%	112%	-9%	-7%
Gross loan/deposit ratio	124%	125%	1%	124%	132%	125%	-8%	1%
Capital adequacy ratio (consolidated, IFRS)	15.4%	16.9%	1.6%	15.4%	15.9%	16.9%	1.0%	1.6%
Tier1 ratio	11.5%	13.2%	1.7%	11.5%	12.0%	13.2%	1.1%	1.7%
Core Tier1 ratio	9.7%	11.5%	1.7%	9.7%	10.3%	11.5%	1.1%	1.7%
Share Data	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
EPS diluted (HUF)	1,171	497	-58%	660	160	170	7%	-74%
Closing price (HUF)	6,110	5,252	-14%	6,110	3,490	5,252	50%	-14%
High (HUF)	8,874	5,465	-38%	7,409	3,789	5,465	44%	-26%
Low (HUF)	5,911	1,355	-77%	5,911	1,960	3,086	57%	-48%
Market Capitalization (EUR billion)	7.0	5.4	-23%	7.0	3.6	5.4	52%	-23%

SHARE PRICE PERFORMANCE (INDEXED)



MOODY'S RATINGS

OTP Bank	
Foreign currency long term deposits	Baa1
Local currency long term deposits	Baa1
Financial strength	D+
OTP Mortgage Bank	
Covered mortgage bond	A2
Foreign currency long term deposits	Baa1
Financial strength	D+
DSK Bank	
Long term deposits	Baa3
Local currency long term deposits	Baa3
Financial strength	D+

STANDARD & POOR'S RATINGS

OTP Bank and OTP Mortgage Bank	
Long term credit rating	BB+

[1] Structural adjustments made on consolidated IFRS profit and loss statement together with the calculation methodology of adjusted indicators are detailed in the Supplementary data section of the Report.

INTERIM MANAGEMENT REPORT – OTP BANK'S RESULTS FOR FIRST NINE MONTHS 2009

Interim Management Report for the first nine months 2009 results of OTP Bank Plc. has been prepared according to the 24/2008. (VIII. 15.) PM resolution on the basis of its unaudited, unconsolidated and consolidated condensed IFRS financial statements for 30 September 2009 or derived from that. At presentation of nine months 2009 report of OTP Bank we applied International Financial Reporting Standards adopted by the European Union.

SUMMARY OF THE FIRST NINE MONTHS 2009

According to the 9M balance sheet and P&L data the major trends of the first nine months were in line with the original expectations of the management. The strong underlying operating profit, in particular the strong net interest income as well as the continuously strict risk control created enough room to make substantial risk provisions not just to adequately reflect the worsening loan portfolio quality stemming from the negative effects of the global financial and liquidity crisis, but even beyond the originally planned provisioning levels. Furthermore, due to the consecutive positive quarterly results the Bank managed to strengthen both the consolidated and stand-alone capital adequacy levels without asking for any external assistance. OTP Group's 9M CAR is outstanding (IFRS CAR: 16.9%) even in international comparison with all its subsidiaries exceeding considerably the mandatory local requirements.

Besides the profitable operation and stable capital position the third priority of the management for 2009 was the creation of safe liquidity. During the past nine months the Group paid particular attention to strengthen its deposit base, as a result its loan-to-deposit ratio improved a lot. Besides, the Bank accumulated a net liquidity buffer being enough not just to cover totally its FX-denominated senior and covered bonds obligations as well as the State loan, but also withstand unexpected liquidity and currency shocks.

Materially improving market sentiment

While professional opinions are still varying a lot as to assessing the recent positive signs of recovery, the Central and Eastern European region which was hit the hardest by the financial and liquidity crisis, has undoubtedly realized the most notable improvement in recent months. That is to be seen first of all in the horrendous decline of CDS spreads, but also in the better access to international capital markets and the above average performance of local equity markets.

Within the CEE region the sharp turnaround is even more spectacular in case of Hungary: the CDS spreads hitting their peak of 630 bps in March dropped by two third, the State successfully re-entered bond markets with an EUR 1 billion issue in July (the original re-offer spreads of 395 bps tightened to the 200 bps area), foreign ownership of local government debts started increasing again. Improving market opinion together with the HUF stabilizing at a level acceptable for the real economy enabled the Central Bank to start a decisive monetary easing cycle. Cutting rates by 100 bps in July, there were further cuts of 50 bps each in August and September, thus bringing down the policy rate from 9.50% to 7.50%. The benchmark yield curve – especially its short end – dropped even faster indicating further rate cuts. (In fact, in October NBH trimmed the rate by another 50 bps, thus currently the base rate is at 7% vs. 11.5% at end-October 2008.)

Apart from investors, Standard & Poor's also gave credit to the improving liquidity situation of Hungary, as well as to the government measures aimed at restoring the macroeconomic balance and on 2 October it changed the rating outlook from negative to stable leaving the rating (BBB-) unchanged.

On the group level the picture is more mixed: due to the worsening macroeconomic conditions in case of Ukraine and Romania local governments were unable to meet their originally approved deficit targets to IMF due to the unstable domestic political environment connected with forthcoming elections (November 2009: Romania, January 2010: Ukraine). In other countries the situation is not as bleak: in Russia rising commodity prices enabled the Government to enlarge its fiscal manoeuvring room, whereas in Bulgaria, Croatia, Serbia and Slovakia governments committed themselves to balanced fiscal stance making markets cautiously optimistic.

Strong business adjustment, significant decrease in loan-to deposit ratio

Given the benign loan demand of households and companies, as well as the higher lending risk, on the Group level only the Russian subsidiary could capture a material loan origination growth (POS lending). The gross loan portfolio reached HUF 6,874 billion (+3% y-o-y, -2% q-o-q). FX-adjusted loan volumes dropped by 1% in 3Q. At the same time deposit collection remained strong: volumes grew by 3% y-o-y, whereas the previous 3 months witnessed a 4% pick up, the FX-adjusted deposit volume grew by 5%. Alongside with the business adjustment, in 3Q FX-moves had a limited effect in volumes. As a result, loan-to-deposit ratio dropped by 8%-points q-o-q, reaching 125%, being almost flat to 2008 corresponding period.

Net loan/(deposit + retail bond) ratio was 112% representing a 7%-points improvement y-o-y and 9%-points q-o-q respectively.

Continuously strong operating income, better than expected HUF 131 billion adjusted 9M result

Despite of the deteriorating economic environment OTP Group managed to demonstrate good operating income dynamics, 9M HUF 330 billion operating income exceeds the base period by 31%.

The consolidated adjusted after tax result was HUF 130.9 billion in the first nine months of 2009 which is lower by 25% than in the same period of 2008. HUF 45.9 billion 3Q result grew by 10% q-o-q.

Pre-tax profit figure of the Group shows showed somewhat different dynamics, HUF 40.9 billion lags behind the previous quarter by 5%. The substantial drop of taxes (positive tax rate in 3Q) reflected the effect of a legal change: a significant portion of the goodwill write-off could not be accounted in the corporate tax base in 2008, but a legal change (Act No. XXXV. (19§.) of 2009.) stipulated that under IFRS the Bank can account that in a single amount, whereas under HAR in four equal tranches in the next four years. That move trimmed the IFRS tax burden by HUF 11.7 billion in 3Q. The Bank doesn't expect similar impacts in the future; as a result, the effective tax rate under IFRS may come back to its normalized levels. In 3Q the repurchase of upper Tier2 capital elements, even in smaller magnitude and at less attractive levels than in the previous quarters, continued, the pre-tax profit effect of which was HUF 2.6 billion amongst other non interest income (1Q: HUF 19.6 billion; 2Q: HUF 5.5 billion).

IFRS consolidated CAR: 16.9%, unconsolidated HAR-based CAR: 17.2%

Both unconsolidated HAR based CAR of OTP Bank and IFRS consolidated CAR have improved during the quarter. The ratio was supported by the balance sheet profit, as well as by the decreasing RWA (Risk Weighted Assets)-stock as a result of the strengthening of the forint, though the q-o-q EUR/HUF rate improved only by 1%.

In 3Q there was only one capital transaction: in August EUR 15 million capital increase was approved for Montenegro.

The IFRS based consolidated CAR of the Group grew by 1.0%-points q-o-q and reached 16.9%, the Tier1 ratio was 13.2% which is significantly higher than that of for the main competitors.

For the rest of the year the capitalization may further improve in case the Bank draws down a EUR 200 million subordinated loan facility offered by EBRD.

Main drivers of the consolidated result: stable NII, increasing risk costs, strict cost control

In the first nine months of 2009 net interest income increased by 18% y-o-y, whereas in 3Q it decreased by 2% q-o-q. The HUF 437 billion 9M net interest result is mainly the consequence of asset reprising measures of the last 12 months at a group level, NIM (6.13%) of the period improved significantly (+58 bps y-o-y), while 3Q NIM was 5.69% (-8 bps q-o-q).

Net F&C declined by 5% in the last 12 months (-1% q-o-q). Operating costs were successfully cut back both on a yearly and quarterly levels (-5% and -6% respectively), CIR improved significantly, its 43.5% level is lower by 8.1%-points than in the base period.

In line with expectations, as a result of the deteriorating macro-economic environment the quality of the consolidated loan portfolio deteriorated remarkably: within the last quarter the ratio of DPD90+ loans increased from 7.4% to 8.9%. The coverage ratio slightly decreased, at the end of the period it was 68.5% (-2.5%-point q-o-q, -15.8%-points y/y).

Moderating decline in domestic loan demand, successful funding

Within the Banking group 9M PAT of OTP Core (basic activity in Hungary) on a yearly base improved by 24%, and grew by 71% q-o-q. Apart from the strong profit-generating capability of OTP Core, the excellent results were also supported by the results of own securities buy-back and the positive effect of a one-off taxation change. Also, another remarkable development was the moderation of risk costs in 3Q as a result of the decline of past due loan formation following the HUF appreciation and the impact of loan restructuring effecting 1.8% of the total book.

The loan portfolio expanded by 6% compared to the base period, and remained basically flat in the last three months. New loan origination is only fraction of the corresponding period of 2008: mortgage loan origination dropped by 84%, the consumer loans by 59% respectively, true, there was some pick up since the bottom in 1Q 2009. In line with the efforts of the management within new disbursements the weight of HUF denomination increased: in case of mortgage loans it is 65%, at consumer loans the ratio is 95%. The corporate loan book decreased by 3% q-o-q, whereas the YTD increase was 2%.

The deposit portfolio on a yearly base expanded by 4%, in the last 3 months the growth further accelerated (+5%), though the retail book remained flat. However, as part of the Bank's retail targeted funding policy the successful retail bond issuance activity continued: OTP raised HUF 71 billion in 3Q, following HUF 55 billion in 1Q and further HUF 45 billion in 2Q respectively. The loan-to-deposit ratio dropped below 100% again (97%). Including the volume of retail targeted bonds which are a from of extended term deposits, the adjusted loan-to deposit ratio would show 91% (-5%-points q-o-q).

The liquidity position of the Bank was further enhanced by a EUR 1.4 billion loan facility provided by the Hungarian State to OTP for the enhancement of domestic corporate lending. On 5 November the Bank prepaid half of the facility.

Out of domestic Group members 9M PAT of Merkantil Group was around zero, the rapidly increasing risk cost (almost nine fold) could be only partially mitigated by a stringent cost control (-17% y-o-y). OTP Fund Management realized HUF 3.7 billion in the base period, its 3Q results improved by 13%. Both total assets and managed funds increased nicely (+18% and 20% q-o-q), its market share reached 30.5% (+71 bps q-o-q).

Regarding the domestic market positions of OTP Group by end September, as for total deposits they reached 24.3% (+1.2%-points q-o-q). Retail deposits declined by 0.5%-points, whereas the local municipality and corporate sector captured an increase (+11.3%-points and 1.4%-points respectively). On the loan side the market share (17.8%) remained unchanged, within that the retail book shrank by 0.2%-points with 0.4%-points decline of housing loans and flat (26.5%) consumer loan position. Local governments declined by 0.6%-points (45.9%) and the corporate book was practically the same (8.0%). As a result within the balance sheet of the sector the ratio of OTP Bank grew from 23.4% to 24.4%.

Performance of foreign subsidiaries

In the first nine months of 2009 the economies of OTP subsidiaries basically bottomed out and in 3Q there were already some encouraging signs. As for 2010 forecasts (EBRD, World Bank) are more optimistic: GDP is expected to grow in all those countries.

Within the Group Ukraine, Romania, Serbia has effective IMF agreements in place, however in case of the first two countries further tranches were temporarily suspended in autumn.

Apart from the revitalizing Russian consumer lending one would hardly see any significant lending growth across the Group as a result of declining loan demand, but also the more stringent lending policies. On the other hand, deposit collection continued successfully. Furthermore, beside Ukraine, smaller scale loan rescheduling was also gaining momentum in Bulgaria and Romania, though the positive results are expected rather in 4Q.

Gross loan portfolio of DSK Group increased by 13% y-o-y (flat q-o-q), its deposits expanded faster, by 16% y-o-y and 3% q-o-q. As a result the loan-to-deposit ratio improved, while the Bank managed to retain its market positions in all major segments. HUF 17.5 billion 9M net result shows a 22% decline y-o-y which is mainly the result of the 3 fold increasing risk costs. 3Q net earnings improved by 22% q-o-q. 9M operating income, as well as NII dynamics on a yearly base was outstandingly strong (+28% and 38%) due to the improving NIM (2009 9M: 5.84%, 3Q: 5.57%). As a result of the efficient operation the CIR level is one of the lowest across the Group (9M: 35.1%, 3Q: 33.8%).

As a result of sharply increasing risk costs the Ukrainian subsidiary accumulated HUF 29 billion losses YTD vs. HUF 11 billion positive results in 9M 2008. The net loss in 3Q amounted to HUF 19.2 billion. Even though operating income grew by 86% y-o-y, with NII increasing by 39% and net F&C by a remarkable 61%, and cost efficiency improving by 3% y-o-y and 12% q-o-q, mounting risk provisioning turned the bank into red. Risk costs reached HUF 68 billion, about half of that being made in 3Q. The ratio of DPD90+ increased from 11.2% to 19.4% q-o-q, mainly as a result of the deteriorating corporate book. The corporate sector showed a relative resilience in 1H, however in 3Q the second wave of crisis hit it heavily. Coverage ratio remained basically unchanged q-o-q (3Q 2009: 62.2%). The share of rescheduled loans grew somewhat, in the retail book from 33% to 36%, as for the total portfolio from 34% to 39% respectively.

All sort of lending activity was halted back significantly, the loan book dropped by 8% y-o-y and 7% q-o-q. At the same time the deposit erosion stopped entirely (-30% y-o-y), the retail deposits had a sharp decline of 15% y-o-y, but grew by 6% q-o-q. After the relative stability in past six months, UAH started weakening against USD resulting in further portfolio deterioration.

The Russian subsidiary suffered a y-o-y 14% drop in loan volumes, but the decline moderated a lot in 3Q (-2% q-o-q) due to the significant revival of POS-lending. Deposit volumes remained flat y-o-y, but increased 9% q-o-q. As a result, loan-to-deposit ratio improved steadily (-22%-points y-o-y, -16%-points q-o-q), reaching 138% at end-September. While the 9M net result of OBRu was only the quarter of the amount a year ago, 3Q already showed a significant improvement due to the increase of high-margin POS-lending, but also to the successful placement of access liquidity into higher yielding assets. Another positive development that the portfolio quality did not weaken, whereas the coverage ratio of DPD90+ loans improved by 1.8%-point q-o-q (3Q 2009: 82.5%).

Out of smaller subsidiaries OBH (Croatia) achieved good net result of HUF 2.5 billion. It was also positive, that due to the collection efforts the portfolio quality improved and the Bank achieved the lowest loan-to deposit ratio levels within the Group (93%).

OBR (Romania) kept the momentum: due to the strong interest margin (4.2%) it doubled its NII and had a stringent cost control in place both on a yearly and quarterly base. As a result of its successful deposit collection, it managed to improve its loan-to-deposit ratio.

In Montenegro, CKB had a 9M result of HUF 1.2 billion, half of the earnings it pocketed a year ago, mainly as a result of risk cost increasing three fold. The loan book declined by 4% y-o-y, deposits dropped by 29%, though 3Q already witnessed the deposit base stabilizing; retail deposits even grew by 2%.

Despite having stable NII in 3Q and implementing stringent cost control (-10% q-o-q), increasing risk costs tuned the Slovakian subsidiary into red again.

The Serbian bank had similar track record: after the loss making 2Q, the past three months was in red, too, the cumulative 9M loss was HUF 1 billion as a result of declining NII and net F&C. The quality of the loan book deteriorated further. On the positive side, in line with the subdue business activity a significant network rationalization and stuff reduction took place, operational expenses dropped 9% y-o-y and 15% q-o-q.

Mainly due to the significant loss in the Ukraine, profit contribution of foreign subsidiaries in 9M 2009 was negative (HUF 7.3 billion). Out of the total loan book foreign subsidiaries represented 47%, whereas their deposit share stood at 37%.

By the end of 3Q 2009 OTP Group had 1,520 branches (-16 branches q-o-q). The most sizeable decline was realized in Serbia, YTD 41 branches, in 3Q 17 branches were closed, whereas in Romania and Russia 1-1 new branches were opened since June.

Credit Ratings, shareholder structure

There has been no change in the rating of OTP Bank in recent three months. While Standard & Poor's changed the sovereign outlook from negative to stable on 2 October 2009, it left unchanged the negative outlook for the Bank.

No major change has taken place in 3Q as for the ownership structure; there are still three players with an influence above 5%, namely MOL, Groupama Group and the Rahimkulov family.

According to the agreement between OTP Bank and EBRD, the London-based institution purchased Treasury shares in July for EUR 20 million, thus its stake in the Company exceeded 2%.

POST BALANCE SHEET EVENTS

Hungary

- On 16 September 2009, OTP Bank Plc. signed the Code of Conduct on principles of fair conduct by financial organizations engaged in retail lending. According to the communication of the Hungarian Financial Supervisory Authority, 153 financial institutions – holding the majority of households' debt in Hungary – signed the document. Among the signatories there are other OTP Group members including OTP Mortgage Bank, OTP Building Society, OTP Flat Lease, Merkantil Bank, Merkantil Car, OTP Factoring as well as OTP Factoring Asset Management.
- The National Bank of Hungary considers it necessary to use regulatory instruments to prevent an excessive build-up of household debt and to reduce the risks associated with foreign currency lending. To achieve this goal, on 30 September the bank proposed a draft legislation to the Ministry of Finance, which would involve the definition of limits regarding mortgage loans' loan-to-value (LTV) and payment-to-income (PTI) ratios as well as the maximum term of vehicle financing.
- On 2 October, Hungary's outlook on its credit rating was raised to stable from negative by Standard & Poor's after the fiscal outlook improved and the government returned to market financing following an emergency bailout last year. S&P affirmed Hungary's BBB- sovereign issuer credit ratings.
- On 19 October, Hungarian monetary policy makers voted to lower the base rate to 7%, the lowest since July 2006. The monetary council has shaved 2.5 percentage points off the key rate since July and – based on market consensus – it may go ahead with more cuts because inflation may significantly undershoot the bank's 3 % goal next year.
- Hungary's Financial Supervisory Authority is planning to audit OTP Bank Plc.'s units. For the process in non-EU countries (such as Russia, Ukraine, Croatia, Montenegro and Serbia), an independent auditor will be selected through a two-round accelerated tender. While in case of group members located in EU countries, the audit shall be delivered within the scope of existing bilateral agreements with local supervisory authorities. The audit will be focused on OTP Group's asset quality, credit risk,

provisioning policy and capital adequacy; consolidated financial statements and consolidation processes are to be overviewed as well.

- On 5 November OTP Bank has prepaid an equivalent of EUR 700 million to the Hungarian State. The amount is part of a loan agreement of EUR 1.4 billion in total between the Hungarian State and OTP Bank signed on 26 March 2009, aiming of providing access funding sources for the Hungarian corporate sector.

Bulgaria

- On 30 October, Bulgaria's central bank cut its base interest rate to 0.61% from 1.46%. As a result, since 30 June 2009 the rate was lowered from 2.35% by a cumulative 174 bps.

Ukraine

- On 6 October, the registration of the capital increase of OTP Bank JSC (Ukraine) has been accomplished by the Ukrainian Court of Registration. The capital increase was decided by the Bank's Annual Meeting on 8 April 2009. Accordingly the statutory capital of OTP Bank JSC has been increased from UAH 2,068,194,908.16 to UAH 2,868,190,521.75.
- On 30 October Standard & Poor's Rating Services lowered its outlook on Ukraine's credit rating, reflecting uncertainty regarding the implementation of the country's IMF arrangement.

Romania

- On 13 October 2009 the Romanian minority government led by Emil Boc lost a no-confidence vote in the chamber. President Traian Basescu nominated economist Lucian Croitoru as prime minister, who failed to win parliamentary approval for his proposed Cabinet on 4 November.
- Romania's budget deficit widened to 5.1% of GDP in the first nine months, the Finance Ministry announced on 27 October. That is below the target set out in the bailout loan led by the International Monetary Fund (5.4%).

Croatia

- On 14 October the European Commission emphasized in an announcement that its expansion into the Balkans advanced toward, saying that Croatia is nearing the conclusion of its entry talks and becoming the 28th member of the European Union.
- On 4 November Moody's rating agency has assigned a Baa3 rating to Croatia's new USD 1.5 billion, 10-year global bond issue.

