



## **Dividend payment by the Budapesti Ingatlan Nyrt.**

The **Budapesti Ingatlan Hasznosítási és Fejlesztési Nyrt.** (principal office: 1033 Budapest, Polgár utca 8-10.; Company Registration No.: 01-10-042813; hereinafter: Company) hereby notifies its shareholders that according to the decision of the Board of Directors acting on behalf of the General Meeting No. 8/2020. (IV.29.) which was taken by the Board of Directors in accordance with Section 9 (2) of Government Decree No 102/2020 of 10 April 2020 on various measures on the functioning of partnerships and limited companies, the Board of Directors the basis of the Annual Financial Statements of the Parent Company prepared in accordance with International Financial Reporting Standards (IFRS), the Board of Directors approved the payment of a dividend amounting to two billion, five hundred sixty-eight million, eight hundred forty-four thousand, four hundred forints (HUF 2,568,844,400) against the retained earnings and profit reserve payable as dividend. The Board of Directors to arrange for the share-proportional payment of dividends established on ordinary shares (ISIN ID HU0000167986) and to publish the following notice on the schedule for the payment of dividends and the closing date of the identification of shareholders related to the payment of dividends. The payment of dividends on ordinary shares commences on 11 June 2020. The Company pays the dividends on treasury shares to shareholders entitled to dividends in proportion to the nominal value of their shares, according to Article 16.2 of the Articles of Association.

Pursuant to the above, the Company pays a 100% dividend in the 2019 business year on the par value of the ordinary shares issued by it, i.e. the amount of gross dividend payable for the shares with a par value of HUF 10 is **ten forints (HUF 10)** per share.

### **Important dates:**

**2 June 2020:** The last day for closing stock exchange transactions related to the acquisition of shares entitling to dividends on the Budapest Stock Exchange.

**4 June 2020:** Closing date for the shareholder identification related to dividend payment. The shareholder who owns the share at the end of this day and whose name is registered in the Record of Shareholders in accordance with the Articles of Association of the Company is entitled to a dividend.

**11 June 2020 (E-day):** Commencement date of the dividend payment.

KELER Zrt. (1074 Budapest, Rákóczi út 70-72.) acts as the agent of the Company regarding the payment of dividends, according to the data provided by the investment service provider who manages the shareholder's account.

### **Conditions of dividend payment**

Shareholders who meet the following conditions are entitled to a dividend:

1. The shareholder, or the nominee specified in Article 151 of Act CXX of 2001 on the Capital Market, has been registered in the Record of Shareholders of the Budapesti Ingatlan Nyrt. and is in the Record of Shareholders on the closing date of the shareholder identification related to the dividend payment.
2. The data required for the accounting of the dividend in the prescribed format are at the disposal of Budapesti Ingatlan Nyrt. and KELER Zrt. acting as its agent. The data shall be provided by the account managers of the shareholders to KELER Zrt. in the course of the shareholder identification set out with closing date 4 June 2020.

### **Important notice!**

The dividend will not be paid in case shareholders holding at least 1 per cent of the voting rights in the Company request by 31st May 2020 the convocation of the General Meeting for the subsequent approval of the resolution of the Board of Directors on the approval of the annual report and the allocation of the after-tax profits according to the regulations of the Government Decree No 102/2020 of 10. Failure to meet

this deadline (including the case where the shareholder's request is not delivered to the Company by the last day of the deadline) means that the above shareholder's right will be lost. The above initiated General Meeting shall be held after the cessation of the state of emergency. In such case the dividend shall be paid according to the resolution adopted by the General Meeting. If the shareholders initiate the subsequent convocation of the General Meeting the Company shall inform its shareholders in extraordinary disclosure about this. The initiation of subsequent approval of the resolutions concerning the annual report and the allocation of after-tax profits has suspensive effect; the dividends can only be paid after the annual report and the dividends are subsequently approved by the General Meeting.

The following shareholders are entitled to request convocation of General meeting:

- those who hold at least 1 per cent of the voting rights;
- those who are indicated in the Share Register based on the ownership identification process requested and performed in connection with the General meeting indicated in the originally published invitation.

If the shareholders fail to initiate the subsequent convocation of the General Meeting, the Board of Directors' resolution concerning the annual report may not be on the Agenda of the forthcoming General Meeting.

