OTP Group
Investor presentation based on 1Q 2018 results

OTP Group has maintained strong profitability, capital adequacy and liquidity

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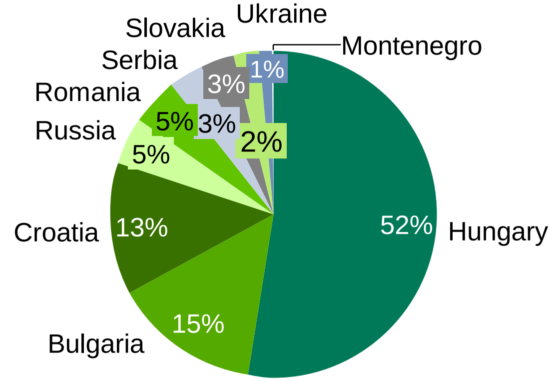
Key pillars of the OTP investment rationale

1.	Unique diversified access to the CEE/CIS banking sector
2.	Return on Equity has normalized at attractive levels (>15%) as a new era of structurally low risk environment has commenced
3.	Double-digit loan growth: on top of strong organic performing loan expansion (+11%), acquisitions added another 15 pps in the last 12 months
4.	Strong capital and liquidity position coupled with robust internal capital generation make room for further acquisitions
5.	OTP is a frontrunner and has always been committed to innovation in digital banking

1. OTP Group is offering universal banking services to more than 17 million customers in 9 countries across the CEE/CIS Region

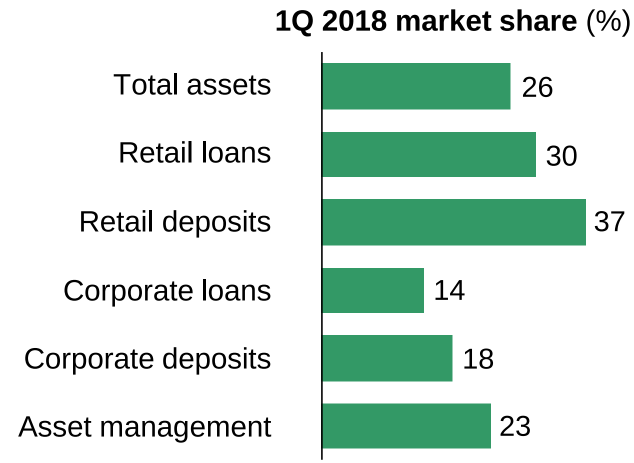
Major Group Members in Europe

Total Assets

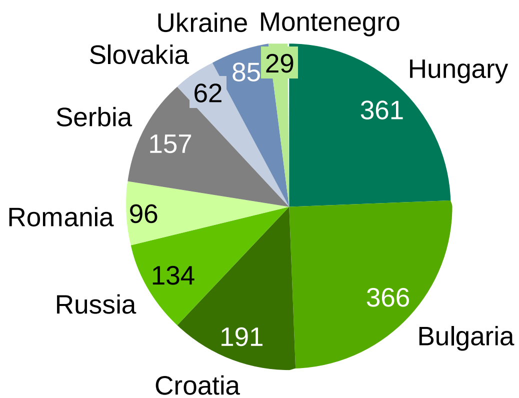


Total Assets: HUF 13,511 billion

Systemic position in Hungary…

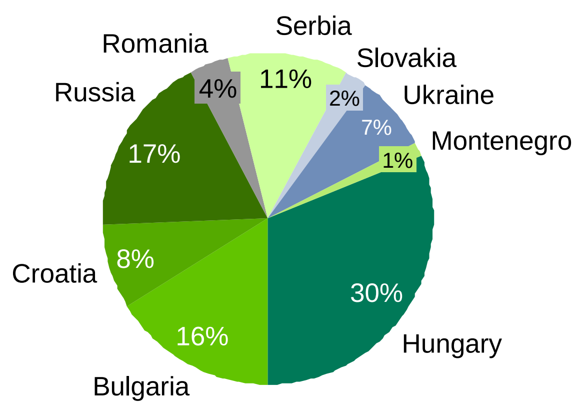


Number of Branches



Total number of branches: 1,481

Headcount



Total headcount: 29,217[1]

… as well as in other CEE countries

Bulgaria

- No. 2 in Total assets
- No. 1 in Retail deposits
- No. 1 in Retail loans

Croatia

- No. 4 in Total assets

Russia

- No. 2 in POS lending
- No. 7 in Credit card business
- No. 22 in Cash loan business

Montenegro

- No. 1 in Total assets

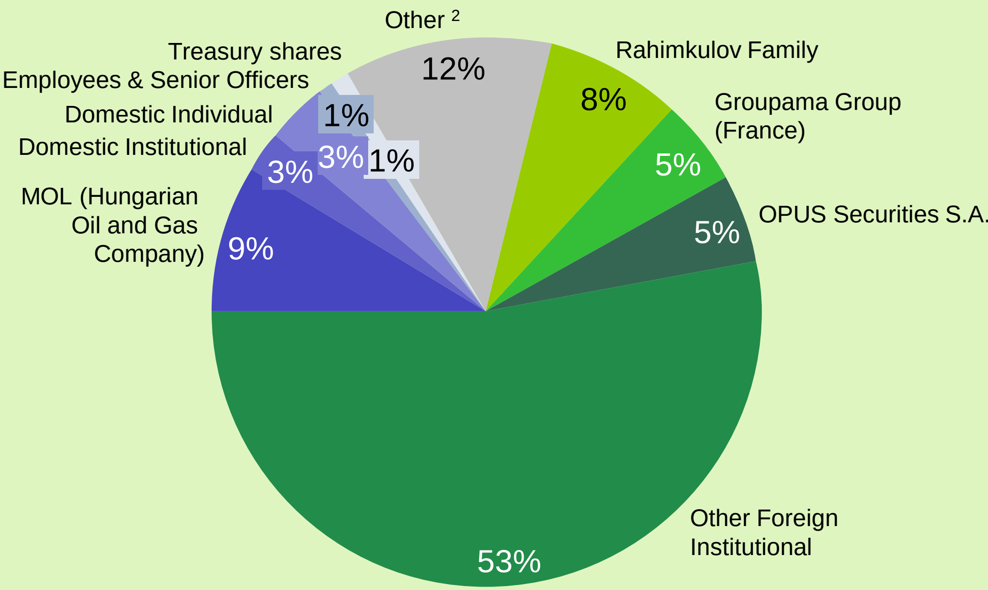
Source: OTP Bank Plc.

[1] Excluding selling agents employed at OTP Bank Russia and at OTP Bank Ukraine.

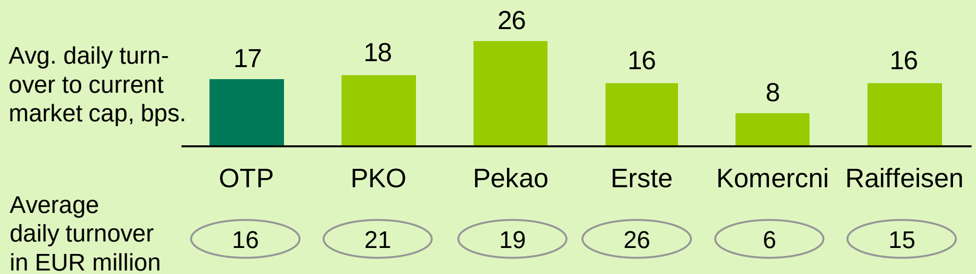
1. OTP offers a unique investment opportunity to access the CEE banking sector. The Bank is a well diversified, transparent player without strategic investors

Market capitalization: EUR 9.6 billion[1]

Ownership structure of OTP Bank on 31 March 2018



OTP is one of the most liquid stocks in a peer group comparison in terms of average daily turnover[3]



Total number of ordinary shares: 280,000,010, each having a nominal value of HUF 100 and representing the same rights

Since the IPO in 1995 / 1997, OTP Bank has not raised capital on the market, nor received equity from the state

No direct state involvement, the Golden Share was abolished in 2007

OTP Group's Capabilities

'Best Private Bank in Hungary'
'Best Private Bank in CEE'
(World Ranking: 177)

'Bank of the Year in 2017'
'The Most Innovative Bank of the Year in 2017'
'The Retail Online and Mobile Application of the Year in 2017'
'The Current Account of the Year' - 2nd place in 2017
'The Socially Responsible Bank of the Year' - 3rd place in 2017

'Best local bank in Hungary'

'Best Bank in Hungary 2017'
'Best Bank in Bulgaria 2014 and 2017'

DSK Bank - 'Best Bank in Bulgaria 2015'

'Best Bank in Hungary in 2008, 2009, 2010, 2012, 2013, 2014, 2015, 2016, 2017 and 2018'

'The Best Private Banking Services in Hungary in 2014, 2017 and 2018'

Index Member of CEERIUS

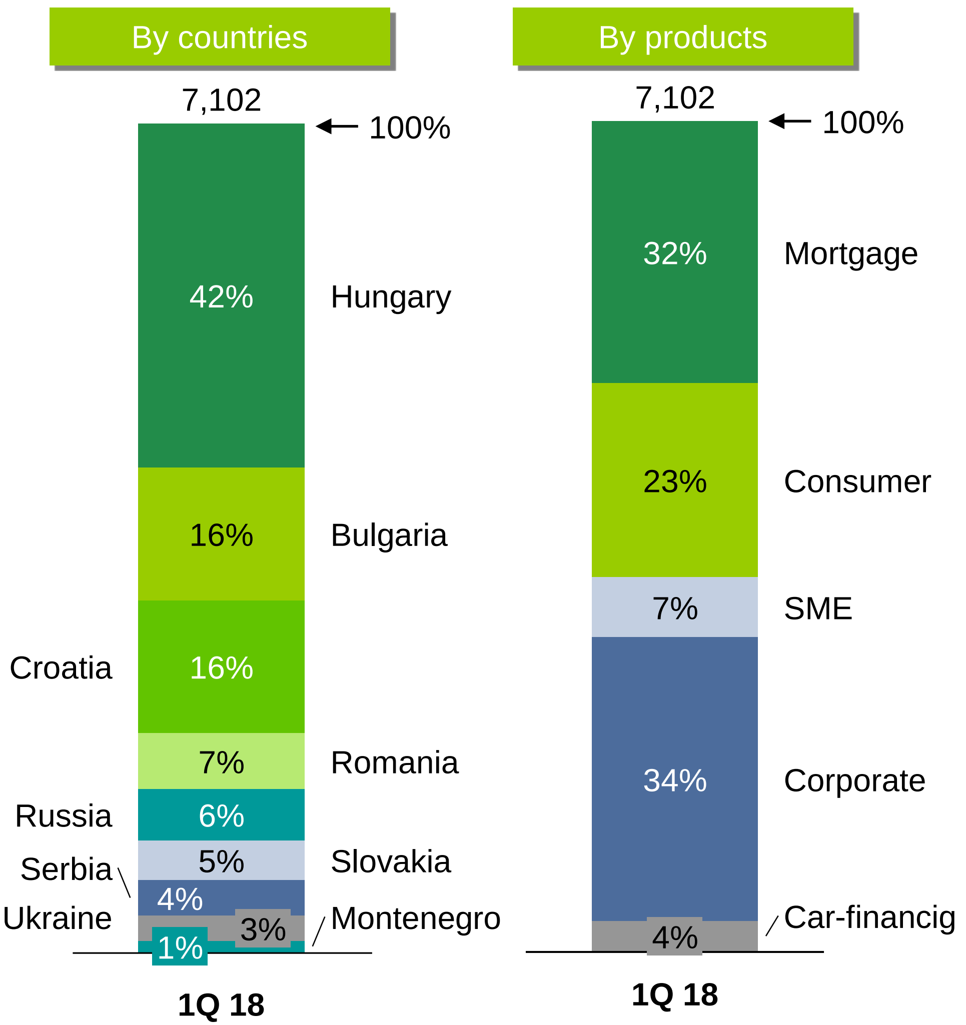
'Best FX providers in Hungary in 2017, 2018'

'Best Private Bank in Hungary in 2018'

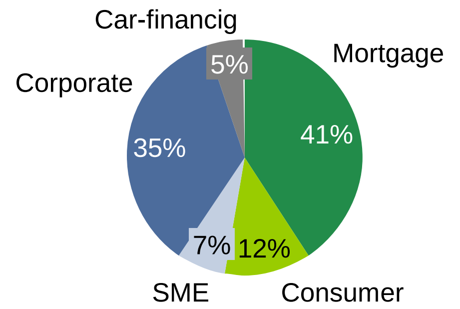
[1] On 17 May 2018.
[2] Foreign individuals and non-identified shareholders.
[3] Based on the last 6M data (end date: 17 May 2018) on the primary stock exchange.

1. **The net loan book is dominated by Hungary and tilted to retail lending; around 85% of the total book is invested in EU countries with stable earning generation capabilities**

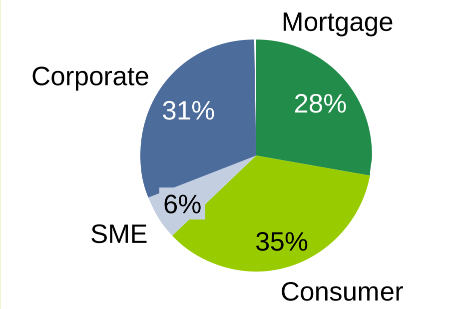
Breakdown of the consolidated net loan book
(in HUF billion)



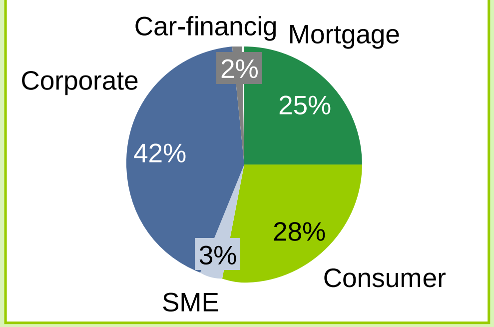
OTP Core[1] (Hungary)



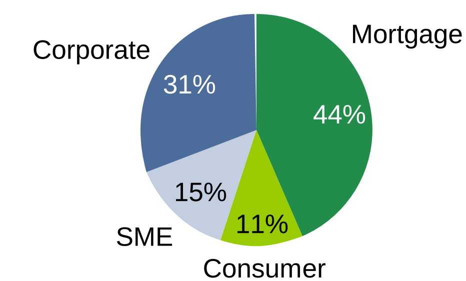
DSK Bank (Bulgaria)



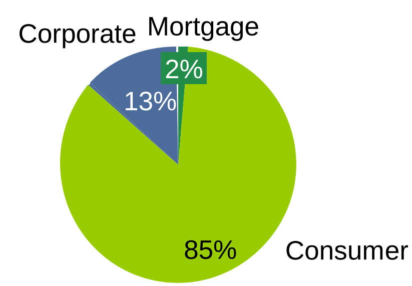
OTP Bank Croatia



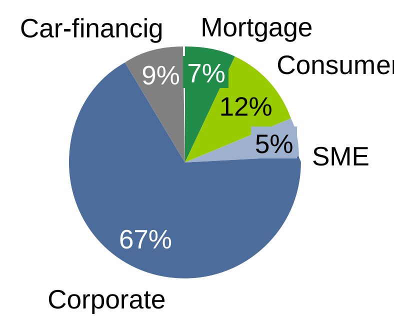
OTP Bank Romania



OTP Bank Russia[2]



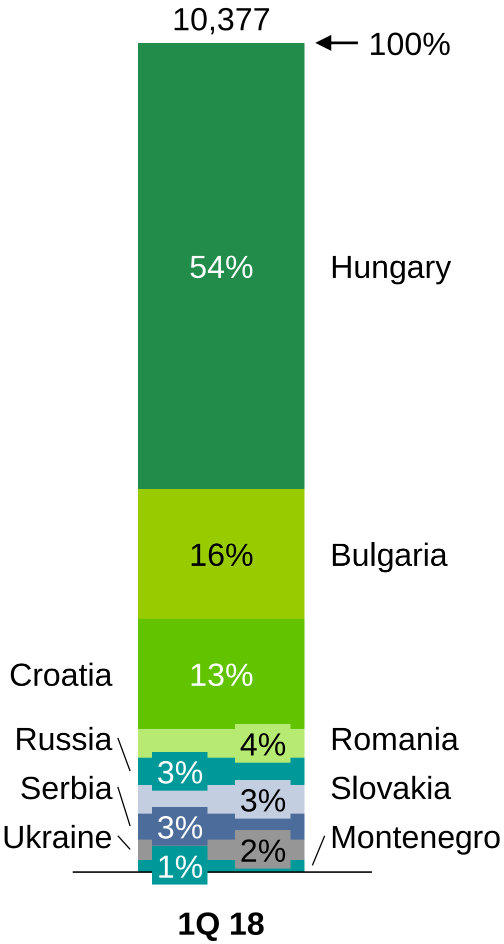
OTP Bank Ukraine

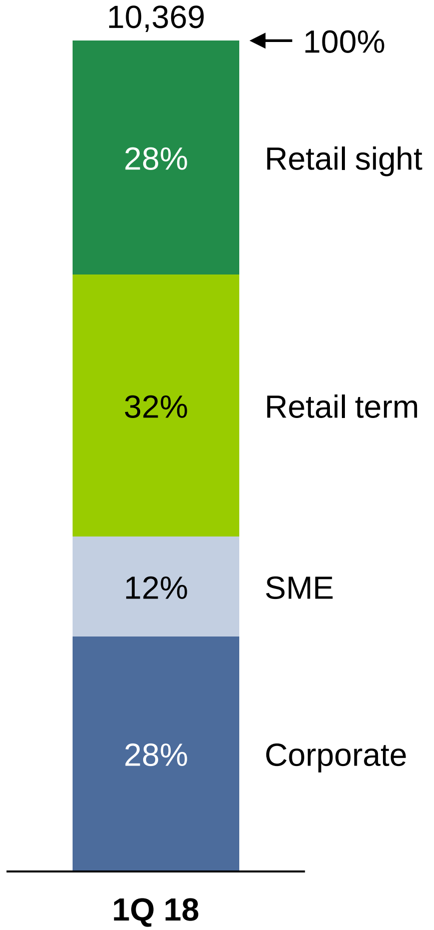


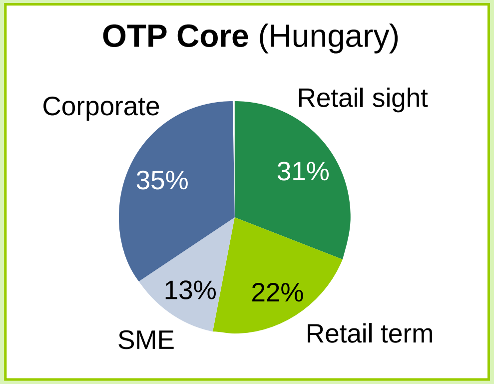
[1] Including Merkantil Bank and Merkantil Car (Hungary).
[2] Excluding Touch Bank.

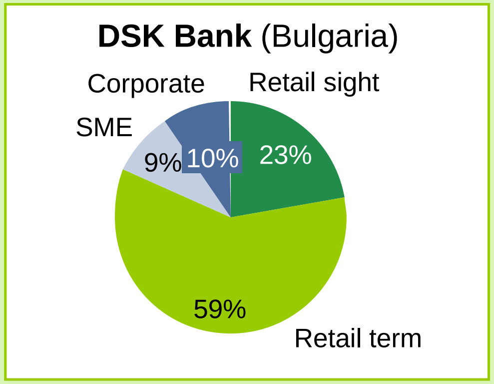
1. **In the deposit book Hungary and the retail segment is dominant. In Hungary and Bulgaria OTP and DSK are the largest retail deposit holders**

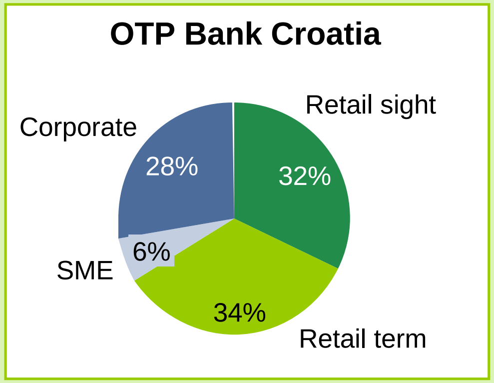
Breakdown of the consolidated deposit base (in HUF billion)

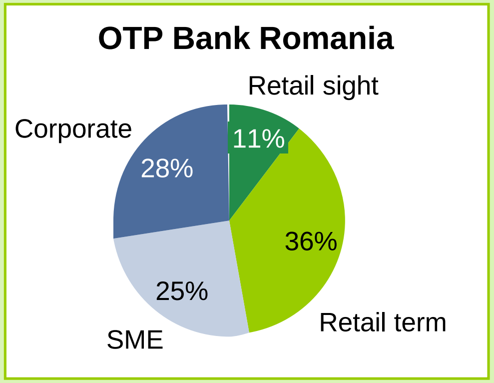


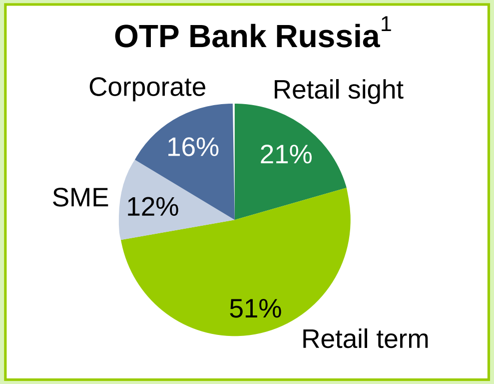


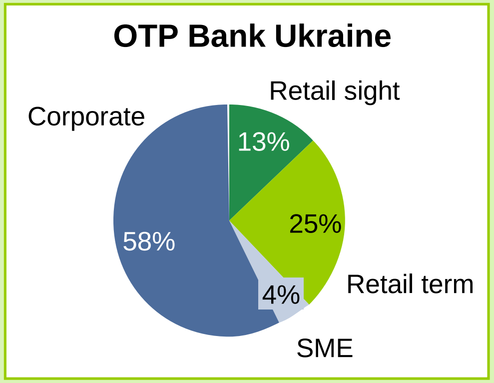












[1] Excluding Touch Bank.