Serbia

- The central bank lowered the key policy rate unexpectedly by 100 basis points to 11.0% on 8 October. The central bank will continue easing monetary policy, Governor Radovan Jelasic said in November.
- Fitch Ratings announced on 28 October that Serbia's long- term foreign and local currency ratings have been affirmed (the rating is BB- with negative outlook).
- In November, the IMF mission reached an agreement with the government to disburse the next payment of the country's bailout loan. The IMF had allowed Serbia to raise its budget deficit target for next year to 4 percent of GDP.

Slovakia

- Robert Fico announced on 3 November that the government will stick to its plan to narrow the budget deficit to 5.5% of the GDP next year. The lawmakers approved the 2010 budget proposal on 4 November.

CONSOLIDATED AFTER TAX PROFIT BREAKDOWN BY SUBSIDIARIES (IFRS)[2]

in HUF million	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
Consolidated after tax profit	**301,745**	**129,922**	**-57%**	**172,127**	**42,214**	**45,899**	**9%**	**-73%**
Profit of the strategic short position[1] (after tax)	4,737	-1,912	-140%	-3,578	0	0		-100%
Dividend and total net cash transfers (consolidated)	1,742	894	-49%	694	486	29	-94%	-96%
Profit of the sale of OTP Garancia Group (after tax)	121,447	0	-100%	121,447	0	0		-100%
Consolidated after tax profit without the result of strategic open FX position, consolidated dividend and net cash transfers	173,820	130,939	-25%	53,564	41,727	45,870	10%	-14%
Banks total without one-off items[3]	156,303	127,128	-19%	50,907	38,464	46,853	22%	-8%
OTP CORE (Hungary)[4]	111,962	139,071	24%	34,733	36,239	61,983	71%	78%
Corporate Centre[5] (after tax)	-2,466	-4,310	75%	-850	-2,746	-3,112	13%	266%
o/w After tax result of subsidiary financing[6]	7,309	6,665	-9%	2,243	734	752	2%	-66%
Interest expense of Tier2 Capital	-9,775	-10,735	10%	-3,092	-3,437	-3,680	7%	19%
OTP Bank Russia	4,974	1,354	-73%	1,745	-95	1,136		-35%
OTP Bank JSC (Ukraine)	11,045	-29,227	-365%	4,167	-946	-19,161		-560%
DSK+SPV (Bulgaria)	22,534	17,519	-22%	7,375	4,560	5,571	22%	-24%
OBR adj. (Romania)[8]	-196	779	-497%	1,008	1,311	192	-85%	-81%
OTP banka Srbija (Serbia)	2,144	-1,070	-150%	-191	-265	-946	257%	396%
OTP banka Srbija, adj.	316	-1,070	-439%	-189	-265	-946	257%	400%
OTP banka Srbija one-off items[9]	1,828	-0	-100%	-2	-	-		-100%
OBH (Croatia)	3,711	2,552	-31%	1,351	1,105	632	-43%	-53%
OBS (Slovakia)	1,920	-1,019	-153%	609	-538	-488	-9%	-180%
OBS, adj.	1,920	-776	-140%	609	-288	-495	72%	-181%
OBS one-off items[10]	-	-243		-	-250	7	-103%	
CKB (Montenegro)	2,504	1,237	-51%	958	-410	1,053	-357%	10%
Leasing	6,103	9	-100%	1,913	235	-356	-251%	-119%
Merkantil Bank + Car, adj. (Hungary)[11]	5,970	-3	-100%	1,938	235	-356	-252%	-118%
Merkantil Bank + Car one-off items[12]	74	12	-83%	0	1	0	-100%	
Foreign leasing companies (Slovakia)[13]	59	0	-100%	-25	0	0		-100%
Insurance companies	4,036	0	-100%	397	0	0		-100%
OTP Garancia (Hungary)	5,149	0	-100%	510	0	0		-100%
OTP Garancia, adj.	5,338	0	-100%	557	0	0		-100%
OTP Garancia one-off items[14]	-189	0	-100%	-47	0	0		-100%
Foreign insurance companies (Bulgaria, Slovakia, Romania)[15]	-1,114	0	-100%	-113	0	0		-100%
Asset Management	4,520	3,662	-19%	1,397	1,137	1,308	15%	-6%
OTP Asset Management (Hungary)	4,520	3,681	-19%	1,397	1,144	1,294	13%	-7%
Value creation of OTP Asset Management (after-tax)16	8,526	6,895	-19%	2,698	2,198	2,417	10%	-10%
Foreign Asset Management Companies (Ukraine, Romania)[17]	0	-19		0	-7	14	-298%	
Other Hungarian Subsidiaries	1,079	-683	-163%	-227	600	-1,614	-369%	610%
Other Foreign Subsidiaries (Slovakia, United Kingdom, Cyprus)[18]	76	560	638%	-6	353	139	-61%	
Eliminations	-126	506	-502%	-814	1,187	-467	-139%	-43%
Total after tax profit of HUNGARIAN subsidiaries[19]	126,163	138,274	10%	36,687	36,659	57,728	57%	57%
Total after tax profit of FOREIGN subsidiaries[20]	47,657	-7,335	-115%	16,878	5,068	-11,857	-334%	-170%
Share of foreign profit contribution, %	27%	-6%	-33%	32%	12%	-26%	-38%	-57%

[2] Belonging footnotes are in the Supplementary data section of the Report.

CONSOLIDATED AND UNCONSOLIDATED, UNAUDITED IFRS REPORTS OF OTP BANK PLC.

CONSOLIDATE PROFIT & LOSS ACCOUNT

Main components of P&L account in HUF million	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
Consolidated after tax profit	**301,745**	**129,922**	**-57%**	**172,127**	**42,214**	**45,899**	**9%**	**-73%**
Dividends and net cash transfers (after tax)	1,741	894	-49%	693	486	29	-94%	-96%
Profit of the strategic open FX position (after tax)	4,737	-1,912	-140%	-3,578	0	0		-100%
Pre tax result of strategic open FX position	5,921	-2,390	-140%	-4,472	0	0		-100%
Income taxes	-1,184	478	-140%	894	0	0		-100%
Profit of the sale of OTP Garancia Group (after tax)	121,447	0	-100%	121,447	0	0		-100%
Consolidated after tax profit without the result of strategic open FX position, consolidated dividend and net cash transfers and the result of the sale of OTP Garancia Group	**173,820**	**130,939**	**-25%**	**53,564**	**41,728**	**45,870**	**10%**	**-14%**
Before tax profit	**204,964**	**147,419**	**-28%**	**65,030**	**43,015**	**40,907**	**-5%**	**-37%**
Operating profit	**252,143**	**330,180**	**31%**	**84,305**	**105,142**	**109,947**	**5%**	**30%**
Total income	**521,413**	**584,655**	**12%**	**175,141**	**191,990**	**191,943**	**0%**	**10%**
Net interest income (adj.)	**370,151**	**437,001**	**18%**	**129,207**	**141,120**	**137,754**	**-2%**	**7%**
Net fees and commissions	**103,615**	**98,458**	**-5%**	**34,851**	**33,458**	**33,123**	**-1%**	**-5%**
Other net non-interest income (with net insurance result and net other, other non-interest result) (adj.)	**47,647**	**49,196**	**3%**	**11,083**	**17,412**	**21,066**	**21%**	**90%**
Foreign exchange result, net (adj.)	20,735	-9,648	-147%	5,418	-939	4,548	-584%	-16%
Gain/loss on securities, net (adj.)	-860	7,284	-947%	-442	4,556	7,450	64%	
Net insurance result	13,256	0	-100%	1,448	0	0	91%	-100%
Insurance premiums	60,433	0	-100%	16,974	0	0		-100%
Insurance expenses	-47,177	0	-100%	-15,526	0	0	91%	-100%
Net other non-interest result (adj.)	14,515	51,561	255%	4,659	13,795	9,068	-34%	95%
Operating expenses	**-269,270**	**-254,476**	**-5%**	**-90,836**	**-86,848**	**-81,996**	**-6%**	**-10%**
Personnel expenses	-123,439	-114,724	-7%	-42,250	-38,246	-37,005	-3%	-12%
Depreciation (adj.)	-30,410	-31,469	3%	-10,760	-10,483	-10,694	2%	-1%
Other expenses (adj.)	-115,421	-108,283	-6%	-37,826	-38,119	-34,297	-10%	-9%
Provision for possible loan losses (adj.)	**-45,361**	**-167,529**	**269%**	**-17,247**	**-55,493**	**-66,635**	**20%**	**286%**
Other provision	**-1,818**	**-15,231**	**738%**	**-2,029**	**-6,633**	**-2,405**	**-64%**	**19%**
Corporate taxes	-31,144	-16,480	-47%	-11,466	-1,288	4,963	-485%	-143%
INDICATORS (%)	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
ROA (adj.)	2.6%	1.8%	-0.8%	2.3%	1.7%	1.9%	0.2%	-0.4%
ROE (adj.)	22.9%	15.6%	-7.2%	20.5%	14.9%	15.9%	1.0%	-4.6%
Operating profit margin	3.78%	4.63%	0.85%	3.68%	4.30%	4.54%	0.24%	0.86%
Total income margin	7.81%	8.19%	0.38%	7.65%	7.86%	7.93%	0.07%	0.28%
Net interest margin (adj.)	5.55%	6.13%	0.58%	5.64%	5.77%	5.69%	-0.08%	0.05%
Net fee and commission margin	1.55%	1.38%	-0.17%	1.52%	1.37%	1.37%	0.00%	-0.15%
Net other non-interest income margin	0.71%	0.69%	-0.02%	0.48%	0.71%	0.87%	0.16%	0.39%
Risk cost to average gross loans (adj.)	0.98%	3.23%	2.25%	1.07%	3.02%	3.81%	0.79%	2.74%
Cost/income ratio (adj.)	51.6%	43.5%	-8.1%	51.9%	45.2%	42.7%	-2.5%	-9.1%
Effective tax rate	15.2%	11.2%	-4.0%	17.6%	3.0%	-12.1%	-15.1%	-29.8%
Comprehensive Income Statement	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
Net comprehensive income	**273,050**	**131,431**	**-52%**	**192,616**	**-28,592**	**39,797**	**-239%**	**-79%**
Net profit of the current year	**301,260**	**130,004**	**-57%**	**172,059**	**42,256**	**45,942**	**9%**	**-73%**
Consolidated after tax profit	301,745	129,922	-57%	172,126	42,214	45,899	9%	-73%
Minority interest	-485	82	-117%	-68	43	43	1%	-163%
Fair value adjustment of securities available-for-sale (recognised directly through equity)	**-10,471**	**13,920**	**-233%**	**952**	**10,212**	**10,185**	**0%**	**970%**
Fair value adjustment of cash flow hedge transactions	**3,189**	**318**	**-90%**	**370**	**105**	**107**	**2%**	**-71%**
Fair value adjustment of strategic open FX position recognised directly through equity (after tax)	**0**	**-1,458**		**0**	**9,280**	**304**	**-97%**	
Fair value adjustment of revaluation reserves	**-20,928**	**-11,353**	**-46%**	**19,235**	**-90,445**	**-16,741**	**-81%**	**-187%**

- ***Dynamically increasing operating profit reaching HUF 330 billion in 9M (+31% y-o-y), HUF 131 billion adjusted PAT (-25% y-o-y) exceeded consensus***
- ***Strong NIIs (+18% y-o-y), stable NIMs (9M 2009: 6.13%), moderate decline of net F&C (-5% y-o-y)***
- ***Stringent cost control, outstanding efficiency (9M 2009: CIR: 43.5%)***
- ***Significant increase of risk costs (+269% y-o-y)with provisioning hitting their peak in 3Q***

The 9M the adjusted consolidated IFRS after tax profit of OTP Group reached HUF 130.9 billion, a decline of 25% y-o-y. In 3Q the adjusted net earnings reached HUF 45.9 billion (+10% q-o-q).

Profit before tax stood at HUF 40.9 billion being by 5% lower compared to 2Q. The substantial drop of taxes (positive tax rate in 3Q) reflected the effect of a legal change: a significant portion of the goodwill write-off could not be accounted in the corporate tax base in 2008, but legal change (Act No. XXXV. (19§.) of 2009.) stipulated that under IFRS the Bank can account that in a single amount, whereas under HAR in four equal tranches in the next four years. That move trimmed the IFRS tax burden by HUF 11.7 billion in 3Q. The bank doesn't expect similar impacts in the future; as a result, the effective tax rate under IFRS may come back to its normalized levels. The effective 9M tax rate was 11.2% vs. 15.2% in the base period.

Adjusted net interest income reached HUF 437 billion, an 18% y-o-y increase, whereas net interest margin stood at 6.13%, by 58 bps exceeding 9M 2008 level. 3Q NIM dropped by 8 bps q-o-q. Even though OTP Core captured a q-o-q higher NII, foreign subsidiaries NII contribution declined as a result of the stronger HUF. Compared to 2Q, the average quarterly EUR/HUF and CHF/HUF rate was by 5% stronger in 3Q..

Within non-interest income Net F&C dropped by 5% y-o-y, the move was in line with management expectations.

Other adjusted non-interest income increased by 3% y-o-y, whereas in last three months the improvement was 21%. On net FX gain and loss line the Group pocketed a loss of HUF 9.6 billion mainly due to the negative result on non strategic open FX position in 1Q. Given that those positions have been closed down this income line showed improving result and in 3Q they reached HUF 4.5 billion. On the securities portfolio the Bank realized HUF 7.3 billion profit, mainly due to the sharp decline of HUF yields.

In 3Q the Bank continued the repurchase of its Upper Tier2 instruments, even though in smaller magnitudes and at higher price levels. On those transactions the Bank realized HUF 2.6 billion before tax result booked on other net non-interest income line (1Q 2009: HUF 19.6 billion, 2Q: HUF 5.5 billion).

Within total income non-interest income revenues represented 25%, a decline of 4%-points y-o-y.

The Bank has been implementing very strict cost control throughout the year: other expenses lagged behind the basic period by 6%, whereas personal expenses dropped by 7% y-o-y (mainly as a result of staff reduction, suspending branch network expansion and even closing down branches in some cases). On a quarterly base operating expenses moderated by a further 6%: personal expenses dropped by 3%, other expenses by 10% respectively. 9M CIR improved by 8.1%-points, reaching 43.5%, well below the 2009 management target; the quarterly decline was -2.5%-points (3Q 2009: 42.7%).

The deteriorating macroeconomic environment equally hitting the households and corporates coupled with the depreciation of local currencies made necessary higher risk provisions. At the same time the robust (HUF 330 billion) operating result made it even possible. In 9M provisions for potential loan losses and other provisions added up to HUF 182.7 billion, almost a 4-fold y-o-y increase, o/w loan loss provisions amounted to HUF 167.5 billion, but other provisions were also mainly lending related ones. In 3Q total provisions reached HUF 69 billion o/w loan loss provisions represented HUF 66.6 billion (+20% q-o-q), significant portion of which (HUF 34 billion) was related the Ukrainian portfolio.

As a result the consolidated risk costs grew from 3.02% to 3.81% q-o-q; while 9M risk costs were 3.23%.

Consolidated ROA (1.8%) decreased by 0.8%-points, while ROE (15.6%) shrank by 7.2%-points in the previous 12 months. 3Q diluted EPS was HUF 170, in 9M it stood at HUF 497. Profitability indicators improved on a quarterly base: ROA increased by 0.2%-point, while ROE (15.9%) by 1.0%-point respectively.

The 9M Comprehensive Income of the Group grew to HUF 131.4 billion (-52% y-o-y). This income category includes all the fair value adjustments, which are directly booked through equity rather than through the P&L.

CONSOLIDATED BALANCE SHEET

Main components of balance sheet in HUF million	3Q 2008	2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y	YTD
TOTAL ASSETS	**9,363,461**	**9,379,436**	**9,504,062**	**9,697,729**	**2%**	**4%**	**3%**
Cash and bank	309,770	348,849	303,291	289,529	-5%	-7%	-17%
Placements with other banks	682,834	593,542	653,635	515,752	-21%	-24%	-13%
Financial assets at fair value	169,437	129,332	190,958	548,487	187%	224%	324%
Securities available-for-sale	368,895	481,257	428,209	466,062	9%	26%	-3%
Gross customer loans	**6,660,303**	**7,000,850**	**6,998,231**	**6,874,374**	**-2%**	**3%**	**-2%**
o/w Retail loans	4,022,148	4,353,189	4,293,258	4,270,774	-1%	6%	-2%
Corporate loans	2,258,468	2,258,579	2,316,229	2,236,838	-3%	-1%	-1%
Car financing loans	375,760	389,767	383,551	364,296	-5%	-3%	-7%
Allowances for possible loan losses	-218,775	-270,680	-365,897	-420,918	15%	92%	56%
Accrued interest receivables	77,960	87,793	87,962	93,895	7%	20%	7%
Equity investments	11,797	10,467	10,377	10,265	-1%	-13%	-2%
Securities held-to-maturity	572,700	321,733	601,083	760,220	26%	33%	136%
Intangible assets	533,724	469,701	466,261	456,943	-2%	-14%	-3%
Other assets	194,816	206,592	129,952	103,120	-21%	-47%	-50%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**9,363,461**	**9,379,436**	**9,504,062**	**9,697,729**	**2%**	**4%**	**3%**
Liabilities to credit institutions and governments	761,759	842,867	947,598	881,199	-7%	16%	5%
Customer deposits	**5,375,929**	**5,219,226**	**5,296,596**	**5,517,376**	**4%**	**3%**	**6%**
o/w Retail	3,710,137	3,914,944	3,956,647	4,013,022	1%	8%	3%
Corporate	1,665,793	1,299,904	1,339,950	1,504,354	12%	-10%	16%
Issued securities	1,425,603	1,526,639	1,351,719	1,359,160	1%	-5%	-11%
Accrued interest payable	94,127	99,141	112,965	108,775	-4%	16%	10%
Other liabilities	278,345	326,444	384,018	383,267	0%	38%	17%
Subordinated bonds and loans	291,216	316,148	285,655	276,604	-3%	-5%	-13%
Total shareholders' equity	**1,136,482**	**1,048,971**	**1,125,511**	**1,171,348**	**4%**	**3%**	**12%**
	3Q 2008	2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y	YTD
Loan/deposit ratio	124%	134%	132%	125%	-8%	1%	-10%
90+ days past due loans/gross customer loans	3.9%	4.5%	7.4%	8.9%	1.6%	5.0%	4.4%
Total provisions/90+ days past due loans	84.3%	86.0%	71.0%	68.5%	-2.5%	-15.8%	-17.4%
Capital adequacy ratio (consolidated, IFRS)	15.4%	15.4%	15.9%	16.9%	1.0%	1.6%	1.5%
Tier1 ratio	11.5%	11.3%	12.0%	13.2%	1.1%	1.7%	1.9%
Core Tier1 ratio	9.7%	9.5%	10.3%	11.5%	1.1%	1.7%	1.9%

- ***Moderating yearly loan volume growth (+3%), 2% decline in 3Q***
- ***Successful deposit collection, volumes grew both on yearly and quarterly base (3% y-o-y and 4% q-o-q respectively) improving LTD ratio (125%, -8%-points q-o-q)***
- ***Deteriorating loan quality, 90+ overdue loans at 8.9% (+1.6%-points q/q)***
- ***Stable capital position, consolidated IFRS CAR stood at 16.9% with Tier1 at 13.2%***

IFRS consolidated total assets increased by 4% in the last year (+2% q-o-q) and reached HUF 9,698 billion. The Group's consolidated shareholder equity grew to HUF 1,171 billion (+3% y-o-y and 4% q-o-q), representing 12.1% of total assets.

Volume of gross consolidated loans grew to HUF 6,874 billion by a mare 3% of increase y-o-y.

Within the gross loan portfolio the single most important part was the retail one (HUF 4,271 billion, 62%), the corporate book (HUF 2,237 billion) represented (33%). Car financing amounted to HUF 364 billion (5%). Out of retail loans mortgages represented HUF 2,693 billion, while consumer loans stood at HUF 1,131 billion.

In the past 12 months the most dynamic HUF-based loan volume increased was realized in Croatia (+13%) and Bulgaria (+13%), though OTP Core also captured a remarkable 6% growth y-o-y. Apart from the Romanian subsidiary (+4%) all other foreign banks witnessed a loan volume decrease, the most significant in Russia (-14%).

In 3Q the loan portfolio contracted by 2%, the FX-adjusted volumes decreased by 1% q-o-q. Amongst the banks with the biggest loan book the FX-adjusted volumes stagnated in Hungary and Russia, DSK grew by a mare 1%, while Ukraine contracted by 3%. The smaller foreign subsidiaries experienced a volume drop of 2-4%.

In the previous 12 months, parallel with the lending activity the portfolio quality deteriorated virtually in all markets; the share of DPD90+ loans grew to 8.9% at consolidated level. Within the Group the Ukrainian and Serbian subsidiary has got the worst loan quality, the share of DPD90+ loans stood at 19.6% and 19.4% respectively. In Russia – formerly the worst performer within the Group in this respect – the level was somewhat lower: 13.8% in 3Q. A positive development, that in case of OTP Core

– mainly due to the HUF appreciation – the speed of worsening moderated, DPD90+ loans grew from 6.2% only to 6.8% q-o-q.

Consolidated loan loss provisions reached HUF 421 billion at the end of September (+92% y-o-y and +15% q-o-q). DPD90+ loans reached HUF 515 billion, accordingly the coverage ratio moved a bit downward to 68.5% (-2.6%-points q-o-q).

Consolidated deposits grew loans, only by 3% on a yearly base; on a quarterly base it grew by nominal 4%. The FX-adjusted base would show a 5% increase q-o-q.

In the past 12 months the most significant deposit growth was captured in Bulgaria (+16%), Romania (+16%) and in Croatia (+7%). On the other hand the strongest hit deposit markets were the Montenegrin (-29%) and Ukrainian (-30%) ones. In 3Q the situation improved a lot: apart from Slovakia and Montenegro (-2% q-o-q decline in both cases), all other subsidiaries managed to increase their deposits. The most successful one was OBRu (+9%), but OTP Core also reached a 5% increase.

