BENEFITING FROM INDUSTRY ENVIRONMENT IN DOWNSTREAM AND PETROCHEMICAL BUSINESSES

MOL Hungarian Oil and Gas Plc. (Reuters: MOLB.BU, MOLBq.L, Bloomberg: MOL HB, MOL LI; homepage: www.mol.hu), today announced its 2007 first quarter preliminary results. This report contains consolidated financial statements for the period ended 31 March 2007 as prepared by the management in accordance with International Financial Reporting Standards (IFRS).

Financial highlights

FY 2006		MOL Group financial results (IFRS)	Q1 2006		Q1 2007		Change %	
HUF bn	USD m[1]		HUF bn	USD m[1]	HUF bn	USD m[1]	HUF	USD
2,891.1	13,734.4	Net sales revenues	798.7	3,774.6	515.8	2,676.7	(35)	(29)
529.3	2,514.5	EBITDA	186.8	882.8	106.7	553.7	(43)	(37)
394.8	**1,875.5**	**Operating profit**	**155.2**	**733.5**	**72.6**	**376.8**	**(53)**	**(49)**
312.2	**1,483.0**	**Operating profit excluding special items** (2)	**72.2**	**341.0**	**58.7**	**304.6**	**(19)**	**(11)**
37.6	178.6	Net financial expenses/(gain)	26.5	125.2	(1.6)	(8.3)	n.a.	n.a.
329.5	**1,565.3**	**Net income**	**122.3**	**578.0**	**59.5**	**308.8**	**(51)**	**(47)**
246.9	**1,172.8**	**Net income excluding special items** (3)	**27.7**	**130.8**	**45.6**	**236.6**	**65**	**81**
529.5	2,515.4	Operating cash flow	91.4	431.9	48.2	250.1	(47)	(42)

(1) In converting HUF financial data into USD, the following average NBH rates were used: for Q1 2006: 211.6 HUF/USD, for 2006: 210.5 HUF/USD, for Q1 2007: 192.7 HUF/USD.
(2) Operating profit excluding the one-off gain of HUF 83.0 bn on the gas transaction and the profit of the subsidiaries sold in this transaction (Wholesale and Storage) in Q1 2006 and the one-off gain on the acquisition of TVK shares (HUF 13.9 bn) realised in Q1 2007.
(3) Net income in addition to adjustments detailed in (2) excludes in Q1 2006 the benefit from MOL Plc's corporate tax holiday (HUF 11.8 bn calculated at 16% tax rate).

Operating profit excluding special items decreased by HUF 13.5 bn to HUF 58.7 bn in Q1 2007. EBIT was adjusted for the HUF 83.0 bn non-recurring gain recorded on the gas asset sale in Q1 2006 and the one-off gain of HUF 13.9bn on the acquisition of TVK shares in Q1 2007. Net income excluding special items improved by HUF 17.9 bn to HUF 45.6 bn (USD 236.6 mn) in Q1 2007, reflecting the improved financial performance. In addition to sales growth, strong Downstream and record Petrochemical performance was fuelled by favourable refining and petrochemical margins. Lower production volumes as well as declining crude price and weaker USD, resulted in weaker Upstream results.

