



FHB Mortgage Bank Plc.

Summary of the full year 2014 results

Budapest, March 12, 2015

I. SUMMARY CONSOLIDATED FIGURES

in HUF million	31/12/2013	30/09/2014	31/12/2014	31/12/2014/ 30/09/2014	31/12/2014/ 31/12/2013
Main balance sheet items					
Total assets	737,514	759,949	769,412	1.2%	4.3%
Refinanced loans	133,692	120,047	116,182	-3.2%	-13.1%
Loans (gross)	358,004	366,823	357,752	-2.5%	-0.1%
Mortgage bonds	172,830	176,536	179,615	1.7%	3.9%
Senior unsecured bonds	99,487	105,979	112,230	5.9%	12.8%
Customer deposits	222,501	297,664	298,762	0.4%	34.3%
Shareholders' equity	76,072	91,198	88,022	-3.5%	15.7%
<i>Capital adequacy ratio</i>	-	14.10%	13.86%	-0.24%-pt	-
<i>CET1 ratio</i>	-	13.39%	13.39%	0.00%-pt	-

in HUF million	Q4 2013	Q3 2014	Q4 2014	Q4 2014 / Q3 2014	Q4 2014 / Q4 2013	2013	2014	2014 / 2013
Main P/L items								
Net interest income	5,192	4,834	5,520	14.2%	6.3%	18,711	20,642	10.3%
<i>Net interest margin</i>	2.71%	2.67%	2.86%	0.19%-pt	0.15%-pt	2.51%	2.74%	0.23%-pt
Net fees and commissions	1,323	1,283	1,742	35.7%	31.7%	4,326	5,353	23.7%
Net operating income	5,377	-1,577	-2,828	79.3%	-152.6%	17,796	3,650	-79.5%
Provision for impairment on loan losses	-955	-1,658	-134	-91.9%	-86.0%	-6,789	-4,382	-35.5%
Operating cost	-3,848	-4,134	-4,224	2.2%	9.8%	-16,040	-16,599	3.5%
<i>Cost to income ratio w/o provisions</i>	71.6%	35.6%	128.7%	261.9%-pt	79.9%-pt	90.1%	60.0%	-33.4%-pt
<i>Cost/income ratio w/o special banking tax and provisions</i>	61.8%	33.5%	105.9%	215.9%-pt	71.5%-pt	75.6%	54.5%	-28.0%-pt
Profit before tax	574	-7,370	-7,186	-2.5%	-	-5,034	-17,330	244.3%
Profit after tax	211	-7,190	-6,622	-7.9%	-	-4,664	-16,221	247.8%
Profit after tax w/o special banking tax and other one-offs	1,247	-1,113	1,971	-	58.0%	-610	3,801	-
<i>Basic EPS (HUF)</i>	11.92 Ft	-433.85 Ft	-387.89 Ft	-	-	-70.92 Ft	-243.59 Ft	-
<i>Return on Assets</i>	0.11%	-3.98%	-3.44%	0.5%-pt	-3.5%-pt	-0.63%	-2.15%	-1.5%-pt
<i>Return on Equity</i>	1.1%	-34.7%	-29.3%	5.3%-pt	-30.4%-pt	-6.1%	-19.8%	-13.7%-pt
<i>ROAA w/o special banking tax and other one-offs</i>	0.65%	-0.62%	1.02%	1.6%-pt	0.4%-pt	-0.08%	0.50%	0.6%-pt
<i>ROAE w/o special banking tax and other one-offs</i>	6.5%	-5.4%	8.7%	14.1%-pt	2.2%-pt	-0.8%	4.6%	5.4%-pt

II. REPORT ON THE FOURTH QUARTER AND FULL YEAR OF 2014 RESULTS OF FHB GROUP

This report of FHB Mortgage Bank Public Co Plc. for the whole year and the fourth quarter of 2014 is based on the data of the consolidated balance sheet and profit and loss account prepared according to the International Financial Reporting Standards (IFRS). The narratives compare the consolidated, audited figures as of 31 December 2013, and the consolidated, non-audited figures as of 30 September 2014 and 31 December 2014.

1. Summary of the achievements of the past period

Fourth quarter 2014 results of FHB Group was determined by several of one-off items, of which most significant was the provisioning on the expected losses on implementation of Act XXXVIII of 2014 on the Settlement of certain issues concerning the Uniformity Decision of the Supreme Court (Curia) related to consumer loan agreements provided by financial institutions (Curia Act).

Consolidated after tax result of the Banking Group based on IFRS was **HUF 6.6 billion loss in fourth quarter and HUF 16.2 billion loss for the entire year, at the same time profit after tax of FHB Group adjusted by special banking tax and other one-off items reached close to HUF 2 billion in the fourth quarter and HUF 3.8 billion for the full year.**

Main P&L items are reported as follows:

- **Net interest income** increased by HUF 687 million compared to the previous quarter as a result of growth of interest income from assets due to banks and loans and decreasing interest expenses on deposits on the other hand. Amount of HUF 5.5 billion net interest income represented 2.86% net interest margin on average total assets, by 19 basis point higher compared to the previous quarter and by 15 basis points higher than a year ago. Concerning the whole year, net interest income grew by 10.3% to HUF 20.6 billion, while net interest margin on average total assets was 2.74%.
- **Net fees and commissions** increased by 35.7% compared to the previous quarter to HUF 1.7 billion, which was resulted by increase of fund management fees, bank account related fee incomes and guarantee fees. Volume of net fees and commission in the year was by 24% higher than in 2013.
- Amount of **operating costs** – without financial transaction levy and credit institution levy recorded under other expenses from 2014 – was HUF 4.2 billion in the fourth quarter, 2.2% higher than in the previous quarter. For the full year operating costs amounted to HUF 16.6 billion representing 3.5% growth compared to the year before.
- Compared to the previous quarter, risk costs declined significantly due to decrease in share of non-performing loans (NPL ratio) to 20.2% (from 20.5% at the end of the third quarter). Decrease was also influenced by the evaluation of loans to be converted to HUF by law, as based on the relevant regulation, the Banking Group reported volume of gross loans and impairment on such loans on the fixed FX rates of conversion. In 2014, total amount of provision for impairment on loan losses was HUF 4.4 billion, by 35.5% lower than in 2013. Coverage of non-performing portfolio stood at 53.4% at the end of the year, by 150 bp higher than a year before.
- In the fourth quarter – after the publication of detailed rules of settlement – the Banking Group clarified its estimates of expected losses on implementation of Curia Act and made further HUF 5.7 billion provisions. Total provisions on expected losses on settlements increased to HUF 23.6 billion.
- On December 29, 2014 the purchase of 175 pieces of ordinary shares representing 100% of the share capital of the FHB Life Annuity Real Estate Investment Ltd. have been concluded by FHB Mortgage Bank as vendor and the Hungarian National Asset Management Company acting on behalf of the Hungarian State as buyer. As a result of the transaction FHB Mortgage Bank realised losses, while on consolidated level approximately HUF 1.2 billion gains – reported between gains from securities – have been incurred.
- Looking at the subsidiaries, performance of Diófa Asset Management Ltd. was outstanding. At 31 December 2014, the total net value of assets and other portfolios under management increased to HUF 338.7 billion from HUF 26.1 as of 31 December 2013. That means a thirteen fold expansion during this year thanks to the growth of net asset value of investment funds and increase in wealth under management of pension funds. During 2014, Magyar Posta Takarékszövetkezet Real Estate Fund with volume of HUF 31 billion contributed mainly to the growth of investment funds. In case of investment fund, market share of

Diófa Asset Management increased from 0.5% as of 31 December 2013 to over 2% for the end of December 2014, while its market share from wealth management of pension funds grew to 15.1% from 0.2% in one year.

Consolidated total assets of FHB Group amounted to HUF 769.4 billion on 31 December 2014, by 4.3% or approximately HUF 31.9 billion lower than a year before and by HUF 9.5 billion or 1.2% higher than at the end of previous quarter.

Increase in total assets in the last quarter has been driven on the asset side essentially by significant increase of financial assets available for sale and interbank placements, and by the increase of securities issued and deposits on the liability side. Share of nearly HUF 299 billion deposits in interest bearing liabilities continued to raise and represented 46.7% at the end of the quarter, compared to 47.2% at the end of the previous quarter and 34.8% a year before. **Volume of deposits** increased by over HUF 76 billion in one year, of which 58.1% related to corporate business and more than 30% arose from sales on Post.

Gross loans amounted to HUF 357.8 billion on 31 December 2014, which is 2.5% lower than a quarter before and representing 0.1% increase compared to 31 December 2013. Retail loan disbursements increased steadily during the year and reached HUF 16.8 billion, which is 54% higher than in the previous year. Volume of loan disbursement for corporates exceeded HUF 25 billion, as a result, the corporate loan portfolio increased to HUF 85 billion by 31 December, representing 23.7% of the total loan portfolio.

Capital adequacy ratio of FHB Group – based on regulation effective since 1 January 2014 (CRR) – including also additional supervisory capital requirements (SREP) is 13.86% as of 31 December 2014, compared to 14.10% in the previous quarter. CET1 ratio reached 13.39% at the end of December, remaining the same as at the end of previous quarter. During the fourth quarter, regulatory capital increased by HUF 1.4 billion (+1.9%), total capital requirements by HUF 1.5 billion (+3.7%).

Performance of FHB shares

In terms of capitalisation, FHB is 5th in the rank of "Premium" category listed companies and contributes 1.36% to the aggregate capitalisation of the BSE based on 31 December 2014 data.

