

EFFICIENT OPERATION IN AN UNFAVOURABLE MARKET ENVIRONMENT

Tisza Chemical Group Public Limited Company (TVK Plc.) (Reuters: TVKD.BU, web site: www.tvk.hu) has published its results for the first quarter of 2008 today. The data presented in TVK Plc's Q1 2008 flash report are not audited and should not be treated as final. The term 'TVK group-level data' is used in this flash report to refer to the figures of TVK Plc. and its affiliates consolidated in line with the International Financial Reporting Standards (IFRS). 7 subsidiaries, 1 affiliated business and 1 non-participating business were fully consolidated while 3 businesses were consolidated by the equity method. The flash report presents true and fair figures and statements, and does not withhold any facts that the issuer – to its best knowledge – considers to be of material importance in terms of evaluating the issuer's position.

Summary financial overview

TVK Group highlights (IFRS)	Year 2007		Q1 2007		Q4 2007		Q1 2008		Variance Q1 2008/ Q1 2007 %		Variance Q1 2008/ Q4 2007 %	
	M HUF	M EUR	M HUF	M EUR	M HUF	M EUR	M HUF	M EUR	HUF	EUR	HUF	EUR
	Net sales	337,646	1,343.5	78,054	309.3	92,910	367.6	96,442	371.9	24	20	4
EBITDA	45,921	182.7	14,467	57.3	7,657	30.3	6,735	26	(53)	(55)	(12)	(14)
Operating profit / (Loss)	32,973	131.2	11,404	45.2	4,323	17.1	3,524	13.6	(69)	(70)	(18)	(21)
Profit/(Loss) of Financial Operations	(2,278)	(9.1)	73	0.3	(776)	(3.1)	(1,075)	(4.1)	-	-	(39)	(32)
Corporate Tax, deferred tax	7,011	27.9	2,412	9.6	984	3.9	645	2.5	(73)	(74)	(34)	(36)
Net profit (loss)	23,684	94.2	9,065	35.9	2,456	9.7	1,804	7	(80)	(81)	(27)	(28)
Operating cash flow	36,855	146.7	11,778	46.7	4,848	19.2	(5,767)	(22.2)	-	-	-	-

Note: Calculated using average FX rate quoted for the period by the National Bank of Hungary.

Between Q1 2008 and Q1 2007 increasing productivity failed to compensate for the downward pressure on profits due to the sector's shrinking capacity to generate margin in a period of rising energy costs and changing market prices. As a result EBITDA fell by HUF 7,732 million (53%).

A comparison of Q1 2008 and Q1 2007:

- **Capacity utilisation** calculated pro rata from nominal capacity rose by 2.6 percentage points in the Olefin-1 plant and by 12.8 percentage points in the Olefin-2 plant, using the same nameplate capacity for the calculation. Of the polymer plants, pro rata nominal capacity utilisation was up in the HDPE-1, a HDPE-2 and PP-3 plants, whilst the LDPE-1 and PP-4 plants recorded reduced capacity utilisation levels.
- The Company increased the volume of both **polymer production and sales** by 5%.
- **Net sales** were up 24% due to selling higher volumes of olefin and polymer products and by increasing sales prices.
- Sales income also increased in response to a change in exchange rates, whilst **unrealised foreign exchange losses** were recorded for FX denominated loans and assets at HUF 467 million under the costs of financial operations due to the depreciation of the HUF against the EUR.
- The **net profits** of the Group amounted to HUF 1.8 billion in the first three months after charging HUF 645 million in tax liabilities.

A comparison of Q1 2008 to Q4 2007:

Consolidated EBITDA dropped by HUF 922 million (12%). Integrated petrochemical margin, which is used as an industry benchmark of profitability, showed an increase of 2%. The deterioration of our EBITDA can be traced by to the slight reduction of polymer production (-1%) and the volume of sales (-5%), both of which came under the downward pressure of rising energy prices and weakening market demand.

CEO of TVK, Árpád Olvasó emphasized:

"We have indicated repeatedly that the profitability of the petrochemical sector depends heavily on the industrial environment, which has been more unfavourable recently than in the first three quarters of the previous year. We exert serious effort to compensate at least partially for the negative impact of rising feedstock and energy prices by implementing actions designed to increase profits and to improve efficiencies. That is why we continue to exploit MOL Group synergies, to implement our sales strategy consistently through optimising our sales portfolio, to maximize the capacity of existing processes in line with the margin potential of our products and to operate cost efficiently."