- **Exploration & Production** operating profit was HUF 16.6 bn (USD 86.3 mn) in Q1 2007, down by HUF 21.7 bn, mainly due to a 18% decline in average daily hydrocarbon production (to a large extent explained by the disposal of a major domestic gas and oil field to be converted in underground gas storage facility), 6% lower crude prices and a 9% weaker USD against the HUF.
- **Refining & Marketing** reached an operating profit of HUF 27.3 bn, up 13% (USD 141.7 mn up 23%) compared to the same period last year. Higher sales volumes, stronger crack spreads and efficiency improvement more than compensated for the weakening USD in Q1 2007. Current cost of supply (CCS) based operating profit more than doubled from HUF 15.7 bn in Q1 2006 to HUF 31.8 bn in Q1 2007.
- The **Petrochemical** segment's operating profit reached a new record of HUF 12.6 bn (USD 65.5 mn) in Q1 2007, up by HUF 9.0 bn year-on-year, due to favourable market trends and improved utilisation of the new production capacities.
- **Gas Transmission** operating profit decreased by HUF 1.3 bn to HUF 10.9 bn (USD 56.6 mn) in Q1 2007, mainly due to lower transmission volumes in milder weather.
- **Corporate and other** operating profit of HUF 4.9 bn contains a one-off gain of HUF 13.9 bn on the acquisition of a 42.25% minority interest in TVK, as a result of the excess of book value of the minority interest acquired in Q1 2007.
- A **net financial gain** of HUF 1.6 bn was recorded in Q1 2007, which includes HUF 5.0 bn interest received, HUF 3.3 interest paid and a HUF 0.5 bn fair value valuation gain on the conversion option embedded in the capital security.
- **Capital expenditure** and investments were HUF 68.4 bn (USD 355.2 million) in Q1 2007 compared to the HUF 15.4 bn (USD 73.0 million) due to the TVK share acquisition (HUF 49.6 bn). Net cash at the end of March 2007 was HUF 163.1 bn, while net cash to the sum of net debt and total equity was 14.7%.
- **Operating cash flow** before changes in working capital decreased by 13% to HUF 91.8 bn (USD 476.1 mn) in Q1 2007. Including working capital changes and corporate tax paid, operating cash flow decreased by 47%, to HUF 48.2 bn (USD 250.1 mn).

Mr Zsolt Hernádi, Chairman-CEO of MOL commented:

Our Downstream and Petrochemical businesses delivered strong results, helped also by the favourable external environment. For 2007, we expect a similarly healthy crack-spread environment to that experienced in 2006. In the Petrochemical business we purchased a further 42.25% in TVK increasing our influence in the company to 94.86%. This gives us more headroom in our petchem strategy.

In January, we signed a contract for the development of the strategic gas storage facility in Hungary, which provided us with the opportunity to re-enter the storage business as we see further business opportunities in the commercial storage of gas. As a consequence, we halted production at the Szőreg-1 gas and condensate field, which caused a 10% drop in our natural gas production. In line with our strategy, we continued our upstream expansion with the acquisition of a 100% stake in a Russian company, which owns the licence to the subsoil under the Matjushinskaya block. Beyond the reserves, the asset has significant exploration potential.

Overview of the environment

Global economic growth remained robust at above 3% in Q1 2007 following buoyant expansion in 2006. The geographical composition of growth moved towards a more balanced structure. Recent interest rate rises have started to moderate growth in the US. Eurozone economies caught up with US economy and demonstrated similarly dynamic growth, while China's investment boom continues.

Oil prices rose again to around 65 USD/bbl by the end of March, following last year's correction, which drove prices down to around 50 USD/bbl in January. The Q1 2007 average Brent price of 57.8 USD/bbl was 6.5% and 3% lower than Q1 2006 and Q4 2006 averages, respectively.

Oil demand was up by 0.7% to an average 85.5 m bbl/day in Q1 2007, according to IEA data. Average demand growth remained moderate, at 1% in the last four quarters, partly in response to record prices. Price adjustment was also apparent on the supply-side with substantial **additional crude supply** coming from non-OPEC countries. On the other hand, a partial implementation of OPEC production-cuts, a consequent stock-draw, and a recent increase in US gasoline demand, put upward pressure on prices.

Refinery margins remained well above their historical average, as crude oil demand was driven by motor fuels and refinery capacity had reached its limit. Margins rose again in Q1 driven by strong US gasoline demand and some refinery outages. Gasoline crack spread (FOB Rotterdam price on Brent crude) increased by 20%, while diesel crack spread firmed 9% in USD-terms in Q1 2007 y-o-y.

