

## Announcement

**FHB Mortgage Bank Co. Plc** (registered seat: 1082 Budapest, Üllői út 48.; company registry number: 01-10-043638; hereinafter referred to as the “Mortgage Bank”) fulfilling its disclosure obligation defined in section 55 of Act CXX of 2001 on the Capital Market and points 1.7 of Annex 4 of Decree No. 24/2008 (VIII.15.) of the Minister of Finance on the detailed rules on disclosure obligation regarding publicly issued securities, informs its investors as follows:

FHB Mortgage Bank signed agreements with 90 co-operative credit institutions within the Integration Organization of Co-operative Credit Institutions (IOCCI, Integration) on refinancing mortgage loans on November 20, 2015. *FHB Mortgage Bank signed the first similar contract with B3 TAKARÉK Szövetkezet – one of the largest players of the co-operative institution sector – on October 15, 2015 and it predicted at that time, that in the near future the contract can be followed by further agreements with other participants of the financial institution sector.*

FHB Mortgage Bank and its subsidiary FHB Bank Zrt. joined the IOCCI at end-September 2015. As a result, the co-operative credit institutions within IOCCI have direct access to financing mortgage loans through mortgage bond issuance. FHB Mortgage Bank’s professional assistance can support the members of the Integration to prepare in time and effectively for fulfilling by the statutory deadline the requirements of the Mortgage Funding Adequacy Ratio (MFAR) obligation set by the Hungarian National Bank.

*FHB Mortgage Bank is the most experienced refinance provider, having the broadest range of institutional relations on the domestic mortgage lending market, whereas it has been providing high quality service to financial institutions for more than a decade. The agreements significantly increase the financing and refinancing potential for the involved parties with the ability to increase the business activity benefitting from the synergies provided by the Integration. The 91 contracting partners all together have 1,493 branches, while their total assets exceed HUF 1,400 billion, the total loan portfolio is HUF 476 billion, total retail loan portfolio is HUF 309 billion, total mortgage loan portfolio is HUF 175 billion, the total number of retail client is 988 thousand. Due to the boost of the housing market, and the improving housing construction and regulatory conditions, the partners expect recovery of the housing lending, and both the IOCCI and the FHB Group as a member of the Integration intend to prepare in time for taking advantage on the improved market conditions.*

FHB Mortgage Bank’s organizational and technical conditions facilitate the effective and flexible service providing for further – even non IOCCI-members - refinancing partners. Refinancing the mortgage loans of the members of the Integration as well as other market participants provides opportunity for FHB Mortgage Bank to increase its market share in the refinancing market and strengthen its leading position in the field of mortgage bond issuance.

Budapest, November 20, 2015

FHB Mortgage Bank Co. Plc,