



FHB Mortgage Bank Plc.

Interim management report
for the third quarter of 2012

Budapest, 19th November, 2012

Summary consolidated figures

in HUF million	30/09/2011	30/06/2012	30/09/2012	30/09/2012 / 30/09/2011	30/09/2012 / 30/06/2012
Main balance sheet items					
Total assets	855,967	809,618	751,450	-12.2%	-7.2%
Refinanced loans	242,319	178,821	170,202	-29.8%	-4.8%
Loans (gross)	418,187	380,766	371,667	-11.1%	-2.4%
Mortgage bonds	340,936	259,862	232,789	-31.7%	-10.4%
Senior unsecured bonds	102,355	118,579	120,350	17.6%	1.5%
Customer deposits	153,690	154,651	151,314	-1.5%	-2.2%
Shareholders' equity	57,672	53,759	51,227	-11.2%	-4.7%

in HUF million	Q3 2011	Q2 2012	Q3 2012	Q3 2012 / Q3 2011	Q3 2012 / Q2 2012	1-9M 2011	1-9M 2012	1-9 2012 / 1-9 2011
Main P/L items								
Net interest income	5,706	4,804	4,244	-25.6%	-11.7%	17,415	14,661	-15.8%
<i>Net interest margin</i>	<i>2.67%</i>	<i>2.43%</i>	<i>2.16%</i>	<i>-0.51%-pt</i>	<i>-0.27%-pt</i>	<i>2.69%</i>	<i>2.50%</i>	<i>-0.19%-pt</i>
Net fees and commissions	754	628	610	-19.1%	-2.9%	1,999	2,141	7.1%
Total income (with net fees)	6,545	7,852	3,682	-43.7%	-53.1%	19,767	17,093	-13.5%
Credit loss expense	-4,825	-3,435	-2,444	-49.3%	-28.8%	-6,902	-6,867	-0.5%
Operating cost	-4,051	-4,054	-4,196	3.6%	3.5%	-13,579	-12,424	-8.5%
<i>Cost to income ratio</i>	<i>61.9%</i>	<i>51.6%</i>	<i>114.0%</i>	<i>52.06%-pt</i>	<i>62.32%-pt</i>	<i>68.7%</i>	<i>72.7%</i>	<i>3.99%-pt</i>
<i>Cost/income ratio without special banking tax</i>	<i>56.7%</i>	<i>47.4%</i>	<i>95.6%</i>	<i>38.96%-pt</i>	<i>48.24%-pt</i>	<i>61.8%</i>	<i>64.7%</i>	<i>2.91%-pt</i>
Profit before tax	-2,331	363	-2,958	26.9%	-	-714	-2,198	-
Profit after tax	-2,298	54	-2,624	14.2%	-	-1,370	-2,556	-
Profit before tax without special banking tax	-1,726	1,069	-2,252	30.4%	-	1,506	-79	-
Profit after tax without special banking tax	-1,693	760	-1,917	13.2%	-	850	-437	-
Basic EPS (HUF)	-145.9	6.5	-157.8	8.2%	-	-42.4	-51.8	22.4%
<i>Return on Assets</i>	<i>-1.08%</i>	<i>0.03%</i>	<i>-1.34%</i>	<i>-0.26%-pt</i>	<i>-1.36%-pt</i>	<i>-0.22%</i>	<i>-0.44%</i>	<i>-0.22%-pt</i>
<i>Return on Equity</i>	<i>-15.5%</i>	<i>0.4%</i>	<i>-19.9%</i>	<i>-4.37%-pt</i>	<i>-20.29%-pt</i>	<i>-3.1%</i>	<i>-6.5%</i>	<i>-3.39%-pt</i>
<i>ROAA without special banking tax</i>	<i>-0.79%</i>	<i>0.38%</i>	<i>-0.98%</i>	<i>-0.18%-pt</i>	<i>-1.36%-pt</i>	<i>0.13%</i>	<i>-0.07%</i>	<i>-0.21%-pt</i>
<i>ROAE without special banking tax</i>	<i>-11.4%</i>	<i>5.7%</i>	<i>-14.5%</i>	<i>-3.10%-pt</i>	<i>-20.23%-pt</i>	<i>1.9%</i>	<i>-1.1%</i>	<i>-3.05%-pt</i>

in HUF million	Q3 2011	Q2 2012	Q3 2012	Q3 2012 / Q3 2011	Q3 2012 / Q2 2012	1-9M 2011	1-9M 2012	1-9 2012 / 1-9 2011
Capital adequacy								
Risk weighted assets	293,363	318,610	304,325	3.7%	-4.5%	293,363	304,325	3.7%
Regulatory capital (IFRS)	39,858	58,083	56,081	40.7%	-3.4%	39,858	56,081	40.7%
<i>Capital adequacy ratio (IFRS)</i>	<i>10.7%</i>	<i>13.6%</i>	<i>13.6%</i>	<i>2.97%-pt</i>	<i>0.05%-pt</i>	<i>10.7%</i>	<i>13.6%</i>	<i>2.97%-pt</i>

Interim report on the results of FHB Group for the third quarter of 2012

This report of FHB Mortgage Bank Public Company Limited by Shares for the third quarter of 2012 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 2011, and the consolidated, non-audited figures as of 30 September 2011, 30 June 2012 and 30 September 2012. The same accounting policy and calculation methods have been applied by interim report and consolidated balance sheet and profit and loss account according to the International Financial Reporting Standards (IFRS) as of 31 December 2011.

The Group accounted the entire amount of special banking tax prescribed for 2012 pursuant to the provisions of Act LIX of 2006. The Group accepts and does not contest this amount set by law, the Group is bound to pay during the course of the year 2012 the full amount. However, in order to present the impacts of actual operation, the analysis and comparative indicators of interim reports are based on the adjusted financial statements that include special banking tax pro rata.

For the information of investors, appendix of this interim report presents the financial statements including the special banking tax for the entire business year and the financial statements that include special banking tax pro rata, as well.

I. Summary of the achievements of the past period

FHB Group's **consolidated balance sheet total** calculated according to International Financial Reporting Standards was 751.4 billion forints as of 30 September 2012, which was 12.2% and over 104 billion forints less than the end of Q3 2011 figure; and 58 billion forints, 7.2% below the previous quarter. Primarily the volume changes of securities – both among the assets and among the liabilities – generated the decline of balance sheet total, and in addition, the volume of loans also decreased as the new disbursements could not compensate the repayments.

Consolidated profit after tax for the first nine months of 2012 was 2.6 billion forints loss, net interest income amounted to 14.7 billion forints. The **average net interest margin (NIM)** was 2.50%, by 19 basis points down year-on-year.

The Group's **cost to income ratio (CIR)** was 72.7% (or 64.7% calculated without special banking tax) compared to 68.7% (or 61.8% adjusted by special banking tax) in the reference period of 2011. The decline of CIR was generated by larger decrease of incomes than the decline of the costs.

In the third quarter, the Group paid special attention to prevent further deterioration of the loan portfolio. This meant, in one hand, actions to boost lending activity, and in other hand, a more intensive collection of claims, and participation in the Government's home protection programs.

In mid-July, FHB Bank renewed its personal loan product to offer competitive consumer loan products to its clients beyond the traditional mortgage loans. The new personal loan has fixed interest rate and it is available also for debt consolidation.

FHB Group, as second player on the market, started to provide subsidised housing loans with the so called home creation interest rate subsidy in August. However, the volume of new disbursements of these loans is still low; there is a persistent interest and also the disbursement of non-subsidized housing loans increasing slightly.

Since 1 April 2012, FHB continuously collect and process the applications for the new buffer account scheme. Increasing interest is observed, by mid-November, close to 20% of entitled customers applied for the program. Volume of accepted applications (decided, contracted or disbursed) amounted to approximately 30.5 billion forints.

By the end of August, the conversion of entitled FX mortgage loans into HUF was completed. The number of converted contracts reached 440; while total receivables from the portfolio, taking part in the program, amounted to 2.7 billion forints. FHB Group realized close to 100 million forints net losses on release of receivables, at the same time considering also changes in impairment, it had no significant result. The deduction from the special banking tax related to the release of receivables will be accounted in the fourth quarter.

After legislative changes in July, the Bank re-evaluated the non-performing portfolio to record real estate collaterals suitable for offering to National Asset Management Company (NET) and started to contact to these clients through the branches and call centre, offering to NET is in progress.

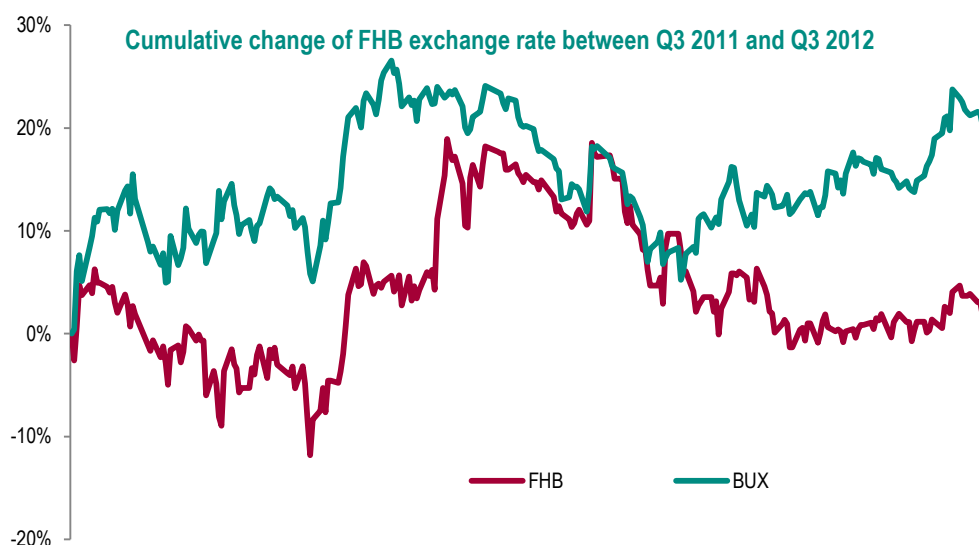
Performance of FHB shares

In terms of capitalisation, FHB is invariably 7th in the rank of "A" rate listed companies and contributes 0.70% to the aggregate capitalisation of the BSE based on 30 September 2012 data.

