



**Takarék Mortgage Bank Co. Plc.' Public Offering of the 5th tap of the FJ28NF01 mortgage bond series to be issued under the Issuer's 2020-2021 Covered Bond and Senior Unsecured Bond Issuance Programme**

Pursuant to the regulation of Board of Directors No. 45/2019. (28 November 2020) of the TakaréK Mortgage Bank Co. Plc's (registration number: 01-10-043638, date of registration: 18 March 1998, head office: 1117 Budapest Magyar Tudósok körútja 9. G. épület, LEI-code: 5299007F4BUUY6S14E44) (hereafter: "Issuer", or "Bank") and to the approval of Board of Directors of the Bank of Hungarian Savings Cooperatives Co. Ltd. (head office: 1122 Budapest, 1122 Budapest, Pethényi köz 10.), and to the Statement as of 15 January 2020 the Issuer launched its Issue Program 2012-2021 with a HUF 200 billion total nominal value for the issuance of Hungarian Covered Mortgage Bonds (jelzáloglevelek) and Notes. Within the frameworks of the aforementioned Issue Program the Issuer plans to issue different registered covered mortgage bonds' and bond series in different tranches. The Issuer at its own discretion may introduce the series into the Budapest Stock Exchange. The Issuer publishes its Base Prospectus on the website of its own and of the BSE the hard copies are available at the selling places.

The number and date of the license granted by the National Bank of Hungary (NBH) to the Base Prospectus of the Issue Program: H-KE-III-143/2020 9 March 2020.

Pursuant to the Issue Program referred above the Issuer publicly offers to issue on 22 May 2020 the fifth tap of TakaréK Covered Mortgage Bond series FJ28NF01 and TakaréK Mortgage Bank will initiate to introduce the series into the BSE. The basis of the issue: the resolution No 39/2020 (15 June 2020) of the Assets/Liabilities Committee.

This document is the Final Terms of the covered mortgage bond series detailed below. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the covered mortgage bonds set forth in the Base Prospectus dated 9 March 2020 (Base Prospectus). This document had been prepared in line with the application of the Regulation (EU) 2017/1129 of the European Parliament and the Council (Prospectus Directive) on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing the Directive 2003/71/EC and in order to get all the relevant information it must be interpreted in conjunction with the Base Prospectus and its Supplements. This Final Terms must be read together with the Base Prospectus. Pursuant to the Article 21 of the Prospectus Directive the Base Prospectus and its Supplements are available on the websites of the Issuer (<http://en.takarekjb.hu>) of the Budapest Stock Exchange (<http://www.bet.hu>), and the NBH (<http://kozvetetelek.mnb.hu/>).

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|-----|-----------------------------------|--|
| 1.  | Issuer:                           | Takarék Mortgage Bank Co. Plc.<br>(Takarék Jelzálogbank Nyilvánosan Működő Részvénytársaság) 1117 Budapest Magyar Tudósok körútja 9. G. épület   |
| 2.  | (a) Series Number:                | 4 (Under Issue Program 2018-2019)  |
|     | (b) Tranche Number:               | 5  |
| 3.  | Offered volume:                   | HUF 9,000,000,000<br>The Issuer reserves the right to deviate +/- 50% from the quantity announced or to declare the auction unsuccessful depending on the bids received. In case of an unsuccessful auction, the total amount of bids will be refused. |
| 4.  | Aggregate Nominal Amount:         |  |
|     | (a) Series:                       | Maximum HUF 13,500,000,000   |
|     | (b) Tranche:                      | Minimum HUF 4,500,000,000  |
| 5.  | Specified Currency or Currencies: | HUF  |
| 6.  | Issue Price (per Mortgage Bond):  | Not Applicable   |
| 7.  | Specified Denominations:          | HUF 10,000   |
| 8.  | Number of pieces                  |  |
|     | (a) Series:                       | Maximum 1.350,000 pieces   |
|     | (b) Tranche:                      | Minimum 450,000 pieces   |
| 9.  | (a) Issue Date:                   | 22.06.2020   |
|     | (b) Interest Commencement Date:   | 28.03.2018   |
| 10. | Date of Settlement                | 24.06.2020   |
| 11. | Value Date:                       | 24.06.2020   |
| 12. | Maturity Date:                    | 22.10.2028   |

13. Tenor:	28.03.2018-22.10.2028
14. Interest Basis:	Fix interest rate
15 Redemption/Payment Basis:	Redemption at the Specified Denomination
16 Change of Interest Basis or Redemption/ Payment Basis:	Not Applicable
17.Put/Call Options:	Not Applicable
18.Method of the issuance:	Public offering

