

ANNOUNCEMENT

FHB Mortgage Bank Co. Plc (seat: H-1082 Budapest, Üllői út 48., registered No.: 01-10-043638, hereinafter: "Company") hereby informs its shareholders on the resolutions of the Annual General Shareholder's Meeting („General Meeting”) held on 25 April 2012, in the framework of meeting its obligations on extraordinary information as provided by Act CXX of 2001 on the Capital Market and Decree No. 24/2008 of the Minister of Finance on the Detailed Rules of Disclosure Obligation Relating to Securities Issued to the Public.

At the date of the General Meeting the total amount of the series "A" ordinary shares embodying voting rights was 66 000 010 pieces. At the date of the General Meeting the Company owned 53 601 pieces of series "A" ordinary shares (treasury shares). Consequently, 65 946 409 pieces of series "A" ordinary shares as voting shares could be taken into account at the General Meeting. The amount of the attending series "A" voting ordinary shares was 37 033 033 pieces at the General Meeting.

In the course of the decision making the results were rounded to three decimals. Votes qualified to be not given were displayed against the amount of the series "A" voting ordinary shares attending at the General Meeting.

The summary of the procedural resolutions are as follows:

- The General Meeting unanimously elected with its resolution No. 1/2012 (25.04) the officers of the General Meeting.
- The General Meeting decided with its resolution No. 2/2012 (25.04) on the joint discussion of items No. 1-4 of the Agenda and decided that the General Meeting passes one single resolution on these items of the Agenda.
- The General Meeting approved with its resolution No. 3/2012 (25.04) its Agenda with the amendments approved by its resolution No. 2/2012 (25.04).

Under the items of the Agenda the General Meeting passed the resolutions as follows:

Agenda item No. 1-4

1. **Report of the Board of Directors on the business activities, financial position, business policy and management of the Company in the year 2011**
2. **Report of the Supervisory Board on the financial reports of the Company on the year 2011 in accordance with Hungarian accounting standards („HAS") and International Financial Reporting Standards („IFRS") (consolidated)**
3. **Report of the Auditor on the financial reports of the Company on the year 2011 in accordance with Hungarian accounting standards („HAS") and International Financial Reporting Standards („IFRS") (consolidated)**
4. **Acceptance of the**
 - i. **business report,**
 - ii. **financial statements (balance sheet report, profit and loss account, additional notes) of the Company as a bank as prescribed by the Hungarian accounting standards,**
 - iii. **decision on the utilization of the after tax profit,****furthermore, the consolidated**
 - i. **business report,**
 - ii. **financial statement according to the International Financial Reporting Standards for the year 2011**

Resolution No. 4/2012 (25.04) of the General Meeting

- a.i. *The General Meeting accepts the Company's Business Report on the year 2011 in accordance with the Hungarian Accounting Standards.*
- a.ii. *The General Meeting accepts the Company's Accounts (Balance Sheet, Profit/Loss Statement and Notes to Account) on the year 2011 in accordance with the Hungarian Accounting Standards.*

The General Meeting establishes the Company's

- *balance sheet total in*

HUF 804 475 million

- after tax profit in **HUF -1 852 million**
- balance sheet result in **HUF -1 852 million**

a.iii. The General Meeting decides on the utilization of the after tax profit:

- dividend shall not be paid on series „A” shares after year 2011.
- the 2011 balance sheet result shall be placed in the Company's profit reserve.

b.i. The General Meeting accepts the Company's Consolidated Business Report in accordance with the International Financial Reporting Standards („IFRS”) on the year 2011.

b.ii. The General Meeting accepts the Company's Consolidated Accounts in accordance with the International Financial Reporting Standards („IFRS”) on the year 2011.

The General Meeting establishes the balance sheet and after tax profit of the Company in accordance with the International Financial Reporting Standards as follows:

- consolidated balance sheet total in **HUF 816 114 million**
- consolidated after tax result in **HUF -5 618 million**

Yes votes:	37 031 383	99,996 %
No votes:	350	0,004 %
Abstentions:	0	0,000 %
Not given:	0	0,000 %

Agenda item No. 5

Report of the Supervisory Board on the fulfilment of conditions of the Share Remuneration Programme of the Management in 2011

Resolution No. 5/2012 (25.04) of the General Meeting

The General Meeting acknowledges the report on the fulfilment of the conditions of the approved Share Remuneration Programme of the Management for the year 2011 designed to increase the market price of the Company's shares.