As of the end of the fourth quarter in 2014, FHB's weight in the BUX index was 1.08% (remains the 5th biggest weight in the basket), and was 2nd with a weight of 12.48% in BUMIX, the index of share prices of mid- and small-cap companies.

The price of FHB Mortgage Bank's shares closed the fourth quarter in 2014 at HUF 695 – that means a HUF 8 decrease compared to 30 September 2014 data.

2. Main activities and subsidiaries' performance

The housing market and retail mortgage lending

The housing construction has grown in 2014. According to CSO statistics, 8,358 new homes were built in 2014, 15% more than in 2013 while the number of new housing construction permits issued was 9,633, almost 28% higher compared to the 2013 data.

As of 31 December 2014, the volume of retail mortgage loans (HUF 5,442 billion) was down by 1.0% compared to 2013; the volume change adjusted by exchange rate volatility was -5.6%. Volume of HUF loans

(HUF 2,112 billion) increased by 0.7% year-on-year; while the FX loan portfolio (HUF 3.331 billion) declined by 2.0% (-9.1% adjusted by the volatility of exchange rate).

The amount of retail housing loans is at the same level in Q4 than in Q3, change adjusted by exchange rate volatility was -0.9%. At the end of December 2014, housing loans amounted to HUF 3,341 billion representing the same data year-on-year, and -4.0% adjusted by exchange rate volatility. Volume of housing loans denominated in HUF was HUF 1,597 billion, showing a 0.5% increase during the last quarter, while volume of FX loans decreased by 0.4% (adjusted by the volatility of exchange rate it was a 2.2% decline).

General-purpose mortgage loans amounted to HUF 2,101 billion as of 31 December 2014; after exchange rate adjustment the portfolio decreased by 8.0% and 2.4% year-on-year and quarter-on-quarter, respectively. HUF denominated general-purpose mortgage loans (HUF 515 billion) decreased by HUF 7.4 billion quarter-on-quarter and by 0.8% year-on-year. The exchange rate adjusted change in FX denominated general-purpose mortgage loans was -2.7% in Q4 2014 and -10.1% year-on-year.

Own lending

Volume of gross loans of FHB Group amounted to HUF 357.8 billion as of 31 December 2014 decreased by 2.5% compared to the previous quarter's figure (HUF 366.8 billion) and year-on-year decrease was also 0.1%. Share of FX loans in total outstanding loan portfolio was 49.3% as of 31 December 2014, which is 59 bps higher than in the previous quarter. The share of FX loans of retail loans was 57.3% which is slightly lower than in Q3 2014.

Retail loans remained dominating within the loan portfolio with a contribution of 76.2% (76.5% on 30 September 2014). Retail loans decreased by 2.8% (or HUF 7.8 billion) and by 2.7% (or HUF -7,5 billion) quarter-on-quarter and year-on-year, respectively.

in HUF million	31/12/2013	30/09/2014	31/12/2014	31/12/2014/ 30/09/2014	31/12/2014/ 31/12/2013
Retail loans	280,228	280,576	272,759	-2.8%	-2.7%
Housing loans	141,480	137,918	134,237	-2.7%	-5.1%
Other mortgage loans	128,305	127,799	127,589	-0.2%	-0.6%
Consumer loans	6,471	10,387	6,365	-38.7%	-1.6%
Loans for employees	1,568	1,555	1,523	-2.1%	-2.9%
Retail leasing	2,404	2,917	3,045	4.4%	26.7%
Corporate loans	77,776	86,247	84,992	-1.5%	9.3%
Corporate loans	76,788	85,173	83,907	-1.5%	9.3%
Corporate leasing	988	1,074	1,085	1.0%	9.8%
Total own lending, gross	358,004	366,823	357,751	-2.5%	-0.1%
Impairment	-37,933	-40,379	-38,669	-4.2%	1.9%
Loans, net	320,071	326,444	319,082	-2.3%	-0.3%
Refinanced loans	133,692	120,047	116,182	-3.2%	-13.1%

In terms of structure of retail loans, housing loans as the largest volume contributed 49.2% and other mortgage loans contributed 46.8% to the retail loan portfolio. A year before proportion was 50.5% and 45.8%, respectively. Reverse mortgages achieved HUF 3.1 billion as of 31 December 2014, there was no significant change. The volume of consumer loans amounted to HUF 6.4 billion, which is 38.7% lower than in the previous quarter. Volume of corporate loans amounted to HUF 85.0 billion, representing 23.8% of the total portfolio. The amount decreased by 1.5% compared to the previous quarter and showed a 9.3% increase year-on-year.

In Q4 2014, HUF 4.7 billion of retail and HUF 7.6 billion of corporate loans have been disbursed; the first figure is more than 54.3% higher than in last year. In 2014 Q4, the Bank placed HUF 2.6 billion loans out to corporate customers within the framework of Funding for Growth Scheme. Retail loan disbursement was 5% lower than in Q3 2014, share of subsidized housing loans was approximately 7.8%.

During the quarter, number of clients contracted to the FX rate protection scheme grew by 121, as of 31 December 2014, the number of signed contracts was 9,563. FHB offered further 35 properties to the National Asset Management Company (NET) in Q4 2014 and 227 transactions were closed because of NET sale with a total amount of almost HUF 1.1 billion. Since the start of the program the number of completed transactions exceeded 2,100 units.

FHB Commercial Bank Ltd.

According to Hungarian Accounting Standards (HAS), total assets of FHB Commercial Bank were HUF 521.3 billion as of 31 December 2014, showing a 1.8% decrease compared to a year before (HUF 530.9 billion).

On 31 December 2014, volume of gross loans according to HAS was HUF 223.2 billion decreasing by 0.3% compared to end of 2013. Gross loans represented 42.8% of total assets. Corporate loans of FHB Commercial Bank – excluding intra-group loans – amounted to HUF 72.4 billion having a share of 32.5% among total loan portfolio.

Interest bearing liabilities amounted to HUF 460.9 billion, representing 88.4% among liabilities, and showed 6.2% decrease year-on-year and 3.9% reduction quarter-on-quarter. Deposits of HUF 298.3 billion represented 64.7% among interest bearing liabilities, while interbank liabilities represented the second highest ratio with the amount of HUF 138.8 billion, containing refinanced loans from FHB Mortgage Bank, and refinancing related to outstanding loans already drawn under the Funding for Growth Scheme.

Deposits increased by more than 34% compared to the previous year and increased by 0.3% during the fourth quarter, due to a significant increase in corporate deposits and the deposits hold on postal accounts. Volume of corporate deposits was slightly above retail deposit's volume as of 31 December 2014; its share was 57.9%. Volume of sight deposits increased by HUF 30.0 billion year-on-year and increased HUF 3.8 billion quarter-on-quarter. As a result, sight deposits represented 31.0% of total deposits.

At the end of 2014, number of retail and corporate accounts managed by Commercial Bank was 184 thousand and 11 thousand, respectively, and 143 thousand retail and 6.9 thousand corporate banking cards related to these accounts. Both number of accounts and cards represented growth in yearly and quarterly comparison, as well. The sale of postal account packages, which has started in April 2014, contributed to the growth of number of accounts also. At the end of 2014 the number of post accounts was nearly 24 thousand. Close to 97% of managed accounts contracted to internet services (Netbank) compared to the 85% at the end of the previous year. Number of account holders with Netbank contract grew by 32.7% during the year.

According to HAS, profit after tax for 2014 was HUF 11,112 million loss, which primarily was due to provisions of HUF 13.1 billion generated by the Bank for expected losses on the execution of the act on the Resolution of certain issues related to the Supreme Court's (Curia) uniformity decision on consumer loan agreements concluded by financial institutions and HUF 143.3 million provision related to the NBH decision concerning the shift of financial transaction levy to the clients, imposing a fine and ordered to pay back the additional fee charges. Beside these items, non-shifted part of financial transaction levy bothered the net results by HUF 472 million and expenses of FX rate protection scheme by HUF 530 million. Adjusted by therein before mentioned one-off items, profit after tax of FHB Commercial Bank was HUF 4.1 billion profit.

Net interest income – in controlling approach – was 2.5% lower as a result of decreasing interest income (by 17.7%) and interest expenses (by 29.1%). Net fee and commission income was 0.7% lower than a year

before, while it increased by 17.7% quarter-on-quarter. Operating costs increased by 1.2% compared to the end of 2013 and by 3.1% compared to the previous quarter.

The capital adequacy ratio of the Bank on 31 December 2014 was 13.38%. Shareholder's equity according to HAS was HUF 39.3 billion as of 31 December 2014 and the solvency capital was HUF 49.4 billion.

FHB Real Estate Ltd.

Main business of FHB Real Estate Ltd. is to provide cover valuation, real estate investment, sales and management services, and real estate valuation services for FHB Group, in addition provide valuation services to external customers, services related to energy certification and real estate agency.

The real estate cover valuation business generated HUF 319 million revenue in 2014, which is HUF 23 million more than a year before, while real estate brokerage reached HUF 116 million income in 2014, which is lower by 20% compared to the same period in 2013 (HUF 145 million), caused by an income of the brokerage division related to a commission deriving from the sale of a high-value real estate in 2013.

FHB Real Estate closed the year with HUF 4.3 million profit after tax.

FHB Real Estate Lease Ltd.

Since 2011, the company has exclusively sold real estate lease products (besides managing its existing mortgage loan portfolio).

As of 31 December 2014, the consolidated loan volume of FHB Real Estate Lease Ltd. according to IFRS was HUF 7.5 billion. Lease financing disbursement amounted to HUF 1,203 million in 2014. Leasing portfolio reached almost HUF 4.1 billion as of 31 December 2014. The quarterly change was 2.7% increase (from HUF 4.0 billion as of 30 September 2014), while the year-on-year rise was 19.7% (from HUF 3.4 billion as of 31 December 2013). FHB Real Estate Lease Ltd. closed the 2014 full year with HUF 748 million loss consolidated according to IFRS.