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

<b>19.Fixed Rate Mortgage Bond Provisions</b>	Applicable
(i) Rate(s) of Interest:	2.60 per cent. per annum payable annually in arrear
(ii) Interest Payment Date(s):	22 October in each year up to and including the Maturity Date. On 22 October 2018 HUF 148 per Specified Denomination
(iii) Fixed Coupon Amount per Mortgage Bond:	HUF 260 per Specified Denomination
(iv) Broken Amount(s):	Not Applicable
(v) Day Count Fraction:	Actual/Actual (ICMA)
(vi) Business Day Convention:	Following Business Day Convention
(vii) Determination Date(s):	22 October in each year thereafter
(viii) Party responsible for calculating amounts payable:	Paying Agent MTB Magyar Takarékszövetkezeti Bank Zrt. (1122 Budapest Pethényi köz 10.)
(ix) Compound interest:	1.7475 per cent on 24.06.2020
(x) Other terms relating to the method of calculating interest for Fixed Rate Mortgage Bonds:	None
(xi) Gross yield	Not Applicable
<b>20 Floating Rate Mortgage Bond Provisions</b>	Not Applicable
<b>21. Zero Coupon Mortgage Bond Provisions</b>	Not Applicable
<b>22. Index Linked Interest Mortgage Bond Provisions</b>	Not Applicable

#### PROVISIONS RELATING TO REDEMPTION

23. Issuer Call:	Not Applicable
24. Investor Put:	Not Applicable
25. Final Redemption Amount:	HUF 10,000 per Specified Denomination
26. 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(d)):	Condition 5(d) is applicable

#### GENERAL PROVISIONS APPLICABLE TO THE MORTGAGE BONDS

27. The type of the Covered Mortgage Bonds:	Registered Covered Mortgage Bonds
28. Details relating to the appearance of Mortgage Bonds:	Dematerialised Covered Mortgage Bonds and the Deed
29. Representation of the Covered Mortgage Bonds Holders:	None
30. Planned dates of the issuance of new tranches:	According to the decision of the Issuer's Asset/Liability Committee
31. Additional Financial Centre(s) or other special provisions relating to Payment Dates:	Not Applicable

32. 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
33. Change of denomination: Not Applicable
34. Other final terms: Not Applicable

#### DISTRIBUTION

35. If syndicated, names of Managers: Concorde Értékpapír Zrt. 1123 Budapest, Alkotás u. 55-61., ING Bank N.V.Magyarországi fióktelepe 1068 Budapest, Dózsa György út 84/b.  
MKB Bank Nyrt. 1056 Budapest, Váci utca 38.,  
MTB Magyar Takarékszövetkezeti Bank Zrt. 1122 Budapest, Pethényi köz 10.
36. Stabilising Manager (if any): Not Applicable
37. Market Makers (best effort/binding)  
  
Concorde Értékpapír Zrt. 1123 Budapest, Alkotás u. 55-61., (best effort)  
  
ING Bank N.V.Magyarországi fióktelepe 1068 Budapest, Dózsa György út 84/b.(best effort)  
MKB Bank Nyrt. 1056 Budapest, Váci utca 38., (best effort)  
MTB Magyar Takarékszövetkezeti Bank Zrt. 1122 Budapest, Pethényi köz 10. (binding)
38. Methods of public issuance: Auction
- (i) Date of auction/ Subscription: 22.06.2020 10:00 - 11:00 CET (competitive section: 10:00-10:50; non-competitive section 10:50-11:00)
- (ii) Place of auction/ Subscription: Budapest Stock Exchange
- (iii) Manager: MTB Magyar Takarékszövetkezeti Bank Zrt. 1122 Budapest, Pethényi köz 10  
Not applicable
- (iv) Upper limit:  
(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) Auction limit/ Subscription price: Not applicable
- (vii) Auction bid / subscription lower and/or upper limit: Not applicable
- (viii) Method and date of allocation: Pursuant to the point (Allocation) of the section IV.5.2 (Rules of the auctions) 5.2.1.6 Allocation sub-point of the Base Prospectus of the Issue Program 2020-2021, on 22.06.2020.
- (ix) The ratio of the non competitive bids and total bids 30%
- (x) The ratio of the non competitive bids and the competitive bids by members of BSE sections: 30%
- (xi) Date and place of the allocation: 22.06.2020 12:30 CET at the websites indicated in the point Notes (57.)
39. Place of the issuance: Hungary
40. Potential investors: Resident and non-resident natural persons and institutional investors, limited partnerships
41. Pre-emption right: None
42. Additional selling restrictions: Not Applicable