Important to note, however, that the FX-adjusted volumes would show a somewhat different picture: in Russia deposits grew q-o-q by 10%, in both Ukraine and Croatia by 5% and by 4% in Bulgaria and Romania respectively.

As a result of the FX-movements, as well as the benign lending activity, the consolidated loan-to-deposit ratio dropped significantly q-o-q (-8%-points) reaching 125%. On a stand-alone base the most significant improvement was realized at subsidiaries with the highest LTD ratio: in Ukraine it declined by 34%-points, while in Romania by 18%-points respectively.

In Hungary OTP Bank continued its strategy started in 2007: the Bank focused on capturing savings in forms of deposits, mutual funds and retail distributed bonds. OTP Core managed to increase its deposits by 4% y-o-y, and by 5% q-o-q. In case of retail and corporate deposits volume dynamics were different: retail deposits grew by 8% y-o-y, but grew by a mare 1% q-o-q, corporate deposits dropped by 6% y-o-y, but increased by a remarkable 15% q-o-q. Assets under management at OTP Fund Management grew on a yearly base by 10%, however the last 3 months the volume growth accelerated to 18%. The overall situation looks even better taking into consideration that OTP Bank sold significant amount of bonds on a continuous base to local households. In 3Q the issued volumes reached HUF 71 billion and the total outstanding amount sold to retail amounted to HUF 230 billion (+HUF 220 billion y-o-y).

Issued securities dropped by 5% y-o-y, and grew by 1% q-o-q. The maturing debt (EUR 750 million senior bonds and cca. HUF 100 billion HUF denominated mortgage bonds) exceeded the volume of locally sold retail bonds. There has been no international bond issuance in 2009.

CONSOLIDATED CAPITAL ADEQUACY RATIO (IN ACCORDANCE WITH BASEL II)

At the end of September 2009 regulatory capital of OTP Group represented HUF 1,176 billion, while the preliminary estimated RWA stood at HUF 6,959 billion. Taking into account the capital needs for market risk and operational risk, CAR stood at 16.9% with Tier1 (after deducting goodwill and intangible assets) at 13.2% and Core Tier1 (further deducting hybrid instruments) at 11.5%.

YTD OTP Bank has not drawn down an EUR 200 million subordinated facility offered by EBRD so far; in case the Bank decides to do so, it will further improve its capital position.

OTP BANK HUNGARIAN CORE BUSINESS[3]

OTP Core P&L account

Main components of P&L account in HUF mn	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
OTP CORE after-tax profit w/o dividends and net cash transfer	111,962	139,071	24%	34,733	36,239	61,983	71%	78%
OTP CORE pre-tax profit	129,642	152,799	18%	41,568	36,630	56,731	55%	36%
Operating profit	141,632	202,961	43%	48,794	63,860	67,309	5%	38%
Total income	276,638	335,888	21%	94,352	109,038	111,422	2%	18%
Net interest income	199,853	235,309	18%	69,766	75,107	77,596	3%	11%
Net fees and commissions	65,805	65,964	0%	22,162	22,493	21,800	-3%	-2%
Other net non-interest income	10,979	34,615	215%	2,423	11,439	12,026	5%	396%
Operating expenses	-135,006	-132,927	-2%	-45,558	-45,179	-44,114	-2%	-3%
Total provisions	-11,990	-50,162	318%	-7,225	-27,230	-10,577	-61%	46%
Provisions for possible loan losses	-10,941	-49,106	349%	-5,588	-19,331	-10,619	-45%	90%
Other provisions	-1,049	-1,056	1%	-1,637	-7,900	41	-101%	-103%
Revenues by Business Lines								
RETAIL								
Total income	233,177	248,141	6%	79,770	83,475	81,387	-3%	2%
Net interest income	167,814	185,342	10%	58,074	61,491	60,524	-2%	4%
Net fees and commissions	63,009	58,921	-6%	20,859	20,617	19,635	-5%	-6%
Other net non-interest income	2,354	3,878	65%	837	1,366	1,227	-10%	47%
CORPORATE								
Total income	27,255	22,292	-18%	9,503	7,404	8,045	9%	-15%
Net interest income	19,987	14,219	-29%	6,844	4,665	5,272	13%	-23%
Net fees and commissions	6,580	6,939	5%	2,414	2,339	2,414	3%	0%
Other net non-interest income	688	1,134	65%	245	399	359	-10%	47%
Treasury ALM								
Total income	18,115	61,569	240%	5,908	17,810	19,685	11%	233%
Net interest income	12,052	35,748	197%	4,848	8,950	11,799	32%	143%
Net fees and commissions	658	1,198	82%	561	380	661	74%	18%
Other net non-interest income	5,404	24,623	356%	499	8,480	7,224	-15%	
Indicators (%)	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
ROA	3.1%	3.5%	0.4%	2.8%	2.8%	4.5%	1.7%	1.6%
ROE	17.6%	21.0%	3.4%	15.7%	16.7%	26.9%	10.2%	11.2%
Total income margin	7.6%	8.4%	0.8%	7.7%	8.4%	8.0%	-0.4%	0.3%
Net interest margin	5.50%	5.91%	0.41%	5.67%	5.76%	5.58%	-0.18%	-0.09%
Cost of risk/average gross loans	0.47%	1.95%	1.49%	0.71%	2.22%	1.24%	-0.98%	0.53%
Cost/income ratio	48.8%	39.6%	-9.2%	48.3%	41.4%	39.6%	-1.8%	-8.7%
Effective tax rate	13.6%	9.0%	-4.7%	16.4%	1.1%	-9.3%	-10.3%	-25.7%

- ***Y-o-Y 9M profit increased by 24%***
- ***Increasing NII (+18% y-o-y), stable net F&C income (+1% y-o-y) and strict cost control: operating costs are even nominally below the first 9M level of 2008 (-2% y-o-y)***
- ***Q-o-Q significantly improving profitability due to decreasing costs of risk and a one-off tax effect***
- ***Continuously successful deposit gathering and retail bond issuance – loan-to-deposit ratio is again below 100% (3Q 2009: 97%)***
- ***Q-o-Q stagnating mortgage and corporate loan portfolio, lending gained momentum in SME and consumer lending activity***

Remark: in 3Q 2009 HUF 15.3 billion provisioning was made in the book of OTP Bank (Hungary) for Ukrainian exposures. The above mentioned cost of risk and the provisions were presented both in P&L and the Balance Sheet as part of the results of OTP Bank JSC (Ukraine).

P&L developments

9M 2009 PAT of OTP Core is HUF 139.1 billion, increased by 24% y-o-y. The result on one hand covers an outstandingly strong core operating profitability: net interest income increased by +18% y-o-y, F&C income remained stable nominally and strong cost control was applied (operating costs decreased by 2% y-o-y, cost/income ratio dropped from 49% to 40%). The improvement of profitability

[3] In this section the results of OTP Bank, OTP Mortgage Bank, OTP Building Society and OTP Faktoring are aggregated. The consolidated after tax results were adjusted by the after tax result on open FX-position, by dividends and by one-off cash transfers, as well as by the net interest income of subsidiary financing and by the interest expenses of Lower and Upper Tier2 funding. Those two items are shown as part of the Corporate Centre. Also, the net result of interest swaps concluded with OBR as part of its financing were booked within the adjusted profit after tax of OBR. The Bank's IFRS unconsolidated condensed financial statements are available on the website of the Budapest Stock Exchange (www.bse.com), on the website of HFSA (www.kozzetetelek.hu) and on the website of OTP Bank (www.otpbank.hu).

was positively affected by the approx. HUF 27.7 billion (pre-tax) trading profit realised on the repurchase of Upper Tier2 Capital accounted within the other non-interest income (latter trebled y-o-y). Additional positive effect had the diminished tax burden from 14% to 9%, which lowered tax expenses by HUF 4 billion y-o-y. Risk costs more than quadrupled compared to the base period (risk cost rate increased from 0.47% to 1.95%).

The HUF 61.1 billion profit of 3Q represents an outstanding growth q-o-q (+71%) and y-o-y (+78%) as well. Even one-off items took part in the increase (repurchase of UT2 capital elements and positive tax burden in 3Q). However, the main reason behind the q-o-q 55% increase in before tax results was the moderating cost of risk (q-o-q HUF -16.7 billion, -61%). Consequently, the risk cost rate dropped from 2.22% to 1.24%. Latter was supported by the improvement of portfolio quality (growth of DPD+90 loan portfolio slowed down, DPD+90 ratio increased only from 6.2% to 6.8%). In 3Q operating revenues grew moderately (+2% q-o-q), whereas operational costs dropped similarly (-2%).

Regarding one-off items: the profit generated on the repurchase of UT2 capital dropped significantly compared to the previous quarters (1Q: HUF 19.6 billion; 2Q: HUF 5.5 billion; 3Q: HUF 2.6 billion in the non-interest income category). Positive tax burden in 3Q reflected the effect of a legal change: a significant portion of the goodwill write-off could not be accounted as part of the corporate tax base in 2008, but a legal change (Act No. XXXV. (19§.) of 2009.) stipulated that under IFRS the Bank can account that in a single amount in 3Q 2009, whereas under HAR in four equal tranches in the next four years respectively. That move trimmed the IFRS tax burden by HUF 11.7 billion in 3Q. With this the effective 3Q tax rate of OTP Core dropped to -9%, compared to +20% typical in 1H 2009, which was in line with the normal tax burden. The above mentioned goodwill amortisation won't have a further effect on the IFRS tax amount payable, the effective tax rate since 4Q expectedly returns to near 20%.

In 3Q the risk costs of OTP Core dropped to HUF 10.6 billion (-61% q-o-q), simultaneously the coverage ratio of problematic loan portfolio did not changed remarkably (2Q 2009: 73.1%; 3Q: 72.0%).The experienced deterioration of DPD90+ rate slowed down significantly in the recent period. The dynamics of deterioration was practically one third regarding the total portfolio (q-o-q the increase of DPD90+ rate was 0.6% compared to 1.6% of the 2Q 2009). Similarly to 2Q, mortgage loans deteriorated principally (DPD90+ rate grew form 5.4% to 6.3%). The deterioration of corporate loan quality (including micro and small + medium and large corporates) moderated remarkably (DPD90+: from 6.8 % to 7.3%), in the segment of consumer loans a slight improvement was experienced (from 10.6% to 10.2%). The positive developments were significantly influenced by the appreciation of HUF in 2Q and 3Q. The positive effect of loan restructuring on the 3Q risk costs was marginal. The restructured portfolio represented approximately 2.7% of the retail portfolio and 1.8% of the total book at the end of September.

Net interest income increased by 3% q-o-q (by HUF 2.5 billion) as a consequence of the decreasing deposit interest rates resulted by the declining HUF-yield environment and the moderating competition in the deposit market. Furthermore it is also due to the somewhat slower downward repricing of assets. This positive effect was only partially offset by the decline in the net interest income of FX swaps influenced by downward moving HUF yields. Though net interest margin diminished slightly (5.58% -0.18%-points q-o-q), but there is a technical reason for that: OTP Core's total assets was boosted by the Hungarian municipalities' seasonally strong deposit taking driven by the collection of local taxes in September. Still the margin remained higher then the average level in 9M 2008 (5.50%).

Net F&C (3Q: HUF 21.8 billion) dropped by 3% q-o-q, 2% y-o-y, but the amount of income remained practically flat at a three quarter level. Good performance gained momentum while deposit and cash transfer commissions – giving the major part of the commission income (9M 2009: 49% of commissions total) – and card commissions were stable: income resulting from these decreased by 2% and 4% y-o-y respectively. The ratio of loan related and securities commissions hit by the crisis in a most sensitive way is relatively low (5% and 10% respectively within total net F&C) (the y-o-y drop in these categories was 21% and 19% otherwise). In case of loan related commission it is important to take into consideration that according to IFRS these commissions are accrued during the tenor of the loans, thus the decline in new disbursements results only a gradual moderation of this type of fee & commission income.

Other non-interest income increased by 5% q-o-q. Though the pre-tax profit yielding from the repurchase of UT2 capital diminished to HUF 2.6 billion from HUF 5.5 billion in the previous quarter, it was counterbalanced by the higher profit realised on the securities portfolio of the bank due to decreasing HUF-yields (following the HUF 4.3 billion result in the previous quarter it was about HUF 7.2 billion).

Control of operating costs is continuously strict: the quarterly cost amount remains nominally too below the level of that of the previous year (-2% y-o-y). The decrease of 3Q (-2% q-o-q) is caused by other expenses (-7% q-o-q), explained by the HUF 1 billion q-o-q decline of local taxes due to the drop in the tax-base. Q-o-q personnel costs remained unchanged.

Closing number of the headcount diminished by 351 persons to 7,946 during 9M (-4% YTD), number of branches has not been changed (3Q 2009: 403).

Main components of OTP Core balance sheet:

Main components of balance sheet closing balances in HUF mn	3Q 2008	2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y	YTD
Total Assets	5,099,224	4,964,333	5,350,383	5,689,552	6%	12%	15%
Gross customer loans	3,200,309	3,348,950	3,393,185	3,378,180	0%	6%	1%
Retail loans	2,027,465	2,189,534	2,176,050	2,191,642	1%	8%	0%
Corporate loans	1,172,844	1,159,416	1,217,135	1,186,539	-3%	1%	2%
Provisions	-105,230	-117,635	-154,170	-164,504	7%	56%	40%
Deposits from customers	3,353,600	3,244,482	3,321,968	3,474,662	5%	4%	7%
Retail deposits	2,242,101	2,420,480	2,407,104	2,425,556	1%	8%	0%
Corporate deposits	1,111,499	824,002	914,864	1,049,106	15%	-6%	27%
Liabilities to credit institutions and governments	531,837	598,386	800,746	839,086	5%	58%	40%
Issued securities	1,313,821	1,412,929	1,298,521	1,318,716	2%	0%	-7%
Subordinated bonds and loans	278,566	302,878	281,421	273,209	-3%	-2%	-10%
Total shareholders' equity	955,208	832,333	888,612	938,689	6%	-2%	13%
Loan Quality (%)	3Q 2008	2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y	YTD
90+ days past due loans/gross customer loans	4.0%	4.3%	6.2%	6.8%	0.6%	2.8%	2.5%
Total provisions/90+ days past due loans	83.0%	82.5%	73.1%	72.0%	-1.2%	-11.1%	-10.5%
Market Share (%)	3Q 2008	2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y	YTD
Loans	18.2%	17.6%	17.7%	17.8%	0.1%	-0.4%	0.2%
Deposits	25.2%	24.1%	23.1%	24.3%	1.2%	-0.9%	0.3%
Total Assets	25.1%	23.8%	23.4%	24.4%	1.1%	-0.7%	0.6%
Indicators (%)	3Q 2008	2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y	YTD
Gross loans to deposits	95%	103%	102%	97%	-5%	2%	-6%

Balance sheet trends

Since 1Q 2009 the loan-to deposit ratio of OTP Core has been decreasing (3Q 2009: 97%, -5%-points q-o-q, -6%-points YTD). However, incorporating the retail bonds into the deposit base – for household clients those instruments are a proxy of longer term deposits – the ratio would be 91% (-5% q-o-q). During 3Q business adjustment was the main driver of the improvement, since HUF remained in the period relatively stable against those foreign currencies which were important from the point of FX lending (the closing rate appreciated against EUR by 1%, but depreciated against CHF and JPY by 0.3% and 2% respectively).

In 3Q loan portfolio stagnated as a result increasing SME and consumer lending (q-o-q +7% and +2% respectively). Mortgage loan book stagnated q-o-q and corporate loans dropped by 3%, but the FX-adjusted amount represented a smaller decrease (-1% q-o-q). Hence in the first three quarter of 2009 the mortgage loan portfolio diminished by 2% and the consumer loan book grew by 8% (3Q 2009 vs. 4Q 2008). Corporate loan book increment was about 2%, whereas micro and small business exposures grew by 5% YTD 2009.

In the first three quarter of 2009 new disbursement of retail loans fell back significantly due to the severity of lending conditions in November 2008 and partially as the negative effect of the financial crisis on loan demand. In case of mortgage loans the HUF 48 billion disbursed amount lags behind by 84% of the same period in 2008, in case of personal loans consisting the bulk of consumer loans the drop is 59% (1-3Q 2009 disbursement: HUF 42 billion). After hitting the bottom in 1Q both loan types show gradual revival in disbursements (mortgage loan disbursement 1Q: 11.8; 2Q: 16.8; 3Q: 19.6 HUF billion, latest +17% q-o-q; personal loan disbursement: 1Q: 12.0; 2Q: 14.5; 3Q: 15.5 HUF billion, latest +7% q-o-q). Improvement in mortgage bond segment is due to the increasing EUR disbursement, HUF disbursement did not change substantially.

In line with the intention of the management both within the disbursement of mortgage loans and personal loans the ratio of HUF denomination grew remarkably compared to the base period: in case of mortgage loans from 10% to 65%, in case of personal loans from 24% to 95%. Simultaneously, amongst FX denominated disbursements EUR became dominant (32% of newly disbursed mortgage loans and 5% of personal loans were EUR denominated in 9M 2009).

Owing to the good performance of corporate deposits OTP Core's deposit base grew by 5% in 3Q. Latter in 3Q was partially supported by the seasonally good municipal deposit positions due to collected local taxes (HUF +100 billion q-o-q) and by the increased amount of large corporate's deposits as a result of a HUF 34 billion increase in the amount deposited by asset managers. Retail deposit book is still stable, slightly increasing (+1% q-o-q, +0% YTD), the growth of retail savings primarily flows in retail bonds. Since 4Q 2008 the volume of own retail bonds extends significantly, in 3Q 2009 – following a HUF 55 billion increase in 1Q and

HUF45 billion in 2Q – with another HUF 71 billion the issued amount grew to HUF 230 billion. Retail customers reckon this product as an alternative savings product compared to deposits, however the average maturity of the bonds is longer (typically 1 year) than that of the term deposits (typically 3 to 6 months).

Outstanding bond portfolio of OTP Core was remarkably influenced in 9M by the maturity (27 February 2009) and repayment of EUR 750 million senior note (approx. HUF 203 billion). This effect was significantly counterbalanced by the above mentioned HUF 172 billion increase in retail bond volumes during the first three quarter. Amount of matured mortgage bonds was approx. HUF 100 billion and the total was effected by the exchange rate movements too. Until now new institutional issuance has not been materialised during 2009.

The volume of UT2 and LT2 capital declined by 10% compared to YE 2008 amount as a result of the purchase of Upper Tier2 Capital during 9M 2009. From the originally issued EUR 500 million UT2 capital altogether HUF 155 billion was repurchased during the three quarters (1Q: EUR 90 million; 2Q: EUR 39 million; 3Q: EUR 26 million). The 9M pre-tax profit realised on the transactions was HUF 27.7 billion (1Q: HUF 19.6 billion; 2Q: HUF 5.5 billion; 3Q: HUF 2.6 billion).

Funding and the liquidity position of OTP Core was influenced by fact that the Hungarian State granted a funding facility to the Bank to enhance the lending activity to Hungarian corporates. The loan was drawn down in two tranches (EUR 1 billion at 1 April 2009, EUR 400 million at 30 June 2009). According to the requirements of the agreement in the recent period OTP Bank approached more than 5 thousands entrepreneurships with relevant loan offers. Between 1 April 2009 and 30 September loan facilities with the amount HUF 123 billion have been originated, thus the FX-adjusted outstanding volume of micro, small, medium and large scale enterprise financing increased by HUF 63 billion (approx. EUR 230 million), approximately by 15% in the said period. However it is a post Balance Sheet news that half of the outstanding debt, EUR 700 million, was repaid by the Bank to the State on 5 November. The repayment is reasoned by the fact that because of the interest rate level and maturity of the state loan facility the Bank could satisfy the demand of only a limited circle of entrepreneurs, thus in the future OTP Bank is willing to support a wider range of potential client interest at the expense of its own liquidity reserve, currently exceeding EUR 5 billion.

In 3Q 2009 an agreement was concluded between OTP and EBRD according to which the international financial institution granted an EUR 200 million subordinated debt capital stand-by facility for the second half of 2009. As a part of the agreement EBRD provided CHF 500 million CHF/HUF swap-line for OTP Bank which was partially utilized till the end of September, but in the meantime was fully used. The subordinated loan facility has not been used until now. However on one hand these facilities could improve further the otherwise stable capital position of the Bank and on the other hand provide a continuous CHF liquidity for FX lending purposes.