Yes votes:	37 031 383	99,999 %
No votes:	350	0,001 %
Abstentions:	0	0,000 %
Not given:	1 300	0,004 %

Agenda item No. 6

Presentation on the business plan of the Company for the year 2012 (verbal proposal)

Resolution No. 6/2012 (25.04) of the General Meeting

The General Meeting approves the report about the Company's business plan for the year 2012.

Yes votes:	34 318 383	99,999 %
No votes:	0	0,000 %
Abstentions:	350	0,001 %
Not given:	2 714 300	7,909 %

Agenda item No. 7.**Amendment of the Statutes of the Company****Resolution No. 7/2012 (25.04) of the General Meeting**

The General Meeting passed the amendments of the Statutes of the Company regarding Article 9 (Transfer and registration of shares), Article 10 (Rights and obligations of shareholders), Article 12 (A Competence of the General Meeting, order of adoption of resolutions and exercise of the voting right), Article 14 (Board of Directors), Article 15 (Supervisory Board), Article 16 (Audit Committee) and Closing Provisions furthermore the attachments of the Statutes of the Company in accordance with the written proposal disclosed by the Board of Directors, as contained in the Annex attached to the resolution.

Yes votes:	37 006 090	99,927 %
No votes:	26 943	0,073 %
Abstentions:	0	0,000 %
Not given:	0	0,000 %

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Agenda item No. 8**Authorization of the Board of Directors to acquire own shares (in Hungarian: „saját részvény”)****Resolution No. 8/2012 (25.04) of the General Meeting**

Pursuant to the provisions of Section 224 of Act 4 of 2006 on the Business Associations („Companies Act”) the General Meeting authorizes the Board of Directors to acquire the Company’s own shares (treasury shares, “saját részvény” in Hungarian), subject to the following conditions:

1. Type and number of treasury shares that can be acquired:
 - Series 'A' ordinary shares, the maximum number of which in total with regard to the same date shall not exceed 25 per cent of the total nominal value of series 'A' ordinary shares.
2. Purpose of acquisition of treasury shares:
 - Implementation of the Share Option Programme and the business strategy of the Company as planned.
3. Method of acquisition of own shares:
 - On the Budapest Stock Exchange or on the OTC market, for consideration.
4. The minimum and maximum amount of consideration payable for one own share:
 - The minimum purchase price shall be HUF 1,- that is One Hungarian forint, while the maximum purchase price shall be 125% of the average price of the shares weighted by volume of trading on the Budapest Stock Exchange over the one month preceding the transaction.
5. This authorization shall be valid until 30 September, 2013.
6. Other conditions of acquisition of own shares shall be governed by the relevant provisions of the Companies Act.

Yes votes:	37 004 440	99,924 %
No votes:	28 243	0,076 %
Abstentions:	0	0,000 %
Not given:	350	0,001 %

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Agenda item No. 9

Authorization of the Board of Directors to increase the Company's registered capital

Resolution No. 9/2012 (25.04) of the General Meeting

The General Meeting authorizes, upon basis of section 252 of the Act IV of 2006 on Business Associations („Companies Act”), and on article 7.3 of the Statutes of the Company, the Board of Directors to increase the registered capital of the Company subject to the following conditions:

- 1. Based upon the present resolution, the Board of Directors may increase the registered capital of the Company with a maximum amount equal to 15 per cent of the actual registered capital of the Company at the date of the decision of the Board of Directors on the capital increase, but - at par value - with a maximum amount of HUF 1,000,000,000, that is One billion Hungarian forints.*
- 2. The present authorization is valid for a definite period of time of two years from the date of the present resolution, and can be renewed by the resolution of the General Meeting.*
- 3. The present authorization covers all varieties and methods of increasing of registered capital, as set out in section 248 subsection (1) and (2) of the Companies Act.*
- 4. Regarding issues does not affected by the present resolution the regulations of the Statutes of the Company, of the Companies Act and of other applicable legal regulations shall prevail.*

