

## PUBLIC OFFERING

The FHB Mortgage Bank Co. Plc's (registration number: 01-10-043028, date of registration: 4 December 2003, head office: 1132 Budapest, Váci út 20.) (hereafter: "Issuer", FHB Nyrt." or "Bank") Board of Directors has a regulation No. 56/2007. (23. November) to launch its Issue Program 2007-2008 with a HUF 200 billion total nominal value for issuance of Hungarian Covered Mortgage Bonds (jelzáloglevelek) and Notes, within the frameworks of it the Issuer is planning to issue different registered covered mortgage bonds' and notes' series and within the series different tranches and to initiate to introduce the series into the Hungarian Stock Exchange (BSE). Since there is no universal responsibility between the Issuer and the Managers, the securities issued under the auspices of the Base Prospectus have out of ordinary risks. The Issuer publishes its Base Prospectus on the website of its own and of the BSE, the hard copies are available at the selling places.

The number and date of the license granted by the Hungarian Financial Supervisory Authority (HFSA) to publish the Base Prospectus of the Issue Program and the disclosure of the public issue: E-III./10.355/2008. 29. January 2008.

Pursuant to the Issue Program referred above the Issuer publicly offers to issue [first](#) part of FHB Bond series FK12NF01 and the FHB will initiate to introduce the series into the BSE.

The base of the issue: the resolution No. [152/2009](#). (19. November) of the Assets/Liabilities Committee.

1.	Issuer:	FHB Mortgage Bank Co. Plc. <i>(FHB Jelzálogbank Nyilvánosan Működő Részvénytársaság)</i>
2.	(a) Series Number:	1
	(b) Tranche Number:	1
3.	Aggregate Nominal Amount:	
	(a) Series:	Minimum HUF 100,000,000
	(b) Tranche:	Minimum HUF 100,000,000
4.	Specified Currency or Currencies:	HUF
5.	Issue Price (per Bond):	Not applicable
6.	Specified Denominations:	HUF 10,000
7.	Number of pieces	
	(a) Series:	Minimum 10,000 pieces
	(b) Tranche:	Minimum 10,000 pieces
8.	(a) Issue Date:	<a href="#">24.11.2009</a>
	(b) Interest Commencement Date:	26.11.2009
9.	Date of Settlement	<a href="#">26.11.2009</a>
10.	Value Date:	<a href="#">26.11.2009</a>
11.	Maturity Date:	26.11.2012

12. Tenor:	26.11.2009-26.11.2012
13. Interest Basis:	Fixed Rate
14. Redemption/Payment Basis:	Redemption at the Specified Denomination
15. Change of Interest Basis or Redemption/ Payment Basis:	Not Applicable
16. Put/Call Options:	Not Applicable
17. Method of the issuance:	Public offering

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

<b>18. Fixed Rate Bond Provisions</b>	Applicable
(a) Rate(s) of Interest:	9.50 per cent. per annum payable annually in arrear
(b) Interest Payment Date(s):	26 November in each year up to and including the Maturity Date
(c) Fixed Coupon Amount per Bond:	HUF 950 per Specified Denomination
(d) Broken Amount(s):	Not Applicable
(e) Day Count Fraction:	Actual/Actual (ICMA)
(f) Business Day Convention:	Following Business Day Convention
(g) Determination Date(s):	26 November in each year thereafter
(h) Party responsible for calculating amounts payable:	Paying Agent ING Bank Zrt. (1068 Budapest, Dózsa György út 84/b.)
(i) Compound interest:	0 per cent. or HUF per Specified Denomination on 26.11.2009
(j) Other terms relating to the method of calculating interest for Fixed Rate Notes:	None
<b>19. Floating Rate Bond Provisions</b>	Not Applicable
<b>20. Zero Coupon Bond Provisions</b>	Not Applicable
<b>21. Index Linked Interest Bond Provisions</b>	Not Applicable

## PROVISIONS RELATING TO REDEMPTION

22.	Issuer Call:	Not Applicable
23.	Final Redemption Amount:	HUF 10,000 per Specified Denomination
24.	Early Redemption Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 5(c)):	Condition 5(c) is applicable

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

25.	The type of the Notes:	Registered Notes
26.	Details relating to the appearance of Notes:	Dematerialised Notes and the Deed
27.	Representation of the Notes Holders:	Non
28.	Planned dates of the issuance of new tranches:	According to the decision of the Issuer's Asset/Liability
29.	Additional Financial Centre(s) or other special provisions relating to Payment Dates:	Not Applicable
30.	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	Not Applicable
31.	Change of denomination	Not Applicable
32.	Other final terms:	Not Applicable

## DISTRIBUTION

33.	If syndicated, names of Managers:	CIB Bank Zrt. 1027 Budapest, Medve u. 4-14., Concorde Értékpapír Zrt. 1123 Budapest, Alkotás u. 50., Deutsche Bank Zrt. 1054 Budapest, Hold u. 27., Erste Befektetési Zrt. 1138 Budapest Népfürdő utca 24-26., MKB Bank Zrt. 1056 Budapest, Váci utca 38., Magyar Takarékszövetkezeti Bank Zrt. 1122 Budapest, Pethényi köz 10., UniCredit Bank Hungary Zrt. 1056 Budapest, Szabadság tér 5-6
34.	Stabilising Manager (if any):	Not Applicable