OTP FUND MANAGEMENT

Changes in assets under management and financial performance of OTP Fund Management:

Main components of P&L account in HUF mn	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
After tax profit w/ dividends and net cash transfer	4,520	3,681	-19%	1,397	1,144	1,294	13%	-7%
Pre-tax profit	5,624	4,578	-19%	1,738	1,434	1,591	11%	-8%
Fund management fee	8,477	6,631	-22%	2,692	2,174	2,308	6%	-14%
Fund management fee (%)	*1.44%*	*1.34%*	*-0.1%*	*1.40%*	*1.37%*	*1.29%*	*-0.1%*	*-0.1%*
Wealth management fee	2,804	2,372	-15%	905	747	837	12%	-7%
Wealth management fee (%)	*0.47%*	*0.41%*	*-0.1%*	*0.45%*	*0.39%*	*0.38%*	*-0.1%*	*0.0%*
Dealer commission	-4,685	-3,752	-20%	-1,523	-1,223	-1,315	8%	-14%
Operating expenses	-1,093	-922	-16%	-290	-287	-344	20%	19%
Personnel expenses	-362	-355	-2%	-120	-79	-153	95%	27%
Operating expenses	-713	-550	-23%	-163	-202	-186	-8%	14%
Depreciation	-18	-17	-4%	-6	-6	-5	-27%	-21%
Value creation (after-tax)	8,526	6,895	-19%	2,698	2,198	2.417	10%	-10%
Asset under management in HUF bn	2008	9M 2009	YTD	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
OTP Investment Funds	641.1	759.3	18%	751.8	645.1	759.3	18%	1%
Pension Funds	549.0	743.0	35%	603.8	618.2	743.0	20%	23%
o/w OTP Funds	534.0	721.1	35%	592.3	601.5	721.1	20%	22%
Other pension funds	15.0	21.9	46%	11.6	16.6	21.9	32%	90%
Other institutional Investors	184.5	195.4	6%	181.2	178.6	195.4	9%	8%
Asset under management, total	**1,374.6**	**1,697.7**	**24%**	**1,536.8**	**1,441.9**	**1,697.7**	**18%**	**10%**

In 9M 2009 OTP Fund Management realised HUF 3.7 billion after tax profit (-19% y-o-y), q-o-q a 13% profit increase was experienced. In the first nine months the portfolio of fund management and also the portfolio of assets under management shaped favourably, 9M value creation reached HUF 6.9 billion.

Until September 2009 OTP Fund Management has charged HUF 6.6 billion management fee which means 1.34% fee charges on to the average portfolio base. In the last 9 months operating expenses of the Company were under strong control (-16% y-o-y).

Regarding the domestic fund management market the amount of managed funds increased in 3Q, capital inflow was experienced in all major categories but guaranteed funds. As for the market bond funds were the most popular with some HUF 60 billion capital inflow during the quarter. Besides that money market and equity funds also absorbed significant amount of fresh capital (HUF +49 billion and HUF +48 billion).

OTP Fund Management took 30% from the market's total cash inflow significant part of the fresh money went into money market, bond and guaranteed funds. Within funds managed by OTP Fund Management the portfolio of OTP Optima grew by HUF 8 billion q-o-q, while the portfolio of OTP Capital Guaranteed Fund increased by HUF 7 billion.

By the end of September 2009 the net asset value of Pension Funds reached HUF 743 billion with a significant increase (+35% y-o-y and 20% q-o-q), net asset value of other institutional fund management expanded by about 10% on a quarterly base.

OTP Fund Management kept its market leader position on the domestic fund management market, at the end of September its market share grew to 30.5% (+71 bps q-o-q).

The 9M of the two consolidated foreign fund management companies amounted to HUF 19 million loss (3Q: + HUF 14 million).

MERKANTIL GROUP

Performance of Merkantil Bank and Car:

Main components of P&L account in HUF mn	9M 2009	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
After tax profit w/o dividends and net cash transfer	6,044	9	-100%	1,938	235	-356	-251%	-118%
One-off items, after-tax	74	12	-83%	0	1	0	-100%	
After tax profit w/o dividends, net cash transfers and one-offs	5,970	-3	-100%	1,938	235	-356	-252%	-118%
Pre-tax profit	7,645	125	-98%	2,542	261	-318	-222%	-112%
Operating profit	8,673	9,017	4%	2,689	2,919	3,041	4%	13%
Total income	13,092	12,705	-3%	4,167	4,118	4,096	-1%	-2%
Net interest income	15,137	14,990	-1%	4,870	4,949	4,610	-7%	-5%
Net fees and commissions	-3,215	-3,673	14%	-1,297	-1,317	-1,158	-12%	-11%
Other net non-interest income	1,170	1,388	19%	595	486	644	33%	8%
Operating expenses	-4,419	-3,688	-17%	-1,478	-1,199	-1,055	-12%	-29%
Provision for possible loan losses[1]	-967	-8,642	794%	-8	-2,859	-3,267	14%	
Other provision[1]	-61	-250	310%	-139	202	-91	-145%	-34%
Main components of balance sheet closing balances in HUF mn	**2008**	**9M 2009**	**YTD**	**3Q 2008**	**2Q 2009**	**3Q 2009**	**Q-o-Q**	**Y-o-Y**
Total assets	354,672	312,549	-12%	325,005	326,546	312,549	-4%	-4%
Gross customer loans	322,870	320,694	-1%	295,970	332,441	320,694	-4%	8%
Retail loans	204	290	43%	570	553	290	-48%	-49%
Corporate loans	40,485	40,375	0%	43,312	43,344	40,375	-7%	-7%
Car financing loans	282,514	280,029	-1%	252,089	288,545	280,029	-3%	11%
Allowances for possible loan losses[1]	-20,751	-31,690	53%	-17,491	-28,481	-31,690	11%	81%
Car leasing[1]	22,134	-	-	16,421	-	-	-	-
Big ticket leasing[1]	7,350	-	-	7,214	-	-	-	-
Deposits from customers	8,118	4,930	-39%	8,726	6,227	4,930	-21%	-43%
Retail deposits	2,245	1,373	-39%	2,234	2,235	1,373	-39%	-39%
Corporate deposits	6,194	3,557	-43%	6,492	3,992	3,557	-11%	-45%
Liabilities to credit institutions	269,856	237,365	-12%	237,461	246,687	237,365	-4%	0%
Issued securities	30,383	25,757	-15%	32,561	27,740	25,757	-7%	-21%
Subordinated debt	1,700	1,700	0%	1,700	1,700	1,700	0%	0%
Total shareholders' equity	34,572	33,272	-4%	37,184	33,627	33,272	-1%	-11%
Loan Quality (%)	**9M 2008**	**9M 2009**	**Y-o-Y**	**3Q 2008**	**2Q 2009**	**3Q 2009**	**Q-o-Q**	**Y-o-Y**
90+ days past due loans/gross customer loans	6.8%	12.8%	6.0%	6.8%	10.9%	12.8%	1.9%	6.0%
Cost of risk/average gross loans	0.45%	3.59%	3.14%	0.01%	3.36%	3.97%	0.61%	3.96%
Total provisions/90+ days past due loans	86.9%	77.2%	-9.7%	86.9%	78.8%	77.2%	-1.6%	-9.7%

Performance Indicators (%)	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
ROA	2.6%	0.0%	-2.6%	2.4%	0.3%	-0.4%	-0.7%	-2.9%
ROE	22.4%	0.0%	-22.4%	21.3%	2.8%	-4.2%	-7.0%	-25.5%
Total income margin	5.61%	5.09%	-0.52%	5.25%	4.66%	5.08%	0.43%	-0.16%
Net interest margin	6.49%	6.01%	-0.48%	6.13%	5.60%	5.72%	0.13%	-0.41%
Cost/income ratio	33.8%	29.0%	-4.7%	35.5%	29.1%	25.8%	-3.3%	-9.7%

[1] Effective from 2009, Car financing loans comprise Car leasing volume and Corporate loans include Big ticket leasing volume, and the allowances relating to leasing exposures are shown on the Allowances for possible loan losses balance sheet line. The P&L structure is affected as well because provisioning in relation to leasing exposures has been removed from Other provisions to Provision for possible loan losses line in the P&L.

- ***9M 2009 PAT is practically zero along with significantly higher provisioning***
- ***Improving operating income: decreasing income was compensated by cost cutting***
- ***FX-adjusted car financing portfolio further declined***
- ***Ratio of DPD90+ loans grew; despite the 14% higher q-o-q provisioning the coverage diminished slightly to 77%***

In 9M 2009 the aggregated, non-consolidated adjusted after-tax result of Merkantil Bank and Car totalled to HUF 3 million loss, while the profit of the base period was around HUF 6 billion.

After-tax result developments were significantly influenced by the increase of provisioning; total income declined slightly while operating costs fell back significantly.

Provisioning reached HUF 8.6 billion compared to HUF 1 billion in the base period. Main driver of high provisioning is the loan portfolio deterioration which continued in 3Q: ratio of DPD90+ loans reached 12.8% (+1.9%-points q-o-q). Coverage of DPD90+ portfolio is constantly high, it exceeds 77% (y-o-y it decreased by 9.7%-points, q-o-q by 1.6%-points).

It is favourable that parallel with the stabilisation of CHF exchange rate the shorter DPD-rates showed some flattening and the proportion of clients in delay with extra payment obligations occurred in July induced by HUF weakening and interest rate changes in 2Q was lower than in the previous quarters. In addition to this, Merkantil launched a debtor protection program; till the end of September, 1% of gross loan portfolio was included in the program.

High provisioning in 3Q (+14% q-o-q) could be reasoned by the fact that the delays of extra payment obligations occurred in April induced by HUF weakening and interest rate changes in 1Q reached the 90 days category only in 3Q.

In 9M 2009 operating income showed a 4% improvement due to curtailed operating costs (-17% y-o-y). But the total income dropped by 3%.

NII remained stable in 9M (-1% y-o-y), but decreased in 3Q 2009 by 7% q-o-q. Reasons of declining NII were the decline of business volumes, the increasing amount of accrued interest and the increasing spread level of the intra-group financing.

Operating income was affected adversely by declining net fee and commission income, because in the first nine months commission income dropped by around 66% compared to the base period while commission expenses decreased by only 12% (significant part of commission expense occurs independently from business activity). However it is favourable that in 3Q net F&C expenses fell by 12% q-o-q. Other net non-interest income grew by 19% in 9M 2009 mainly due to the good performance in 3Q.

Operating expenses moderated by 17% y-o-y. Cost control is featured by the fact that this was achieved with local tax burden well above the plan. In the first nine months cost savings were primarily reached in case of personnel expenses in a yearly comparison, while in 3Q in case of other expenses.

The car financing loan book increased by 11% y-o-y. It should be noted that on one hand car financing loans also comprise car leasing volume from 2Q 2009, on the other hand HUF depreciated against CHF by 16%. In HUF terms car loans diminished by 3% (HUF depreciated by 0.3% against CHF in 3Q, while 90% of the portfolio is in CHF). Although the strict lending rules introduced by Merkantil in 2008 were somewhat eased in 1H 2009, the FX-adjusted car financing portfolio (including car loans and car leasing volume) has been continuously declining since September 2008.

Non-car-financing Group Members had an aggregated total assets of HUF 61.4 billion (-1% q-o-q).

IFRS REPORTS OF THE MAIN SUBSIDIARIES

In the following parts of the Interim Management Report the after tax profit w/o dividends and net cash transfer of subsidiaries are presented. The structural adjustments on P&L statement lines of subsidiaries as well as description of calculation methods of performance indices are to be found in supplementary data annex.

DSK GROUP

Performance of DSK Group:

Main components of P&L account in HUF mn	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
After tax profit w/o dividends and net cash transfer	22,535	17,519	-22%	7,376	4,560	5,571	22%	-24%
Pre-tax profit	25,059	19,468	-22%	8,201	5,061	6,205	23%	-24%
Operating profit	32,670	41,856	28%	11,036	14,167	13,946	-2%	26%
Total income	51,021	64,521	26%	17,230	21,981	21,056	-4%	22%
Net interest income	37,499	51,741	38%	12,557	17,440	16,733	-4%	33%
Net fees and commissions	12,615	11,637	-8%	4,380	4,136	3,851	-7%	-12%
Other net non-interest income	907	1,142	26%	293	405	472	17%	61%
Operating expenses	-18,351	-22,665	24%	-6,194	-7,814	-7,110	-9%	15%
Provision for possible loan losses	-7,590	-22,213	193%	-2,834	-9,102	-7,592	-17%	168%
Other provision	-20	-175	753%	-1	-4	-149		
Main components of balance sheet closing balances in HUF mn	**2008**	**9M 2009**	**YTD**	**3Q 2008**	**2Q 2009**	**3Q 2009**	**Q-o-Q**	**Y-o-Y**
Total assets	1,171,645	1,198,537	2%	1,088,199	1,187,103	1,198,537	1%	10%
Gross customer loans	1,014,893	1,029,904	1%	909,549	1,030,687	1,029,904	0%	13%
Retail loans	816,257	835,173	2%	732,774	836,539	835,173	0%	14%
Corporate loans	198,636	194,731	-2%	176,775	194,149	194,731	0%	10%
Allowances for possible loan losses	-39,074	-61,121	56%	-34,284	-53,990	-61,121	13%	78%
Deposits from customers	722,880	781,741	8%	676,831	758,575	781,741	3%	16%
Retail deposits	626,576	653,765	4%	572,688	645,294	653,765	1%	14%
Corporate deposits	96,304	127,975	33%	104,143	113,281	127,975	13%	23%
Liabilities to credit institutions	175,126	119,970	-31%	202,317	137,878	119,970	-13%	-41%
Subordinated debt	92,680	94,624	2%	48,630	95,350	94,624	-1%	95%
Total shareholders' equity	165,045	185,013	12%	144,048	180,055	185,013	3%	28%
Loan Quality (%)	**9M 2008**	**9M 2009**	**Y-o-Y**	**3Q 2008**	**2Q 2009**	**3Q 2009**	**Q-o-Q**	**Y-o-Y**
90+ days past due loans/gross customer loans	2.8%	7.9%	5.1%	2.8%	5.7%	7.9%	2.2%	5.1%
Cost of risk/average gross loans	1.2%	2.9%	1.7%	1.3%	3.3%	2.9%	-0.4%	1.6%
Total provisions/90+ days past due loans	135.4%	75.1%	-60.3%	135.4%	91.2%	75.1%	-16.2%	-60.3%
Performance Indicators (%)	**9M 2008**	**9M 2009**	**Y-o-Y**	**3Q 2008**	**2Q 2009**	**3Q 2009**	**Q-o-Q**	**Y-o-Y**
ROA	2.8%	2.0%	-0.9%	2.8%	1.4%	1.9%	0.4%	-0.9%
ROE	22.5%	13.4%	-9.1%	21.4%	9.6%	12.1%	2.5%	-9.3%
Total income margin	6.44%	7.28%	0.84%	6.52%	6.97%	7.00%	0.03%	0.48%
Net interest margin	4.73%	5.84%	1.11%	4.75%	5.53%	5.57%	0.04%	0.81%
Cost/income ratio	36.0%	35.1%	-0.8%	36.0%	35.5%	33.8%	-1.8%	-2.2%
Gross loans to deposits	134%	132%	-3%	134%	136%	132%	-4%	-3%

- ***Primary reason for the 22% after tax profit increase q-o-q is the HUF 1.5 billion decline of risk cost for loan losses***
- ***Risk cost rate decreased by 0.4%-points (3Q 2009: 2.9% vs. 2Q: 3.3%)***
- ***Still stable total income, nominally decreasing operating expenses, improving CIR (3Q 2009: 33.8%. -1.8%-points q-o-q)***
- ***Increasing deposits (+3%), stagnating loan portfolio q-o-q, further improving loan-to-deposit ratio***
- ***Stable market share both on asset and liability side***

First nine months net profit of HUF 17.5 billion of DSK Group represents 22% decline y-o-y. Decreasing profit is the result of the trebling risk costs y-o-y as a consequence of the deteriorating portfolio quality. At the same time the operating profit without risk costs expanded by 28% compared to the base period as a combined effect of net interest income increase (38% y-o-y), slightly diminishing commissions (-8%) and operating costs growing by 24%. Primary reason of the 22% q-o-q increase of 3Q net profit (HUF 5.6 billion) is the HUF 1.5 billion decline of risk costs for loan losses. Simultaneously operating income excluding risk costs improved in some degree (by +4% q-o-q in BGN) as a result of 1% higher total income and 4% lower operating costs. Accordingly Cost/Income ratio (3Q 2009: 33.8%) decreased both q-o-q (-1.8%-points) and y-o-y (-2.2%-points).

Profit dynamics is primarily determined by the development of risk costs. Ratio of DPD90+ loans increased to 7.9%: the pace of deterioration compared to the previous quarter (+1.9%-points) accelerated a bit (+2.2%-points) q-o-q. The unfavourable tendency is unequivocally related to corporate loans. The quality deterioration of those loans accelerated compared to the previous quarters (DPD90+ ratio increased from 1.1% to 4.0% q-o-q). SME loans still had the determining role in loan quality deterioration (DPD90+ grew from 12.8% to 17.9% q-o-q), however within this segment and in the segment of consumer loans the formation of new non-performing loans somewhat slowed down q-o-q (in case of consumer loans otherwise the DPD90+ ratio increased from 6.8% to 8%). Amongst housing loans the growth rate of the problematic portion of the portfolio practically remained flat q-o-q (DPD90+ ratio increased from 5.2% to 7.4%).

In 3Q the coverage ratio of DPD90+ loans declined further from 91% to 75%, but even after this significant drop the ratio is above the Group average and higher than the same ratios of the main Bulgarian competitors. In mid-August an intensive restructuring campaign was launched for restructuring of non-performing loans but its positive effect on risk costs is expected with a slight delay. Up to September only 2.4% of the mortgage portfolio was affected by restructuring (based on the loan amount).

With respect to profit development the stability of total revenue base is continuously favourable: both total revenues and net interest income diminished by 4% reflecting the same appreciation of average exchange rate of the HUF q-o-q, i.e. the income in BGN remained flat. It is also reflected in the unchanged total income- and net interest margin (3Q: 7.00% and 5.57% respectively). The fallback of net F&C (y-o-y -8%, q-o-q -7%) derives from the weaker lending activity. In case of the Bulgarian subsidiary the ratio of lending related commission income is significant, almost 36% within total net F&Cs (9M 2009). As far as the other two dominant commission types, i.e. deposit and card related commissions are concerned (their proportion is 37% and 16% respectively): 9M income increased by 4% in BGN y-o-y, while in 3Q the amount of deposit related F&C remained stable but the card related F&C grew by 18% (in BGN) as a result of the increasing transactional activity of the clients.

As a result of tightened lending conditions during the last 12 months and the moderate loan demand the new loan disbursement is practically enough only for the maintenance of the portfolio level. In BGN terms mortgage-, consumer- and corporate loans grew by 1% q-o-q each, SME loans were further declining (-3% q-o-q, -11% y-o-y). Market share remained practically the same in all product segments.

Deposit base further expanded (in BGN by 4% q-o-q and y-o-y as well). Thus the decrease of the loan-to-deposit ratio which started in 1Q, continued (9M 2009: 132%, -4%-points q-o-q). Notwithstanding the retail deposit market showing signs of calming down (on the banking system level the average interest rate on deposits decreased in July and August), the growth of the retail deposit portfolio of DSK still accelerated a bit. After the 1% growth in each of the first two quarters the portfolio increased by 2% in 3Q so the y-o-y growth is already 4%. Corporate deposits perform still outstandingly: following their 14% increase in 2Q, they grew by another 15% q-o-q, this means a 10% higher level than in September 2008. This improvement is to a large extent backed by the significant increase of pension funds' deposits, like in 2Q.

On the liability side there has not been any important capital market transactions in the first three quarters of 2009. The amount of subordinated loan capital in BGN remained flat, the inter-bank funding decreased, mainly as a consequence of cutback of the intra-group funding (in BGN -12% q-o-q, -47% y-o-y).

OTP BANK RUSSIA[4]

Performance of OTP Bank Russia:

Main components of P&L account in HUF mn	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
After tax profit w/o dividends and net cash transfer	4,974	1,354	-73%	1,745	-95	1,136		-35%
Pre-tax profit	6,931	1,782	-74%	2,383	-125	1,495		-37%
Operating profit	21,210	19,012	-10%	6,601	5,855	6,831	17%	3%
Total income	52,961	49,575	-6%	17,550	15,966	16,402	3%	-7%
Net interest income	44,476	44,240	-1%	14,984	14,642	14,848	1%	-1%
Net fees and commissions	7,935	3,503	-56%	2,766	1,331	969	-27%	-65%
Other net non-interest income	550	1,832	233%	-201	-7	585		-392%

[4] From 2Q 2008, figures are based on the aggregated financial statements of OAO OTP Bank and the newly acquired Donskoy Narodny Bank.