In Hungary, GDP growth is below the Central European average but its structure remains healthy. The economy continues to be driven mainly by exports, while the dynamics of investments has moderated. Growth of domestic consumption has slowed further from its unsustainable 2004-05 level. The current account deficit was lower as a result of strong export demand and lower than expected, but still significant 2006 budget deficit. The first quarter of 2007 saw some further appreciation of the forint, as concerns over short-term financial sustainability eased. Inflation increased sharply, as an immediate consequence of the government's austerity measures. The adjustment will be achieved partly through increasing tax revenues, which will also result in slower growth for the next few years. Domestic fuel prices have risen in line with international markets, but remain below the price level seen a year ago. Fuel demand continued to grow robustly by 11% y-o-y (5% for gasoline and 14.6% for diesel), but the austerity package may result in a considerable reduction in fuel demand growth going forward, especially in the case of gasoline.

The **Slovak economy** continued to record very high GDP growth during Q1 2007. Main indicators point that the excellent pace of the real economic expansion will be held around 9%, boosted by strong export and investment activity. GDP dynamics have not had a negative effect on either the low inflation targets of the central bank, nor Slovakia's ambitions to meet all criteria required for joining Eurozone from 2009. This positive development was accompanied by an appreciation of the SKK exchange rate, and lower key interest rates of the central bank.
Demand for motor fuels increased by 9.3% y-o-y, with a 8% increase in gasoline consumption and robust demand growth of 10% for diesel. Rising international fuel prices have no effect on domestic sentiment since the retail prices are appr. 7% lower compared to the same period in last year.

Exploration and Production

Segment IFRS results (in HUF bn)

Q4 2006	Q1 2007	Q1 2006	Ch. %	Exploration & Production	FY 2006
27.3	26.5	45.6	(42)	EBITDA	157.2
14.8	**16.6**	**38.3**	**(57)**	**Operating profit/(loss)**	**120.4**
55.8	7.4	5.3	40	CAPEX and investments[1]	79.6

Key segmental operating data

Q4 2006	Q1 2007	Q1 2006	Ch. %	HYDROCARBON PRODUCTION (gross figures before royalty)	FY 2006
534	**523**	**553**	**(5)**	**Crude oil production (kt) ***	**2,167**
219	206	215	(4)	Hungary	857
315	317	338	(6)	Russia	1,310
796	**656**	**862**	**(24)**	**Natural gas production (mcm, net dry) ****	**3,079**
779	641	851	(25)	Hungary	3,028
17	15	11	36	Pakistan	51
50	**42**	**63**	**(33)**	**Condensate (kt)**	**216**
61	**56**	**77**	**(27)**	**LPG and other gas products (kt)**	**243**
101,905	**92,982**	**112,845**	**(18)**	**Average hydrocarbon prod. (boe/d)**	**102,618**

*Excluding separated condensate
**Domestic production, excluding original cushion gas production from gas storage.

Q4 2006	Q1 2007	Q1 2006	Ch. %	Realised hydrocarbon price	FY 2006
45.5	43.5	47.2	(8)	Average realised crude oil and condensate price (USD/bbl)	49.8
48.0	46.8	47.4	(1)	Average realised total hydrocarbon price (USD/boe)	49.5

The operating profit of the E&P segment was HUF 16.6 bn in Q1 2007, down HUF 21.7 bn or 57% year-on-year. The key drivers behind this trend were the suspended production from the Szőreg-1 gas and oil field, which was sold to a subsidiary (MSZKSZ Zrt.) for conversion into an underground gas storage facility, which in itself resulted in a 10% decline of our gas production. In addition the combined impact of lower oil prices (Brent oil declined by an average of 6%) and weaker USD (down 9% against the Forint) lead to lower upstream realisations in HUF terms. Domestic oil price decreased by 15% (in HUF-terms), while the sales price of domestically produced natural gas decreased by 3% in HUF-terms (despite a 7% increase in USD-terms).