Financial Overview

Operating environment

A comparison of Q1 2008 and Q1 2007 shows an increase of 6-11% in the average quoted polyethylene prices and a simultaneous rise of 5-6% in polypropylene prices. As regards feedstock prices, the average quoted (FOB med) price of a ton of naphtha was USD 817 whilst the (CIF med) price a ton of AGO (atmospheric gas oil) amounted to USD 89, corresponding to an increase of 56% and 66%, respectively. The EUR/HUF rate rose by nearly 3% along with a reduction of around 10% in the USD/HUF rate and a simultaneous increase of 14% in EUR/USD cross rates. The exchange rate changes in the period under review exerted a substantial positive impact on the operating profits of the TVK Group. On average in Q1 2008, integrated petrochemical margin responded to the changes listed above by a downturn of 22% in HUF terms and a fall of 24% in EUR terms from the levels recorded for Q1 2007.

A comparison of Q1 2008 to Q4 2007 shows an increase of 1-2% in the average prices quoted for polymer products in the European market (ICI's lor fd NEW) against a simultaneous downturn of 1% in the price of PP copolymer. In US dollar terms, the prices of naphtha necessary for monomer production rose by 6% and coupled with an 10% upturn in the price of atmospheric gas oil. The HUF strengthened against the USD but weakened against the EUR, with the latter appreciating against the USD. All of the aforementioned exchange rate changes influenced gross margin favourably.

Operating profit

In Q1 2008, consolidated TVK Group level sales increased by 24% over the corresponding period of the previous year and amounted to HUF 96,442 million owing to a rise in the volume and sales price of olefin and polymer products and to the higher sales income emanating from exchange rate changes.

Factors Influencing TVK Plc's Product Sales, Q1 2008 – Q1 2007 (HUF million)

	Effect of variance in price	Effect of variance in exchange rates	Effect of variance in volume	Total
Olefin	4,691	(160)	4,827	9,358
LDPE	689	204	(486)	407
HDPE	2,009	876	2,676	5,561
PP	1,637	593	776	3,006
Total	9,026	1,513	7,793	18,332

In Q1 2008, TVK Plc. realized 52% of its sales income from exports. Germany (17%), Italy (15%), Poland (14%), the United Kingdom (5%), France (4%) and Austria (4%) represented the majority of exports.

Distribution of TVK Group sales by production unit, Q1 2008 (HUF million)

	Domestic sales	Export sales	Total sales
Olefin	29,549	3,628	33,177
LDPE	2,791	4,817	7,608
HDPE	2,452	29,551	32,003
PP	9,304	12,557	21,861
Other sales income	2,311	4	2,315
Effect on consolidation	(676)	154	(522)
Total	45,731	50,711	96,442

The total Group level operating income of TVK was up 24% on the corresponding period of the previous year to reach HUF 96,911 million in Q1 2008, including other operating income at HUF 469 million, up at HUF 409 million owing to foreign exchange gains recognized at HUF 437 million on accounts receivable and payable in Q1 2008, as compared to the exchange rate losses incurred on AR (accounts receivable) /AP (accounts payable) in Q1 2007.

Rising by HUF 27,293 million (49%), TVK group level material costs reached HUF 82,726 million due to the higher cost of purchased feedstock and energy. The higher cost of feedstock reflects the higher volume and quoted price of the feedstock used for producing monomers, but the effect was mitigated substantially by the HUF appreciating against the USD. Energy costs were up as a result of the price hike and consumption levels rising due to the higher volume of production.

Variations in key feedstock costs incurred by TVK Plc. in Q1 2008 – Q1 2007 (HUF million)

	Effect of variance in volume	Effect of variance in prices	Effect of variance in exchange rates	Total
Naphtha and light hydrocarbons in total	6,079	23,753	(6,938)	22,894
AGO	1,246	2,297	(592)	2,951
Chemical feedstock in total	7,325	26,050	(7,530)	25,845

Services recognized under materials rose by HUF 493 million (14%) due first of all to higher sales volumes, increased freight costs and agency commissions. Moreover, the cost of recruiting labour through temporary work agencies also rose but was compensated for by the reduced headcount. Research and development expenditure was also up, because the annual fee payable to a licensor was charged during the period under review. Simultaneously, several cost headings show reduced amounts, including a decline in the cost of logistic services.