Main components of P&L account in HUF mn	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
Operating expenses	-31,752	-30,563	-4%	-10,949	-10,111	-9,571	-5%	-13%
Provision for possible loan losses	-14,278	-16,627	16%	-4,231	-5,697	-4,982	-13%	18%
Other provision	0	-603		14	-284	-354	25%	
Main components of balance sheet closing balances in HUF mn	**2008**	**9M 2009**	**YTD**	**3Q 2008**	**2Q 2009**	**3Q 2009**	**Q-o-Q**	**Y-o-Y**
Total assets	529,019	498,795	-6%	477,717	476,413	498,795	5%	4%
Gross customer loans	383,118	340,454	-11%	397,182	348,176	340,454	-2%	-14%
Retail loans	247,927	223,823	-10%	251,080	220,674	223,823	1%	-11%
Corporate loans	113,378	99,744	-12%	125,824	108,769	99,744	-8%	-21%
Car financing loans	21,813	16,887	-23%	20,278	18,733	16,887	-10%	-17%
Allowances for possible loan losses	-30,389	-38,709	27%	-29,860	-39,029	-38,709	-1%	30%
Deposits from customers	224,152	246,030	10%	247,696	226,149	246,030	9%	-1%
Retail deposits	137,252	170,366	24%	160,765	158,136	170,366	8%	6%
Corporate deposits	86,901	75,664	-13%	86,931	68,013	75,664	11%	-13%
Liabilities to credit institutions	214,001	152,823	-29%	134,940	156,652	152,823	-2%	13%
Issued securities	8,189	6,841	-16%	5,656	5,599	6,841	22%	21%
Subordinated debt	13,657	13,376	-2%	12,652	13,800	13,376	-3%	6%
Total shareholders' equity	60,665	69,020	14%	61,566	64,191	69,020	8%	12%
Loan Quality (%)	**9M 2008**	**9M 2009**	**Y-o-Y**	**3Q 2008**	**2Q 2009**	**3Q 2009**	**Q-o-Q**	**Y-o-Y**
90+ days past due loans/gross customer loans	8.1%	13.8%	5.7%	8.1%	13.9%	13.8%	-0.1%	5.7%
Cost of risk/average gross loans	5.4%	6.1%	0.7%	4.6%	6.0%	5.7%	-0.3%	1.2%
Total provisions/90+ days past due loans	92.9%	82.5%	-10.4%	92.9%	80.7%	82.5%	1.8%	-10.4%
Performance Indicators (%)	**9M 2008**	**9M 2009**	**Y-o-Y**	**3Q 2008**	**2Q 2009**	**3Q 2009**	**Q-o-Q**	**Y-o-Y**
ROA	1.5%	0.4%	-1.1%	1.5%	-0.1%	0.9%	1.0%	-0.6%
ROE	12.9%	2.8%	-10.1%	13.3%	-0.6%	6.8%	7.4%	-6.5%
Total income margin	15.55%	12.90%	-2.66%	15.46%	12.18%	13.35%	1.16%	-2.11%
Net interest margin	13.06%	11.51%	-1.55%	13.20%	11.17%	12.08%	0.91%	-1.12%
Cost/income ratio	60.0%	61.6%	1.7%	62.4%	63.3%	58.4%	-5.0%	-4.0%
Gross loans to deposits	160%	138%	-22%	160%	154%	138%	-16%	-22%

- ***Improving net interest margin and profitability in 3Q, mainly due to boosted POS lending and higher yields on invested excess liquidity***
- ***Constant improvement of liquidity position, loan-to-deposit ratio 3Q 2009: 138% (-16%-points q-o-q, -22%-points y-o-y)***
- ***Risk costs decreased by 13% q-o-q, 3Q risk cost rate moderated from 6.0% to 5.7%***

Profit after tax of OTP Bank Russia in first nine months of 2009 totalled to HUF 1.4 billion. The yearly drop in net profits of HUF 3.6 billion is a result of the y-o-y -56% drop in commission income due to moderating lending and transactional activity, and the 16% increase in risk costs. The 1-3Q net interest income remained around its previous year's levels (-1% y-o-y), the operating costs dropped by 4%.

The third quarter showed extremely positive developments regarding profit after tax dynamics: two factors affected very positively both net interest and total income margins of OTP Bank Russia, furthermore risk cost development was also favourable.

The first factor improving net interest margin was the pick up in POS lending: following the decline in the winter/spring period, volumes started growing during the summer period as a result of renewed customer demand. In parallel, the bank took measures to catch up with those developments through hiring agents and signing contracts with nationwide distribution chains. 3Q 2009 POS loan disbursements grew by 58% q-o-q, thus resulting an only 5% decrease on a yearly basis. The estimated market share of OTP Bank Russia in POS loan origination grew from 15% to 23% q-o-q, becoming the second largest player in the market. Consequently the volume of POS loans (which have the highest net interest margin across OTP Group) increased dynamically (+14% q-o-q). Furthermore, the q-o-q growth of +14% was after significant bad POS loan write-offs (in the amount of cca. HUF 5.1 billion). Adjusting the portfolio growth with write-offs, it could have been +21%.

On the other hand, due to the successful deposit collection, the about USD 300 million excess liquidity collected in the first half year could be invested in higher yielding securities and interbank loans, following the regulatory changes coming into force around the end of the first half year.

These two factors improved significantly OTP Bank Russia's total income and net interest margins: former grew q-o-q by 1.16%-points to 13.35%, latter by 0.91%-points to 12.08%. So the Bank's net interest income increased by 9% q-o-q in RUB (in HUF terms the growth is only 1% due to the strengthening of the HUF).

In 3Q another positive development was the q-o-q 13% decline (-6% in RUB) in risk costs, mainly due to the diminishing risk costs related to credit cards. The Bank's risk cost rate is still stable around the pre-crisis level (3Q 2009: 5.74%, -0.26%-points q-o-q).The volume of allowances for possible loan losses on the balance sheet has not changed on a quarterly basis, because there have been significant

POS loan write-offs during the third quarter (about HUF 5.1 billion, RUB 0.8 billion), related to which provisions have been released. The ratio of DPD90+ loans has not changed (DPD90+ 13.8%, -0.1%-points q-o-q), partially because of the previously mentioned write-offs. DPD90+ coverage has even improved (3Q 2009: 82.5%, +1.8%-points q-o-q).

As for the main items of P&L statement, the -27% q-o-q (-22% in RUB) change in net F&C income is reasoned by the increasing commission expenses related to collection activities as the collector agreements have been concluded with success fee structure. On the other hand the more successful collection activity generates income and enables release of provisions. The decisive part of net F&C income, deposit and transaction related commissions grew q-o-q (+2% in HUF, +9% in RUB terms).

Operating costs are henceforward under stringent control after the cut-back of the headcount by 600 in the last quarter of 2008 and the cut down on marketing spending and administrative expenses (nine months' costs decreased by 4% y-o-y, 3Q costs decreased by 5% q-o-q, which is virtually a stagnation in RUB terms (+2%)). After the stagnation in 1Q, the headcount grew in 2Q and 3Q as well (+60 people in 2Q, +503 in 3Q) due to the measures taken to increase sales (raise in the number of POS loan agents). Number of employees at the end of 3Q 2009 stood at 9,025 (-45 y-o-y).

The HUF +0.6 billion rise in other provisions in the first nine months is caused by provisions made for losses in the value of securities.

The liquidity position of the Bank continuously improved during 2009. Despite of the positive tendencies in POS lending, other retail and corporate segments still suffer from poor sales. Corporate loan portfolio shrank like in 2Q (3Q: -8% q-o-q). Contrarily, deposit base is still expanding: retail deposits grew by 9% q-o-q due to successful campaigns and the product development meeting customer needs. Corporate deposits increased for the first time in 2009 (+11% q-o-q), primarily as a result of the HUF 3.1 billion equivalent deposited by the State Utility Fund. (This Fund is established to finance housing and communal projects across the country from state financing. Eligible banks can apply for the not-yet invested financial resources of the Fund, which was the case for OTP Russia in 3Q.) The practice of RUB-USD conversion, that characterised the deposit side in the last quarter of 2008 and first quarter of 2009 has faded: proportion of FX deposits shrank in 3Q to 33% (3Q 2008: 12%, 2Q 2009: 34%).

As a result of the above mentioned developments, loan-to-deposit ratio of OTP Bank Russia dropped to 138% (-16%-points q-o-q, -22%-points y-o-y). Parallel to the improvement in the liquidity position, in June 2009 the Bank paid back in full the deposit of Bank of Russia placed at the end of last year in order to enhance the Bank's liquidity.

OTP BANK JSC (UKRAINE)[5]

Performance of OTP Bank JSC:

Main components of P&L account in HUF mn	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
After tax profit w/o dividends and net cash transfer	11,045	-29,227	-365%	4,167	-946	-19,161		-560%
Pre-tax profit	15,179	-29,137	-292%	5,955	-946	-19,156		-422%
Operating profit	21,196	39,416	86%	9,210	12,966	14,856	15%	61%
Total income	39,609	57,222	44%	15,755	19,082	20,263	6%	29%
Net interest income	33,655	46,855	39%	13,245	16,715	14,344	-14%	8%
Net fees and commissions	3,695	5,954	61%	1,359	1,739	2,688	55%	98%
Other net non-interest income	2,258	4,413	95%	1,151	628	3,230	414%	181%
Operating expenses	-18,412	-17,807	-3%	-6,546	-6,116	-5,407	-12%	-17%
Provision for possible loan losses	-5,630	-68,340		-2,862	-14,536	-34,021	134%	
Other provision	-388	-212	-45%	-393	624	9	-99%	-102%

[5] The name of the Ukrainian subsidiary of OTP Bank has been changed from CJSC OTP Bank to OTP Bank JSC (effective from 30 June 2009).

Main components of balance sheet closing balances in HUF mn	2008	9M 2009	YTD	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
Total assets	847,008	686,349	-19%	836,258	771,061	686,349	-11%	-18%
Gross customer loans	763,758	673,281	-12%	728,876	725,558	673,281	-7%	-8%
Retail loans	351,838	311,862	-11%	322,540	337,935	311,862	-8%	-3%
Corporate loans	331,880	299,400	-10%	332,185	317,004	299,400	-6%	-10%
Car financing loans	80,040	62,019	-23%	74,151	70,619	62,019	-12%	-16%
Allowances for possible loan losses	-22,882	-81,129	255%	-8,970	-53,307	-81,129	52%	804%
Deposits from customers	169,888	149,504	-12%	214,205	149,937	149,504	0%	-30%
Retail deposits	77,745	82,863	7%	97,925	78,305	82,863	6%	-15%
Corporate deposits	89,486	66,641	-26%	116,279	71,632	66,641	-7%	-43%
Liabilities to credit institutions	551,030	424,879	-23%	475,121	473,669	424,879	-10%	-11%
Total shareholders' equity	80,098	65,460	-18%	103,377	93,393	65,460	-30%	-37%
Loan Quality (%)	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
90+ days past due loans/gross customer loans	2.7%	19.4%	16.7%	2.7%	11.2%	19.4%	8.1%	16.7%
Cost of risk/average gross loans	1.2%	12.7%	11.5%	1.7%	7.4%	19.3%	11.9%	17.6%
Total provisions/90+ days past due loans	45.9%	62.2%	16.2%	45.9%	65.3%	62.2%	-3.2%	16.2%
Performance Indicators (%)	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
ROA	2.0%	-5.1%	-7.1%	2.1%	-0.4%	-10.4%	-9.9%	-12.4%
ROE	17.5%	-53.7%	-71.2%	19.2%	-4.2%	-95.7%	-83.1%	-106.5%
Total income margin	7.24%	9.98%	2.74%	7.87%	9.07%	10.92%	1.84%	3.05%
Net interest margin	6.15%	8.17%	2.02%	6.62%	7.95%	7.81%	-0.14%	1.19%
Cost/income ratio	46.5%	31.1%	-15.4%	41.5%	32.1%	26.7%	-5.4%	-14.9%
Gross loans to deposits	340%	450%	110%	340%	484%	450%	-34%	110%

- ***Significant loss in the first nine months, primarily due to high risk cost***
- ***Sharp deterioration of portfolio quality in 3Q especially in the corporate sector, coverage ratio remained stable (62.2%)***
- ***Successful retail deposit campaigns, at the same time intentional restricted lending***
- ***Efficient cost management, despite high CPI operational costs dropped by 3% y-o-y***

In the first nine months of 2009 OTP Bank JSC made HUF 30 billion loss, which is primarily due to the significant loan loss provisioning for the non-performing loans. Total income increased by 44% on the yearly basis, whereas operating expenses (without risk cost) fell by 3% y-o-y.

The favourable income dynamics of the first nine months of 2009 was driven by two factors: NII of the Bank grew by 40% y-o-y (considering the depreciation of UAH, NII doubled in local currency), while net F&C income exceeded expectations (+61% y-o-y).

The accounting of interest income related to overdue debt played a role in the growth of NII (the share of accrued but not paid interest within total gross interest income amounted to 15% in 9M 2009). Compared to the growth of interest income on loans (+68% y-o-y in local currency), interest paid on deposits was lower significantly (+48% y-o-y in local currency), despite the deposit collection was picking up in 3Q as a result of favourable interest rates, and interest expenses of subordinated debts increased significantly in the first nine months.

The 9M Bank's profitability was to a large extent shaped by the significant growth of risk cost. The volume of risk provisions represented HUF 53 billion – without provisions made in Hungary for the Ukrainian exposure – as a result of three main factors: HUF 14 billion was made for the unpaid interests of overdue debt and another HUF 4 billion for the FX-adjustment due to the UAH depreciation. The rest of the provision (HUF 35 billion) is reasoned by the worsening of the Bank's risk profile and the revaluation loss of collaterals related to corporate loans under foreclosure process.

During 3Q HUF 15 billion additional provisions were made at OTP Bank for Ukrainian exposure which further deteriorated the Ukrainian bank's profitability. Taking into consideration the additional provisions, the coverage ratio remained flat q-o-q and stood at 62.2% at the end of September (+16.2% y-o-y).

Ratio of DPD90+ portfolio significantly rose in 3Q 2009 reaching 19.4% (+8.1%-points q-o-q). The main reason of portfolio deterioration is the growth of non-performing corporate loans (DPD90+ ratio: 18.3%, +12.8%-points q-o-q), furthermore portfolio deterioration of SME loans has also accelerated in the last quarter (DPD90+ ratio: 25.2%, +9.2%-points q-o-q). The q-o-q weakening of the retail book was less rapid, by the end of September 36% of the total retail book was rescheduled, in case of the total portfolio this rate was 39%.

In 9M 2009 net F&C income topped far beyond the base level, primarily because fee income from the exchange of FX (EUR, USD) instalments of corporate customers (stemming from the difference between the official exchange rates of the National Bank of Ukraine and the interbank rates) increased. Within net commission income, the greatest proportion thereof, deposit and transaction related commission income rose by 34% y-o-y, while card related commissions grew by 30%.

Regarding the loan portfolio, volumes stagnated in 3Q. On one hand as a result of the measures taken by National Bank of Ukraine FX lending virtually stopped, on the other hand the Bank implemented restrictions in lending conditions in order to protect and enhance portfolio quality.

In the retail segment loan portfolio stagnated in LCY due to the lower demand. Within the framework of the restructuring program the Bank enabled the conversion of USD denominated mortgage and car loans to UAH, which contributed to the moderated dynamics of overdue loans. Corporate loans grew by 4% q-o-q in LCY, which is on one hand due to the depreciation of UAH, on the other hand large corporate overdraft and working capital loans recorded a seasonal growth.

As a result of the deposit collection program launched in the previous quarter, a slight expansion of the deposit base occurred. The retail deposit campaign mainly for the term deposits offered better rates than the competition, which resulted a UAH 600 million new deposit, i.e. about 7,000 new customer for the Bank. As a result of the deposit collection program the market share also started to grow (at the end of September 2009: 1.62%, +23 bps q-o-q). Loan-to-deposit ratio decreased by 34 %-points q-o-q.

Deposits of large corporate clients remained flat, which is a result of the distrust of the Ukrainian economy and the financial sector. Corporate clients preferred short term (less than 30 days) savings, nevertheless majority of their access capital is held in cash.

At the end of September CAR of the bank stood at 11.6% at end of September 2009 (the mandatory level is 10%), moreover OTP management decided about providing a potential USD 30 million subordinated debt capital, in order to further improve the capital standing of the Bank.

In the first nine months operating expenses declined by 3% y-o-y and by 12% q-o-q respectively. Within that personnel expenses dropped by 9% compared to 2Q, due to the firing of 600 employees in the first half of the year, material expenses were under strict control.

OTP BANK ROMANIA

Performance of OTP Bank Romania:

Main components of P&L account in HUF mn	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
After tax profit w/o dividends, net cash transfers and one-offs[1]	-196	779	-497%	1,008	1,311	192	-85%	-81%
Pre-tax profit	-17	1,094		1,134	1,451	180	-88%	-84%
Operating profit	1,144	4,866	326%	848	1,409	1,895	34%	123%
Total income	11,222	14,745	31%	3,960	4,980	4,833	-3%	22%
Net interest income	5,584	11,650	109%	1,888	3,783	4,017	6%	113%
Net fees and commissions	1,984	1,474	-26%	813	531	467	-12%	-43%
Other net non-interest income	3,653	1,621	-56%	1,260	666	348	-48%	-72%
Operating expenses	-10,079	-9,879	-2%	-3,112	-3,571	-2,938	-18%	-6%
Provision for possible loan losses	-956	-3,705	288%	337	28	-1,720		-610%
Other provision	-205	-67	-67%	-51	14	5	-64%	-110%
Main components of balance sheet[2] closing balances in HUF mn	**2008**	**9M 2009**	**YTD**	**3Q 2009**	**2Q 2009**	**3Q 2009**	**Q-o-Q**	**Y-o-Y**
Total assets	367,521	369,601	1%	358,706	376,779	369,601	-2%	3%
Gross customer loans	316,809	295,421	-7%	285,167	303,460	295,421	-3%	4%
Retail loans	207,933	199,356	-4%	183,729	202,645	199,356	-2%	9%
Corporate loans	108,876	96,065	-12%	101,437	100,815	96,065	-5%	-5%
Allowances for possible loan losses	-4,365	-7,141	64%	-2,584	-5,440	-7,141	31%	176%
Deposits from customers	72,206	90,617	25%	78,426	88,179	90,617	3%	16%
Retail deposits	52,582	72,404	38%	56,292	65,058	72,404	11%	29%
Corporate deposits	19,624	18,213	-7%	22,134	23,120	18,213	-21%	-18%
Liabilities to credit institutions	107,504	238,700	122%	109,000	247,069	238,700	-3%	119%
Total shareholders' equity	23,245	23,548	1%	22,489	23,351	23,548	1%	5%
Loan Quality (%)	**9M 2008**	**9M 2009**	**Y-o-Y**	**3Q 2008**	**2Q 2009**	**3Q 2009**	**Q-o-Q**	**Y-o-Y**
90+ days past due loans/gross customer loans	0.7%	2.3%	1.7%	0.7%	1.9%	2.3%	0.4%	1.7%
Cost of risk/average gross loans	0.52%	1.62%	1.10%	-0.50%	-0.03%	2.28%	2.31%	2.78%
Total provisions/90+ days past due loans	137.8%	104.0%	-33.8%	137.8%	92.0%	104.0%	12.1%	-33.8%
Indicators (%)	**9M 2008**	**9M 2009**	**Y-o-Y**	**3Q 2008**	**2Q 2009**	**3Q 2009**	**Q-o-Q**	**Y-o-Y**
ROA	-0.1%	0.3%	0.4%	1.2%	1.3%	0.2%	-1.1%	-0.9%
ROE	-1.1%	4.4%	5.5%	18.0%	21.6%	3.3%	-18.4%	-14.8%
Total income margin	4.57%	5.35%	0.78%	4.53%	5.03%	5.14%	0.10%	0.61%
Net interest margin	2.27%	4.23%	1.95%	2.16%	3.82%	4.27%	0.45%	2.11%
Cost/income ratio	89.8%	67.0%	-22.8%	78.6%	71.7%	60.8%	-10.9%	-17.8%
Gross loans to deposits	364%	326%	-38%	364%	344%	326%	-18%	-38%

[1] From 2Q 2008 adjusted with result of swap transactions executed with OTP Bank in relation with interbank financing.
[2] Total assets and gross customer loans include both corporate and retail loans that have been transferred. Liabilities to credit institutions and total shareholders' equity reflect balance sheet numbers after loan transfers until 4Q 2008, but from 1Q 2009 balance sheet figures before loan transfers are displayed.

- ***Profitable 3Q with outstanding operating profit and increasing provisioning, 9M profit grew to HUF 779 million***
- ***Efficient cost management, CIR declined to 61% in 3Q 2009***
- ***Deposit base grew due to the successful retail deposit collection, loan-to-deposit ratio still decreasing q-o-q***
- ***Debtor protection program continued, deterioration of portfolio quality still moderate, coverage further improved (3Q 2009: 104%)***

In the first nine months of 2009 OBR posted a profit after tax of HUF 779 million, compared to the loss of HUF 196 million in the base period. The Bank showed an outstanding performance at operational level: total income increased by 31% on a yearly basis, operating expenses shrank by 2% (operating profit more than quadrupled). Nevertheless, provision for possible loan losses almost quadrupled.

OBR released a retail debtor protection program in 2Q 2009, supported by collection campaign as well. The program focused primarily on mortgage loans. 6% of the household loan portfolio was involved in the program in 2Q, this ratio grew to 9% in 3Q. The proportion of total restructured loans within the total gross loan portfolio stood at 10% in 3Q, considering that also SME and corporate loans have been restructured. At the end of September around 20% of the restructured mortgage loans was at least one day overdue. As a result of the retail debtor protection program, partly because of the successful collection of overdue debt, partly because of the restructuring, while the proportion of DPD90+ loans grew q-o-q, there is an improvement to be seen compared to 1Q. The total loan portfolio quality remained relatively stable: ratio of DPD90+ loans grew to 2.3% (+0.4%-point q-o-q, +1.7%-points y-o-y).

Total provisions for possible loan losses in 9M 2009 totalled to HUF 3.7 billion (+288% y-o-y), out of which HUF 1.7 billion was set aside in 3Q. Thanks to the high provisions, coverage further improved, by +12.1%-points to 104.0% q-o-q.

While the profit of HUF 1.3 billion in 2Q was mainly due to the release of provisions for possible loan losses as a result of the efficient debtor protection program and collection campaign, in 3Q however, profit was made despite HUF 1.7 billion provisioning, primarily because of the higher operating earnings.

The improvement of operating result in 3Q was mainly driven by the lower operating costs (-18% q-o-q in HUF, -13% in RON). In general, strict cost control remained in place: on a quarterly basis personnel expenses shrank by 6%, other expenses dropped by 30%. About 40% of the quarterly drop in operating costs is explained by the lower marketing costs. 9M operating costs decreased by 2% y-o-y.

Total income increased by 31% y-o-y in 9M 2009. Please note that 9M net interest income and net F&C income figures are not comparable to the corresponding period in 2008 due to the changes in methodology described in 1Q 2009 Interim Management Report.

In 3Q 2009 total income decreased by 3% q-o-q (an increase of 3% in RON, as the quarterly average exchange rate of HUF vs. RON showed 6% appreciation). Quarterly expansion of NII was 6% in 3Q. It is remarkable that interest income realised on hold-to-maturity securities grew sevenfold due to the volume growth, whereas interest expenses on deposits decreased (along with increasing deposit base). At the same time interest income on loans dropped due to the decreasing reference rates and shrinking portfolio. During the quarter the mandatory reserve requirement on RON liabilities decreased from 18% to 15%, in case of FX liabilities from 40% to 30% respectively.