Average daily hydrocarbon production in Q1 2007 was at an average 92,982 boe/day level, down by 18% in the first quarter of 2006. Oil production fell by 5%: the 4% drop in Hungarian crude oil production comes from the natural decline from our mature domestic fields, while in Russia the crude oil production declined by 6%. The domestic natural gas production declined by 25%, mainly due to the disposal of the Szőreg-1 gas and oil reservoir (which produced 0.1 bcm natural gas in Q1 2006). In addition, the gas market was weaker in this quarter due to mild weather, leading to lower production from other fields. Although the volume of gas produced at the Manzalai field in Pakistan showed a notable increase, its share in the total production is not yet significant.

Upstream revenues decreased by HUF 25.1 bn in Q1 2007 y-o-y. **Expenditures** declined by HUF 3.4 bn. The royalty on domestic production was by HUF 4.7 bn lower due to the volume drop and exchange rate movements, partly off-set by the higher regulated gas wholesale price (the basis of the royalty in case of gas). The mining royalty and export duty paid by the ZMB JV decreased by HUF 1.9 bn y-o-y. The extra mining royalty on domestic production declined by 17%, accounting for 70% of the total payments in Q1 2007 (HUF 18.1 bn out of HUF 25.8 bn total royalty on Hungarian production). The HUF 1.9 bn costs of our Yemeni well Tibela NW-1 was written off in this quarter., which did not render commercial quantity of hydrocarbons on testing,

Unit opex (before DD&A) for total hydrocarbon production in Q1 2007 was 3.3 USD per boe, up 35% y-o-y. The main causes of this increase were the increase of the share in oil in the production mix and the general fall in production volume, accentuated by the weakening USD.

Upstream Capex and investments amounted to HUF 7.4 bn in Q1 2007, 40% higher than the sum of HUF 5.3 bn in Q1 2006. 55% of our capital investments was spent in Hungary, of which HUF 1.7 bn was used for development projects mainly for improved recovery at the Üllés field (HUF 0.4 bn), the continued development of the Tóalmás field (HUF 0.4 bn) and the drilling and completion of the Hosszúpályi-S-8 development well (HUF 0.3 bn). HUF 1.8 bn was spent on domestic exploration projects. We spent a further HUF 1.5 bn on international exploration projects, mainly in Yemen and Pakistan (HUF 1.0 bn and HUF 0.2 bn). Our main development projects were: ZMB field in Russia (HUF 0.4 bn), and the Manzalai field in Pakistan (HUF 0.3 bn). We also started developing the newly acquired Baituganskoye field, following completion of the acquisition of BaiTex, the Russian producing company, in the early part of 2007.

[1] Consolidated CAPEX figures exclude capitalised finance costs, but include financial investments.

Refining and Marketing

Segment IFRS results (in HUF bn)

Q4 2006	Q1 2007	Q1 2006	Ch. %	Refining & Marketing	FY 2006
32.9	42.9	40.1	7	EBITDA	232.3
17.0	**27.3**	**24.2**	**13**	**Operating profit/(loss)**	**169.0**
39.2	8.9	5.7	56	CAPEX and investments[1]	74.8

Q4 2006	Q1 2007	Q1 2006	Ch. %		FY 2006
17.0	**27.3**	**24.2**	**13**	**Reported EBIT**	**169.0**
0.0	0.0	0.0	-	One – off items	0.0
14.5	4.5	(8.5)	n.a.	Replacement modification	(6.7)
31.5	**31.8**	**15.7**	**103**	**Estimated clean CCS**	**162.3**

Key segmental operating data

Q4 2006	Q1 2007	Q1 2006	Ch. %	REFINERY PROCESSING Kt	FY 2006
230	188	184	2	Domestic crude oil	852
2,758	2,912	3,071	(5)	Imported crude oil	11,673
50	43	52	(17)	Condensates	214
612	660	633	4	Other feedstock	2,371
3,650	**3,803**	**3,940**	**(3)**	**TOTAL REFINERY THROUGHPUT**	**15,110**
228	193	149	30	Purchased and sold products	672