As of 30 September 2012, FHB's weight in the BUX index was 0.75% (6th biggest weight in the basket), and was 2nd with a weight of 12.22% in BUMIX, the index of share prices of mid- and small-cap companies.

The price of FHB Mortgage Bank's shares decreased by 6.9%, compared to Q2 and closed the third quarter at 475 forints.

The total turnover of mortgage bonds and senior bonds issued by FHB, amounted to 2.3 million forints in Q3 of 2012, decreasing by more than 151 million forints compared to Q2 2012 (during the second quarter, turnover of bonds amounted to 154 million).



II. Main activities and subsidiaries' performance

CMB issues, funding

In Europe, the main issue in the third quarter remains the support of the countries and banks with difficulties. EU Summit agreed to the 120 billion EUR growth pacts, decided to help Italy and Spain and the possibility of a common European banking supervisory is still in focus. The effects of the regulatory decisions kept the markets in constant motion. Moody's put the rating of Germany and the Netherlands under review with negative outlook as a reaction to the European debt crisis.

On 17th of July, Hungary started official negotiations with the EU and IMF on a new loan package. The continuous communication between the IMF and the Hungarian government was beneficial for the Hungarian capital markets and caused decline in government bonds' yields. The retail sale of government securities had priority; the effect of state demand is more sensible in case of retail savings. The renewal of the negotiations encouraged also foreigners to buy Hungarian government bonds; the volume of bonds in foreign hands reached almost 4,600 billion HUF.

FHB Mortgage Bank issued altogether HUF 24 billion and EUR 49 million of unsecured bonds; HUF 15 billion and EUR 50 million of subordinated bonds and close to HUF 55 billion of CMBs in the first nine months. Within that in Q3 of 2012, volume of unsecured bonds reached almost HUF 2.1 billion and CMBs issues amounted to HUF 1.5 billion HUF. In the first three quarters, total new funding was over HUF 123 billion calculated at exchange rate at issuance.

In Q3 of 2012, CMBs with a value of EUR 61.6 billion and EUR 50 million state loans matured.

Retail mortgage lending and the housing market

Retail customers' demand for loans remained very low in Q1-Q3 2012. Parallel with the loan market, the housing market, as well as housing construction have hit rock bottom. According to CSO statistics, 6,509 new homes were built in the first nine months of 2012, by 20% less than in Q1-Q3 2011; the number of new housing construction permits issued was only 7,794, 12% less compared to the 2011 data.

As of 30 September 2012, the volume of retail mortgage loans (5,843 billion forints) was down by 17.6% compared to 30 September 2011; the volume growth adjusted by exchange rate volatility was -16.4%. Volume of HUF loans (2,168 billion forints) increased by 21.3%; at the same time the FX loan portfolio shrank because of fixed rate final repayments (-29.4% y/y adjusted by the volatility of exchange rate).

Retail housing loans declined by 2.6% in Q3, change adjusted by exchange rate volatility was -0.5%. At the end of September 2012, housing loans amounted to 3,542 billion forints representing decline of 20.4% year-on-year, adjusted by exchange rate volatility -12.0%. Volume of loans denominated in HUF was 1,649 billion forints, showing a 0.5% decrease during the last quarter, while share of FX loans decreased from 65.5% to 53.4% in one year.

General-purpose mortgage loans amounted to 2,301 billion forints as of 30 September 2012; after exchange rate adjustment the portfolio shrank by 0.1% in the last three months, and by 11.3% year-on-year. HUF denominated general-purpose mortgage loans (519 billion forints) expanded by 8.3% quarter-on-quarter and by 104.4% year-on-year. As opposed, the exchange rate adjusted change in FX denominated general-purpose mortgage loans was -2.3% in Q3 of 2012 and -23.8% year-on-year.

Own lending

The volume of gross loans of FHB Group amounted to 371.7 billion forints as of 30 September 2012, by 11.1% down from the 30 September 2011 figure (418.2 billion forints). Year-on-year decline is attributed mainly to fixed rate final repayments, that couldn't have been compensated by 28.8% increase of SME loans. Compared

to 30 June 2012 (380.8 billion forints) the portfolio was down by 2.4% as a result of regular payments and FX rate changes.

Retail loans continued to dominate within the loan portfolio with a contribution of 82.5% (87.9% on 30 September 2011). As of 30 September 2012, 56.4% of outstanding loans were denominated in FX, close to level at the end Q2 of 2012, and as a result of fixed rate final repayments significantly lower than 64.7% share a year before. Loans to retail customers were by 2.8% (or 8.9 billion forints) down from the 30 June 2012 figure.

in HUF million	30/09/2011	30/06/2012	30/09/2012	30/09/2012 / 30/09/2011	30/09/2012 / 30/06/2012
Housing loans	192,759	159,650	155,112	-19.5%	-2.8%
Other mortgage loans	163,625	143,894	139,619	-14.7%	-3.0%
Consumer loans	6,243	6,967	6,826	9.3%	-2.0%
Loans for employees	2,417	1,970	1,929	-20.2%	-2.1%
Retail leasing	2,540	2,858	2,959	16.5%	3.5%
Corporate leasing	49,960	64,508	64,353	28.8%	-0.2%
Corporate loans	644	918	870	35.1%	-5.2%
Loans, gross	418,187	380,766	371,667	-11.1%	-2.4%
Impairment	-31,548	-34,321	-34,987	10.9%	1.9%
Loans, net	386,640	346,445	336,680	-12.9%	-2.8%

In terms of structure, 41.7% of the retail loan portfolio contributed by housing loans. Other mortgage loans contributed 37.6% to the loan portfolio. As of 30 September 2011, the contribution of the two dominant items was 46.1% and 39.1%, respectively. Mortgage loans extended to senior citizens (reverse mortgage) achieved 3.1 billion forints as of 30 September 2012, while volume of consumer loans amounted to 6.8 billion forints.

Volume of corporate loans rose from 50.0 billion forints as of 30 September 2011 by 28.8% year-on-year, growth over the 30 June 2012 figure was 0.2%. The corporate business represents 17.3% of the total loan portfolio, amounting 64.4 billion forints.

in HUF million	30/09/2011	30/06/2012	30/09/2012	30/09/2012 / 30/09/2011	30/09/2012 / 30/06/2012
Retail loans	367,583	315,340	306,444	-16.6%	-2.8%
Corporate loans	50,604	65,426	65,223	28.9%	-0.3%
Total own lending, gross	418,187	380,766	371,667	-11.1%	-2.4%
Refinanced loans	242,319	178,821	170,202	-29.8%	-4.8%

Refinancing

In Q3 2012, the volume of newly refinanced mortgage loans was 787 million forints. This volume is significantly lower than those of the previous quarters of 2012. (In Q1 2012: 3.7 billion forints; in Q2 2012 5.1 billion forints was the volume of newly refinanced loans.) Decline was caused mainly by refinanced redemption loans generated by the fixed rate final repayments. During the third quarter, the newly offered and refinanced mortgage loans were HUF denominated loans, no CHF and EUR loans has been offered for refinancing.

At the end of Q3 2012, volume of refinanced loans was 170.2 billion forints (in Q2 2012: 178.8 billion forints). The number of refinanced loans shrank from 60.1 thousand to 58.2 thousand units to the end of September 2012.

FHB Commercial Bank Ltd.

On 30 September 2012, gross loans of Commercial Bank were 191.9 billion forints, representing 1.8% decrease compared to the 30 September 2011 figure. Loans to corporates amounted to 65.2 billion forints at the end of the reported period with a 34.0% contribution to total loans.

The number of retail accounts managed by the Commercial Bank was over 159.4 thousand as of 30 September 2012, showing 1.7% increase year-on-year and 3.1% increase quarter-on-quarter. Number of corporate accounts rose from 5,692 pcs to 7,192 pcs in one year, with a 26.4% increase year-on-year and a 6% increase quarter-on-quarter. As of 30 September 2012, the aggregated amount of retail and corporate deposits was 2.4% below the 30 September 2011 figure and exceeded 151.2 billion forints.

FHB Annuity Ltd.

FHB Annuity Ltd. offers two kinds of products to senior customers. FHB Annuity product is sold directly by FHB Annuity Ltd. FHB Mortgage Annuity product is a reverse mortgage loan, which means the contracts being reported in the balance sheet of FHB Mortgage Bank Plc.

In the first nine month of 2012, 9 new annuity contracts were signed with a total value of 150 million forints. Since its foundation up until 30 September 2012, the Company acquired 732 annuity contracts; at the end of the reported period, after the withdrawal of 77 properties with a value of 1,037 million forints, the portfolio contained 655 contracts with 11.2 billion forints combined property value (which is the same as total value of annuity contracts).

In 2012 year to date, 11 new reverse mortgage contracts were signed. Thus the number of contracts signed grew to 663 by 30 September 2012. At the end of September, number of ceased contracts was 94, while the number of running contracts was 567.

FHB Real Estate Ltd.

The 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 and – since the end of 2011 – services related to energy certification.

Besides significantly low level of real estate transactions and lending due to the crisis, the valuation business generated 28 million forints revenue in the Q3 2012, 1 million forints above than in Q2 of 2012 and 38 million forints lower than the Q3 2011 performance. Up to 30 September 2012, the total number of valuations reached 8,609, of which 2,782 (32.3%) was Group transactions. In 2011, the total number of valuation was 8,883 (without Basel II revaluation), of which Group transactions reached 4,549 (51.2%).

The real estate brokerage business generated 29 million forints revenue up to 30 September 2012; revenue of 12 million forints in Q3 2012 was nearly the same as a quarter before (13 million HUF). Compared to the same period of 2011 (4 million forints), the increase was three times higher.

FHB Real Estate Lease Ltd.

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

As at 30 September 2012, the consolidated loan volume of FHB Real Estate Lease Ltd. reached 9.6 billion forints. In 2012, until 30 September, lease financing disbursement amounted to 953 million forints (411 million

forints in Q1 and Q2 2012, as well and 131 million forints in Q3). Leasing portfolio reached 4.0 billion forints as of 30 September 2012. The quarterly change was 1.4% increase (from 3.9 billion forints as of 30 June 2012), while the year-on-year rise was 24.4% (from 3.2 billion forints as of 30 September 2011).

