

## OUTSTANDING PROFIT IN ALL SEGMENTS

MOL Hungarian Oil and Gas Plc. (Reuters: MOLB.BU, MOLBq.L, Bloomberg: MOL HB, MOL LI; homepage: www.mol.hu), today announced its 2006 third quarter and first nine months preliminary results. This report contains consolidated financial statements for the period ended 30 September 2006 as prepared by the management in accordance with International Financial Reporting Standards (IFRS).

### Financial highlights

MOL Group financial results (IFRS)	Q3 2005		Q3 2006		Change %		Q1-Q3 2005		Q1-Q3 2006		Change %	
	HUF bn	USD m <sup>1</sup>	HUF bn	USD m <sup>1</sup>	HUF	USD	HUF bn	USD m <sup>1</sup>	HUF bn	USD m <sup>1</sup>	HUF	USD
Net sales revenues	585.8	2,911.5	762.3	3,527.5	30	21	1,702.0	8,697.0	2,263.1	10,614.9	33	22
EBITDA	96.4	479.1	127.1	588.2	32	23	322.3	1,646.9	449.1	2,106.5	39	28
<b>Operating profit</b>	<b>69.9</b>	<b>347.4</b>	<b>94.8</b>	<b>438.7</b>	<b>36</b>	<b>26</b>	<b>239.7</b>	<b>1,224.8</b>	<b>352.2</b>	<b>1,652.0</b>	<b>47</b>	<b>35</b>
<b>Operating profit adjusted by discontinuing operation<sup>(2)</sup></b>	<b>66.4</b>	<b>330.0</b>	<b>94.8</b>	<b>438.7</b>	<b>43</b>	<b>33</b>	<b>207.4</b>	<b>1,059.8</b>	<b>271.2</b>	<b>1,272.0</b>	<b>31</b>	<b>20</b>
Net financial expenses/(gain)	8.0	39.8	(12.9)	(59.7)	n.a.	n.a.	22.8	116.5	26.8	125.7	18	8
<b>Net income</b>	<b>56.4</b>	<b>280.3</b>	<b>119.5</b>	<b>553.0</b>	<b>112</b>	<b>97</b>	<b>192.6</b>	<b>984.2</b>	<b>306.9</b>	<b>1,439.5</b>	<b>59</b>	<b>46</b>
Operating cash flow	11.3	56.2	150.8	697.8	1,235	1,142	191.4	978.0	404.4	1,896.8	111	94

<sup>(1)</sup> In converting HUF financial data into US Dollars, the following average NBH rates were used: for Q3 2005: 201.2 HUF/USD, for Q1-Q3 2005: 195.7 HUF/USD, for Q3 2006: 216.1 HUF/USD, for Q1-Q3 2006: 213.2 HUF/USD.

<sup>(2)</sup> Operating profit excluding the one-off gain on the gas transaction and the profit of the subsidiaries sold in this transaction (Wholesale and Storage).

In Q1-Q3 2006, operating profit increased by HUF 112.5 bn, to HUF 352.2 bn (USD 1,652.0 mn). The improvement in the operating profit was supported by previous years' investment in our key businesses and the results of the efficiency improvement projects started in the new strategic period. Operating profit adjusted by discontinuing operation grew by 31% in Q1-Q3 2006 and by 43% in Q3 2006 on a like for like basis. Q3 results were positively influenced by the stronger USD, increasing refinery product sales volumes and a better petrochemical environment. Net income grew by HUF 114.3 bn to HUF 306.9 bn (USD 1,439.5 mn) in Q1-Q3 2006, reflecting the strong operating performance of our key businesses, Exploration and Production and Refining and Marketing, and the gas transaction gain.

- ▶ **Exploration and Production** operating profit in Q1-Q3 2006 increased by HUF 31.6 bn to HUF 105.6 bn (USD 495.4 mn). Operating profit in Q3 2006 increased by HUF 2.1 bn to HUF 34.9 bn, due to higher crude oil prices and a stronger USD against the HUF, partially compensated by a 3% decrease in average daily hydrocarbon production.
- ▶ **Refining and Marketing** contributed an operating profit of HUF 152.0 bn (USD 713.0 mn), an increase of 10% (in USD terms 1%) over Q1-Q3 2005. Segmental operating profit in Q3 2006 increased by HUF 8.0 bn to HUF 58.7 bn, due to higher sales volumes and the stronger USD.
- ▶ The **Petrochemical** segment's operating profit decreased to HUF 13.0 bn (USD 60.9 mn) in Q1-Q3 2006, compared to a HUF 13.5 bn (USD 69.0 mn) profit in Q1-Q3 2005. In Q3 2006, operating profit grew by HUF 5.3 bn to HUF 5.5 bn, due to positive changes in the industrial environment.
- ▶ **Gas Transmission** operating profit increased by HUF 1.4 bn to HUF 23.2 bn (USD 108.8 mn) in Q1-Q3 2006. In Q3 2006, operating profit increased by HUF 0.6 bn to HUF 5.4 bn, mainly due to higher transmission volumes and excess capacity fee.
- ▶ A **net financial expense** of HUF 26.8 bn was recorded in Q1-Q3 2006, which includes a net foreign exchange loss of HUF 23.1 bn and a HUF 0.9 bn fair value valuation gain on the conversion option embedded in the capital security.
- ▶ Group **closing headcount** decreased by 9.4% y-o-y, from 15,612 to 14,151.
- ▶ **Capital expenditure** and investments was HUF 77.7 bn (USD 364.4 million) in Q1-Q3 2006. In Q3 2006, capital expenditure and investments were lower by HUF 2.2 bn compared to the same period last year. Net cash at the end of September 2006 was HUF 163.3 bn, while net cash to the sum of net debt and total equity was 14.9%.
- ▶ **Operating cash flow** before changes in working capital increased by 27% to HUF 373.9 bn (USD 1,753.6 mn) in Q1-Q3 2006. Including working capital changes and corporate tax paid, operating cash flow increased by 111%, to HUF 404.4 bn (USD 1,896.8 mn). In Q3 2006 operating cash flow before changes in working capital increased by 28% to HUF 129.9 bn (USD 609.2 mn).

**Mr Zsolt Hernádi, Chairman-CEO of MOL commented:**

"MOL closed another strong quarter with increased profit in all segments. We demonstrated our commitment to further upstream expansion with our entry into new exploration blocks in Russia and Pakistan. Our downstream vision was justified by the double digit demand growth in fuel demand in Hungary and Slovakia.

MOL always intended to maintain high level of transparency in its financial reporting and we provide further detailed data on our key businesses to meet the highest investor demand."

**Overview of the environment**

Global economic growth remained robust in Q3 2006 after its decline in most of 2005. Although slower than in 2004, growth remained above 3%. The geographical composition of growth moved towards a more balanced structure. The recent interest rate rises have started to moderate growth in the US. China's investment boom continues and growth remains close to double digits. Eurozone economies caught up with US economy and demonstrated similarly dynamic growth.

Oil prices reached record highs in early August, but have fallen steadily since then. According to IEA data, Q3 2006 oil demand is up by 1.2% to an average 84.2 mn barrels per day, still among the moderate growth rates witnessed in 2005.

On the supply side, the speed of recovery of crude production after the hurricanes exceeded expectations. This and other new capacities mainly from the Caspian region added substantial additional crude supply. On the other hand, technical problems and political instability caused a substantial fall in Iranian and Nigerian production. Together with the slowing growth in demand, this has created a relative oversupply of crude oil, which is reflected in increasing stocks of crude. Risk premiums and fears over further supply fall-out kept prices high until early August. Since then, fading tensions after the end of the Israeli-Lebanon conflict, combined with lower demand growth expectations have led to more than 20% drop in crude prices.

OPEC did not change its quotas in the 3rd quarter. Most OPEC countries are operating at almost full capacity, and further quota increases would not have resulted in additional supplies. As oil prices started to fall, demand expectations weakened and crude stocks rose, some OPEC members lobbied for a production cut. At its recent interim meeting in Doha, OPEC decided to lower its production by 1.2 mn barrels from November, which, if implemented, may stabilize prices.

As global energy efficiency is incomparably better than in the 70s and crude oil's share in primary energy is lower, the negative effect of high oil prices is measurable but limited.

Since crude oil demand is driven by motor fuels, refinery capacity reached its limit. As a result, refinery margins

were well above the historical average, although they decreased in parallel with oil prices since August.

In Hungary, GDP growth is below the Central European average but its structure remains healthy. The economy is still driven mainly by exports and investment. Growth of domestic consumption slowed to a sustainable level. However, increasing investment demand, increasing but still low household savings and an excessive budget deficit led to a high current account deficit. Q3 2006 witnessed volatility of the forint, amid concerns over financial sustainability and the position of the government, although the political events have not triggered a measurable capital flight. The government prepared, and Brussels accepted, the convergence plan, mainly through increasing tax revenues, which will also result in slower growth for the next few years. Domestic fuel prices have followed the international markets, resulting in a considerable price decrease. Fuel demand continued to grow robustly, but the austerity package is expected to result in a substantial reduction of fuel demand growth, especially in the case of gasoline.

The Slovak economy witnessed no substantial changes during last months. Economic expansion, measured by real GDP growth, has been continuing at a very solid pace that according to estimates is headed near to 7% inter-annual growth. In spite of the high fuel prices, gasoline consumption has been steady, while diesel consumption growth has kept pretty high - more than 15% on y-o-y basis.

The average CIF Med quoted price of Ural Blend increased by 26% in USD terms, compared to the first nine months of 2005. The Brent-Ural differential increased to 4.0 USD/bbl in Q1-Q3 2006 from 3.9 USD/bbl in Q1-Q3 2005. Average USD denominated crack spreads of FOB Rotterdam gasoline increased by 16%, while the gas oil crack spread decreased by 10% compared to Q1-Q3 2005. The US dollar appreciated by an average of 9% against the Hungarian Forint, while the Euro appreciated by an average 8% against the Forint in Q1-Q3 2006. The Euro appreciated by 8% from year-end 2005 to 30 September 2006 (from 252.7 to 273.5), while the US dollar appreciated by 1% from year-end 2005 to 30 September 2006 (from 213.6 to 215.7). The US dollar depreciated by an average of 1% against the Slovak Crown in Q1-Q3 2006, while the Euro depreciated by an average 3% against the Slovak Crown year on year.