Q4 2006	Q1 2007	Q1 2006	Ch. %	REFINERY PRODUCTION Kt	FY 2006
618.2	718.7	693.0	4	Motor gasoline	2,740.0
1,397.5	1,499.3	1,457.2	3	Gas and heating oil	5,920.1
459.7	428.2	529.5	(19)	Naphtha	1,838.0
750.4	697.1	783.4	(11)	Other products	2,900.1
3,225.8	**3,343.3**	**3,463.1**	**(3)**	**TOTAL PRODUCT**	**13,398.2**
48.3	32.0	39.5	(19)	Refinery loss	156.4
376.0	428.0	437.5	(2)	Own consumption	1,555.4
3,650.1	**3,803.3**	**3,940.1**	**(3)**	**TOTAL REFINERY PRODUCTION**	**15,110.0**

Q4 2006	Q1 2007	Q1 2006	Ch. %	REFINED PRODUCT SALES Kt (Group external sales)	FY 2006
1,313	1,017	964	5	Hungary	4,804
384	301	284	6	Slovakia	1,471
1,343	1,436	1,390	3	Other markets	5,814
3,040	**2,754**	**2,638**	**4**	**TOTAL CRUDE OIL PRODUCT SALES**	**12,089**

Q4 2006	Q1 2007	Q1 2006	Ch. %	REFINED PRODUCT SALES Kt (Group external sales)	FY 2006
672	686	677	1	Motor gasoline	2,955
1,606	1,480	1,363	9	Gas and heating oils	6,384
762	588	598	(2)	Other products	2,750
3,040	**2,754**	**2,638**	**4**	**TOTAL CRUDE OIL PRODUCT SALES**	**12,089**
516	432	430	0	o/w Retail segment sales	1,954
545	488	422	16	o/w Direct sales to other end-users*	2,129
635	**650**	**666**	**(2)**	**Petrochemical feedstock transfer**	**2,500**

*Motor gasoline, gas and heating oil sales

[1] Consolidated CAPEX figures exclude capitalised finance costs, but include financial investments.

Operating profit of the R&M segment was HUF 27.3 bn in Q1 2007, up by HUF 3.1 bn y-o-y. Clean EBIT (excl. inventory impact) more than doubled from HUF 15.7 bn to HUF 31.8 bn. Replacement cost modification improved CCS EBIT by HUF 4.5 bn in Q1 2007, vs. EBIT reduction in Q1 2006 of HUF 8.5 bn. EBIT was positively influenced by higher sales volumes and more favourable fuel crack spreads, and negatively affected by strengthening of local currencies against USD and inventory revaluation.

Total sales volumes increased by 4% in Q1 2007 y-o-y to 2,754 kt with strong growth in diesel sales (up 131 kt, 11%). Petrochemical feedstock sales were largely unchanged compared to the basis period as a result of group level optimisation.

Regional fuel demand remained healthy in Q1 2007 y-o-y, which lead to higher sales despite high product quoted prices. Especially diesel consumption, fuelled by increasing dieselification and intensive infrastructural investments, increased significantly in Q1 2007.

In Hungary gasoline demand increased by 5%, while our gasoline sales grew by 7.9% in 1Q 2007 y-o-y. As a result of new customer acquisitions our wholesale market share increased by 2 percentage points. Diesel consumption grew by 14.6%, whereas MOL sales growth amounted to 14.1% in Hungary.

In Slovakia, motor gasoline demand increased by 8% and diesel demand grew by 10% y-o-y. Our gasoline and diesel sales in Slovakia grew by 6.4% and 12.1%, respectively. As a result of signing contracts for higher volume with major customers in Slovakia, our wholesale market share remained stable.

Regarding other markets, the total export sales volume grew by 3% y-o-y as a result of higher demand. This increase was somewhat behind the demand growth, as we focused on our home markets. In Austria motor fuel sales increased by 20% y-o-y, improving our wholesale market share.

