



## PUBLIC OFFERING

Pursuant to the regulation of Board of Directors No. 88/2015. (15. December) of the FHB Mortgage Bank Co. Plc's (registration number: 01-10-043638, date of registration: 18 March 1998, head office: 1082 Budapest, Üllői út 48.) (hereafter: "Issuer", FHB Nyrt." or "Bank") and to the regulation No. IG-W-5/2016 of Board of Directors of the Bank of Hungarian Savings Cooperatives Co. Ltd. (head office: 1122 Budapest, 1122 Budapest, Pethényi köz 10.) the Issuer launches its Issue Program 2016-2017 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 bonds' series and within the series different tranches. The Issuer at its own discretion, may introduce the series into the Budapest Stock Exchange. 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 National Bank of Hungary (NBH) to publish the Base Prospectus of the Issue Program and the disclosure of the public issue: H-KE-III-319/2016 1. April 2016.

Pursuant to the Issue Program referred above the Issuer publicly offers to issue on **16 November 2016** the **first** part of FHB Senior unsecured FHB Euro Collector Bond series **FK19NF02**.

The base of the issue: the resolution No. **230/2016. (3. November)** of the Assets/Liabilities Committee.

This document is the Final Terms of the bond series detailed below. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Senior Unsecured Bond set forth in the Base Prospectus dated 25 March 2016 (Base Prospectus). This document constitutes the Final Terms of the Senior Unsecured Bonds described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the Prospectus Directive) and must be read in conjunction with the Base Prospectus. The Base Prospectus and the Supplements will be publishes on the basis of Article 14 of the Prospectus Directive 2003/71/EC.

1.	Issuer:	FHB Mortgage Bank Co. Plc. (FHB Jelzálogbank Nyilvánosan Működő Részvénytársaság)
2.	(a) Series Number:	4 (2016-2017 Issue Programme)
	(b) Tranche Number:	1
3.	Aggregate Nominal Amount:	
	(a) Series:	Minimum EUR 1,000,000
	(b) Tranche:	Minimum EUR 1.000,000
4.	Specified Currency or Currencies:	EUR
5.	Issue Price (per Bond):	99.8216% per Specified Denomination
6.	Specified Denominations:	EUR 100
7.	Number of pieces	
	(a) Series:	Minimum 10,000 pieces
	(b) Tranche:	Minimum 10,000 pieces
8.	(a) Issue Date:	16.11.2016
	(b) Interest Commencement Date:	18.11.2016
9.	Date of Settlement	18.11.2016
10.	Value Date:	18.11.2016
11.	Maturity Date:	18.06.2019
12.	Tenor:	18.11.2016-18.06.2019
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

18. **Fixed Rate Bond Provisions** Applicable
- (a) Rate(s) of Interest: 4 per cent. (not on annual basis) payable in one sum at maturity
  - (b) Interest Payment Date(s): 18 June 2019
  - (c) Fixed Coupon Amount per Bond: EUR 4 per Specified Denomination
  - (d) Broken Amount(s): Not Applicable
  - (e) Day Count Fraction: Actual/Actual (ICMA)
  - (f) Business Day Convention: Following Business Day Convention (without adjustment to the Interest Amount due)
  - (g) Determination Date(s): Not Applicable
  - (h) Party responsible for calculating amounts payable: Paying Agent FHB Bank Zrt. (1082 Budapest, Üllői út 48.)
  - (i) Compound interest: 0 per cent. per Specified Denomination on 18.11.2016
  - (j) Other terms relating to the method of calculating interest for Fixed Rate Notes: None
19. **Floating Rate Bond Provisions** Not Applicable
20. **Zero Coupon Bond Provisions** Not Applicable
21. **Index Linked Interest Bond Provisions** Not Applicable

### PROVISIONS RELATING TO REDEMPTION

- 22. Issuer Call: Not Applicable
- 23. Final Redemption Amount: EUR 100 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 Committee
- 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: FHB Bank Zrt. 1082 Budapest, Üllői út 48.,
- 34. Stabilising Manager (if any): Not Applicable
- 35. Market Makers: FHB Bank Zrt. 1082 Budapest, Üllői út 48.,
- 36. Methods of public issuance: Subscription