#### PROCEDURE

43. Clearing and Settlement:	KELER Zrt. 1074 Budapest, Rákóczi út 70-72.
44. Any clearing system(s) other than KELER and the relevant identification number(s):	Not Applicable
45. Delivery:	DVP
46. Effectuation:	Hungary
47. Crediting:	On security accounts
48. Other paying Agent(s):	Not Applicable
49. Isolated deposit accounts and fax numbers, and e-mail address of the Managers:	Concorde Értékpapír Zrt. 14400018-12281248-10060012 fax: 36-1-4892201 e-mail: <a href="mailto:a.vidovszky@con.hu">a.vidovszky@con.hu</a> ING Bank N.V. Magyarországi fióktelepe 13700016-00532547-00000000 email: <a href="mailto:mihaly.bokor@ing.com">mihaly.bokor@ing.com</a> MKB Bank Nyrt. 10300002-20191196-70383285, fax. 36-1-2687019 e-mail: <a href="mailto:treasurytrading@mbk.hu">treasurytrading@mbk.hu</a> MTB Magyar Takarékszövetkezeti Bank Zrt. 19017004-00201153 fax: 36-1-2012576, e-mail: <a href="mailto:konya.peter@takarek.hu">konya.peter@takarek.hu</a> Takarék Mortgage Bank: 16801680-09013102
50. Disbursements, place of payments:	Pursuant to the point 4. (Disbursements) of the section IV.4/A (Terms and conditions of the covered mortgage bonds) of the Base Prospectus of the Issue Program 2020-2021.
51. ISIN code:	HU0000653142
52. Ticker code:	FJ28NF01
53. Other:	Not Applicable

## GENERAL INFORMATION

54. Use of Proceeds:	The Bank uses the proceeds for the sources of refinancing activity.
55. Market making:	MTB Magyar Takarékszövetkezeti Bank Zrt. is a binding market maker, the other Managers are entitled but not obliged to act as a market maker for one year from the first day of the listing
56. 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 ( <a href="http://www.en.takarekjb.hu">www.en.takarekjb.hu</a> ), of the NBH ( <a href="http://www.kozzetetelek.hu">www.kozzetetelek.hu</a> ) and of the BSE ( <a href="http://www.bse.hu">www.bse.hu</a> ). 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.

57. 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.en.takarekjb.hu](http://www.en.takarekjb.hu)), of the NBH ([www.kozzetetek.hu](http://www.kozzetetek.hu)) and of the BSE ([www.bse.hu](http://www.bse.hu)). Pursuant to the Decree of Ministry of Finance No. 24/2008 (VIII. 15) the Issuer publishes the regulated information at homepages of the media called Portfolio.
58. Governing law: Hungarian law

## OTHER CONDITIONS

59. 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 39/2020 (15.06.2020) of the Issuer's Asset/Liability Committee (EFB)
60. Rating: The Covered Mortgage Bonds' rating: BBB (S&P) stable outlook.
- The BBB is notches lower than AAA, which is the highest rating of S&P, but one notch higher than the lowest investment grade category (BBB-). The BBB rating means adequate security from investors point of view, however, in an unfavourable economic environment and worsening conditions, the debtor's ability to meet his payment obligations is reduced. The "stable" outlook means that the current rating is unlikely to change in the medium term (from six months to a two-year period).
61. Licence: The number and date of the license granted by the National Bank of Hungary (NBH) to publish the Base Prospectus of the Issue Program and the disclosure of the public issue: H-KE-III-143/2020 9 March 2020.
- Pursuant to the regulation of Board of Directors No. 45/2019. (28 November 2019) of the Issuer and to the approval of Board of Directors of the Bank of Hungarian Savings Cooperatives Co. Ltd. (head office: 1122 Budapest, Pethényi köz 10.), and to the Statement as of 15 January 2020 the Issuer launched its Issue Program 2020-2021 with a HUF 200 billion total nominal value for issuance of Hungarian Covered Mortgage Bonds (jelzáloglevelek) and Notes.
- The base of the issue of the fifth tap series FJ28NF01: the resolution No. 39/2020 (15.06.2020) of the Assets/Liabilities Committee.
63. Cost of the issuance, and the cost bearer Less, than 1 per cent. of the total volume to be issued. The costs are borne by the Takarékszövetkezet Mortgage Bank
64. Fees and Costs charged by the Issuer and the Lead Not Applicable