Diófa Asset Management Ltd.

Diófa Asset Management Ltd. as the member of FHB Banking Group is focusing on real estate investments, pension fund wealth management and tailor made solutions for institutional and private clients.

The main part of the assets under management is given by the open-ended investment funds launched at the end of 2013 and during 2014. The volume of FHB Forte Short Bond Fund, FHB Money Market Fund and FHB Absolute Yield Fund exceeded HUF 13.2 billion by the end of December 2014 compared to HUF 5.2 billion at the end of 2013.

At the beginning of 2014, Asset Management Ltd. has launched two new funds, which were distributed by Magyar Posta Investment Services Ltd. through the Hungarian Post Office's network at the beginning. Net assets value of Real Estate Fund exceeded HUF 30.6 billion by the end of December 2014, while the market value of Hungarian Post Money Market Fund was over HUF 2.1 billion. The Magyar Posta Takarék Real Estate Fund is distributed in the network of FHB Bank from the beginning of this spring and also in the network of Takarékbank since 1 October 2014.

At 31 December 2014 the total net value of assets and other portfolios under management increased to HUF 338.7 billion from HUF 26.1 as of 31 December 2013. That means a thirteen fold expansion during this year thanks to the growth of net asset value of investment funds and increase in wealth under management of

pension funds. During 2014, Magyar Porta Takarékszövetkezet Real Estate Fund with volume of HUF 31 billion at the end of 2014 contributed mainly to the growth of investment funds. In case of investment fund, market share of Diófa Alapkezelő increased from 0.5% as of 31 December 2013 to over 2% for the end of December 2014, while its market share from wealth management of pension funds grew to 15.1% from 0.2% in one year.

Asset Management Ltd. closed full year of 2014 with HUF 196.7 million profit after tax according to HAS, subscribed capital – after HUF 60 million capital increase provided by Mortgage Bank in July – amounted to HUF 195.4 million and shareholders' equity to HUF 380.7 million as of 31 December 2014.

FHB INVEST Investment and Real Estate Management Llc.

Díjbeszedő Operatív és Szolgálati Kft. (DÜSZ) was established by splitting-off from Díjbeszedő Holding Ltd. DÜSZ Llc. is a subsidiary of FHB Mortgage Bank dealing with facility management and also real estate lease since 2014. On 16 December 2014, FHB Mortgage Bank, the owner of the company decided to change the name of DÜSZ to FHB INVEST Investment and Real Estate Management Llc.

Share capital of the Company was HUF 636 million in 2014, shareholder's equity amounted to HUF 3.4 billion and profit after tax reached HUF 2.2 billion (according to HAS) in 2014.

Jointly controlled and associated companies

Profit after tax of the **Díjbeszedő Faktorház Ltd. (DBF)** realised HUF 8,712 million profit after tax in 2014. Pre-tax profit according to the purchased receivables before maturity in 2014 was HUF 775 million, while pre-tax profit from purchased expired receivables amounted to HUF 10,174 million according to IFRS. Shareholder's equity of the Company amounted to HUF 16.4 billion at the end of fourth quarter 2014.

The main activity of **DijNET Ltd.** is operation and development of an electronic bill presentment and payment system. In Q4 2014, profit after tax (according to HAS) was HUF -8.8 million. The cumulated profit after tax reached HUF 10.8 million at the end of December 2014. Subscribed capital amounted to HUF 5 million, while shareholder's equity was HUF 106 million at 31 of December 2014.

Díjbeszedő IT Llc. (DBIT), which provides services related to the IT activities of companies belonging to the Díjbeszedő Group, reached HUF 66.7 million profit after tax in the fourth quarter of 2014 (profit after tax in full year 2014 was HUF 45 million losses). Subscribed capital amounted to HUF 670 million, while shareholder's equity amounted to HUF 571 million at the end of December 2014.

By the end of December 2014, **Magyar Posta Investment Services Ltd. (MPBSZ)** opened more than 19,500 securities and long-term investment accounts; the securities portfolio managed on accounts was HUF 48.9 billion at the end of 2014, compared to HUF 4.6 billion at the end of December 2013. MPBSZ closed 2014 with HUF 558.3 million loss (according to HAS). The company's shareholder's equity was HUF 406.9 million and total assets amounted to HUF 2.0 billion.

Associated companies owned by FHB Invest Llc. are jointly managed by FHB and Magyar Posta (Hungarian Post Ltd.) according to the syndicate agreement.

FHB Mortgage Bank owns 25.1% of shares in **Magyar Takarékszövetkezet Asset Management (MATAK) Ltd.** The contribution of MATAK to the consolidated results was not significant yet.

Organisational changes and headcount

As of 31 December 2014, the consolidated full-time headcount was 812.3, by 0.8 persons more than the headcount of 811.5 as of 30 September 2014 and 38.8 persons more than the headcount of 773.5 as of 31

December 2013. The number of employees has increased in line with the Group's expansion, due to the new companies joining the Group and growing the number of tasks and activities related to these new members.

Headcounts of the Group members were as follows:

	31/12/2013	30/09/2014	31/12/2014	31/12/2014/ 30/09/2014	31/12/2014/ 31/12/2013
FHB Mortgage Bank Plc.	172,2	183,2	180,7	-1,3%	5,0%
FHB Commercial Bank Ltd.	567,0	581,8	584,2	0,4%	3,0%
FHB Life Annuity Ltd.	5,8	5,9	-	-	-
FHB Real Estate Ltd.	7,4	8,9	8,9	0,0%	20,3%
FHB Real Estate Leasing Ltd.	9,8	9,7	12,3	26,0%	25,6%
Diófa Asset Management Ltd.	11,4	17,9	18,8	5,0%	65,1%
Diófa Real Estate Management Llc	0,0	0,0	3,0	-	-
Díjbeszedő Operational and Service Llc.	0,0	1,1	1,1	0,0%	-
Hungarian Card Ltd.	0,0	3,0	3,3	8,3%	-
FHB Consolidated	773,5	811,5	812,3	0,1%	5,0%

Changes in key position

The Annual General Meeting of the Company on 28 April 2014 elected Deloitte Hungary Audit and Consulting Ltd. for the auditor also for 2014 (location: 1068 Budapest, Dózsa György str. 84/C; reg. number: 01-09-071057; chamber membership number: 000083; HFSA number: T-000083/94). The appointed auditor responsible is Tamás Horváth (mother's name: Veronika Grósz; birth place, date: Budapest, 08/03/1969; location: 1028 Budapest, Bölény str. 16; chamber membership number: 003449; HFSA number: E003449).

Based on the proposal of Board of Directors, Annual General Meeting re-elected Csaba Lantos as member of Supervisory Board.

In line with the rules of new Civil Code, Annual General Meeting decided on the setting up of Audit Committee and elected Csaba Lantos, Enikő Mártonné Uhrin, Miklós Szabó and Tibor Kádár to the Audit Committee as members.

There were no personnel changes during the fourth quarter in the Bank's management and executive bodies.

Post-balance sheet date events

On January 15, 2015 the Swiss central bank ceased the 1.2 exchange rate limit of Swiss Franc against to Euro which earlier arrested the further strengthening of the CHF. Parallel with this step decreased the base reference rate to the -1.25% and -0.25% level. Since that time the CHF exchange rate decreased continuously from the parity level and actually balances around 285 HUF/CHF.

As part of Government's home protection measures adopted since 2010, in November 2014, the Monetary Council of NBH decided to ensure approximately EUR 9 billion for the Banks to cover the source of HUF conversion. FHB has executed the EUR-HUF transaction with the NBH and covered its entire FX need resulting from the loan conversion into HUF. On the same day as the EUR-HUF conversion, FHB has also closed its EUR-CHF position on the interbank market. Apart from limited trading positions, FHB – as a matter of policy - had no open FX positions before the above mentioned transaction with the NBH and that is still the case following the conversion. Trading positions are and always were negligible relative to the bank's balance sheet, measures of the Swiss Central Bank has no material impact on the position and profitability of FHB Group.

Banking Group has started the settlements related to FX denominated consumer loan agreements based on Curia Act with the value date of February 1, 2015. Bank will manage the settlements and providing information to customers in line with the regulatory deadlines.

On 31 January 2015 Gábor Gergő Soltész resigned from his positions held at FHB Mortgage Bank as deputy chief executive officer, and held at FHB Bank as chief executive officer and member of the Board of Directors. At the same date he resigned from his other positions fulfilled at FHB Group companies as well, namely from Supervisory Board membership of FHB Real Estate Ltd. and Board of Director membership of FHB Real Estate Leasing Ltd.

From 1 February 2015 the position of deputy chief executive officer at FHB Mortgage Bank is held by Márton Oláh, who was also elected as member of the Board of Directors by FHB Bank's general meeting. The appointment and election of Márton Oláh were permitted by the Hungarian National Bank in advance.

