



DUNA HOUSE[®]
GROUP



EXTRAORDINARY NOTICE

DUNA HOUSE HOLDING Public Limited Company (seat: 1016 Budapest, Gellérthegy str. 17, Hungary; company registration number: Cg. 01-10-04838; hereinafter referred to as “**Company**”), with reference to Section 1.7 of Annex 4 of the detailed provisions on public notice obligation of Decree No. 24/2008. (VIII.15.) PM of the Minister of Finance publishes the following information within the form of extraordinary notice:

The Parliament of Hungary will vote on the amendment of Act No. 113/1996. on the home savings scheme (“LTP”) on October 16, 2018, as a result of which the tax subsidy is expected to be ended on new LTP accounts. The management of the Company believes that by ending tax subsidy, the LTP product will lose attractiveness and volumes might fall to zero in the future.

The Company realized gross profit of HUF 68 million on the sale of LTP products in the first half of 2018, therefore the approval of the mentioned bill might have a short term negative impact on the consolidated results of the Company. The management is confident, however, that in spite of the expected negative impact it is able to achieve its profit guidance for the core operations (excluding MyCity residential developments) for the current year and deliver further profit growth in core operations next year, as well.

Furthermore, the expected changes in legislation might bring consolidation to the loan brokerage sector over the mid or long term, whereby the Company’s market share in mortgage loans might increase offsetting partly or completely the loss in revenues.

Budapest, October 15, 2018

Duna House Holding Plc.