

PUBLIC OFFERING

The FHB Mortgage Bank Co. Plc's (registration number: 01-10-043638, date of registration: 18 March 1998, head office: 1082 Budapest, Üllői út 48.) (hereafter: "Issuer", FHB Nyrt." or "Bank") Board of Directors has a regulation No. 106/2010. (15. December) to launch its Issue Program 2011-2012 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. 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: KE-III-59/2011. 09. February 2011.

Pursuant to the Issue Program referred above the Issuer publicly offers to issue [first](#) part of FHB Senior unsecured Bond series [FK13NS01](#).

The base of the issue: the resolution No. [67/2011. \(13. April \)](#) of the Assets/Liabilities Committee.

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| 1. | Issuer: | FHB Mortgage Bank Co. Plc.
(<i>FHB Jelzálogbank Nyilvánosan Működő
Részvénytársaság</i>) |
| 2. | (a) Series Number: | 3 |
| | (b) Tranche Number: | 1 |
| 3. | Aggregate Nominal Amount: | |
| | (a) Series: | Minimum HUF 100,000,000 |
| | (b) Tranche: | Minimum HUF 100,000,000 |
| 4. | Specified Currency or Currencies: | HUF |
| 5. | Issue Price (per Bond): | 100% per specified denomination |
| 6. | Specified Denominations: | HUF 10,000 |
| 7. | Number of pieces | |
| | (a) Series: | Minimum 10,000 pieces |
| | (b) Tranche: | Minimum 10,000 pieces |
| 8. | (a) Issue Date: | 21.04.2011 |
| | (b) Interest Commencement Date: | 27.04.2011 |
| 9. | Date of Settlement | 27.04.2011 |
| 10. | Value Date: | 27.04.2011 |

11. Maturity Date:	29.04.2013
12. Tenor:	27.04.2011-29.04.2013
13. Interest Basis:	Variable Rate
14. Redemption/Payment Basis:	Redemption at the Specified Denomination
15. Change of Interest Basis or Redemption/ Payment Basis:	Not Applicable
16. Put/Call Options:	Not Applicable
17. Method of the issuance:	Public offering

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

18. Fixed Rate Bond Provisions	Not Applicable
19. Floating Rate Bond Provisions	Applicable
(a) Specified Period(s)/Specified Interest Payment Dates:	First main interest period: 27.04.2011.-29.07.2011 First interest payment day: 29.07.2011. First coupon for the first period: 8,08% annually, 206,00 HUF per 10.000 HUF specified denomination. Second main interest period: 29.07.2011- 29.04.2013. The interest payment days of the second main interest period: 29.10.2011, 29.01.2012, 29.04.2012, 29.07.2012, 29.10.2012, 29.01.2013, 29.04.2013 (quarterly).
(b) Business Day Convention:	Following Business Day Convention
(c) Additional Business Centre(s):	Not Applicable

(d) Manner in which the Rate of Interest and Interest Amount is to be determined: In the **first main interest period** the applicable coupon rate is **8,08% annually, 206,00 HUF per 10.000 HUF** specified denomination.

Regarding the **second main interest period**, it contains 7 sub-period quarterly. These are the following:

sub-period	Observation period	int.payment*
1.	2011.07.29-2011.11.01	2011.11.02.
2.	2011.11.02-2012.01.29.	2012.01.30.
3.	2012.01.30-2012.04.29.	2012.04.30.
4.	2012.04.30-2012.07.29.	2012.07.30.
5.	2012.07.30-2012.10.28.	2012.10.29.
6.	2012.10.29-2013.01.28.	2013.01.29.
7.	2013.01.29-2013.04.28.	2013.04.29.

* According to the Following Business Day Convention see above (2) point

In the second main interest period the coupon rate in each sub-period is **maximum 10.01% annually**. In order to calculate the coupon rate, 2 barriers are defined which affect the coupon rate.

The barrier: EURHUF 255-285 fixed for the whole maturity.

In the second main interest period the **method of the calculation of the coupon rate** is the following:

- In case the rate in the sub-period (EUR/HUF ECB fixing) is within (or equal to) the barrier on the given observation day, on that given day the applicable coupon is 10,01%/365 (payable quarterly) The accrued interest will not be capitalized.

- Those days when the rate moves from the barrier the coupon applicable is 0%.

The method of the calculation of the interest payable in each sub-periods is: the calculated coupon rate* Specified Denomination (rounded to HUF).

In case there is not ECB fixing available on one given day, the previous fixing is applicable.

(e) Party responsible for calculating the Rate of Interest and Interest Amount: Agent ING Bank N.V. Magyarországi Fióktelepe (1068 Budapest, Dózsa György út. 84/b)

(f) Screen Rate Determination: Not Applicable

(g) ISDA Determination: Not Applicable

(h) Other Determination Applicable

- Reference:	EUR/HUF spot rate published by European Central Bank (ECB). Daily fixing rate published on REUTERS page ECB37, Frankfurt time: 14:15
- Interest Determination Date(s):	Applicable coupon rate is 8,08% annually for the first main interest period, 206,00 HUF per 10.000 HUF specified denomination. The applicable coupon rate for the each sub-period of the second main interest period is to be fixed on the last working day of the observation period of the given sub-period and will be published on the interest payment day.
- Interest calculation method	The coupon rate is determined for the first main period: 206,00 HUF per 10.000 HUF specified denomination. For the second main period the method of the fixing is seen under the section "Manner in which the Rate of Interest and Interest Amount is to be determined" the calculated coupon rate*special denomination
- Screen Rate Determination:	REUTERS page ECB37, Frankfurt time 14:15
(i) Margin(s):	Not Applicable
(j) Minimum Rate of Interest:	Not Applicable
(k) Maximum Rate of Interest:	Not Applicable
(l) Day Count Fraction:	For the first main interest period: Actual/365 For the second main interest period: for the given sub-period the accrued interest used in the market transaction will be calculated according to the section "Manner in which the Rate of Interest and Interest Amount is to be determined". At the date of the transaction the accrued interest will not be taken into consideration.
(m) Fallback provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Mortgage Notes, if different from those set out in the Conditions:	Not Applicable
20. Zero Coupon Bond Provisions	Not Applicable
21. Index Linked Interest Bond Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