ANALYSIS OF FHB MORTGAGE BANK PLC.'S CONSOLIDATED FINANCIAL STATEMENTS ACCORDING TO IFRS

1. P&L structure

in HUF million	Q4 2013	Q3 2014	Q4 2014	Q4 2014 / Q3 2014	Q4 2014 / Q4 2013	2013	2014	2014 / 2013
Interest income	16,156	12,981	13,281	2.3%	-17.8%	66,175	55,100	-16.7%
Interest expense	-10,964	-8,148	-7,761	-4.7%	-29.2%	-47,464	-34,458	-27.4%
Net interest income	5,192	4,834	5,520	14.2%	6.3%	18,711	20,642	10.3%
Fees and commissions income	1,560	1,529	2,024	32.4%	29.7%	5,060	6,354	25.6%
Fees and commissions expense	-238	-245	-282	15.1%	18.8%	-734	-1,001	36.4%
Net fees and commissions	1,323	1,283	1,742	35.7%	31.7%	4,326	5,353	23.7%
Foreign exchange gains, net	127	78	-135	-	-	1,223	637	-47.9%
Fair value adjustment	128	-748	-593	-20.7%	-	-2,072	-1,062	-48.8%
Gain on securities, net	25	4,197	-598	-	-	981	4,923	401.8%
Net result of investment services	0	0	259	-	-	0	259	-
Net financial (trading) result	280	3,527	-1,067	-	-	131	4,757	-
Other operating income	699	3	162	-	-76.8%	1,463	885	-39.5%
Other operating expenses	-2,116	-14,809	-9,168	-38.1%	333.1%	-6,836	-32,213	371.2%
o/w special banking tax & one-off PTI	-853	-707	-707	0.0%	-17.1%	-3,413	-2,828	-17.1%
Other results	-1,418	-14,805	-9,005	-39.2%	535.1%	-5,373	-31,328	483.0%
Net income of associated companies	0	3,584	-17	-	-	0	4,225	-
Total non-interest income (with net fees)	185	-6,411	-8,348	30.2%	-	-916	-16,992	-
Net operating income	5,377	-1,577	-2,828	79.3%	-	17,796	3,650	-79.5%
Net operating income w/o provisions	5,377	11,623	3,281	-71.8%	-39.0%	17,796	27,654	55.4%
Provision for impairment on loan losses	-955	-1,658	-134	-91.9%	-86.0%	-6,789	-4,382	-35.5%
Personnel expenses	-1,122	-1,698	-1,369	-19.4%	22.0%	-5,752	-6,332	10.1%
Banking operation cost	-1,686	-1,620	-1,878	15.9%	11.4%	-6,903	-6,835	-1.0%
Cost of business activity	-386	-148	-429	189.6%	11.1%	-803	-916	14.1%
Depreciation	-642	-647	-537	-17.0%	-16.3%	-2,533	-2,452	-3.2%
Other tax payable	-12	-21	-11	-47.5%	-12.2%	-51	-63	24.4%
Operating costs	-3,848	-4,134	-4,224	2.2%	9.8%	-16,040	-16,599	3.5%
Income before income taxes	574	-7,370	-7,186	-2.5%	-	-5,034	-17,330	244.3%
Income taxes	-363	180	563	212.9%	-	369	1,110	200.4%
Profit after tax	211	-7,190	-6,622	-7.9%	-	-4,664	-16,221	247.8%
After tax profit w/o special banking tax and other one-offs	1,247	-1,113	1,971	-	58.0%	-610	3,801	-

The Bank's consolidated profit after tax according to IFRS amounted to HUF 6,622 million losses in Q4 2014 and HUF 16,221 million loss as of full year 2014.

The negative result is mainly due to the provisions of HUF 23.6 billion generated for the expected losses to voidances of use of foreign-exchange-rate margins and interest rate increases deemed unfair under the law, from that HUF 5.9 billion was accounted in Q4. The Bank generated additional HUF 143.3 million provisions for payback the additional charges of financial transaction levy due to the NBH decision and separated HUF 275 million provision for cancelling the accrued incomes connected to derecognition of FX loans to be converted to HUF.

In addition, amount of HUF 2.8 billion of special banking tax, the financial institution levy related to exchange rate protection scheme and non-shifted financial transaction levy had negative impact on the result as extraordinary (one-off) items. The extraordinary and losses resulting from regulatory measures had been partially compensated by HUF 3.3 billion proportional profit of one-off sales a package of factored receivables of Díjbeszedő Faktorház Ltd., and – on the whole positive – result from selling FHB Commercial Bank Ltd. shares. The Bank Group's IFRS consolidated profit after tax – ignoring the special banking tax and above-mentioned one-off items – was HUF 2 billion in Q4 2014, and HUF 3.8 billion in 2014.

Net interest income

Net interest income was HUF 5.5 billion in Q4 2014, 6.3% higher than a year before and 14.2% higher compared to the previous quarter. The net figure emerged as a balance of HUF 13.3 billion interest income (2.3% higher quarter-on-quarter and 17.8% lower year-on-year, respectively) and HUF 7.8 billion interest expense (q/q: -4.7%, y/y: -29.2%).

Distribution of interest income and expenses shows the following table:

	Q4 2013	Q3 2014	Q4 2014	Q4 2014 / Q3 2014	Q4 2014 / Q4 2013	2013	2014	2014 / 2013
Interest income								
Loans	38.7%	46.2%	47.0%	0.8%-pt	8.2%-pt	37.9%	44.3%	6.4%-pt
Refinancing	9.4%	9.2%	8.5%	-0.7%-pt	-0.9%-pt	10.8%	9.0%	-1.8%-pt
Mortgage bond interest subsidy	14.3%	14.3%	13.3%	-1.0%-pt	-0.9%-pt	14.1%	14.2%	0.0%-pt
Supplementary interest subsidy	1.3%	1.2%	1.1%	-0.1%-pt	-0.2%-pt	1.4%	1.2%	-0.1%-pt
Securities and interbank activities	15.3%	9.8%	11.9%	2.1%-pt	-3.4%-pt	13.2%	11.7%	-1.5%-pt
Swap transactions	21.0%	19.2%	18.3%	-1.0%-pt	-2.7%-pt	22.5%	19.6%	-2.9%-pt
Interest expenses								
Bonds issued	52.5%	60.8%	64.8%	3.9%-pt	12.3%-pt	53.1%	58.2%	5.0%-pt
Interbank activities	8.5%	0.3%	0.4%	0.1%-pt	-8.1%-pt	10.9%	2.8%	-8.0%-pt
Customer deposits	17.4%	17.3%	16.4%	-0.9%-pt	-1.0%-pt	14.9%	17.1%	2.2%-pt
Derivatives	19.1%	18.4%	19.2%	0.8%-pt	0.1%-pt	19.0%	19.9%	0.9%-pt
Other interest expense	2.4%	3.2%	-0.8%	-4.0%-pt	-3.2%-pt	2.2%	2.1%	-0.1%-pt

The net interest margin to average total assets (NIM) was 2.86% in Q4 2014, 19 bps higher compared to Q3 2014 (2.67%). As of 2014, NIM was higher, 2.74%, showing an increase of 23 bps year-on-year (2013: 2.51%).

Net fee and commission income

In Q4 2014, the Bank achieved a positive balance of HUF 1,742 million from income and expenditures on commissions and fees; 35.7% higher than in Q3 2014 and 31.7% higher than a year before. Net fees and commissions adjusted by financial transaction levy performed a 45.8% and 48.5% increase quarter-on-quarter and year-on-year, respectively.

Compared to the previous quarter, fund management fee income, commissions from bank accounts and guarantee fees increased; but insurance agent fees and fees of direct debit transactions decreased.

Income from fees and commissions in Q4 2014 amounted to HUF 2,024 million, of which 13.0% was contributed by charges related to loans (14.6% in Q3 2014) and 31.7% by accounts and card related banking charges without financial transaction levy (37.0% in Q3 2014). Commissions resulting from the strategic cooperation agreement signed with Allianz Insurance Company contributed 3.4% to income from fees and

commissions in the reported quarter (6.9% in Q3 2014). Volume of HUF 398 million of fund management fees contributed by close to 19.7% to quarterly fee incomes.

Card related fee expenses (HUF 104 million) increased by 8.6% quarter-on-quarter. Agent fees amounted to HUF 108 million, while payment fees reached HUF 31 million in Q4.

Net result of financial transactions

In 2014, the balance of financial transactions was HUF 4,757 million profit, HUF 4,626 million higher than a year before (2013: HUF 131 million). In Q4 2014, this balance amounted to HUF 1,067 million losses, HUF 4,594 million lower compared to the previous quarter. The sale of FHB Life Annuity's shares contributed HUF 1,164 to the quarterly profit (HUF 1.5 billion trading losses, HUF 2.7 billion positive impact of consolidation).

In Q4 2014, the volume of foreign exchange profit was HUF 135.5 million losses, more unfavourable than the previous quarter's figure (HUF 77.5 million profit), due to the retrieval of year-end positive revaluation result on FX loans to be concerted to HUF by law (regulatory requirement, HUF 2,141 million loss).

In Q4 2014, the change in the value of financial instruments reported at fair value through P&L was HUF 593 million losses, which is better than the HUF 747.6 million losses in Q3 2014, as well as a year before.

In Q4 2014, the securities transactions resulted in HUF 597.6 million losses as opposed to HUF 4,197 million profits in the last period, regarding to on one hand, the above-described impact of sales of FHB Life Annuity's shares (HUF 1.2 billion profit), on the other hand reclassification of the Q3 result of FHB Commercial Bank's shares from this line to retained earnings (HUF -3.5 billion).

Other operating income and expenditure

In 2014, the balance of other operating income and expenditure was HUF 31.3 billion net expenditure; arising from HUF 885 million incomes and HUF 32.2 billion expenditures.

In Q4 2014, the balance of other operating income and expenditure was HUF 9.0 billion net expenditures, which is HUF 5.8 billion higher and HUF 7.6 billion lower quarter-on-quarter and year-on-year, respectively.

In Q4 2014, real estate related income contributed HUF 83.9 million to other operating income (real estate rent, sales).