## Exploration and Production

### Segment IFRS results (in HUF bn)

2005	Q2 2006	Q3 2006	Q3 2005	Ch. %	Exploration & Production	Q1-Q3 2005	Q1-Q3 2006	Ch. %
137.0	41.7	42.6	38.3	11	EBITDA	92.3	129.8	41
<b>105.4</b>	<b>32.5</b>	<b>34.9</b>	<b>32.8</b>	<b>6</b>	<b>Operating profit/(loss)</b>	<b>74.0</b>	<b>105.6</b>	<b>43</b>
34.4	10.1	8.4	9.9	(15)	CAPEX and investments <sup>1</sup>	23.8	23.8	0

### Key segmental operating data

2005	Q2 2006	Q3 2006	Q3 2005	Ch. %	HYDROCARBON PRODUCTION (gross figures before royalty)	Q1-Q3 2005	Q1-Q3 2006	Ch. %
<b>2,253</b>	<b>542</b>	<b>538</b>	<b>562</b>	<b>(4)</b>	<b>Crude oil production (kt) *</b>	<b>1,674</b>	<b>1,633</b>	<b>(2)</b>
884	208	215	216	0	Hungary	665	638	(4)
1,369	334	323	346	(7)	Russia	1 009	995	(1)
<b>2,874</b>	<b>695</b>	<b>725</b>	<b>724</b>	<b>0</b>	<b>Natural gas production (million m<sup>3</sup>, net dry) **</b>	<b>2,103</b>	<b>2,282</b>	<b>9</b>
2,843	685	713	716	0	Hungary	2,083	2,249	8
31	10	12	8	50	Pakistan	20	33	65
<b>206</b>	<b>52</b>	<b>51</b>	<b>52</b>	<b>(2)</b>	<b>Condensate (kt)</b>	<b>159</b>	<b>166</b>	<b>4</b>
<b>257</b>	<b>57</b>	<b>49</b>	<b>63</b>	<b>(22)</b>	<b>LPG and other gas products (kt)</b>	<b>191</b>	<b>182</b>	<b>(5)</b>
<b>101,055</b>	<b>99,148</b>	<b>97,503</b>	<b>100,515</b>	<b>(3)</b>	<b>Average hydrocarbon prod. (boe/d)</b>	<b>99,914</b>	<b>102,729</b>	<b>3</b>

\*Excluding separated condensate

\*\*Domestic production, excluding original cushion gas production from gas storage.

2005	Q2 2006	Q3 2006	Q3 2005	Ch. %	Realised hydrocarbon price	Q1-Q3 2005	Q1-Q3 2006	Ch. %
41.2	52.1	54.4	48.6	12	Average realised crude oil and condensate price (USD/bbl)	40.5	51.2	26
39.7	50.7	52.3	43.8	19	Average realised total hydrocarbon price (USD/boe)	38.2	50.0	31

The operating profit of the segment in Q1-Q3 in 2006 is HUF 105.6 bn, which is 31.6 HUF bn higher than the corresponding figure for Q1-Q3 in 2005. The main drivers for the profit improvement were rising oil prices (Brent rose with an average 25 % during this period), a favourable change in exchange rate (USD stronger by 9 % compared to HUF), the growth in gas production and further efficiency improvements. Domestic oil price increased by 37% (expressed in HUF) compared to Q1-Q3 2005. The selling price of domestically produced natural gas increased even faster (+54%), and this could further strengthen the positive profit effect of higher gas production volumes.

Despite a slightly decreasing oil production (the 4 % drop comes from the declining production from the mature domestic fields) MOL's aggregate average daily hydrocarbon production reached 102,729 boe/day, showing a 3 % increase in Q1-Q3 2006 versus the base period. The production of the ZMB field was similar to the level in Q1-Q3 2005. We can still identify the favourable effect of the Hosszúpályi gas field (put into production in June 2005) development on the volume figure, as domestic natural gas production was 8%, and condensate production 4% higher than the basis. The volume of gas produced in the Manzalai field in Pakistan (pilot production started last year) shows a notable increase, though its share in the total production is not yet significant.

The unit oil production cost in Q1-Q3 2006 decreased by 5% to 3.4 USD/bbl, mainly due to the stronger USD.

Segment revenues grew by HUF 92.9 bn, whereas expenditures were HUF 61.3 bn higher. Within such rising

costs, various taxes linked to prices (e.g. the extra mining royalty on domestically produced natural gas, Russian export duty) continued to dominate. The mining royalty on domestic production increased nearly by 78 %, and the abovementioned extra mining royalty on natural gas took 71% of the total payments in Q1-Q3 (HUF 62.6 bn out of HUF 87.8 bn total royalty on domestic production).

The total capex for Q1-Q3 in 2006 amounted to HUF 23.8 bn, the same level as in the base period. 76 % of capital expenditure was spent within Hungary, of which HUF 8.8 bn was used for development projects mainly in the Algyó and Tóalmás fields, while HUF 5.6 bn was spent on domestic exploration projects. International CAPEX was split equally between field developments and exploration. The MOL share of the ZMB field development project reached HUF 2.0 bn and the development of Pakistani discoveries required a capex (MOL share) of HUF 0.5 bn in this period. The international exploration activities in the period were focused on the Fedorovsky project in Kazakhstan and Yemeni projects, where HUF 1.1 bn and HUF 0.6 bn were spent respectively. Another HUF 0.8 bn was spent in connection with to international exploration project acquisitions (mainly in Russia and Oman). A new exploration project was acquired in Oman (Block 43) in this quarter, representing MOL's entry into a strategically important country.

<sup>1</sup> Consolidated CAPEX figures exclude capitalised finance costs, but include financial investments.

*Refining and Marketing*

**Segment IFRS results (in HUF bn)**

2005	Q2 2006	Q3 2006	Q3 2005	Ch. %	Refining & Marketing	Q1-Q3 2005	Q1-Q3 2006	Ch. %
238.4	84.7	74.5	64.4	16	EBITDA	179.7	199.4	11
<b>177.0</b>	<b>69.1</b>	<b>58.7</b>	<b>50.7</b>	<b>16</b>	<b>Operating profit/(loss)</b>	<b>138.6</b>	<b>152.0</b>	<b>10</b>
92.3	11.5	18.4	12.3	50	CAPEX and investments <sup>1</sup>	65.9	35.6	(46)
2005	Q2 2006	Q3 2006	Q3 2005	Ch. %		Q1-Q3 2005	Q1-Q3 2006	Ch. %
<b>177.0</b>	<b>69.1</b>	<b>58.7</b>	<b>50.7</b>	<b>16</b>	<b>Reported EBIT</b>	<b>138.6</b>	<b>152.0</b>	<b>10</b>
8.6	0.0	0.0	8.6	(100)	One – off items	8.6	0.0	(100)
(39.1)	(14.6)	1.9	(12.9)	115	Replacement modification	(41.3)	(21.2)	49
<b>146.5</b>	<b>54.5</b>	<b>60.6</b>	<b>46.4</b>	<b>31</b>	<b>Estimated clean CCS</b>	<b>105.9</b>	<b>130.8</b>	<b>24</b>

**Key segmental operating data**

2005	Q2 2006	Q3 2006	Q3 2005	Ch. %	REFINERY PROCESSING	Kt	Q1-Q3 2005	Q1-Q3 2006	Ch. %
908	206	232	235	(1)	Domestic crude oil		677	622	(8)
11,503	2,761	3,082	3,016	2	Imported crude oil		8,597	8,914	4
210	57	55	54	2	Condensates		160	164	3
2,432	551	576	582	(1)	Other feedstock		1,743	1,760	1
<b>15,053</b>	<b>3,575</b>	<b>3,945</b>	<b>3,887</b>	<b>1</b>	<b>TOTAL REFINERY THROUGHPUT</b>		<b>11,177</b>	<b>11,460</b>	<b>3</b>
566	147	148	112	32	Purchased and sold products		398	444	12

2005	Q2 2006	Q3 2006	Q3 2005	Ch. %	REFINERY PRODUCTION	Kt	Q1-Q3 2005	Q1-Q3 2006	Ch. %
2,888	708	721	732	(2)	Motor gasoline		2,172	2,122	(2)
5,606	1,495	1,570	1,446	9	Gas and heating oil		4,143	4,523	9
1,731	426	423	419	1	Naphtha		1,277	1,378	8
3,116	535	831	874	(5)	Other products		2,331	2,150	(8)
<b>13,341</b>	<b>3,164</b>	<b>3,545</b>	<b>3,471</b>	<b>2</b>	<b>TOTAL PRODUCT</b>		<b>9,923</b>	<b>10,173</b>	<b>3</b>
146	38	31	29	7	Refinery loss		108	108	0
1,566	373	369	387	(5)	Own consumption		1,146	1,179	3
<b>15,053</b>	<b>3,575</b>	<b>3,945</b>	<b>3,887</b>	<b>1</b>	<b>TOTAL REFINERY PRODUCTION</b>		<b>11,177</b>	<b>11,460</b>	<b>3</b>

2005	Q2 2006	Q3 2006	Q3 2005	Ch. %	REFINED PRODUCT SALES (Group external sales)	Kt	Q1-Q3 2005	Q1-Q3 2006	Ch. %
4,256	1,206	1,321	1,189	11	Hungary		3,035	3,491	15
1,385	385	419	392	7	Slovakia		1,012	1,087	7
6,113	1,546	1,535	1,597	(4)	Other markets		4,587	4,471	(3)
<b>11,754</b>	<b>3,137</b>	<b>3,275</b>	<b>3,178</b>	<b>3</b>	<b>TOTAL CRUDE OIL PRODUCT SALES</b>		<b>8,634</b>	<b>9,049</b>	<b>5</b>

2005	Q2 2006	Q3 2006	Q3 2005	Ch. %	REFINED PRODUCT SALES (Group external sales)	Kt	Q1-Q3 2005	Q1-Q3 2006	Ch. %
3,102	807	799	801	0	Motor gasoline		2,278	2,283	1
5,901	1,655	1,760	1,565	12	Gas and heating oils		4,321	4,778	11
2,751	675	716	812	(12)	Other products		2,035	1,988	(2)
<b>11,754</b>	<b>3,137</b>	<b>3,275</b>	<b>3,178</b>	<b>3</b>	<b>TOTAL CRUDE OIL PRODUCT SALES</b>		<b>8,634</b>	<b>9,049</b>	<b>5</b>
1,803	503	505	484	4	o/w Retail segment sales		1,317	1,438	9
1,866	559	602	512	18	o/w Direct sales to other end-users*		1,354	1,584	17
<b>2,515</b>	<b>651</b>	<b>547</b>	<b>619</b>	<b>13</b>	<b>Petrochemical feedstock transfer</b>		<b>1,831</b>	<b>1,864</b>	<b>2</b>

\*Motor gasoline, gas and heating oil sales

<sup>1</sup> Consolidated CAPEX figures exclude capitalised finance costs, but include financial investments.

Operating profit for the segment increased by HUF 13.4 bn in Q1-Q3 2006, compared to Q1-Q3 2005. This growth was supported by higher sales volumes, a stronger USD against the HUF, previous years' investments in our refineries and a significant improvement in operating efficiency. Operating profit in Q3 2006 increased by HUF 8.0 bn to HUF 58.7 bn on a like for like basis.

**Consolidated Group sales** volumes increased by 5% (415 kt) in Q1-Q3 2006 with strong growth in total diesel sales (442 kt, 12%) and flat motor gasoline volumes. Export sales shifted to the higher margin end-user customers segment. Petrochemical feedstock grew by 33 kt leveraging Group-level optimisation opportunities.

In spite of high quoted product prices, regional fuel demand (especially gasoil demand) increased significantly year-on-year in Q1-Q3 2006, leading to higher sales in the region, which was also reflected in MOL Group wholesale figures.

### Retail

2005	Q2 2006	Q3 2006	Q3 2005	Ch. %	REFINED PRODUCT RETAIL SALES	Kt	Q1-Q3 2005	Q1-Q3 2006	Ch. %
856.3	228.6	220.6	229.5	(4)	Motor gasoline		634.8	645.3	2
918.0	268.5	276.5	247.7	12	Gas and heating oils		662.1	772.3	17
28.3	5.8	7.4	7.0	6	Other products		20.2	20.2	0
<b>1,802.6</b>	<b>502.9</b>	<b>504.5</b>	<b>484.2</b>	<b>4</b>	<b>TOTAL OIL PRODUCT RETAIL SALES</b>		<b>1,317.1</b>	<b>1,437.8</b>	<b>9</b>

As of September 30th, 2006, the MOL Group operated 795 filling stations (for details please see Appendix X). Sale of the Polish network was successfully completed. In Slovakia 23 low turnover sites were closed within the framework of the retail network efficiency improvement program in Q3 2006.