Sales income compensated for the increase in costs of goods sold and the amount incurred by mediated services.

Group level wage related costs decreased by HUF 79 million (3%) despite wage increases and due to reducing employment levels and the changing balance of amounts provisioned and reserves used.

Other operating costs dropped by HUF 122 million (10%), as realised and unrealised exchange rate losses (of HUF 335 million) were recognised under this heading in Q1 last year, but the past three months produced exchange rate gains, which were recognised under other income. Of the items recorded under other operating expenses, the premium payable for customer credit insurance increased in tandem with the growth of sales income along with a rise in balance of amounts provisioned to cover environmental costs and those used for environmental purposes. Another item showing an increase involves accruals charged in respect of unpaid invoices issued against performances in the period under review.

The change in inventories produced in house amounted to HUF 550 million, reflecting the inventory appreciation arising from higher feedstock prices and the increased volume of polymer products on stock, which the latter counterbalanced by the reduction of the inventory of finished olefin goods.

The consolidated operating profit (EBIT) of the TVK Group reached HUF 3,524 million in Q1 2008, as opposed to HUF 11,404 million in the reference period. In Q1 2008, subsidiaries contributed HUF 840 million to Group level earnings.

As opposed to HUF 73 million recorded for Q1 2007, the Group incurred HUF 1,075 million in losses on financial operations in Q1 2008 as a result of unrealised exchange rate losses incurred on loans and other assets denominated in FX in response to the EUR appreciating against the HUF. In the reporting period, Group level financial income was HUF 885 million lower than in the corresponding period of the preceding year, typically owing to the realised and unrealised exchange rate gains on FX denominated borrowings. At the same time the amount of interest received fell due to the worsening of cash generation capacity. Financial expenses increased by HUF 263 million mainly because of charging the realised and unrealised exchange rate losses incurred on FX denominated loans in Q1 2008 as compared to exchange rate gains recognised in the reporting period. At the same time the amount of interest paid was down due to the retirement of loans during the previous year. The unpaid balance of the loan taken out earlier to finance the Petrochemical Development Project stood at EUR 30 million on March 31, 2008.

In Q1 2008, TVK Group profit before taxes amounted to HUF 2,449 million. The financial statements of the Group show corporate tax liability at HUF 440 million for the reporting period. Deferred tax expense amounted to HUF 205 million and includes first of all the recognition of the deferred tax component of the depreciation charge. The reduction by 67% of the amount of deferred taxation is due to that the item capitalized in the reference period without the obligation to charge depreciation under the Tax Act, which resulted in recognizing the deferred tax liability did not occur in the reference period. Consolidated net profit amounted to HUF 1,804 million.

Balance sheet data

The value of TVK Group total assets stood at HUF 232.586 million on March 31, 2008.

The value of consolidated fixed assets amounted to HUF 146,949 million on March 31, 2008, or 4% lower than on March 31, 2007 due first of all to the lower value of tangible assets attributable to recognized depreciation.

Following a rise of close to 17%, the value of current assets reached HUF 85,637 million. The variance includes first of all an increase in the volume of produced polymer inventories on hand and the rise of inventory value due to the price increase of cracker feedstock. The value of accounts receivable shows an increase as compared to the reference period due to increased olefin and polymer sales volumes and the rising price of polymer products. The higher value of other current assets is attributable first of all to the follow-up approach adopted in Q1 2008 in respect of corporate tax and local

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business tax. Unlike the reference period, there was no revolving loan extended to the parent company in the reporting period, which mitigated the effect of the higher amount of reclaimable VAT. Moreover, the claim recognised in the books against the insurance premium payable for the upcoming period is lower. The underlying reason for the lower value of group level cash and bank is the downturn of cash generation capacity since the reference period.

The value of owner's equity amounted to HUF 159,473 million on March 31, 2008, or 12% higher than on March 31, 2007 due to the transfer of the profit per balance sheet to retained earnings.