Extraordinary increase in other expenses was due to provisions of HUF 5.9 billion (with earlier provisions amounted to HUF 23.6 billion) generated by the Bank following the approval of the act on the Resolution of certain issues related to the Supreme Court's (Curia) uniformity decision on consumer loan agreements concluded by financial institutions. The Bank generated additional HUF 143.3 million provisions for payback the additional charges of financial transaction levy due to the NBH decision and separated HUF 275 million provision for cancelling the accrued incomes connected to derecognition of FX loans to be converted to HUF. Special banking tax amounted to HUF 707 million in Q4 2014 (HUF 2,828 million in 2014), the financial institutions levy was HUF 282 million (HUF 1,135 million in full year). Among other expenses, HUF 847 million extraordinary expense came from goodwill impairment related to Díjbeszedő companies.

Net income of associated companies contributed HUF 4,198 million to consolidated figures in 2014 full year, which mainly resulted from the HUF 4,443 million (proportional) profit of DBF, which contains significant one-off revenue from sales of factored receivables package (Q3 2014).

Impairments and provisions for possible loan losses

HUF 4.4 billion of risk costs in 2014 improved by 35.5% compared to the previous year's figure, while the amount of HUF 134 million of Q4 2014 was 91.9% higher quarter-on-quarter, and 86.0% higher year-on-year. Improvement was due to lower volume of provisions for loan losses in line with decreasing volume of non-performing loans – as a result of the collection activities - compared to the end of the previous quarter. Among loan losses, in 2014 HUF 2.2 billion losses was reported due to closed transactions covered by real-estates sold to National Asset Management Company, but it was partially compensated by release of loan loss provision related to that transactions.

Operating expenses¹

Operating costs amounted to HUF 4.2 billion in Q4 2014 which is 9.8% higher than in the same period of 2013. Except depreciation, all other types of costs increased compared to the Q4 of 2013. Operating expenses are 2.2% higher than in the previous quarter, mainly caused by the rise of administrative and business activity expenses.

Personnel expenses were higher than in the same period of 2013 (+22.0%) but significantly lower than in the third quarter of 2014 (-19.4%). The main reason behind the significant year-on-year raise of personnel expenses is the growth of the headcount closely according to the expansion of the Bank Group.

Administrative expenses in Q4 2014 (HUF 1,878 million) reveal an increase compared to the third quarter of 2014 (HUF 1,620 million), and to the same period of 2013 (HUF 1,686 million).

Expenses of business activity (HUF 428.7 million) were significantly higher than in the same period in 2013 (HUF 385.7 million), and in Q3 2014 (HUF 148.0 million).

Depreciation was HUF 537 million in Q4 2014, with great decrease compared to basis periods. Approximately three-quarters of depreciation are related to intangibles.

Other taxes paid reported among operating costs amounted to HUF 11 million in Q4 2014 because of reclassification of credit institution and financial transaction levy. The other taxes among cost (for example real estate tax, vehicle tax, etc.) are the same in every quarter because of the stability of assets.

¹ Due to reclassification from 2014, amounts of financial transaction levy (PTI) and credit institution levy are included in other operating expenses instead of operating costs. In favour of comparability these items figures have been reclassified in the data of prior periods, as well.

2. Balance Sheet

in HUF million	31/12/2013	30/09/2014	31/12/2014	31/12/2014/ 30/09/2014	31/12/2014/ 31/12/2013
Cash	2,039	2,071	2,348	13.4%	15.2%
Due from banks & NBH	32,739	163,664	177,680	8.6%	442.7%
Financial assets available-for-sale and held for trading	193,824	89,903	109,973	22.3%	-43.3%
Fair value of derivative financial assets	3,579	151	2,547	-	-28.8%
Investment in associates and jointly controlled companies	6,158	10,068	6,932	-31.1%	12.6%
Refinanced mortgage loans	133,692	120,047	116,182	-3.2%	-13.1%
Loans and advances	358,004	366,823	357,752	-2.5%	-0.1%
Impairment and provision	-37,933	-40,379	-38,669	-4.2%	1.9%
Tangible assets	5,625	7,022	6,733	-4.1%	19.7%
Goodwill and other intangible assets	11,373	10,239	8,326	-18.7%	-26.8%
Other assets	28,415	30,339	19,606	-35.4%	-31.0%
Total Assets	737,514	759,949	769,412	1.2%	4.3%
Liabilities total	661,443	668,751	681,390	1.9%	3.0%
Interbank borrowings	134,841	43,317	43,036	-0.6%	-68.1%
Mortgage bonds	172,830	176,536	179,615	1.7%	3.9%
Bonds issued	99,487	105,979	112,230	5.9%	12.8%
Deposits	222,501	297,664	298,762	0.4%	34.3%
Fair value of derivative financial liabilities	15,365	10,263	12,736	24.1%	-17.1%
Leasing liability	9,292	7,777	5,772	-25.8%	-37.9%
Reserves for annuity	2,463	2,521	0	-	-
Other liabilities	4,664	24,694	29,239	18.4%	527.0%
Shareholders' equity	76,072	91,198	88,022	-3.5%	15.7%
Subscribed capital	6,600	6,600	6,600	0.0%	0.0%
Capital reserve	1,709	1,709	1,709	0.0%	0.0%
Treasury shares	-29	-207	-207	0.0%	625.0%
Subordinated Tier1 capital	31,749	31,749	31,749	0.0%	0.0%
Other reserves	380	252	32	-87.2%	-91.5%
Retained earnings	40,340	35,663	39,133	9.7%	-3.0%
Non-controlling interest	0	25,032	23,717	-5.3%	-
Balance sheet profit	-4,677	-9,599	-14,710	53.3%	214.5%
Total liabilities and shareholders' equity	737,514	759,949	769,412	1.2%	4.3%

As of 31 December 2014, the Bank's consolidated balance sheet total by IFRS amounted to HUF 769.4 billion, moving 1.2% up from the end of previous quarter (HUF 31.9 billion), or 4.3% higher than the balance sheet total as of 31 December 2013.

On the asset side on an annual basis, the volume of financial assets available-for-sale and held for trading – primarily due to conversion of NBH 2 weeks instruments into deposit – dropped by HUF 83.9 billion, or 43.3%, and the refinanced loans fell by 17.5 billion and 13.1%, respectively. During the quarter, the amount of other assets decreased by 35.4%, while the fair value of derivative financial assets increased significantly.

Liabilities increased by 3.0% compared to the reference figures of 2013. Compared to the same period in 2013 interbank liabilities decreased by 68.1%, in addition to the portfolio of mortgage bonds issued increased by 3.9%, the volume of bonds issued increased by more than 12.8% respectively. In contrast, the deposits grew significantly by 34.3% over a year.

Shareholders' equity increased by HUF 12.0 billion or 15.7% year-on-year.

Interest earning assets

The Group's interest earning assets increased from HUF 719.4 billion as of 31 December 2013 to HUF 763.3 billion as of 31 December 2014. Interest earning assets contributed 99.2% to the balance sheet total.

NBH and other interbank lending increased from HUF 32.7 billion as of 31 December 2013 to HUF 177.7 billion as of 31 December 2014. The ratio of this item in interest earning assets was 23.3% at the end of 2014 Q4.

The value of Bank's securities available-for-sale and held for trading decreased from HUF 193.8 billion as of 31 December 2013 to HUF 110.0 billion as of 31 December 2014, while its increased by more than 22% compared to 30 September 2014 amount (HUF 89.9 billion). At the end of 2014 Q4, securities available for sale and held for trading contributed 14.4% to interest earning assets. NBH bonds are no longer in the securities available-for-sale and held for trading, because the two weeks NBH bond ceased, central banking savings facility is available as two weeks deposit. Securities available for sale and held for trading include treasury bills amounting to HUF 23.9 billion and government bonds amounting to HUF 57.6 billion.

Loans

As of 31 December 2014, volume of loans was 0.1% down year-on-year, and decreased quarterly by 2.5%. Impairment to cover loan losses amounted HUF 38.7 billion as of 31 December 2014, in the reported quarter showed 4.2% decrease (from HUF 40.4 billion as of 30 September 2014).

Year-on-year decline in refinanced loans was 13.1% to HUF 116.2 billion, and there was also a 3.2% drop in this item over the last quarter. As of 31 December 2014, contribution of refinanced loans and gross own lending was 62.1% to interest earning assets; this rate was 68.3% a year before.

Portfolio quality

Volume of non-performing loans decreased slightly by 3.6% quarter-on-quarter, while it has decreased by 1.0% year-on-year. NPL ratio decreased to 20.2% by 31 December 2014 from 20.5% as of 30 September 2014. Coverage of non-performing loans is 53.4% which represents slight decrease in the quarter, but is 150 bps higher than a year before.

Other assets

Tangible assets amounted to HUF 6.7 billion as of 31 December 2014 and increased by HUF 1.1 billion year-on-year and decreased by HUF 289 million quarter-on-quarter. As of 31 December 2014, intangibles amounted to HUF 8.3 billion, down by HUF 3.0 billion or 26.8% year-on-year and HUF 1.9 billion (-18.7%) below the 30 September 2014 figure.

Value of investment in associated and jointly controlled companies consolidated by equity method amounted to HUF 6.9 billion as of 31 December 2014, including goodwill related to the acquisition of DÜSZ (FHB Invest by the new name). Decrease of this amount compared to the previous quarter was on one hand due to the above mentioned goodwill impairment, on the other hand the impact of dividend paid.

Other assets amounted to HUF 19.6 billion as of 31 December 2014, decreasing by 31.0% (HUF 8.8 billion) year-on-year. Deferred tax assets reached HUF 9.4 billion while value of real estates reported as inventory was HUF 1.4 billion.

