

October 1 2010

Extraordinary announcement

FHB Mortgage Bank Co. Plc. (registered seat: H-1082 Budapest, Üllői út 48., Hungary; hereinafter: the "Company") in compliance with its obligation pursuant to section 55 of the Act CXX of 2001 on the Capital Markets on the rules relating to extraordinary announcements, hereby notifies its Investors as follows:

In accordance with the earlier extraordinary announcement of the Company dated July 5, 2010 and with the intentions of the parties, on September 30, 2010, the establishment of the long term exclusive strategic cooperation signed on July 2, 2010 by FHB Mortgage Bank Co. Plc. ("FHB") and Allianz Hungaria Insurance Co. Ltd. ("Allianz Hungaria") referred therein, the transfer of the ownership of Allianz Bank Ltd by Allianz Hungaria to FHB ("Transaction") have been successfully concluded.

The Transaction has been approved by the Hungarian Competition Authority and the Hungarian Financial Supervisory Authority prior to the Closing.

The key basics for the long term exclusive strategic cooperation between FHB Banking Group and Allianz Hungaria Group are as follows:

- The sales network of Allianz Hungaria will sell the dedicated banking, life annuity and investment products of FHB Banking Group, while through its branch network FHB will distribute the insurance products, pension, health and investment funds of the Hungarian Allianz Group. Besides the aforementioned, in its branch offices the FHB Banking Group will service the nearly 2 million clients of Allianz Hungaria with insurance mediation activities. The strategic cooperation covers a 20 year period and cannot be terminated before the end of the 5th year; besides the agreement includes the possibility of future the expansion of the products covered by the cooperation with the mutual agreement of the parties. In addition, both Allianz Hungaria Group and FHB Banking Group undertake exclusivity for selling of each other's products;
- By virtue of the share swap agreement combined with sale and purchase between the Allianz Hungaria and FHB, Allianz Hungaria transferred its 100 per cent share in Allianz Bank Ltd to FHB. As consideration for its share in Allianz Bank, Allianz Hungaria received - subject to a post-closing adjustment of the purchase price - an additional minority interest in FHB (1,829,864 ordinary shares) by which Allianz Hungaria increased its existing share to 12 per cent in FHB and a cash consideration in the amount of HUF 1.1 billion. The referred title transfers were effectuated as from September 30, 2010, 24 o'clock.
- Allianz Hungaria undertakes that within 3 years following the closing of the Transaction any potential sale of its shares in FHB to a third party external to the Allianz Group are under certain limitations.
- As part of the strategic cooperation the parties have agreed on rules of use of FHB and certain Allianz brands.

Allianz Bank's total assets in accordance with the Hungarian accounting standards exceeded HUF 85.5 billion as at the end of August 2010, out of which the loan portfolio amounted to approximately HUF 48.2 billion. Retail mortgage loans represented approximately 71 per cent. The capital adequacy ratio of Allianz Bank was above 26 percentage as at the end of August, while total number of clients was more than 125 thousand persons.

FHB Banking Group's consolidated total assets in accordance with IFRS exceeded HUF 829 billion as at June 30, 2010, out of which the loan portfolio amounted nearly 626 billion. Nearly half of the loan portfolio was contributed by retail mortgage loans. In the first half of 2010 FHB Banking Group's

return on average equity was 11.8 percentage, while its cost to income ratio was 43.3 percentage. The capital adequacy ratio of FHB in accordance with IFRS on consolidated basis was 10.3 percentage as at June 30, 2010.

As known, the purpose of the parties with the to-be-formed long term strategic cooperation is to take the advantages of the selling and cross-selling potentials inherent in the clientele of FHB Banking Group and Allianz Hungaria Group – most significantly the customer base of FHB and Allianz Hungaria – in order to operate their resources in the most effective way.

FHB Mortgage Bank Co Plc