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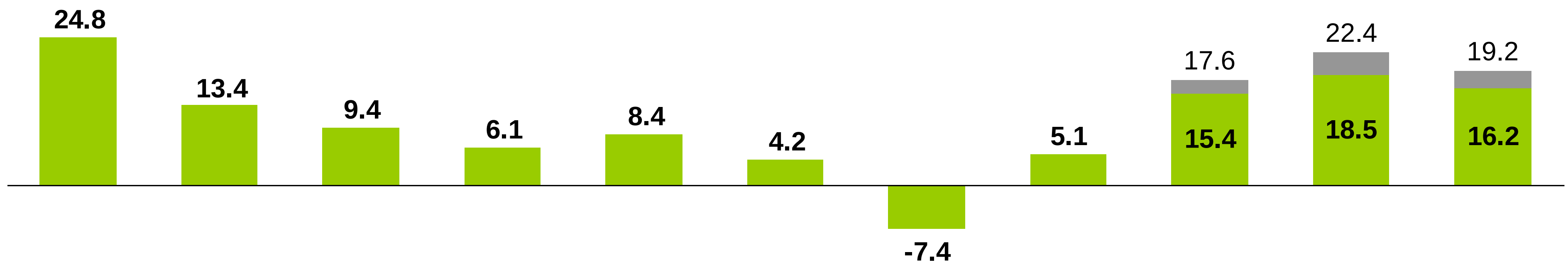
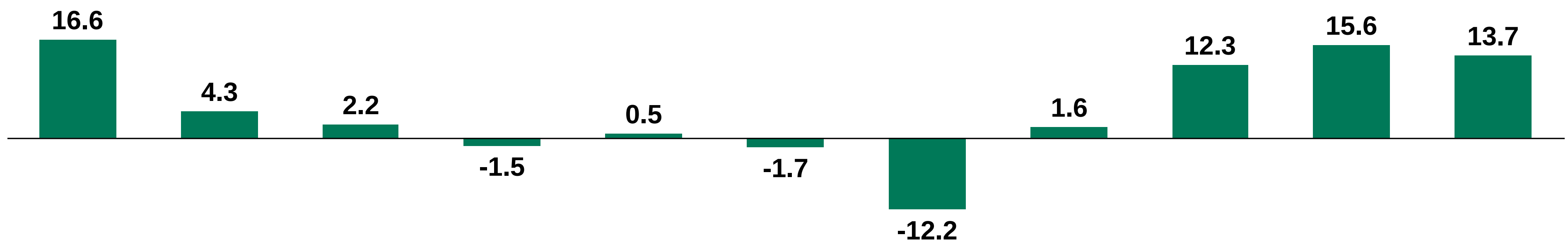
2. Return on Equity has returned to attractive levels

Consolidated ROE, accounting (%)



Opportunity cost-adjusted[2] consolidated accounting ROE over the average 10Y Hungarian government bond yields (%)



Price to Book ratio

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	1Q 2018
Max	2.8	1.4	1.7	1.4	0.8	1.0	0.9	1.4	1.7	1.9	2.0
Min	0.6	0.4	0.9	0.6	0.6	0.7	0.7	0.8	1.3	1.5	1.7

Bloomberg

[1] The indicated / approved dividend and the CET1 capital surplus (as calculated from the difference between the 12.5% CET1 and the actual CET1 ratio including the interim result less approved dividend) is deducted from the equity base.
[2] Accounting ROE less the annual average of Hungarian 10Y government bond yields.

2. The accounting ROE has been growing steadily since 2015 on the back of moderating provision charges and vanishing negative adjustment items; the total revenue margin has been relatively resilient

	2010	2011	2012	2013	2014	2015	2016	2017	1Q 2018
Accounting ROE	9.4%	6.1%	8.4%	4.2%	-7.4%	5.1%	15.4%	18.5%	16.2%
Accounting ROE on 12.5% CET1 ratio[1]						5.4%	17.6%	22.4%	19.2%
Adjusted ROE[2]	13.0%	11.8%	10.2%	9.6%	8.5%	9.6%	15.4%	18.7%	19.7%
Total Revenue Margin[3]	8.03%	8.12%	8.31%	8.44%	7.74%	7.03%	6.79%	6.71%	6.28%
Net Interest Margin[3]	6.16%	6.31%	6.40%	6.37%	5.96%	5.17%	4.82%	4.56%	4.37%
...									
Operating Costs / Average Assets	3.62%	3.76%	3.89%	4.07%	3.85%	3.66%	3.70%	3.68%	3.46%
Risk Cost Rate	3.69%	2.95%	3.11%	3.51%	3.68%	3.18%	1.14%	0.43%	0.03%
Leverage (average equity / avg. assets)	12.8%	13.6%	14.4%	14.8%	13.0%	11.5%	12.9%	12.7%	12.3%

[1] The indicated / approved dividend and the CET1 capital surplus (as calculated from the difference between the 12.5% CET1 and the actual CET1 ratio including the interim result less approved dividend) is deducted from the equity base.
[2] Calculated from the Group's adjusted after tax result. [3] Excluding one-off revenue items.

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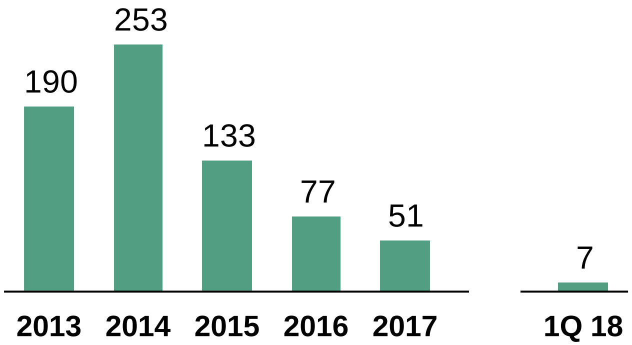
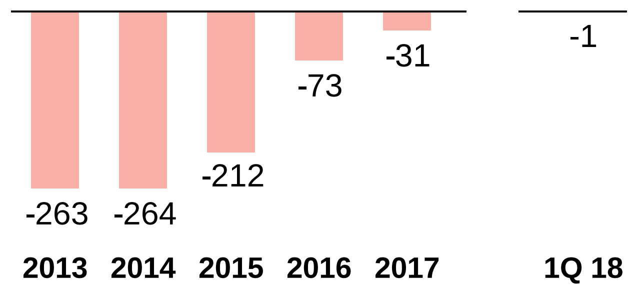
2. The credit quality indicators kept further improving. The ratio of consolidated DPD90+ loans dropped below 9%, the risk cost rate sank to almost zero in 1Q 2018

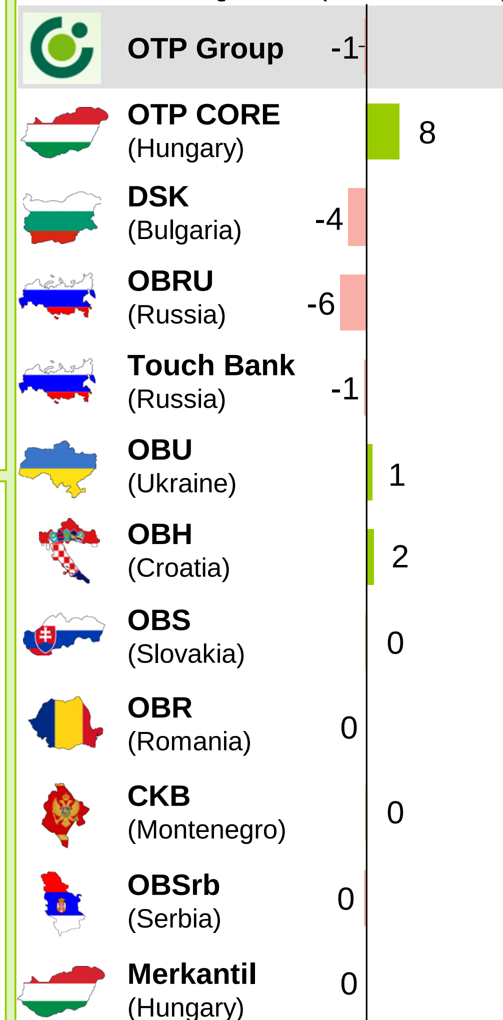
Change in DPD90+ loan volumes (consolidated, adjusted for FX and sales and write-offs, in HUF billion)



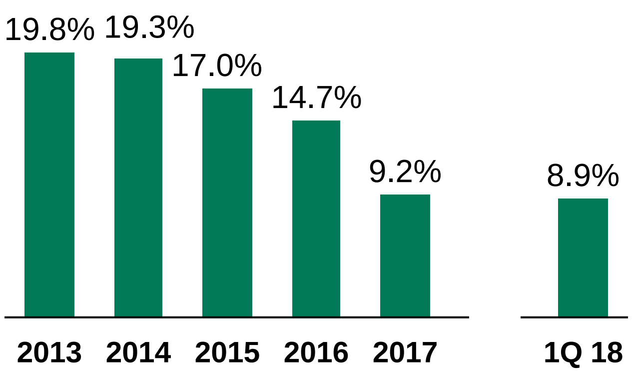
Consolidated risk cost for possible loan losses (in HUF billion)



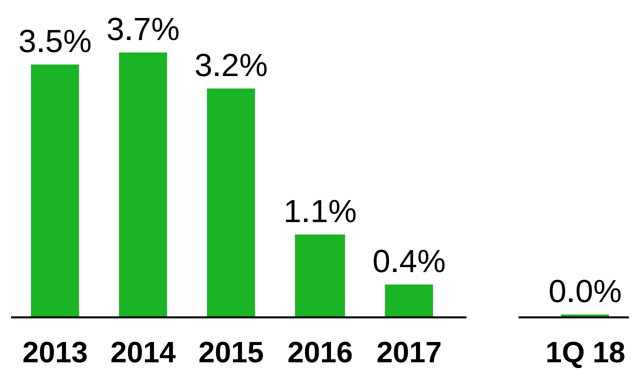
Risk cost for possible loan losses in 1Q 2018 (in HUF billion)



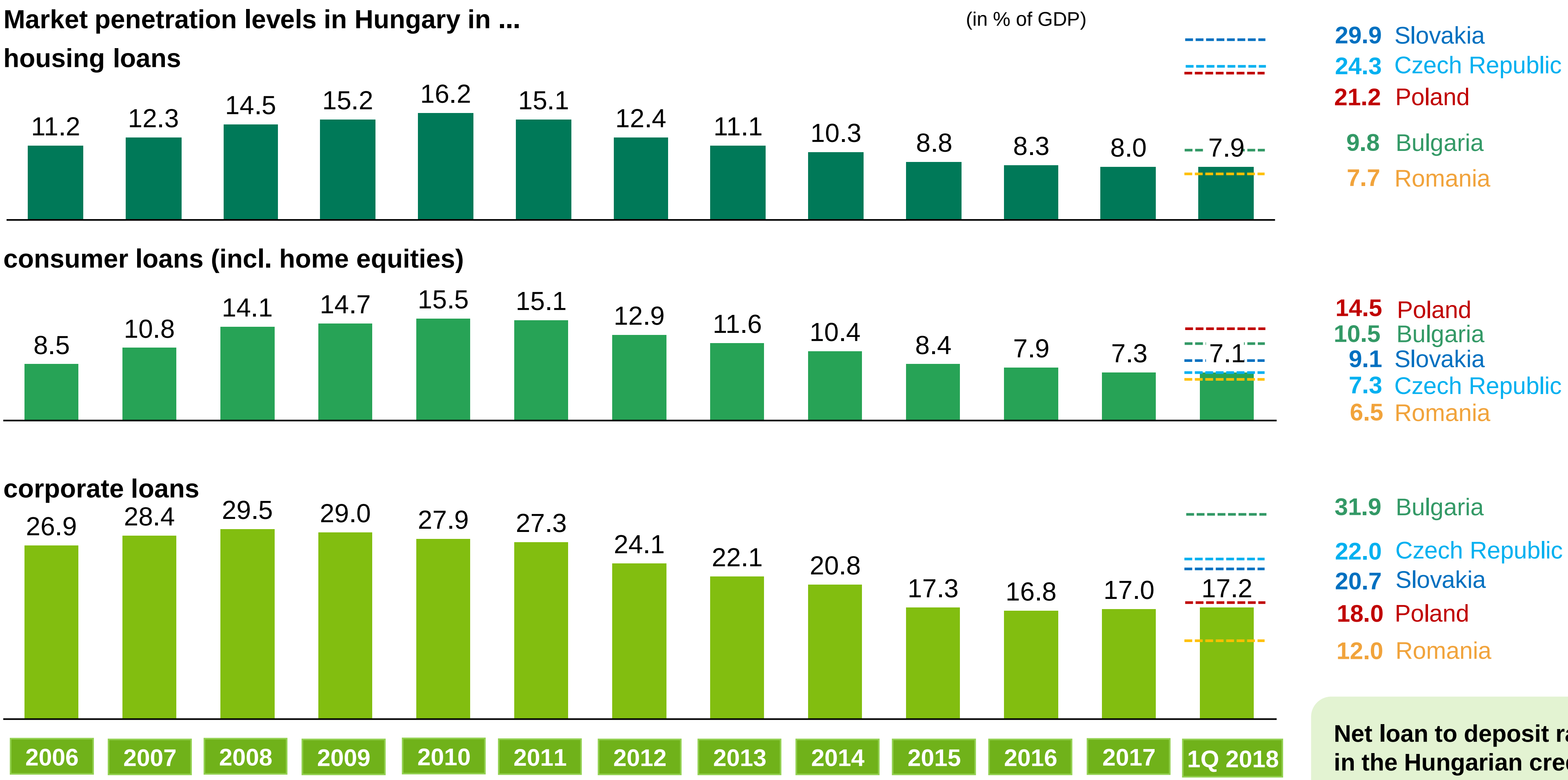
Ratio of consolidated DPD90+ loans to total loans



Consolidated risk cost rate



In Hungary the retail loan penetration ratios halved since 2010 and returned to the levels before the lending boom



Net loan to deposit ratio in the Hungarian credit institution system[1]

168% → 89%

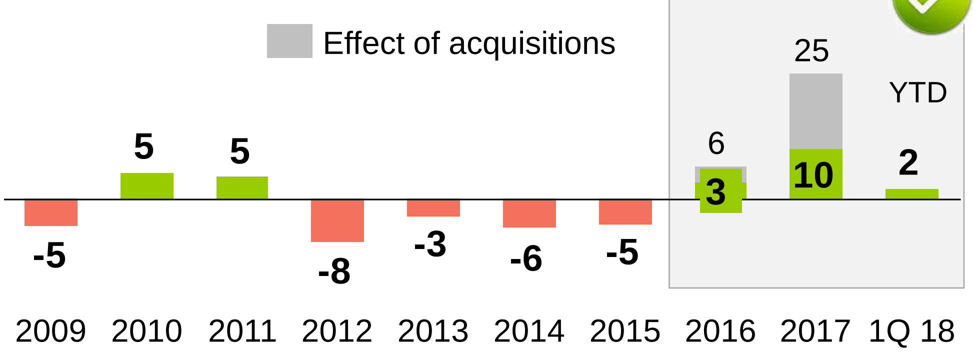
1Q 09 → 4Q 17

[1] Latest available data. According to the supervisory balance sheet data provision.

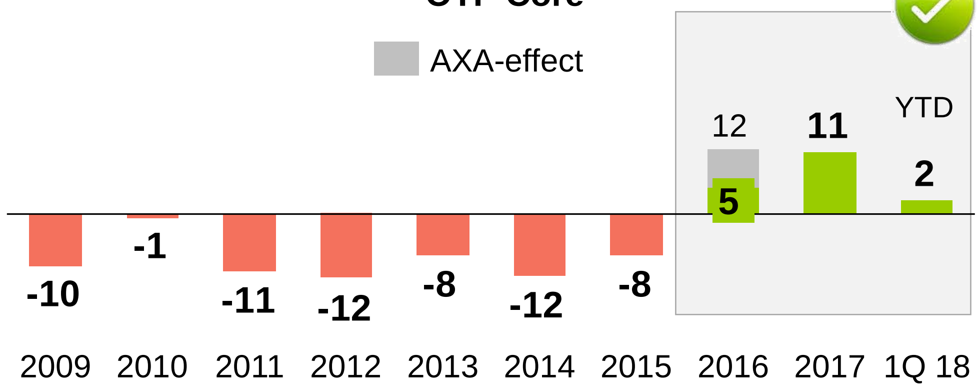
3. **Following the contraction in the previous years, the last two years brought a spectacular turnaround in loan volumes, while deposits have been growing steadily reflecting our clients' trust in the Bank**

Y-o-Y performing (DPD0-90) loan volume changes [1] (adjusted for FX-effect, %)

Consolidated

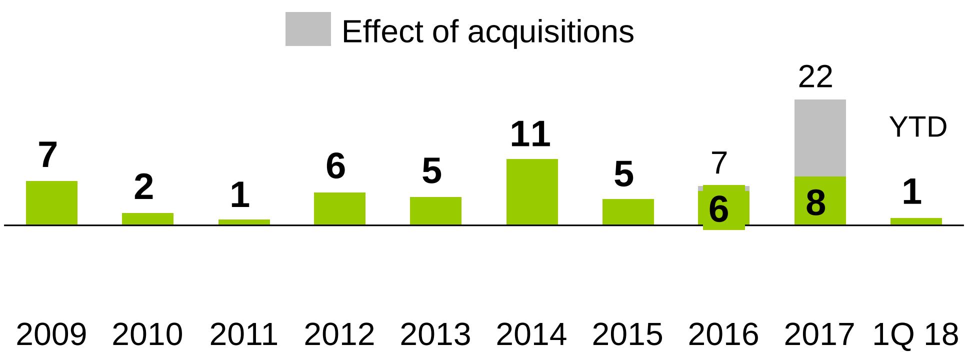


OTP Core

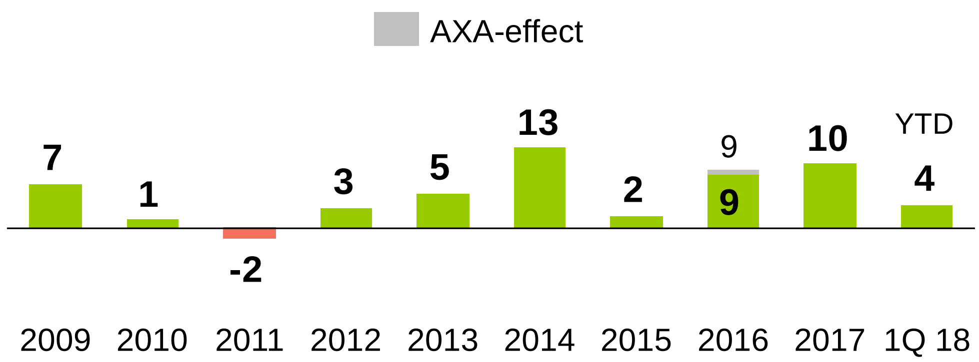


Y-o-Y deposit volume changes (adjusted for FX-effect, %)

Consolidated



OTP Core



[1] Consolidated: net loan volume between 2009-2013; OTP Core: estimation for 2009.