The portfolio of long-term debt reduced by 49% and amounted to HUF 20,767 million on March 31, 2008. The fall reflects the repayment of credit by the parent company between April and December 2007.

The value of short-term liabilities increased by 26% between March 31, 2007 and March 31, 2008 to reach a total of HUF 44,420 million by the end of the period. The variance reflects the higher amount of trade accounts payable due to the increased volume and price of feedstock. At the same time, the parent company recorded an overdraft at HUF 1.2 billion of the cut-off date of March 31, 2008.

Cash flow

The group level cash flow statement of TVK dated March 31, 2008 shows a reduction in cash and cash equivalents at HUF 7,604 million since the beginning of the year.

Operating cash flow amounted to minus HUF 5,767 million at the end of the first nine months of 2007. EBITDA increased cash flow by HUF 6,735 million and changes in working capital (inventories, trade accounts receivable and payable, other receivables and other liabilities combined) reduced cash flow all in all by HUF 11,920 million. The main reason behind the higher inventory value involves the higher volume and price of produced polymer inventories on hand and purchased cracker feedstock, which is moderated by the reduced stock level of finished olefin products. The decreased value of trade accounts payable (which includes no amounts payable to suppliers of capital goods) originates mainly from the high closing value of this account at the end of December after the receipt of supplier invoices, which had returned to normal level by the end of March. The cash flow effect of other amounts receivable was due to the higher amount of refundable VAT whilst the change of other short-term liabilities increased cash flow through the variance of accrued costs.

Investments decreased cash flow by HUF 2,491 million. Capital expenditure, which typically includes lower amounts payable to suppliers of capital expenditure projects, reduced the value of investment cash flow by HUF 2,583 million.

The cash effect of financial operations increased cash flow by HUF 645 million in the reporting period, attributable largely to the overdraft and the balance of interest payments.

Headcount

The total consolidated headcount of the TVK Group included 1,183 full-time employees on March 31, 2008, i.e. 43 fewer than the closing headcount on March 31, 2007. The reasons behind the variance include the higher level of labour recruited on a temporary basis from work agencies and the effect of headcount rationalization measures at the parent company.

Capital Projects

In Q1 2008, the total capital expenditure of the TVK Group reached HUF 323 million, including CAPEX and refurbishment projects at the parent company at HUF 312 million.

Tiszaújváros, May 15, 2008

Árpád Olvasó
Chief Executive Officer

Gyula Hodossy
Chief Financial Officer

Data sheet header (general)

Company name: Tisza Chemical Group Public Limited Company
 Company address: H-3581 Tiszaújváros, P.O.Box 20.
 Sector group: Chemical industry, petrochemical
 Reporting period: Q1 2008

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ANNEX 1

	Yes	No		
Audited	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Consolidated	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Accounting principles	Hungarian <input type="checkbox"/>		IFRS <input checked="" type="checkbox"/>	Other <input type="checkbox"/>

**ANNEX 2
KEY FINANCIAL DATA**

Key Profit and Loss figures

Currency	HUF	X	EUR	
Unit	1 000		1 000 000	X

	Q1 2007 HUF million	Q1 2008 HUF million
Net sales	78,054	96,442
Operating profit (EBIT)	11,404	3,524
Net income from financial activities	73	(1,075)
Profit before tax	11,477	2,449
Profit after tax	9,065	1,804

Key Balance Sheet figures

Currency	HUF	X	EUR	
Unit	1 000		1 000 000	X

	31.03.2007. HUF million	31.03.2008. HUF million
Fixed assets	152,626	146,949
Intangible assets	3,908	3,788
Tangible assets	148,174	142,702
Invested financial assets	194	204
Current assets	73,242	85,637
Inventory	10,124	13,026
Total assets	225,868	232,586
Shareholders' equity	142,997	159,473
Share capital	24,534	24,534
Long-term liabilities	47,535	28,693
Short-term liabilities	35,336	44,420
Total liabilities and shareholders' equity	225,868	232,586

ANNEX 3
PK4. Q1 2008 PROFIT AND LOSS STATEMENT
Consolidated, un-audited TVK Group data according to IFRS (HUF million)

