

## PUBLIC OFFERING

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

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

Pursuant to the Issue Program referred above the Issuer publicly offers to issue first part of FHB Covered Mortgage Bond series FJ08NF07 and the FHB will initiate to introduce the series into the BSE.

The base of the issue: the resolution No. 29/2008. (06. March) of the Assets/Liabilities Committee.

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|-----|-----------------------------------|---|
| 1.  | Issuer:                           | FHB Mortgage Bank Co. Plc.<br><i>(FHB Jelzálogbank Nyilvánosan Működő<br/>Részvénytársaság)</i> |
| 2.  | (a) Series Number:                | 3   |
|     | (b) Tranche Number:               | 1   |
| 3.  | Aggregate Nominal Amount:         |   |
|     | (a) Series:                       | Minimum HUF 1,000,000,000   |
|     | (b) Tranche:                      | Minimum HUF 1,000,000,000   |
| 4.  | Specified Currency or Currencies: | HUF   |
| 5.  | Issue Price (per Mortgage Bond):  | 3 Month AKK as at 10 March 2008 +1,05 per cent  |
| 6.  | Specified Denominations:          | HUF 10,000,000  |
| 7.  | Number of pieces                  |   |
|     | (a) Series:                       | Minimum 100 pieces  |
|     | (b) Tranche:                      | Minimum 100 pieces  |
| 8.  | (a) Issue Date:                   | 13.03.2008  |
|     | (b) Interest Commencement Date:   | 13.03.2008  |
| 9.  | Date of Settlement                | 13.03.2008  |
| 10. | Value Date:                       | 13.03.2008  |
| 11. | Maturity Date:                    | 06.06.2008  |

12. Tenor:	13.03.2008-13.06.2008
13. Interest Basis:	Fixed Rate
14. Redemption/Payment Basis:	Redemption at the Specified Denomination
15. Change of Interest Basis or Redemption/ Payment Basis:	Not Applicable
16. Put/Call Options:	Not Applicable
17. Method of the issuance:	Public offering

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

<b>18. Fixed Rate Mortgage Bond Provisions</b>	Applicable
(a) Rate(s) of Interest:	9.50 per cent. per annum payable annually in arrear
(b) Interest Payment Date(s):	13 June 2008
(c) Fixed Coupon Amount per Mortgage Bond:	HUF 239 452 per Specified Denomination
(d) Broken Amount(s):	Not Applicable
(e) Day Count Fraction:	Actual/Actual (ICMA)
(f) Business Day Convention:	Following Business Day Convention
(g) Determination Date(s):	13.03.2008
(h) Party responsible for calculating amounts payable:	Paying Agent ING Bank Zrt. (1068 Budapest, Dózsa György út 84/b.)
(i) Compound interest:	0 per cent. or HUF 0 per Specified Denomination on 13.03.2008
(j) Other terms relating to the method of calculating interest for Fixed Rate Mortgage Bonds:	None
<b>19. Floating Rate Mortgage Bond Provisions</b>	Not Applicable
<b>20. Zero Coupon Mortgage Bond Provisions</b>	Not Applicable
<b>21. Index Linked Interest Mortgage Bond Provisions</b>	Not Applicable

## PROVISIONS RELATING TO REDEMPTION

- |     |  |                                       |
|-----|--|---------------------------------------|
| 22. | Issuer Call:   | Not Applicable                        |
| 23. | Investor Put:  | Not Applicable                        |
| 24. | Final Redemption Amount:   | HUF 10,000 per Specified Denomination |
| 25. | Early Redemption Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 5(c)): | Condition 5(c) is applicable          |

## GENERAL PROVISIONS APPLICABLE TO THE MORTGAGE BONDS

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|-----|--|---|
| 26. | The type of the Covered Mortgage Bonds:  | Registered Covered Mortgage Bonds                         |
| 27. | Details relating to the appearance of Mortgage Bonds:  | Dematerialised Covered Mortgage Bonds and the Deed        |
| 28. | Representation of the Covered Mortgage Bonds Holders:  | Non   |
| 29. | Planned dates of the issuance of new tranches:   | According to the decision of the Issuer's Asset/Liability |
| 30. | Additional Financial Centre(s) or other special provisions relating to Payment Dates:  | Not Applicable  |
| 31. | Details relating to Partly Paid Mortgage Bonds: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Mortgage Bonds and interest due on late payment: | Not Applicable  |
| 32. | Change of denomination   | Not Applicable  |
| 33. | Other final terms:   | Not Applicable  |

## DISTRIBUTION

MKB Bank Zrt. 1056 Budapest, Váci utca 38.