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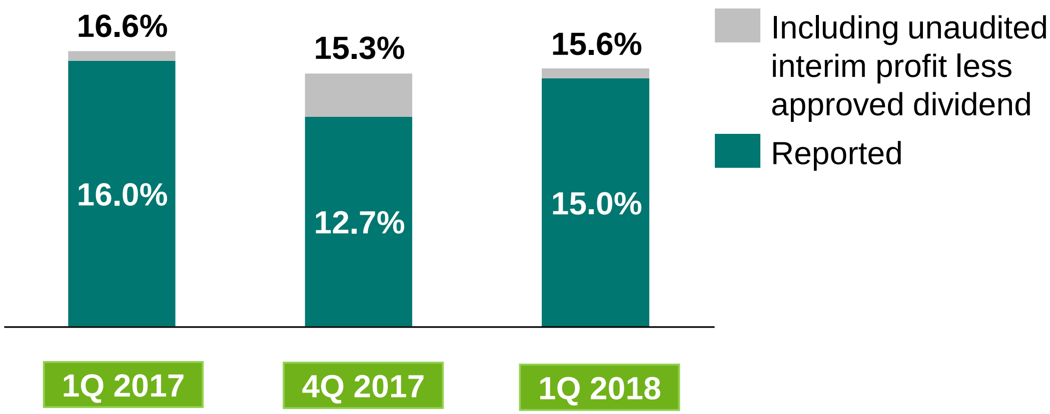
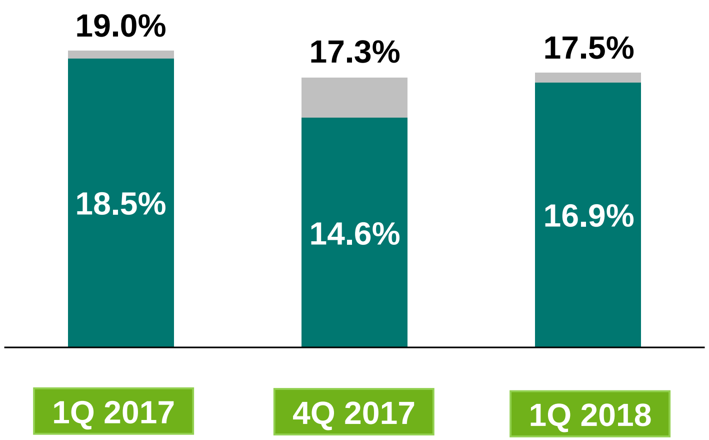
4. Strong capital and liquidity position coupled with robust internal capital generation make room for strong organic growth and further acquisitions

Development of the fully loaded CET1 ratio of OTP Group



Development of the CAR ratio of OTP Group



Net liquidity reserves
(in EUR billion equivalent)

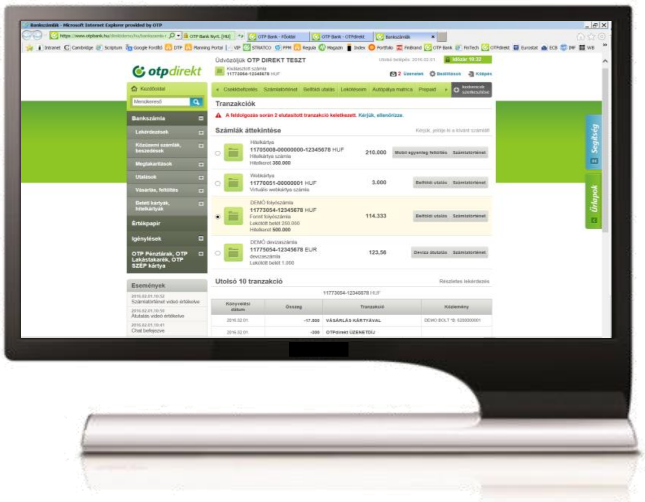
External debt[1]
(in EUR billion equivalent)

Net liquidity buffer / total assets (%)

Consolidated net loan to deposit ratio

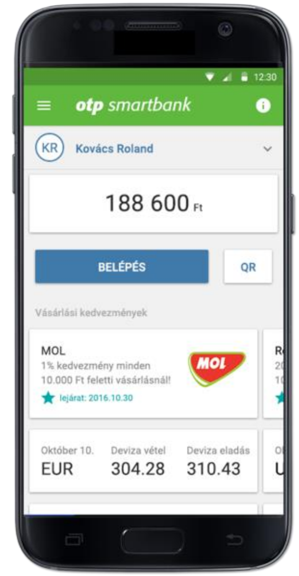
[1] Senior bonds, mortgage bonds, bilateral loans

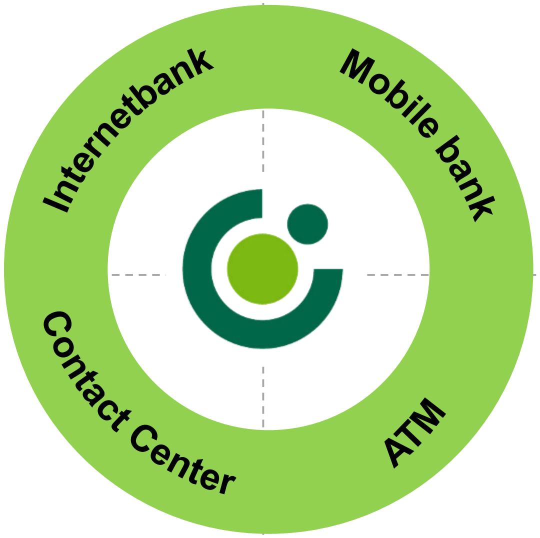
5. OTP Bank is the market leader in all direct channels in Hungary



More than 1 million regular users monthly[2]

~250 thousand active users monthly[2]





~250 thousand contacts monthly[1,2]

Monthly ATM cash withdrawals in the amount of HUF ~250 billion[2]

[1] Included inbound and outbound calls, e-mails, chats
[2] Based on 1Q 2018 data

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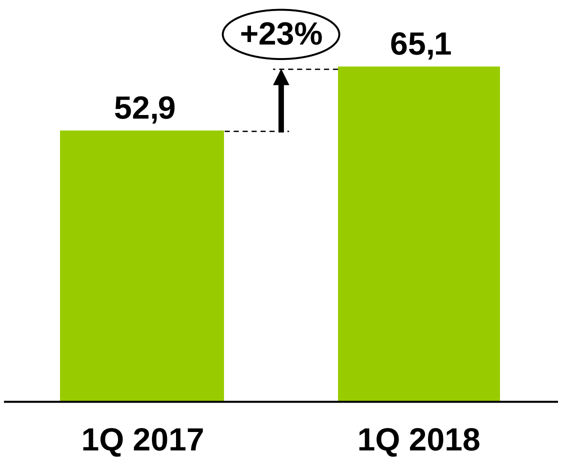
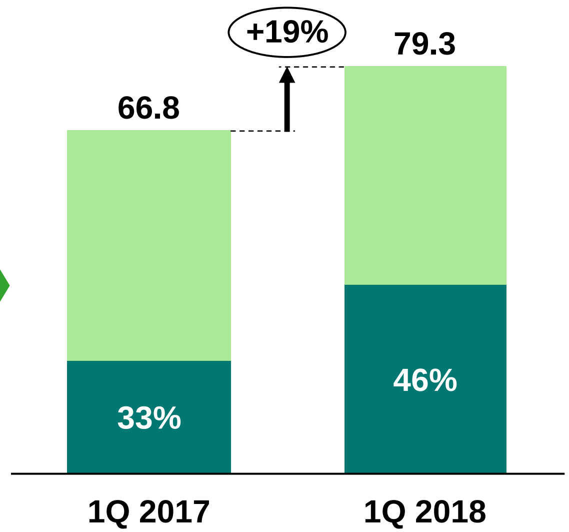
The accounting profit grew by 23% y-o-y in 1Q 2018, while the adjusted profit increased by 19%. Apart from the banking tax, other adjustment items were negligible. The profit contribution of foreign subsidiaries grew to 46%

After tax profit development y-o-y (in HUF billion)

Accounting profit after tax



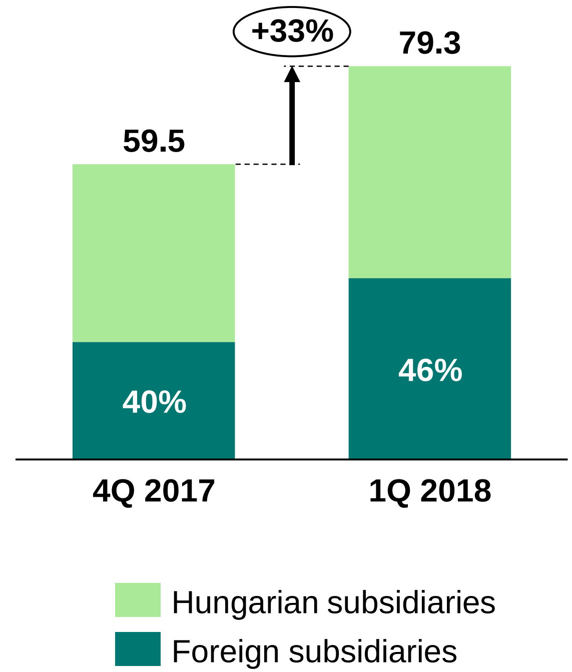
Adjusted profit after tax



Adjustments (after tax)	**1Q 2017**	**1Q 2018**
Banking tax	-14.7	-14.7
Other	0.8	0.5
Total	-13.9	-14.2

After tax profit development q-o-q (in HUF billion)

Adjusted profit after tax



The after tax profit of OTP Core grew by 23% q-o-q and performance of all foreign banks improved over the last quarter

(in HUF billion)	1Q 2017	4Q 2017	1Q 2018	Q-o-Q	Y-o-Y
Consolidated adjusted after tax profit	**66.8**	**59.5**	**79.3**	**33%**	**19%**
OTP Core (Hungary)	40.8	31.7	39.1	23%	-4%
DSK (Bulgaria)	13.4	10.4	11.3	8%	-16%
OBRU (Russia)	7.6	6.3	8.5	35%	13%
Touch Bank (Russia)	-2.3	-2.2	-1.3	-41%	-42%
OBU (Ukraine)	3.3	5.2	5.8	11%	76%
OBR (Romania)	1.3	1.0	1.5	58%	15%
OBH (Croatia)	-1.8	6.0	7.7	28%	
OBH w/o Splitska (Croatia)	-1.8	2.7	2.7	-1%	
Splitska banka (Croatia)	-	3.3	5.0	51%	
OBS (Slovakia)	0.1	-1.5	0.8		756%
OBSrb (Serbia)	0.0	-1.6	0.6		
OBSrb w/o Vojvodjanska (Serbia)	0.0	-1.7	0.1		
Vojvodjanska banka (Serbia)	-	0.1	0.5	526%	
CKB (Montenegro)	0.1	-0.8	0.7		737%
Leasing (HUN, RO, BG, CR)	2.1	2.8	2.5	-10%	20%
OTP Fund Management (Hungary)	1.0	5.1	1.1	-79%	3%
Corporate Centre and **others**	1.2	-2.8	1.1		-10%

In 1Q 2018 the banking tax was the only major adjustment item

(in HUF billion)	1Q 17	4Q 17	1Q 18	Q-o-Q	Y-o-Y
Consolidated after tax profit (accounting)	**52.9**	**68.5**	**65.1**	**-5%**	**23%**
Adjustments (total)	**-13.9**	**8.9**	**-14.2**	**-259%**	**2%**
Dividends and net cash transfers (after tax)	0.1	0.0	0.1	332%	-7%
Goodwill/investment impairment charges (after tax)	0.5	-5.6	0.0	-100%	-100%
Special banking tax (after tax)	-14.7	-0.2	1 -14.7		0%
Risk cost created in relation to the decision of the Hungarian Competition Authority (after tax)	0.2	0.0	0.0		-100%
Effect of acquisitions (after tax)	0.0	14.7	0.4	-97%	
Consolidated adjusted after tax profit	**66.8**	**59.5**	**79.3**	**33%**	**19%**

1 Special banking tax in the amount of -HUF 14.7 billion (after tax). This amount includes the full-year Hungarian levy booked already in 1Q in a lump-sum, as well as the quarterly part of the Slovakian banking tax (-HUF 169 million after tax).

1Q profit before tax (without one-offs) grew by 20% y-o-y and 39% q-o-q, supported by acquisitions and lower risk costs

(in HUF billion)	1Q 2017	4Q 2017	1Q 2018	Q-o-Q	Y-o-Y	1Q 2018 w/o M&A[1] (HUF bn)	Y-o-Y w/o M&A[1]
Consolidated adjusted after tax profit	**66.8**	**59.5**	**79.3**	**33%**	**19%**	**73.4**	**10%**
Corporate tax	-9.4	-6.5	-10.4	59%	10%	-9.5	1%
Before tax profit	76.2	66.1	89.7	36%	18%	83.0	9%
Total one-off items	0.0	0.1	-1.8			-1.8	
Result of the Treasury share swap agreement	0.0	0.1	-1.8			-1.8	
Before tax profit without one-off items	**76.2**	**66.0**	**91.5**	**39%**	**20%**	**84.8**	**11%**
Operating profit w/o one-off items	88.7	85.1	92.8	9%	5%	87.6	-1%
Total income w/o one-off items	188.8	208.9	206.3	-1%	9%	191.0	1%
Net interest income	132.2	140.5	143.6	2%/1%[2]	9%	132.7	0%
Net fees and commissions	44.5	58.1	49.6	-15%	11%	46.2	4%
Other net non interest income without one-offs	12.0	10.3	13.1	28%	9%	12.1	1%
Operating costs	-100.0	-123.8	-113.5	-8%	13%	-103.4	3%
Total risk costs	-12.5	-19.1	-1.3	-93%	-90%	-2.8	-78%

[1] The 1Q 2018 numbers and y-o-y changes without acquisitions do not include the 1Q 2018 contribution from the Croatian Splitska banka and the Serbian Vojvodjanska banka and their Leasing companies.
[2] Change without Vojvodjanska banka.

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Miscellaneous

Romania – update on the M&A transaction	On 14 March 2018 the National Bank of Romania (NBR) notified the Bank that it did not grant its approval for the acquisition; the Bank appealed against the decision. Due to the non-fulfilment of the conditions precedents by the longstop date the share purchase agreement has been terminated. As a result, on 18 April 2018 OBR withdrew the appeal filed against NBR's first instance decision, in which NBR did not grant its approval with respect to the transaction.
IFRS 9 impact	The preliminary estimate for the impact of implementing the IFRS 9 standards on the retained earnings in the opening consolidated balance sheet as of 1 January 2018, including the deferred tax effect, has been finalised in line with the audit of the standalone financials (-HUF 50.4 billion). As flagged earlier, OTP Bank opted to apply transitional rules (phase-in), accordingly in 2018 the negative CET1 impact will be 3 bps, the same magnitude highlighted in the 4Q 2017 Summary.
Opinion of the advocate general	On 3 May 2018 the European Court published on its website the opinion of the advocate general in a preliminary proceeding which has been initiated based on a lawsuit between a Hungarian consumer and OTP Bank Plc. and OTP Factoring Ltd. The subject of the procedure is whether Hungarian acts passed in 2014 to settle problems generated by loans to individuals denominated in foreign currency exclude the examination of fairness of information on the FX risk provided by banks to the consumers. It is also examined that, in case it is not excluded, with what content these information may be proved to be fair. This particular opinion however is not binding to the European Court. According to the interpretation of OTP Bank such opinion does not collide with the present Hungarian jurisprudence, since Hungarian Courts have been entitled to examine the fairness and properness of the banking information provided for clients. The verdict of the European Court is expected to be delivered in Autumn 2018.

Total income grew by 9% in 1Q 2018, driven mainly by the acquisitions, without those the yearly dynamics would have been 1%. The q-o-q decrease was mainly due to technical factors and seasonality

Effect of acquisitions

TOTAL INCOME without one-off items	1Q 2018 (HUF billion)	Y-o-Y (HUF billion)	Y-o-Y (%)	Q-o-Q (HUF billion)	Q-o-Q (%)
OTP Group	206	2 / 18	1%[1]/9%	-3 / -5	-3%[1]/-1%
OTP CORE (Hungary)	90	2	2%	-2	-2% (1)
DSK (Bulgaria)	27	1	2%	0	0%
OBRU (Russia)	31	-2	-6%/4%[2] (2)	0	0%
Touch Bank (Russia)	1	1	n/a	0	24%
OBU (Ukraine)	9	1	8%/25%[2]	0	3%
OBH (Croatia)	18	0 / 10	0%[1]/133%	-1	-5% (3)
OBS (Slovakia)	4	-1	-18%	-1	-16% (4)
OBR (Romania)	7	-1	-7%	1	10% (5)
CKB (Montenegro)	2	0	4%	-1	-21% (6)
OBSrb (Serbia)	7	0 / 5	17%[1]/250%	3	0%[1]/65%
Others	11	2	24%	-2	-14%

1. At OTP Core the y-o-y growth was mainly driven by the stronger net interest income; the q-o-q change was determined by the calendar effect being a drag on NII, and lower net fee income.
2. The Russian total revenues grew by 4% y-o-y in RUB terms, mainly thanks to better fee revenues.
3. The q-o-q decline in Croatia was due to the calendar effect and seasonally weaker net fees and other income.
4. The Slovakian revenues contracted q-o-q mainly because of narrowing margins and methodological change (part of the revenue decline was offset by lower risk costs).
5. The Romanian revenues grew by 10% q-o-q, mainly because the NII bounced back after the negative one-offs booked in 4Q 2017.
6. The key reason for the q-o-q lower Montenegrin revenues was that 4Q net fee income was boosted by a reclassification.

[1] Changes without acquisitions (as for the y-o-y changes, both Splitska and Vojvodjanska are filtered out; as for the q-o-q changes, Vojvodjanska is filtered out).
[2] Changes in local currency.

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The net interest income grew moderately y-o-y even without acquisitions. On quarterly basis the net interest income increased despite the negative calendar effect

Effect of acquisitions

NET INTEREST INCOME	1Q 2018 (HUF billion)	Y-o-Y (HUF billion)	Y-o-Y (%)	Q-o-Q (HUF billion)	Q-o-Q (%)
OTP Group	144	0 / 11	0.4%[1]/9%	0.9 / 3.1	1%[1]/2%
OTP CORE (Hungary)	60	2	3%	-0.6	-1%
DSK (Bulgaria)	18	-0.5	-3%	0.2	1%
OBRU (Russia)	25	-3	-9%/1%[2]	0.2	1%
Touch Bank (Russia)	1	0		0.1	18%
OBU (Ukraine)	6	0	5%/21%[2]	0.0	1%
OBH (Croatia)	13	0 / 7	-3%[1]/121%	-0.3	-2%
OBS (Slovakia)	3	-1	-18%	-0.5	-16%
OBR (Romania)	5	0	-4%	1.5	40%
CKB (Montenegro)	2	0	6%	0.1	3%
OBSrb (Serbia)	5	0 / 3	6%[1]/226%	-0.2 / 1.9	-12%[1]/66%
Merkantil (Hungary)	3	0	11%	-0.2	-7%
Corporate Centre	1	0	1%	0.4	47%
Others and eliminations	3	2		0.5	21%

1 At OTP Core the 3% y-o-y growth was due to expanding loan volumes, partially mitigated by lower margins. The q-o-q 1% decline was shaped by negative calendar effect, a positive base effect and further growth in loan volumes, especially in the consumer segment.

2 At DSK the margin contraction outweighed the positive effect of higher loan volumes.

3 The Russian NII grew by 1% y-o-y in RUB terms in spite of the 2 pps NIM erosion.

4 The 18% quarterly decline to a greater extent was due to a methodology change (part of the decline was offset through lower risk costs), but decreasing margins took their toll, too.

5 The Romanian q-o-q NII jump was due to a negative accounting correction booked in 4Q 2017.

[1] Changes without acquisitions (as for the y-o-y changes, both Splitska and Vojvodjanska are filtered out; as for the q-o-q changes, Vojvodjanska is filtered out).
[2] Changes in local currency.

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Consolidated performing loans increased by 26% over the last 12 months, within that the organic part was 11% (+2% q-o-q)

DPD0-90 loan volumes

Q-o-Q loan volume changes in 1Q 2018, adjusted for FX-effect

	Cons.	Core (Hungary)	DSK (Bulgaria)	OBRu (Russia)	Touch Bank (Russia)	OBU (Ukraine)	OBR (Romania)	OBH (Croatia)	OBS (Slovakia)	OBSr (Serbia)	CKB (Monte-negro)
Total	2%	2%	3%	3%	9%	6%	2%	0%	0%	2% / 0%[2]	2%
Consumer	2%	4%	1%	2%	9%	9%	1%	1%	0%	5% / 7%[2]	-1%
Mortgage	1%	1%	2%	-14%		-5%	1%	0%	1%	4% / 4%[2]	1%
Corporate[1]	3%	4%	4%	15%		5%	3%	0%	-2%	0% / -5%[2]	6%

Y-o-Y loan volume changes in 1Q 2018, adjusted for FX-effect

	Cons.	Core (Hungary)	DSK (Bulgaria)	OBRu (Russia)	Touch Bank (Russia)	OBU (Ukraine)	OBR (Romania)	OBH (Croatia)	OBS (Slovakia)	OBSr (Serbia)	CKB (Monte-negro)
Total	26% / 11%[3]	11%	10%	29%	108%	18%	12%	146% / 3%[4]	1%	285% / 16%[2]	16%
Consumer	35% / 16%[3]	28%	5%	26%	108%	54%	17%	131% / 4%[4]	1%	325% / 30%[2]	3%
Mortgage	11% / 4%[3]	2%	9%	-28%		-20%	3%	90% / 7%[4]	8%	425% / 21%[2]	8%
Corporate[1]	34% / 15%[3]	16%	16%	82%		17%	21%	194% / -1%[4]	-5%	235% / 7%[2]	32%

[1] Loans to MSE and MLE clients and local governments
[2] Without the effect of Vojvodjanska banka acquisition
[3] Without the effect of Splitska banka and Vojvodjanska banka acquisitions
[4] Without the effect of Splitska banka acquisition

Retail loan disbursement showed strong dynamics at OTP Core and almost all foreign subsidiaries

Y-o-Y change of new disbursements (in local currency) – 1Q 2018

	Core (Hungary)	DSK (Bulgaria)	OBRu (Russia)	OBU (Ukraine)	OBR (Romania)	OBH (Croatia)	OBS (Slovakia)	OBSr (Serbia)	CKB (Montenegro)
Mortgage loan	32%	87%			34%	85%	0%	134%	17%
Cash loan*	73%	29%	33%	59%	16%	110%	28%	19%	-20%

* Including POS loan disbursements in case of DSK (Bulgaria), OBRu (Russia) and OBU (Ukraine)

The consolidated deposit base increased by 24% y-o-y, the 11% organic growth (without Splitska banka and Vojvodjanska banka) was driven by steady inflows in Hungary, and strong Ukrainian, Romanian and Serbian performances

Q-o-Q deposit volume changes in 1Q 2018, adjusted for FX-effect

	Cons.	Core (Hungary)	DSK (Bulgaria)	OBRu (Russia)	Touch Bank (Russia)	OBU (Ukraine)	OBR (Romania)	OBH (Croatia)	OBS (Slovakia)	OBSr (Serbia)	CKB (Montenegro)
Total	1%	4%	0%	-9%	1%	1%	8%	-2%	1%	-4% / -4%[2]	-4%
Retail	2%	4%	1%	-5%	1%	4%	3%	-2%	-1%	0% / 1%[2]	-1%
Corporate[1]	0%	3%	-7%	-19%		0%	12%	-4%	3%	-10% / -8%[2]	-9%

Y-o-Y deposit volume changes in 1Q 2018, adjusted for FX-effect

	Cons.	Core (Hungary)	DSK (Bulgaria)	OBRu (Russia)	Touch Bank (Russia)	OBU (Ukraine)	OBR (Romania)	OBH (Croatia)	OBS (Slovakia)	OBSr (Serbia)	CKB (Montenegro)
Total	24% / 11%[2]	15%	4%	7%	43%	17%	14%	171% / 6%[2]	-2%	351% / 20%[2]	6%
Retail	22% / 9%[2]	12%	9%	6%	43%	11%	5%	116% / 3%[2]	-5%	432% / 7%[2]	4%
Corporate[1]	28% / 15%[2]	19%	-15%	8%		21%	22%	432% / 24%[2]	3%	265% / 35%[2]	9%

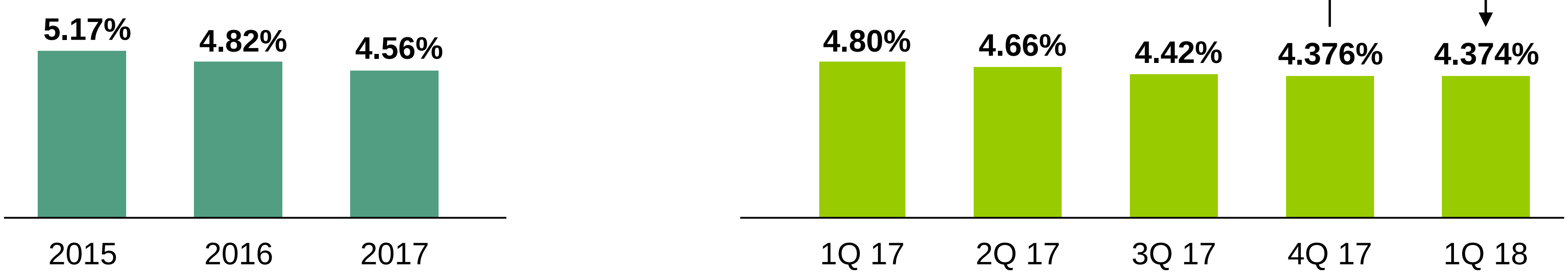
[1] Including SME, LME and municipality deposits

[2] Without the Splitska-effect in Croatia and without the Vojvodjanska banka acquisition in Serbia.