In Q1-Q3 2006, MOL's Hungarian retail fuel sales volumes increased by 3.7% compared to Q1-Q3 2005, while the average throughput per site increased by 3.5% compared to the base period. The 2.7% fall in gasoline sales was more than compensated by the 11.0% growth in diesel sales, supported by MOL's very strong fleet card sales. The main reason for the decrease in gasoline sales was the significant increase in prices, which made the gasoline customer more price sensitive, resulting in a shift to discount retailers. Our fuel market share, according to MASZ (Hungarian Petroleum Association), was 2.9 percentage points lower (38.4 % in Q1-Q3 2006 compared to 41.3% in Q1-Q3 2005). The main reason for this significant reduction is that Tesco joined MASZ in April 2005, and is therefore not included in the full base period. Despite this dynamic Hypermarket growth in 2005, MOL managed to stabilize its market share and improved it by 1 percentage point compared to its low level in 2005. In Hungary, shop sales revenue increased by 5.4% in Q1-Q3 2006, which represented a 1.6% increase in shop sales per litre compared to Q1-Q3 2005. Our fleet card sales grew by 5.1% compared to the same period last year. The

**In Hungary**, gasoline demand increased by 6% in Q1-Q3 2006. MOL gasoline sales out-performed market growth through new customer acquisitions, as our sales grew by 13% resulting an increase of 5 percentage points in wholesale market share. Diesel consumption jumped by 21%, driven by strong economic growth and intensive infrastructural investments. MOL sales grew by 23%, outpacing the market.

The **Slovakian** motor gasoline market demand increased by 7%. MOL's turnover fell by 3%, due to the emerging hypermarket segment bringing import volumes. Diesel demand in Slovakia grew by 20 % although MOL's sales increased by 11% compared to Q1-Q3 2005 leading to lower market share vs same period last year.

**Regarding other markets**, the export sales quantity was, as always, a result of production and sales optimization. In line with the development of market demand we increased the sales of diesel. The reduction in Austrian sales in Q1-Q3 2006 was partly compensated by diesel sales to other target markets.

proportion of card sales within MOL's total fuel sales in Hungary grew by 0.7 percentage point.

Our retail market share in Slovakia was 0.7 percentage points lower than in Q1-Q3 2005, however relatively stable since July 2005. In March 2005, a new retail strategy was implemented to ensure competitive positioning and offset the decrease in market share. Within total sales in Q1-Q3 2006, our gasoline sales decreased by 6.4% in Slovakia compared to Q1-Q3 2005, as a result of a similar shift to that seen in Hungary. In Q1-Q3 2006, our diesel sales increased by 11.9% compared to Q1-Q3 2005. In Slovakia, fleet card sales increased by 10.0% in Q1-Q3 2006 compared to Q1-Q3 2005. The proportion of card sales within Slovakian total fuel sales grew by 2.0 percentage point. In Romania, retail market share in Q1-Q3 2006 increased to 14%. Our fuel sales increased by 38.5% in Q1-Q3 2006 compared to Q1-Q3 2005, as a result of both network expansion (Shell Romania acquisition) and increased sales volume per site. Our shop sales revenue in Romania in Q1-Q3 2006 increased by 33.5% compared to Q1-Q3 2005, due to the above-mentioned network expansion.

Capital expenditure declined significantly (by HUF 30.3 bn), as major EU 2005 product quality investments phased off and the acquisition cost of the Shell filling station network was paid in the same period last year.

*Petrochemicals*

**Segment IFRS results (in HUF bn)**

2005	Q2 2006	Q3 2006	Q3 2005	Ch. %	Petrochemicals	Q1-Q3 2005	Q1-Q3 2006	Ch. %
33.1	8.4	10.1	4.1	145	EBITDA	24.5	26.6	8
<b>19.1</b>	<b>3.9</b>	<b>5.5</b>	<b>0.2</b>	<b>3,191</b>	<b>Operating profit/(loss)</b>	<b>13.5</b>	<b>13.0</b>	<b>(3)</b>
11.1	2.1	2.8	5.4	(48)	CAPEX and investments <sup>1</sup>	6.4	5.5	(14)

\*Not including the profit of test run.

**Key segmental operating data**

2005	Q2 2006	Q3 2006	Q3 2005	Ch. %	PETROCHEMICAL PRODUCTION Kt	Q1-Q3 2005	Q1-Q3 2006	Ch. %
797	204	164	196	(16)	Ethylene	584	574	(2)
404	100	81	98	(17)	Propylene	299	283	(5)
284	71	67	67	-	LDPE	215	205	(5)
353	84	77	95	(19)	HDPE	254	260	2
441	125	122	108	13	PP	310	374	21
772	177	146	178	(18)	Other products	572	508	(11)
2005	Q2 2006	Q3 2006	Q3 2005	Ch. %	PETROCHEMICAL SALES BY PRODUCT GROUP Kt	Q1-Q3 2005	Q1-Q3 2006	Ch. %
229	68	50	59	(15)	Olefin products	170	175	3
1,065	266	269	275	(2)	Polymer products	771	833	8
2005	Q2 2006	Q3 2006	Q3 2005	Ch. %	PETROCHEMICAL SALES (external) Kt	Q1-Q3 2005	Q1-Q3 2006	Ch. %
468	122	107	128	(16)	Hungary	349	350	0
69	17	18	22	(18)	Slovakia	54	52	(4)
757	195	194	184	5	Other markets	537	606	13
<b>1,294</b>	<b>334</b>	<b>319</b>	<b>334</b>	<b>(4)</b>	<b>TOTAL PETROCHEMICAL PRODUCT SALES</b>	<b>940</b>	<b>1,008</b>	<b>7</b>

In the first nine months of 2006, the operating profit of the Petrochemical segment was HUF 13.0 bn, while EBITDA, an indicator of the cash-generating ability of the segment, amounted to HUF 26.6 bn, showing a 8% increase compared to the base period of the previous year. In the middle of the last quarter, the industrial environment changed for the positive, therefore operating profit significantly increased year-on-year in the third quarter, in spite of the general overhauls that were carried out in several plants.

Due to a 26% increase in USD-denominated naphtha quotation and a 11-23% increase in the EUR-denominated polymer quoted prices denominated in EUR, the petrochemical integrated margin increased by 9% compared to Q1-Q3 2005. While the polymer prices increased by 13-30% in Q3 2006, the average price of naphtha rose by 14%, but showed a decreasing tendency.

In Q1-Q3 2006, the polymer sales volumes increased by 8% to 833 kt, due to the increasing capacities of new plants launched in 2005. The growth comes predominantly from PP products, mainly as a result of the increasing capacity of the new Slovnaft PP plant. The composition of polymer sales changed, with the ratio of PP sales increasing to 45%, beside HDPE (31%) and LDPE (24%) products. In Q3 2006, the polymer and olefin product sales decreased by 6 kt and 9 kt respectively compared to Q3 2005, as a result of the general overhaul in one of the olefin plants and 3 polymer plants of TVK.

In the first three quarters of 2006, the polymer sales were at basis level in the domestic markets. The proportion of export sales in our sales portfolio increased due to new capacities and the improving commercial efficiency as a result of single channel sales activities, resulting in increased sales mainly in the Italian and German markets.

<sup>1</sup> Consolidated CAPEX figures exclude capitalised finance costs, but include financial investments.

## Natural Gas

### Subsidiaries IFRS results (non consolidated, in HUF bn)

2005	Q2 2006	Q3 2006	Q3 2005	Ch. %	Transmission	Q1-Q3 2005	Q1-Q3 2006	Ch. %
40.5	8.6	8.9	7.8	14	EBITDA	30.5	32.7	7
<b>27.3</b>	<b>5.6</b>	<b>5.4</b>	<b>4.8</b>	<b>13</b>	<b>Operating profit/(loss)</b>	<b>21.8</b>	<b>23.2</b>	<b>6</b>
11.4	3.3	2.4	2.3	4	CAPEX and investments	4.2	7.1	69

  

2005	Q2 2006	Q3 2006	Q3 2005	Ch. %	Wholesale *	Q1-Q3 2005	Q1-Q3 2006	Ch. %
(4.7)	n.a.	n.a.	0.5	n.a.	EBITDA	10.3	(8.6)	n.a.
<b>(4.7)</b>	<b>n.a.</b>	<b>n.a.</b>	<b>0.5</b>	<b>n.a.</b>	<b>Operating profit/(loss)</b>	<b>10.3</b>	<b>(8.6)</b>	<b>n.a.</b>
0.0	n.a.	n.a.	0.0	n.a.	CAPEX and investments	0.0	0.0	n.a.

  

2005	Q2 2006	Q3 2006	Q3 2005	Ch. %	Storage *	Q1-Q3 2005	Q1-Q3 2006	Ch. %
22.8	n.a.	n.a.	4.9	n.a.	EBITDA	18.9	7.4	n.a.
<b>16.2</b>	<b>n.a.</b>	<b>n.a.</b>	<b>3.3</b>	<b>n.a.</b>	<b>Operating profit/(loss)</b>	<b>14.2</b>	<b>5.7</b>	<b>n.a.</b>
75.2	n.a.	n.a.	2.1	n.a.	CAPEX and investments	9.8	2.0	n.a.

### Main operational data

2005	Q2 2006	Q3 2006	Q3 2005	Ch. %	Transmission volumes mn cm	Q1-Q3 2005	Q1-Q3 2006	Ch. %
17,714	3,686	3,647	3,541	3	Hungarian natural gas transmission **	13,044	13,151	1
2,570	348	320	352	(9)	Natural gas transit	1,666	1,563	(6)

  

2005	Q2 2006	Q3 2006	Q3 2005	Ch. %	Transmission fee HUF/cm	Q1-Q3 2005	Q1-Q3 2006	Ch. %
3.03	3.53	3.61	3.48	4	Hungarian natural gas transmission fee	3.08	3.10	1

\*Q1-Q3 2006 data of the two divested gas companies show the Q1 values due to the divestment in March

\*\* including transmission volume to the gas storages

Q1-Q3 operating profit of the gas business was significantly influenced by the one-off profit from the divestment of two gas companies (MOL Natural Gas Supply Plc. and MOL Natural Gas Storage Plc.) as of March 31st 2006. The effect of this was, however, somewhat modified by the lack of the Q2 and Q3 profit contribution of the two gas companies, as a consequence of no longer being included in consolidated accounts. The profit of the gas business adjusted for the different operational conditions of the two periods and the one-off effect of the divestment of the profit of gas business, reflects the impact of the surplus profit of MOL Natural Gas Transmission Plc.

Operating profit of **MOL Natural Gas Transmission Plc.** increased by HUF 1.4 bn to HUF 23.2 bn in Q1-Q3 2006 compared to the base period. The excess capacity fee of HUF 2.1 bn invoiced to the domestic market participants in Q1-Q3 2006 played a significant role in the increase of revenues. Revenues from domestic transmission show a HUF 0.6 bn increase compared to the base period due to the regulations affecting Q1-Q3

2006 and the increasing transmission volumes. Transit natural gas transmission revenue increased by 34.6% (by HUF 2.5 bn) compared to 2005 Q1-Q3, in spite the fact that transmitted natural gas volume decreased by 6.2%. Contractual conditions, the gas price and the exchange rate had a positive influence on the transit fee increase. The improvement in profit driven by higher revenues was moderated by the 14.4% increase of operating costs. Within this, the natural gas cost used for operational purposes, mainly for driving compressors, shows an increase of 39.2% in spite of the decreasing volume as a consequence of the gas price exceeding the base period by 45.3%.