35. Market Makers: CIB Bank Zrt. 1027 Budapest, Medve u. 4-14.,  
Concorde Értékpapír Zrt. 1123 Budapest, Alkotás u. 50.,  
Deutsche Bank Zrt. 1054 Budapest, Hold u. 27.,  
Erste Befektetési Zrt. 1138 Budapest Népfürdő utca 24-26.,  
MKB Bank Zrt. 1056 Budapest, Váci utca 38.,  
Magyar Takarékszövetkezeti Bank Zrt. 1122 Budapest, Pethényi köz 10.,  
UniCredit Bank Hungary Zrt. 1056 Budapest, Szabadság tér 5-6
36. Methods of public issuance: Auction
- (i) Date of Auction: [24.11.2009 11:00-12:00 CET](#)
- (ii) Place of Auction: BSE  
Erste Befektetési Zrt. 1138 Budapest Népfürdő utca 24-26.,
- (iii) Manager:
- (iv) Upper limit: Not applicable
- (v) Lower limit: Not applicable. If the Notes offered by the Issuer for sale are not purchased because no appropriate purchase price is received on the above mentioned accounts, the Issuer might decide not to issue any notes. The mode of refunding will be discussed under the heading 'Refunding'.
- (vi) Issue price: Not applicable
- (vii) Method and date of allocation: Pursuant to the section III.6 (Rules of the Auction) of the Base Prospectus of the Issue Program 2009, on [24.11.2009](#).
- (viii) Date and place of the allocation: [24.11.2009](#). 13:30 CET BSE
37. Place of the issuance: Hungary
38. Potential investors: Hungarian and foreigner retail and institutional investors
39. Additional selling restrictions: Not Applicable
- PROCEDURE**
40. Clearing and Settlement: KELER Zrt. 1075 Budapest, Asbóth u. 9-11.
41. Any clearing system(s) other than KELER and the relevant identification number(s): Not Applicable
42. Delivery: DVP
43. Effectuation: Hungary
44. Crediting: On security accounts
45. Other paying Agent(s): Not Applicable

46. Isolated deposit accounts of the Managers:	CIB Bank Zrt. 10700017-00861104-59900005 Concorde Értékpapír Zrt. 14400018-12281248-10060012 Deutsche Bank Zrt. 16300000-01000249-28006402 Erste Befektetési Zrt. 14400018-10361966-10060012 Magyar Takarékszövetkezeti Bank Zrt. 19017004-00201153 MKB Bank Zrt. 10300002-20191196-70383285 UniCredit Bank Hungary 19017004-00201098 FHB: 16801680-09900701
47. Disbursements, place of payments:	Pursuant to the point 4. (Disbursements) of the section III.3 (Terms and conditions of the notes) of the Base Prospectus of the Issue Program 2009.
48. ISIN code:	HU0000344858
49. Ticker code:	FK12NF01
50. Other:	Not Applicable

### GENERAL INFORMATION

51. Use of Proceeds:	The Bank uses the proceeds for the sources of mortgage lending and for the financing of the Bank Group led by the Issuer.
52. Market making:	Not Applicable
53. Notices, place of disclosure of information	The Public Offering, the Final Terms, the Base Prospectus, an all ordinary and extraordinary notices to Investors with respect to the Notes issued through a public issue shall be published on the website of the Issuer ( <a href="http://www.fhb.hu">www.fhb.hu</a> ), of the HFSA ( <a href="http://www.kozzetetelek.hu">www.kozzetetelek.hu</a> ) and of the BSE ( <a href="http://www.bse.hu">www.bse.hu</a> ). The Issuer does its best to pass all the necessary information to the broadest possible publicity in the shortest possible period of time.
54. Notes:	The Public Offering, the Final Terms, the Base Prospectus, an all ordinary and extraordinary notices to Investors with respect to the Notes issued through a public issue shall be published on the website of the Issuer ( <a href="http://www.fhb.hu">www.fhb.hu</a> ), of the HFSA ( <a href="http://www.kozzetetelek.hu">www.kozzetetelek.hu</a> ) and of the BSE ( <a href="http://www.bse.hu">www.bse.hu</a> ). The Issuer does its best to pass all the necessary information to the broadest possible publicity in the shortest possible period of time.
55. Governing law:	Hungarian law

### OTHER CONDITIONS

56. Listing and admission to trading application:	
(a) Listing:	The Issuer will initiate the listing of the series on the BSE
(b) Listing Agent:	Not applicable
(c) Decision on listing:	Resolution 152/2008 (19.11.2009) of the Issuer's Asset/Liability Committee

58. Rating:

The Issuer's rating: Baa3 (Moody's)

59. Licence:

The number and date of the license granted by the Hungarian Financial Supervisory Authority (HFSA) to publish the Base Prospectus of the Issue Program and the disclosure of the public issue: E-III./10.369/2009. 03. February 2009.

The base of the issue of the series FK12NF01: the resolution No. 152/2009. (19. November) of the Assets/Liabilities Committee.

60. Interest of the natural and legal entities taking part in the issuance: None

61. Cost of the issuance:

Less, than 1 per cent. of the total volume to be issued

62. Yield:

The yield is calculable on the issue price basis

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the HUF 200,000,000,000 Mortgage Bond and Note Program (2009) of FHB Mortgage Bank Co. Plc. (*FHB Jelzálogbank Nyilvánosan Működő Részvénytársaság*).

Selling points:

CIB Bank Zrt. 1027 Budapest, Medve u. 4-14,

Concorde Értékpapír Zrt. 1123 Budapest, Alkotás utca. 50.,

Deutsche Bank Zrt. 1054 Budapest, Hold u. 27.,

Erste Befektetési Zrt. 1138 Budapest Népfürdő utca 24-26.,

Magyar Takarékszövetkezeti Bank Zrt. 1122 Budapest, Pethényi köz 10.

MKB Bank Zrt. 1056 Budapest, Váci utca 38.,

UniCredit Bank Hungary Zrt. 1054 Budapest, Szabadság tér 5-6.

Budapest, 23.11.2009.

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Szuda János  
Managing Director

FHB Jelzálogbank Nyrt.  
Issuer

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Bozzai Rita  
Director