The HUF 10.8 billion amount of investment properties on 30 September 2014 was zero on 31 December 2014 according to the sale of FHB Life Annuity Ltd.

Interest bearing liabilities

Interest bearing liabilities increased from HUF 639.0 billion as of 31 December 2013 to HUF 639.4 billion as of 31 December 2014, representing approximately 83.1% to the balance sheet total. As a year before, issued securities gave major part of interest bearing liabilities with a share of 42.6%. For the end of 2014 their proportion increased to 45.6%, but share of client deposits within interest bearing liabilities grew even higher, from 34.8% to 46.7% year-on-year giving the biggest ratio of interest bearing liabilities for the end of 2014.

Interbank funds

As of 31 December 2014, interbank funds amounted to HUF 43.0 billion showing 0.6% decrease compared to previous quarter, while volume was 68.1% down year-on-year. The volume of interbank funds at the end of the quarter includes the amount of refinancing within the framework of Funding for Growth Scheme (NHP). Contribution of interbank borrowings to interest bearing liabilities was 6.7% as of 31 December 2014.

CMBs issued

The Bank completed eight bond issuances in the fourth quarter: six senior bonds and two mortgage bonds were issued; the mortgage bond issues took place through auctions. In the fourth quarter of 2014, FHB raised HUF 15.9 billion and EUR 3.5 million new fund from securities, of which HUF 2.6 billion was HUF denominated mortgage bond, HUF 13.3 billion HUF denominated senior unsecured bond and EUR 3.5 million EUR denominated senior unsecured bond.

In 2014 (Euro-resource calculated at the issuance FX change rate) amounted to HUF 43.8 billion new capital market funds was discontinued. In terms of distribution the Bank in 2014 amounted to HUF 6.1 billion mortgage bond, HUF 36.5 billion and EUR 3.5 million unsecured bond placed on the market.

HUF 179.6 billion book value of mortgage bonds as of 31 December 2014 increased by 3.9% or HUF 6.8 billion from figures of 31 December 2013 (HUF 172.8 billion).

in HUF million	31/12/2013		31/12/2014	
	Book value	Nominal value	Book value	Nominal value
Non-listed mortgage bonds				
Fixed	29,370	29,226	29,343	29,226
Floating	0	0	0	0
Listed mortgage bonds				
Fixed	126,133	124,220	143,722	138,524
Floating	11,235	11,327	0	0
Total	166,738	164,774	173,065	167,750
Accrued interest	5,868		6,550	
Mortgage bonds Total	172,606	164,774	179,615	167,750
Non-listed bonds				
Fixed	29,377	29,369	33,696	33,649
Floating	7,100	7,043	13,678	14,337
Listed bonds				
Fixed	52,761	54,969	57,010	62,787
Floating	6,712	6,715	4,174	6,696
Total	95,950	98,095	108,558	117,468
Accrued interest	3,391		3,672	
Bonds Total	99,341	98,095	112,230	117,468

Mortgage bonds collateral²

The net collateral value of real estate covering mortgage bonds issued by FHB Mortgage Bank amounted to HUF 393.6 billion as of 31 December 2014 (HUF 276.9 billion of capital and HUF 116.7 billion of interests), 3.7% less than the HUF 408.9 billion as of 30 September 2014 and 15.1% below the figure of 31 December 2013 (HUF 463.4 billion).

The value of the group of assets involved as collateral:

in HUF million	31/12/2013	30/09/2014	31/12/2014
Outstanding mortgage bonds in circulation			
Face value	225,601	197,540	199,488
Interest	53,899	39,989	38,804
Total	279,500	237,529	238,293
Value of the regular collateral			
Principal	308,444	284,709	276,905
Interest	154,922	124,146	116,722
Total	463,366	408,854	393,628

As of 31 December 2014, the present value of ordinary collateral was HUF 314.9 billion and the present value of mortgage bonds were HUF 230.25 billion, thus the present value of collateral exceeded that of CMBs in circulation not yet repaid, ratio was 136.8%. As of 31 December 2014, net value of ordinary and supplementary collateral principal to unpaid face value of mortgage bonds in circulation was 138.8%, and the net ordinary and supplementary collateral principal to the unpaid interest on mortgage bonds in circulation was 300.8%.

The collateral value of real estate covering ordinary collaterals amounted to HUF 808.6 billion as of 31 December 2014, 2.0% below the 30 September 2014 value (HUF 825.4 billion) and 7.5% down compared to 31 December 2013 (HUF 874.6 billion). The LTV ratio applicable for ordinary collateral was 34.3% as of 31 December 2014, lower than the 35.1% LTV as of 31 December 2013.

Bonds issued

The book value of bonds was HUF 112.2 billion as of 31 December 2014, compared to 30 September 2014 (106.0 billion HUF) increasing by HUF 6.3 billion or 5.9%. The stock of bonds rose by HUF 12.7 billion (12.8%) in one year.

Deposits

As of 31 December 2014, deposits amounted to HUF 298.8 billion increasing by 34.3% year-on-year and 0.4% quarterly. In the last year, volume of corporate deposits significantly increased (by 38.9%), similarly to retail deposits (+28.4%).

The sight deposit ratio changed to 31.0% on 31 December 2014 from 28.1% a year before and 29.8% at the end of previous quarter.

² Non-consolidated data of FHB Mortgage Bank Plc. only, according to HAS

Other liabilities

The Bank reported among the HUF 29.2 billion of other liabilities the provisions related to settlements and HUF conversion by law and other expected losses, amounted to HUF 24.0 billion. At the end of 2014 early instalments of clients reached HUF 677.8 million. The Bank reported accounts payable HUF 565.0 million as of 31 December 2014, accruals HUF 524.1 million and deferred tax liabilities HUF 61 thousand.

Shareholders' equity

Within one year, shareholders' equity increased by 15.7% to HUF 88.0 billion to 31 December 2014. In line with IFRS, the Bank reported the EUR 112 million Tier 1 subordinated bond as part of shareholder's equity. Due to the selling of share package representing 49% of FHB Commercial Bank, the Bank reported HUF 23.7 billion as minority interest as part of shareholder's equity. Balance sheet profit was HUF 14.7 billion loss at the end of December.

Capital position

Capital adequacy ratio of FHB Group – based on regulation (EU) no 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms (CRR) including also additional supervisory capital requirements (SREP) is 13.86% as of 31 December 2014, compared to 14.10% in the previous quarter. CET1 ratio was the same as 13.39% on 30 September 2014.

Total risk exposure amount reached HUF 408 billion at the end of the period, representing 3.7% increase compared to the previous quarter.

DECLARATION

This management report of FHB Jelzálogbank Nyrt. (FHB Mortgage Bank Plc.) is based on consolidated, non-audited IFRS financial statements.

FHB Jelzálogbank Nyrt. hereby declares that the figures and statements of this management report comply with reality, and it does not conceal any fact or information that would be substantial in the judgment of the issuer's position.

As issuer, FHB Jelzálogbank Nyrt. assumes exclusive liability for the contents of the Interim management report. FHB Jelzálogbank Nyrt. declares that it is liable as issuer for the reimbursement of losses caused by the omission and/or the misleading contents of regular and extraordinary information.

Budapest, March 12, 2015

Mr Gyula Köbli
Chief Executive Officer

Mr Márton Oláh
Deputy-CEO, Business

Consolidated Financial Statements of FHB Mortgage Bank Plc. prepared in accordance with International Financial Reporting Standards (IFRS)

The consolidation fully applies also to FHB Kereskedelmi Bank Zrt. (FHB Commercial Bank Ltd.), Diófa Alapkezelő Zrt. (Diofa Fund Management Ltd.), FHB Ingatlan Zrt. (FHB Real Estate Ltd.) and FHB Életjáradék Ingatlanbefektető Zrt. (FHB Annuity Real Estate Investment Ltd), to FHB Ingatlanlizing Zrt. (FHB Real Estate Leasing Ltd.) and its Croatian affiliate (Central European Credit d.d.), FHB Invest Llc. (previously Díjbeszedő Operational and Service Llc.), Magyar Kártya Szolgáltató Zrt. (Hungarian Card Service Ltd.); and to "WODOMUS 54" Ingatlanfejlesztő Kft. (WODOMUS 54 Property Development Ltd.); Káry-Villa Ingatlanfejlesztő Kft (Káry-Villa Property Development Ltd.); FHB DWH Ltd.; Diófa Real Estate Management Llc. (formerly Hitelunió Kft.). Jointly controlled companies – as Díjbeszedő Faktorház Zrt. (Díjbeszedő Factoring Ltd.), DíjNet Ltd., Díjbeszedő Informatikai Kft. (Díjbeszedő IT Llc.), and Magyar Posta Befektetési Szolgáltató Zrt. (Hungarian Post Investment Services Ltd.) – and Magyar Takarékbefektetési és Vagyonkezelő Zrt. (Magyar Takarékbefektetési Asset Management Ltd.) are consolidated by equity method.