Organisational changes and headcount

As of 30 September 2012, the consolidated full-time headcount was 788.7, by 15.2 persons less than the 803.9 figure as of 30 June 2012 and 8.9% below the 30 September 2011 headcount of 865.7. Headcounts of the Group members were as follows:

Divisions	30/09/2011	30/06/2012	30/09/2012	30/09/2012 / 30/09/2011	30/09/2012 / 30/06/2012
FHB Mortgage Bank Plc.	61.5	181.1	174.7	183.8%	-3.6%
FHB Commercial Bank Ltd.	498.1	597.0	589.3	18.3%	-1.3%
FHB Life Annuity Ltd.	7.6	6.6	6.6	-13.2%	-0.3%
FHB Real Estate Ltd.	8.6	9.1	8.1	-5.8%	-10.7%
FHB Real Estate Leasing Ltd.	11.0	10.1	10.1	-7.9%	-0.2%
FHB Others*	278.9	0.0	0.0	-	-
FHB Consolidated	865.7	803.9	788.7	-8.9%	-1.9%

*FHB Services Ltd. 273.6 TMD

Changes in key position

The Annual General Meeting of the Company elected Deloitte Hungary Audit and Consulting Ltd. as the auditor for 2012 (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 as responsible is Tamás Horváth (mother's name: Veronika Grósz; birth place, date: Budapest, 08/03/1969; location: 1029 Budapest, Ördögárok str. 100; chamber membership number: 003449; HFSA number: E003449).

There were no changes in key management or board positions during the reported period.

Post-balance sheet date events

According to the Act LXVI of 2012, FHB started to prepare for tasks related to the implementation of Financial Transaction Levy (FTL) introduction on 1st January 2013. FHB had been announced the related changes in fees on 31 October 2012, based on the pronounced version of the act, which considering the changes, can be modified after the acceptance of modifications of Act LXVI of 2012. The Bank – within the framework of legislation, taking into account its business concerns and competitive position – will pass on the extra costs through transaction levy.

III. Analysis of FHB Mortgage Bank Plc.'s consolidated financial statements according to IFRS

P&L structure

in HUF million	Q3 2011	Q2 2012	Q3 2012	Q3 2012/ Q3 2011	Q3 2012/ Q2 2012	1-9 M 2011	1-9 M 2012	1-9 2012/ 1-9 2011
Interest income	20,250	19,509	18,850	-6.9%	-3.4%	57,564	58,695	2.0%
Interest expense	-14,544	-14,705	-14,606	0.4%	-0.7%	-40,148	-44,034	9.7%
Net interest income	5,706	4,804	4,244	-25.6%	-11.7%	17,415	14,661	-15.8%
Fees and commissions income	914	867	883	-3.5%	1.8%	2,676	2,912	8.8%
Fees and commissions expense	-161	-240	-273	70.0%	13.9%	-677	-771	13.8%
Net fees and commissions	754	628	610	-19.1%	-2.9%	1,999	2,141	7.1%
Foreign exchange gains, net	356	-449	-554	-	23.5%	786	-2,322	-
Fair value adjustment	-935	3,396	-922	-	-	-440	2,077	-
Gain on securities, net	1,400	294	1,348	-3.7%	358.3%	2,545	3,288	29.2%
Net trading result	821	3,242	-128	-	-	2,891	3,044	5.3%
Other non-interest income	157	234	-37	-	-	789	303	-61.6%
Other non-interest expenses	-892	-1,055	-1,006	12.7%	-	-3,328	-3,056	-8.2%
o/w special banking tax	-605	-706	-706	16.8%	0.0%	-2,220	-2,119	-4.6%
Other results	-735	-821	-1,043	-	-	-2,539	-2,753	-
Total non-interest income (with net fees)	839	3,048	-561	-	-	2,351	2,432	3.4%
Net operating income	6,545	7,852	3,682	-43.7%	-53.1%	19,767	17,093	-13.5%
Provision for possible loan losses	-4,825	-3,435	-2,444	-	-	-6,902	-6,867	-0.5%
Personnel expenses	-1,201	-1,397	-1,496	24.5%	7.1%	-5,055	-4,398	-13.0%
Banking operation cost	-1,738	-1,804	-1,766	1.6%	-2.1%	-5,574	-5,313	-4.7%
Cost of business activity	-315	-95	-117	-62.9%	23.7%	-590	-343	-41.9%
Depreciation	-618	-612	-628	1.7%	2.6%	-1,820	-1,872	2.8%
Other tax payable	-179	-146	-189	5.9%	29.6%	-540	-499	-7.6%
Operating costs	-4,051	-4,054	-4,196	3.6%	3.5%	-13,579	-12,424	-8.5%
Profit before tax	-2,331	363	-2,958	-	-	-714	-2,198	-
Income taxes	33	-309	334	-	-	-656	-358	-45.4%
Profit after tax	-2,298	54	-2,624	14.2%	-	-1,370	-2,556	-
Profit after tax w/o special banking tax	-1,693	760	-1,917	13.2%	-	850	-437	-
After tax profit w/o special banking tax and provisioning for fixed-rate repayments	203	760	-1,917	-	-	2,747	-437	-

in HUF million	Q3 2011	Q2 2012	Q3 2012	Q3 2012 / Q3 2011	Q3 2012 / Q2 2012	1-9 M 2011	1-9 M 2012	1-9 2012 / 1-9 2011
<i>Basic EPS (yearly, HUF)</i>	-145.9	6.5	-157.8	-	-	-42.4	-51.8	-
<i>Diluted EPS (yearly, HUF)</i>	-145.9	6.5	-157.8	-	-	-42.4	-51.8	-
<i>Net interest margin</i>	2.67%	2.43%	2.16%	-0.51%-pt	-0.27%-pt	2.69%	2.50%	0.19%-pt
<i>ROAA</i>	-1.08%	0.03%	-1.34%	-0.26%-pt	-1.36%-pt	-0.22%	-0.44%	0.22%-pt
<i>ROAE</i>	-15.5%	0.4%	-19.9%	-4.37%-pt	-20.29%-pt	-3.1%	-6.5%	-
<i>ROAA w/o special banking tax</i>	-0.79%	0.38%	-0.98%	-0.18%-pt	-1.36%-pt	0.13%	-0.07%	0.21%-pt
<i>ROAE w/o special banking tax</i>	-11.4%	5.7%	-14.5%	-3.10%-pt	-20.23%-pt	1.9%	-1.1%	3.05%-pt

The Bank's consolidated profit after tax by IFRS amounted to 2.6 billion forints loss in the first nine months of 2012, twice the figure of H1 2011. The loss was generated in the third quarter; in Q3, the Bank reported after-tax profit of -2.6 billion forints.

Without the special banking tax, FHB Group's consolidated profit after tax by IFRS would have been -437 million forints, below the H1 2011 figure (850 million forints profit). After the corrections the quarterly data show the same picture.

Concerning the main items, both the quarterly and cumulated figures of net interest income show a decrease. In 1-3Q 2012, net fees increased by 7.1% compared to the same period of last year and results of financial

transactions also increased by 5.3%. Loss of other results grew further, while on the other hand, operating costs decreased by 8.5% year-on-year.

Net interest income

Net income from interest was 14.7 billion forints in the first three quarters of 2012, 15.8% down from the result achieved in the reference period of last year. The net figure emerged as a balance of 58.7 billion forints interest income from interest (2.0% up from the figure of reference period of 2011) and 44.0 billion forints interest expense (9.7% higher than in the same period of 2011). Net interest income was 4.2 billion forints in Q3 2012, 11.7% below the figure of Q2 2012. The net figure emerged as a balance of 18.8 billion forints interest income (3.4% down from the Q2 2012 figure) and 14.6 billion forints interest expense (0.7% better than the Q2 2012 figure).

Decline of interest income compared to Q2 2012 is due to lower interest income from decreasing loan portfolio and hereby lower state subsidy; and as one-off effect, release of accrued interest income of corporate loans defaulted in Q2 and Q3 of 2012. Interest expenses didn't change significantly quarter to quarter. Within interest expenses, due to the interest expense on secured loans from NBH the interest expense on interbank borrowings increased significantly, while interests paid after deposits and SWAPs decreased.

Distribution of interest income and expenses shows the following table:

	Q3 2011	Q2 2012	Q3 2012	Q3 2012 / Q3 2011	Q3 2012 / Q2 2012	1-9M 2011	1-9M 2012	1-9 2012 / 1-9 2011
Interest income	100.0%	100.0%	100.0%			100.0%	100.0%	
Loans	39.7%	37.3%	37.0%	-2.7%-pt	-0.3%-pt	39.8%	36.9%	-2.9%-pt
Refinancing	12.1%	10.1%	10.8%	-1.3%-pt	0.7%-pt	12.3%	10.3%	-2.0%-pt
State subsidies related to housing loans	17.1%	14.9%	15.0%	-2.2%-pt	0.1%-pt	18.6%	15.1%	-3.5%-pt
Interbank lending	7.0%	16.1%	15.9%	8.9%-pt	-0.3%-pt	7.5%	15.3%	7.9%-pt
Derivative transactions	24.0%	21.5%	21.3%	-2.7%-pt	-0.3%-pt	21.7%	22.3%	0.6%-pt
Interest expense	100.0%	100.0%	100.0%			100.0%	100.0%	
Mortgage bonds	58.4%	49.3%	48.4%	-10.0%-pt	-0.9%-pt	61.0%	51.5%	-9.5%-pt
Interbank borrowings	2.2%	11.8%	19.4%	17.2%-pt	7.5%-pt	1.5%	11.5%	10.0%-pt
Deposits	12.5%	18.0%	15.4%	2.8%-pt	-2.7%-pt	11.1%	16.7%	5.6%-pt
Derivative transactions	19.5%	17.0%	13.9%	-5.6%-pt	-3.1%-pt	18.8%	16.4%	-2.4%-pt
State loans	7.4%	2.1%	1.2%	-6.2%-pt	-0.8%-pt	7.6%	2.1%	-5.4%-pt
Other interest expense	0.0%	1.7%	1.8%	1.8%-pt	0.0%-pt	0.1%	1.7%	1.7%-pt

The average net interest margin (NIM) was 2.16% in Q3 of 2012 compared to 2.43% in Q2 of 2012 and 2.67% in Q3 of 2011. The NIM drop 27 bps compared to Q2 of 2012. As of 1-9M, net interest margin was 2.50% dropping by 19 bps year-on-year.