The consolidated net interest margin remained stable compared to the 4Q 2017 level

Net interest margin (%)

OTP Group



In 1Q 2018 net interest margin remained **stable** q-o-q.

Interest rate effect: **-1 bp**

Capturing asset and liability side interest rate changes as well as one-off items.

o/w:		
	OTP Core	**-6 bps**
	OTP Romania	**+5 bps**

Composition effects: **+3 bps**

Capturing the weight changes within the Group in LCY terms.

o/w:		
	OTP Core	**+4 bps**
	OTP Ukraine	**+1 bp**
	Vojvodjanska	**-2 bps**

FX rate changes: **-2 bps**

The q-o-q depreciating average RUB and UAH rate against HUF reduced the consolidated NIM through the lower share of the high-margin Russian and Ukrainian businesses.

o/w:		
	OTP Russia	**-1 bp**
	OTP Ukraine	**-1 bp**

At OTP Core the declining margin trend continued. The Bulgarian and Croatian margins were fairly stable q-o-q. Following the intense competition during the high-season of consumer loans at the end of last year, Russian margins grew q-o-q. The Romanian margin bounced back. The Ukrainian margin widened amid increasing rate environment

Net interest margin development of the largest Group members (%)

	2015	2016	2017	1Q 17	2Q 17	3Q 17	4Q 17	1Q 18	
OTP Core Hungary	3.72	3.48	3.22	3.31	3.27	3.14	3.16	3.06	The net interest margin eroded q-o-q by 10 bps, but adjusted for the HUF 1.3 billion positive one-off item accounted for in 4Q 2017 the 4Q NIM would have stood at 3.09%, implying a q-o-q decline of only 3 bps.
DSK Bank Bulgaria	5.47	4.60	3.85	3.92	3.91	3.86	3.72	3.69	The NIM erosion decelerated compared to the previous quarter. In Bulgaria the NIM trajectory is shaped by the continuing repricing and refinancing of retail loans, and the diluting effect of the q-o-q further increasing average total asset base.
OTP Bank Russia	15.72	17.81	16.91	17.99	17.60	16.43	15.65	15.93	After the competitive pressure in 4Q, in 1Q 2018 new disbursements' interest rates did not change materially q-o-q. The q-o-q slightly decreasing funding costs were a tailwind for NIM.
OTP Bank Croatia	3.15	3.54	3.27	3.75	3.67	3.06	3.02	3.01	The NIM remained basically flat q-o-q.
OTP Bank Romania	3.63	3.40	3.27	3.67	3.65	3.47	2.34	3.25	The significant quarterly improvement was driven by a one-off item relating to accounting corrections booked in the previous quarter: in 4Q 2017 a negative one-off of HUF 2.0 billion appeared on the net interest income line, depressing 4Q 2017 NIM by close to 130 bps.
OTP Bank Ukraine	8.33	9.02	7.46	7.74	6.73	7.66	7.72	7.90	The NIM widened q-o-q, supported by the increasing interest rate environment.

The net fee income grew by 4% y-o-y even without the effect of acquisitions, but dropped by 16% q-o-q mainly due to numerous base effects and technical items

Effect of acquisitions

NET FEE INCOME	1Q 2018 (HUF billion)	Y-o-Y (HUF billion)	Y-o-Y (%)	Q-o-Q (HUF billion)	Q-o-Q (%)
OTP Group	50	2 / 5	4%[1]/11%	-8.5 / -9.2	-16%[1]/-15%
OTP CORE (Hungary)	24	-0.4	-2%	-2.4	-9% (1)
DSK (Bulgaria)	7	1	8%	-0.4	-6%
OBRU (Russia)	6	0	8%/20%[2]	0.1	2%
Touch Bank (Russia)	0	0		0.1	109%
OBU (Ukraine)	2	0	9%/25%[2]	-0.3	-11%
OBH (Croatia)	4	0 / 2	-5%[1]/177%	-0.3	-8%
OBS (Slovakia)	1	0	-15%	-0.1	-13%
OBR (Romania)	1	0	8%	0.1	9%
CKB (Montenegro)	1	0	20%	-0.7	-54% (2)
OBSrb (Serbia)	2	0 / 1	15%[1]/286%	-0.1 / 0.6	-13%[1]/67%
Fund mgmt. (Hungary)	2	0	11%	-5.3	-76% (3)

1 The net fee income decreased by 2% y-o-y. Growing transactional turnover and volumes resulted in stronger card, deposit and transaction-related fee revenues. Securities fee income moderated because the distribution fees on retail government bonds were reduced in two steps: from 17 July 2017 and mid-February 2018.
The q-o-q 9% drop was due to:
- negative seasonality;
- lump-sum accounting for the full annual card-related financial transaction tax in 1Q (HUF 1.6 billion);
- reduction of retail government bonds' distribution fees effective from mid-February;
- the full 2018 amount of Compensation Fund contributions were booked in 1Q within the financial transaction tax line (HUF 1.3 billion);
- base effect: the annual amount of refunds related to the usage of credit cards (HUF 1.9 billion) was booked in one sum in 4Q 2017.

2 In 4Q 2017 the contribution paid into the deposit insurance scheme booked earlier within net fees was shifted into the operating cost line in a lump sum for the whole year (HUF 0.7 billion).

3 Success fees were booked in 4Q 2017 in one sum.

[1] Changes without acquisitions (as for the y-o-y changes, both Splitska and Vojvodjanska are filtered out; as for the q-o-q changes, Vojvodjanska is filtered out).
[2] Changes in local currency.

The other net non-interest income remained stable y-o-y without the effect of acquisitions

Effect of acquisitions

OTHER INCOME without one-off items	1Q 2018 (HUF billion)	Y-o-Y (HUF billion)	Y-o-Y (%)	Q-o-Q (HUF billion)	Q-o-Q (%)
OTP Group	13	0 / 1	1%[1]/9%	3	30%[1]/28%
OTP CORE (Hungary)	6	0	2%	1	20%
DSK (Bulgaria)	2	1	41%	0	9%
OBRU (Russia)	0	0	-14%	0	-70%
Touch Bank (Russia)	0	0	23%	0	19%
OBU (Ukraine)	1	0	41%/63%[2]	1	138%
OBH (Croatia)	1	0 / 1	47%[1]/153%	0	-22%
OBS (Slovakia)	0	0	-30%	0	-43%
OBR (Romania)	1	0	-35%	-1	-57% (1)
CKB (Montenegro)	0	0	-85%	0	-151%
OBSrb (Serbia)	0	0 / 0		0 / 0	
Others	1	-1	-29%	3	-206% (2)

(1) Other net non-interest income declined by 35% y-o-y due to a base effect: in 1Q 2017 the bank booked a gain on real estate sale.
The quarterly drop was partially explained by the positive accounting corrections booked in 4Q 2017 on the other income line.

(2) The quarterly increase of HUF 2.5 billion was related to a one-off in the base period at the Other Hungarian subsidiaries, and other income of Merkantil improved by HUF 0.6 billion q-o-q: in 4Q a sale of a claim was a drag on other income.

[1] Changes without acquisitions (as for the y-o-y changes, both Splitska and Vojvodjanska are filtered out; as for the q-o-q changes, Vojvodjanska is filtered out).
[2] Changes in local currency.

Operating costs grew 13% y-o-y in 1Q 2018, whereas without Splitska and Vojvodjanska the increase was 5.4% on an FX-adjusted basis

Effect of acquisitions

OPERATING COSTS (HUF billion)	1Q 2018 (HUF billion)	Y-o-Y (HUF billion)	Y-o-Y (%)	Y-o-Y, FX-adjusted (HUF billion)	Y-o-Y, FX-adjusted (%)
OTP Group	114	3 / 13	3.4%[1]/13%	5 / 15	5.4%[1]/16%
OTP CORE (Hungary)	52	2	3%	2	3%
DSK (Bulgaria)	11	1	9%	1	9%
OBRU (Russia)	13	0	1%	1	12%
Touch Bank (Russia)	2	-1	-37%	-1	-30%
OBU (Ukraine)	4	0	-4%	0	11%
OBH (Croatia)	11	0 / 6	-1%[1]/127%	0 / 6	-2%[1]/127%
OBS (Slovakia)	3	0	10%	0	9%
OBR (Romania)	5	1	12%	1	15%
CKB (Montenegro)	2	0	12%	0	12%
OBSrb (Serbia)	6	0 / 4	8%[1]/226%	0 / 4	2%[1]/226%
Merkantil (Hungary)	1	0	1%	0	1%

1. Operating expenses increased by 3% y-o-y mainly as a result of higher personnel expenses, but amortization went up, too. Personnel expense growth was driven by base salary hikes in 2017 and higher number of employees. This negative impact was partially offset by the 2.5 pps reduction of social and health care contributions to be paid by employers effective from January 2018.

2. Large part of the growth is explained by higher personnel expenses (IT, call centre), higher IT development cost and increasing charges paid to supervisory bodies.

3. Higher personnel costs, as well as IT development costs were the major reason behind the 12% FX-adjusted growth. HUF-based expenses were contained as the average RUB rate depreciated by 10% y-o-y against HUF.

4. The y-o-y increases reflect the impact of acquisition.

5. In Romania operating expenses grew by 12% y-o-y because of higher personnel and advisory expenses and charges paid to supervisory authorities.

[1] Without the operating expenses of the newly consolidated entities due to the Splitska and Vojvodjanska transaction.

OTP CORE

The 1Q 2018 profit of OTP Core went up by 23% q-o-q due to seasonally lower operating costs and higher provision releases q-o-q. The yearly profit decline was driven mainly by lower provision write-backs y-o-y

OTP CORE (in HUF billion)	1Q 2017	4Q 2017	1Q 2018	Q-o-Q	Y-o-Y
Profit after tax	**40.8**	**31.7**	**39.1**	**23%**	**-4%**
Corporate tax	-5.2	-1.6	-3.5	115%	-32%
Before tax profit	**46.0**	**33.3**	**42.6**	**28%**	**-7%**
Operating profit w/o one-off items	38.0	33.0	38.0	15%	0%
Total income w/o one-off items	87.9	91.5	89.5	-2%	2%
Net interest income	57.6	60.1	59.5	-1%	3% 1
Net fees and commissions	24.2	26.2	23.8	-9%	-2%
Other net non interest income without one-offs	6.1	5.2	6.2	20%	2%
Operating costs	-49.9	-58.5	-51.6	-12%	3%
Total risk costs	8.0	0.2	6.5		-19% 2
Total one-off items	0.0	0.1	-1.8		

1 The 3% yearly NII growth was the joint effect of higher loan volumes and lower margins. The 1% quarterly decline was partially due to calendar effect.

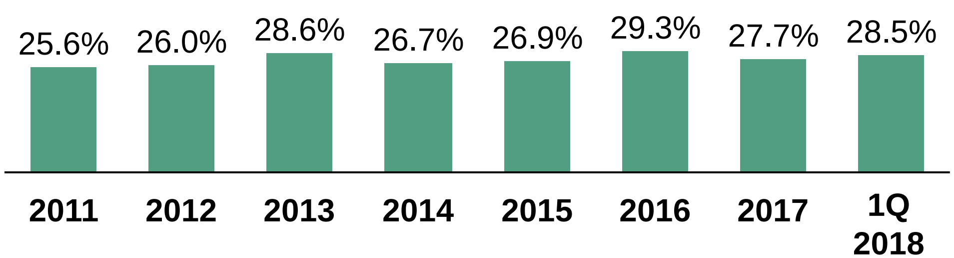
2 Provision releases continued at OTP Core in 1Q 2018. In yearly comparison 19% lower provision releases were realized on the total risk cost line.

OTP CORE

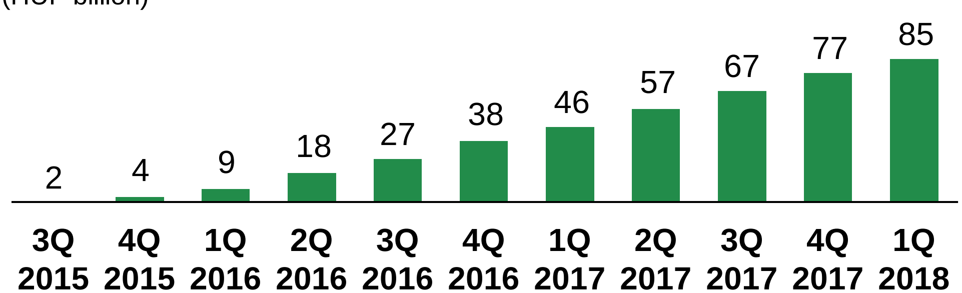
Mortgage loan applications and disbursements accelerated further in Hungary. OTP's market share improved in 1Q in new mortgage and cash loan disbursements, as well as in retail savings

Change of mortgage loan application and disbursement of OTP Bank (1Q 2018, y-o-y changes)

OTP's market share in mortgage loan contractual amounts

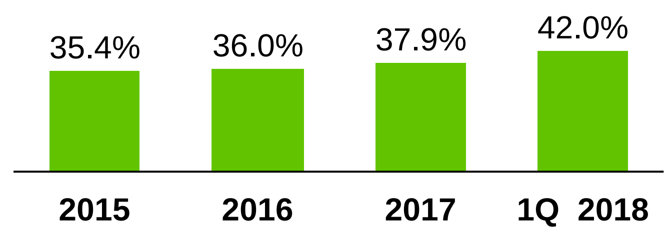


The cumulative amount of non-refundable CSOK subsidiaries contracted at OTP Bank since the launch of the programme (HUF billion)

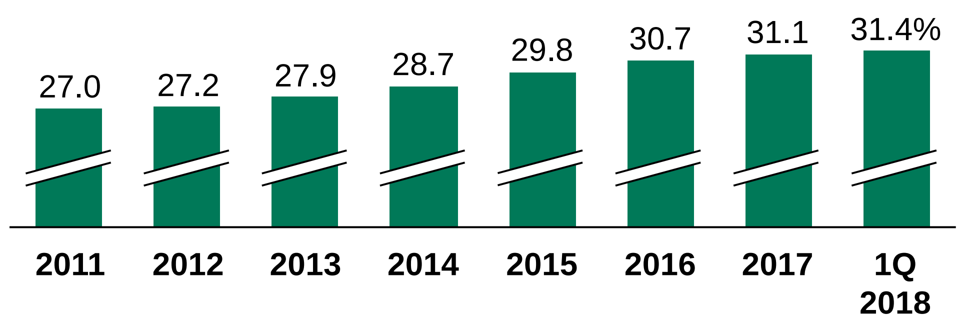


Performing cash loan volume growth (y-o-y , FX-adjusted)

Market share in newly disbursed cash loans

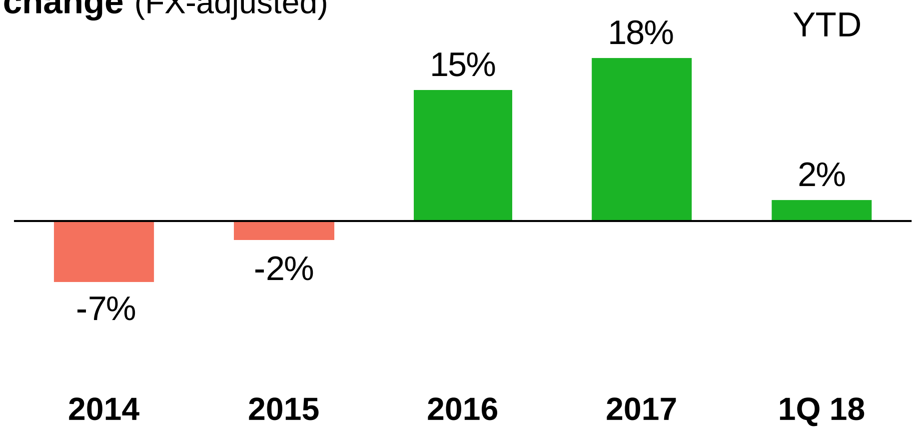


OTP Bank's market share in household savings

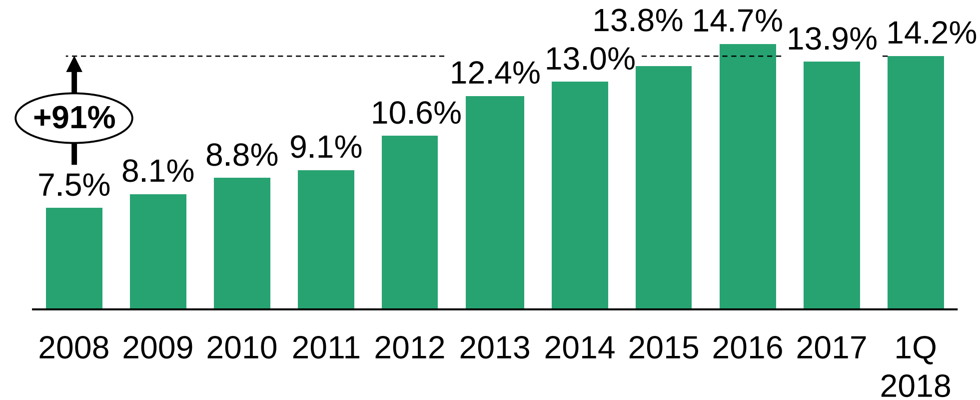


Corporate business had another successful quarter: volumes grew furter q-o-q and corporate lending market share also improved on quarterly basis

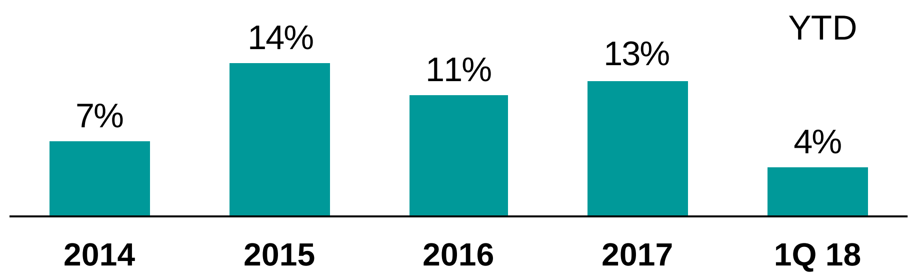
Performing medium and large corporate loan volume change (FX-adjusted)



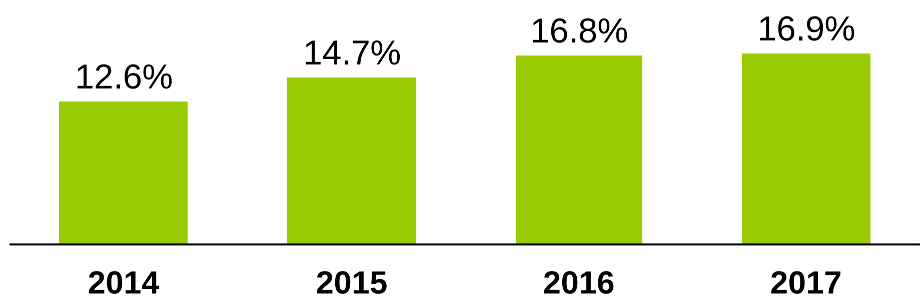
OTP Group's market share in loans to Hungarian companies[1]



Performing loan volume change at micro and small companies (FX-adjusted)



OTP's market share in agricultural loans[2]



[1] Aggregated market share of OTP Bank, OTP Mortgage Bank, OTP Building Society and Merkantil, based on central bank data (Supervisory Balance Sheet data provision until 2016 and Monetary Statistics from 2017
[2] Enterprises in the agriculture sector. Market share: OTP Bank's estimation. Last available data is for YE2017