Value of investment grew by HUF 2.9 bn compared to the HUF 4.2 bn of in Q1-Q3 2005, as a consequence of more significant spending on the emission reduction of gas turbines and the capacity expansion of compressor stations in Q1-Q3 2006.

## **Financial overview**

### ***Changes in accounting policies and estimates***

Changes in IFRS effective from 1 January 2006 were adopted by the Group and their impact is reflected in the Q3 Flash Report. Apart from some minor modifications in the current policies and disclosures, IFRIC 4 has resulted in a significant change:

IFRIC 4 – Determining whether an Arrangement contains a Lease requires lease accounting for agreements, the fulfillment of which depends on a specific asset or assets and it conveys a right to use the asset(s). One facility at TVK's premises meeting the criteria of IFRIC 4 has been recorded among Property, Plant and Equipment in the consolidated balance sheet from 1 January 2006 with a value of HUF 2.5 bn with a corresponding increase in lease payables among Long-term Debt. In prior periods, the agreement was accounted for as service contract, i.e. expensed when payments occurred.

### ***Operations***

The majority of changes in the consolidated income statement items reflect the effect of the gas business sale, since comparative Q1-Q3 figures include the gas companies' full contribution, while current figures include only first quarter performance of the gas companies sold.

In Q1-Q3 2006, Group net sales revenues increased by 33% to HUF 2,263.1 bn, primarily reflecting increased average selling prices and sales volumes of refining products. Other operating income in Q1-Q3 2006 reflects the one-time gain realized on the disposal of the gas business. The value of raw materials and consumables used increased by 32%, slightly below the growth rate of sales. Within this, raw material costs increased by 42%, primarily as a result of the sharp increase in crude oil import prices and the increased quantity of import crude oil processed. Cost of goods sold increased by 21%, despite the fact that the comparative period contained the full contribution of the sold gas business, mainly as a result of higher prices of import crude oil and oil products sold during the period. The value of material-type services used increased by 2% to HUF 87.0 bn. Other operating expenses increased by 32% to HUF 203.2 bn, mainly due to an increase in the royalty payment (HUF 43.6 bn). Personnel expenses for the period decreased by 2%, reflecting the combined effect of average salary increase of 5% and the impact of the change in valuation of the share based long-term incentive scheme for the management. In addition, the comparative period includes a HUF 2.5 bn one time severance payment redemption cost. Of the production costs incurred in the current period, HUF 12.0 bn is attributable to the increase in the level of finished goods inventory and work in progress, as opposed to the HUF 66.7 bn in Q1-3 2005.

A net financial expense of HUF 26.8 bn was recorded in Q1-Q3 2006 compared to HUF 22.8 bn in Q1-3 2005. Interest payable of HUF 11.4 bn, and foreign exchange loss of HUF 23.1 bn in Q1-3 of 2006, compared to interest payable of HUF 9.3 bn and foreign exchange loss of HUF 13.0 bn recognised in Q1-Q3 2005. Fair valuation gain on the conversion option embedded in the capital security issued in the monetization of treasury shares by Magnolia Finance Ltd since its issuance in March 2006 was HUF 0.9 bn. The net financial gain of HUF 12.9 bn in Q3 2006 includes a HUF 4.8 bn gain on a commodity hedge position in the period. Income from associates includes INA's Q1-Q3 contribution of HUF 3.7 bn.

Corporate tax expense decreased by HUF 4.7 bn to HUF 21.6 bn in Q1-Q3 2006, primarily as a result of the tax expense of the gas companies sold, which was HUF 4.3 bn in Q1-Q3 2005. The current tax expense is the result of the contribution of Slovnaft (19% corporate tax rate) and the gas transmission company (16%), of HUF 11.1 bn and HUF 1.0 bn respectively, as well as the corporate tax payable on the profit of the ZMB joint venture (HUF 4.4 bn). MOL Plc. has completed its compliance testing and concluded that capital investments capitalized in 2005 qualify the company for a corporate tax holiday in 2006 as well. The corporate tax liability of HUF 24.5 bn recorded in Q1-Q2 has been reversed.

### ***Balance sheet***

Total assets amounted to HUF 2,194.5 bn at the end of September 2006, representing an increase of 8%, compared to 31 December 2005. Within this, Property, plant and equipment decreased by 9%, reflecting primarily the sales of the gas business (HUF 118.6 bn). Inventories decreased by 17% to HUF 219.1 bn due to the sales of the gas business (HUF 94.7 bn) and the higher sales volumes of refining products.

Net trade receivables decreased by 9% to HUF 262.0 bn, reflecting primarily the sales of the gas business (HUF 83.1 bn). Trade and other payables increased by 15% to HUF 509.9 bn, due to the effect of the sales of the gas business (HUF 75.8 bn). Contingent consideration received for the gas business of HUF 39.6 bn was also accrued as Trade and other payables. The total amount of provisions at the end of Q3 2006 was HUF 126.6 bn compared to the balance of 2005 year-end, which was HUF 120.3 bn, the change reflecting mainly the unwinding of the discount recorded thereon. Other



non-current liabilities increased to HUF 43.5 bn, representing the financing incurred by the monetization of treasury shares by Magnolia Finance Ltd. The derivative liability resulting from this transaction was HUF 38.1 bn as of 30 September 2006. The 40% decrease in Long-term debt (including current portion) compared to the 2005 year-end indicates further improvement in the liquidity position of the Group. As at 30 September 2006, 95.8 % of the MOL Group's total debt was Euro-denominated, 3.8% in HUF and 0.4% in USD and other currencies. At the end of Q3 2006, MOL's gearing (net debt to net debt plus shareholders' equity including minority interests) was minus 14.9% (caused by the cash positive status of the Group) compared to 23.5% at the end of 2005.

Holders of the capital securities of Magnolia received a total coupon payment of HUF 3.4 bn in the second and third quarters and the dividend for MOL shares held by Magnolia was also settled (HUF 1.9 bn). Both of these have been recorded directly against equity attributable to minority interest.

### ***Changes in contingencies and commitments and litigations***

The capital contractual commitments of the Group were HUF 29.5 bn as of 2006 Q1-Q3 compared to HUF 32.0 bn at the end of 2005. Our other contingencies and commitments (guarantees, operating lease liabilities) did not change significantly in the first nine months of 2006 compared to the amounts reported in the 2005 Annual Report of MOL Group.

Major changes in litigations compared to the end of 2005:

The litigation initiated by the minority owners holding an approximate 23% ownership interest in Balatongáz Ltd against MOL as the majority owner of Balatongáz Ltd to determine that MOL purchased their ownership interests for a total purchase price of HUF 83 million and for damages of HUF 3 billion is still pending. At 31 August, the court passed an interim ruling, by which the court created the purchase agreements of ownership interests between MOL and the plaintiff minority owners with the conditions stipulated in MOL's bid dated as of May 7, 2001. MOL filed an appeal against this interim ruling. The litigation is still pending with respect to the other parts of the plaintiffs' claims.

The Russian arbitral court imposed upon Slovnafit as defendant duty to pay to Mende Rossi an amount of USD 15,689,041 together with 16% default interest p.a. on the amount of USD 9,144,095 from June 24, 1994 until payment and the costs of the proceeding in an amount USD 68,160 for failing the consideration of the crude oil supplies in its resolution on April of 1996 in the course of the proceeding initiated by plaintiff "Mende-Rossi", Menendelejevsk tartar firm in front of the International Commercial Arbitration Tribunal at the Chamber of Commerce and Industry of the Russian Federation. Considering that the Russian arbitration proceeding violated the rights to impartial proceeding and right to represent of Slovnafit as contending party, as well as because the decision was not supported with adequate evidence the competent courts of Slovak Republic finally refused the enforcement of the decision of the Russian court of arbitration. The "Mende-Rossi" firm also asked the enforcement of the decision of the court of arbitration in Austria in 1997 at the same time with the attempt of the Slovak enforcement and after the final refusal of the Slovak enforcement in the Czech Republic in 2005. Slovnafit filed an appeal against both. The Austrian and Czech proceedings are still going on, but regarding the decision of the Supreme Court of Slovak Republic adopted between years 2002 - 2004 which finds the decision of the court of arbitration illegal as follows not enforceable Slovnafit considers unlikely a failure of lawsuits in front of the Austrian and Czech courts. In the Czech Republic the local court of Prague has finally rejected the claim for enforcement filed by Ashford Technologies Corp. (Mende-Rossi's claim has been transferred to this company), but Ashford Technologies Corp. filed an extraordinary appeal to the Supreme Court.

The Antimonopoly Office of Slovak Republic, Abuse of Dominant Position Department notified Slovnafit by its letter dated on November 22, 2005 on commencement of administrative proceeding against Slovnafit due to a possible breach of the provisions of the Act No. 136/2001 Coll. on Economic Competition. These administrative proceedings involve a review of the price policy of the Company with respect to petrol and diesel sales. The proceedings are still ongoing. No provision has been recognized in these financial statements as the management is unable to determine any possible negative outcome of the proceedings. The Antimonopoly Office has to make its decision in the proceeding by November 21.

MOL Group entities are parties to a number of civil actions arising in the ordinary course of business. Currently, there exists no further litigation that could have a material adverse affect on the financial condition, assets, results or business of the Group.

The value of litigation where members of the MOL Group act as defendant is HUF 10,826 million for which HUF 262 million provision has been made.

The MOL Group has also filed suits, totaling HUF 4,482 million. In 2005, the court of arbitration has recognized MOL's claim for damages against MB Kőolajkutató Rt., the party responsible for the gas explosion at Pusztaszőlős underground

2006 THIRD QUARTER AND NINE MONTHS PRELIMINARY RESULTS OF MOL HUNGARIAN OIL AND GAS PLC  
gas storage facility in 2000. Liquidation procedure has been started against MB Kőolajkutató Rt. The Group has not recorded any receivable with respect to these claims.

### **Cash flow**

Operating cash flow in Q1-Q3 2006 was HUF 404.4 bn, a 111% increase compared to the 2005 figure. Operating cash flow before movements in working capital increased by 27%. The change in the working capital position increased funds by HUF 45.2 bn, arising from an increase in accounts receivables, other receivables and other current liabilities (of HUF 23.2 bn, HUF 13.3 bn and HUF 78.1 bn, respectively), as well as a decrease in inventories and accounts payables (of HUF 35.2 bn and HUF 31.6 bn). Corporate taxes paid amounted to HUF 14.7 bn, related to a cash outflow of Slovnaft's corporate tax liabilities arising in 2005 and prepayments by MOL for 2006.

Net cash provided by investing activities was HUF 200.7 bn compared with net cash of HUF 124.4 bn used in Q1-Q3 2005. The cash inflow of the current period reflects the consideration received for gas subsidiaries sold, while the comparative figure of 2005 contains the cash used for the share buyback from Slovintegra-Slovbena, which is shown in the Acquisition of subsidiaries item. Net financing cash outflows amounted to HUF 273.1 bn, being mainly the result of the issuance of the perpetual exchangeable capital securities by the fully consolidated Magnolia, HUF 176.3 bn net repayment of long-term debt and HUF 238.1 bn repurchase of treasury shares (including those previously held by the Hungarian State Privatization Agency).