Net F&C income declined by 12% q-o-q; the main reason for that is the growth of commission expenses in relation to deposits, while net card related commissions grew. Other net non-interest income decreased by 48% q-o-q, this can be explained mainly by the base effect (in 2Q RON 3 million gain was realised on sale of securities).

Loan portfolio expanded by 4% in HUF y-o-y, nevertheless, on a quarterly basis it shrank by 3%. This is because the Bank keeps restricting its lending activity. Mortgage loan portfolio, which makes more than half of the total loan book stagnated on a quarterly basis and grew by 17% y-o-y in HUF (mainly as a result of FX effect). Other segments showed decline, the greatest decline was observed in the consumer loans segment. In the coming quarters the management expects lending activity to gain momentum in the mortgage backed retail loans segment.

After the significant deposit withdrawals in 4Q 2008, there was a 29% deposit growth YTD in RON, 25% in HUF terms. Retail deposits grew in LCY by 15% in 1Q, by 18% in 2Q and by 7% in 3Q respectively. Corporate deposits decreased by 21% q-o-q in LCY, because of a single large amount deposited in 2Q and withdrawn in 3Q, but this was counterbalanced by the successful retail deposit collection. LTD ratio decreased by 18%-points on a quarterly basis.

The headcount of the Bank decreased by 15 persons to 1,081 YTD, whereas the branch network expanded by 1 to 106 branches.

OTP BANKA HRVATSKA

Performance of OTP banka Hrvatska:

Main components of P&L account in HUF mn	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
After tax profit w/o dividends and net cash transfer	3,711	2,552	-31%	1,351	1,105	632	-43%	-53%
Pre-tax profit	4,662	3,184	-32%	1,685	1,392	796	-43%	-53%
Operating profit	4,944	5,058	2%	1,817	1,778	1,806	2%	-1%
Total income	13,794	15,276	11%	4,711	5,327	5,032	-6%	7%
Net interest income	10,005	10,549	5%	3,439	3,677	3,328	-9%	-3%
Net fees and commissions	2,581	2,922	13%	870	992	1,029	4%	18%
Other net non-interest income	1,208	1,805	49%	402	658	674	3%	68%
Operating expenses	-8,850	-10,218	15%	-2,894	-3,548	-3,225	-9%	11%
Provision for possible loan losses	-543	-1,563	188%	-277	-348	-817	135%	195%
Other provision	262	-311	-219%	145	-38	-193	401%	-233%
Main components of balance sheet closing balances in HUF mn	**2008**	**9M 2009**	**YTD**	**3Q 2008**	**2Q 2009**	**3Q 2009**	**Q-o-Q**	**Y-o-Y**
Total assets	462,576	473,293	2%	449,566	468,807	473,293	1%	5%
Gross customer loans	309,564	316,043	2%	280,728	325,025	316,043	-3%	13%
Retail loans	191,496	192,806	1%	174,596	197,298	192,806	-2%	10%
Corporate loans	115,474	120,844	5%	103,769	125,203	120,844	-3%	16%
Car financing loans	2,598	2,394	-8%	2,364	2,524	2,394	-5%	1%
Allowances for possible loan losses	-6,045	-8,459	40%	-5,250	-7,462	-8,459	13%	61%
Deposits from customers	315,253	338,020	7%	315,377	325,128	338,020	4%	7%
Retail deposits	268,837	288,441	7%	262,344	278,886	288,441	3%	10%
Corporate deposits	46,416	49,579	7%	53,033	46,242	49,579	7%	-7%
Liabilities to credit institutions	81,098	65,245	-20%	71,065	73,493	65,245	-11%	-8%
Total shareholders' equity	55,095	59,845	9%	52,073	59,566	59,845	0%	15%
Loan Quality (%)	**9M 2008**	**9M 2009**	**Y-o-Y**	**3Q 2008**	**2Q 2009**	**3Q 2009**	**Q-o-Q**	**Y-o-Y**
90+ days past due loans/gross customer loans	4.8%	8.1%	3.4%	4.8%	9.3%	8.1%	-1.2%	3.4%
Cost of risk/average gross loans	0.3%	0.7%	0.4%	0.4%	0.4%	1.0%	0.6%	0.6%
Total provisions/90+ days past due loans	39.1%	32.9%	-6.2%	39.1%	24.7%	32.9%	8.2%	-6.2%
Performance Indicators (%)	**9M 2008**	**9M 2009**	**Y-o-Y**	**3Q 2008**	**2Q 2009**	**3Q 2009**	**Q-o-Q**	**Y-o-Y**
ROA	1.1%	0.7%	-0.4%	1.3%	0.9%	0.5%	-0.4%	-0.7%
ROE	10.7%	5.9%	-4.8%	10.7%	7.2%	4.2%	-3.0%	-6.5%
Total income margin	4.23%	4.36%	0.14%	4.37%	4.26%	4.24%	-0.03%	-0.13%
Net interest margin	3.07%	3.01%	-0.05%	3.19%	2.94%	2.80%	-0.14%	-0.39%
Cost/income ratio	64.2%	66.9%	2.7%	61.4%	66.6%	64.1%	-2.5%	2.7%
Gross loans to deposits	89%	93%	4%	89%	100%	93%	-6%	4%

- ***HUF 2.5 billion profit after tax in 9M along with significant provisioning***
- ***Net operating income was flat to 9M 2008 levels, stable cost/income ratio in the period***
- ***Net interest income grows moderately (+5% y-o-y) despite the curtailment of lending activity***
- ***As a result of successful deposit collection campaigns loan-to-deposit ratio is still favourable (9M 2009: 93%)***
- ***Improving portfolio quality in 3Q 2009, loan protection campaign supported with successful collection programmes***

The after tax profit of OBH Group for the first nine months of 2009 totalled to HUF 2.5 billion, down by 31% from the same period of 2008. The reason for the dropping profitability is the y-o-y tripling of provisions due to deteriorating portfolio quality in the first half. However, operating profit was flat to the base period level, net interest income was stable (+5% y-o-y), commission income grew more significantly (+13% y-o-y), while operating expenses increased by 15%. The significant q-o-q drop of 3Q results (-43% q-o-q) was driven by three factors: NII in 3Q decreased (-9% q-o-q) due to the moderate lending activity, operating expenses shrank by 9%, while provisioning was significant in order to strengthen DPD90+ coverage.

Regarding loan portfolios the tendency of previous quarters prevailed, resulting in a slight erosion (-0.14%-points) in net interest margin q-o-q. The lending activity of the Bank was deliberately restricted, loan book shrank below end of 2008 levels (in LCY). Deposit base, however, continued growing due to the successful deposit collection campaigns, the growth was 4% in LCY compared to YE2008. Thus 2Q growth of loan-to-deposit ratio reversed (3Q 2009: 93%, -6%-points q-o-q). The primary target group of the deposit campaigns was the retail segment, in connection with the tourist season appealing interest rate was offered for new deposits. Nevertheless, the Bank also cared to keep customer confidence with fair conditions on existing deposits. As a result of the campaign launched in June 2009, retail deposit base grew by HRK 362 million (+HRK 501 million in total), while market share of the Bank gained 12 bps (reaching 5.25% at end August 2009).

The average interest paid on retail deposits increased by 19 bps in 3Q due to the marketing campaigns, and the higher proportion of term deposits in the portfolio, whereas average interest rate on the assets dropped by 11 bps due to the lower EURIBOR. The unfavourable effect of the latter was partially offset by the higher interests applied on restructured large corporate loans.

On the whole, liquidity of the Bank improved and due to the successful deposit campaigns in 3Q 2009 the Bank raised significant amount of funds, which were partially placed with Croatian banks, complying regulatory provisions. Consequently interbank loans increased by 18% q-o-q in LCY.

The loan book shrank moderately, in line with market trends. The decline of loan volumes characterised all segments: within the retail portfolio housing and mortgage loans stagnated in LCY, whereas consumer loans dropped by 4% (-3% q-o-q in LCY). SME as well as large corporate loan portfolios shrank in the quarter, on the whole, however, decrease of loan portfolios was in line with market trends.

While 2Q 2009 witnessed a significant growth of DPD90+ loans, the tendency seems to turn round in 3Q (9M 2009 DPD90+: 8.1%). Proportion of non-performing loans decreased by 1.2%-points q-o-q, thanks to the intensive restructuring of NPLs, which was supported by successful collection campaigns. Retail loans, especially housing and mortgage loans played an important role in portfolio quality improvement, while the portfolio quality slightly deteriorated in the SME and large corporate segments, the latter was caused by a single customer. Coverage of DPD90+ loans, however, grew remarkably compared to the previous quarter (+8.2%-points q-o-q), as a result of doubling quarterly provisioning and shrinking DPD90+ portfolio.

Provisioning was affected by HRK 24 million additional provisioning, because the National Bank of Croatia asked for additional provisions in case of unsecured retail loans. It is to be noted that due to the arrangements made in order to minimise loss, the amount of these additional provisions decreased to HRK 14.5 million by the end of August.

The net F&C income for the period was mainly driven by the lower commission income due to the sluggish lending activity (-15% y-o-y in LCY), which was compensated by the favourable periodical commission income related to deposits and cards (+3% and +26% y-o-y respectively, in LCY).

The decline in net interest income and moderate increase in net F&C income of the quarter were partially offset by the 9% savings on operating expenses. Due to the cost saving projects initiated by the management cost/income ratio decreased by 2.5%-points in 3Q 2009. Personnel expenses remained at the previous quarter's level, there wasn't any major stuff reduction YTD. Regarding operational expenses, the costs of existing agreements and ongoing projects will be booked expectedly in the fourth quarter.

It is to be noted that the liquidity position of the Bank is stable, complies with the provisions of the national bank, its CAR stood at 12.74% at end of September 2009 (above the regulatory minimum of 10%).

OTP BANKA SLOVENSKO

Performance OTP Banka Slovensko:

Main components of P&L account in HUF mn	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
After tax profit w/o dividends and net cash transfer	1,920	-1,019	-153%	609	-538	-488	-9%	-180%
One-off items, after-tax[1]	0	-243		0	-250	7	-103%	
After tax profit w/o dividends, net cash transfers and one-offs	1,920	-776	-140%	609	-288	-495	72%	-181%
Pre-tax profit	2,167	-929	-143%	668	-412	-543	32%	-181%
Operating profit	3,106	2,288	-26%	1,066	743	943	27%	-12%
Total income	10,570	9,935	-6%	3,623	3,367	3,302	-2%	-9%
Net interest income	7,339	7,546	3%	2,538	2,592	2,625	1%	3%
Net fees and commissions	2,149	2,059	-4%	683	655	598	-9%	-12%
Other net non-interest income	1,083	330	-70%	402	120	79	-34%	-80%
Operating expenses	-7,465	-7,647	2%	-2,557	-2,624	-2,359	-10%	-8%
Provision for possible loan losses	-936	-3,104	232%	-417	-1,150	-1,393	21%	234%
Other provision	-2	-112		19	-4	-93		-589%

Main components of balance sheet closing balances in HUF mn	2008	9M 2009	YTD	3Q 2009	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
Total assets	429,122	373,679	-13%	407,916	385,252	373,679	-3%	-8%
Gross customer loans	314,422	281,886	-10%	302,309	290,942	281,886	-3%	-7%
Retail loans	158,234	164,084	4%	154,648	163,112	164,084	1%	6%
Corporate loans	156,187	117,801	-25%	147,661	127,830	117,801	-8%	-20%
Allowances for possible loan losses	-5,186	-8,267	59%	-3,931	-6,943	-8,267	19%	110%
Deposits from customers	262,787	253,576	-4%	257,515	260,660	253,576	-3%	-2%
Retail deposits	212,412	212,916	0%	176,136	216,817	212,916	-2%	21%
Corporate deposits	50,375	40,660	-19%	81,379	43,843	40,660	-7%	-50%
Liabilities to credit institutions	45,411	13,816	-70%	33,100	10,152	13,816	36%	-58%
Issued securities	75,137	61,605	-18%	73,565	67,328	61,605	-9%	-16%
Subordinated debt	7,679	7,840	2%	7,046	7,900	7,840	-1%	11%
Total shareholders' equity	30,595	30,404	-1%	28,257	30,962	30,404	-2%	8%
Loan Quality (%)	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
90+ days past due loans/gross customer loans	2.9%	7.4%	4.4%	2.9%	6.5%	7.4%	0.9%	4.4%
Cost of risk/average gross loans	0.47%	1.39%	0.92%	0.56%	1.42%	1.93%	0.51%	1.37%
Total provisions/90+ days past due loans	44.6%	39.9%	-4.7%	44.6%	36.7%	39.9%	3.1%	-4.7%
Performance Indicators (%)	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
ROA	0.7%	-0.3%	-0.9%	0.6%	-0.3%	-0.5%	-0.3%	-1.1%
ROE	9.9%	-3.4%	-13.3%	9.0%	-3.5%	-6.4%	-3.0%	-15.4%
Total income margin	3.64%	3.31%	-0.33%	3.57%	3.10%	3.45%	0.35%	-0.12%
Net interest margin	2.53%	2.51%	-0.01%	2.50%	2.39%	2.74%	0.36%	0.25%
Cost/income ratio	70.6%	77.0%	6.4%	70.6%	77.9%	71.4%	-6.5%	0.9%
Gross loans to deposits	117%	111%	-6%	117%	112%	111%	0%	-6%

[1] In 2Q 2009 one-off loss booked in relation to loan transfers; in 3Q 2009 exchange rate correction in relation to the loan transfers.

- ***HUF 776 million loss in 9M was mainly caused by high provisioning and declining currency exchange gain***
- ***In EUR terms NII increased by 6% in 3Q, operating expenses decreased by 5%, so operating profit improved by 34% q-o-q***
- ***In EUR terms the loan portfolio decreased by 2% q-o-q, retail deposit base remained stable, corporate deposits decreased***
- ***Loan quality deteriorated in a moderate pace, coverage ratio improved***

In first nine months of the year OBS posted HUF 776 million loss without one-off items in contrast to more than HUF 1.9 billion profit of the base period.

The results were influenced to a great extent by the provisioning that increased by 232% y-o-y to HUF 3.1 billion during the period. The other key driver of the results was the 26% decrease of operating income which is the combined result of diminishing total income and slightly increasing operating costs.

Total income in 9M 2009 decreased by 6% in HUF y-o-y and by 22% in LCY (calculated with EUR/SKK exchange rate fixed at central parity).

It is remarkable that NII showed a 3% improvement, mainly as a result of corporate loan repricing and the lower interest expenses on deposits and issued securities. The main driver behind the 4% decrease of net F&C income was the moderate lending activity but even deposit and money-transfer fee income materialised at a lower level. At the same time other net non-interest income fell back significantly, which is explained by the 80% decline of currency exchange gain because of the introduction of the EUR.

In the first nine months of the year operating expenses grew by 2% in HUF (but dropped by 15% in LCY); personnel expenses shrank by 7% in HUF, material expenses remained flat; cost increase related primarily to the amortization of immaterial goods.

As a consequence of continuous portfolio quality deterioration 9M cost of risk increased by 232% y-o-y, by HUF 2.2 billion. Increased provisioning was related to small, medium and large corporate exposures. In the third quarter cost of risk grew by 21% q-o-q.

In 3Q 2009 loss without one-off items totalled to HUF 495 million in contrast with the HUF 288 million loss of 2Q. Q-o-q operating income improved by 27% (34% in EUR terms). Operating costs declined by 10% q-o-q (cost saving was primarily other cost driven, within that related to marketing costs and contractor charges), while total income decreased by 2% (grew by 4% in LCY). NII increased by 6% in LCY as NIM further improved q-o-q: interest income and interest expenses declined as a consequence of sinking reference rates, falling loan and deposit portfolio in original currency and the effect of maturity of deposits with promotional rates. However interest income on securities held-to-maturity increased by about 39% q-o-q, as their portfolio grew by 31%.

Loan portfolio declined further both in yearly and quarterly comparison as the bank keeps running the strict lending policy. Y-o-y in LCY (calculated with EUR/SKK exchange rate fixed at central parity) the loan book shrank by 17%, within that the portfolio of retail mortgage loans stagnated, consumer loan portfolio grew by 4% but corporate loans dropped by 30%. On a quarterly base in LCY the loan portfolio declined by 2%. In 3Q q-o-q the consumer and SME loans expanded while corporate loans declined by 8%.

Total deposit base decreased by 12% y-o-y in LCY. Simultaneously retail deposit book grew by 21% compared to 3Q 2008, so the erosion of deposit base is due to the deposit withdrawal of corporate and municipal sector. Deposits in LCY dropped by 2% q-o-q mainly as a result of declining large corporate deposit base, along with a stable retail deposit portfolio.

Deterioration of loan portfolio quality continued, DPD90+ ratio increased to 7.4% (+0.9%-point q-o-q and +4.4%-points y-o-y). Loan loss coverage of 90+ days past due loans reached 39.9%, which indicates an 3.1%-points coverage improvement compared to 2Q 2009, but on a yearly base a 4.7%-points decrease can be seen.

During 2009 the number of employees decreased by 86 persons (-12%), the number of branches changed to 77 once in 1Q 12 selling points have been closed.

OTP BANKA SRBIJA

Performance of OTP banka Srbija:

Main components of P&L account in HUF mn	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
After tax profit w/o dividends and net cash transfer	2,144	-1,070	-150%	-191	-265	-946	257%	396%
One-off items, after-tax	1,828	0	-100%	-2	0	0		-100%
After tax profit w/o dividends, net cash transfers and one-offs	316	-1,070	-439%	-189	-265	-946	257%	400%
Pre-tax profit	318	-1,070	-436%	-189	-265	-946	257%	400%
Operating profit	796	225	-72%	-118	-19	-68	259%	-42%
Total income	8,392	7,139	-15%	2,595	2,471	2,060	-17%	-21%
Net interest income	4,811	4,501	-6%	1,586	1,723	1,225	-29%	-23%
Net fees and commissions	1,880	1,484	-21%	669	491	473	-4%	-29%
Other net non-interest income	1,701	1,154	-32%	339	257	362	41%	7%
Operating expenses	-7,596	-6,914	-9%	-2,713	-2,490	-2,128	-15%	-22%
Provision for possible loan losses	-982	-1,160	18%	-722	-236	-767	225%	6%
Other provision	505	-134	-127%	651	-10	-111		-117%
Main components of balance sheet closing balances in HUF mn	2008	9M 2009	YTD	3Q 2009	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
Total assets	142,647	134,409	-6%	150,916	133,769	134,409	0%	-11%
Gross customer loans	94,721	90,021	-5%	93,808	91,982	90,021	-2%	-4%
Retail loans	34,336	32,841	-4%	32,931	32,988	32,841	0%	0%
Corporate loans	60,408	57,179	-5%	60,877	58,994	57,179	-3%	-6%
Allowances for possible loan losses	-5,989	-7,261	21%	-5,539	-6,484	-7,261	12%	31%
Deposits from customers	33,906	33,637	-1%	39,563	33,782	33,637	0%	-15%
Retail deposits	24,032	24,328	1%	28,646	25,128	24,328	-3%	-15%
Corporate deposits	9,882	9,310	-6%	10,917	8,654	9,310	8%	-15%
Liabilities to credit institutions	30,466	23,764	-22%	32,741	21,566	23,764	10%	-27%
Subordinated debt	37,323	38,433	3%	34,382	38,687	38,433	-1%	12%
Total shareholders' equity	38,090	36,400	-4%	41,406	37,450	36,400	-3%	-12%
Loan Quality (%)	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
90+ days past due loans/gross customer loans	9.7%	19.6%	10.0%	9.7%	14.4%	19.6%	5.2%	10.0%
Cost of risk/average gross loans	1.67%	1.68%	0.01%	3.22%	0.95%	3.35%	2.40%	0.13%
Total provisions/90+ days past due loans	61.0%	41.1%	-19.9%	61.0%	49.0%	41.1%	-7.9%	-19.9%
Performance Indicators (%)	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
ROA	0.3%	-1.0%	-1.4%	-0.5%	-0.7%	-2.8%	-2.1%	-2.3%
ROE	1.0%	-3.8%	-4.9%	-1.9%	-2.7%	-10.2%	-7.5%	-8.3%
Total income margin	8.52%	6.89%	-1.63%	7.20%	6.90%	6.10%	-0.80%	-1.11%
Net interest margin	4.88%	4.34%	-0.54%	4.40%	4.81%	3.62%	-1.19%	-0.78%
Cost/income ratio	90.5%	96.8%	6.3%	104.5%	100.8%	103.3%	2.5%	-1.2%
Gross loans to deposits	237%	268%	31%	237%	272%	268%	-5%	31%

- ***Decreasing income and increasing risk costs are main reasons of 9M 2009 loss***
- ***In 3Q 2009 portfolio quality deteriorated significantly, growing provisioning was accompanied by declining coverage***
- ***Despite of the reviving lending activity in some segments, gross loan book shrank by 2% q-o-q in LCY***
- ***Network rationalization continued: in 2009 22% of the staff was dismissed and 41 branches (-43% YTD) were closed***

In first 9M 2009 HUF 1.1 billion loss was made while the profit without one-off items totalled to HUF 316 million in the base period. Loss was mainly caused on one hand by the increasing provision for possible loan losses and other provision and on the other hand by the lower total income compared to the base period.

Total income setback was 15% y-o-y in the first nine months of the year. 9M NII decreased by 6% compared to the base period. Interest income on loans grew by 10%, but the increase of interest expenses on customer deposits and subordinated debt surpassed it.

