Extraordinary announcement

FHB Mortgage Bank Co. Pic (registered seat: 1082 Budapest, Üllői út 48.; 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 informs its investors as follows:

On June 24, 2016, the Company has bought back the total face value of EUR 112 million Perpetual Capital Security ISIN XS0867086042, the transaction was settled. As a result, the referred security will be cancelled. The company announced earlier, on 17 June 2016, that it concluded agreements with Bondholders to repurchase the above mentioned securities. The National Bank of Hungary, as a competent authority, has permitted the buyback.

Budapest, June 24, 2016

FHB Mortgage Bank Co. Plc.