Net fee and commission income

In Q3 of 2012, the Bank achieved a positive balance of 609.8 million forints of income from, and expenditures on commissions and fees; 2.9% below the Q2 of 2012 achievement and 19.1% down from net fees and commissions in Q3 of 2011. Decrease came mainly from decline in fee income from mortgage loans and in accounts related charges, while card related charges increased compared to Q2 of 2012.

Income from fees and commissions in Q3 of 2012 was 191 million forints, of which 21.6% was contributed by charges related to loans (33.1% in Q2 of 2012), and 49.2% by accounts and card related banking charges (32.8% in Q2 of 2012). Commissions resulting from the strategic cooperation agreement signed with Allianz Insurance Company contributed 17.8% to income from fees and commissions in the reported quarter (after 18.0% in Q2 of 2012).

Agents' fees contributed 23.9% to the Q3 of 2012 expenditure on fees and commissions (Q2 of 2012: 43.9%); card related fees contributed 33.7% to expenditure on fees (as opposed to 36.0% in Q2 of 2012).

Net result of financial transactions

In the first three quarters of 2012, the balance of financial transactions was 3,043.7 million forints profit, which is 152.3 million forints better than in the same period of 2011. In Q3 of 2012 the balance of financial transactions was 128.4 million forints loss, with a significant decline compared to the Q2 of 2012 figure due to the quarterly change in exchange and interest rates.

Exchange rate volatility in the course of the reported quarter and the effect of short term currency swaps reduced earnings from FX transactions by 2,321.9 million forints in the first three quarters of 2012. The overall achievement is considerably worse than the 2011 reference figure (786.1 million forints profit). In Q3 of 2012 the result from FX transactions was 554.3 million forints loss (from which 793 million forints loss came from revaluation of balance sheet items due to the strengthening HUF), compared to 448.9 million forints loss in Q2 of 2012.

Changes in the fair value of securities reported at fair value against earnings was 2,077.4 million forints profit in the first three quarters of 2012, as opposed to the 439.7 million forints loss achieved in the reference period of 2011. The realised 922.0 million forints loss in Q3 due to the quarterly exchange and interest rate movements is significantly worse than the 3.4 billion profit achieved in Q2 of 2012. There was a change in the fair value of derivatives is due to the fact that the Bank introduced a new model, which one is able to calculate the hedge effectiveness from July 1, 2012.

In the first three months of 2012 securities transactions resulted in 3.3 billion forints profit. In Q3 of 2012 securities transactions resulted in 1,348.0 million forints as opposed to the 294.1 million forints achieved in Q2 of 2012.

Other operating income and expenditure

In the first nine months of 2012, the balance of other operating income and expenditure was 2,753.2 million forints expenditure, arising from 302.9 million forints income and 3,056.1 million forints expense. The balance of other operating income and expenditure was by 214.4 million forints worse than the figure achieved in the reference period of 2011. In Q3 of 2012, net operating results decreased net profit by 1,042.9 million forints, as opposed to the 821.4 million forints loss in Q2 of 2012.

In the first three quarters of 2012, real estate related revenues contributed 36.0% or 169.6 million forints to other operating income (real estate rent, evaluation). In the same period of 2011 real estate related income amounted to 227.5 million forints.

65.7% of other expenditure was contributed by the special banking tax (2,119 million forints, pro rata). Within other operating expenditures, 299 million forints was accounted for life annuity payments, and impairment of real estates amounted to 290 million forints.

Operating costs

Operating costs amounted to 12.4 billion forints in 1-9M of 2012 (4.2 billion forints in Q1 2012, 4.0 billion forints in Q2 2012, 4.2 billion HUF in Q3), which is 8.5% lower than the same period in 2011. The Q3 2012 operating cost was 3.6% above the figure of Q3 2011 and 3.5% lower than in Q2 2012. Year-on-year increase (2012 Q3 compared to 2011 Q3) appears primarily on personnel expenses (295 million forints). Business related costs were significantly lower in Q3 2012, by 198 million forints and 62.9% below the Q3 2011 figure as a result of lower business activity level.

Cost-to-income ratio (CIR) was 114.0% in Q3 of 2012 as opposed to 75.1% in Q1, 51.6% in Q2 2012, and 61.9% in Q3 2011). Adjusting special banking tax, CIR was 95.6% in Q3 of 2012, while 47.4% in Q2 66.6% in Q1 2012 and 56.7% in Q3 2011. The unfavourable change of figures is the result of smaller decrease in costs than decrease of incomes.

The contribution of personnel expenses to total operating costs was 35.6% in Q3 2012, higher than figures 34.5% in Q2 2012 and 29.7% of Q3 2011. There was a 7.1% increase in personnel expenses compared to the previous quarter's figure and 24.5% increase year-on-year. Considering the 1-9 Month of 2012, personnel expenses decreased by 13.0% year-on-year.

In Q2 2012, material costs were 0.9% lower than figure Q2 2012 figure and was 8.3% less year-n-year. The contribution of this item to total costs was 44.9% in Q3 2012 significantly lower than 50.7% in Q3 2011.

Material costs in the first 9 months of 2012 were 5.7 billion forints (1.9 billion forints in Q1, Q2 and Q3, as well). The breakdown of material costs in Q3 2012 includes 24.7% administrative and general costs, 32.1% maintenance costs, 11.9% real estate and other lease paid, 15.9% consultancy fees, 5.7% advertising and marketing costs, 2.3% insurance, 2.0% information related expenses, and 5.4% other costs.

Depreciation was 628 million forints in Q3 of 2012, by 2.6% higher than Q2 2012 and by 1.7% above the figures of Q3 of 2011. Approximately three-quarters of depreciation related to intangibles.

Other taxes paid reported in the operating costs line amounted to 189 million forints in Q3 2012, 146 million forints in Q2 2012, 163 million forints of Q1 2012, and 179 million forints in Q3 2011.

Balance Sheet

in HUF million	30/09/2011	30/06/2012	30/09/2012	30/09/2012 / 30/09/2011	30/09/2012 / 30/06/2012
Cash	2,811	2,119	2,283	-18.8%	7.8%
Due from banks & NBH	68,758	37,438	33,400	-51.4%	-10.8%
Financial assets available for sale and trading at fair value	107,290	193,411	159,256	48.4%	-17.7%
Fair value of derivative financial assets	3,063	4,462	4,085	33.4%	-8.5%
Refinanced mortgage loans	242,319	178,821	170,202	-29.8%	-4.8%
Loans and advances to consumers	418,187	380,766	371,667	-11.1%	-2.4%
Impairment and provision	-31,548	-34,321	-34,987	10.9%	1.9%
Tangible assets	6,140	6,126	6,098	-0.7%	-0.5%
Goodwill and other intangible assets	14,391	13,343	13,005	-9.6%	-2.5%
Other assets	24,554	27,451	26,440	7.7%	-3.7%
Total Assets	855,967	809,618	751,450	-12.2%	-7.2%
Liabilities total	798,295	755,859	700,223	-12.3%	-7.4%
Interbank borrowings	59,953	117,676	109,671	82.9%	-6.8%
Mortgage bonds	340,936	259,862	232,789	-31.7%	-10.4%
Bonds issued	102,355	118,579	120,350	17.6%	1.5%
Deposits	153,690	154,651	151,314	-1.5%	-2.2%
State loans	73,588	29,014	14,296	-80.6%	-50.7%
Fair value of derivatives	51,819	26,577	23,396	-54.9%	-12.0%
Leasing liability	0	10,518	10,775	-	2.4%
Reserves for annuity	2,352	2,301	2,316	-1.5%	0.7%
Other liabilities	13,602	7,138	5,294	-61.1%	-25.8%
Subordinated debt	0	29,542	30,023	-	1.6%
Shareholders' equity	57,672	53,759	51,227	-11.2%	-4.7%
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	-29	-29	0.0%	0.0%
Cash-flow hedge reserve	108	-7	72	-33.2%	-
Other reserves	768	432	444	-42.1%	2.9%
Retained earnings	50,604	44,986	44,986	-11.1%	0.0%
Balance sheet profit	-2,089	68	-2,556	22.4%	-
Total liabilities and shareholders' equity	855,967	809,618	751,450	-12.2%	-7.2%

As of 30 September 2012, the Bank's consolidated balance sheet total by IFRS amounted to 751.5 billion forints, by 58.2 billion forints, or approximately 7.2% up to 30 June 2012 and by 104.5 billion forints, or 12.2%, below the balance sheet total as of 30 September 2011.

The decline on the assets side, compared to the reference figures as of 30 September 2011, was the joint result of several factors. Interbank deposits dropped by 51.4% and refinanced loans by 29.8% that could be partly compensated by growth in securities held for sale and trading of 48.4%.

Liabilities decreased by 12.3% compared to the reference figures of 2011. Significant decrease was generated primarily by mortgage bonds (-31.7%), state loan (-80.6%) and fair value of derivatives (54.9%), meanwhile interbank borrowings increased by 82.9%.

Shareholders' equity fell by 6.4 billion forint year-on-year.

Compared to figures as of 30 June 2012, decline in interbank deposits of 10.8% and in financial assets available for trading of 17.7% had important impact on balance sheet total. On the liabilities side, 25.8% decline of other liabilities and 50.7% fall of state loan played a negative role in value of balance sheet total.

Interest earning assets

The Group's interest earning assets decreased from 836.6 billion forints as of 30 September 2011 to 734.5 billion forints as of 30 September 2012. Interest earning assets contribute approximately 97.7% to the balance sheet total.

NBH and other interbank lending decreased from 68.8 billion forints as of 30 September 2011 to 33.4 billion forints as of 30 September 2012, figures as of 30 June 2012 amounted to 37.4 billion forints. The item contributed 4.5% to interest earning assets as of 30 September 2012.