Year 2007 (audited) HUF million		Q1 2007 HUF million	Q1 2008 HUF million	Change %
337,646	Net Sales	78,054	96,442	23.6
808	Other operating income	60	469	681.7
338,454	Total operating income	78,114	96,911	24.1
256,409	Raw material costs	55,433	82,726	49.2
15,710	Value of material type services used	3,499	3,992	14.1
9,799	Cost of goods purchased for resale	2,341	600	(74.4)
472	Mediated services	119	98	(17.6)
282,390	Raw materials and consumable used	61,392	87,416	42.4
6,661	Wages	1,471	1,497	1.8
2,221	HR related disbursements	366	301	(17.8)
1,252	Wage benefits	511	471	(7.8)
10,134	Personnel expenses	2,348	2,269	(3.4)
12,948	Depreciation and impairment	3,063	3,211	4.8
3,819	Other operating expenses	1,175	1,053	(10.4)
(3,189)	Change in inventory of finished goods and work in progress	(1,227)	(550)	(55.2)
(621)	Work performed by the enterprise and capitalised	(41)	(12)	(70.7)
305,481	Total operating expenses	66,710	93,387	40.0
32,973	Operating profit, EBIT	11,404	3,524	(69.1)
908	Financial income	972	87	(91.0)
3,195	Financial expense	899	1,162	29.3
(9)	Gain/(Loss) from associates	0	0	-
(2,278)	Net financial profit/(loss)	73	(1,075)	-
30,695	Profit before tax	11,477	2,449	(78.7)
5,355	Income tax expense	1,780	440	(75.3)
1,656	Deferred tax	632	205	(67.6)
23,684	Net income for the period	9,065	1,804	(80.1)
0	Minority interest	0	0	-
23,684	Net income attributable to equity holders of the parent	9,065	1,804	(80.1)

ANNEX 4
PK3. BALANCE SHEET FOR THE PERIOD ENDED ON MARCH 31, 2008
Consolidated, un-audited TVK Group data according to IFRS (HUF million)

31.12.2007. (audited) HUF million		31.03.2007. HUF million	31.03.2008. HUF million	Change %
ASSETS				
149,677	Non-current assets	152,626	146,949	(3.7)
3,807	Intangible assets	3,908	3,788	(3.1)
145,467	Property, plant and equipment	148,174	142,702	(3.7)
204	Investments	194	204	5.2
199	Other non-current assets	350	255	(27.1)
85,286	Current assets	73,242	85,637	16.9
12,220	Inventories	10,124	13,026	28.7
54,875	Trade receivables, net	43,321	56,986	31.5
4,950	Other current assets	9,057	9,967	10.0
13,241	Cash and cash equivalents	10,740	5,658	(47.3)
234,963	TOTAL ASSETS	225,868	232,586	3.0
EQUITY AND LIABILITIES				
157,642	Shareholders equity	142,997	159,473	11.5
24,534	Share capital	24,534	24,534	0.0
15,022	Share premium	15,022	15,022	0.0
94,376	Retained earnings	94,376	118,060	25.1
26	Revaluation difference	0	53	-
109,424	Reserves	109,398	133,135	21.7
23,684	Net income attributable to equity holders of the parent	9,065	1,804	(80.1)
157,642	Equity attributable to equity holders of the parent	142,997	159,473	11.5
0	Minority interest	0	0	-
28,215	Non-current liabilities	47,535	28,693	(39.6)
20,489	Long-term debt, net of current portion	40,515	20,767	(48.7)
3,032	Provisions for liabilities and charges	3,344	3,028	(9.4)
4,694	Deferred tax liabilities	3,670	4,898	33.5
0	Other non-current liabilities	6	0	(100.0)
49,106	Current liabilities	35,336	44,420	25.7
47,741	Trade and other payables	33,785	41,758	23.6
575	Provisions for liabilities and charges	765	560	(26.8)
790	Short-term debt	786	2,102	167.4
234,963	TOTAL EQUITY AND LIABILITIES	225,868	232,586	3.0

PK6. Significant Off-Balance Sheet Items¹

None.

¹ Any financial liabilities of material importance in respect of financial evaluation not reflected in the balance sheet (e.g. surety, guarantees given, liabilities under lien, etc.)