Retail

Q4 2006	Q1 2007	Q1 2006	Ch. %	REFINED PRODUCT RETAIL SALES Kt	FY 2006
205.4	179.1	196.2	(8.7)	Motor gasoline	850.7
304.0	247.7	227.8	8.7	Gas and heating oils	1,076.3
6.5	5.6	6.4	(12.5)	Other products	26.7
515.9	**432.4**	**430.4**	**0.5**	**TOTAL OIL PRODUCT RETAIL SALES**	**1,953.7**

774 filling stations were operated by the group as of March 31st 2007, (please see Appendix X for further details). In 2006 MOL Romania signed a contract to acquire 11 filling stations from Petrom according to the following schedule: nine by the end of 2006, one in Q1 2007, and another one later in 2007.

Total Retail volumes (incl. lubricant and PB volumes) grew by 0.5% in Q1 2007 compared to Q1 2006, as our Romanian fuel sales declined by 4% as a consequence of the disposal of 19 sites in Romania.

MOL's **Hungarian** retail fuel sales volumes increased by 4.9% in Q1 2007, while the average throughput per site increased by 3.9% y-o-y. Diesel and gasoline sales increased by 8.7% and 1.4%, respectively, while LPG sales fell by 3.2%. Gasoline sales growth was driven by micro-market based competitive pricing, as well as the reduced fuel price gap between Hungary and the neighbouring countries. Our retail fuel market share, according to MÁSZ (Hungarian Petroleum Association), weakened from 37.8% in Q1 2006 to 37.2 % in Q1 2007. This reduction was mainly due to eroding fleet-card sales, since public sector, which is predominantly supplied by MOL, reduced its consumption. Hypermarkets' expansion continued: in Q1 2007 the number of hyper filling stations grew from 35 to 57. In Hungary, shop sales revenue increased by 11.7% in Q1 2007, resulting in 6.5% growth in shop sales revenue per litre. Our fleet card sales grew by 0.6% compared to the same period last year, ratio of fleet card sales in MOL's total fuel sales in Hungary reduced from 36.7% to 35.3%, due to a stronger increase in cash sales.

Our retail market share in **Slovakia** was 1.0 percentage points lower y-o-y at 39.8%. Our gasoline sales in Slovakia decreased by 5.8%, but our diesel sales increased by 11.9% in Q1 2007 compared to Q1 2006. In Slovakia, fleet card sales increased by 8.6% in Q1 2007 y-o-y, and the proportion of card sales within Slovakian total fuel sales grew by 1.7 percentage point.

In **Romania**, our retail market share decreased by a 0.5 percentage points to 12.5% in Q1 2007. Our fuel sales decreased by 4% in Q1 2007 y-o-y, as a 11.4% increase in diesel sales could not compensate the 21.7% and 46.8% decrease in gasoline and LPG sales, respectively. The decline in market share and fuel sales was due to a decrease in the number of filling stations by 19 sites, following the sale of 30 sites to Petrom. However, the average throughput per site increased by 11.4% in Q1 2007 y-o-y. As a results of network rationalisation, our shop sales revenue in Romania decreased by 3.5% in Q1 2007 compared to Q1 2006.

R&M CAPEX increased significantly (by HUF 3.2 bn) mainly due to the increase in registered capital in the Bosnian Energopetrol (HUF 4.5 bn), as well as reconstructions and building of filling stations in Romania. Refinery capex was about the same as last year at HUF 3.5bn with focus on bio-fuels production, logistics and compliance with environmental regulations.

Petrochemicals

Segment IFRS results (in HUF bn)

Q4 2006	Q1 2007	Q1 2006	Ch. %	Petrochemicals	FY 2006
15.2	17.2	8.1	114	EBITDA	41.8
10.3	**12.6**	**3.7**	**246**	**Operating profit/(loss)**	**23.3**
3.3	0.4	0.6	(33)	CAPEX and investments[1]	8.9