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|-----|-----------------------------------|---------------------------------------|
| 34. | If syndicated, names of Managers: |                                       |
| 35. | Stabilising Manager (if any):     | Not Applicable<br>Not Applicable      |
| 36. | Market Makers:                    |                                       |
| 37. | Methods of public issuance:       | subscription                          |
| (i) | Date of subscription:             | 10.03.2008 15:00-12.03.2008 15:00 CET |

(ii) Place of subscription:	MKB Bank Zrt. 1056 Budapest, Váci utca 38.
(iii) Manager:	MKB Bank Zrt. 1056 Budapest, Váci utca 38.
(iv) Upper limit:	The Issuer may accept over subscription
(v) Lower limit:	Not applicable. If the Covered Mortgage Bonds offered by the Issuer for sale are not purchased because no appropriate purchase price is received on the above mentioned accounts, the Issuer might decide not to issue any bonds. The mode of refunding will be discussed under the heading 'Refunding'.
(vi) Issue price:	See point 5.
(vii) Method and date of allocation:	Pursuant to the point 5. (Allocation) of the section III.6 (Rules of the subscription) according to subscription ration of he Base Prospectus of the Issue Program 2007-2008, on 12.0.2008.
(viii) Date and place of the allocation:	13.03.2008. 12:00 CET BSE
38. Place of the issuance:	Hungary
39. Potential investors:	Hungarian and foreigner retail and institutional investors
40. Additional selling restrictions:	Not Applicable

#### **PROCEDURE**

41. Clearing and Settlement:	KELER Zrt. 1075 Budapest, Asbóth u. 9-11.
42. Any clearing system(s) other than KELER and the relevant identification number(s):	Not Applicable
43. Delivery:	DVP
44. Effectuation:	Hungary
45. Crediting:	On security accounts
46. Other paying Agent(s):	Not Applicable
47. Isolated deposit accounts of the Managers:	MKB Bank Zrt. 10300002-20191196-70383285
48. Disbursements, place of payments:	Pursuant to the point 4. (Disbursements) of the section III.3 (Terms and conditions of the covered mortgage bonds) of he Base Prospectus of the Issue Program 2007-2008.
49. ISIN code:	HU0000652078
50. Ticker code:	FJ08NF07
51. Other:	Not Applicable

## GENERAL INFORMATION

52. Use of Proceeds: The Bank uses the proceeds for the sources of mortgage lending and for the financing of the Bank Group led by the Issuer.
53. Market making: Managers (see above) during one year period after the issuance.
54. Notices, place of disclosure of information The Public Offering, the Final Terms, the Base Prospectus, an all ordinary and extraordinary notices to Investors with respect to the Covered Mortgage Bonds issued through a public issue shall be published on the website of the Issuer ([www.fhb.hu](http://www.fhb.hu)), of the HFSA ([www.kozzetetelek.hu](http://www.kozzetetelek.hu)) and of the BSE ([www.bse.hu](http://www.bse.hu)). The Issuer does its best to pass all the necessary information to the broadest possible publicity in the shortest possible period of time.
55. Notes: The Public Offering, the Final Terms, the Base Prospectus, an all ordinary and extraordinary notices to Investors with respect to the Covered Mortgage Bonds issued through a public issue shall be published on the website of the Issuer ([www.fhb.hu](http://www.fhb.hu)), of the HFSA ([www.kozzetetelek.hu](http://www.kozzetetelek.hu)) and of the BSE ([www.bse.hu](http://www.bse.hu)). The Issuer does its best to pass all the necessary information to the broadest possible publicity in the shortest possible period of time.
56. Governing law: Hungarian law

## OTHER CONDITIONS

57. Listing and admission to trading application:
- (a) Listing: The Issuer will initiate the listing of the series on the BSE
- (b) Listing Agent: Not applicable
- (c) Decision on listing: Resolution 29/2008 (06.03.2008) of the Issuer's Asset/Liability Committee
58. Rating: The Issuer's rating: Baa3 (Moody's)  
The Covered Mortgage Bonds' rating: Aa2 (Moody's)
59. Licence:  
The number and date of the license granted by the Hungarian Financial Supervisory Authority (HFSA) to publish the Base Prospectus of the Issue Program and the disclosure of the public issue: E-III./10.355/2008. 29. January 2008.  
The base of the issue of the series FJ11NF02: the resolution No. 29/2008. (06. March) of the Assets/Liabilities Committee.
60. Interest of the natural and legal entities taking part in the issuance: None

61. Cost of the issuance:

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

62. Yield:

The yield is calculable on the issue price basis

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Mortgage Bonds described herein pursuant to the HUF 200,000,000,000 Mortgage Bond and Note Program (2007-2008) of FHB Mortgage Bank Co. Plc. (*FHB Jelzálogbank Nyilvánosan Működő Részvénytársaság*).

The date of the Statement of the Property Supervisor: 13.03.2008

Selling points:

MKB Bank Zrt. 1056 Budapest, Váci utca 38.

Budapest, 07.03.2008.

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Dániel Gyuris  
CEO

FHB Jelzálogbank Nyrt.  
Issuer

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János Szuda  
Managing Director