ANNEX 5
CHANGES IN SHAREHOLDER'S EQUITY IN Q1 2008
 Consolidated, un-audited TVK Group data according to IFRS (HUF million)

	Share capital	Retained earnings	Share premium	Revaluation difference	Net income attributable to equity holders of the parent	Minority interest	Shareholders' equity
Opening balance on January 1, 2007	24,534	77,106	15,022	26	17,271	0	133,959
Transfer of 2006 profits	0	17,271	0	0	(17,271)	0	0
Revaluation difference	0	0	0	0	0	0	0
Reclassification of negative goodwill	0	0	0	0	0	0	0
Year 2007 profits	0	0	0	0	23,684	0	23,684
Other	0	(1)	0	0	0	0	(1)
Balance on December 31, 2007	24,534	94,376	15,022	26	23,684	0	157,642
Transfer of 2007 profits	0	23,684	0	0	(23,684)	0	0
Revaluation difference	0	0	0	27	0	0	27
Profit of Q1 2008	0	0	0	0	1,804	0	1,804
Other	0	0	0	0	0	0	0
Closing balance on December 31, 2007	24,534	118,060	15,022	53	1,804	0	159,473

ANNEX 6
PK5. CASH FLOW STATEMENT ON MARCH 31, 2008
Consolidated, un-audited TVK Group data according to IFRS (HUF million)

	31.03.2007.	31.03.2008.
	HUF million	HUF million
1. NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating (trading) profit (EBIT)	11,404	3,524
Depreciation charge	3,063	3,211
Impairment of inventories, (rewritten of impairment)	0	1
Profit/loss on the disposal of tangible assets	(2)	(19)
Impairment, written off of receivables	(1)	1
Revaluation difference of trade accounts receivable and accounts payable	(181)	7
Change in environmental protection provisions	(93)	5
Change in other provisions	(12)	(70)
Change in inventories	(1,763)	(807)
Change in trade accounts receivable	3,204	(2,131)
Change in other receivables	(720)	(4,991)
Change in trade accounts payable	(2,889)	(4,634)
Change in other short term liabilities	380	643
Income tax paid	(612)	(507)
1. NET CASH PROVIDED BY OPERATING ACTIVITIES	11,778	(5,767)
2. NET CASH PROVIDED BY INVESTING ACTIVITIES		
Capital projects	(1,497)	(2,583)
Proceeds from the disposal of fixed assets	8	34
Changes in loans extended, long-term bank deposits and receivables	(3,900)	0
Interest received and other financial income	257	58
2. NET CASH PROVIDED BY INVESTING ACTIVITIES	(5,132)	(2,491)
3. NET CASH PROVIDED BY (AND DISBURSED FOR) FINANCING OPERATIONS		
Repayment of long-term debt and loans	(10,088)	0
Other long-term liabilities	(3)	0
Changes in short-term loans	(172)	1,125
Interest paid and other financial expenditure	(1,284)	(471)
3. NET CASH PROVIDED BY (AND DISBURSED FOR) FINANCING OPERATIONS	(11,547)	654
NET INCREASE (DECREASE) OF CASH AND CASH EQUIVALENTS	(4,901)	(7,604)
Opening value of cash and cash equivalents	15,621	13,241
Effect of consolidating a subsidiary on cash	10,720	5,637
Closing value of cash and cash equivalents	(4,901)	(7,604)
NET INCREASE (DECREASE) OF CASH AND CASH EQUIVALENTS		

ANNEX 7
PK2. CONSOLIDATED COMPANIES

Name	Equity/ Registered Capital*	Interest held (%)	Ratio of votes ¹	Classifica tion ²
TVK Ingatlankezelő Kft.	2,970,000	100.00%	L	L
TVK Erőmű Termelő és Szolgáltató Kft.	3,298,000	26.00%	T	L
TVK Inter-Chemol GmbH (EUR thousand)	615	100.00%	L	L
TVK UK Ltd. (GBP thousand)	200	100.00%	L	L
TVK Italia S.r.l. (EUR thousand)	100	100.00%	L	L
TVK FRANCE S.a.r.l. (EUR)	76,225	100.00%	L	L
TVK Ukrajna tov (hrivnya)	33,996	100.00%	L	L
TVK Polska Spzoo (PLN thousand)	109	100.00%	L	L
Tűzoltó és Műszaki Mentő Kft.	3,000	30.00%	T	T
VIBA-TVK Termelő és Kereskedelmi Kft.	205,000	40.00%	T	T
Tiszai Hulladékégető Kft.	25,000	49.96%	T	T
Tisza-WTP Vízelőkészítő és Szolgáltató Kft.**	535,000	0.00%	-	L

¹ Voting rights entitling the holder to participate in decision making at the general meetings of consolidated companies

² Full (L); Jointly managed (K); Associated (T)

The ratio of votes corresponds to the ratio of ownership in each case.