**APPENDIX I**  
**CONSOLIDATED STATEMENTS OF OPERATIONS FOR THE MOL GROUP**  
**PREPARED IN ACCORDANCE WITH IFRS**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2006**  
**Unaudited figures (in HUF million)**

2005	Q2 2006	Q3 2006	Q3 2005 Restated	Ch. %		Q1-Q3 2005 Restated	Q1-Q3 2006	Ch. %
2,455,164	702,169	762,307	585,759	30	Net sales	1,702,042	2,263,145	33
18,450	5,674	3,302	3,680	(10)	Other operating income	13,200	93,277	607
<b>2,473,614</b>	<b>707,843</b>	<b>765,609</b>	<b>589,439</b>	<b>30</b>	<b>Total operating revenues</b>	<b>1,715,242</b>	<b>2,356,422</b>	<b>37</b>
1,048,209	335,086	391,942	306,369	28	Raw material costs	744,558	1,058,877	42
111,313	30,656	31,309	28,840	9	Value of material-type services used	85,541	87,009	2
641,655	102,922	114,513	111,911	2	Cost of goods purchased for resale	418,293	506,399	21
1,801,177	468,664	537,764	447,120	20	Raw material and consumables	1,248,392	1,652,285	32
107,874	27,148	24,840	29,026	(14)	Personnel expenses	79,825	78,593	(2)
123,500	32,861	32,336	26,501	22	Depreciation, depletion, amortisation and impairment	82,584	96,824	17
217,322	62,206	74,351	58,285	28	Other operating expenses	154,083	203,168	32
(55,722)	18,712	6,567	(27,690)	n.a.	Change in inventory of finished goods & work in progress	(66,729)	(12,008)	(82)
(24,973)	(4,074)	(5,003)	(13,664)	(63)	Work performed by the enterprise	(22,619)	(14,687)	(35)
<b>2,169,178</b>	<b>605,517</b>	<b>670,855</b>	<b>519,578</b>	<b>29</b>	<b>Total operating expenses</b>	<b>1,475,536</b>	<b>2,004,175</b>	<b>36</b>
<b>304,436</b>	<b>102,326</b>	<b>94,754</b>	<b>69,861</b>	<b>36</b>	<b>Operating profit</b>	<b>239,706</b>	<b>352,247</b>	<b>47</b>
4,221	2,888	3,793	623	509	Interest received	2,304	8,360	263
28	15	23	20	15	Dividends received	25	38	52
-	-	851	-	n.a.	Fair valuation difference of conversion option	-	851	n.a.
4,185	295	3,080	595	418	Exchange gains and other financial income	2,530	3,496	38
<b>8,434</b>	<b>3,198</b>	<b>7,747</b>	<b>1,238</b>	<b>526</b>	<b>Financial income</b>	<b>4,859</b>	<b>12,745</b>	<b>162</b>
12,849	3,378	2,934	3,190	(8)	Interest on borrowings	9,283	11,420	23
4,802	1,496	1,529	1,214	26	Interest on provisions	3,674	4,571	24
(17)	(20)	-	(36)	n.a.	Write-off of financial investments	(18)	(17)	(6)
-	(1,632)	(4,953)	-	n.a.	Fair valuation difference of conversion option	-	-	n.a.
22,958	13,185	(4,663)	4,864	n.a.	Exchange losses and other financial expenses	14,722	23,594	60
<b>40,592</b>	<b>16,407</b>	<b>(5,153)</b>	<b>9,232</b>	<b>n.a.</b>	<b>Financial expense</b>	<b>27,661</b>	<b>39,568</b>	<b>43</b>
<b>32,158</b>	<b>13,209</b>	<b>(12,900)</b>	<b>7,994</b>	<b>n.a.</b>	<b>Total financial expense/(gain), net</b>	<b>22,802</b>	<b>26,823</b>	<b>18</b>
4,879	3,389	(791)	2,251	n.a.	Income from associates	3,804	3,827	1
<b>277,157</b>	<b>92,506</b>	<b>106,863</b>	<b>64,118</b>	<b>67</b>	<b>Profit before tax</b>	<b>220,708</b>	<b>329,251</b>	<b>49</b>
29,158	16,811	(15,084)	9,509	n.a.	Income tax expense	26,249	21,555	(18)
<b>247,999</b>	<b>75,695</b>	<b>121,947</b>	<b>54,609</b>	<b>123</b>	<b>Net income for the year <sup>1</sup></b>	<b>194,459</b>	<b>307,696</b>	<b>58</b>
					Attributable to:			
<b>244,919</b>	<b>76,678</b>	<b>119,532</b>	<b>56,440</b>	<b>112</b>	Equity holders of the parent	<b>192,577</b>	<b>306,894</b>	<b>59</b>
3,080	(983)	2,415	(1,831)	n.a.	Minority interests	1,882	802	(57)
<b>2,401</b>	<b>807</b>	<b>1,298</b>	<b>557</b>	<b>133</b>	<b>Basic earnings per share (HUF)</b>	<b>1,886</b>	<b>3,190</b>	<b>69</b>
<b>2,377</b>	<b>799</b>	<b>1,148</b>	<b>552</b>	<b>108</b>	<b>Diluted earnings per share (HUF) <sup>2</sup></b>	<b>1,866</b>	<b>3,018</b>	<b>62</b>

<sup>1</sup> As required by IAS 1 'Presentation of Financial Statements' (revised in 2005), the profit or loss attributable to minority interest and profit or loss attributable to equity holders of the parent should be disclosed on the face of the income statement as the allocation of the profit or loss for the period. 'Net income attributable to equity holders of the parent' has the same accounting content as the previously reported 'Net income'.

<sup>2</sup> Diluted earnings per share is calculated considering the potentially dilutive effect of the conversion option embedded in the Perpetual Exchangeable Capital Securities in the number of outstanding shares and by excluding the fair valuation difference of the conversion option from the net income attributable to equity holders of the parent.

## APPENDIX II

**CONSOLIDATED BALANCE SHEETS FOR THE MOL GROUP**  
**PREPARED IN ACCORDANCE WITH IFRS**  
**AS AT 30 SEPTEMBER 2006**  
 Unaudited figures (in HUF million)

31 Dec. 2005	30 Sept. 2005 Restated	30 Sept. 2006	Change %
<b>Assets</b>			
<b>Non-current assets</b>			
40,740	33,810	39,394	17
1,112,753	1,024,509	1,009,045	(2)
126,840	124,127	141,899	14
33,480	33,804	21,100	(38)
30,363	17,620	30,932	76
<b>1,344,176</b>	<b>1,233,870</b>	<b>1,242,370</b>	<b>1</b>
<b>Current assets</b>			
264,985	304,161	219,114	(28)
289,348	223,860	262,034	17
519	364	537	48
65,637	74,323	72,941	(2)
64,170	81,251	397,461	389
<b>684,659</b>	<b>683,959</b>	<b>952,087</b>	<b>39</b>
<b>2,028,835</b>	<b>1,917,829</b>	<b>2,194,457</b>	<b>14</b>
<b>Liabilities and shareholders' equity</b>			
<b>Shareholders' equity</b>			
94,020	94,009	83,467	(11)
644,340	642,282	684,560	7
244,919	192,577	306,894	59
<b>983,279</b>	<b>928,868</b>	<b>1,074,921</b>	<b>16</b>
70,359	68,894	185,894	170
<b>1,053,638</b>	<b>997,762</b>	<b>1,260,815</b>	<b>26</b>
<b>Non-current liabilities</b>			
296,844	151,214	231,024	53
108,045	112,579	112,374	-
17,704	16,904	18,943	12
5,386	5,475	43,507	695
<b>427,979</b>	<b>286,172</b>	<b>405,848</b>	<b>42</b>
<b>Current liabilities</b>			
444,683	421,786	509,937	21
12,256	15,352	14,178	(8)
2,485	7,767	2,164	(72)
87,794	188,990	1,515	(99)
<b>547,218</b>	<b>633,895</b>	<b>527,794</b>	<b>(17)</b>
<b>2,028,835</b>	<b>1,917,829</b>	<b>2,194,457</b>	<b>14</b>

<sup>1</sup> Compared to HAS, registered share capital in IFRS does not include issued MOL shares owned by BNP Paribas (treated as liability due to the connecting option structure) and is decreased by the face value of treasury shares and shares sold to Magnolia.

**APPENDIX III**  
**MOVEMENTS IN SHAREHOLDERS' EQUITY FOR THE MOL GROUP PREPARED IN ACCORDANCE WITH IFRS**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2006**  
**Unaudited figures (in HUF million)**

	Share capital	Share premium	Fair valuation reserve	Translation reserve	Equity component of debt and difference in buy-back prices	Retained earnings	Total reserves	Net income attributable to equity holders of the parent	Total equity attributable to equity holders of the parent	Minority interest	Total equity
<b>Opening balance 1 January 2005</b>	<b>94,634</b>	<b>151,764</b>	<b>8,387</b>	<b>(3,184)</b>	<b>13,554</b>	<b>260,445</b>	<b>430,966</b>	<b>208,570</b>	<b>734,170</b>	<b>67,955</b>	<b>802,125</b>
Effect of IFRS 3 – Transfer of previously recorded negative goodwill to retained earnings	-	-	-	-	-	27,633	27,633	-	27,633	-	27,633
Effect of IFRS 3 – Negative goodwill at associates	-	-	-	-	-	353	353	-	353	-	353
<b>Restated opening balance 1 January 2005</b>	<b>94,634</b>	<b>151,764</b>	<b>8,387</b>	<b>(3,184)</b>	<b>13,554</b>	<b>288,431</b>	<b>458,952</b>	<b>208,570</b>	<b>762,156</b>	<b>67,955</b>	<b>830,111</b>
Cash flow hedges, net of deferred tax	-	-	(2,925)	-	-	-	(2,925)	-	(2,925)	-	(2,925)
Fair value changes of financial instruments – Associates	-	-	(645)	-	-	-	(645)	-	(645)	-	(645)
Currency translation differences	-	-	-	17,488	-	-	17,488	-	17,488	95	17,583
Total income and expense for the period recognized directly in equity	-	-	(3,570)	17,488	-	-	13,918	-	13,918	95	14,013
Retained profit for the period	-	-	-	-	-	-	-	192,577	192,577	1,882	194,459
Total income and expense for the period	-	-	(3,570)	17,488	-	-	13,918	192,577	206,495	1,977	208,472
Transfer to reserves of retained profit for the previous year	-	-	-	-	-	208,570	208,570	(208,570)	-	-	-
Dividends	-	-	-	-	-	(16,998)	(16,998)	-	(16,998)	(1,038)	(18,036)
Net change in balance of treasury shares held	(1,319)	(19,553)	-	-	-	-	(19,553)	-	(20,872)	-	(20,872)
Conversion of convertible bonds	367	1,694	-	-	-	-	1,694	-	2,061	-	2,061
Share-based payment	-	-	-	-	-	525	525	-	525	-	525
Slovnaft acquisition	327	-	-	-	(4,826)	-	(4,826)	-	(4,499)	-	(4,499)
<b>Closing balance 30 September 2005</b>	<b>94,009</b>	<b>133,905</b>	<b>4,817</b>	<b>14,304</b>	<b>8,728</b>	<b>480,528</b>	<b>642,282</b>	<b>192,577</b>	<b>928,868</b>	<b>68,894</b>	<b>997,762</b>
<b>Opening balance 1 January 2006</b>	<b>94,020</b>	<b>134,850</b>	<b>1,662</b>	<b>31,704</b>	<b>(5,456)</b>	<b>481,580</b>	<b>644,340</b>	<b>244,919</b>	<b>983,279</b>	<b>70,359</b>	<b>1,053,638</b>
Cash flow hedges, net of deferred tax	-	-	1,327	-	-	-	1,327	-	1,327	-	1,327
Fair value changes of financial instruments – Associates	-	-	1,264	-	-	-	1,264	-	1,264	-	1,264
Currency translation differences	-	-	-	50,815	-	-	50,815	-	50,815	690	51,505
Total income and expense for the period recognized directly in equity	-	-	2,591	50,815	-	-	53,406	-	53,406	690	54,096
Retained profit for the period	-	-	-	-	-	-	-	306,894	306,894	802	307,696
Total income and expense for the period	-	-	2,591	50,815	-	-	53,406	306,894	360,300	1,492	361,792
Transfer to reserves of retained profit for the previous year	-	-	-	-	-	244,919	244,919	(244,919)	-	-	-
Dividends	-	-	-	-	-	(30,075)	(30,075)	-	(30,075)	(7,121)	(37,196)
Net change in balance of treasury shares held	(10,898)	(226,275)	-	-	-	-	(226,275)	-	(237,173)	-	(237,173)
Conversion of convertible bonds	345	1,595	-	-	-	-	1,595	-	1,940	-	1,940
Share-based payment	-	-	-	-	-	(732)	(732)	-	(732)	-	(732)
Issuance of Perpetual Exchangeable Capital Securities	-	-	-	-	-	-	-	-	-	121,164	121,164
Shares under repurchase obligation	-	-	-	-	(2,618)	-	(2,618)	-	(2,618)	-	(2,618)
<b>Closing balance 30 September 2006</b>	<b>83,467</b>	<b>(89,830)</b>	<b>4,253</b>	<b>82,519</b>	<b>(8,074)</b>	<b>695,692</b>	<b>684,560</b>	<b>306,894</b>	<b>1,074,921</b>	<b>185,894</b>	<b>1,260,815</b>