The value of Bank's securities held for sale increased from 106.4 billion forints as of 30 September 2011 to 153.2 billion forints as of 30 September 2012; while the value of securities amounted to 188 billion forints as of 30 June 2012. Contribution of securities held for sale to interest earning assets was 25.6% in Q3 2012. Securities include NBH bonds amounting to 79.9 billion forints, discount treasury bills amounting to 30.0 billion forints and government bonds amounting to 28.6 billion forints and other bank and corporate bonds for sale amounting to 14.8 billion forints. As of 30 September 2012, the Bank held a portfolio of securities held for trading (6.0 billion forints), which contributed 0.7% to interest earning assets.

Loans

As of 30 September 2012, the volume of loans was 11.1% down year-on-year and 2.4% down from the 30 June 2012 figure. Impairment to cover loan losses was up from 31.5 billion forints as of 30 September 2011 to 34.9 billion forints as of 30 September 2012. The year-on-year decline in refinanced loans was 29.8%, and there was also a 4.8% drop in this item over the last quarter. As of 30 September 2012 the contribution of refinanced loans and own lending was 73.8% in total assets.

The collateral value of real estate covering ordinary collaterals amounted to 1,007 billion forints as of 30 September 2012, 16.4% down compared to 30 September 2011 (1,205 billion forints) and 2.9% below the 30 June 2012 value (1,037 billion forints). The LTV ratio applicable for ordinary collateral was 36.2% as of 30 September 2012, lower than the 39.1% LTV as of 30 September 2011 and the 36.5% as of 30 June 2012.

Portfolio quality

The ratio of not performing loans continued increasing in the last quarter, however, the growth rate decreased compared to previous periods. NPL ratio has been growing to 19.1% by 30 September 2012 from 18.7% as of 30 June 2012. Coverage of non-performing loans is nearly 50%, almost the same level as of Q2 2012.

Other assets

Tangible assets amounted to 6.1 billion forints as of 30 September 2011 and decreased by 42 million forints year-on-year, and by 28 million forints quarter-on-quarter. As of 30 September 2012, intangibles and goodwill amounted to 13.0 billion forints, by 1,386 million forints or 9.6% down year-on-year and 338 million forints (-2.5%) below the 30 June 2012 figure.

Other assets amounted to 26.4 billion forints as of 30 September 2012, increasing by 7.7% (1.9 billion forints). Deferred tax assets reached 6.6 billion forints. Real estates displayed among inventories contributed to other assets with 23.7%, while share of deferred expenses reached 15.1%.

Interest bearing liabilities

Interest bearing liabilities dropped from 730.5 billion forints as of 30 September 2011 to 709.3 billion forints as of 30 June 2012 and to 658.4 billion forints as of 30 September 2012, representing approximately 87.6% to the balance sheet total. The majority of interest bearing liabilities was contributed by securities issued, deposits from clients and interbank borrowings grown significantly in the last quarter.

Interbank funds

As of 30 September 2012, interbank funds amounted to 109.7 billion forints, which was 6.8% below the figure of Q2 of 2012, containing also 2 years covered loan facility issued by Hungarian National Bank to stimulate corporate lending. Contribution of interbank borrowings to interest bearing liabilities was 16.7% as of 30 September 2012.

CMBs issued

The contribution of covered mortgage bonds to the Bank's interest bearing liabilities dropped to 34.3% as of 30 September 2012. The same ratio was 46.7% as of 30 September 2011. 232.8 billion forints book value of mortgage bonds as of 30 September 2012 was 31.7% down from figures of 30 September 2011 (340.9 billion forints). Decrease in the value of the CMB portfolio was 108.1 billion forints year-on-year.

in HUF million	30/09/2011		30/09/2012	
	Book value	Nominal value	Book value	Nominal value
Non-listed mortgage bonds				
Fixed	142,242	143,665	66,545	66,368
Floating	23,789	26,683	284	284
Listed mortgage bonds				
Fixed	130,756	129,807	143,658	144,737
Floating	33,993	33,995	15,188	16,781
Total	330,779	334,150	225,674	228,170
Accrued interest	10,156		7,116	
Mortgage bonds Total	340,935	334,150	232,790	228,170
Non-listed bonds				
Fixed	25,126	25,000	53,041	52,883
Floating	0	0	3,257	3,248
Subordinated loan				
Subordinated loan	0	0	29,186	29,186
Listed bonds				
Fixed	66,472	66,028	55,334	56,563
Floating	5,876	5,888	2,270	2,259
Total	97,474	96,915	143,088	144,138
Accrued interest	4,883		7,284	
Bonds Total	102,357	96,915	150,372	144,138

Mortgage bonds collateral¹

The net collateral value of real estate covering mortgage bonds issued by FHB Mortgage Bank Plc. amounted to 586.1 billion forints as of 30 September 2012 (367.1 billion forints of principal and 219.0 billion forints of

¹ Non-consolidated data of FHB Mortgage Bank Plc. only, according to HAS

interests), 20.9% less than the 740.5 billion forints as of 30 September 2011 and 2.6% below the figure of 30 June 2012 (601.9 billion forints).

The value of the group of assets involved as collateral as of 30 September 2012

Outstanding mortgage bonds in circulation			
in HUF million	30/09/2011	30/06/2012	30/09/2012
Face value	406,066	317,897	298,622
Interest	99,478	83,120	75,534
Total	505,544	401,016	347,156
Value of the regular collateral			
Principal	474,447	380,089	367,087
Interest	266,126	221,777	218,972
Total	740,543	601,866	586,059
Value of assets involved as supplementary collateral			

As of 30 September 2012, the present value of ordinary collateral was 404.8 billion forints and the present value of mortgage bonds was 330.5 billion forints, thus the present value of collateral exceeded that of CMBs in circulation not yet repaid. The combined present value of collateral to the combined value of mortgage bonds in circulation was 122.5% in the same period. As of 30 September 2012 net value of ordinary and supplementary collateral principal to the unpaid face value of mortgage bonds in circulation was 122.9%, and the net ordinary and supplementary collateral principal to the unpaid interest on mortgage bonds in circulation was 289.9%.

Bonds issued

The book value of bonds was 120.4 billion forints as of 30 September 2012, compared to 30 June 2012 (118.6 billion forints) increasing by 1.8 billion or 1.5%. The year-on-year increase was 17.6% or 18 billion forints.

Deposits

As of 30 September 2012, deposits amounted to 151.3 billion forints in contrast to 154.7 billion forints as of 30 June 2012 and 153.7 billion forints as of 30 September 2011. Year-on-year decline was attributed to activity mainly in the corporate markets (change was -15.9%). Retail deposits grew by 8.3%.

Total deposit portfolio decreased by 2.2% compared to Q2 of 2012, corporate deposits increase by 4.0%. Fall in retail deposits was 5.1% in Q3, primarily as a result of decrease in term deposits. FHB Group's consolidated deposit portfolio is dominated by retail deposits with a contribution of approximately 65.4%. Sight deposits amounted to 36.5 billion forints, representing 24.1% of deposits.

State loan received

As of 30 September 2012, 14.3 billion forints of the State loan were available for the Bank (50 million EUR), 50.7% less than 30 June 2012 (29.0 billion forints). According to the agreement, the Bank redeems the whole state loan quarterly in the same amounts till the end of 2012.

Other liabilities

Other liabilities amounted to 5.3 billion forints, within that liabilities generated in conjunction with settlements related to clients amounted to 981.7 million forints. The Bank reported accounts payable (343.6 million forints as of 30 September 2012), accruals (441.2 million forints), taxes due (1.2 billion forints) and deferred taxes (625.1 million forints).

Shareholders' equity

Within one year, shareholders' equity decreased by 11.2% to 51.2 billion forints as of 30 September 2012. The year-on-year decrease resulted from a 5.6 billion forints decrease in retained earnings. Balance sheet profit was -2.6 billion forints.

Capital position

Risk-weighted assets amounted to 304.3 billion forints on 30 September 2012 (according to HAS), 4.5% lower than RWA in Q2 2012 and 3.7% higher year-on-year. FHB Group's capital requirement amounted to 32.9 billion forints as of 30 September 2012.

At the end of Q3 of 2012, guarantee capital according to IFRS amounted to 56.1 billion forints and capital adequacy ratio by IFRS was 13.6% (10.7% and 13.6% on 30 September 2011 and 30 June 2012, respectively).

Declaration

This Interim 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 Interim 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, 19th November, 2012

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

The consolidation fully applies also to FHB Szolgáltató Zrt. (FHB Services Ltd. till 30 November, 2011), FHB Kereskedelmi Bank Zrt. (FHB Commercial Bank Ltd.), Allianz Kereskedelmi Bank Zrt. (Allianz Commercial Bank Ltd. till 31 March, 2011), FHB Ingatlan Zrt. (FHB Real Estate Ltd.) and FHB Életjáradék Ingatlanbefektető Zrt. (FHB Annuity Real Estate Investment Ltd), to FHB Ingatlanlízing Zrt. (FHB Real Estate Leasing Ltd.) and its affiliates (Central European Credit d.d.; Central European Leasing d.d.); and to "WODOMUS 54" Ingatlanfejlesztő Kft. (WODOMUS 54 Property Development Ltd.); Káry-Villa Ingatlanfejlesztő Kft (Káry-Villa Property Development Ltd.); FHB DWH Ltd. (formerly known as Portfolio Money cPlc.); Hitelunió Kft. (Creditunion Ltd.); Portfolio Money FBK Kft. (Portfolio Money FBK Ltd. till 30 September, 2011)).