* Equity/registered capital is expressed in HUF 000, unless otherwise indicated, when registered capital is denominated in a foreign currency.

** Non-participating business with full consolidation.

ANNEX 8
MAJOR EXTERNAL FACTORS

	Q1 2007	Q4 2007	Q1 2008	Change % Q1 2008/ Q1 2007	Change % Q1 2008/ Q4 2007
Naphtha FOB med USD/t	523	774	817	56.1	5.5
AGO CIF med USD/t	538	811	892	65.9	10.0
Ethylene ICI's lor fd NWE contract EUR/t	855	945	1 023	19.6	8.3
Propylene ICI's lor fd NWE contract EUR/t	820	888	945	15.2	6.4
LDPE Film ICI's lor fd NWE low EUR/t	1,107	1,211	1,233	11.4	1.8
HDPE Film ICI's lor fd NWE low EUR/t	1,121	1,179	1,207	7.7	2.4
HDPE Blow ICI's lor fd NWE low EUR/t	1,118	1,164	1,188	6.3	2.1
PP Homo raffia ICI's lor fd NWE low EUR/t	1,064	1,139	1,154	8.4	1.3
PP Homo Injection ICI's lor fd NWE low EUR/t	1,093	1,137	1,161	6.2	2.1
PP Copolymer ICI's lor fd NWE low EUR/t	1,151	1,222	1,205	4.7	(1.4)
EUR/HUF	252.35	252.83	259.36	2.8	2.6
USD/HUF	192.61	174.43	173.12	(10.1)	(0.8)
EUR/USD	1.310	1.450	1.499	14.4	3.4

ANNEX 9
STRUCTURE OF OWNERSHIP - % AND TREASURY SHARES

RS1. Ownership Structure, Ratio of Holdings and Votes

Description of owner	Total equity						Listed series					
	Year opening (December 31, 2007)			Period closing (March 31, 2008)			Year opening (December 1, 2007)			Period closing (March 31, 2008)		
	% ²	% ³	Pc	% ²	% ³	Pc	% ²	% ³	Pc	% ²	% ³	Pc
Domestic institution/company	87.09	same	21,154,466	87.09	same	21,154,824	87.09	same	21,154,466	87.09	same	21,154,824
Foreign institution/company	8.14	same	1,976,426	8.14	same	1,976,426	8.14	same	1,976,426	8.14	same	1,976,426
Domestic individual	0.27	same	65,711	0.27	same	66,211	0.27	same	65,711	0.27	same	66,211
Foreign individual	0.00	same	941	0.00	same	941	0.00	same	941	0.00	same	941
Employees, senior officers	-	-	-	-	-	-	-	-	-	-	-	-
Treasury shares	-	-	-	-	-	-	-	-	-	-	-	-
Government held owner*	0.00	same	0	0.00	same	0	0.00	same	0	0.00	same	0
International Development Institutions	-	-	-	-	-	-	-	-	-	-	-	-
Shares held by unidentified parties	4.50	same	1,093,299	4.50	same	1,092,441	4.50	same	1,093,299	4.50	same	1,092,441
TOTAL	100	same	24,290,843	100	same	24,290,843	100	same	24,290,843	100	same	24,290,843

* Also included under domestic institutions

² Ownership ratio

³ Voting right entitling the holder to participate in decision making at the general meetings of consolidated companies. If the ownership ratio and the voting ratio are identical, only the column for the ownership ratio should be filled in and submitted (published) along with mentioning that the two are the same.