**APPENDIX IV**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE MOL GROUP**  
**PREPARED IN ACCORDANCE WITH IFRS**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2006**  
**Unaudited figures (in HUF million)**

2005	Q2 2006	Q3 2006	Q3 2005 Restated	Ch. %		Q1-Q3 2005 Restated	Q1-Q3 2006	Ch. %
<b>304,436</b>	<b>102,326</b>	<b>94,754</b>	<b>69,861</b>	<b>36</b>	<b>Profit from operations</b>	<b>239,706</b>	<b>352,247</b>	<b>47</b>
					<i>Adjustments to reconcile operating profit to net cash provided by operating activities</i>			
123,500	32,861	32,336	26,501	22	Depreciation, depletion, amortisation and impairment	82,584	96,824	17
1,435	115	588	72	717	Net unrealised loss recorded on financial instruments	1,349	789	(42)
886	242	2,417	125	1,834	Write-off of inventories	428	2,500	484
(2,105)	(246)	33	(189)	n.a.	Reversal of impairment losses on PP&E	(777)	(225)	(71)
(39,781)	(1,084)	(638)	905	n.a.	Decrease in provisions	(30,757)	(3,381)	(89)
315	517	(506)	709	n.a.	Net (gain) / loss on sale of fixed assets	116	113	(3)
(3,734)	611	191	(1,719)	n.a.	Write off / (reversal of write off) of receivables	(4,773)	926	n.a.
(94)	1,840	(1,750)	1,839	n.a.	Unrealised foreign exchange (gain) and loss on receivables and payables	1,299	451	(65)
-	(1,482)	-	-	n.a.	Net gain on sale of subsidiaries	-	(82,564)	n.a.
11,493	2,121	1,618	2,892	(44)	Exploration and development costs expensed during the year	8,056	5,317	(34)
1,577	107	358	505	(29)	Cost of share based payment	(1,152)	(597)	(48)
(752)	1,080	476	(218)	n.a.	Other non cash items	(667)	1,457	n.a.
<b>397,176</b>	<b>139,008</b>	<b>129,877</b>	<b>101,283</b>	<b>28</b>	<b>Operating cash flow before changes in working capital</b>	<b>295,412</b>	<b>373,857</b>	<b>27</b>
(94,417)	27,068	6,582	(100,897)	n.a.	(Increase) / decrease in inventories	(131,657)	35,160	n.a.
(62,354)	(12,316)	(249)	(17,888)	(99)	(Increase) / decrease in accounts receivable	4,528	(23,156)	n.a.
(1,305)	652	2,082	(15,806)	n.a.	(Increase) / decrease in other receivables	(17,451)	(13,298)	(24)
78,992	1,503	(3,694)	25,401	n.a.	Increase / (decrease) in accounts payable	24,715	(31,577)	n.a.
(2,830)	8,102	21,318	24,224	(12)	Increase / (decrease) in other current liabilities	39,081	78,142	100
(33,103)	(1,818)	(5,079)	(5,025)	1	Corporate taxes paid	(23,216)	(14,727)	(37)
<b>282,159</b>	<b>162,199</b>	<b>150,837</b>	<b>11,292</b>	<b>1,236</b>	<b>Net cash provided by operating activities</b>	<b>191,412</b>	<b>404,401</b>	<b>111</b>
(214,586)	(28,732)	(34,011)	(29,317)	16	Capital expenditures, exploration and development costs	(94,340)	(79,783)	(15)
4,565	5,507	668	644	4	Proceeds from disposals of fixed assets	2,517	6,961	177
(31,430)	-	-	(3,113)	n.a.	Acquisition of subsidiaries, net cash	(31,392)	-	n.a.
(712)	-	-	-	n.a.	Acquisition of joint ventures, net cash	(712)	-	n.a.
(20,000)	(289)	-	-	n.a.	Acquisition of other investments	-	(289)	n.a.
-	-	670	-	n.a.	Net cash inflow on sales on subsidiary undertakings	-	264,769	n.a.
86	-	-	-	n.a.	Proceeds from disposal of investments	58	-	n.a.
(3,961)	(1,529)	526	36	1,361	Changes in loans given and long-term bank deposits	(4,198)	(225)	(95)
-	41	1	(2)	n.a.	Changes in short-term investments	(3)	43	n.a.
5,749	5,745	534	648	(18)	Interest received and other financial income	2,919	8,425	189
828	223	590	589	-	Dividends received	767	813	6
<b>(259,461)</b>	<b>(19,034)</b>	<b>(31,022)</b>	<b>(30,515)</b>	<b>2</b>	<b>Net cash (used in) / provided by investing activities</b>	<b>(124,384)</b>	<b>200,714</b>	<b>n.a.</b>
-	-	-	-	n.a.	Issuance of Perpetual Exchangeable Capital Securities	-	159,174	n.a.
185,933	-	-	-	n.a.	Issuance of long-term notes	-	-	n.a.
(360)	-	-	(360)	n.a.	Repayment of long-term notes	(360)	-	n.a.
(15,000)	-	-	-	n.a.	Repayment of zero coupon notes	(15,000)	-	n.a.
450,278	335,836	-	106,361	n.a.	Long-term debt drawn down	334,899	432,020	29
(556,063)	(331,661)	(11,363)	(58,853)	(81)	Repayments of long-term debt	(291,332)	(608,329)	109
(1,469)	351	5	(245)	n.a.	Changes in other long-term liabilities	(849)	(156)	(82)
(55,925)	30,024	1,125	1,412	(20)	Changes in short-term debt	(50,512)	33,393	n.a.
(16,807)	(5,242)	(6,596)	(3,522)	87	Interest paid and other financial costs	(13,254)	(13,773)	4
(16,991)	(30,150)	(19)	(1,275)	(99)	Dividends paid to shareholders	(16,903)	(30,169)	78
(1,245)	(4,847)	(2,320)	13	n.a.	Dividends paid to minority interest	(1,239)	(7,171)	479
29	-	-	-	n.a.	Sale of treasury shares	38	-	n.a.
(21,852)	(238,099)	-	-	n.a.	Repurchase of treasury shares	(21,866)	(238,099)	989
<b>(49,472)</b>	<b>(243,788)</b>	<b>(19,168)</b>	<b>43,531</b>	<b>n.a.</b>	<b>Net cash (used in) / provided by financing activities</b>	<b>(76,378)</b>	<b>(273,110)</b>	<b>258</b>
<b>(26,774)</b>	<b>(100,623)</b>	<b>100,647</b>	<b>24,308</b>	<b>314</b>	<b>Increase/(decrease) in cash and cash equivalents</b>	<b>(9,350)</b>	<b>332,005</b>	<b>n.a.</b>
88,126	396,934	295,700	56,780	421	Cash at the beginning of the period	88,126	64,170	(27)
1,131	-	-	-	n.a.	Cash effect of consolidation of subsidiaries previously accounted for as other investment	1,131	214	(81)
1,687	(611)	1,114	163	583	Exchange differences on the consolidation of foreign subsidiaries	1,344	1,072	(20)
<b>64,170</b>	<b>295,700</b>	<b>397,461</b>	<b>81,251</b>	<b>389</b>	<b>Cash at the end of the period</b>	<b>81,251</b>	<b>397,461</b>	<b>389</b>

## APPENDIX V

## KEY IFRS FINANCIAL DATA BY BUSINESS SEGMENT (in HUF million)

2005	Q2 2006	Q3 2006	Q3 2005 Restated	Ch. %	NET SALES REVENUES <sup>1</sup>	Q1-Q3 2005 Restated	Q1-Q3 2006	Ch. %
289,497	94,403	102,679	79,465	29	Exploration and Production	201,094	296,566	47
1,767,374	640,764	681,430	502,707	36	Refining and Marketing	1,255,256	1,798,126	43
661,761	16,185	16,471	83,560	(80)	Natural Gas	428,189	350,058	(18)
355,697	111,208	113,269	84,612	34	Petrochemicals	248,372	333,560	34
97,258	22,454	22,937	21,854	5	Corporate and other	57,230	62,529	9
<b>3,171,587</b>	<b>885,014</b>	<b>936,786</b>	<b>772,198</b>	<b>21</b>	<b>TOTAL NET SALES REVENUES</b>	<b>2,190,141</b>	<b>2,840,839</b>	<b>30</b>
(716,423)	(182,845)	(174,479)	(186,439)	(6)	Less: Inter(segment transfers)	(488,099)	(577,694)	18
(258,847)	(45,975)	(50,173)	(70,651)	(29)	ow: Exploration and Production	(180,117)	(187,286)	4
(267,462)	(90,328)	(78,247)	(71,837)	9	ow: Refining and Marketing	(184,660)	(250,785)	36
(20,430)	(363)	(27)	(4,754)	(99)	ow: Natural Gas	(13,925)	(8,176)	(41)
(79,736)	(24,599)	(24,190)	(19,741)	23	ow: Petrochemicals	(56,625)	(72,318)	28
(89,948)	(21,580)	(21,842)	(19,456)	12	ow: Corporate and other	(52,772)	(59,129)	12
<b>2,455,164</b>	<b>702,169</b>	<b>762,307</b>	<b>585,759</b>	<b>30</b>	<b>TOTAL NET EXTERNAL SALES REVENUES</b>	<b>1,702,042</b>	<b>2,263,145</b>	<b>33</b>

2005	Q2 2006	Q3 2006	Q3 2005 Restated	Ch. %	OPERATING PROFIT <sup>1</sup>	Q1-Q3 2005 Restated	Q1-Q3 2006	Ch. %
105,374	32,474	34,893	32,834	6	Exploration and Production	73,952	105,623	43
176,987	69,079	58,697	50,698	16	Refining and Marketing	138,560	152,011	10
50,415	9,684	5,467	9,834	(44)	Natural Gas *	52,295	101,324	94
19,114	3,919	5,463	166	3,191	Petrochemicals	13,483	13,035	(3)
(41,788)	(13,926)	(9,987)	(12,711)	(21)	Corporate and other	(33,350)	(35,407)	6
(5,666)	1,096	221	(10,960)	n.a.	Intersegment transfers <sup>2</sup>	(5,234)	15,661	n.a.
<b>304,436</b>	<b>102,326</b>	<b>94,754</b>	<b>69,861</b>	<b>36</b>	<b>TOTAL</b>	<b>239,706</b>	<b>352,247</b>	<b>47</b>

\*Gas segment operating profit, in addition to subsidiary results, includes segment level consolidation effects and the one-off effects of asset sale.