DSK Bank Bulgaria

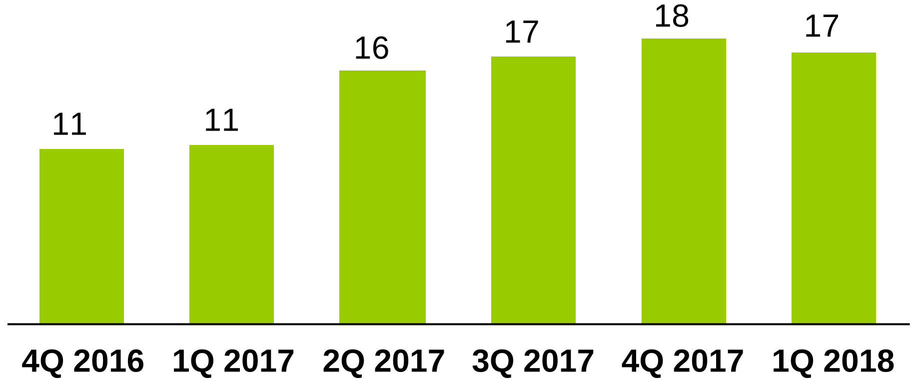
DSK Bank delivered strong results in 1Q 2018 despite higher risk costs. The strengthening business activity can be illustrated by soaring new retail loan sales

Income statement

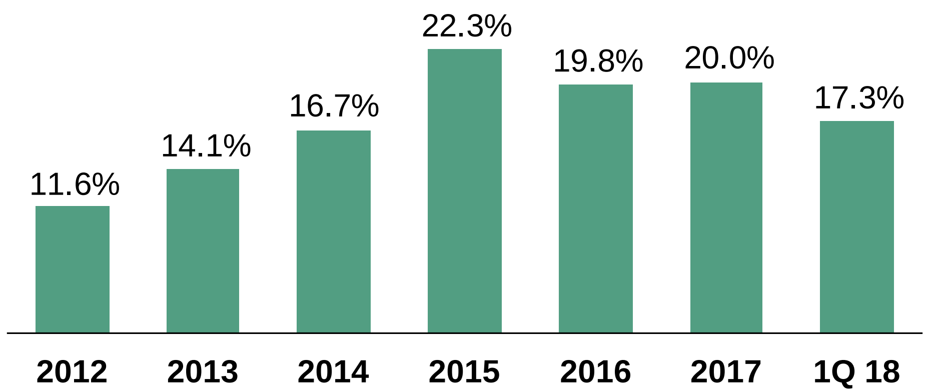
(in HUF billion)	1Q 17	4Q 17	1Q 18	Q-o-Q	Y-o-Y
Profit after tax (adjusted)	**13.4**	**10.4**	**11.3**	**8%**	**-16%**
Profit before tax	14.9	11.3	12.4	10%	-17%
Operating profit	15.8	13.7	15.4	12%	-2%
Total income	26.3	27.0	26.9	0%	2%
Net interest income	18.4	17.8	17.9	1%	-3%
Net fees and commissions	6.4	7.3	6.9	-6%	8%
Other income	1.5	1.9	2.1	9%	41%
Operating costs	-10.5	-13.3	-11.5	-13%	9%
Total risk cost	-0.9	-2.5	-3.0	23%	242%

New mortgage loan disbursements

(in HUF billion, without refinancing)

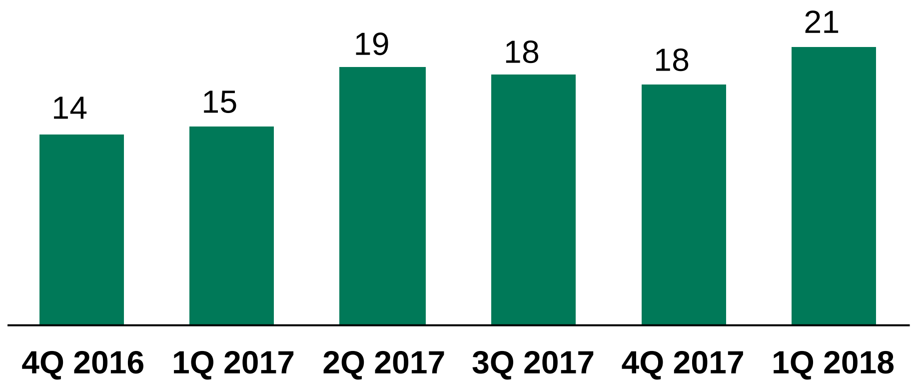


Return on Equity



New cash loan disbursements

(in HUF billion, without refinancing)



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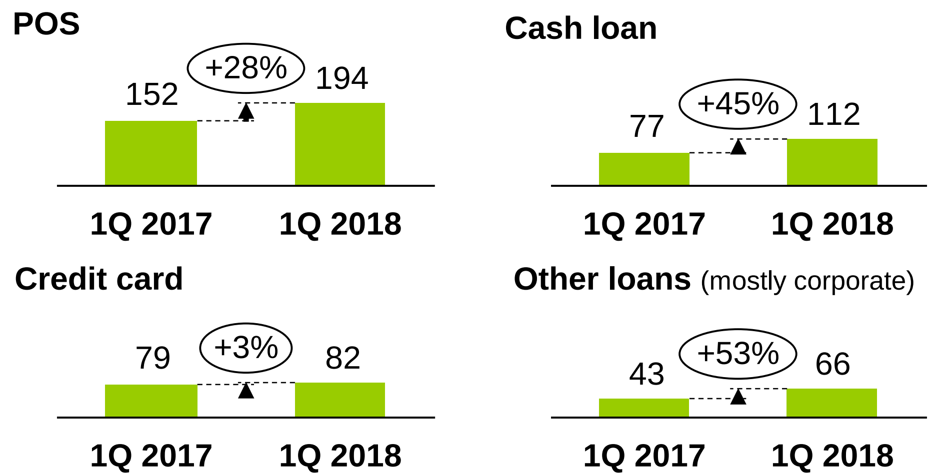
OTP Bank Russia

The Russian profit improved by 25% y-o-y and 37% q-o-q in RUB terms, with 1Q ROE exceeding 25%. Performing loan volumes grew in all segments y-o-y. Risk cost rate decreased to 4.5% in 1Q

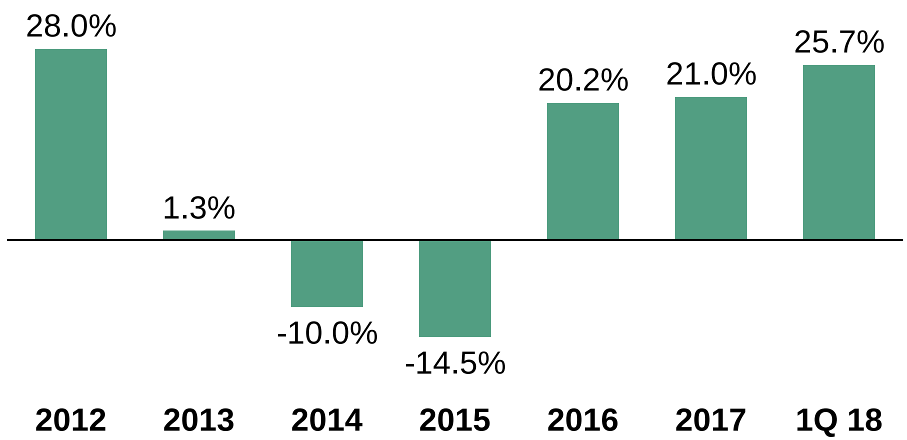
Income statement

(in HUF billion)	1Q 17	4Q 17	1Q 18	Q-o-Q	Y-o-Y
Profit after tax (adjusted)	**7.6**	**6.3**	**8.5**	**35%**	**13%**
Profit before tax	9.8	8.0	10.7	35%	10%
Operating profit	19.6	16.6	17.4	5%	-11%
Total income	32.8	30.7	30.8	0%	-6%
Net interest income	27.1	24.4	24.6	1%	-9%
Net fees and commissions	5.7	6.0	6.1	2%	8%
Other income	0.1	0.3	0.1	-70%	-14%
Operating costs	-13.2	-14.1	-13.4	-5%	1%
Total risk cost	-9.9	-8.6	-6.7	-22%	-32%

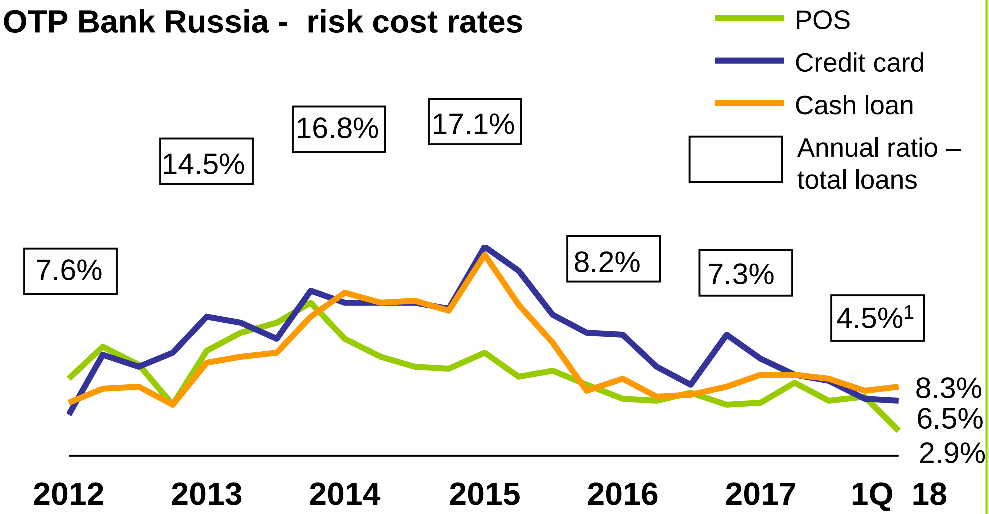
DPD0-90 loan volumes (FX-adjusted, in HUF billion)



Return on Equity



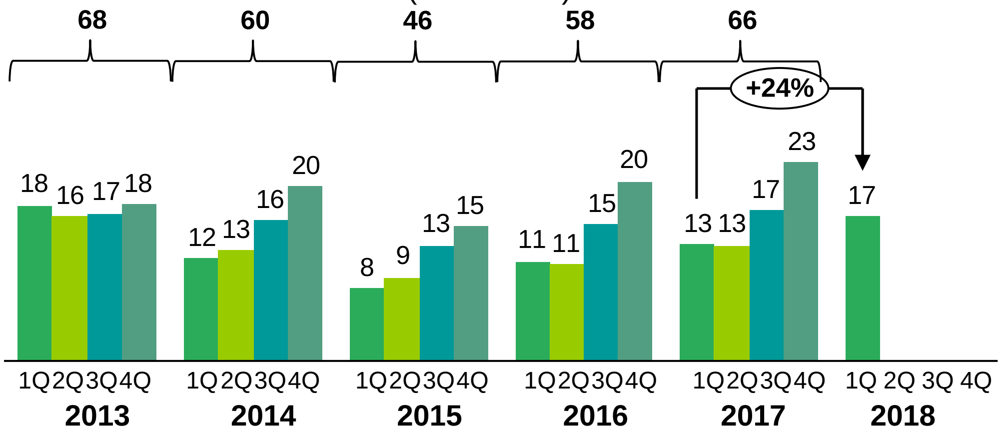
OTP Bank Russia - risk cost rates



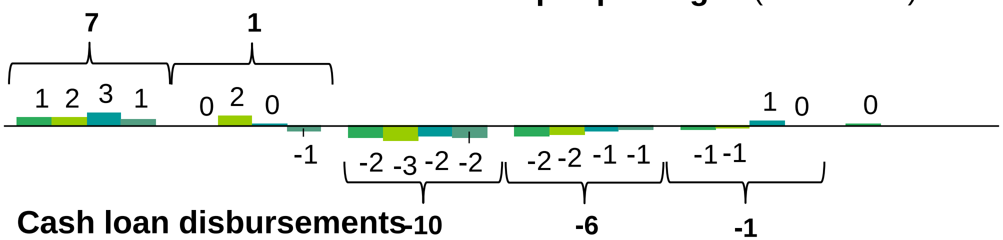
[1] Quarterly risk cost rate in 1Q 2018

In 1Q POS sales decreased q-o-q due to seasonality, performing credit card volumes kept growing q-o-q. Deposits decreased q-o-q in RUB terms; LCY term deposit rates further declined

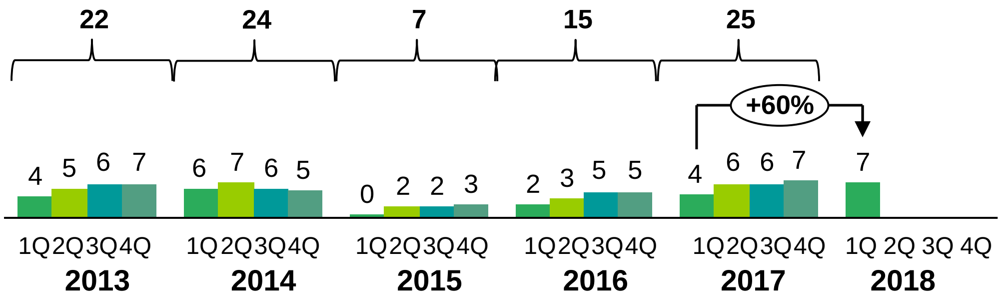
POS loan disbursements (RUB billion)



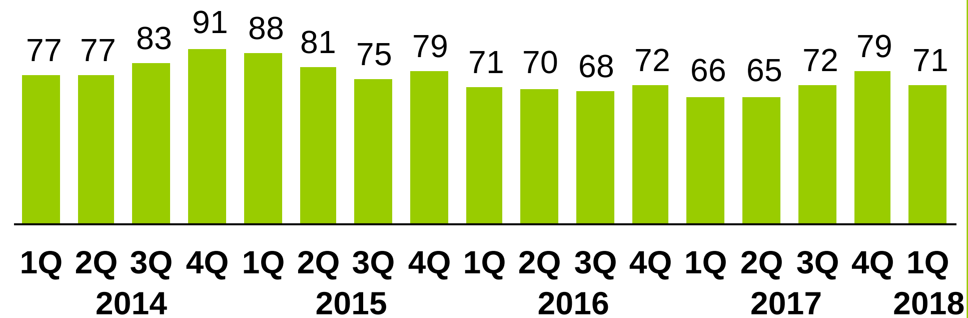
DPD0-90 credit card loan volume q-o-q changes (RUB billion)



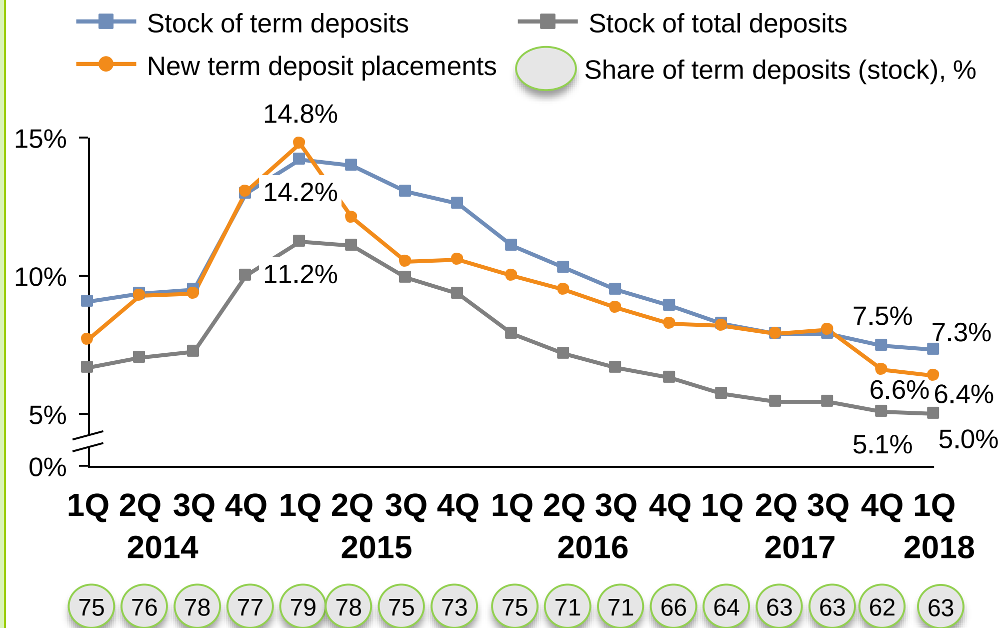
Cash loan disbursements (RUB billion, including quick cash loans)



Development of customer deposits (RUB billion)



Average interest rates for RUB deposits



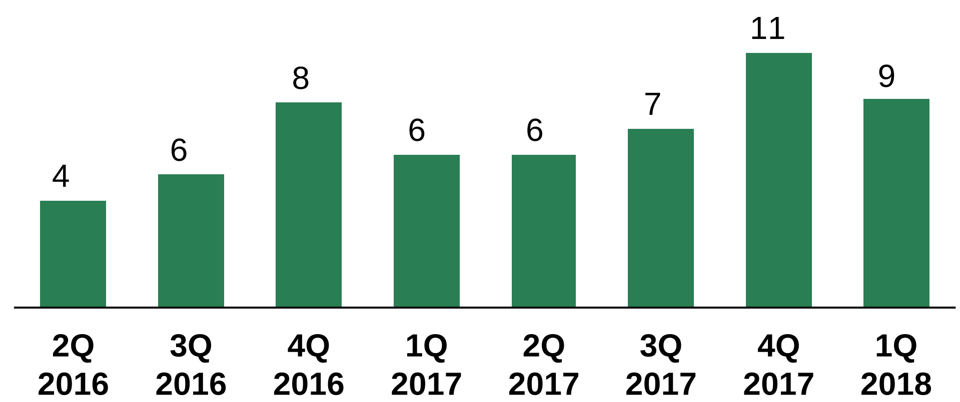
OTP Bank Ukraine

The Ukrainian profit improved q-o-q, the 1Q ROE (68.2%) was the highest among subsidiary banks of the Group. NIM improved q-o-q by 18 bps in 1Q. Performing loan volumes kept growing

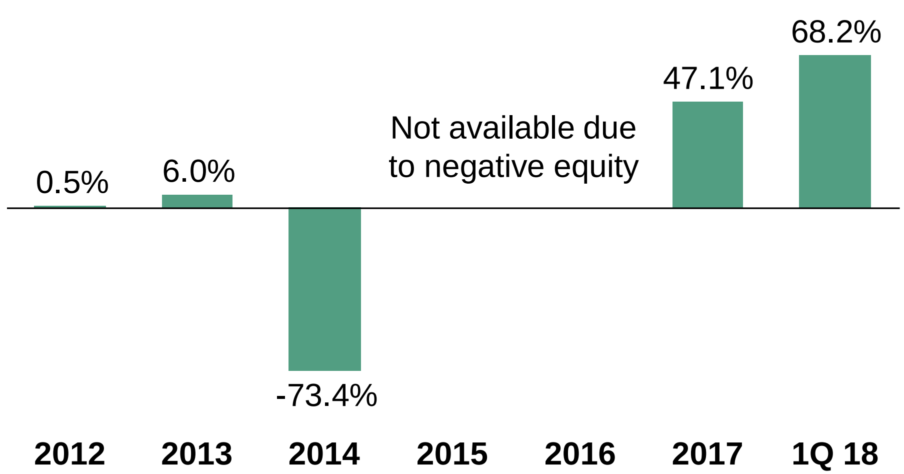
Income statement

(in HUF billion)	1Q 17	4Q 17	1Q 18	Q-o-Q	Y-o-Y
Profit after tax	**3.3**	**5.2**	**5.8**	**11%**	**76%**
Profit before tax	3.9	6.4	6.9	9%	77%
Operating profit	5.0	4.9	5.9	21%	17%
Total income	8.7	9.1	9.4	3%	8%
Net interest income	5.8	6.1	6.1	1%	5%
Net fees and commissions	2.2	2.7	2.4	-11%	9%
Other income	0.6	0.4	0.9	138%	41%
Operating costs	-3.6	-4.3	-3.5	-18%	-4%
Total risk cost	-1.1	1.5	1.0	-31%	

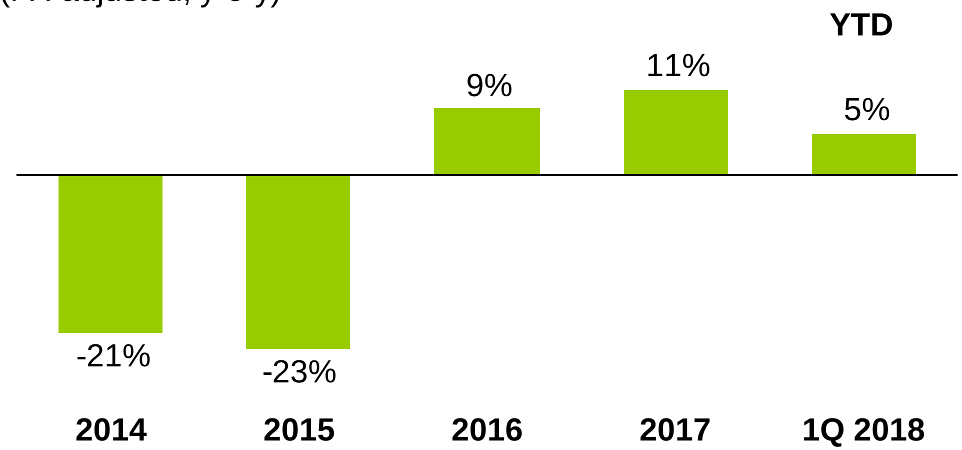
New cash and POS loan disbursements (in HUF billion)