### **Data required for dividend payment**

- **In case of domestic natural persons:** name, birth name, mother's name, address, tax ID, date of birth, place of birth.
- **In case of foreign natural persons:** name, address, place and date of birth, nationality, mother's birth name, in the absence of a Hungarian tax identification number, the passport number shall also be provided.
- **In case of legal entities:** company name, principal office, residence, and in case of a domestic residence tax registration or registration number of the shareholder.
- **In case of nominees:** name, principal office, residence, tax registration or registration number (in case of a domestic residence) of the nominee. Prior to the payment, the nominee shall make a statement on the amount of securities registered in securities account or deposited by the nominee and the ownership structure thereof (legal and/or natural persons). The Company draws the attention of the nominees to the fact that following the payment no change may be made to the ratio provided in the statement, as the taxation and tax declaration differ for legal and natural persons. In the absence of a statement, the Company does not pay dividends.

In addition, the Company draws the attention of the nominees to the fact that, if the nominee does not provide the data regarding the domestic natural person necessary for the payment of the dividend, the Company will not pay dividends in the absence thereof.

### **Method of the dividend payment**

As of 11 June 2020, the dividend shall be transferred to the cash accounts declared by the securities account managers or the account of the securities account manager. The Budapesti Ingatlan Nyrt. and KELER Zrt. acting as its agent shall not be liable for any delays due to faulty or incomplete data provision and the time required for the processing of the data. If the account manager provides the missing or corrected data to KELER Zrt. at a subsequent time, then the dividend shall be transferred by KELER Zrt. by the 5th working day of the month following the provision. In case of the transfer of the dividend after 11 June 2020 due to the reasons specified above, the Budapesti Ingatlan Nyrt. shall not be subject to interest payment obligation.

### **Tax rules**

*Domestic and foreign natural persons*

Pursuant to the currently effective provisions of Act CXVII of 1995 on Personal Income Tax, which was modified several times, our Company deducts 15% personal income tax in case of ordinary shares from natural persons to whom the Act applies.

In case of *natural person shareholders with foreign residence*, if the shareholder wishes to receive the dividend with the application of the reduced tax deduction rate on the basis of the conventions regulating the avoidance of double taxation, the shareholder shall provide the documents set out in Annex 7 of Act CXVII of 1995 on Personal Income Tax (hereinafter: Personal Income Tax Act) to KELER Zrt. by **5 June 2020**. We draw the attention of the securities account managers to the fact that for the certification of the foreign residence it is sufficient to have the English copy of the document issued by the foreign tax authority, the professional Hungarian translation thereof, or a copy of one of them, so we can accept residence certificates issued in this form for the 2019 tax year. If there is a need for a declaration of beneficial ownership under the convention regulating the avoidance of double taxation, the document provided with a translation constitutes the adoption thereof as well. Naturally, the declaration of beneficial ownership may be made in Hungarian. In the event that neither the certificate of residency nor its subsequent supplementing is received by KELER Zrt. by 5 June 2020, the dividend will be transferred with the deduction of a personal income tax of 15%. If the shareholder with foreign residence has the documents set out in Annex 7 of the Personal Income Tax Act, and there is a convention on the avoidance of double taxation between the two countries and it provides for a reduced tax rate, but the shareholder does not submit the documents by 5 June 2020 to KELER Zrt. and, as a result, the dividend was transferred with the deduction of a personal income tax of 15%, then the client may submit a tax refund claim to the National Tax and Customs Office with regard to the difference between the 15% and the reduced tax rate. The tax authority transfers the tax difference to the payment account indicated by the natural person with foreign residence (Section 4 of Annex 7 of the Personal Income Tax Act).

#### *Shares held on a long-term investment account*

In case of shares committed by domestic and foreign natural persons on the basis of a long-term investment contract according to Article 67/B of the Personal Income Tax Act, dividends shall be paid without the deduction of taxes (paragraph c) of Section (6) of Article 67/B of the Personal Income Tax Act). The securities account manager is required, simultaneously with the notice on the dividend claim, to provide KELER Zrt. with the information that the shares are committed on the basis of a long-term investment contract. If the securities account manager fails to do so, the dividend shall be paid with the deduction of a 15% personal income tax.

#### *Domestic and foreign legal entities*

Dividend payment to a legal entity shareholder shall be made without the deduction of public dues.

KELER Zrt. shall issue a tax certificate and send it to the shareholders by post regarding the dividends paid on the shares for 2019 and the amount of deducted taxes. Dividends for 2019 may be claimed for 5 years from the commencement date of the dividend payment, after which the claim for dividends shall expire.

This notice is published in Hungarian and English. The Hungarian version shall prevail in case of any discrepancy between the two versions.

Budapest, 26 May 2020

Budapesti Ingatlan Nyrt.  
Board of Directors