2005	Q2 2006	Q3 2006	Q3 2005 Restated	Ch. %	DEPRECIATION	Q1-Q3 2005 Restated	Q1-Q3 2006	Ch. %
31,650	9,207	7,690	5,428	42	Exploration and Production	18,335	24,226	32
61,407	15,669	15,836	13,734	15	Refining and Marketing	41,119	47,371	15
6,845	1,338	1,634	1,648	(1)	Natural Gas	4,749	4,941	4
14,017	4,527	4,605	3,951	17	Petrochemicals	11,047	13,540	23
9,581	2,120	2,571	1,740	48	Corporate and other	7,334	6,746	(8)
<b>123,500</b>	<b>32,861</b>	<b>32,336</b>	<b>26,501</b>	<b>22</b>	<b>TOTAL</b>	<b>82,584</b>	<b>96,824</b>	<b>17</b>

2005	Q2 2006	Q3 2006	Q3 2005 Restated	Ch. %	EBITDA	Q1-Q3 2005 Restated	Q1-Q3 2006	Ch. %
137,024	41,681	42,583	38,262	11	Exploration and Production	92,287	129,849	41
238,394	84,748	74,533	64,432	16	Refining and Marketing	179,679	199,382	11
57,260	11,022	7,101	11,482	(38)	Natural Gas *	57,044	106,265	86
33,131	8,446	10,068	4,117	145	Petrochemicals	24,530	26,575	8
(32,207)	(11,806)	(7,416)	(10,971)	(32)	Corporate and other	(26,016)	(28,661)	10
(5,666)	1,096	221	(10,960)	n.a.	Intersegment transfers <sup>2</sup>	(5,234)	15,661	n.a.
<b>427,936</b>	<b>135,187</b>	<b>127,090</b>	<b>96,362</b>	<b>32</b>	<b>TOTAL</b>	<b>322,290</b>	<b>449,071</b>	<b>39</b>

2005	Q2 2006	Q3 2006	Q3 2005 Restated	Ch. %	CAPITAL EXPENDITURES	Q1-Q3 2005 Restated	Q1-Q3 2006	Ch. %
34,418	10,098	8,409	9,890	(15)	Exploration and Production	23,763	23,807	-
92,199	11,490	18,395	12,177	51	Refining and Marketing	65,886	35,595	(46)
85,844	3,226	2,464	4,849	(49)	Natural Gas	13,303	9,054	(32)
11,105	2,122	2,829	5,457	(48)	Petrochemicals	6,392	5,518	(14)
13,137	1,400	1,801	3,749	(52)	Corporate and other	5,857	3,702	(37)
<b>236,703</b>	<b>28,335</b>	<b>33,898</b>	<b>36,122</b>	<b>(6)</b>	<b>TOTAL</b>	<b>115,202</b>	<b>77,675</b>	<b>(33)</b>

## 2006 THIRD QUARTER AND NINE MONTHS PRELIMINARY RESULTS OF MOL HUNGARIAN OIL AND GAS PLC.

31/12/2005	30/06/2006	TANGIBLE ASSETS	30/09/2005 Restated	30/09/2006	Ch. %
145,971	149,607	Exploration and Production	153,574	147,694	(4)
515,954	525,384	Refining and Marketing	494,361	527,127	7
192,344	76,008	Natural Gas	120,692	76,796	(36)
202,032	201,780	Petrochemicals	200,305	197,916	(1)
56,452	57,638	Corporate and other	55,577	59,512	7
<b>1,112,753</b>	<b>1,010,417</b>	<b>TOTAL</b>	<b>1,024,509</b>	<b>1,009,045</b>	<b>(2)</b>

<sup>1</sup> Net external sales revenues and operating profit includes the profit arising both from sales to third parties and transfers to the other business segments. Exploration and Production transfers domestically produced crude oil, condensates and LPG to Refining and Marketing and natural gas to the Natural Gas segment. Refining and Marketing transfers chemical feedstock, propylene and isobutane to Petrochemicals and Petrochemicals transfers various by-products to Refining and Marketing. The internal transfer prices used are based on prevailing market prices. The gas transfer price equals the average import price. Divisional figures contain the results of the fully consolidated subsidiaries engaged in the respective divisions.

<sup>2</sup> This line shows the effect on operating profit of the change in the amount of unrealised profit deferred in respect of transfers between segments. Unrealised profits arise where the item transferred is held in inventory by the receiving segment and a third party sale takes place only in a subsequent quarter. For segmental reporting purposes the transferor segment records a profit immediately at the point of transfer. However, at the company level profit is only reported when the related third party sale has taken place. In previous years this unrealised profit effect was not shown separately, but was included in the reported segmental result of the receiving segment. Unrealised profits arise principally in respect of transfers from Exploration & Production to Natural Gas and from Refining & Marketing to Petrochemicals.



**APPENDIX VI**  
**KEY IFRS FINANCIAL DATA BY BUSINESS SEGMENT (in USD million)**

2005	Q2 2006	Q3 2006	Q3 2005 Restated	Ch. %	NET SALES REVENUES <sup>1</sup>	Q1-Q3 2005 Restated	Q1-Q3 2006	Ch. %
1,450	445	475	395	20	Exploration and Production	1,028	1,391	35
8,850	3,022	3,153	2,499	26	Refining and Marketing	6,414	8,434	31
3,314	76	76	415	(82)	Natural Gas	2,188	1,642	(25)
1,781	525	524	421	25	Petrochemicals	1,269	1,565	23
487	106	106	109	(2)	Corporate and other	292	293	-
<b>15,882</b>	<b>4,174</b>	<b>4,334</b>	<b>3,839</b>	<b>13</b>	<b>TOTAL NET SALES REVENUES</b>	<b>11,191</b>	<b>13,325</b>	<b>19</b>
(3,586)	(863)	(807)	(927)	(13)	Less: Inter(segment transfers)	(2,494)	(2,708)	9
(1,296)	(217)	(232)	(351)	(34)	ow: Exploration and Production	(920)	(878)	(5)
(1,339)	(426)	(362)	(357)	1	ow: Refining and Marketing	(944)	(1,176)	25
(102)	(2)	-	(24)	(99)	ow: Natural Gas	(71)	(38)	(46)
(399)	(116)	(112)	(98)	14	ow: Petrochemicals	(289)	(339)	17
(450)	(102)	(101)	(97)	5	ow: Corporate and other	(270)	(277)	3
<b>12,296</b>	<b>3,311</b>	<b>3,527</b>	<b>2,912</b>	<b>21</b>	<b>TOTAL NET EXTERNAL SALES REVENUES</b>	<b>8,697</b>	<b>10,617</b>	<b>22</b>

2005	Q2 2006	Q3 2006	Q3 2005 Restated	Ch. %	OPERATING PROFIT <sup>1</sup>	Q1-Q3 2005 Restated	Q1-Q3 2006	Ch. %
528	153	161	163	(1)	Exploration and Production	378	495	31
886	326	272	252	8	Refining and Marketing	708	713	1
252	46	25	49	(48)	Natural Gas *	267	475	78
96	18	25	1	2,964	Petrochemicals	69	61	(11)
(209)	(66)	(46)	(63)	(27)	Corporate and other	(170)	(166)	(3)
(28)	5	1	(54)	n.a.	Intersegment transfers <sup>2</sup>	(27)	73	n.a.
<b>1,525</b>	<b>482</b>	<b>438</b>	<b>348</b>	<b>26</b>	<b>TOTAL</b>	<b>1,225</b>	<b>1,651</b>	<b>35</b>

\*Gas segment operating profit, in addition to subsidiary results, includes segment level consolidation effects and the one-off effects of asset sale.

2005	Q2 2006	Q3 2006	Q3 2005 Restated	Ch. %	DEPRECIATION	Q1-Q3 2005 Restated	Q1-Q3 2006	Ch. %
158	43	36	27	32	Exploration and Production	94	114	21
307	74	73	68	7	Refining and Marketing	210	222	6
34	6	8	8	(8)	Natural Gas	24	23	(4)
70	21	21	20	9	Petrochemicals	56	64	13
48	10	12	9	38	Corporate and other	37	32	(16)
<b>617</b>	<b>154</b>	<b>150</b>	<b>132</b>	<b>14</b>	<b>TOTAL</b>	<b>421</b>	<b>455</b>	<b>8</b>

2005	Q2 2006	Q3 2006	Q3 2005 Restated	Ch. %	EBITDA	Q1-Q3 2005 Restated	Q1-Q3 2006	Ch. %
686	197	197	190	4	Exploration and Production	472	609	29
1,194	400	345	320	8	Refining and Marketing	918	935	2
287	52	33	57	(42)	Natural Gas *	291	498	71
166	40	47	20	128	Petrochemicals	125	125	(1)
(161)	(56)	(34)	(55)	(37)	Corporate and other	(133)	(134)	1
(28)	5	1	(54)	n.a.	Intersegment transfers <sup>2</sup>	(27)	73	n.a.
<b>2,144</b>	<b>638</b>	<b>589</b>	<b>478</b>	<b>23</b>	<b>TOTAL</b>	<b>1,646</b>	<b>2,106</b>	<b>28</b>

2005	Q2 2006	Q3 2006	Q3 2005 Restated	Ch. %	CAPITAL EXPENDITURES	Q1-Q3 2005 Restated	Q1-Q3 2006	Ch. %
172	48	39	49	(20)	Exploration and Production	121	112	(7)
462	54	85	61	39	Refining and Marketing	337	167	(50)
430	15	11	24	(54)	Natural Gas	68	42	(38)
56	10	13	27	(52)	Petrochemicals	33	26	(21)
66	7	8	19	(58)	Corporate and other	30	17	(43)
<b>1,186</b>	<b>134</b>	<b>156</b>	<b>180</b>	<b>(13)</b>	<b>TOTAL</b>	<b>589</b>	<b>364</b>	<b>(38)</b>

## 2006 THIRD QUARTER AND NINE MONTHS PRELIMINARY RESULTS OF MOL HUNGARIAN OIL AND GAS PLC.

31/12/2005	30/06/2006	TANGIBLE ASSETS	30/09/2005 Restated	30/09/2006	Ch. %
683	675	Exploration and Production	740	685	(7)
2,416	2,369	Refining and Marketing	2,381	2,444	3
900	343	Natural Gas	581	356	(39)
946	910	Petrochemicals	965	918	(5)
264	260	Corporate and other	268	276	3
<b>5,209</b>	<b>4,557</b>	<b>TOTAL</b>	<b>4,935</b>	<b>4,679</b>	<b>(5)</b>

<sup>1</sup> Net external sales revenues and operating profit includes the profit arising both from sales to third parties and transfers to the other business segments. Exploration and Production transfers domestically produced crude oil, condensates and LPG to Refining and Marketing and natural gas to the Natural Gas segment. Refining and Marketing transfers chemical feedstock, propylene and isobutane to Petrochemicals and Petrochemicals transfers various by-products to Refining and Marketing. The internal transfer prices used are based on prevailing market prices. The gas transfer price equals the average import price. Divisional figures contain the results of the fully consolidated subsidiaries engaged in the respective divisions.