(i) Date of Auction/Subscription:	<a href="#">14.11.2016 10:00-16.11.2016 10:00 CET</a>
(ii) Place of Auction/Subscription:	FHB Bank Zrt. 1082 Budapest, Üllői út 48.,
(iii) Manager:	FHB Bank Zrt. 1082 Budapest, Üllői út 48.,
(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) Auction limit/ Subscription price:	<a href="#">99,8216%</a> per Specified Denomination
(vii) Auction bid / subscription lower and/or upper limit:	Not Applicable
(viii) Method and date of Subscription:	Pursuant to the section IV.5.1 (Rules of the Subscription) of the Base Prospectus of the Issue Program 2016-2017: In case of oversubscription the Issuer has the right to accept totally or partially the subscribed volume. In case of partial acceptance the allocation is on the basis of card distribution method, which is taken place by the following way: in the first round the Issuer accepts the total subscription of the FHB Bank Zrt. and in the following rounds each subscriber receives one piece of bond, until the bonds run out. The date of allocation is <a href="#">16.11.2016</a> .
(ix) The ratio of the non competitive bids and the total bids:	Not Applicable
(x) The ratio of the non competitive bids and the competitive bids by members of BSE sections	Not Applicable
(xi) Date and place of the allocation:	<a href="#">16.11.2016</a> on the obligatory websites
37. Place of the issuance:	Hungary
38. Potential investors:	Hungarian and foreigner institutional investors, limited partnerships
39. Additional selling restrictions:	Not Applicable
<b>PROCEDURE</b>	
40. Clearing and Settlement:	KELER Central Depository Ltd. 1074 Budapest, Rákóczi út 70-72
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:	FHB Bank Zrt. 1082 Budapest, Üllői út 48.: 18200009-09000000-65020185 fax:36-1- 4529245, e-mail: <a href="mailto:treasuryfo@fhb.hu">treasuryfo@fhb.hu</a> SWIEUR Code FHJB HU HB IBAN: HU73182000090900000065020185:
47. Disbursements, place of payments:	Pursuant to the point 4. (Disbursements) of the section IV.4.B (Terms and conditions of the notes) of the Base Prospectus of the Issue Program 2016-2017.
48. ISIN code:	HU0000357207
49. Ticker code:	<a href="#">FK19NF02</a>
50. Other:	<a href="#">FHB Euro Collector Bond</a>

## GENERAL INFORMATION

51. Use of Proceeds: The Bank uses the proceeds for the sources of mortgage lending.
52. Market making: [Bloombergen \(FHB C\)](#),
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 ([www.fhb.hu](http://www.fhb.hu)), of the NBH ([www.kozzetetelek.hu](http://www.kozzetetelek.hu)) and of the BSE ([www.bse.hu](http://www.bse.hu)). Pursuant to the Decree of Ministry of Finance No. 24/2008 (VIII. 15) the Issuer publishes the regulated information at homepages of the media called Portfolio. The hard copies of the Base Prospectus are available at the selling points.
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 ([www.fhb.hu](http://www.fhb.hu)), of the NBH ([www.kozzetetelek.hu](http://www.kozzetetelek.hu)) and of the BSE ([www.bse.hu](http://www.bse.hu)). Pursuant to the Decree of Ministry of Finance No. 24/2008 (VIII. 15) the Issuer publishes the regulated information at homepages of the media called Portfolio.
55. Governing law: Hungarian law

#### OTHER CONDITIONS

56. Listing and admission to trading application:
- (a) Listing: Not Applicable
- (b) Listing Agent: Not Applicable
- (c) Decision on listing: Not Applicable
57. Rating: [The Issuer's the long term local and foreign-currency deposit rating: B3 \(Moody's\)](#)
58. Licence:
- The number and date of the license granted by the National Bank of Hungary (NBH) to publish the Base Prospectus of the Issue Program and the disclosure of the public issue: H-KE-III-319/2016. 1. April 2016
- The base of the issue of the series FK19NF02: the resolution No.230/2016. (3. November) of the Assets/Liabilities Committee.
59. Interest of the natural and legal entities taking part in the issuance: None
60. Cost of the issuance: Less, than 1 per cent. of the total volume to be issued
61. Yield: 1.60% The yield is calculable on the issue price basis

These Final Terms comprise the final terms required to have admitted to trading the issue of Senior Uncesured Bonds described herein pursuant to the HUF 200,000,000,000 Mortgage Bond and Note Program (2016-2017) of FHB Mortgage Bank Co. Plc. (FHB Jelzálogbank Nyilvánosan Működő Részvénytársaság).

Annex: the Summary of the given Issue, which is identical to the Summary of the Base Prospectus is available only in the Hungarian version of the Final Terms.

Budapest, 10 November 2016.

FHB Jelzálogbank Nyrt.  
Issuer