

**27 April 2001**

**Resolutions of the Annual General Meeting of MOL held on 27 April 2001**

MOL, the Hungarian Oil and Gas Company, held its Annual General Meeting (AGM) on 27 April 2001. There was a quorum of 60% of shareholders present at the AGM. The AGM adopted the following noteworthy resolutions:

- The AGM approved the Reports of the Board of Directors for the 2000 financial year, and the Reports of the independent auditor and the Supervisory Board on the 2000 unconsolidated and consolidated financial statements according to Hungarian Accounting Regulations. Approval was given to the financial statements of MOL Rt. for the 2000 financial year (with profits after taxation of HUF 4,848,339,000, a balance sheet total of HUF 877,012,593,000) and to the financial statements of MOL Group (with profits after taxation of HUF 14,973,331,000 and a balance sheet total figure of HUF 935,767,474,000).
- The AGM approved the payment of a gross dividend of HUF 55 per share for the 2000 financial year. The Company will publish a separate announcement on the dividend payment.
- The AGM appointed Arthur Andersen Audit Kft. to perform the audit of financial reports for the 2001 financial year and accepted the appointment of István Havas as the specific auditor (license No.: MKVK-003395). Arthur Andersen will receive an audit fee of HUF 78,750,000 plus VAT for the audit of the 2001 financial statements. The mandate expires after the 2002 Annual General Meeting.
- Due to the widening of the services rendered and the scope of goods traded at the shops of the service station network of MOL, and also in order to provide for the wholesale of chemical products, a modification of Article 5 of the Articles of Association was approved by the AGM to include:

51.55 wholesale of chemical products and goods  
63.30 travel agency operations, guiding visitors  
67.20 insurance supplement operations  
71.33 leasing office equipment and computers  
74.40 advertisement.

- The AGM approved the report of the Board of Directors on treasury share transactions
- The AGM approved the proposal of the Supervisory Board concerning the remuneration of the Board of Directors and the bonus share program for the members of the Board of Directors.

The reason for the proposed modification was to take into account the previously unforeseen Government intervention in the gas price. The gas price intervention resulted in significant losses to the company and consequently in a weak share price performance. As the former remuneration plan measured Board performance solely by MOL's relative share price performance compared to two groups of companies, the performance of the Board was no longer reflected fairly in the remuneration plan.

Therefore the Supervisory Board commissioned a specialist management consultant firm, to prepare a proposal for the modification of the remuneration scheme. The

approved new remuneration scheme incorporates a fixed basic payment to replace the current, relative share-price performance plan based on the EEC Group Index. The relative share-price performance plan based on the BUX index remains unchanged. The modification is also to be applied for the performance period starting 1 April 2000.

**Fixed Stock Award.** The aggregate value of MOL's shares to be awarded as fixed stock award to each Director for a period between April 1 and March 31 of the following calendar year will be USD 25,000 or its HUF equivalent. If the office of the chairman of the Board of Directors is filled by a non-executive Director, then the aggregate value of MOL's shares will be USD 41,500 or its HUF equivalent.

**Relative Based Stock Award.** The maximum value of the MOL shares is USD 25,000 or its HUF equivalent. If the office of the Chairman is filled by a non-executive director, then the maximum award available to such person is USD 41,500 or its HUF equivalent. The minimum value of the Stock that may be awarded as Relative Based Stock Award to a Director will be zero.

**Calibration:** No Relative Based Stock Award will be granted to any Director if the performance of the Company's Stock is below the 25th percentile of other companies in the BUX Index at the end of the period. One hundred percent of the proposed maximum award will be granted to each Director if the performance of the Company's Stock is at or above the 75th percentile of the companies in the BUX Index at the end of the period. If the performance of the Company's Stock is between the 25th and 75th percentile of the companies in the BUX Index, Relative Based Stock Awards will be calculated on a straight line basis between zero and the maximum award.

- On the proposal of the APV Rt., the holder of the "B" share, the AGM elected Dr Géza Pap as a member of the Board of Directors for a period ending on the day of the Annual General Meeting approving the 2003 consolidated financial statements. Dr Géza Pap was elected to replace Mr Miklós András who resigned from the Board of Directors with immediate effect.

"In compliance with the announced expansion strategy, in 2000 MOL Rt. continued to strengthen its regional leading role and is on track to become a leading integrated oil company in Central and Eastern Europe. MOL Group's net sales revenue exceeded HUF 1000 bn, which makes the company the largest enterprise in Hungary. At the same time, MOL has made major improvements also in operational efficiency. The company was the first to establish a major regional partnership in the sector by purchasing a 36.2% stake in Slovnaft. The bid that MOL Rt. has recently made to purchase a share in the Polish oil refinery Rafineria Gdanska reflects a firm commitment to carry out its expansion plans. On the other hand, the company increased its existing stake in TVK", said MOL CEO György Mosonyi commenting on the General Meeting closing the year 2000.

"MOL's Board of Directors recently reached a conclusion to consider selling the company's natural gas business, based on the evaluation of a number of strategic considerations. The Board believes that the expansion in the regional oil business offers more attractive business opportunities, where the company and its management can efficiently use its acquired skills and experiences. MOL's domestic gas business has a low expected growth rate, regional expansion in this business would require disproportionately large financial resources. The

company`s own gas reserves are relatively small and declining and MOL`s position in the gas distribution business is limited. Any transaction regarding the natural gas business can and will only be supported by the Board of Directors if it is implemented with the right structure, timing, valuation and with the right partners" - added Mr. Zsolt Hernádi, Chairman of the Board of Directors after the Annual General Meeting of the company.