Return on Equity (based on after tax profit without adjustment items)



Performing corporate + SME loan volumes changes (FX-adjusted, y-o-y)



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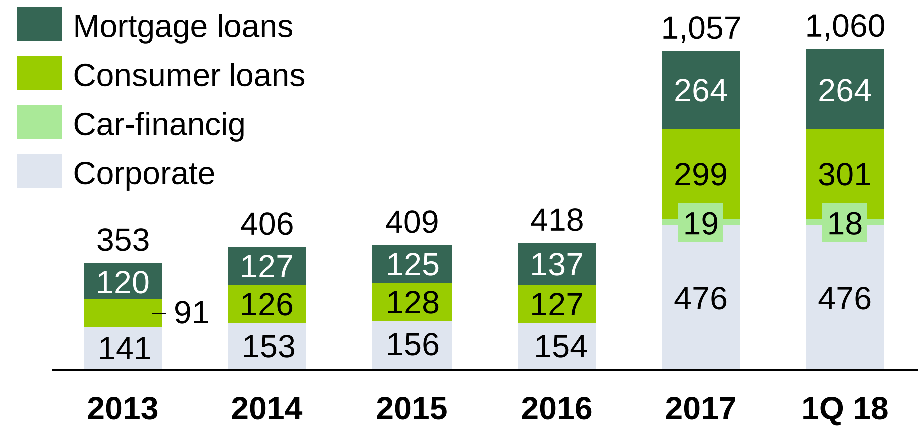
OBH (Croatia)

Despite the seasonal decline in revenues provision releases supported the Croatian performance; HUF 7.7 billion profit in 1Q underpins a close to 13% ROE

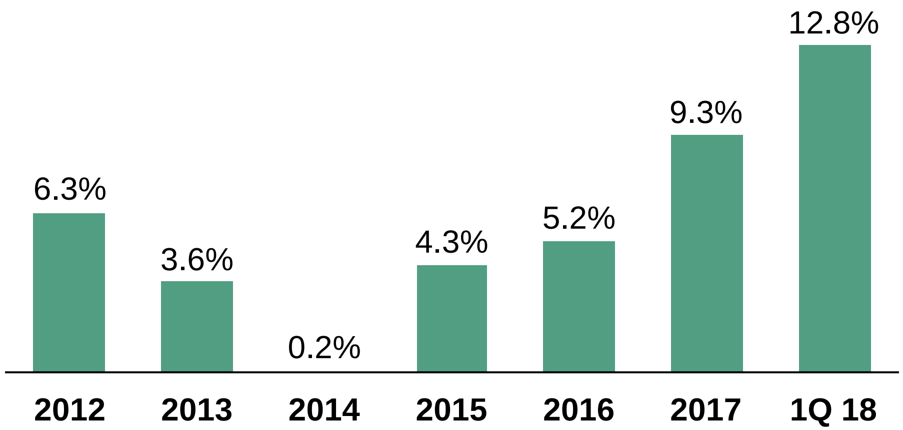
Income statement

(in HUF billion)	1Q 17	4Q 17	1Q 18	Q-o-Q	Y-o-Y
Profit after tax	**-1.8**	**6.0**	**7.7**	**28%**	
Profit before tax	-2.3	7.0	9.2	32%	
Operating profit	3.1	8.7	7.6	-13%	141%
Total income	7.8	19.2	18.2	-5%	133%
Net interest income	6.0	13.5	13.2	-2%	121%
Net fees and commissions	1.3	3.9	3.6	-8%	177%
Other income	0.6	1.8	1.4	-22%	153%
Operating costs	-4.7	-10.5	-10.6	1%	127%
Total risk cost	-5.4	-1.7	1.6		

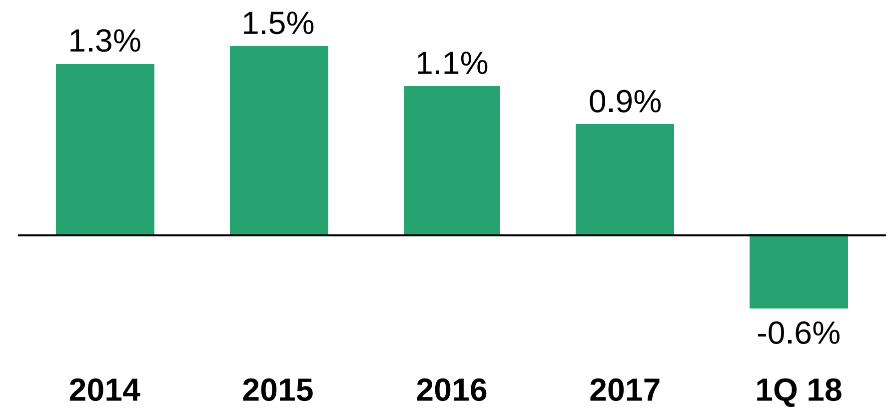
DPD0-90 loan volumes (FX-adjusted, in HUF billion)



Return on Equity

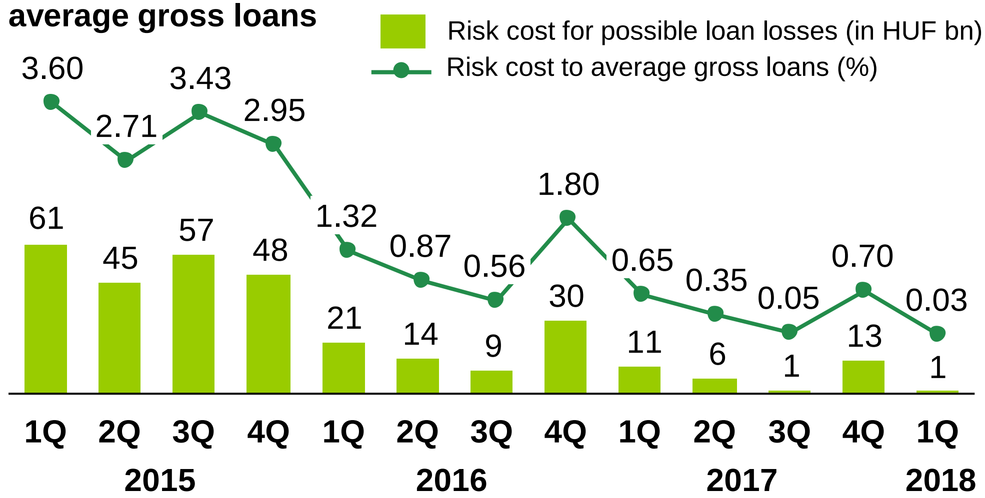


Risk cost rate (negative ratio implies provision release)

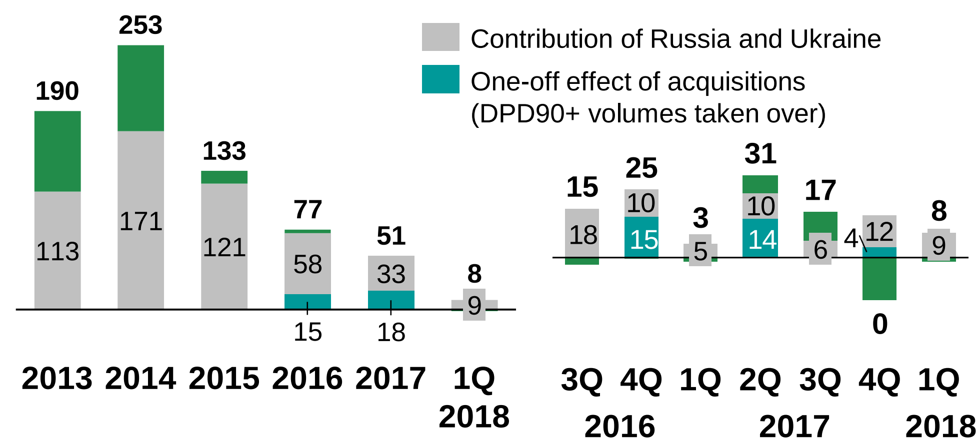


The decline of the consolidated DPD90+ ratio continued. The risk cost rate sank close to multi-year lows

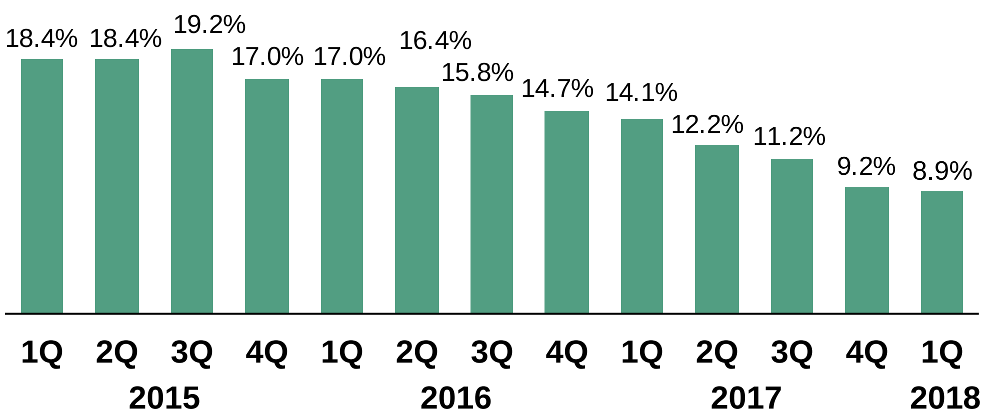
Consolidated risk cost for possible loan losses and its ratio to average gross loans



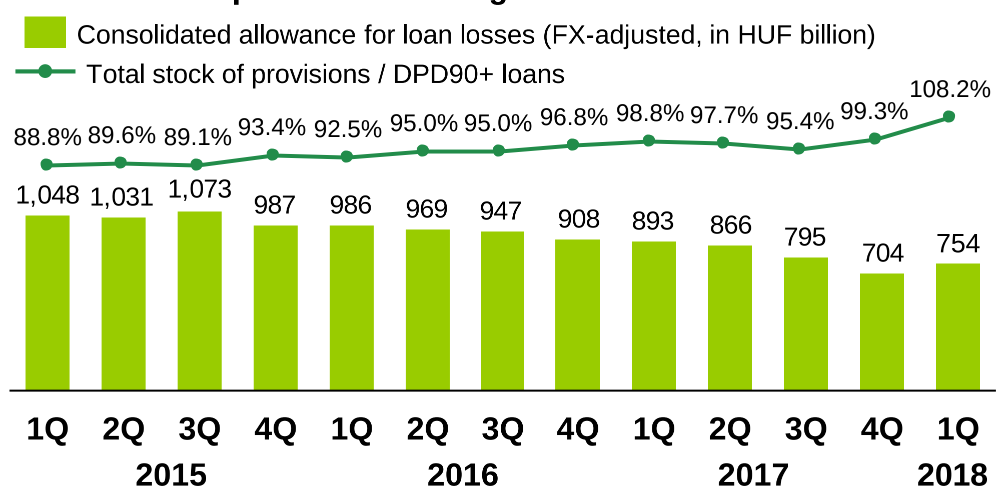
Change in DPD90+ loan volumes
(consolidated, adjusted for FX and sales and write-offs, in HUF billion)



Ratio of consolidated DPD90+ loans to total loans



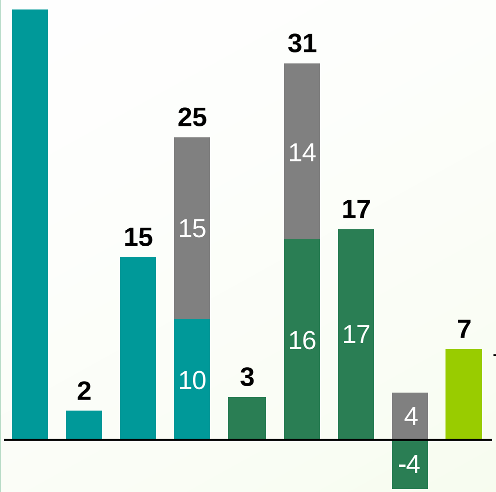
Consolidated provision coverage ratio



In 1Q 2018 the consolidated DPD90+ formation was subdued; overall trends remained favourable in almost all geographies

FX-adjusted quarterly change in DPD90+ loan volumes
(without the effect of sales / write-offs, in HUF billion)

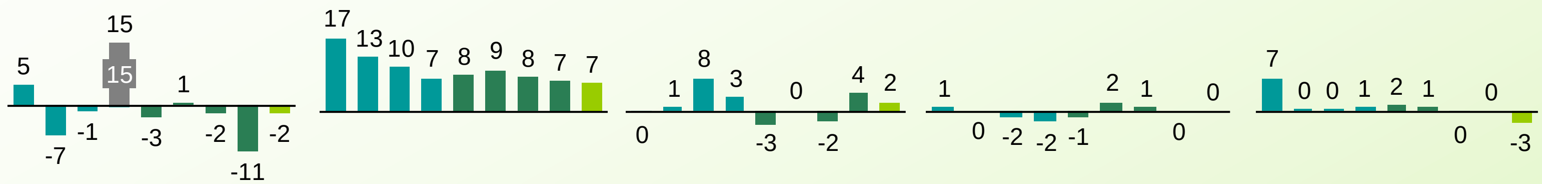
Consolidated



FX-adjusted sold or written-off loan volumes:

1Q 2016	2Q 2016	3Q 2016	4Q 2016	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018
20	35	42	74	40	51	41	122	17

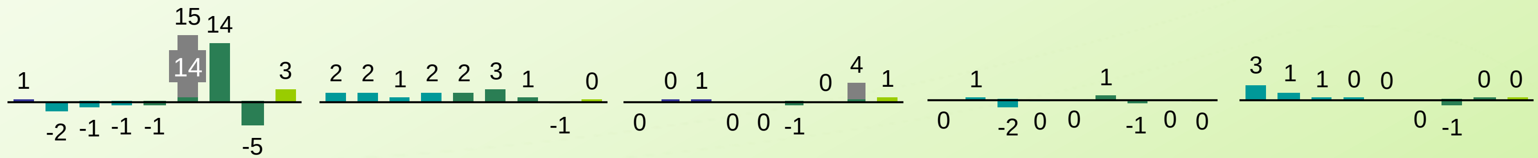
OTP Core (Hungary) | **OBRu** (Russia) | **OBU** (Ukraine) | **DSK** (Bulgaria) | **OBR** (Romania)



FX-adjusted sold or written-off loan volumes:

	1Q 2016	2Q 2016	3Q 2016	4Q 2016	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018
OTP Core	8	11	9	14	12	15	10	16	2
OBRu	1	2	15	20	17	14	8	5	6
OBU	6	19	7	12	3	11	10	42	2
DSK	4	1	2	23	0	3	3	14	0
OBR	0	1	5	3	0	2	1	8	5

OBH (Croatia) | **OBS** (Slovakia) | **OBSr** (Serbia) | **CKB** (Montenegro) | **Merkantil Bank+Car** (Hungary)



FX-adjusted sold or written-off loan volumes:

	1Q 2016	2Q 2016	3Q 2016	4Q 2016	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018
OBH	0	0	0	0	0	2	0	6	0
OBS	0	0	0	0	0	1	0	6	0
OBSr	1	1	2	3	2	0	5	5	0
CKB	0	0	0	0	5	0	4	5	1
Merkantil Bank+Car	0	0	1	0	0	0	0	14	0

One-off effect of the DPD90+ volumes taken over as a result of acquisitions: in 4Q 2016 the portfolio of **AXA**, in 2Q 2017 that of **Splitska banka** and in 4Q 2017 that of **Vojvodjanska banka** was consolidated.

The overall trend of DPD90+ ratio decline continued q-o-q in all key geographies, but Croatia; the risk cost rates are hovering around all-time low levels

Risk cost for possible loan losses / Average gross customer loans*, %

	(2017)	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018
OTP Core Hungary	-1.2	-1.1	-1.4	-1.9	-0.6	-1.1
DSK Bank Bulgaria	0.3	0.2	-0.3	0.4	0.9	1.4
OTP Bank Croatia	0.9	4.3	0.1	0.5	0.3	-0.6
OTP Bank Russia	7.3	7.9	7.9	7.1	6.5	4.5
OTP Bank Ukraine	0.3	-0.2	1.0	1.1	-0.7	-1.8

DPD90+ loans / Gross customer loans, %

	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018
OTP Core Hungary	9.1	8.3	7.5	6.4	6.2
DSK Bank Bulgaria	11.3	11.1	9.4	7.9	7.7
OTP Bank Croatia	11.7	6.4	7.7	6.6	6.9
OTP Bank Russia	19.4	18.4	17.2	15.8	15.4
OTP Bank Ukraine	41.2	37.5	33.4	26.4	25.1

Total provisions / DPD90+ loans, %

	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018
OTP Core Hungary	84	82	81	88	98
DSK Bank Bulgaria	110	108	111	116	117
OTP Bank Croatia	98	85	76	86	90
OTP Bank Russia	123	127	130	134	138
OTP Bank Ukraine	119	122	119	119	125

* Negative amount implies provision releases.

At the largest operations the DPD90+ ratios typically decreased q-o-q

DPD90+ ratio (%)

OTP Core (Hungary)	1Q 17	2Q 17	3Q 17	4Q 17	1Q 18	Q-o-Q (pp)
Total	**9.1**	**8.3**	**7.5**	**6.4**	**6.2**	***-0.3***
Retail	10.9	10.3	9.7	8.9	8.5	*-0.4*
Mortgage	10.1	9.8	9.4	8.5	8.1	*-0.4*
Consumer	14.3	12.3	10.9	10.3	9.7	*-0.7*
MSE**	6.5	6.5	6.1	5.1	5.2	*0.0*
Corporate	6.8	5.4	4.2	2.6	2.7	*0.1*
Municipal	0.1	0.1	0.1	0.0	0.0	*0.0*

DPD90+ ratio (%)

DSK Bank (Bulgaria)	1Q 17	2Q 17	3Q 17	4Q 17	1Q 18	Q-o-Q (pp)
Total	**11.3**	**11.1**	**9.4**	**7.9**	**7.7**	***-0.2***
Mortgage	16.5	15.9	13.5	9.9	9.4	*-0.5*
Consumer	8.2	8.4	7.0	7.2	7.5	*0.3*
MSE	17.5	15.9	13.4	9.3	9.0	*-0.2*
Corporate	8.7	8.6	7.4	6.7	6.2	*-0.5*

DPD90+ ratio (%)

OTP Bank Croatia	1Q 17	2Q 17	3Q 17	4Q 17	1Q 18	Q-o-Q (pp)
Total	**11.7**	**6.4**	**7.7**	**6.6**	**6.9**	***0.2***
Mortgage	8.2	5.3	5.1	4.9	5.3	*0.4*
Consumer	12.4	6.8	7.1	6.6	7.4	*0.8*
Corporate	18.8	10.5	15.0	11.3	11.4	*0.1*
Car-finance	72.8	0.9	1.0	1.0	1.1	*0.1*

DPD90+ ratio (%)

OTP Bank Russia	1Q 17	2Q 17	3Q 17	4Q 17	1Q 18	Q-o-Q (pp)
Total	**19.4**	**18.4**	**17.2**	**15.8**	**15.4**	***-0.4***
Mortgage	36.1	37.5	36.7	39.9	43.5	*3.6*
Consumer	19.1	18.3	17.1	15.8	15.6	*-0.3*
Credit card	30.5	29.4	27.8	27.6	26.5	*-1.1*
POS loan	11.7	12.5	11.8	10.4	10.7	*0.3*
Cash loan	18.7	15.8	15.0	14.7	14.3	*-0.3*

DPD90+ ratio (%)

OTP Bank Ukraine	1Q 17	2Q 17	3Q 17	4Q 17	1Q 18	Q-o-Q (pp)
Total	**41.2**	**37.5**	**33.4**	**26.4**	**25.1**	***-1.3***
Mortgage	73.2	72.6	73.6	71.1	71.3	*0.2*
Consumer	31.8	32.5	29.7	20.2	18.7	*-1.5*
SME	87.6	87.8	88.0	81.8	57.6	*-24.2*
Corporate	17.6	13.4	5.9	4.2	4.8	*0.7*
Car-finance	41.2	35.5	33.5	17.5	14.8	*-2.6*

In 1Q 2018 the reported CET1 was 15.0%, but the CET1 capital does not include the 1Q 2018 profit less indicated dividend; including these the CET1 would be 15.6%. In 2017 the completed acquisitions had on overall CET1 impact of -190 bps

OTP Group consolidated capital adequacy ratios (IFRS)

BASEL III	2013	2014[1]	2015	2016	2017	1Q 2018
Capital adequacy ratio	19.7%	16.9%	16.2%	16.0%	14.6%	16.9%
Common Equity Tier1 ratio	16.0%	13.5%	13.3%	13.5%/ 15.8%[2]	12.7%/ 15.3%[2]	15.0%/ 15.6%[2] (1)

(1) The CET1 ratio including interim profit less dividend improved q-o-q by 0.3 pp, mainly thanks to the sound profitability. In 1Q the Bank accrued HUF 15,330 million dividend, the same as a year ago, in line with the announcement made at the AGM.

The CET1 ratio was reduced by the higher RWA (induced by growing volumes), but also the shift to IFRS 9 and the application of transitional rules resulted in a 3 bps decline in the first quarter.

(2) The Romanian capital adequacy ratio improved q-o-q mainly due to the capital increase of RON 125 million.

(3) These are the CAR ratios of the mother banks which own the shares of the acquired banks in 2017 (Vojvodjanska banka in Serbia and Splitska banka in Croatia).

