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Ad-hoc Release

Disclosure of an inside information according to Article 17 of the Regulation (EU) No 596/2014
The Issuer is solely responsible for the content of this announcement.
Key word: Final results of the invitation to offer to sell bonds

5 October 2018



Budapest
Pozsonyi út 56.,
1133 Hungary

FINAL RESULTS OF THE INVITATION TO OFFER TO SELL

any and all of the outstanding €903,800,000 3.375 per cent. Exchangeable Bonds due 2019 issued by
The Hungarian State acting through Magyar Nemzeti Vagyonkezelő Zártkörűen működő
Részvénytársaság (Hungarian National Asset Management Inc.)
(ISIN XS0993164895, WKN A1HTCP)

(the “**Bonds**”)

exchangeable into ordinary registered shares of Richter Gedeon Vegyészeti Gyár Nyilvánosan Működő
Rt. (Gedeon Richter Plc.)

Goldman Sachs International (the “**Purchaser**”) launched on 3 October 2018 an invitation by means of a Modified Dutch Auction procedure to collect indications of interest from the holders of the Bonds (the “**Bondholders**”) to sell their Bonds to the Purchaser for cash (the “**Invitation**”). The Purchaser hereby announces the pricing and final results of the Invitation.

The Purchaser is acting as principal in its own name at the request of The Hungarian State acting through Magyar Nemzeti Vagyonkezelő Zártkörűen működő Részvénytársaság (Hungarian National Asset Management Inc.) (“**MNV**”) in relation to the Invitation. The Purchaser has agreed with MNV to sell any Bonds purchased pursuant to the Invitation to MNV on or immediately after the Settlement Date (as defined below). All Bonds accepted for purchase by the Purchaser pursuant to the Invitation and sold to MNV will be cancelled and will not be re-issued or resold. The Invitation permits the Purchaser to pro-actively address the maturity of the Bonds.

The Invitation was initially launched for any and all of the outstanding Bonds in an aggregate principal amount up to the full outstanding notional of €903,800,000. The Purchaser (after consultation with MNV) has decided to accept for purchase Bonds validly tendered in an aggregate principal amount of €795,300,000, (the “**Final Acceptance Amount**”), representing 88 per cent. in aggregate principal amount of the Bonds outstanding prior to the Invitation.

The purchase price for the Bonds validly tendered and accepted for purchase by the Purchaser has been set (after consultation with MNV) at €102,750 per €100,000 in aggregate principal amount of such Bonds (the “**Purchase Price**”).

At the expiration deadline of the Invitation, being 5 October, 4.00 pm London time / 5.00 pm CET, the Purchaser received from Bondholders valid indications to tender their Bonds for an aggregate principal amount of the Bonds equal to approximately €832,600,000, at an offer price equal to the Purchase Price. The Purchaser has decided (after consultation with MNV) to accept for purchase Bonds validly tendered at an offer price equal to the Purchase Price in the Invitation equal to the Final Acceptance Amount. A mechanism for pro-rata allocation pursuant to the Invitation was applied to such Bonds validly tendered at an offer price equal to the Purchase Price.

Settlement of the Invitation is expected to occur on 12 October 2018 (the "**Settlement Date**"). Goldman Sachs International is acting as settlement agent and, subject to receipt of funds from MNV, will conduct settlement on the Settlement Date in relation to any Bonds accepted for purchase by the Purchaser pursuant to the Invitation.

On the Settlement Date, the Bondholders whose Bonds have been accepted for purchase will receive from the Purchaser the Purchase Price for the purchased Bonds and the interest accrued but unpaid on such Bonds from and including 6 June 2018, being the immediately preceding interest payment date applicable to the Bonds, to but excluding the Settlement Date, which amounts to €1,180.33 per €100,000 in aggregate principal amount (assuming a Settlement Date of 12 October 2018) (the "**Accrued Interest Payment**").

MNV has agreed to pay an amount equal to the aggregate Purchase Price and any Accrued Interest Payment in relation to Bonds accepted for purchase pursuant to the Invitation to the Purchaser on or prior to the Settlement Date.

Bonds which are not accepted for purchase by the Purchaser pursuant to the Invitation will remain outstanding and subject to the terms and conditions of the Bonds. Given that 15 per cent. or fewer of the aggregate principal amount of the Bonds originally issued will remain outstanding after the Settlement Date, the Purchaser understands that MNV intends to exercise its option to redeem the Bonds in accordance with the terms and conditions of the Bonds.

The Invitation is governed by English law.

Goldman Sachs International and Equilor Investment Company Limited by shares ("**Equilor Investment**") are acting as Dealer Managers in connection with the Invitation (the "**Dealer Managers**").

Information on the Bonds

On 6 December 2013, MNV issued exchangeable bonds for an aggregate principal amount of €903,800,000 due 2 April 2019. The Bonds have a nominal value of €100,000 each and are listed on the Open Market (*Freiverkehr*) segment of the Frankfurt Stock Exchange and the Open Market (*Freiverkehr*) segment of the Stuttgart Stock Exchange.

The Bonds are governed by English law.

Further Information on the Invitation and settlement

Requests for information in relation to the Invitation and the settlement process should be directed to:

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Inside information

This press release relates to the disclosure of information that qualified, or may have qualified, as inside information within the meaning of Article 7(1) of the EU Market Abuse Regulations.

IMPORTANT NOTICE

This Press Release does not constitute an offer to sell or buy or a solicitation of an offer to sell or buy the Bonds or any other securities. No action has been taken by the Purchaser, MNV, the Dealer Managers or any of their respective affiliates that would permit the possession or distribution of this Press Release or any publicity material relating to the Invitation in any jurisdiction where action for that purpose is required. Persons into whose possession this Press Release comes are required by the Purchaser, MNV and the Dealer Managers to inform themselves about and to observe any such restrictions.

No person has been authorised to give any information or to make any representation other than those contained in this Press Release in connection with the Invitation and, if given or made, such information or representation must not be relied upon as having been authorised by the Purchaser, MNV or the Dealer Managers. Neither the delivery of this Press Release nor any purchase of Bonds pursuant to the Invitation shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of MNV since the date of this Press Release or that the information contained in this Press Release is correct as of any time subsequent to the date of this Press Release.

The Dealer Managers are acting on behalf of the Purchaser and MNV and no one else in connection with the Invitation and will not be responsible to any other person for providing the protections afforded to clients of the Dealer Managers, or for providing advice in connection with the Invitation.

Subject to applicable laws, the Purchaser (after consultation with MNV) and/or MNV and their respective affiliates may at any time and from time to time, following completion of the Invitation, purchase remaining outstanding Bonds by tender, in the open market or by private agreement, or, in the case of MNV, redeem the Bonds by exercising the call option under the terms and conditions of the Bonds, in each case, on such terms and at such prices as the Purchaser (after consultation with MNV) and/or MNV (as applicable) or their respective affiliates may determine. Such terms, consideration and prices may be more or less favourable than those offered pursuant to the Invitation.