Yes votes:	37 027 911	99,986 %
No votes:	4 772	0,013 %
Abstentions:	350	0,001 %
Not given:	0	0,000 %

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Agenda item No. 10

Election and decision on the remuneration of the auditor (verbal proposal)

Resolution No. 10/2012 (25.04) of the General Meeting

1. *The General Meeting elects Deloitte Könyvvizsgáló és Tanácsadó Korlátolt Felelősségű Társaság (in English: Deloitte Audit and Advisory Limited Liability Company) (registered office: 1068 Budapest, Dózsa György út 84/C.; registration number of the Company: 01-09-071057; registration number at the Chamber of Auditors: 000083; HFSA registration number: T-000083/94) as an auditor in respect of the audit of the financial year of 2012, and at the same time accept the appointment of registered auditor of Tamás HORVÁTH (mother's name: Veronika GRÓSZ; place and date of birth: Budapest, 08.03.1969; home address: 1029 Budapest, Ördögárok u. 100.; registration number at the Chamber of Auditors: 003449; HFSA registration number: E003449) as auditor liable in person. In case Tamás Horváth as appointed person would be unable to perform his duties as appointed auditor due to permanent absence, the General Meeting accepts the appointment of Ildikó Brigitta TÓTHNÉ FODOR (mother's name: Ildikó PESTI; place and date of birth: Budapest, 06.08.1975; home address: 1185 Budapest, Ungvár u. 11.; registration number at the Chamber of Auditors: 007048; HFSA registration number: E007048) as deputy auditor.*
2. *The mandate of the auditor shall be effective from the subsequent day of the 2012 Annual General Meeting until the day of the General Meeting concluding the 2012 business year but not later than 31 May 2013.*
3. *The remuneration of the auditor for auditing the Company's Annual Financial Statements including the Annual Financial Statements prepared according to the Hungarian Financial Standards and the Annual Financial Statements consolidated according to the International Financial Reporting Standards shall be HUF 11,500,000 + VAT for the year 2012.*
4. *The General Meeting authorizes the Board of Directors of the Company to conclude the contract with the auditor subject to the above terms and conditions.*

Yes votes:	34 318 732	92,671 %
No votes:	2 714 300	7,329 %
Abstentions:	1	0,000 %
Not given:	0	0,000 %

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Agenda item No. 11

Revocation of members of the Board of Directors, election of new members (verbal proposal)

No resolution has been passed by the General Meeting under this item of the Agenda.

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Agenda item No. 12

Revocation of members of the Supervisory Board, election of new members (verbal proposal)

No resolution has been passed by the General Meeting under this item of the Agenda.

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Agenda item No. 13

Decision on the remuneration of members of the Board of Directors and the Supervisory Board

Resolution No. 11/2012 (25.04) of the General Meeting

The General Meeting determines the remuneration of the chairman and the members of the Board of Directors as well as of the chairman and the members of the Supervisory Board in the amount equal to the remuneration determined in the year 2011 for the year 2012.

Yes votes:	37 031 732	99,996 %
No votes:	1 300	0,004 %
Abstentions:	1	0,000 %
Not given:	0	0,004 %

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Agenda item No. 14

Acceptance of the Report on Corporate Governance

Resolution No. 12/2012 (25.04) of the General Meeting

The General Meeting approved the Corporate Governance Report of the Company for year 2011 as set forth in the written proposal.

Yes votes:	37 033 033	100,000 %
No votes:	0	0,000 %
Abstentions:	0	0,000 %
Not given:	0	0,000 %

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Agenda item No. 15.

Miscellaneous

No resolution has been passed by the General Meeting under this item of the Agenda.

FHB Mortgage Bank Co. Plc

Annex
to the resolution No. 7/2012 (25.04)
of the Annual General Meeting held on 25 April 2012 of FHB Mortgage Bank Co. Plc.

1. Article 9 (Transfer and registration of shares) of the Statutes of the Company is to be amended as follows (deleted text is marked with italic, deleted characters, modified text is marked with italic, underlined characters):

“9.2. The owner’s quality of shareholders ~~vis-à-vis the Company~~ is certified only by the entry in the register of shareholders ~~of the Company kept by the Board of Directors~~; accordingly, a shareholder may exercise its shareholder’s rights towards the Company only if it has been entered in the register of shareholders. The register of shareholders is kept by the Board of Directors.”