Capital adequacy ratios (under local regulation)

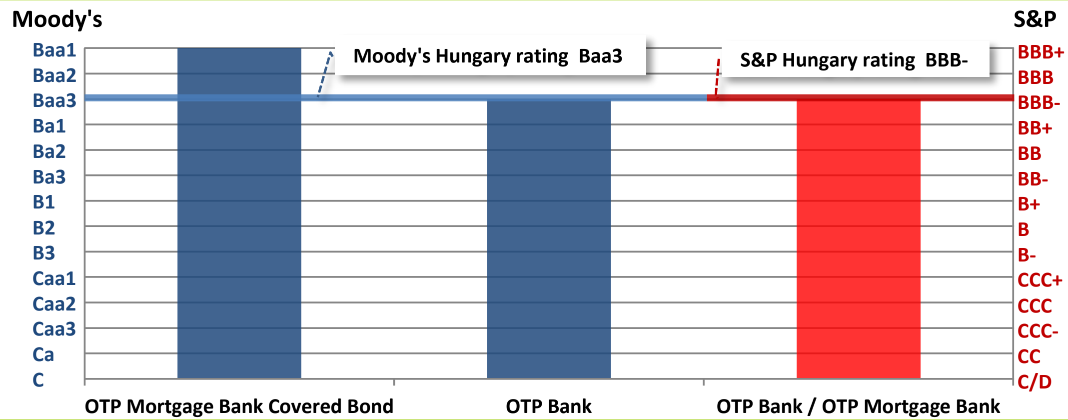
	2013	2014	2015	2016	2017	1Q 2018
OTP Group (IFRS)	**19.7%**	**16.9%**	**16.2%**	**16.0%**	**14.6%**	**16.9%**
Hungary	23.0%	19.0%	26.6%	27.7%	31.4%	31.8%
Russia	14.0%	12.1%	13.3%	16.2%	15.9%	16.0%
Ukraine	20.6%	10.4%	15.7%	12.4%	15.5%	15.0%
Bulgaria	16.4%	18.0%	17.3%	17.6%	17.2%	16.5%
Romania	12.7%	12.6%	14.2%	16.0 %	14.5%	17.6% (2)
Serbia	37.8%	30.8%	26.1%	22.8%	28.4%	26.4% (3)
Croatia	16.7%	16.5%	15.5%	16.7%	16.5%	16.9% (3)
Slovakia	10.6%	13.7%	13.4%	12.9%	15.0%	14.8%
Montenegro	14.4%	15.8%	16.2%	21.1%	22.6%	21.7%

[1] Calculated with the deduction of the dividend amount accrued in 2014.
[2] Including the interim net profit less accrued dividend.

While OTP Bank ratings closely correlate with the sovereign ceilings, subsidiaries' ratings enjoy the positive impact of parental support

(rating outlook)
+ positive
- negative
0 stable

Hungarian sovereign, OTP Bank and OTP Mortgage Bank ratings



Rating history

- OTP Bank Slovakia, DSK Bank Bulgaria, OTP Bank Ukraine and OTP Bank Russia cancelled cooperation with Moody's in 2011, 2013, 2015 and 2016 respectively.
- Currently OTP Bank, OTP Mortgage Bank and OTP Bank Russia have solicited ratings from either Moody's, S&P Globa, Fitch or Dagong.

OTP Group related rating actions

- Moody's has upgraded **OTP Bank**'s long-term foreign currency deposit rating to Baa3 with a stable outlook and **OTP Mortgage Bank**'s covered bonds rating to Baa1. *(07 November 2016)*
- S&P raised its long- and short-term foreign and local currency counterparty credit ratings on **OTP Bank** and **OTP Mortgage Bank** from BB+/B to BBB-/A-3 with stable outlook *(24 July 2017)*.
- Moody's upgraded **OTP Bank**'s long and short-term local-currency deposit ratings to Baa2/Prime-2 from Baa3/Prime-3. The long-term foreign currency deposit rating was affirmed at Baa3. Both long-term deposit ratings carry stable outlook. At the same time the junior subordinated rating of the bank was raised by one notch to Ba3 (hyb). Furthermore the rating agency upgraded the backed long-term local-currency issuer rating of **OTP Mortgage Bank** to Baa3 from Ba1, with stable outlook. *(19 October 2017)*
- Dagong Global has assigned a Long-Term Credit Rating of BBB+' and equivalent Short-Term Credit Rating of A-2 to **OTP Bank.** The Outlook is stable. *(22 November 2017)*

Recent sovereign rating developments

- S&P upgraded **Serbia**'s ratings to BB from BB-, with stable outlook. *(15 December 2017)*
- Fitch upgraded **Croatia**'s ratings to BB+ from BB, with stable outlook. *(12 Januray 2017)*
- Moody's has changed the outlook on **Russia**'s Ba1 rating to positive from stable. (25 *January 2018)*
- S&P upgraded **Russia'**s ratings to BBB- from BB+, with stable outlook. *(23 February 2018)*
- S&P upgraded **Croatia**'s ratings to BB+ from BB, with stable outlook. *(23 March 2018)*
- S&P has changed the outlook on **Bulgaria**'s BBB- rating to positive from stable. (01 *June 2018)*

	Moody's	S&P	Fitch	Dagong
OTP Bank	Baa3 (0)	BBB- (0)		BBB+ (0)
OTP Mortgage Bank	Baa1	BBB- (0)		
OTP Bank Russia			BB (0)	

Moody's		S&P Global		Fitch	
Aaa		**AAA**		**AAA**	
Aa1		**AA+**		**AA+**	
Aa2		**AA**		**AA**	
Aa3		**AA-**		**AA-**	
A1		**A+**	SK(0)	**A+**	SK(0)
A2	SK(+)	**A**		**A**	
A3		**A-**		**A-**	
Baa1		**BBB+**		**BBB+**	
Baa2	BG(0)	**BBB**		**BBB**	BG(0)
Baa3	RO(0) HU(0)	**BBB-**	HU(+) BG (+) RO(0) RU(0)	**BBB-**	RU(+) HU(+) RO(0)
Ba1	RU(+)	**BB+**	CR(0)	**BB+**	CR(0)
Ba2	CR(0)	**BB**	SRB (0)	**BB**	SRB (0)
Ba3	SRB(0)	**BB-**		**BB-**	
B1	MN(0)	**B+**	MN(0)	**B+**	
B2		**B**		**B**	
B3		**B-**	UA (0)	**B-**	UA (0)
Caa1		**CCC+**		**CCC**	
Caa2	UA(+)	**CCC**		**CCC**	
Caa3		**CCC-**		**CCC**	

Last update: 01/06/2018
Sovereign ratings: long term foreign currency government bond ratings,
OTP Mortgage Bank Moody's rating: covered bond rating; Other bank ratings: long term foreign currency deposit ratings
Abbreviations: BG - Bulgaria, CR - Croatia, HU - Hungary, MN - Montenegro, RO - Romania, RU - Russia, SRB - Serbia, SK - Slovakia, UA - Ukraine

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Management expectations for 2018 – 1.

The ROE target of above 15% (assuming 12.5% Common Equity Tier1 ratio) announced at the 2015 Annual General Meeting remains in place.

Apart from the negative impact of the Hungarian and Slovakian banking tax (HUF 15 billion after tax) further acquisitions may result in material adjustment items.

The FX-adjusted growth of performing loans – without the potential effect of further acquisitions – may be close to the 2017 organic growth (+10%). Within that, the increase of household exposures may intensify, whereas the pace of corporate book expansion – following an outstandingly strong performance in 2016 and 2017 – may somewhat decelerate.

The net interest margin erosion may continue, compared to the 4Q 2017 level (4.38%) the annual NIM may contract by around another 10-15 bps. The forecast does incorporate the effect of acquisitions completed in 2017, however doesn't include the impact of further potential acquisitions.

Positive credit quality trends may continue with the DPD90+ ratio further declining, however total risk costs may increase as a result of higher loan volumes, the introduction of IFRS 9 and the presumably lower provision releases compared to 2017.

The increase of FX-adjusted operating expenses without acquisition effect may exceed the 2017 dynamics and be around 6% y-o-y as a result of wage inflation and on-going digital transformation.

The expected amount of proposed dividend to be paid after the 2018 financial year depends on the future acquisitions

Management expectations for 2018 – 2.

Beyond the capital required for organic growth the management intends to allocate significant part of the generated excess capital for further value-creating acquisitions:

- **The dividend amount to be paid from 2018 earnings depends primarily on the impact of completed future acquisitions. Subject to these deals, the final dividend proposal will be decided at the beginning of 2019.**
- **As for the indicated / deducted dividend amount presented among the financial data in the quarterly Stock Exchange Reports in 2018, the basis for the calculation will be the dividend proposal after the 2017 financial year (HUF 61.32 billion). However, the final dividend proposal can differ from this amount.**

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Content

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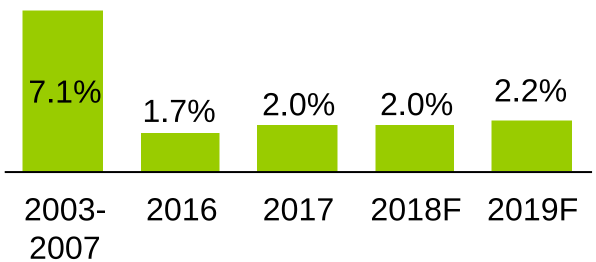
Hungary's economy grew by 4.0% and we foresee a similar rate for 2018. 1Q delivered 4.4% y-o-y growth; we expect some deceleration in 2H 2018 due to base effects

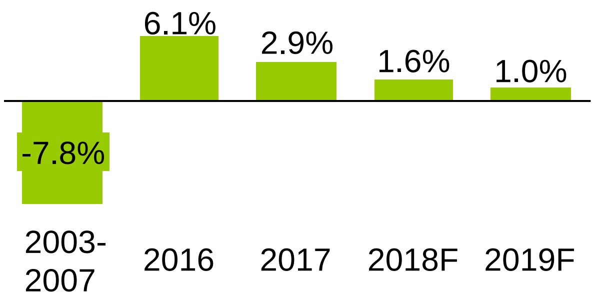
Hungary

Balance

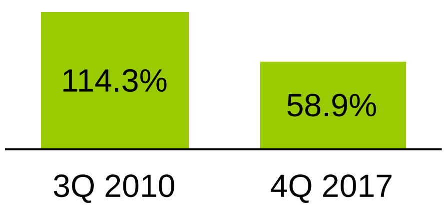
Budget deficit



Current account balance

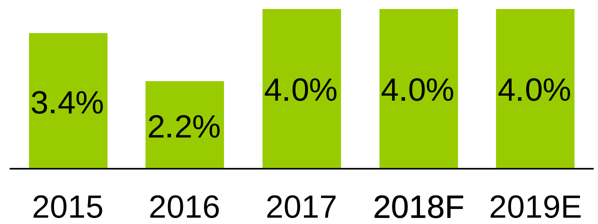


Gross external debt[1] (in % of GDP)

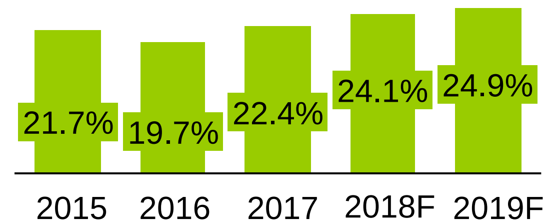


Growth

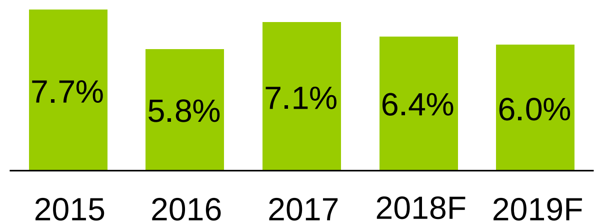
Real GDP growth



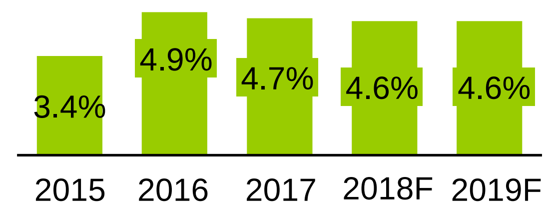
Investment to GDP



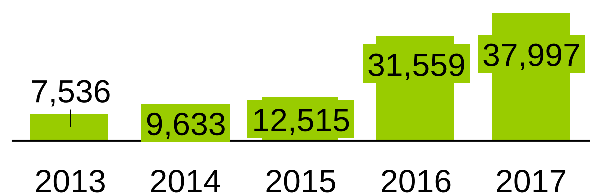
Export growth



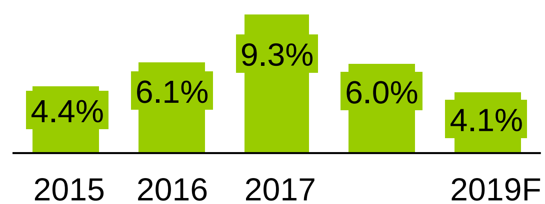
Household consumption



Housing construction permits



Real wage growth



Sources: CSO, NBH; forecasts: OTP Research Centre, except for the 2019E GDP growth where management expectation was shown. OTP mgmt considers the 4% 2019E growth target set by the Government achievable, but it requires further measures.

[1] Without inter-company loans

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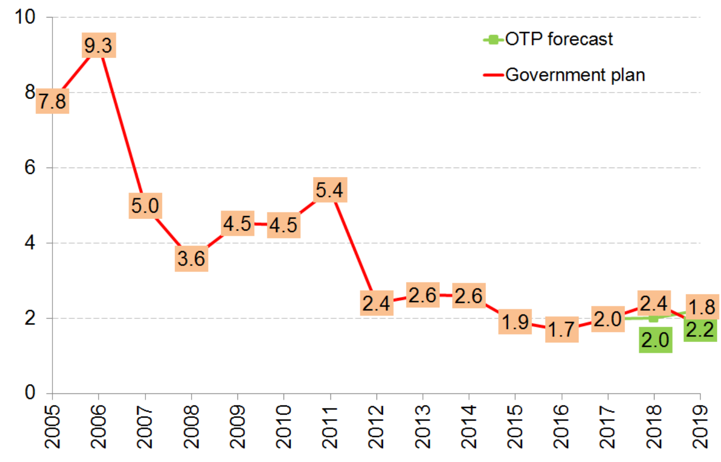
Hungary

The government intends to spend more on investments, but the overall fiscal discipline is expected to persist. The current account surplus moderated, while external indebtedness fell further

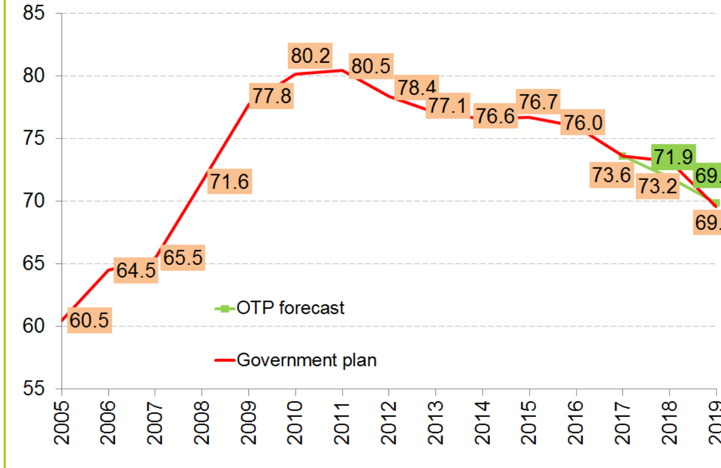
The budget position remained solid, thanks to strong revenue generation. The deficit reached 2% in 2017, but the underlying balance could be close to 1% of GDP, as temporary run-up in public investments and further discretionary spending in 4Q worsened the budgetary position by one percentage point each, while revenues from tax credit for growth added 0.8 percentage points of extra revenues. The four-quarter rolling deficit hit 2.4% of GDP in 1Q. Public debt moderated further, despite the high financing requirement from the pre-financing of EU-fund-related projects.

After hitting an all-time high surplus of 6.1% of GDP in 2016 as a whole, the C/A balance started to moderate slowly due to stronger domestic demand and higher energy prices. External debt fell further, gross external debt fell below 60% of GDP, very close to levels characteristic for the CEE region, while net and short-term debt moderated to 13%.

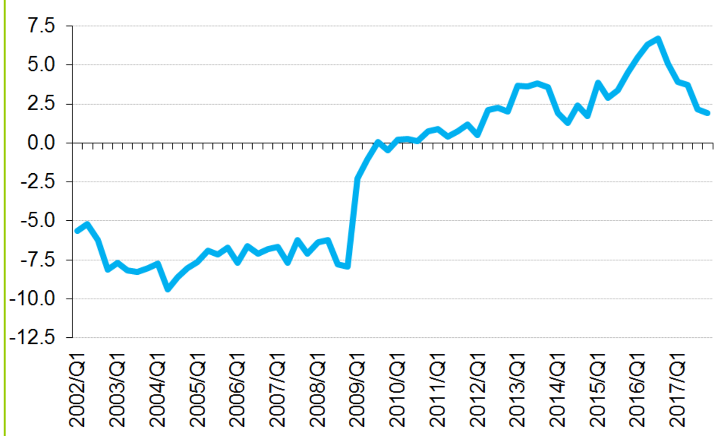
Budget balance (as % of GDP)



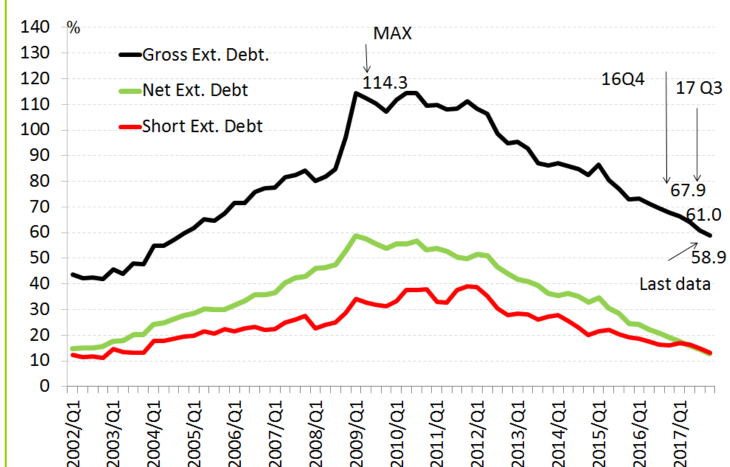
Public debt (as % of GDP)



Current account balance (as % of GDP)



External debt indicators (as % of GDP)



Sources: HCSO, MNB, Ministry for National Economy, OTP Research
The net financial capacity shows the amount of absorbed external funding / accumulated foreign assets in a period (equals to the sum of the current account balance + capital balance (EU funds) + Net errors and omissions)

Hungary

Monetary conditions are likely to remain very relaxed for an extended period

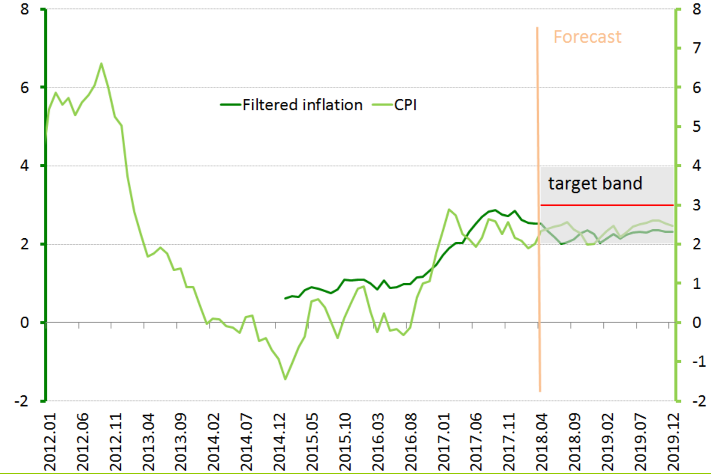
CPI reversed over the last third of 2017 and we expect it to oscillate around 2.0% y-o-y for a while from 2017 December onward.

Even though the current phase of the economic cycle points to accelerating CPI, it is still offset by a number of factors (e.g. VAT & social security contributions cuts, moderate food and imported inflation, unchanged administrative prices, one-offs in 2017). In many areas outside consumer prices, we experience accelerating inflation; but consumer price inflation remained modest – less than half of the CPI depends on domestic demand and it is enough to hold back the overall index.

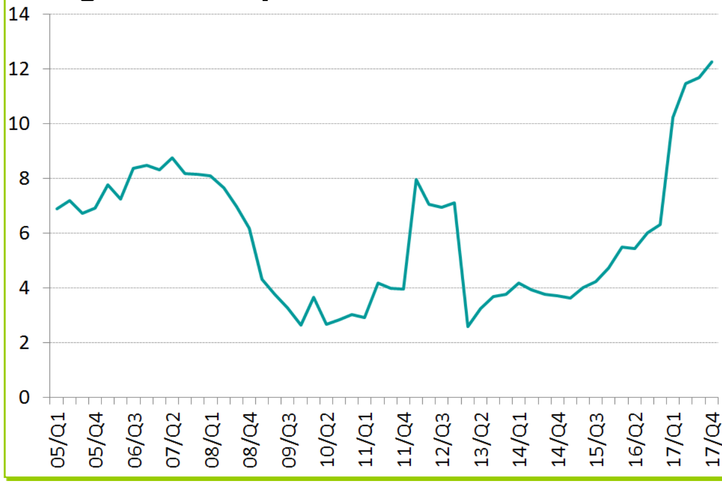
In 2019, when no further VAT cuts are in the pipeline (so far) and one-off effects fade away, strong domestic demand and capacity constraints may accelerate CPI surprisingly fast. External factors contribution may be more pronounced than in 2018.

However, overshooting the 4.0% upper limit of the MNB's target band seems unlikely, thus monetary conditions are expected to remain very relaxed for an extended period.

