

Extraordinary announcement

FHB Mortgage Bank Co Plc. (company registration number: 01-10-043638; registered seat: 1082 Budapest, Üllői út 48.; hereinafter: „FHB Plc”) hereby informs the public on the following:

On 31st July 2017 Moody’s Investor Service announced that it has upgraded to B1 from B2 the long-term local and foreign-currency deposit ratings of FHB Mortgage Bank Co. Plc. (FHB). Concurrently, the bank’s baseline credit assessment (BCA) was upgraded to b3 from caa1, its adjusted BCA was upgraded to b2 from b3 and its long-term Counterparty Risk Assessment (CRA) was upgraded to Ba2(cr) from Ba3(cr). The outlook on the bank’s long-term deposit ratings is stable. FHB’s short-term Not Prime deposit ratings and Not Prime(cr) CRA are unaffected.

This rating action concludes the review for upgrade initiated on 8 May 2017. The review was prompted by the rating agency’s expectation for further gradual improvements in FHB’s standalone financial metrics, which together with higher assumption of affiliate support from the Integration Organization of Hungary’s Saving Cooperatives (SZHISZ or Integration Organization; unrated) would significantly improve the bank’s credit profile.

Budapest, 31st July, 2017

FHB Mortgage Bank Co Plc.