RS2. Volume (Qty) of Treasury Shares Held in the Period Under Review

March 31	
Corporate level	0
Subsidiaries	0
Grand total	0

RS3/1. List and Description of Shareholders with more than 5% of the listed Series (on 31 March 2008)

Name	Nationality ¹	Activity ²	Quantity (of shares)	Interest (%)	Voting ratio (%) ^{3,4}	Remark
MOL Hungarian Oil and Gas Public Limited Company	B (HU)	T	21,083,142	86.79	86.79	Strategic investor
Slovnaft, a.s.	K (SK)	T	1,959,243	8.07	8.07	Strategic investor

RS3/2. List and Description of Shareholders with more than 5% of Equity Total (on 31 March 2008)

Name	Nationality ¹	Activity ²	Quantity (of shares)	Interest (%)	Voting ratio (%) ^{3,4}	Remark
MOL Hungarian Oil and Gas Public Limited Company	B (HU)	T	21,083,142	86.79	86.79	Strategic investor
Slovnaft, a.s.	K (SK)	T	1,959,243	8.07	8.07	Strategic investor

¹ Domestic (B), Foreign (K)

² Corporate (T)

³ Figure rounded to two decimal points

⁴ Voting right entitling the holder to participate in decision making at the general meetings of consolidated companies

Note: In accordance with the resolution of 2007 Annual General Meeting, every ordinary share with a par value of HUF 1,010 (i.e. one thousand ten forint) entitles the holder thereof to have one and one hundredth vote.

Please note that in Hungary, the Share Register does not fully reflect the ownership structure, as registration is not mandatory.

ANNEX 10

TSZ2. Changes in the Number of Full Time Employees

	Reference Period Ended March 31, 2007	Year Opening January 1, 2008	Period Closing March 31, 2008
Corporate level	1,195	1,200	1,151
Group level	1,226	1,231	1,183

ANNEX 11

TSZ3. Senior Officers and (Strategic) Employees Influencing the Operations of the Issuer

Type ¹	Name	Position	Beginning of assignment	End /termination/ term of assignment	Shares held (qty)
BoD	György Mosonyi	Chairman of the Board	26.04.2002	19.04.2012	0
BoD	Árpád Olvasó	Deputy Chairman of the Board	29.08.2000	19.04.2012	0
BoD	Michel-Marc Delcommune	Board member	03.11.2000	19.04.2012	0
BoD	Gyula Gansperger	Board member	20.04.2006	20.04.2011	0
BoD	Vratko Kassovic	Board member	28.04.2005	19.04.2012	0
BoD	Dr. Péter Medgyessy	Board member	20.04.2006	20.04.2011	0
BoD	József Molnár	Board member	20.04.2001	19.04.2012	0
BoD	József Simola	Board member	28.04.2005	17.04.2008	0
SB	László Gyurovszky	SB chairperson SB member	22.06.2007 19.04.2007	19.04.2012 19.04.2012	0
SB	Tamás Magyar	SB deputy chair SB member, employee representative	22.06.2007 20.04.2001	20.04.2011 20.04.2011	0
SB	dr. Gyula Bakacsi	SB member	19.04.2007	19.04.2012	0
SB	dr. György Bíró	SB member	19.04.2007	19.04.2012	0
SB	Ildikó Keményné Újvári	SB member, employee representative	28.04.2000	28.04.2010	0
SP	Árpád Olvasó	Chief Executive Officer	01.07.2003	Indefinite term	0
SP	Gyula Hodossy	Chief Financial Officer, Deputy CEO	01.07.2007	Indefinite term	0
SP	László Piry	Director of Polymer Marketing and Sales, Deputy CEO	07.06.2004	Indefinite term	0
SP	Tivadar Vályi Nagy	Production Director	01.07.2007	Indefinite term	0
SP	János Bóta	Petrochemical Technology and Project Development Director	01.08.2007	Indefinite term	0
SP	Tamás Péntes	Human Resources Manager	01.07.2004	Indefinite term	0

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

During the first quarter of 2008 there was no significant change in company structure.

During the first quarter of 2008 there was no significant change in the senior management.

The following change took place in the senior management until preparing the report:

Mr. József Simola, member of the Board of Directors resigned from membership with the effect from the adjourning of the Annual General Meeting, held on April 17, 2008. The AGM did not elect new member to the Board of Directors.