In 3Q NII dropped by 29% q-o-q, because interest expenses did not follow the path of the 23% decline of interest income on loans (in 3Q interest expenses on customer deposits increased q-o-q as a consequence of deposit campaigns with attractive interest rates in 2Q and 3Q; interest expenses on subordinated debt moderated to a lesser extent compared to that of the loans). Interest income on loans declined basically as a result of the shrinking portfolio, declining reference rates and decreasing penalty rates. Beyond that the adverse changes in the client's classification led to lower interest income booked in the P&L. The main driver of HUF 946 million loss in 3Q beside of growing risk cost is the drop in NII.

In first nine months net F&C income came out at a 21% lower level y-o-y. The commissions relating to deposits and money transfers, representing the biggest part of fee and commission income (in 9M 2009 54%), practically stagnated, while the loan related net F&C income dropped by nearly 50%. Card commissions expanded by a quarter reflecting the increasing number and value of card transactions. In 3Q 2009 q-o-q net F&C income declined by 4% in HUF (in LCY it stagnated while the average exchange rate of HUF against RSD appreciated by 4% q-o-q).

In the first three quarter other net non-interest income declined by 32% y-o-y due to the decreasing foreign exchange gain.

In the first nine months operating costs diminished by 9%, within that other expenses fell by about 30%, but personnel expenses grew by 12%. Latter also was influenced by a technical effect, because since 2009 some cost elements has been moved from other to personnel expenses. In 3Q 2009 operating costs in HUF decreased by 15%, in LCY 11% cost saving was experienced.

Lending activity which was strongly curtailed in the previous quarters in 3Q showed some pick up but it is still very moderate. The Bank focused on short term lending and because of that in LCY the working capital loans of SMEs and overdrafts and working capital loans of large corporate clients increased q-o-q.

Yearly decline of gross loans in HUF was 4% (in RSD terms increased by 5%), q-o-q the portfolio diminished by 2% (in LCY as well). Both q-o-q and y-o-y the consumer loan portfolio represented the largest drop, contrarily SME loans grew by 3% q-o-q and by 34% y-o-y.

Customer deposit book in HUF stagnated in the quarter, but y-o-y shrank by 15%. Analysing y-o-y change of the portfolio in RSD (-7%), the 2% increase of large corporate deposit book should be noted. In contrast the amount of both retail and municipal deposits diminished. Regarding 3Q developments, the increase of corporate deposits continued and the amount of municipal loans doubled. LTD ratio decreased by 5%-points q-o-q.

Loan portfolio quality significantly deteriorated in all segments, ratio of DPD90+ loans increased by 5.2%-points q-o-q to 19.6% in 3Q. The restructured corporate loans reached 5% of the total loan portfolio at the end of 3Q. Despite the materially growing cost of risk in 3Q 2009, the coverage ratio q-o-q dropped by 7.9%-points to 41.1%.

Cost of risk amounted to HUF 1.2 billion in 9M 2009 (+18% y-o-y).

In 2009 within the course of branch network rationalization 41 branches were closed (YE 2008 number of branches was 95, at the end of June and September 2009 it was 71 and 54 respectively) and the headcount decreased by 265 persons to 918 compared to YE 2008 figures.

CRNOGORSKA KOMERCIJALNA BANKA

Performance of CKB:

Main components of P&L account in HUF mn	9M 2008	9M 2009	Y-o-Y	3Q 2008	2Q 2009	3Q 2009	Q-o-Q	Y-o-Y
After tax profit w/o dividends and net cash transfer	2,504	1,237	-51%	958	-410	1,053	-357%	10%
Pre-tax profit	2,613	1,267	-52%	993	-397	1,057	-366%	6%
Operating profit	4,051	5,714	41%	1,279	1,863	2,149	15%	68%
Total income	8,027	10,425	30%	2,659	3,542	3,702	5%	39%
Net interest income	4,435	7,925	79%	1,534	2,650	2,884	9%	88%
Net fees and commissions	3,366	2,284	-32%	1,172	738	767	4%	-35%
Other net non-interest income	226	215	-5%	-47	154	51	-67%	-209%
Operating expenses	-3,976	-4,711	18%	-1,379	-1,679	-1,553	-8%	13%
Provision for possible loan losses	-1,372	-4,265	211%	-270	-2,393	-951	-60%	253%
Other provision	-66	-182	175%	-17	133	-142	-206%	728%
Main components of balance sheet closing balances in HUF mn	**2008**	**9M 2009**	**YTD**	**3Q 2008**	**2Q 2009**	**3Q 2009**	**Q-o-Q**	**Y-o-Y**
Total assets	308,140	254,871	-17%	297,363	284,680	254,871	-10%	-14%
Gross customer loans	255,021	219,505	-14%	228,391	229,789	219,505	-4%	-4%
Retail loans	155,430	118,898	-24%	141,816	125,464	118,898	-5%	-16%
Corporate loans	93,904	100,608	7%	86,575	104,325	100,608	-4%	16%
Allowances for possible loan losses	-4,350	-8,821	103%	-2,907	-7,666	-8,821	15%	203%
Deposits from customers	205,410	156,869	-24%	221,471	159,442	156,869	-2%	-29%
Retail deposits	92,783	81,010	-13%	111,005	79,685	81,010	2%	-27%
Corporate deposits	110,735	75,858	-31%	110,466	79,758	75,858	-5%	-31%
Liabilities to credit institutions	70,173	56,403	-20%	47,427	90,465	56,403	-38%	19%
Total shareholders' equity	18,171	23,816	31%	16,280	18,854	23,816	26%	46%
Loan Quality (%)	**9M 2008**	**9M 2009**	**Y-o-Y**	**3Q 2008**	**2Q 2009**	**3Q 2009**	**Q-o-Q**	**Y-o-Y**
90+ days past due loans/gross customer loans	0.8%	6.3%	5.4%	0.8%	4.2%	6.3%	2.1%	5.4%
Cost of risk/average gross loans	0.9%	2.4%	1.5%	0.5%	3.8%	1.7%	-2.2%	1.2%
Total provisions/90+ days past due loans	150.6%	63.9%	-86.7%	150.6%	78.9%	63.9%	-15.0%	-86.7%
Performance Indicators (%)	**9M 2008**	**9M 2009**	**Y-o-Y**	**3Q 2008**	**2Q 2009**	**3Q 2009**	**Q-o-Q**	**Y-o-Y**
ROA	1.2%	0.6%	-0.6%	1.3%	-0.5%	1.5%	2.1%	0.2%
ROE	24.9%	7.9%	-17.0%	24.4%	-8.1%	19.6%	27.7%	-4.9%
Total income margin	3.84%	4.95%	1.11%	3.68%	4.64%	5.44%	0.80%	1.76%
Net interest margin	2.12%	3.76%	1.64%	2.12%	3.47%	4.24%	0.77%	2.12%
Cost/income ratio	49.5%	45.2%	-4.3%	51.9%	47.4%	41.9%	-5.5%	-9.9%
Gross loans to deposits	103%	140%	37%	103%	144%	140%	-4%	37%

- ***Despite strong NII PAT halved y-o-y, mainly due to trebling risk costs***
- ***Deteriorating loan portfolio: DPD90+ ratio increased by 2.1%-points q-o-q (3Q 2009: 6.3%)***
- ***Shrinking loan and deposit portfolio (y-o-y -4% and -29%), stabilising deposit book on short-term base (q-o-q -2%)***
- ***Stable CAR (2009 3Q: 12%) due to EUR 30 million capital injection YTD***

9M 2009 PAT of CKB amounts to HUF 1.2 billion, which is half of the base period. The higher NII (+79% y-o-y) and the decreasing portfolio resulted improving NIM (+1.64%-points y-o-y). However profitability y-o-y was materially diminished by the swelling risk costs (+211% y-o-y).

3Q 2009 PAT of CKB exceeded HUF 1 billion, in contrast to the loss of HUF 410 million in 2Q. Encouraging dynamics of operating income w/o risk costs (q-o-q +15%) is due to the q-o-q 5% income growth and 8% drop of operational costs.

NII grew by 9% q-o-q (+15% in EUR terms). Interest income in LCY remained constant despite the shrinking total loan portfolio, due to the repricing of corporate loans (q-o-q 5% decrease in HUF terms due to HUF appreciation). NII accumulation was influenced positively also by the decreasing interest expenses (-13% in EUR), what is mainly the effect of a 30% decline of inter-bank interest costs. Latter derives on one hand from the decrease of inter-bank portfolios (in 2Q the portfolio was HUF 90 billion, it fell back to HUF 56 billion by the end of 3Q), on the other hand from the favourable change of interest rates. As a consequence of the above mentioned movements NIM has improved: +2.12%-point y-o-y, +0.77%-point q-o-q.

After its yearly fallback net F&C income improved in 3Q, growth was 4% in HUF and 9% in LCY. On one hand it is the result of the increasing deposit and cash-transfer commissions due to the successful deposit campaigns (+7% in EUR). On the other hand the improvement was stemming from the card commissions (+109% q-o-q) which were seasonally strong in 3Q because of the tourism. These two positive effects were counterbalanced by the ongoing shrinkage of loan commissions (q-o-q -20%) as a consequence of sluggish lending activity.

Other non-interest income dropped materially (q-o-q -65%) due to the fact that as long as in 1Q and 2Q there were positive one-off items in the profit from tax refund and from investments, in 3Q those items were missing.

The favourable change of operating costs (-8% q-o-q, -3% in EUR) is due to the q-o-q 12% decline of material costs (smaller communication and rental costs). Personnel expenses grew by 1% q-o-q in EUR but declined by 4% in HUF. CIR improved on a yearly and on a quarterly basis as well.

Loan portfolio quality further deteriorated, as a result of the continued growth of the ratio of overdue loans (DPD90+ ratio increased from 4.2% to 6.3% q-o-q). Ratio of delays with more than 90 days within the corporate loan portfolio almost trebled on a quarterly base (DPD90+ 5.7%). However the retail portfolio showed the signs of stabilisation: in case of mortgage loans DPD60+ ratio increased by only 0.3%-points from the 8.4% in June to 8.7% at end September, while in the case of consumer loans this rate increased relatively moderately form 8.3% to 9.5%. Notwithstanding the significant 9M provisioning (risk cost rate grew to 2.4% compared to previous year's 0.9%) coverage of DPD90+ loans fell to almost 64% by the end of September. In answer to the latter effect the Bank launched a debt protection program, which is supposed to improve coverage by year end.

The tendency of deposit withdrawals stopped in May, the portfolio stagnates (in EUR -1% q-o-q, YTD -25%). This is all due to the q-o-q 2% growth of retail deposits, however corporate deposits shrank by 10%.

The whole deposit market in Montenegro was hit by withdrawals, but CKB also lost on its market share. It is positive however, that in the retail deposit segment the market share is stable, market share drop was due to the corporate segment.

New loan origination virtually stopped this year, loan portfolio continuously shrank during the year (YTD -14%, q-o-q -4% in LCY). The shrinkage is the result of the declining retail portfolio (YTD -25% in EUR terms). Corporate portfolio practically stagnated during the year (YTD +3%). Considering, that deposit erosion stopped in May, gap between loans and deposits keeps narrowing. Loan-to-deposit ratio improved by 4%-points compared to the previous quarter (3Q 2009: 140%).

CKB received EUR 15 million subordinated capital in the first quarter and further EUR 15 million capital injection in the third quarter from the mother company. Consequently, CAR grew to 12% by the end of September.

STAFF LEVEL AND OTHER INFORMATION

The closing staff number of OTP Group was 30,102 as at 30 September 2009 (-780 people q-o-q). The most significant lay-off was carried through at the Ukrainian and the Serbian subsidiary (-586 people ytd, -265 people ytd), mainly as a consequence of the moderated lending activity. As for the closing number of Russian subsidiary it increased by 680 people (POS-selling agents) ytd in order to boost new loan origination. The closing staff number of OTP Bank decreased by 351 people ytd.

The Group's branch network included 1,520 branches at the end of September 2009 (-16 branches q-o-q, and -53 branches ytd). The most sizeable decline was realized in Serbia (-41 branches ytd) within the course of the rationalization of the branch network. The network development was temporary suspended as a result of the decreasing lending activity, the improving of the POS-selling agent network and electronic channel was in focus.

	30/09/2008	30/06/2009	30/09/2009	Q-o-Q	Y-o-Y
OTP BANK					
Closing staff (persons)	8,541	7,919	7,946	0.3%	-7.0%
Average staff (persons)	8,346	8,134	8,103	-0.4%	-2.9%
Per capita total assets (HUF mn)	673.7	768.3	803.5	4.6%	19.3%
Per capita profit after tax quarterly (HUF mn)	19.0	3.4	4.2	24.4%	-78.0%
GROUP					
Closing staff (persons)	31,709	29,819	30,102	0.9%	-5.1%
Average staff (persons)	30,758	30,053	30,039	0.0%	-2.3%
Per capita consolidated total assets (HUF mn)	295.3	318.7	322.2	1.1%	9.1%
Per capita consolidated profit after tax quarterly (HUF mn)	5.5	1.4	1.5	8.8%	-72.1%

	30 September 2009						Change YTD					
	Bank branches	ATMs	POSs	Bank cards (th)	Number of banking clients (th)	Staff (closing)	Bank branches	ATMs	POSs	Bank cards	Number of clients	Staff (closing)
OTP Bank	**403**	**2,004**	**34,136**	**3,854**	**4,663**	**7,946**	***0***	***-11***	***333***	***-113***	***-97***	***-351***
DSK Bank	385	845	3,897	1,191	2,917	4,261	*6*	*-5*	*416*	*-412*	*-22*	*-17*
OTP Banka Slovensko	77	116	0	119	187	653	*-12*	*-3*	*-602*	*-1*	*-1*	*-86*
OTP banka Hrvatska	105	195	1,236	362	452	1,017	*0*	*32*	*64*	*5*	*5*	*-30*
OTP Bank Romania	106	136	998	138	199	1,081	*1*	*4*	*317*	*22*	*21*	*-15*
OTP Bank JSC (Ukraine)	227	217	403	83	264	3,806	*-2*	*9*	*41*	*-19*	*26*	*-586*
OAO OTP Bank (Russia)	123	245	2,210	3,370	2,565	9,025	*-5*	*53*	*41*	*335*	*-255*	*576*
OTP banka Srbija	54	191	2,979	153	350	918	*-41*	*-13*	*-377*	*59*	n,a,	*-265*
CKB	40	105	3,338	179	308	474	*0*	*-90*	*315*	*-10*	*5*	*-9*
Subsidiaries total	**1,117**	**2,050**	**15,061**	**5,595**	**7,242**	**21,235**	***-53***	***-13***	***215***	***-21***	***-221***	***-432***
Group total (aggregated)	**1,520**	**4,054**	**49,197**	**9,449**	**11,905**	**30,102**	***-53***	***66***	***1,440***	***-134***	***32***	***-782***

PERSONAL AND ORGANIZATIONAL CHANGES

The Auditor of OTP Bank has not been changed.

From 31 July 2009 – with a mutual agreement – the employment of Mr. László Urbán CFO was terminated and simultaneously he has resigned from all his positions at the Company. The Chairman and CEO of the Bank mandated Mr. László Bencsik to the Head of Strategic and Financial Division effective from 1 August.

On 21 October 2009 the termination of the Supervisory Board membership of Mr. Csaba Nagy at OTP Bank Plc. was registered by the injunction of the Metropolitan Court. The departure is due to changes in the employment of Mr. Csaba Nagy.

Budapest, 12 November 2009

FINANCIAL DATA

UNCONSOLIDATED AND CONSOLIDATED IFRS BALANCE SHEET

in HUF million	OTP Bank			Consolidated		
	30/09/2009	31/12/2008	change	30/09/2009	31/12/2008	change
Cash, due from banks and balances with the National Bank of Hungary	170,120	157,437	8%	289,529	348,849	-17%
Placements with other banks, net of allowance for possible placement losses	749,788	920,455	-19%	515,752	593,542	-13%
Financial assets at fair value through profit and loss	560,724	151,716	270%	548,487	129,332	324%
Securities held-for-trading	471,338	54,819	760%	472,675	56,673	734%
Fair value adjustment of derivative financial instruments	89,386	96,897	-8%	75,812	72,659	4%
Securities available-for-sale	687,099	549,911	25%	466,062	481,257	-3%
Loans, net of allowance for possible loan losses	2,595,159	2,715,382	-4%	6,453,456	6,730,170	-4%
Accrued interest receivable	54,588	60,360	-10%	93,895	87,793	7%
Investments in subsidiaries	594,503	596,244	0%	10,265	10,467	-2%
Securities held-to-maturity	783,619	437,535	79%	760,220	321,733	136%
Premises, equipment and intangible assets, net	69,185	112,383	-38%	456,943	469,701	-3%
Other assets	81,438	70,892	15%	103,120	206,592	-50%
TOTAL ASSETS	**6,384,400**	**5,772,315**	**11%**	**9,697,729**	**9,379,436**	**3%**
Due to banks and deposits from the National Bank of Hungary and other banks	892,676	705,565	27%	881,199	842,867	5%
Deposits from customers	3,322,985	3,090,762	8%	5,517,376	5,219,226	6%
Liabilities from issued securities	582,093	601,791	-3%	1,359,160	1,526,639	-11%
Accrued interest payable	63,319	36,428	74%	108,775	99,141	10%
Other liabilities	222,790	263,345	-15%	383,267	326,444	17%
Subordinated bonds and loans	273,209	301,951	-10%	276,604	316,148	-13%
TOTAL LIABILITIES	**5,463,326**	**4,999,842**	**9%**	**8,526,381**	**8,330,465**	**2%**
SHARE CAPITAL	28,000	28,000	0%	28,000	28,000	0%
RETAINED EARNINGS AND RESERVES	952,315	842,318	13%	1,244,529	1,160,935	7%
Retained earnings and reserves without earnings	835,813	708,363	18%	1,114,525	920,463	21%
Reserves	784,400	703,613	11%	969,999	790,826	23%
Fair value adjustment of securities available-for-sale and of derivative financial instruments recognised directly through equity	27,131	-14,431	-288%	4,983	-14,028	-136%
Fair value adjustment of share based payments	24,282	19,181	27%	24,282	19,181	27%
Fair value adjustment of cash-flow hedging transactions recognized in profit and loss account				-2,765		
Hedging transactions of net investments				-1,457		
Additional reserve (issued capital element)				119,483	124,484	-4%
Retained earnings	116,502	133,955	-13%	130,004	240,472	-46%
TREASURY SHARES	-59,241	-97,845	-39%	-108,146	-146,749	-26%
MINORITY INTEREST				6,965	6,785	3%
TOTAL SHAREHOLDERS' EQUITY	**921,074**	**772,473**	**19%**	**1,171,348**	**1,048,971**	**12%**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**6,384,400**	**5,772,315**	**11%**	**9,697,729**	**9,379,436**	**3%**

UNCONSOLIDATED AND CONSOLIDATED IFRS PROFIT AND LOSS ACCOUNT

in HUF million	OTP Bank			Consolidated		
	9M 2009	9M 2008	change	9M 2009	9M 2008	change
Loans	195,191	172,387	13%	598,117	509,127	17%
Interest income without swap	185,164	165,571	12%	588,090	502,311	17%
Results of swaps	10,027	6,816	47%	10,027	6,816	47%
Placements with other banks	277,482	131,614	111%	271,037	110,081	146%
Interest income without swap	22,514	30,224	-26%	8,773	15,946	-45%
Results of swaps	254,968	101,390	151%	262,264	94,135	179%
Due from banks and balances with the National Bank of Hungary	5,641	10,272	-45%	6,120	11,945	-49%
Securities held-for-trading	1,843	3,224	-43%	2,342	5,563	-58%
Securities available-for-sale	36,033	15,587	131%	20,317	25,608	-21%
Securities held-to-maturity	42,097	33,913	24%	35,784	19,988	79%
Total Interest Income	*558,287*	*366,997*	*52%*	*933,717*	*682,312*	*37%*
Due to banks and deposits from the National Bank of Hungary and other banks	216,479	121,221	79%	197,960	130,162	52%
Interest expenses without swap	25,163	22,082	14%	29,602	28,209	5%
Losses of swaps	191,316	99,139	93%	168,358	101,953	65%
Deposits from customers	150,999	106,184	42%	218,717	159,307	37%
Interest expenses without swap	140,804	101,127	39%	208,522	154,250	35%
Losses of swaps	10,195	5,057	102%	10,195	5,057	102%
Liabilities from issued securities	23,273	17,275	35%	59,582	53,424	12%
Subordinated bonds and loans	13,419	12,220	10%	12,957	13,009	0%
Other entrepreneurs				59	39	51%
Total Interest Expense	*404,170*	*256,900*	*57%*	*489,275*	*355,941*	*37%*
NET INTEREST INCOME	**154,117**	**110,097**	**40%**	**444,442**	**326,371**	**36%**
Provision for possible loan losses	63,632	14,230	347%	166,522	47,476	251%
Provision for possible placement losses	27	0		2,894	65	
Provision for possible loan and placement losses	63,659	14,230	347%	169,416	47,541	256%
NET INTEREST INCOME AFTER PROVISION FOR POSSIBLE LOAN AND PLACEMENT LOSSES	90,458	95,867	-6%	275,026	278,830	-1%
Fees and commissions	119,542	117,131	2%	124,737	134,061	-7%
Foreign exchange gains and losses, net	-20,315	42,538	-148%	-12,038	76,302	-116%
Gains and losses on securities, net	578	1,554	-63%	7,284	-860	-947%
Gains and losses on real estate transactions, net	-4	-10	-60%	890	1,539	-42%
Dividend income and gains and losses of associated companies	32,985	137,639	-76%	907	1,768	-49%
Insurance premiums				0	60,433	-100%
Other	40,840	21,258	92%	53,839	19,705	173%
Total Non-Interest Income	*173,626*	*320,110*	*-46%*	*175,619*	*418,235*	*-58%*
Fees and commissions	16,092	18,267	-12%	26,277	30,445	-14%
Personnel expenses	57,849	56,291	3%	114,724	123,439	-7%
Depreciation and amortization	16,530	17,548	-6%	31,468	30,410	3%
Insurance expenses				0	47,177	-100%
Other	54,010	61,210	-12%	132,252	127,681	4%
Total Non-Interest Expense	*144,481*	*153,316*	*-6%*	*304,721*	*359,152*	*-15%*
INCOME BEFORE INCOME TAXES	**119,603**	**262,661**	**-54%**	**145,924**	**337,913**	**-57%**
Income taxes	3,101	15,640	-80%	16,002	36,168	-56%
INCOME AFTER INCOME TAXES	**116,502**	**247,021**	**-53%**	**129,922**	**301,745**	**-57%**
Minority interest				82	-485	-117%
NET INCOME	**116,502**	**247,021**	**-53%**	**130,004**	**301,260**	**-57%**