“9.3. Parties who
(a) so provided ~~on the basis of the statutory provisions applicable to securities and the person keeping the register of shareholders shall be obliged to delete the shareholder making a statement with such a content without delay; and those who~~
(b) obtained a share of the Company in a manner violating the rules of the present Statutes applicable to share transfer
may not be entered in the register of shareholders.”

2. Article 10 (Rights and obligations of shareholders) of the Statutes of the Company is to be amended as follows (deleted text is marked with italic, deleted characters, modified text is marked with italic, underlined characters):

„10.2. Rights of shareholders:

10.2.1. Shareholders are entitled to exercise their shareholders’ rights in possession of the share and the holder’s certificate defined in the provisions of legal rules applicable to securities. A holder’s certificate is not required for exercising shareholders’ rights in cases where eligibility is established through shareholders’ verification under the Capital Markets Act.
In addition to the foregoing, ~~entry in the register of shareholders compliance with Article 12.1~~ is also required for exercising the rights of shareholders in connection with the General Meeting.

These rights may be exercised personally or by proxy (through a representative) or through a nominee under the Capital Markets Act. A member of the Board of Directors and of the Supervisory Board and the Company’s senior employee may only proceed as representative, if such person as proxy has obvious and written voting instruction in each and every proposal given by the principal. The auditor of the Company and the property inspector (in Hungarian: “vagyonellenőr”) of the Company may not be proceed as representatives. The shareholder may appoint a proxy to represent him at the General Meeting by returning the form included in Annex 1 or Annex 2 to the Statutes and supplied by the Company electronically or by mail. The form shall be returned as a private deed with full conclusive force not later than the end of the working day preceding the day of the General Meeting.

If the shares issued by the Company and owned by the shareholder are credited on different security accounts, such shareholder may authorize different persons acting as proxies with regard to the shares credited on different security accounts, however, different votes cannot be cast. If different votes were cast with regard to the shares of the same shareholder, all of such votes are invalid.”

3. Article 12 (A Competence of the General Meeting, order of adoption of resolutions and exercise of the voting right) of the Statutes of the Company is to be amended as follows (deleted text is marked with italic, deleted characters, modified text is marked with italic, underlined characters):

“12.1. Each ordinary share of a nominal value of HUF 100 (say one hundred forints) shall give right to one vote at the General Meeting. ~~That shareholder may only exercise his/her/its membership rights At the General Meeting who is the holder of the share on the date of A~~ shareholders’ verification as defined by the Capital Markets Act, the Stock Exchange Rules and in the Rules of KELER Zrt. is carried out by the Company in

connection with the General Meeting, and the turning date of such shareholder's verification may only fall on the period between the 7th and the 3rd stock exchange days preceding the General Meeting. That shareholder may exercise his/her/its membership rights at the General Meeting, who is the holder of the share on the date shareholder's verification and whose name is entered in the register of shareholders ~~as at (its closure)~~ 6.00 p.m. CET on the second day preceding the General Meeting (the closure time of the register of shareholders). ~~The turning date of owner's compliance may only fall on the period between the 7th and 3rd stock exchange days preceding the General Meeting. Date of closure of the register of shareholders is the following working day as of the date of the shareholder's identification procedure, 5.00 p.m. CET.~~

Closure of the register of shareholders shall not limit the right of the holder entered therein to transfer shares after such closure. Nor does the transfer of shares before the day of opening of the General Meeting exclude the right of the holder on the register to participate in the General Meeting and exercise his shareholder's rights."