Consolidated Income Statement "A"

Table includes the special banking tax for the period of reporting pro rata

(consolidated non-audited data as of 30 September 2011 and 30 September 2012 according to IFRS)

in HUF million	1-9M 2011	1-9M 2012	30/09/2012 / 30/09/2011
Interest income	57,564	58,695	2.0%
Interest expense	-40,148	-44,034	9.7%
Net interest income	17,415	14,661	-15.8%
Fee and commission income	2,676	2,912	8.8%
Fee and commission expense	-677	-771	13.8%
Net fee and commission income	1,999	2,141	7.1%
Profit/(Loss) from FX transactions	786	-2,322	-
Change in fair value of financial instruments	-440	2,077	-
Gains from securities	2,545	3,288	29.2%
Net trading result	2,891	3,044	5.3%
Other operating income	789	303	-61.6%
Other operating expense	-3,328	-3,056	-8.2%
Operating income	19,767	17,093	-13.5%
Credit loss expense	-6,902	-6,867	-0.5%
General and administrative expense	-13,579	-12,424	-8.5%
Profit/(Loss) before tax	-714	-2,198	207.8%
Income tax benefit/(expense)	-656	-358	-45.4%
Profit/(Loss) for the period	-1,370	-2,556	86.5%
Basic EPS (yearly)	-42.36 Ft	-51.82 Ft	0.22 Ft
Diluted EPS (yearly)	-42.36 Ft	-51.82 Ft	0.22 Ft

Consolidated Comprehensive Income Statement	1-9M 2011	1-9M 2012	30/09/2012 / 30/09/2011
Profit/(Loss) for the period	-1,370	-2,556	86.6%
Revaluation reserve	0	0	-
Change in cash-flow hedge reserve	9	-159	-
Change in fair value of financial assets available for sale	156	672	330.8%
FX reserve	-7	13	-
Deferred tax effect for other comprehensive income	-12	-97	708.3%
Other comprehensive income/(loss) for the period net of taxes	146	429	193.8%
Total comprehensive income/(loss) for the period, net of taxes	-1,224	-2,127	73.8%

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Consolidated Income Statement (quarterly) “A”

Table includes the special banking tax for the period of reporting pro rata

(consolidated non-audited data as of 30 September 2011, 30 June 2012 and 30 September 2012 according to IFRS)

in HUF million	3Q 2011	2Q 2012	3Q 2012	30/09/2012 / 30/06/2012	30/09/2012 / 30/09/2011
Interest income	20,250	19,509	18,850	-3.4%	-6.9%
Interest expense	-14,544	-14,705	-14,606	-0.7%	0.4%
Net interest income	5,706	4,804	4,244	-11.7%	-25.6%
Fee and commission income	914	867	883	1.8%	-3.5%
Fee and commission expense	-161	-240	-273	13.9%	70.0%
Net fee and commission income	754	628	610	-2.9%	-19.1%
Profit/(Loss) from FX transactions	356	-449	-554	23.5%	-
Change in fair value of financial instruments	-935	3,396	-922	-	-1.4%
Gains from securities	1,400	294	1,348	358.3%	-3.7%
Net trading result	821	3,242	-128	-	-
Other operating income	157	234	-37	-	-
Other operating expense	-892	-1,055	-1,006	-4.6%	12.7%
Operating income	6,545	7,852	3,682	-53.1%	-43.7%
Credit loss expense	-4,825	-3,435	-2,444	-28.8%	-49.3%
General and administrative expense	-4,051	-4,054	-4,196	3.5%	3.6%
Profit/(Loss) before tax	-2,331	363	-2,958	-	26.9%
Income tax benefit/(expense)	33	-309	334	-	924.7%
Profit/(Loss) for the period	-2,298	54	-2,624	-	14.2%

Basic EPS (yearly)	-145.85 Ft	6.50 Ft	-157.85 Ft	-	8.2%
Diluted EPS (yearly)	-145.85 Ft	6.50 Ft	-157.85 Ft	-	8.2%

Consolidated Comprehensive Income Statement	3Q 2011	2Q 2012	3Q 2012	30/09/2012 / 30/06/2012	30/09/2012 / 30/09/2011
Profit/(Loss) for the period	-2,298	54	-2,624	-	14.2%
Revaluation reserve	0	0	0	-	-
Change in cash-flow hedge reserve	220	-108	98	-	-55.5%
Change in fair value of financial assets available for sale	-58	499	-14	-	-75.9%
FX reserve	-19	6	-2	-	-89.5%
Deferred tax effect for other comprehensive income	-23	-74	-16	-78.4%	-30.4%
Other comprehensive income/(loss) for the period net of taxes	120	323	66	-79.6%	-45.0%
Total comprehensive income/(loss) for the period, net of taxes	-2,178	377	-2,558	-	17.4%

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Consolidated Income Statement “B”

Table includes the special banking tax for the entire business year

(consolidated non-audited data as of 30 September 2011 and 30 September 2012 according to IFRS)

in HUF million	1-9M 2011	1-9M 2012	30/09/2012 / 30/09/2011
Interest income	57,564	58,695	2.0%
Interest expense	-40,148	-44,034	9.7%
Net interest income	17,415	14,661	-15.8%
Fee and commission income	2,676	2,912	8.8%
Fee and commission expense	-677	-771	13.8%
Net fee and commission income	1,999	2,141	7.1%
Profit/(Loss) from FX transactions	786	-2,322	-395.4%
Change in fair value of financial instruments	-440	2,077	-572.5%
Gains from securities	2,545	3,288	29.2%
Net trading result	2,891	3,044	5.3%
Other operating income	789	303	-61.6%
Other operating expense	-3,933	-3,762	-4.3%
Operating income	19,162	16,387	-14.5%
Credit loss expense	-6,902	-6,867	-0.5%
General and administrative expense	-13,579	-12,424	-8.5%
Profit/(Loss) before tax	-1,319	-2,904	120.2%
Income tax benefit/(expense)	-576	-224	-61.1%
Profit/(Loss) for the period	-1,895	-3,128	65.1%
Basic EPS (yearly)	-52.99 Ft	-63.42 Ft	0.20 Ft
Diluted EPS (yearly)	-52.99 Ft	-63.42 Ft	0.20 Ft

Consolidated Comprehensive Income Statement	1-9M 2011	1-9M 2012	30/09/2012 / 30/09/2011
Profit/(Loss) for the period	-1,895	-3,128	165.1%
Revaluation reserve	0	0	-
Change in cash-flow hedge reserve	9	-159	-1766.7%
Change in fair value of financial assets available for sale	156	672	430.8%
FX reserve	-7	13	-185.7%
Deferred tax effect for other comprehensive income	-12	-97	808.3%
Other comprehensive income/(loss) for the period net of taxes	146	429	293.8%
Total comprehensive income/(loss) for the period, net of taxes	-1,749	-2,699	154.3%

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Consolidated Income Statement (quarterly) "B"

Table includes the special banking tax for the entire business year

(consolidated non-audited data as of 30 September 2011, 30 June 2012 and 30 September 2012 according to IFRS)

in HUF million	3Q 2011	2Q 2012	3Q 2012	30/09/2012 / 30/06/2012	30/09/2012 / 30/09/2011
Interest income	20 250	19 509	18 850	-3,4%	-6,9%
Interest expense	-14 544	-14 705	-14 606	-0,7%	0,4%
Net interest income	5 706	4 804	4 244	-11,7%	-25,6%
Fee and commission income	914	867	883	1,8%	-3,5%
Fee and commission expense	-161	-240	-273	13,9%	70,0%
Net fee and commission income	754	628	610	-2,9%	-19,1%
Profit/(Loss) from FX transactions	356	-449	-554	23,5%	-255,7%
Change in fair value of financial instruments	-935	3 396	-922	-127,1%	-1,4%
Gains from securities	1 400	294	1 348	358,3%	-3,7%
Net trading result	821	3 242	-128	-104,0%	-115,6%
Other operating income	157	234	-37	-115,8%	-123,4%
Other operating expense	-288	-349	-300	-14,0%	4,2%
Operating income	7 150	8 558	4 388	-48,7%	-38,6%
Credit loss expense	-4 825	-3 435	-2 444	-28,8%	-49,3%
General and administrative expense	-4 051	-4 054	-4 196	3,5%	3,6%
Profit/(Loss) before tax	-1 726	1 069	-2 252	-310,6%	30,4%
Income tax benefit/(expense)	-48	-443	200	-145,1%	-518,3%
Profit/(Loss) for the period	-1 774	626	-2 052	-427,8%	15,7%

Basic EPS (yearly)	-117,10 Ft	40,84 Ft	-126,17 Ft	-4,09 Ft	0,08 Ft
Diluted EPS (yearly)	-117,10 Ft	40,84 Ft	-126,17 Ft	-4,09 Ft	0,08 Ft

Consolidated Comprehensive Income Statement	3Q 2011	2Q 2012	3Q 2012	30/09/2012 / 30/06/2012	30/09/2012 / 30/09/2011
Profit/(Loss) for the period	-1 774	626	-2 052	-	15,7%
Revaluation reserve	0	0	0	-	-
Change in cash-flow hedge reserve	220	-108	98	-	-55,5%
Change in fair value of financial assets available for sale	-58	499	-14	-	-75,9%
FX reserve	-19	6	-2	-	-89,5%
Deferred tax effect for other comprehensive income	-23	-74	-16	-78,4%	-30,4%
Other comprehensive income/(loss) for the period net of taxes	120	323	66	-79,6%	-45,0%
Total comprehensive income/(loss) for the period, net of taxes	-1 654	949	-1 986	-	20,1%

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Consolidated Financial Position “A”