UNCONSOLIDATED AND CONSOLIDATED IFRS CASH-FLOW STATEMENT

in HUF million	OTP Bank			Consolidated		
	9M 2009	9M 2008	change	9M 2009	9M 2008	change
OPERATING ACTIVITIES						
Income before income taxes	**119,603**	**262,661**	**-54%**	**145,924**	**332,680**	**-56%**
Adjustments to reconcile income before income taxes to net cash provided by operating activities						
Income tax paid	-7,703	-10,246	-25%	-19,677	-30,230	-35%
Depreciation and amortization	16,530	17,548	-6%	31,468	30,410	3%
Provision for loan and placement losses	67,374	13,007	418%	192,089	53,155	261%
Net increase in insurance reserves	0	0		0	0	
Share-based compensation	5,101	4,283	19%	5,101	4,283	19%
Unrealised losses on fair value adjustment of securities held of trading	-2,118	-3,038	-30%	3,242	-3,123	-204%
Unrealised losses / (gains) on fair value adjustment of derivative financial instruments	15,914	23,799	-33%	-14,890	91,266	-116%
Changes in operating assets and liabilities	-447,063	15,349		-274,959	-70,963	287%
Net cash provided by operating activities	**-232,362**	**323,363**	**-172%**	**68,298**	**407,478**	**-83%**
INVESTING ACTIVITIES						
Net cash used in investing activities	**-109,832**	**-673,174**	**-84%**	**-257,930**	**-1,104,434**	**-77%**
FINANCING ACTIVITIES						
Net cash provided by financing activities	**349,991**	**317,043**	**10%**	**129,395**	**671,550**	**-81%**
Net (decrease) / increase in cash and cash equivalents	**7,797**	**-32,762**	**-124%**	**-60,237**	**-25,406**	**137%**
Cash and cash equivalents at the beginning of the period	93,066	73,441	27%	278,323	194,860	43%
Cash and cash equivalents at the end of the period	**100,863**	**40,679**	**148%**	**218,086**	**169,454**	**29%**
DETAILS OF CASH AND CASH EQUIVALENTS						
Cash, due from banks and balances with the National Bank of Hungary	157,437	229,644	-31%	348,849	353,243	-1%
Mandatory reserve established by the National Bank of Hungary	-64,371	-156,203	-59%	-70,526	-158,383	-55%
Cash and equivalents at the beginning of the period	**93,066**	**73,441**	**27%**	**278,323**	**194,860**	**43%**
Cash, due from banks and balances with the National Bank of Hungary	170,120	206,524	-18%	289,529	309,770	-7%
Compulsory reserve established by the National Bank of Hungary	-69,257	-165,845	-58%	-71,443	-140,316	-49%
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**100,863**	**40,679**	**148%**	**218,086**	**169,454**	**29%**

Ownership structure of OTP Bank Plc.

Description of owner	Total equity					
	1 January 2009			30 September 2009		
	%[1]	%[2]	Qty	%[1]	%[2]	Qty
Domestic institution/company	5.7%	6.1%	15,917,385	15.3%	15.6%	42,958,365
Foreign institution/company	75.4%	81.1%	211,211,327	68.1%	69.2%	190,771,662
Domestic individual	7.9%	8.5%	22,232,810	9.4%	9.5%	26,265,951
Foreign individual	0.1%	0.1%	193,787	1.1%	1.1%	3,120,977
Employees, senior officers	2.1%	2.3%	5,881,388	2.0%	2.0%	5,473,551
Treasury shares	7.0%	0.0%	19,509,673	1.5%	0.0%	4,284,648
Government held owner[3]	0.3%	0.3%	853,640	0.5%	0.5%	1,339,297
International Development Institutions[4]	1.5%	1.6%	4,200,000	2.1%	2.1%	5,785,559
Other	0.0%	0.0%	0	0.0%	0.0%	0
TOTAL	100.0%	100.0%	280,000,010	100.0%	100.0%	280,000,010

[1] Voting rights
[2] Beneficial ownership
[3] E.g.: State Privatization Holding Co. Ltd., Social Security, Municipality, 100% state-owned companies etc.
[4] E.g.: EBRD, EIB, etc.

Number of treasury shares held in the year under review

	1 January	31 March	30 June	30 September	31 December
Company	17,411,113	27,771,701	3,772,792	2,186,088	
Subsidiaries	2,098,560	2,098,560	2,098,560	2,098,560	
TOTAL	19,509,673	29,870,261	5,871,352	4,284,648	

Shareholders with over/around 5% stake

Name	Number of shares	Voting rights	Beneficial ownership
Groupama Group	25,657,160	9.16%	9.31%
Megdet, Timur and Ruszlan Rahimkulov	24,565,344	8.77%	8.91%
MOL (Hungarian Oil and Gas Company Plc.)	24,000,000	8.57%	8.70%

Changes in the headcount (number of persons) employed by the Bank and the subsidiaries

	End of reference period	Current period opening	Current period closing
Bank	8,541	8,297	7,946
Consolidated	31,709	30,884	30,102

Senior officers, strategic employees and their shareholding of OTP shares

Type[1]	Name	Position	No. of shares held
IT	Dr. Sándor Csányi [2]	Chairman and CEO	200,000
IT	Mihály Baumstark	member	0
IT	Dr. Tibor Bíró	member	40,600
IT	Péter Braun	member	527,905
IT	Dr. István Kocsis	member	72,700
IT	Dr. Sándor Pintér	member	101,350
IT	Dr. Antal Pongrácz	Deputy Chairman, Deputy CEO	200,000
IT	Dr. György Szapáry	member	0
IT	Dr. László Utassy	member	250,000
IT	Dr. József Vörös	member	117,200
FB	Tibor Tolnay	Chairman	80,580
FB	Dr. Gábor Horváth	member	10,000
FB	Antal Kovács	member, Deputy CEO	33,000
FB	Jean-Francois Lemoux	member	0
FB	András Michnai	member	15,600
FB	Dr. Nagy Csaba	Member	2,500
SP	László Bencsik	CFO, Deputy CEO	0
SP	Dr. István Gresa	Deputy CEO	63,758
SP	Ákos Takáts	Deputy CEO	153,347
SP	László Wolf	Deputy CEO	677,640
TOTAL No. of shares held by management:			**2,546,180**

[1] Employee in strategic position (SP), Board Member (IT), Supervisory Board Member (FB)
[2] Number of OTP shares owned by Mr. Csányi directly or indirectly: 2,700,000

SUPPLEMENTARY DATA

FOOTNOTES OF THE TABLE 'CONSOLIDATED AFTER TAX PROFIT BREAKDOWN BY SUBSIDIARIES (IFRS)

General note: regarding OTP Core and other subsidiaries, profit after tax is calculated without received dividends and net cash transfers. Regarding dividends and net cash transfers received from non-group member companies, it is shown on a separate line in one sum in the table, regardless to the particular receiver or payer group member company.

(1) Revaluation result of the strategic open FX position. Size and denomination of the short position developed as follows:

01.01.2007-10.01.2008: EUR 570 million short position

21.01.2008: EUR 525 million short position plus USD 65 million short position

22.01.2008-07.09.2008: EUR 515 million short position plus USD 80 million short position

08.09.2008: EUR 495 million short position plus USD 108 million short position

09.09.2008-10.09.2008: EUR 485 million short position plus USD 122 million short position

11.09.2008-12.09.2008: EUR 465 million short position plus USD 150 million short position

13.09.2008-28.12.2008: EUR 315 million short position plus USD 150 million short position

29.12.2008-05.01.2009: EUR 300 million short position plus USD 75 million short position

06.01.2009- : EUR 310 million short position plus USD 61.5 million short position

Since the beginning of 2007, OTP Group has been holding a strategic open FX position in order to hedge its net profit's exposure to the exchange rate movements of the Hungarian forint, stemming from the translation of the foreign subsidiaries' P&L's from local currencies to HUF. Since 1Q 2009, in accordance with the Auditor the Bank re-qualified the strategic open FX-position as a hedge transaction. Consequently, going forward, the exchange rate effect of EUR 310 million short position (83% of the whole strategic position) equal to 2009 and 2010 yearly result of 4 subsidiary (DSK, CKB, OTP banka Hrvatska and OTP Banka Slovensko) will be booked against equity. Accordingly in 1Q out of the total HUF 16.2 billion pre-tax revaluation loss generated on the whole strategic open position HUF 13.8 billion was booked against equity and only HUF 2.4 billion debited pre tax profit.

(2) Goodwill impairment charges booked in relation to OTP banka Srbija (Serbia) and OTP Bank JSC (Ukraine) in 4Q 2008.

(3) OTP Core, Corporate Centre and foreign banks aggregated, excluding one-timers.

(4) After tax profit of OTP Core (consolidated result of OTP Bank Plc., OTP Mortgage Bank, OTP Building Society and OTP Faktoring) without the after tax result of strategic open FX position, dividend, net cash transfers, subsidiary financing and interest expense of Tier2 Capital. From 1Q 2008, adjusted after tax profit of OTP Core also excludes the net interest income result of swap transactions realised by OTP Bank Romania in relation to subsidiary financing.

(5) Corporate Centre: Interest expense of Tier2 Capital plus net interest and non-interest income of foreign subsidiary financing realised by OTP Bank and OTP Financing Cyprus, plus net interest income of swap transactions made in relation to subsidiary financing.

(6) Net interest and non interest income of subsidiary financing realised by OTP Bank and OTP Financing Cyprus, plus net interest income of swap transactions made in relation to subsidiary financing.

(7) Regarding OAO OTP Bank (Russia), accounting after tax profit of 1Q 2007 contains the performance of 2006 December. For the sake of quarterly data comparability, 25% of 1Q 2007 after tax profit is considered as one-timer.

(8) From 1Q 2008, adjusted after tax profit excludes the fair value adjustment result of swap transactions executed with OTP Bank in relation to interbank financing.

(9) One-off gains realised on the sale of investments in 1H 2008.

(10) One-off other provisioning, other non interest income and other non-interest expense booked in relation to the sale of OTP Leasing a.s. in 4Q 2008.

(11) Aggregated after tax profit of Merkantil Bank and Merkantil Car without dividends and net cash transfer.

(12) One-off other provisioning, other non interest income and other non-interest expense booked in relation to the sale of OTP Leasing a.s. in 4Q 2008.

(13) OTP Leasing a.s. (Slovakia)

(14) After-tax result of provisioning on losses of foreign insurance subsidiaries.

(15) OTP Garancia poistovna, a.s. (Slovakia), OTP Garancia zivotna poistovna (Slovakia), a.s., DSK Garancia Insurance AD (Bulgaria), DSK Garancia Insurance Life AD (Bulgaria), Asigurarea CECCAR-ROMAS SA (Romania) aggregated

(16) After-tax result of OTP Asset Management without fees and commissions paid to OTP Bank

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

(18) HIF Ltd. (United Kingdom), OTP Faktoring Slovensko (Slovakia), OTP Holding Limited (Cyprus)

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

(20) Total Foreign subsidiaries: sum of profit after tax (without dividends and net cash transfers) of foreign subsidiaries.

CALCULATION OF ADJUSTED LINES OF IFRS PROFIT AND LOSS STATEMENTS PRESENTED IN THE REPORT

In order to present Group level trends in a comprehensive way in the Interim Management Report, the presented consolidated and unconsolidated profit and loss statements of the Report were adjusted in the following way, and the adjusted P&Ls are shown and analysed in the Report. Consolidated accounting figures together with unconsolidated accounting figures of OTP Bank are still disclosed in the Financial Data section of the Report.

- Received dividends, received and paid cash transfers, together with the after tax profit of strategic open FX position is shown separately and after-tax on the adjusted P&L.
- Out of net Foreign exchange results, fair value adjustment (FVA) of the spot leg of FX swaps has been added to Net Interest Income.
- Any earnings within net gain/loss on securities related to FX swaps have been added to Net Interest Income.
- Insurance premiums and insurance expenses are netted and shown as part of other net non-interest income.
- Other non-interest income elements stemming from provisioning release in connection with loans originated before the acquisitions have been reclassified to and deducted from the volume of provisions for possible loan losses in the income statement.
- Other non-interest income is shown together with gains/losses on real estate transactions, but without the above mentioned income from the release of pre-acquisition provisions and without received cash transfers. However other non-interest expenses stemming from non-financial activities are added to the adjusted net other non-interest income line, therefore the latter incorporates net other non-interest income from non-financial activities.
- Out of other expenses, other provisions are deducted and shown separately as other risk costs on the adjusted P&L. Other provisions contain provisioning on off-balance sheet liabilities and on legal contests, provisioning on securities, shares and other investments as well as provisioning on other assets. Paid cash transfers – excluding movie subsidies, which are quasi marketing expenses but kept as paid cash transfer on the P&L – are also deducted from other expenses, together with the above mentioned other non-interest expenses stemming from non-financial activities.
- Provisioning accruals of NPLs' interest income at OAO OTP Bank (Russia) is reclassified from other risk costs to net interest income from 4Q 2007. The reclassification is carried out on both consolidated and non-consolidated level.
- In 1Q 2008, parallel cash transfer and provision release (having net 0 P&L effect) stemming from the closing of a legal case were netted both on OTP Group consolidated and OTP Core consolidated level.
- Cost/income ratio, net interest margin, risk cost to average gross loans as well as ROA and ROE ratios are calculated on the basis of the adjusted profit and loss statement, excluding one timers such as received dividends and net cash transfers, the after tax result of strategic open FX position, the net profit of the sale of OTP Garancia and the after tax effect of the goodwill write-downs. Cost/income ratio is calculated from operating costs, excluding other risk costs.
- Regarding consolidated ROA and ROE indicators, until the end of 2008 they are calculated from the adjusted profit after tax of the Group, therefore they are excluding the effect of one-off items. However since the beginning of 2009, they are calculated from the accounting (unadjusted) net profit figures, because in 2009 the profit was not affected significantly by one-off items.

ADJUSTMENTS OF CONSOLIDATED IFRS P&L LINES

in HUF million	1Q 08	2Q 08	3Q 08	9M 08	4Q 08 Audited	1Q 09	2Q 09	3Q 09	9M 09
Net interest income	**114,608**	**169,408**	**42,356**	**326,371**	**110,905**	**156,385**	**147,479**	**140,577**	**444,442**
(+) Foreign exchange result of swap transactions	4,728	-43,998	88,916	49,646	42,387	3,841	-3,841	0	0
(+) Gain on securities due to swap transactions	0	0	0	0	0	0	0	0	0
(+) Other provisioning accruals (other risk costs) after NPLs' interest income (OTP Russia)	-1,848	-1,953	-2,065	-5,866	-2,105	-2,100	-2,518	-2,823	-7,441
(-) Net interest accruals of agent fees (OTP Mortgage Bank)					5,393	0	0	0	0
Net interest income (adj)	**117,488**	**123,456**	**129,207**	**370,151**	**145,795**	**158,126**	**141,120**	**137,754**	**437,001**
Net fees and commissions	**34,202**	**34,562**	**34,851**	**103,615**	**31,615**	**31,877**	**33,458**	**33,123**	**98,458**
(+) Net interest accruals of agent fees (OTP Mortgage Bank)	0	0	0	0	5,393	0	0	0	0
Net fees and commissions (adj.)	**34,202**	**34,562**	**34,851**	**103,615**	**37,008**	**31,877**	**33,458**	**33,123**	**98,458**
Foreign exchange result on Consolidated IFRS P&L	**10,056**	**-23,615**	**89,862**	**76,302**	**54,224**	**-11,806**	**-4,780**	**4,548**	**-12,038**
(-) Foreign exchange result of swap transactions	4,728	-43,998	88,916	49,646	42,387	3,841	-3,841	0	0
(-) Result of strategic open FX position	-2,232	12,625	-4,472	5,921	-11,821	-2,390	0	0	-2,390
Foreign exchange result (adj.)	**7,560**	**7,758**	**5,418**	**20,735**	**23,658**	**-13,257**	**-939**	**4,548**	**-9,648**
Gain/loss on securities, net	**-3,348**	**2,929**	**-442**	**-860**	**-235**	**-4,723**	**4,556**	**7,450**	**7,284**
(-) Gain/loss on securities due to swap transactions	0	0	0	0	0	0	0	0	0
Gain/loss on securities, net (adj.)	**-3,348**	**2,929**	**-442**	**-860**	**-235**	**-4,723**	**4,556**	**7,450**	**7,284**
Result of discontinued operation	**0**	**0**	**125,287**	**125,287**	**-4,101**	**0**	**0**	**0**	**0**
(-) Profit of the sale of OTP Garancia Group (before tax)			125,287	125,287	-4,101	0	0	0	0
Result of discontinued operation (adj)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Gains and losses on real estate transactions	**172**	**588**	**779**	**1,539**	**267**	**269**	**226**	**395**	**890**
Result of discontinued operation (adj)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
(+) Other non-interest income	**5,446**	**5,983**	**8,276**	**19,705**	**8,096**	**30,273**	**15,267**	**8,298**	**53,838**
(-) Received cash transfers	1	-8	28	20	12	4	5	7	16
(-) Non-interest income from the release of pre-acquisition provisions	547	1,023	610	2,180	1,224	646	623	616	1,885
(+) Other non-interest expenses	-432	-338	-3,758	-4,529	-2,180	-1,194	-1,070	998	-1,267
Net other non-interest result (adj)	**4,638**	**5,218**	**4,659**	**14,515**	**4,947**	**28,698**	**13,795**	**9,068**	**51,561**
Provision for possible loan and placement losses	**-12,826**	**-16,859**	**-17,857**	**-47,542**	**-63,906**	**-46,047**	**-56,116**	**-67,251**	**-169,414**
(+) Non-interest income from the release of pre-acquisition provisions	547	1,023	610	2,180	1,224	646	623	616	1,885
Provision for possible loan and placement losses (adj)	**-12,279**	**-15,836**	**-17,247**	**-45,361**	**-62,682**	**-45,401**	**-55,493**	**-66,635**	**-167,529**
Other expenses	**-40,032**	**-41,929**	**-45,720**	**-127,681**	**-55,295**	**-45,384**	**-48,336**	**-38,530**	**-132,250**
(-) Other provisions	750	-2,270	-4,094	-5,614	-10,871	-8,293	-9,152	-5,228	-22,673
(-) Paid cash transfers	-2,202	-598	-255	-3,054	-226	-95	-88	-301	-484
(+) Film subsidies paid as cash transfer	-129	-595	-213	-937	-155	-65	-93	-298	-456
(-) Other non-interest expenses	-432	-338	-3,758	-4,529	-2,180	-1,194	-1,070	998	-1,267
Other expenses (adj)	**-38,278**	**-39,318**	**-37,826**	**-115,421**	**-42,173**	**-35,867**	**-38,119**	**-34,297**	**-108,283**

in HUF million	1Q 08	2Q 08	3Q 08	9M 08	4Q 08 Audited	1Q 09	2Q 09	3Q 09	9M 09
Other risk costs	**750**	**-2,270**	**-4,094**	**-5,614**	**-10,871**	**-8,293**	**-9,152**	**-5,228**	**-22,673**
(-) Other provisioning accruals (other risk costs) after interest income (OTP Russia)	-1,848	-1,953	-2,065	-5,866	-2,105	-2,100	-2,518	-2,823	-7,441
(-) Other provisioning release of Bagat transaction	2,070	0	0	2,070	0	0	0	0	0
Other risk costs (adj)	**528**	**-317**	**-2,029**	**-1,818**	**-8,766**	**-6,193**	**-6,633**	**-2,405**	**-15,231**
After tax dividends and net cash transfers	**-1,402**	**-345**	**480**	**-1,266**	**484**	**315**	**393**	**-269**	**439**
(-) Paid cash transfer due to Bagat transaction	-2,070	0	0	-2,070	0	0	0	0	0
(-) Film subsidies paid as cash transfer	-129	-595	-213	-937	-155	-65	-93	-298	-456
After tax dividends and net cash transfers	**798**	**250**	**693**	**1,741**	**638**	**380**	**486**	**29**	**894**
Depreciation	**-9,406**	**-10,244**	**-10,760**	**-30,410**	**-101,790**	**-10,291**	**-10,483**	**-10,694**	**-31,469**
(-) Goodwill impairment charges (OTP Banka Srbija (Serbia), CJSC OTP Bank (Ukraine)) (before tax)	0	0	0	0	-93,592	0	0	0	0
Depreciation (adj)	**-9,406**	**-10,244**	**-10,760**	**-30,410**	**-8,198**	**-10,291**	**-10,483**	**-10,694**	**-31,469**

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