- "12.3. The following shall fall within the exclusive competence of the General Meeting:
- a) establishment and amendment of the Statutes;
 - b) decision on the change of the form of operation of the Company;
 - c) increase and reduction of the registered capital, including authorization of the Board of Directors to increase the registered capital, as contained in Articles 7.3 and 7.4;
 - d) decision on the merger and consolidation, merger, demerger of the Company with another company limited by shares, or its termination without a legal successor, or the transformation of the Company into another corporate form;
 - e) election, recall and establishment of the remuneration of the members of the Board of Directors;
 - f) election, recall and establishment of the remuneration of the members of the Supervisory Board;
 - g) election, recall and establishment of the remuneration of the members of the Auditor;
 - h) ~~election and recall of the members of the Audit Committee [Deleted];~~*
 - i) acceptance of the report drawn up in accordance with the Accounting Act and making a decision on the use of after-tax profit;
 - j) decision on the payment of dividend and interim dividend, except for the case stipulated in 14.15.1 e);
 - k) change of rights attached to the individual share series, and transformation of the individual share types and classes;
 - l) decision making on the issue of convertible bonds or bonds providing subscription right;
 - m) decision on exclusion of the priority of subscription;
 - n) decision on the acquisition of own shares, unless the acquisition of own shares is required in the interest of avoiding any serious damage threatening the Company, and on the acceptance of a public bid received for own share;
 - o) decision on steps to disturb a public bid procedure;
 - p) approval of the Rules of Procedure of the Supervisory Board;
 - q) approval of the report on responsible corporate governance;
 - r) decision on preparing the establishment of a recognized group of companies and on the contents of the holding contract;
 - s) approval of the draft of the holding contract;
 - t) decision on the application for the cancellation of the shares of the Company from any stock exchange or subscription system, unless a shareholder who has at least a seventy-five percent voting right in respect of the share series intended to be cancelled exists, as in this case, the shareholder may decide himself/herself/itself on the cancellation of shares by a legal statement drawn up in a private deed with full probative force;
 - u) the approval of the guidelines of remuneration which shall be published on the official homepage of the Company within thirty days counted from its approval;
 - v) decision on all issues referred to the exclusive competence of the General Meeting by law or the Statutes.

4. *Article 14 (Board of Directors) of the Statutes of the Company is to be amended as follows (deleted text is marked with italic, deleted characters, modified text is marked with italic, underlined characters):*

"14.14. The Board of Directors shall

- prepare the report of the Company pursuant to the Accounting Act and the proposal for the use of profits, and to submit them to the General Meeting together with the report of the Board of Directors;
- prepare the Company's report on responsible corporate governance and submit it to the General Meeting together with the report of the Supervisory Board;

- prepare a report for the General Meeting on an annual basis, and in every three months for the Supervisory Board on management, as well as on the pecuniary situation and business policy of the Company (including the subsidiaries of the Company involved in the consolidation);
- convene the ordinary General Meeting once annually, and convene the extraordinary General Meeting within eight days, with the simultaneous notification of the Supervisory Board, if it comes to its knowledge that as a result of the losses the equity of the Company has dropped to two-thirds of the registered capital or below the minimum level set forth in the Associations Act, or if it comes to its knowledge that the Company is threatened by insolvency or has stopped its payments or its assets do not cover its liabilities;
- provide for keeping the business books of the Company in accordance with the rules;
- provide for keeping the register of shareholders and possibility for looking into the register of shareholders at any time in working hours;
- make a decision on the acquisition of the own shares of the Company, if it is necessary in the interest of avoiding a serious damage threatening the Company;
- ensure prudent operation, and compliance with risk taking and capital adequacy provisions at the level of all the businesses under the Company's controlling influence."

5. Article 15 (Supervisory Board) of the Statutes of the Company is to be amended as follows (deleted text is marked with italic, deleted characters, modified text is marked with italic, underlined characters):

"15.2. The Supervisory Board consists of at least three and at most nine persons the majority of whom must be independent persons as provided for by the Companies Act, and except for the persons representing the employees, shall not be in employment relationship with the Company. The members of the Supervisory Board shall be elected by the General Meeting for a period not more than five years."