22. Issuer Call:	Not Applicable
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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 BONDS

26.	The type of the Bonds:	Registered Bonds
27.	Details relating to the appearance of Bonds:	Dematerialised Bonds and the Deed
28.	Representation of the Covered Bonds Holders:	Non
29.	Planned dates of the issuance of new tranches:	According to the decision of the Issuer's Asset/Liability Committee
30.	Additional Financial Centre(s) or other special provisions relating to Payment Dates:	Not Applicable
31.	Change of denomination	Not Applicable
32.	Other final terms:	Not Applicable

DISTRIBUTION

33.	If syndicated, names of Managers:	FHB Bank 1082 Budapest, Üllői út 48.
34.	Stabilising Manager (if any):	Not Applicable
35.	Market Makers:	FHB Bank 1082 Budapest, Üllői út 48.
36.	Methods of public issuance:	Subscription
	(i) Date of Description:	21.04.2011 10:00-26.04.2011. 11:00 CET
	(ii) Place of Description:	FHB Bank 1082 Budapest, Üllői út 48.
	(iii) Manager:	FHB Bank 1082 Budapest, Üllői út 48.
	(iv) Upper limit:	Not applicable

(v) Lower limit:	Not applicable. If the Notes offered by the Issuer for sale are not purchased because no appropriate purchase price is received on the above mentioned accounts, the Issuer might decide not to issue any notes. The mode of refunding will be discussed under the heading 'Refunding'.
(vi) Issue price:	100% per Specified Denomination
(vii) Method and date of allocation:	Pursuant to the section III.6 (Rules of the Subscription) of the Base Prospectus of the Issue Program 2011-2012, on 26.04.2011 .
(viii) The ratio of the non competitive bids and the total bids:	Not Applicable
(ix) Date and place of the allocation:	26.04.2011 . on the obligatory websites
37. Place of the issuance:	Hungary
38. Potential investors:	Hungarian and foreigner retail and institutional investors, limited partnerships
39. Additional selling restrictions:	Not Applicable

PROCEDURE

40. Clearing and Settlement:	KELER Zrt. 1075 Budapest, Asbóth u. 9-11.
41. Any clearing system(s) other than KELER and the relevant identification number(s):	Not Applicable
42. Delivery:	DVP
43. Effectuation:	Hungary
44. Crediting:	On security accounts
45. Other paying Agent(s):	Not Applicable
46. Isolated deposit accounts of the Managers:	FHB Bank: 18200009-09000001-82010085 The Issuer: FHB: 16801680-09901702
47. Disbursements, place of payments:	Pursuant to the point 4. (Disbursements) of the section III.3 (Terms and conditions of the notes) of the Base Prospectus of the Issue Program 2011-2012.
48. ISIN code:	HU0000347604
49. Ticker code:	FK13NS01
50. Other:	FHB Forte Broadband Bond 2

GENERAL INFORMATION

51. Use of Proceeds:	The Bank uses the proceeds for the sources of
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mortgage lending.

52. Market making:

Not Applicable

53. Notices, place of disclosure of information

The Public Offering, the Final Terms, the Base Prospectus, an all ordinary and extraordinary notices to Investors with respect to the Notes issued through a public issue shall be published on the website of the Issuer (www.fhb.hu), of the HFSA (www.kozzetetelek.hu) and of the BSE (www.bse.hu). Pursuant to the Decree of Ministry of Finance No. 24/2008 (VIII. 15) the Issuer publishes the regulated information at homepages of the media called Portfolio. The hard copies of the Base Prospectus are available at the selling points.

54. Notes:

The Public Offering, the Final Terms, the Base Prospectus, an all ordinary and extraordinary notices to Investors with respect to the Notes issued through a public issue shall be published on the website of the Issuer (www.fhb.hu), of the HFSA (www.kozzetetelek.hu) and of the BSE (www.bse.hu). Pursuant to the Decree of Ministry of Finance No. 24/2008 (VIII. 15) the Issuer publishes the regulated information at homepages of the media called Portfolio.

55. Governing law:

Hungarian law

OTHER CONDITIONS

56. Listing and admission to trading application:

(a) Listing:

Not applicable

(b) Listing Agent:

Not applicable

(c) Decision on listing:

Not applicable

57. Rating:

The Issuer's rating: Ba1 (Moody's)

58. 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: KE-III-59/2011. 09. February 2011.

The base of the issue of the series FK13NS01: the resolution No. 67/2011. (13. April) of the Assets/Liabilities Committee.

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

60. Cost of the issuance:

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

61. Yield:

Not applicable

The yield is calculable on the issue price basis

These Final Terms comprise the final terms required to have admitted to trading the issue of Bonds described herein pursuant to the HUF 200,000,000,000 Mortgage Bond and Note Program (2011-2012) of FHB Mortgage Bank Co. Plc. (*FHB Jelzálogbank Nyilvánosan Működő Részvénytársaság*).

Selling points:
FHB Bank 1082 Budapest, Üllői út 48.

Budapest, 20.04.2011.

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Szuda János
Managing Director

FHB Jelzálogbank Nyrt.
Issuer

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Bozzai Rita
Director