Consolidated Income Statement

(consolidated audited data as of 31 December 2013 and non-audited data as of 31 December 2014 according to IFRS)

in HUF million	2013 FY	2014 FY	2014 FY/ 2013 FY
Interest income	66,175	55,100	-16.7%
Interest expense	-47,464	-34,458	-27.4%
Net interest income	18,711	20,642	10.3%
Fee and commission income	5,060	6,354	25.6%
Fee and commission expense	-734	-1,001	36.4%
Net fee and commission income	4,326	5,353	23.7%
Profit/(Loss) from FX transactions	1,223	637	-47.9%
Change in fair value of financial instruments	-2,072	-1,062	-48.8%
Gains from securities	981	4,923	401.8%
Gains from investment services	0	259	-
Net trading result	131	4,757	-
Other operating income	1,463	885	-39.5%
Other operating expense	-4,706	-32,213	584.6%
Net other operating result	-3,243	-31,328	-
Net income of associated companies	0	4,225	-
Operating income	19,926	3,650	-81.7%
Provision for impairment on loan losses	-6,789	-4,382	-35.5%
General and administrative expense	-18,171	-16,599	-8.7%
Profit/(Loss) before tax	-5,034	-17,330	244.3%
Income tax benefit/(expense)	369	1,110	200.4%
Profit/(Loss) for the period	-4,664	-16,221	247.8%

Basic EPS (yearly)	-70.9 Ft	-243.6 Ft	243.5%
Diluted EPS (yearly)	-70.9 Ft	-243.6 Ft	243.5%

Consolidated Comprehensive Income Statement	2013 FY	2014 FY	2014 FY/ 2013 FY
Profit/(Loss) for the period	-4,664	-16,221	247.8%
Revaluation reserve	0	0	-
Change in cash-flow hedge reserve	0	0	-
Change in fair value of financial assets available for sale	459	-170	-
FX translation reserve	-2	-20	700.0%
Deferred tax effect for other comprehensive income	-87	32	-
Other comprehensive income/(loss) for the period net of taxes	369	-158	-
Total comprehensive income/(loss) for the period, net of income taxes	-4,295	-16,379	281.3%

Consolidated Income Statement (quarterly)

(consolidated audited data as of 31 December 2013, non-audited data as of 30 September 2014 and 31 December 2014 according to IFRS)

	2013 Q4	2014 Q3	2014 Q4	2014 Q4 / 2014 Q3	2014 Q4 / 2013 Q4
Interest income	16,156	12,981	13,281	2.3%	-17.8%
Interest expense	-10,964	-8,148	-7,761	-4.7%	-29.2%
Net interest income	5,192	4,834	5,520	14.2%	6.3%
Fee and commission income	1,560	1,529	2,024	32.4%	29.7%
Fee and commission expense	-238	-245	-282	15.1%	18.8%
Net fee and commission income	1,323	1,283	1,742	35.7%	31.7%
Profit/(Loss) from FX transactions	127	78	-135	-	-
Change in fair value of financial instruments	128	-748	-593	-20.7%	-
Gains from securities	25	4,197	-598	-	-
Gains from investment services	0	0	259	-	-
Net trading result	280	3,527	-1,067	-	-
Other operating income	699	3	162	-	-76.8%
Other operating expense	-2,116	-14,809	-9,168	-38.1%	333.1%
Net other operating result	-1,418	-14,805	-9,005	-39.2%	535.1%
Net income of associated companies	0	3,584	-17	-	-
Operating income	5,377	-1,577	-2,828	79.3%	-
Provision for impairment on loan losses	-955	-1,658	-134	-91.9%	-86.0%
General and administrative expense	-3,848	-4,134	-4,224	2.2%	9.8%
Profit/(Loss) before tax	574	-7,370	-7,186	-2.5%	-
Income tax benefit/(expense)	-363	180	563	212.9%	-
Profit/(Loss) for the period	211	-7,190	-6,622	-7.9%	-

Basic EPS (yearly)	11.9 Ft	-433.8 Ft	-387.9 Ft	-10.6%	-
Diluted EPS (yearly)	11.9 Ft	-433.8 Ft	-387.9 Ft	-10.6%	-

	2013 Q4	2014 Q3	2014 Q4	2014 Q4 / 2014 Q3	2014 Q4 / 2013 Q4
Profit/(Loss) for the period	211	-7,190	-6,622	-7.9%	-
Change in cash-flow hedge reserve	-123	0	0	-	-
Change in fair value of financial assets available for sale	581	-68	23	-	-96.0%
FX translation reserve	-3	4	-6	-	77.9%
Deferred tax effect for other comprehensive income	-155	12	-7	-	-95.5%
Other comprehensive income/(loss) for the period net of taxes	300	-52	10	-	-96.6%
Total comprehensive income/(loss) for the period, net of income taxes	511	-7,242	-6,612	-8.7%	-

Consolidated Financial Position

(consolidated audited data as of 31 December 2013, non-audited data as of 30 September 2014 and 31 December 2014 according to IFRS)

in HUF million	Dec 31, 2013	Sep 30, 2014	Dec 31, 2014	31/12/2014/ 30/09/2014	31/12/2014/ 31/12/2013
Cash on hand	2,039	2,071	2,348	13.4%	15.2%
Due from banks & NBH	32,739	163,664	177,680	8.6%	442.7%
Securities held for trading	41,951	37,642	34,596	-8.1%	-17.5%
Financial assets available for sale	151,873	52,261	75,377	44.2%	-50.4%
Investment in associates	6,158	10,068	6,932	-31.1%	12.6%
Derivate financial assets	3,579	151	2,547	-	-28.8%
Refinanced mortgage loans	133,692	120,047	116,182	-3.2%	-13.1%
Loans and advances to consumers	358,004	366,823	357,752	-2.5%	-0.1%
Impairment and provision	-37,933	-40,379	-38,669	-4.2%	1.9%
Investment property	11,311	10,797	0	-100.0%	-100.0%
Tangible assets	5,625	7,022	6,733	-4.1%	19.7%
Goodwill and other intangible assets	11,373	10,239	8,326	-18.7%	-26.8%
Deferred tax asset	7,421	8,740	9,359	7.1%	26.1%
Other assets	9,682	10,802	10,247	-5.1%	5.8%
Total assets	737,514	759,949	769,412	1.2%	4.3%
Due to banks	116,847	43,317	43,036	-0.6%	-63.2%
Issued securities	228,851	246,824	255,344	3.5%	11.6%
Mortgage bonds	143,250	154,082	156,385	1.5%	9.2%
Bonds	85,601	92,742	98,958	6.7%	15.6%
Deposits from customers	222,501	297,664	298,762	0.4%	34.3%
Derivative financial liabilities	15,365	10,263	12,736	24.1%	-17.1%
Financial liabilities at fair value through profit or loss	61,460	35,691	36,501	2.3%	-40.6%
Finance lease liabilities	9,292	7,777	5,772	-25.8%	-37.9%
Reserve for annuity payments	2,463	2,521	0	-100.0%	-100.0%
Current tax liability	6	23	145	543.1%	-
Deferred tax liability	503	394	0	-100.0%	-100.0%
Provisions	1,141	19,005	25,203	32.6%	-
Other liabilities	3,013	5,272	3,890	-26.2%	29.1%
Total liabilities	661,443	668,751	681,390	1.9%	3.0%
Share capital	6,600	6,600	6,600	0.0%	0.0%
Share premium	1,709	1,709	1,709	0.0%	0.0%
Treasury shares	-29	-207	-207	0.0%	625.0%
Subordinated Tier 1 capital	31,749	31,749	31,749	0.0%	0.0%
Other reserves	380	252	32	-87.2%	-91.5%
Retained earnings	40,340	35,663	39,133	9.7%	-3.0%
Non-controlling interest	0	25,032	23,717	-5.3%	-
Balance sheet profit	-4,677	-9,599	-14,710	53.3%	214.5%
Total shareholders' equity	76,072	91,198	88,022	-3.5%	15.7%
Total liabilities and shareholders' equity	737,514	759,949	769,412	1.2%	4.3%

Cash Flow Statement

(consolidated audited data as of 31 December 2013 and non-audited data as of 31 December 2014 according to IFRS)

in HUF million	31 December 2013	31 December 2014
Cash flow from operating activities		
Profit/(loss) for the year	-4,664	-16,222
<i>Non cash adjustments to net profit from:</i>		
Depreciation and amortization	2,533	2,452
Extraordinary depreciation and amortisation	0	2,236
(Increase)/Decrease in fair value of Investment property	184	0
Recognition of investment property through income statement	57	-166
Provision for losses	1,554	24,798
(Gain)/Loss on tangible assets derecognized	25	52
(Gain)/Loss on intangible assets derecognized	-2	0
Capitalized interest	-840	-1,138
Fair value of derivatives	-7,054	-1,597
Fair value adjustment on financial liabilities through profit and loss	-1,448	-1,043
Change in fair value of annuity reserve	361	0
Change in foreign currency translation reserve	-2	-16
Change in minority interest	0	23,717
Change of investments in associates	0	-774
Change in leasing liabilities	0	-2,236
Operating profit before change in operating assets	-9,296	30,064
<i>Decrease/(Increase) in operating assets:</i>		
Financial assets held for trading	-34,135	7,354
Financial assets available for sale	7,347	76,358
Refinanced mortgage loans	31,298	17,510
Loans and advances to customers	14,767	1,391
Other assets	-1,380	-2,841
<i>Increase/(Decrease) in operating liabilities:</i>		
Deposits	70,295	76,261
Due to banks	24,263	-91,314
Other liabilities	-1,088	2,027
Net cash flow from operating activities	102,071	116,809
Cash flow from investing activities		
Proceeds from sales of tangible assets	6	56
Purchase of tangible and intangible assets	-696	-2,857
Purchase of investment property	-409	0
Sale of investment property	319	0
Paid from reserves on annuity business	-308	0
Goodwill on subsidiaries	-1,054	0
Net cash flow from acquisition of subsidiary	-5,254	0
Net cash flow from disposal of subsidiaries	0	12,625
Net cash flow from investing activities	-7,396	9,825
Cash flow from financing activities		
Proceed from issued securities	77,184	90,883
Principal repayment on issued securities	-174,488	-70,325
Treasury shares purchased	0	-178
Long term loans repayment	-510	-557
Long term loan borrowings	683	78
Finance lease liabilities repayment	-1,737	-1,284
Additional Tier 1 capital	2,826	0
Net cash flow from financing activity	-96,042	18,617