"15.7. In addition to Article 15.6, the Supervisory Board shall be responsible, in particular, for

- (a) ensuring that the Company has a comprehensive control plan suitable for profitable operation;
- (b) ~~discussion of the management's proposal making a proposal~~ for the Auditor as a company, or a human being; ~~making the agree/disagree decision and his/her/its remuneration, on basis of the preliminary proposal of the management~~
- (c) ~~preparing the agreement to be concluded with the auditor;~~
- (d) ~~monitoring the auditor's compliance with the prescribed professional requirements, rules on conflict of interests and requirements on his/her/its independence, taking care of activities related to the cooperation with the auditor, monitoring other services provided by the auditor to the Company in addition to the audit of the financial statements according to the Hungarian Accounting Act, furthermore – if required – making proposals to the Board of Directors on taking certain actions;~~
- (e) ~~commenting the financial statements according to the Hungarian Accounting Act and monitoring its audit;~~
- (f) inspecting the annual and interim financial reports of the Company (including consolidated reports);
- (g) directing the internal audit organization, in framework of which:
 1. accepting the annual audit plan of the internal audit organization;
 2. discussing the reports prepared by the internal audit at least semi-annually, and controlling the execution of the actions required;
 3. if required, supporting the work of the internal audit with the help of an external expert;
 4. making a proposal on changing the headcount of the internal audit organization;
- (i) elaborating recommendations and proposals on the basis of the findings of the examinations conducted by the internal audit organization;
- (j) approval of the report on responsible corporate governance;
- (k) monitoring the efficiency of the internal audit and the risk management system, furthermore
- (l) supporting the work of the Board of Directors in order to properly control the financial reporting system.

6. Article 16 (Audit Committee) of the Statutes of the Company is to be deleted, and the word "[Deleted]" shall replace the previous text.

7. *The Closing Provisions of the Statutes of the Company is to be amended as follows (deleted text is marked with italic, deleted characters, modified text is marked with italic, underlined characters):*

25. Closing provisions

25.1. In matters not regulated by this Statutes the relevant provisions of the Companies Act, the Hungarian Civil Code, the Credit Institutions Act and the Capital Market Act, furthermore the Mortgage Act shall apply.

25.2. By virtue of Resolution No. [*] of the General Meeting of FHB Mortgage Bank Plc. approved the above amendments to the Statutes of the Company.”

8. *Annex No. 1 of the Statutes of the Company is established as follows:*

**ANNEX No. 1.
AUTHORIZATION OF NOMINEE**

The undersigned, duly authorized representative(s) of

..... (name, registered office, Register of Companies/registration number of the legal entity or unincorporated business association shareholder)

(hereinafter: the **“Shareholder”**) entered in the Register of shareholders of **FHB Mortgage Bank Private Limited Company** (1082 Budapest, Üllői út 48., Register of Companies number: 01-10-043638) (hereinafter: the **“Company”**) hereby appoint and authorize

.....(name of nominee)

Mother’s maiden name:

Address:

ID card number:.....,

to act on my behalf and represent me as my nominee and exercise my rights as a shareholder with full power of attorney at the annual regular/extraordinary General Meeting of FHB Mortgage Bank to be held on 2012, or, in the event of an absence of a quorum, at the repeated General Meeting reconvened at the date and venue stipulated in the announcement.

Dated, 2012

_____ on behalf of the Shareholder

(Title of representation:)

_____ on behalf of the Shareholder

(Title of representation:)

In witness thereof,

Name: _____

Name: _____

Address: _____

Address: _____

ID card number: _____

ID card number: _____

9. Annex No. 2 of the Statutes of the Company is established as follows:

**ANNEX No. 2.
AUTHORIZATION OF NOMINEE**

The undersigned (name of natural person shareholder) (hereinafter: the **"Shareholder"**), shareholder duly entered in the Register of shareholders of **FHB Mortgage Bank Private Limited Company** (1082 Budapest, Üllői út 48., Register of Companies number: 01-10-043638) (hereinafter: the **"Company"**) by virtue of this Deed of Authorization of Nominee hereby appoint and authorize

.....(name of nominee)

Mother's maiden name:

Address:

ID card number:.....,

to act on my behalf and represent me as my nominee and exercise my rights as a shareholder with full power of attorney at the annual regular/extraordinary General Meeting of FHB Mortgage Bank to be held on 2012, or, in the event of an absence of a quorum, at the repeated General Meeting reconvened at the date and venue stipulated in the announcement.

Dated....., 2012

on behalf of the Shareholder

In witness thereof,

Name: _____

Name: _____

Address: _____

Address: _____

ID card number: _____

ID card number: _____