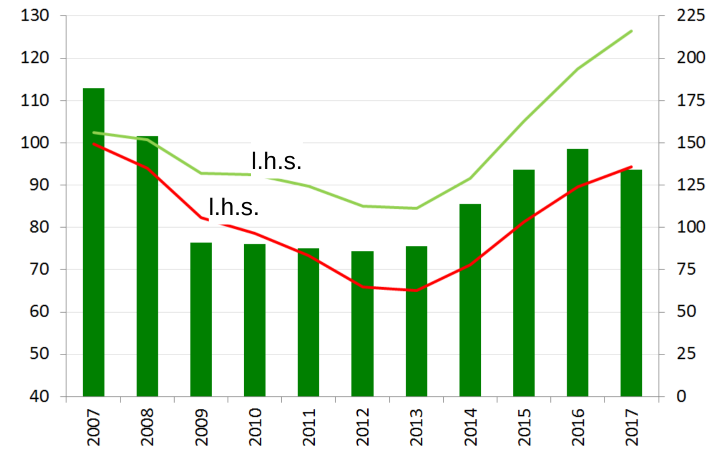
Inflation (y-o-y, %)



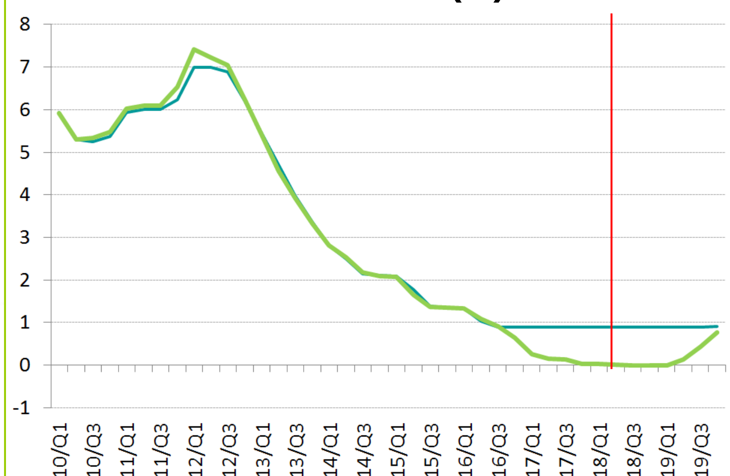
Wages in the private sector (y-o-y, %)



Real estate market indicators (nominal and real prices, 2007=100; transactions in thousand units, r.h.s.)



Base rate & 3M BUBOR (%)



Sources: HCSO, NBH, Reuters, OTP Research

Hungary

2018 is likely to be as encouraging as it was in 2017 with 4.0% GDP growth, moderate inflation, low budget deficit and declining external debt

Key economic indicators	2014	2015	2016	2017	OTP Research 2018F	OTP Research 2019F	Focus Economics* 2018F	Focus Economics* 2019F
Nominal GDP (at current prices, HUF billion)	32,400	33,999	35,005	37,520	**39,998**	**42,579**	**40,574**	**42,979**
Real GDP change	4.2%	3.4%	2.2%	4.0%	**4.0%**	**4.0%**	**3.7%**	**3.0%**
Household final consumption	2.1%	3.1%	4.2%	4.1%	**4.0%**	**3.9%**	**4.0%**	**3.4%**
Household consumption expenditure	2.5%	3.4%	4.9%	4.7%	**4.6%**	**4.6%**		
Collective consumption	9.2%	0.6%	0.1%	-0.4%	**1.1%**	**1.1%**	**2.0%**	**1.5%**
Gross fixed capital formation	9.9%	1.9%	-15.5%	16.8%	**7.4%**	**0.3%**	**9.5%**	**5.1%**
Exports	9.8%	7.7%	5.8%	7.1%	**6.4%**	**6.0%**		
Imports	10.9%	6.1%	5.7%	9.7%	**6.3%**	**6.3%**		
General government balance (% of GDP)	-2.6%	-1.9%	-1.7%	-2.0%	**-2.0%**	**-2.2%**	**-2.4%**	**-2.3%**
General government debt (% of GDP ESA 2010)	75.6%	75.5%	74.7%	72.1%	**71.3%**	**68.8%**	**71.1%**	**69.7%**
Current account (% of GDP)**	1.5%	3.5%	6.1%	2.9%	**1.6%**	**1.0%**	**3.7%**	**3.3%**
Gross external debt (% GDP)***	82.4%	73.0%	67.9%	58.9%				
FX reserves (in EUR billion)	34.6	30.3	24.4	23.4				
Gross real wages	3.8%	4.4%	6.1%	9.3%	**6.0%**	**4.1%**		
Gross real disposable income	4.4%	4.4%	2.3%	4.8%	**3.8%**	**2.2%**		
Employment (annual change)	5.3%	2.7%	3.4%	1.7%	**0.6%**	**0.3%**		
Unemployment rate (annual average)	7.7%	6.8%	5.1%	4.2%	**3.9%**	**3.9%**	**3.9%**	**3.8%**
Inflation (annual average)	-0.2%	-0.1%	0.4%	2.4%	**2.0%**	**2.6%**	**2.5%**	**2.9%**
Base rate (end of year)	2.10%	1.35%	0.90%	0.90%	**0.90%**	**1.05%**	**0.90%**	**1.11%**
1Y Treasury Bill (average)	2.28%	1.17%	0.77%	0.09%	**0.01%**	**0.58%**		
Real interest rate (average. ex post)****	2.5%	1.2%	0.4%	-2.3%	**-1.9%**	**-2.0%**		
EUR/HUF exchange rate (end of year)	314.9	313.1	311.0	310.1	**310.0**	**314.7**	**308.0**	**306.0**

Source: CSO, National Bank of Hungary. OTP Research forecasts: in the case of 2019E GDP growth management expectation was shown. * April 2018 consensus . **Official data of balance of payments (excluding net errors and omissions).
*** w/o FDI related intercompany lending. last data. **** = (1+ Yield of the 1Y Treasury Bill (average)) / (1+ annual average inflation) – 1

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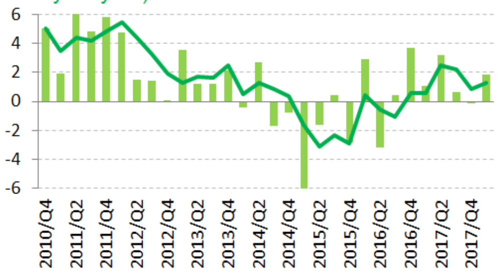
Russia: slow recovery supported by higher oil prices; the CBR will be cautious with further rate cuts as inflation bottomed out and the risk premium increased; Ukraine: GDP growth was 3.1% in 1Q 2018, rate cuts are not likely in the near future

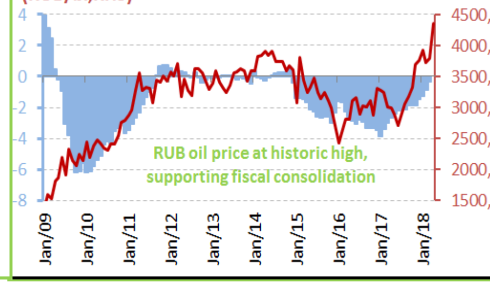
Russia

Economic recovery continued: GDP growth stood at 1.3% in 1Q 2018, lower than our expectation (1.5%). Higher oil prices help to bring the budget into balance but the new government might opt for higher spending. Disinflation bottomed out as the effect of favourable food prices faded away and domestic demand recovered. Higher risk premium due to US sanctions and the end of disinflation led the CBR to put on hold the rate cut cycle in April. Slow recovery could continue but medium-term growth prospects remain subdued. Improving domestic demand will contribute to higher lending flows. As inflation will start to converge to the medium-term target in 2H 2018, the CBR is expected to remain cautious with further rate cuts.

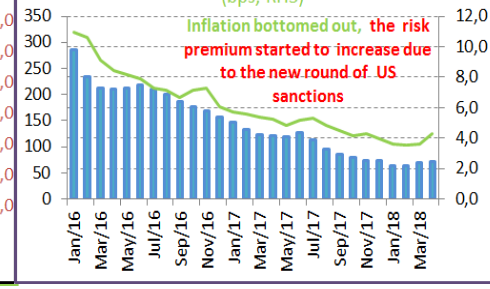
Real GDP growth (%, SA, annualized quarterly and year/year)



Budget balance (Central Gov, % of GDP) & RUB oil price (RUB/bl,RHS)



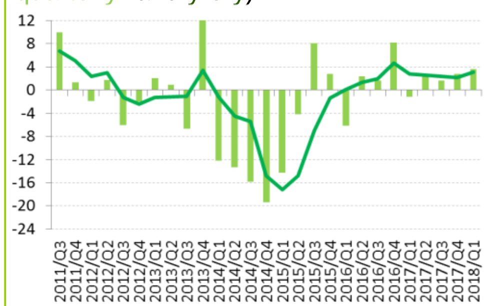
Consumer Price Index (YoY%, LHS) and 5Y CDS spread (bps, RHS)



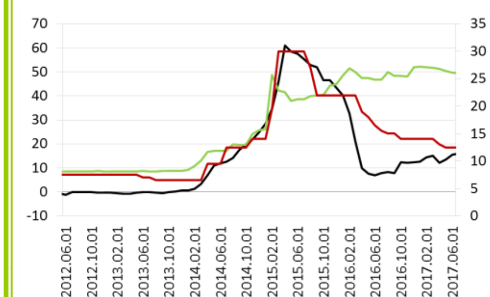
Ukraine

GDP increased by 2.5 y-o-y in 2017. The main driver of growth was strong consumption growth and investment activity. In 1Q 2018 GDP grew by 3.1% y-o-y, which is a 0.8% q-o-q growth. Based on monthly indicators, consumption was the main driver behind the strong growth figure. Inflation slowed from 13.7% in December 2017 to 13.1% in April 2018. The NBU has held its base rate at 17% since February. No more rate hikes are expected if the reforms go ahead as planned and the international environment remains calm.

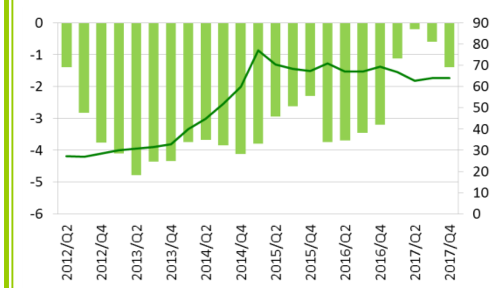
Real GDP growth (%, SA, annualized quarterly* and y-o-y)



USD/UAH (r.a., %), **base rate** (r.a., %), and **Inflation** (%)



Fiscal balance (l.a.) and government debt (r.a.) as % of GDP



Source: CBR, Rosstat, Ukrstat, National Bank of Ukraine, Focus Economics
*annualized q-o-q growth is OTP Research estimate

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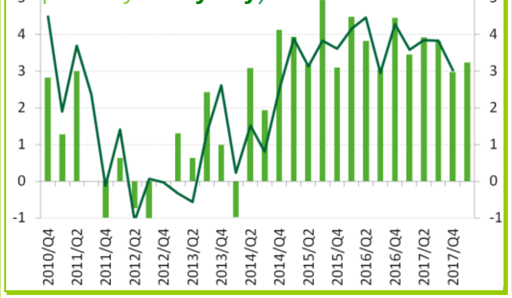
Bulgaria: solid, sustainable, broad-based growth; Croatia: balance indicators improved further, tourism posted strong start to the year; Romania: slowdown in 1Q, inflation rose to 5.2%, monetary tightening went on

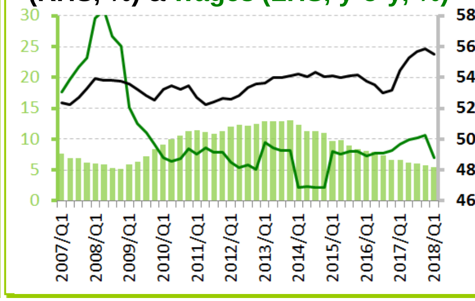
Bulgaria

Despite the slowdown in 4Q 2017 Bulgaria continues to enjoy robust growth. Preliminary data suggest 3.5% y-o-y GDP growth for 1Q. Labor market conditions are tightening as unemployment rate falls below 6%. Despite recent slowdown, wage growth is expected to return to previous trend. The property market enjoys a strong revival, with housing prices growing at single-digit pace, and building permits show dynamic increase.

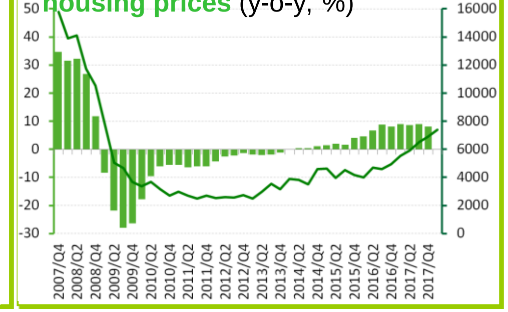
Real GDP growth (%, SA, annualized quarterly and **y-o-y**)



Unemploy. (LHS, %), activity rate (RHS, %) & wages (LHS, y-o-y, %)



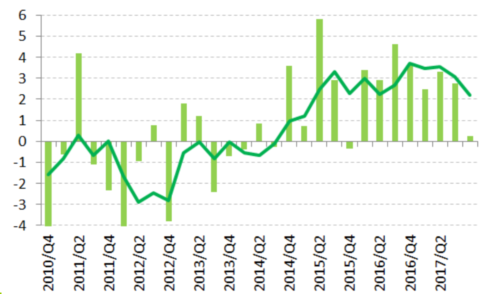
Building permits (n. of dwellings) & **housing prices** (y-o-y, %)



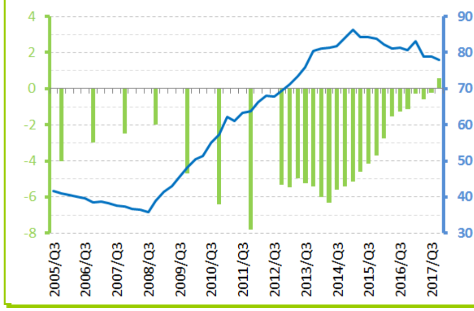
Croatia

GDP growth decelerated to 2.0% y-o-y NSA in 4Q 2017, but in 2018 we foresee a rebound. Industrial production and retail sales expansion has moderated recently but tourism has started the year surprisingly strong. Wage dynamics and loan transactions to household are favourable while imbalance indicators show further improvement: government budget posted its first ever yearly surplus in 2017.

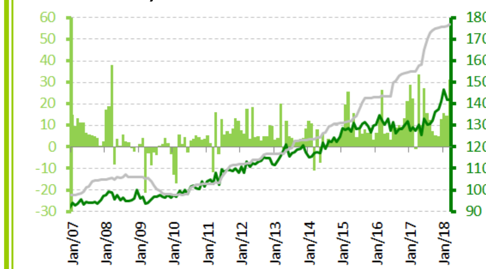
Real GDP growth (%, SA, annualized quarterly and **y-o-y**)



Budget deficit (LHS, **ESA**), **Debt (RHS)** in % of GDP



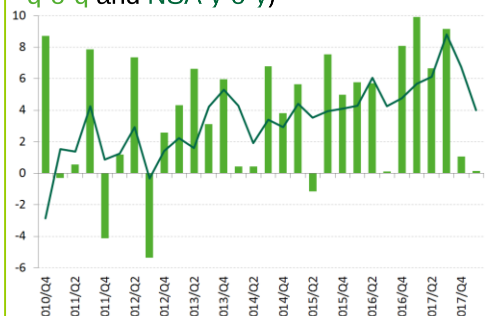
Tourist nights (3M, Y-o-Y, LHS) & tourist nights, tourist arrivals (12M, 2010 = 100)



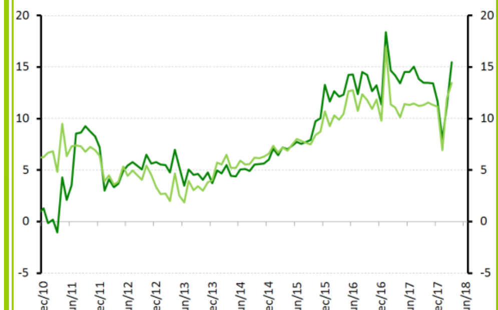
Romania

Romania: After the stellar growth in 2017 GDP growth moderated to 4% y-o-y in 1Q and to 0% q-o-q due to a fall in net wages as from January all social contributions should be paid by employees. As gross wages were not hiked accordingly, net wages fell, shaking consumer confidence and consumption. Inflation rose further, hitting 5.2% in April due to strong demand, fast rise in labour costs and fuel prices, but administrative price hikes also added 2pp. The central bank hiked the policy rate 3 times in 1Q, from 1.75% to 2.5% by April, driving up the 3M ROBOR.

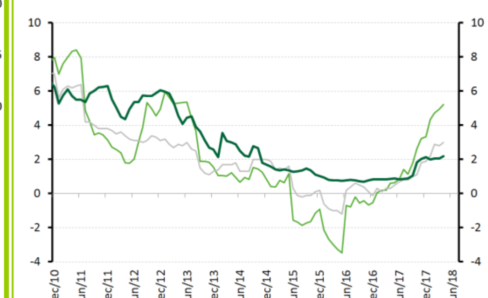
Real GDP growth (%, SA annualized q-o-q and NSA y-o-y)



ESA-2010 deficit (4Q avg., r.h.s.), **debt** (in % of GDP, l.h.s)



Headline & core inflation, and 3M ROBOR rates (%)



Source: Eurostat, national banks and statistical offices

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Growth can remain strong in the next two years with macro trends remaining favourable in CEE countries

REAL GDP GROWTH

	2016	2017	2018F	2019F
Hungary	2.2%	4.0%	4.0%	4.0%
Ukraine	2.3%	2.5%	3.0%	3.6%
Russia	-0.2%	1.5%	2.0%	1.8%
Bulgaria	3.9%	3.6%	3.8%	3.4%
Romania	4.8%	6.9%	4.2%	3.8%
Croatia	3.2%	2.8%	2.7%	2.6%
Slovakia	3.3%	3.4%	3.7%	3.9%
Serbia	2.8%	1.9%	3.1%	3.2%
Montenegro	3.0%	4.4%	3.1%	3.0%

EXPORT GROWTH

	2016	2017	2018F	2019F
Hungary	5.8%	7.1%	6.4%	6.0%
Ukraine	-1.6%	3.6%	7.0%	5.7%
Russia	3.2%	5.4%	3.7%	3.3%
Bulgaria	8.1%	4.0%	5.4%	4.8%
Romania	8.7%	9.7%	8.6%	7.8%
Croatia	5.6%	6.1%	4.7%	4.5%
Slovakia	6.2%	4.8%	5.8%	7.5%
Serbia	12.0%	9.8%	12.0%	12.0%
Montenegro	6.2%	4.4%	4.4%	3.0%

UNEMPLOYMENT

	2016	2017	2018	2019F
Hungary	5.1%	4.2%	3.9%	3.9%
Ukraine	9.7%	9.9%	8.8%	8.4%
Russia	5.5%	5.2%	4.8%	4.5%
Bulgaria	7.6%	6.3%	5.9%	5.4%
Romania	5.9%	4.9%	4.5%	4.4%
Croatia	15.0%	12.4%	11.7%	11.0%
Slovakia	9.7%	8.1%	7.3%	7.0%
Serbia	15.9%	14.1%	11.0%	10.5%
Montenegro	17.8%	16.2%	15.8%	15.6%

BUDGET BALANCE*

	2016	2017	2018F	2019F
Hungary	-1.7%	-2.0%	-2.0%	-2.2%
Ukraine	-2.9%	-1.4%	-2.5%	-2.3%
Russia	-3.5%	-1.5%	-0.2%	-0.2%
Bulgaria	0.2%	0.9%	-0.9%	-0.8%
Romania	-3.0%	-2.9%	3.0%	-2.9%
Croatia	-1.2%	0.6%	-0.6%	-0.7%
Slovakia	-2.2%	-1.1%	-1.2%	-1.3%
Serbia	-1.3%	1.2%	-1.0%	-1.0%
Montenegro	-3.3%	-5.7%	-4.2%	-3.8%

CURRENT ACCOUNT BALANCE

	2016	2017	2018F	2019F
Hungary	6.1%	2.9%	1.6%	1.0%
Ukraine	-1.5%	-1.9%	-4.0%	-3.8%
Russia	1.9%	2.2%	3.0%	1.5%
Bulgaria	2.3%	4.5%	3.2%	1.7%
Romania	-2.1%	-3.3%	-3.9%	-4.0%
Croatia	2.6%	3.9%	4.0%	2.2%
Slovakia	-1.4%	-2.0%	-1.5%	-1.0%
Serbia	-3.1%	-5.7%	-4.7%	-4.5%
Montenegro	-18.1%	-19%	-17.4%	-17.2%

INFLATION

	2016	2017	2018F	2019F
Hungary	0.4%	2.4%	2.0%	2.6%
Ukraine	13.9%	13.4%	11.3%	7.5%
Russia	7.0%	3.7%	2.9%	3.8%
Bulgaria	-0.8%	2.1%	2.5%	3%
Romania	-1.5%	1.3%	4.7%	2.9%
Croatia	-1.1%	1.2%	1.8%	2.1%
Slovakia	-0.5%	1.3%	2.3%	3.0%
Serbia	1.1%	3.2%	2.0%	3.0%
Montenegro	-0.2%	2.4%	2.7%	2.4%

Source: OTP Research Centre, except for the 2019E GDP growth where management expectation was shown.
OTP management considers the 4% 2019E growth target set by the Government achievable, but it requires further measures.
* For EU members, deficit under the Maastricht criteria

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Forward looking statements

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

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