<sup>2</sup> This line shows the effect on operating profit of the change in the amount of unrealised profit deferred in respect of transfers between segments. Unrealised profits arise where the item transferred is held in inventory by the receiving segment and a third party sale takes place only in a subsequent quarter. For segmental reporting purposes the transferor segment records a profit immediately at the point of transfer. However, at the company level profit is only reported when the related third party sale has taken place. In previous years this unrealised profit effect was not shown separately, but was included in the reported segmental result of the receiving segment. Unrealised profits arise principally in respect of transfers from Exploration & Production to Natural Gas and from Refining & Marketing to Petrochemicals.

**APPENDIX VII**

**MAIN EXTERNAL PARAMETERS**

2005	Q2 2006	Q3 2006	Q3 2005	Ch. %		Q1-Q3 2005	Q1-Q3 2006	Ch. %
54.5	69.6	69.5	61.5	13	Brent dated (USD/bbl)	53.5	67.0	25
50.9	64.9	65.7	57.3	15	Ural Blend (USD/bbl)	49.6	62.9	27
534.1	709.0	677.6	642.6	5	Premium unleaded gasoline 10 ppm (USD/t)*	529.3	650.1	23
542.0	651.8	644.3	604.4	7	Gas oil – ULSD 10 ppm (USD/t)*	532.2	621.0	17
448.9	577.1	568.0	498.6	14	Naphtha (USD/t)**	438.3	550.0	25
121.7	182.3	151.9	177.1	(14)	Crack spread – premium unleaded (USD/t)*	124.3	143.6	16
129.6	125.1	118.6	138.9	(15)	Crack spread – gas oil (USD/t)*	127.2	114.5	(10)
36.4	50.4	42.3	33.1	28	Crack spread – naphtha (USD/t)**	33.3	43.5	31
739	865	900	640	41	Ethylene (EUR/t)	710	850	20
418	410	481	330	46	Integrated petrochemical margin (EUR/t)	404	442	9
199.7	212.0	216.1	201.2	7	HUF/USD average	195.7	213.2	9
31.1	30.0	29.7	31.7	(6)	SKK/USD average	30.6	30.3	(1)
3.50	5.16	5.37	3.70	45	3m USD LIBOR (%)	3.23	5.08	57
2.18	2.90	3.22	2.13	51	3m EURIBOR (%)	2.13	2.91	37
7.06	6.30	7.33	6.31	16	3m BUBOR (%)	7.33	6.62	(10)

\* FOB Rotterdam parity

\*\* FOB Med parity

Q2 2006	Q3 2006	Ch. %		Q4 2005	Q3 2006	Ch. %
221.8	215.7	(3)	HUF/USD closing	213.6	215.7	1
281.9	273.5	(3)	HUF/EUR closing	252.7	273.5	8

**APPENDIX VIII  
EXTRAORDINARY ANNOUNCEMENTS IN Q1-Q3 2006**

<b>Announcement date</b>	
9 January	MOL appoints the Bank of New York as successor depositary bank for GDR programme
13 January	MOL and E.ON-Ruhrgas International have agreed on the closing of the gas partnership transaction
31 January	Investor Relations Officer has changed at MOL Rt.
16 February	Personnel change at MOL Group
9 March	Proposed Transaction in Treasury Shares
13 March	MOL announcement on successful testing of oil/gas well in Pakistan
14 March	Sale of treasury shares
20 March	Treasury share transaction
31 March	MOL-E.ON Ruhrgas International closed gas business transaction
6 April	Retail portfolio optimisation in Romania
7 April	Organisational change at MOL Group
10 and 11 April	Treasury share transaction
28 April	MOL submitted a binding bid for a 96.9% stake in OAO Udmurtneft
3 May	Dividend Announcement of MOL Hungarian Oil and Gas Plc. for the 2005 Financial Year.
9 May	MOL exercised its call option with ÁPV Zrt.
15 May	Share sale of a MOL manager
22 May	Order to purchase treasury shares
23 and 24 May	Purchase of treasury shares
26 May	Share distribution for the MOL management and employees
29 May	Share transaction between MOL Plc. and APV Zrt. executed
15 June	Capital securities purchase of a MOL manager
21 June	Gazprom and MOL established a 50-50% joint project company
21 June	MOL Hungarian Oil and Gas Plc Upgrades to a Level-I ADR Program
28 June	MOL signed an exploration and production sharing agreement for the Block 43 located in North-Eastern Oman.
30 June	Organisational and personal change in MOL
7 July	Change in the name of the company at MOL
25 July	MOL signs a EUR 825 million revolving facility agreement
27 July	MOL and Rossi Beteteiligungs Ltd. to build a biodiesel component plant
31 July	Personal change in MOL
4 August	Change in publication date of MOL 2006 first half flash report
8,10,15,21 and 23 August	Share transactions of MOL managers
28 August	MOL's first domestic exploration partnership signed
31 August	Share sale of a MOL manager
7 September	The Board of Directors of MOL decided on the capital increase of the company
8 September	MOL-INA consortium signed a contract with the government of Bosnia & Herzegovina to become 67% owner of Energopetrol
22 September	The Court of Registration has registered the capital increase of MOL
2 October	Change in the share ownership of senior executives
10 October	MOL has signed sale and purchase agreement with Russian NWOOG on the purchase of 100% of the NWOOG-MOL project company
25 October	Share sale of a MOL manager
2 November	Russian Competition Office approves MOL's purchase of 100% of NWOOG-MOL
8 November	MOL signed an Articles of Association
8 November	MOL signs Petroleum Concession Agreements with the Republic of Pakistan on two explorations blocks, Margala and Margala North

**APPENDIX IX**
**SHAREHOLDER STRUCTURE (%) AND TREASURY SHARES**

Shareholder groups	31 Dec 2004	30 Sept 2005	31 Dec 2005	31 March 2006	30 June 2006	30 Sept 2006
Foreign investors (mainly institutional)	56.0	58.3	58.2	58.6	57.5	57.5
OMV	10.0	10.0	10.0	10.0	10.0	10.0
Slovbena, Slovintegra	8.0	6.9	0.0	0.0	0.0	0.0
BNP Paribas	0.0	0.0	6.9	7.0	8.6	8.2
Magnolia	0.0	0.0	0.0	5.5	5.5	5.5
ÁPV Rt. (Hungarian State Privatisation and Holding Company)	11.8	11.7	11.7	11.7	1.7	1.7
Domestic institutional investors	5.7	3.3	4.0	3.9	4.9	4.8
Domestic private investors	3.6	3.0	2.4	2.0	1.8	2.3
MOL Rt. (treasury shares)	4.9	6.8	6.8	1.3	10.0	10.0

On 7 September 2006, the Board of Directors passed a resolution on the increase of the share capital of the company from HUF 108,985,250,578 to HUF 109,330,376,578 as part of the convertible bond programme approved by the EGM held on 1 September 2003. On 22 September 2006, the Court of Registration registered the capital increase.

According to the Share Register, only 4 shareholders had more than 5% influence in MOL Rt. on 30 September 2006: The Bank of New York, the depository bank for MOL's GDR programme, which had 10.9%, OMV having 10 %, BNP Paribas having 9.3 %, and Magnolia having 6.2% influence in MOL. Please note that influence is calculated as the number of shares held to total shares less treasury stock. Furthermore, according to the Articles of Association, influence is limited to 10% for any single shareholder group. The Bank of New York, as the depository bank for MOL's GDR programme does not qualify as a shareholder group for the purpose of influence.

On 13 September 2004, "The Capital Group Companies, Inc." announced that it owned 5,713,830 ordinary shares. On 16 December 2004, FMR Corporation (Fidelity) announced that its influence had increased to 5.06%, on 18 January 2006 Fidelity announced that its influence had decreased to 4.76%. On 2 June 2006, AllianceBernstein L.P. announced that its influence had increased to 5.47% (5,368,970). These changes have not been registered in the share register.

There was no treasury share transaction in this quarter so MOL owned 10,898,525 "A" series and 578 "C" series MOL shares in treasury on 30 September 2006.

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

**Changes in organisation and senior management:**

Mr. Vratko Kaššovic, the Slovnaft CEO and MOL Group's Integrated Petrochemical Division Manager retired as of 6th of March 2006. The Board of Directors of MOL elected as of 6th of March 2006 Mr. Árpád Olvasó to the position of the Head of Integrated Petrochemical Division of the MOL Group. Previously, Mr. Olvasó was CEO and Deputy Chairman of the Board of Directors of TVK and the Head of Chemical Division and Director of Chemical Portfolio Management of the MOL Group. Slovnaft Board of Directors appointed Mr. Oszkár Világi as the new CEO of Slovnaft as of 6th of March 2006.

From 10 April 2006, a new division called Corporate Centre was set up to include the following functions: Management Services, Human Resources, Security and Protection, and Internal Audit. The Board of Directors of MOL appointed Mr. József Simola as Director of the Corporate Centre, an executive position, as of 7 April 2006.

From 1 July 2006, Lajos Alács was appointed to the position of Strategy and Business Development, Executive Vice President as a successor of Michel-Marc Delcommune. From 1992 to 2000, Mr Alács was the Director of MOLTRADE-Mineralimpex Plc. After that he joined MOL and in 2004 became the Head of Commercial Department in the Refining and Marketing Division. Michel-Marc Delcommune continues his employment as an advisor of the Chairman and CEO, and at the same time he remains a member of the Board of Directors at MOL and TVK.

Following the sale of the gas wholesale, marketing, trading and storage businesses, Sándor Fasimon, former Head of the Gas Business continues his work as the country Chairman of Russia and CIS as of 1 July 2006. In his new position he is not considered a senior manager of MOL Plc.

As of August 1, 2006 Slavomir Jankovic, Retail Services Division Managing Director will continue his services as the special advisor to the Slovnaft CEO. As of January 1, 2007 László Geszti will be appointed to the position of the Retail Services Division Managing Director. László Geszti is presently delegated to INA (Croatia), our strategic partner as Vice President of the Board of Directors and CFO. In MOL Group, László Geszti formerly held the position of Managing Director of MOL Group Refining and Marketing Division. In the meantime, György Mosonyi, Group CEO will directly supervise the Retail Services Division.

**APPENDIX X  
MOL GROUP FILLING STATIONS**

<b>MOL Group filling stations</b>	<b>30 Sept. 2005</b>	<b>30 June 2006</b>	<b>30 Sept. 2006</b>
Hungary	357	356	358
Slovakia	261	238	215
Romania	137	138	139
Austria	23	32	32
Czech Republic	31	30	30
Slovenia	10	10	10
Serbia	0	8	11
Poland	22	0	0
Other markets	0	0	0
<b>Total MOL Group filling stations</b>	<b>841</b>	<b>812</b>	<b>795</b>