Name: FHB Mortgage Bank Plc.
Address: 1082 Budapest, Üllői út 48.
Sector: Financial services
Reporting period: 01.01.2014 – 31.12.2014

Telephone: (1) 452 - 9100
Fax: (1) 452 - 9200
E-mail: Lendvai.Beata@fhb.hu
Investor relations: Beáta Lendvai

in HUF million	31 December 2013	31 December 2014
Net increase in cash and cash equivalents	-1,367	145,250
Opening balance of cash and cash equivalents	36,145	34,778
Closing balance of cash and cash equivalents	34,778	180,028
Breakdown of cash and cash equivalents:		
Cash	2,039	2,348
Balances with National Bank of Hungary	11,469	158,616
Dues from banks with a maturity of less than 90 days	21,270	19,064
Closing balance of cash and cash equivalents	34,778	180,028
<i>Supplementary data</i>		
<i>Tax paid</i>	-960	-1,139
<i>Interest received</i>	65,168	56,680
<i>Interest paid</i>	-52,281	-37,326

Name: FHB Mortgage Bank Plc.
Address: 1082 Budapest, Üllői út 48.
Sector: Financial services
Reporting period: 01.01.2014 – 31.12.2014

Telephone: (1) 452 - 9100
Fax: (1) 452 - 9200
E-mail: Lendvai.Beata@fhb.hu
Investor relations: Beáta Lendvai

Statement of Shareholders' Equity

(consolidated audited data as of 1 January 2013, and 1 January 2014 and non-audited data as of 31 December 2014 according to IFRS)

in HUF million	Share Capital	Treasury Shares	Share Premium	General reserve	Share option reserve	Subordinated Tier 1 capital	Change in fair value (financial assets AFS)	Foreign currency transaction reserve	Changes due to minority interest	Retained earnings (deficit)	Shareholders' Equity
1 January 2013	6,600	-29	1,709	181	0	28,923	-216	31	0	40,341	77,540
Transfer to general reserve				13						-13	0
Profit/(Loss)										-4,664	-4,664
Other comprehensive income							372	-2			370
Subordinated Tier 1 capital						2,826					2,826
1 January 2014	6,600	-29	1,709	194	0	31,749	156	29	0	35,664	76,072
Transfer to general reserve				-194						194	0
Profit/(Loss)										-14,904	-14,904
Other comprehensive income							-138	-16			-154
Purchase/(Sale) of treasury shares		-178									-178
Changes due to minority interest									23,717		23,717
Change in non-controlling interest										3,470	3,470
31 December 2014	6,600	-207	1,709	0	0	31,749	18	13	23,717	24,424	88,022

Off-balance Sheet items – Commitments

(consolidated audited data as of 31 December 2013, non-audited data as of 30 September 2014 and 31 December 2014 according to IFRS)

in HUF million	31 December 2013	30 September 2014	31 December 2014
Guarantees	15,905	15,754	16,151
Undrawn commitments	44,517	43,423	49,940
Total	60,422	59,177	66,091

Transactions with related parties

(consolidated audited data as of 31 December 2013 and non-audited data as of 31 December 2014 according to IFRS)

in HUF million	Transactions between FHB Mortgage Bank and owners with influential share	
	31 December 2013	31 December 2014
Due from banks	0	0
Refinanced mortgage loans	0	0
Fair value of derivatives	0	0
Other assets	0	0
Total assets	0	0
Due to banks	0	0
Issued securities	0	0
Financial liabilities at fair value through profit and loss	0	0
Other liabilities	1	1
Total liabilities	1	1
	2013. december 31.	2014. december 31.
Interest income	0	0
Interest expense	0	0
Net interest income	0	0
Fees and commission income	0	0
Fees and commission expense	0	0
Net fees and commissions	0	0
Gains from securities	0	0
Net trading result	0	0
Other operating income	0	0
Other operating expense	0	0
Operating profit	0	0
Credit loss expense	0	0
General and administrative expense	-126	-64
Profit for the year	-126	-64

For the purpose of the financial statements, related parties include all the enterprises that directly or indirectly through one or more intermediaries are controlled by the reporting enterprise (this includes parents and subsidiaries) and key management personnel, including the member of the Board and Supervisory Board. For the purposes of this Report, related parties also include shareholders whose holding in the Bank exceeds 10% (VCP Finanz Holding Ltd., A64 Trustee Ltd. and from 2010 also Allianz Hungary Insurance Ltd). Related parties have the power of control over or have a significant influence in, decisions relating to the finances and operation of another enterprise. The Group enters into transactions with associated parties under market conditions.

Data forms relating to the structure of shares and the group of owners

Ownership structure, participation and voting rates (as at 31 December 2014)

(The listed series is the same as the entire share capital.)

Description of owner	Total equity ¹					
	At the beginning of actual year			End of actual period		
	% ²	% ³	Qty	%	%	Qty
Domestic institution/company	57.6%	57.7%	38,040,017	61.3%	61.6%	40,475,017
Foreign institution/company	21.7%	21.7%	14,297,742	21.7%	21.8%	14,297,742
Domestic individual	7.5%	7.5%	4,943,054	7.5%	7.5%	4,943,054
Foreign individual	0.1%	0.1%	45,045	0.1%	0.1%	45,045
Employees, senior officers	0.2%	0.2%	148,055	0.2%	0.2%	148,055
Treasury shares	0.1%	0.0%	53,601	0.4%	0.0%	253,601
Government held owner ⁴	7.2%	7.2%	4,724,833	7.3%	7.3%	4,832,225
International Development Institutions ⁵	0.0%	0.0%	0	0.0%	0.0%	0
Other	5.7%	5.7%	3,747,663	1.5%	1.6%	1,005,271
TOTAL	100.0%	100.0%	66,000,010	100.0%	100.0%	66,000,010

¹If the listed series is the same as the entire share capital, this must be indicated and no completion is required. If there are several series on the Stock Market, the ownership structure must be given for every series.

² Ownership share

³ The voting rights ensuring participation in decision making at the General Shareholder's Meeting of Issuer. If the ownership share and the voting rights are identical, only the ownership share column must be completed and submitted/disclosed, while the fact must be indicated!

⁴ E.g.: MNV Zrt, TB, local authorities, companies with 100% state ownership, etc.

⁵ E.g.: EBRD, EIB, etc.

Number of treasury shares held in the year under review

	31 December 2013		30 September 2014		31 December 2014	
FHB Mortgage Bank Plc.	53,601	0.08%	253,601	0.38%	253,601	0.38%

Owners with more than 5% ownership (as at 31 December 2014)

Name	Custodian Bank (yes/no)	Number of shares	Stake (%)
VCP Finanz Holding Ltd.	no	15,970,000	24.20%
A64 Vagyonkezelő Ltd.	no	13,181,468	19.97%
Allianz Hungária Biztosító Ltd.	no	6,856,662	10.39%
Silvermist Estate SA	no	6,318,116	9.57%
Hungarian National Asset Management Inc.	no	4,832,225	7.32%
Total		47,158,471	71.45%

On 23 January 2015, A64 Vagyonkezelő Kft. (in English: A64 Asset Management Llc.) purchased altogether 2,991,200 pieces of registered FHB ordinary shares. Consequently A64 Vagyonkezelő Kft. will own totally 16,172,668 pieces registered ordinary shares ensuring total 24,5% voting rights in the Company.

Data forms related to the organisation and operation of the issuer

Changes in the headcount of full-time staff (persons)

	End of reference period 31/12/2013	End of last quarter 30/09/2014	Current period closing 31/12/2014
Bank	172	183	181
Consolidated	774	811	812

Persons in senior positions and (strategic) employees having an influence on the operations of the Issuer (as at 31 December 2014)

Type ¹	Name	Position	Beginning of mandate	End/ termination of mandate	No. of shares held
BoD	Dr. Zoltán Spéder	Chairman	29.04.2008	29.04.2018	16,000
BoD	Gabriella Balogh	Member	30.04.2013	29.04.2018	0
BoD	Dr. Christian Riener	Member	29.04.2008	29.04.2018	8,000
BoD	Gyula Köbli	Member, CEO	21.04.2010	29.04.2018	16,000
BoD	Tamás Foltányi	Member, Deputy CEO	21.04.2010	29.04.2018	12,000
BoD	Gábor Gergő Soltész	Member, Deputy CEO	30.04.2013	29.04.2018	0
BoD	Ákos Zoltán Starcz	Member	30.04.2013	29.04.2018	0
SB	Csaba Lantos	Chairman	28.04.2009	29.04.2018	0
SB	Enikő Mártonné Uhrin	Member	21.04.2010	21.04.2015	0
SB	Tibor Kádár	Member	24.04.2013	23.04.2018	0
SB	Miklós Szabó	Member	20.04.2011	20.04.2016	2,200
TOTAL No. of shares held by management:					54,200

¹ Employee in a strategic position (SP), Member of the Board of Directors (BoD), member of the Supervisory Board (SB)

Information and disclosures in fourth quarter of 2014

Important information and disclosures issued by the FHB Group fall into the following categories:

- Events relating to Group operation (banking announcements, changes in the Rules of Operation)
- Interim management reports, annual reports
- Information in relation to mortgage bonds (offerings and repurchase, updating of the domestic and international mortgage bond issues program, value of mortgage bonds and their cover)
- Month end information about the amount of issued capital and the voting rights
- Proposals submitted to the AGM and invitation to the AGM
- Shareholders' announcements

Announcements, information and disclosures published by FHB are available at the following sites:

www.bet.hu
www.kozzetetelek.hu
www.fhb.hu