

Extraordinary announcement

FHB Mortgage Bank Co. Plc (registered seat: 1082 Budapest, Üllői út 48.; company registry number: 01-10-043638; hereinafter referred to as the “**Company**”) fulfilling its extraordinary disclosure obligation defined in section 55 subsection 1 of Act CXX of 2001 on the Capital Market and point 4 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:

The Company owns treasury shares issued by the Diófa Alapkezelő Zártkörűen Működő Részvénytársaság (registered seat: 1013 Budapest, Krisztina tér 2.; company registry number: 01-10-046307 hereinafter referred to as the „Diófa Alapkezelő Zrt.”) with 89,19% of ownership rights and 93,6% of voting rights.

The General Meeting of Diófa Alapkezelő Zrt. has decided on 6 October 2017 with its resolution No. 5/2017 (10.06.) about increasing the HUF 196,200,000 capital of the Diófa Alapkezelő Zrt. to HUF 198,200,000.

The capital increase is going to be executed according to the section 3:295-299 of the Act V of 2013 on the Civil Code by private issuing 200 pieces of materialized, registered C series redeemable shares with HUF 10,000 face value and issue value, which grant dividend preference. Voting rights are not attached to the C Series redeemable shares, they are not allowed to purchase for third party.

The General Meeting of Diófa Alapkezelő Zrt. has authorized shareholder ABRAHAM GOLDMANN Bizalmi Vagyonkezelő Zártkörűen Működő Részvénytársaságot (registered seat: 1092 Budapest, Ferenc körút 44. I/1.; company registry number: 01-10-049248) to subscribe for the new shares. The General Meeting has set 30 day period for making the statement of commitment to subscribe for the new shares and providing the consideration of new shares.

Budapest, 9 October 2017

FHB Mortgage Bank Co. Plc.