Table includes the special banking tax for the period of reporting pro rata

(consolidated non-audited data as at 30 September 2011, 30 June 2012, 30 September 2012 and audited data as at 31 December 2011, according to IFRS)

in HUF million	30/09/2011	31/12/2011	30/06/2012	30/09/2012	30/09/2012 / 30/06/2012	30/09/2012 / 31/12/2011	30/09/2012 / 30/09/2011
Cash	2,811	2,554	2,119	2,283	7.8%	-10.6%	-18.8%
Due from banks & NBH	68,758	65,046	37,438	33,400	-10.8%	-48.7%	-51.4%
Financial assets held for trading at fair value	876	1,832	5,456	6,036	10.6%	229.5%	-
Financial assets available for sale at fair value	106,414	85,891	187,955	153,220	-18.5%	78.4%	44.0%
Fair value of derivative financial assets	3,063	2,695	4,462	4,085	-8.5%	51.5%	33.4%
Refinanced mortgage loans	242,319	226,890	178,821	170,202	-4.8%	-25.0%	-29.8%
Loans and advances to consumers	418,187	420,260	380,766	371,667	-2.4%	-11.6%	-11.1%
Impairment and provision	-31,548	-39,033	-34,321	-34,987	1.9%	-10.4%	10.9%
Investment property	11,274	11,311	11,279	11,222	-0.5%	-0.8%	-0.5%
Tangible assets	6,140	6,299	6,126	6,098	-0.5%	-3.2%	-0.7%
Goodwill and other intangible assets	14,391	14,174	13,343	13,005	-2.5%	-8.2%	-9.6%
Deferred tax asset	3,271	6,345	6,079	6,567	8.0%	3.5%	100.8%
Other assets	10,008	11,849	10,094	8,651	-14.3%	-27.0%	-13.6%
Total assets	855,967	816,114	809,618	751,450	-7.2%	-7.9%	-12.2%
Due to banks	59,953	20,992	99,861	91,792	-8.1%	337.3%	53.1%
Issued securities	339,371	341,181	278,983	258,173	-7.5%	-24.3%	-23.9%
Mortgage bonds	290,209	290,423	212,611	190,332	-10.5%	-34.5%	-34.4%
Bonds	49,161	50,758	66,372	67,840	2.2%	33.7%	38.0%
Deposits	153,690	161,105	154,651	151,314	-2.2%	-6.1%	-1.5%
State loans	73,588	62,694	29,014	14,296	-50.7%	-77.2%	-80.6%
Derivative financial liabilities at fair value	51,819	60,511	26,577	23,396	-12.0%	-61.3%	-54.9%
Financial liabilities at fair value through profit and loss	103,920	97,342	117,274	112,844	-3.8%	15.9%	8.6%
Leasing liability	0	10,060	10,518	10,775	2.4%	7.1%	-
Reserve for annuity payments	2,352	2,265	2,301	2,316	0.7%	2.3%	-1.5%
Current tax liability	33	6	28	41	48.7%	-	25.5%
Deferred tax liability	383	710	650	625	-3.8%	-11.9%	63.3%
Provisions	354	267	193	212	9.4%	-20.8%	-40.3%
Other liabilities	12,832	5,600	6,267	4,416	-29.5%	-21.1%	-65.6%
Subordinated debt	-	-	29,542	30,023	1.6%	-	-
Total liabilities	798,295	762,733	755,859	700,223	-7.4%	-8.2%	-12.3%
Share capital	6,600	6,600	6,600	6,600	0.0%	0.0%	0.0%
Share premium	1,709	1,709	1,709	1,709	0.0%	0.0%	0.0%
Treasury shares	-29	-29	-29	-29	0.0%	0.0%	0.0%
Cash-flow hedge reserve	108	201	-7	72	-	-64.0%	-33.2%
Other reserves	768	-86	432	444	2.9%	-616.6%	-42.1%
Retained earnings	50,604	50,604	44,986	44,986	0.0%	-11.1%	-11.1%
Balance sheet profit	-2,088	-5,618	68	-2,556	-	-54.5%	22.4%
Total shareholders' equity	57,672	53,382	53,759	51,227	-4.7%	-4.0%	-11.2%
Total liabilities and shareholders' equity	855,967	816,114	809,618	751,450	-7.2%	-7.9%	-12.2%

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Investor relations: Beáta Lendvai

Consolidated Financial Position “B”

Table includes the special banking tax for the entire business year

(consolidated non-audited data as at 30 September 2011, 30 June 2012, 30 September 2012 and audited data as at 31 December 2011, according to IFRS)

in HUF million	30/09/2011	31/12/2011	30/06/2012	30/09/2012	30/09/2012 / 30/06/2012	30/09/2012 / 31/12/2011	30/09/2012 / 30/09/2011
Cash	2,811	2,554	2,119	2,283	7.8%	-10.6%	-18.8%
Due from banks & NBH	68,758	65,046	37,438	33,400	-10.8%	-48.7%	-51.4%
Financial assets held for trading at fair value	876	1,832	5,456	6,036	10.6%	229.5%	-
Financial assets available for sale at fair value	106,414	85,891	187,955	153,220	-18.5%	78.4%	44.0%
Fair value of derivative financial assets	3,063	2,695	4,462	4,085	-8.5%	51.5%	33.4%
Refinanced mortgage loans	242,319	226,890	178,821	170,202	-4.8%	-25.0%	-29.8%
Loans and advances to consumers	418,187	420,260	380,766	371,667	-2.4%	-11.6%	-11.1%
Impairment and provision	-31,548	-39,033	-34,321	-34,987	1.9%	-10.4%	10.9%
Investment property	11,274	11,311	11,279	11,222	-0.5%	-0.8%	-0.5%
Tangible assets	6,140	6,299	6,126	6,098	-0.5%	-3.2%	-0.7%
Goodwill and other intangible assets	14,391	14,174	13,343	13,005	-2.5%	-8.2%	-9.6%
Deferred tax asset	3,351	6,345	6,347	6,701	5.6%	5.6%	99.9%
Other assets	9,404	11,849	8,681	8,186	-5.7%	-30.9%	-12.9%
Total assets	855,442	816,114	808,474	751,119	-7.1%	-8.0%	-12.2%
Due to banks	59,953	20,992	99,861	91,792	-8.1%	337.3%	53.1%
Issued securities	339,371	341,181	278,983	258,173	-7.5%	-24.3%	-23.9%
Mortgage bonds	290,209	290,423	212,611	190,332	-10.5%	-34.5%	-34.4%
Bonds	49,161	50,758	66,372	67,840	2.2%	33.7%	38.0%
Deposits	153,690	161,105	154,651	151,314	-2.2%	-6.1%	-1.5%
State loans	73,588	62,694	29,014	14,296	-50.7%	-77.2%	-80.6%
Derivative financial liabilities at fair value	51,819	60,511	26,577	23,396	-12.0%	-61.3%	-54.9%
Financial liabilities at fair value through profit and loss	103,920	97,342	117,274	112,844	-3.8%	15.9%	8.6%
Leasing liability	0	10,060	10,518	10,775	2.4%	7.1%	-
Reserve for annuity payments	2,352	2,265	2,301	2,316	0.7%	2.3%	-1.5%
Current tax liability	33	6	28	41	48.7%	-	25.5%
Deferred tax liability	383	710	650	625	-3.8%	-11.9%	63.3%
Provisions	354	267	193	212	9.4%	-20.8%	-40.3%
Other liabilities	12,832	5,600	6,267	4,658	-25.7%	-16.8%	-63.7%
Subordinated debt	0		29,542	30,023			
Total liabilities	798,295	762,733	755,859	700,465	-7.3%	-8.2%	-12.3%
Share capital	6,600	6,600	6,600	6,600	0.0%	0.0%	0.0%
Share premium	1,709	1,709	1,709	1,709	0.0%	0.0%	0.0%
Treasury shares	-29	-29	-29	-29	0.0%	0.0%	-
Cash-flow hedge reserve	108	201	-7	72	-	-64.0%	-33.2%
Other reserves	768	-86	432	444	2.9%	-	-42.1%
Retained earnings	50,604	50,604	44,986	44,986	0.0%	-11.1%	-11.1%
Balance sheet profit	-2,613	-5,618	-1,077	-3,128	190.6%	-44.3%	19.7%
Total shareholders' equity	57,147	53,382	52,615	50,655	-3.7%	-5.1%	-11.4%
Total liabilities and shareholders' equity	855,442	816,114	808,474	751,119	-7.1%	-8.0%	-12.2%

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Cash Flow Statement "A"

Table includes the special banking tax for the period of reporting pro rata
(consolidated non-audited data as at 30 September 2012 and audited 31 December 2011, according to IFRS)

in HUF million	31/12/2011	30/09/2012
Cash flow from operating activities		
Profit/(loss) for the year	-5,618	-2,556
<i>Non cash adjustments to net profit from:</i>		
Depreciation and amortization	2,454	1,872
(Increase)/Decrease in fair value of Investment property	106	39
Recognition of investment property through income statement	-46	-50
Provision for losses	15,204	-4,101
(Gain)/Loss on tangible assets derecognized	1,410	-77
(Gain)/Loss on intangible assets derecognized	-2,332	79
Share option reserve	-135	-27
Share option	163	0
Derecognition of treasury shares	-1,672	-860
Capitalized interest	-831	-38,634
Fair value of derivatives	9,433	3,140
Fair value adjustment on financial liabilities through profit and loss	263	346
Change in fair value of annuity reserve	1	13
Change in foreign currency translation reserve	1,126	0
Impairment of goodwill and intangible assets	0	0
Operating profit before change in operating assets	19,526	-40,816
<i>Decrease/(Increase) in operating assets:</i>		
Financial assets held for trading	2,926	-4,204
Financial assets available for sale	17,362	-66,785
Refinanced mortgage loans	33,430	56,688
Loans and advances to customers	1,552	49,453
Other assets	-6,999	2,977
<i>Increase/(Decrease) in operating liabilities:</i>	0	
Deposits	48,365	-9,791
Due to banks	-1,149	89,326
Other liabilities	868	-1,233
Net cash flow from operating activities	115,881	75,615
Cash flow from investing activities		
Proceeds from sales of tangible assets	60	84
Purchase of tangible and intangible assets	-1,260	-587
Purchase of investment property	-10	-5
Sale of investment property	65	105
Paid from reserves on annuity business	-377	-295
Net cash flow from acquisition of subsidiary	0	0
Net cash flow from disposal of subsidiaries	-6	0
Net cash flow from investing activities	-1,528	-698
Cash flow from financing activities		
Proceed from issued securities	26,201	104,486
Principal repayment on issued securities	-94,919	-162,829
Treasury shares purchased	-69	0
Long term loans repayment	-50,168	-49,345
Long term loan borrowings	233	142
Finance lease liabilities repayment	-4,140	715
Net cash flow from financing activity	-122,862	-106,831
Net increase in cash and cash equivalents	-8,508	-31,914
Opening balance of cash and cash equivalents	76,107	67,599
Closing balance of cash and cash equivalents	67,599	35,685
Breakdown of cash and cash equivalents:		
Cash	2,554	2,283
Balances with National Bank of Hungary	8,707	6,855
Dues from banks with a maturity of less than 90 days	56,338	26,545
Closing balance of cash and cash equivalents	67,599	35,683
<i>Supplementary data</i>		
Tax paid	-1,245	-733
Interest received	76,322	76,332
Interest paid	-55,911	-53,230

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Cash Flow Statement “B”

Table includes the special banking tax for the entire business year

(consolidated non-audited data as at 30 September 2012 and audited 31 December 2011, according to IFRS)

in HUF million	31/12/2011	30/09/2012
Cash flow from operating activities		
Profit/(loss) for the year	-5,618	-3,128
<i>Non cash adjustments to net profit from:</i>		
Depreciation and amortization	2,454	1,872
(Increase)/Decrease in fair value of Investment property	106	39
Recognition of investment property through income statement	-46	-50
Provision for losses	15,204	-4,101
(Gain)/Loss on tangible assets derecognized	1,410	-77
(Gain)/Loss on intangible assets derecognized	-2,332	79
Share option reserve	-135	-27
Share option	163	0
Derecognition of treasury shares	-1,672	-860
Capitalized interest	-831	-38,634
Fair value of derivatives	9,433	3,140
Fair value adjustment on financial liabilities through profit and loss	263	346
Change in fair value of annuity reserve	1	13
Change in foreign currency translation reserve	1,126	0
Impairment of goodwill and intangible assets	0	0
Operating profit before change in operating assets	19,526	-41,388
<i>Decrease/(Increase) in operating assets:</i>		
Financial assets held for trading	2,926	-4,204
Financial assets available for sale	17,362	-66,785
Refinanced mortgage loans	33,430	56,688
Loans and advances to customers	1,552	49,453
Other assets	-6,999	3,308
<i>Increase/(Decrease) in operating liabilities:</i>		
Deposits	48,365	-9,791
Due to banks	-1,149	89,326
Other liabilities	868	-991
Net cash flow from operating activities	115,881	75,616
Cash flow from investing activities		
Proceeds from sales of tangible assets	60	84
Purchase of tangible and intangible assets	-1,260	-587
Purchase of investment property	-10	-5
Sale of investment property	65	105
Paid from reserves on annuity business	-377	-295
Net cash flow from acquisition of subsidiary	0	0
Net cash flow from disposal of subsidiaries	-6	0
Net cash flow from investing activities	-1,528	-698
Cash flow from financing activities		
Proceed from issued securities	26,201	104,486
Principal repayment on issued securities	-94,919	-162,829
Treasury shares purchased	-69	0
Long term loans repayment	-50,168	-49,345
Long term loan borrowings	233	142
Finance lease liabilities repayment	-4,140	715
Net cash flow from financing activity	-122,862	-106,831
Net increase in cash and cash equivalents	-8,508	-31,913
Opening balance of cash and cash equivalents	76,107	67,599
Closing balance of cash and cash equivalents	67,599	35,686
Breakdown of cash and cash equivalents:		
Cash	2,554	2,283
Balances with National Bank of Hungary	8,707	6,855
Dues from banks with a maturity of less than 90 days	56,338	26,545
Closing balance of cash and cash equivalents	67,599	35,683
<i>Supplementary data</i>		
Tax paid	-1,245	-733
Interest received	76,322	76,332
Interest paid	-55,911	-53,230

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Statement of Shareholders' Equity "A"

Table includes the special banking tax for the period of reporting pro rata
(consolidated non-audited data as at 30 September 2012, according to IFRS)

in HUF million	Share Capital	Treasury Shares	Share Premium	Cash-flow hedge reserve	Share option reserve	Change in fair value (financial assets AFS)	Foreign currency transaction reserve	Retained earnings (deficit)	Shareholders' Equity
1 January 2011	6,600	-123	1,709	101	241	-187	19	50,604	58,964
Transfer to general reserve									
Profit/(Loss)								-5,618	-5,618
Other comprehensive income				100		-25	1		76
Purchase/(Sale) of treasury shares		94							94
Share based payment					-161				-161
Change in share option reserve					26				26
1 January 2012	6,600	-29	1,709	201	106	-212	20	44,986	53,381
Transfer to general reserve									0
Profit/(Loss)								-2,557	-2,557
Other comprehensive income				-129		544	13		428
Purchase/(Sale) of treasury shares									0
Share based payment									0
Change in share option reserve					-26				-26
30 September 2012	6,600	-29	1,709	72	80	332	33	42,429	51,226

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Statement of Shareholders' Equity "B"

Table includes the special banking tax for the entire business year
(consolidated non-audited data as at 30 September 2012, according to IFRS)

in HUF million	Share Capital	Treasury Shares	Share Premium	Cash-flow hedge reserve	Share option reserve	Change in fair value (financial assets AFS)	Foreign currency transaction reserve	Retained earnings (deficit)	Shareholders' Equity
1 January 2011	6,600	-123	1,709	101	241	-187	19	50,604	58,964
Transfer to general reserve									0
Profit/(Loss)								-5,618	-5,618
Other comprehensive income				100		-25	1		76
Purchase/(Sale) of treasury shares		94							94
Share based payment					-161				-161
Change in share option reserve					26				26
1 January 2012	6,600	-29	1,709	201	106	-212	20	44,986	53,381
Transfer to general reserve									0
Profit/(Loss)								-3,129	-3,129
Other comprehensive income				-129		544	13		428
Purchase/(Sale) of treasury shares									0
Share based payment									0
Change in share option reserve					-26				-26
30 September 2012	6,600	-29	1,709	72	80	332	33	41,857	50,654

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Off-balance Sheet items – Commitments

(consolidated non-audited data as at 30 September 2011, 30 June 2012 and 30 September 2012 according to IFRS)

in HUF million	30/09/2011	30/06/2012	30/09/2012
Commitments			
Guarantees	819	2 301	3 563
Undrawn commitments	16 814	17 155	19 933
Total	17 633	19 456	23 496

Transactions with related parties

(consolidated non-audited data as at 30 September 2011, 30 June 2012 and 30 September 2012, according to IFRS)

in HUF million	30/09/2011	30/06/2012	30/09/2012
Due from banks	0	0	0
Refinanced mortgage loans	0	0	0
Fair value of derivatives	0	0	0
Other assets	0	0	0
Total assets	0	0	0
Due to banks	0	0	0
Issued securities	0	0	0
Financial liabilities at fair value through profit and loss	0	0	0
Other liabilities	0	0	0
Total liabilities	0	0	0
	30/09/2011	30/06/2012	30/09/2012
Interest income	0	0	0
Interest expense	0	0	0
Net interest income	0	0	0
Fees and commission income	0	0	0
Fees and commission expense	0	0	0
Net fees and commissions	0	0	0
Gains from securities	0	0	0
Net trading result	0	0	0
Other operating income	0	0	0
Other operating expense	0	0	0
Operating profit	0	0	0
Credit loss expense	0	0	0
General and administrative expense	-154	-112	-163
Profit for the year	-154	-112	-163

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.

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

Ownership structure, participation and voting rates

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

Description of owner	Total equity					
	At the beginning of actual year			End of actual period		
	% ²	% ³	Qty	%	%	Qty
Domestic institution/company	73.6%	73.6%	48,585,278	58.1%	58.2%	38,359,433
Foreign institution/company	18.5%	18.5%	12,216,058	22.1%	22.1%	14,592,973
Domestic individual	3.3%	3.4%	2,170,577	6.5%	6.5%	4,269,795
Foreign individual	0.0%	0.0%	19,884	0.0%	0.0%	26,792
Employees, senior officers	0.4%	0.4%	240,312	0.3%	0.3%	185,730
Treasury shares	0.1%	0.0%	53,601	0.1%	0.0%	53,601
Government held owner ⁴	4.1%	4.1%	2,714,300	4.1%	4.1%	2,714,300
International Development Institutions ⁵	0.0%	0.0%	0	0.0%	0.0%	0
Other	0.0%	0.0%	0	8.8%	8.8%	5,797,386
TOTAL	100.0%	100.0%	66,000,010	100.0%	100.0%	66,000,010

If 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

	01 January 2012	31 March 2012	30 June 2012	30 September 2012
FHB Mortgage Bank Plc.	53 601	53 601	53 601	53 601

Owners with more than 5% ownership (as at 30 September 2012)

Name	Custodian Bank (yes/no)	Number of shares	Stake (%)	Voting rights (%) ¹
VCP Finanz Holding Ltd.	no	15,970,000	24.20%	24.20%
A64 Vagyonkezelő Ltd.	no	10,746,468	16.28%	16.28%
Allianz Hungária Biztosító Ltd.	no	7,272,621	11.02%	11.02%
Silvermist Estate SA	no	6,316,366	9.57%	9.57%
Total		40,305,455	61.07%	61.07%

¹ Voting rights calculated according to Tpt. 61. §.

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Data forms related to the organisation and operation of the issuer

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

	End of reference period 30/09/2011	Current period opening 31/12/2011	Current period closing 30/09/2012
Bank	62	178	175
Consolidated	866	836	789

Persons in senior positions and (strategic) employees having an influence on the operations of the Issuer (as at 30 September 2012)

Type ¹	Name	Position	Beginning of mandate	End/ termination of mandate	No. of shares held
BoD	Dr. Zoltán Spéder	Chairman	29.04.2008	29.04.2013	16,000
BoD	István Somkuti	Member	29.04.2008	29.04.2013	8,000
BoD	László Harmati	Member, CEO	29.04.2008	29.04.2013	32,192
BoD	Dr. Christian Riener	Member	29.04.2008	29.04.2013	8,000
BoD	Gyula Köbli	Member, CEO	21.04.2010	29.04.2013	16,000
BoD	Tamás Foltányi	Member, Deputy CEO	21.04.2010	29.04.2013	28,000
BoD	Tamás Vojnits	Member	21.04.2010	29.04.2013	8,675
SB	Csaba Lantos	Chairman	29.04.2009	29.04.2014	0
SB	Róbert Somfai	Member	29.04.2008	29.04.2013	5,000
SB	Enikő Mártonné Uhrin	Member	21.04.2010	21.04.2015	0
SB	Ákos Starcz	Member	20.04.2011	20.04.2016	0
SB	Miklós Szabó	Member	20.04.2011	20.04.2016	2,200
TOTAL No. of shares held by management:					124,067

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

Information and disclosures in 2012

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, report FHB share transaction

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

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