Key segmental operating data

Q4 2006	Q1 2007	Q1 2006	Ch. %	PETROCHEMICAL PRODUCTION KT	FY 2006
203	206	205	0	Ethylene	776
103	105	101	4	Propylene	385
178	178	185	(4)	Other products	687
484	**489**	**491**	**0**	**Total olefin**	**1,848**
57	64	67	(4)	LDPE	263
100	96	98	(2)	HDPE	360
122	137	127	8	PP	496
279	**297**	**292**	**2**	**Total Polymers**	**1 ,119**
Q4 2006	**Q1 2007**	**Q1 2006**	**Ch. %**	**PETROCHEMICAL SALES BY PRODUCT GROUP Kt**	**FY 2006**
69	63	57	11	Olefin products	244
293	289	298	(3)	Polymer products	1,126
Q4 2006	**Q1 2007**	**Q1 2006**	**Ch. %**	**PETROCHEMICAL SALES (external) Kt**	**FY 2006**
130	119	120	(1)	Hungary	479
20	21	18	16	Slovakia	72
212	212	217	(2)	Other markets	819
362	**352**	**355**	**(1)**	**TOTAL PETROCHEMICAL PRODUCT SALES**	**1,370**

Operating profit of the Petrochemical segment reached a new record high of HUF 12.6 billion in Q1 2007, representing a 246% y-o-y improvement and a 22% growth on Q4 2006. The positive development was mainly driven by the continuing favourable market trends from the Q3 2006 and the utilisation of new production capacities.

Integrated petrochemical margin improved by 27% in Q1 2007 y-o-y. Beside a 4% increase in USD-denominated naphtha quotation, the EUR-denominated polymer quotations rose between 1 and 11%. These effects were improved further by the 9% strengthening of EUR to USD.

Both monomer and polymer production surpassed the volumes in the base period in Q1, due to the better capacity utilisation of the new plants. Better yields of the steam crackers are shown by the increasing ratio of monomer production within the olefin products.

Olefin product sales increased by 11% in Q1 2007 compared to Q1 2006 owing to higher production.

Polymer sale volumes decreased by 3% to 289 kt on account of a low inventory level, mainly in HDPE and LDPE product groups while PP sales extended by 1 kt.

Composition of polymer sales changed in favour of PP yield (46%), while HDPE and LDPE accounted for 32% and 22%, respectively.

CAPEX expenditures reached HUF 0.4 bn in Q1, as following the closure of the strategic projects, there were smaller projects.

[1] The consolidated CAPEX figures exclude capitalised finance costs, but include financial investments.

Natural Gas

MOL Natural Gas Transmission Plc. IFRS result (non consolidated, in HUF bn)

Q4 2006	Q1 2007	Q1 2006	Ch. %		FY 2006
10.9	14.2	15.2	(7)	EBITDA	43.6
6.4	**10.9**	**12.2**	**(11)**	**Operating profit/(loss)**	**29.6**
4,1	1.1	1.4	(21)	CAPEX and investments	11.2

Main operational data

Q4 2006	Q1 2007	Q1 2006	Ch. %	Transmission volumes	mn cm	FY 2006
4,127	4,391	5,818	(25)	Hungarian natural gas transmission *		17,278
823	694	895	(22)	Natural gas transit		2,386

Q4 2006	Q1 2007	Q1 2006	Ch. %	Transmission fee**	HUF/cm	FY 2006
3.35	3.22	2.53	27	Hungarian natural gas transmission fee		3.16

* including transmission volume to the gas storages

** The change in unit domestic transmission fee is significantly influenced by the dominant ratio of capacity fee within the transmission revenue. The capacity fee does not depend on the transmission volume.

The **operating profit** of the gas business is not comparable with the base period. Q1 2006 was influenced by the one-off gain on the sale of the two gas companies (MOL Natural Gas Supply Plc. and MOL Natural Gas Storage Plc.) as of March 31st, 2006. Excluding this one-off gain and the profit of the subsidiaries sold in this transaction, the profit of the gas business reflects the performance of MOL Natural Gas Transmission Plc.

Operating profit of **MOL Natural Gas Transmission Plc.** was HUF 10.9 bn in Q1 2007, down HUF 1.3 bn (11.2%) y-o-y, mainly as a consequence of the 6.5% net revenue decrease. The revenue decrease was due to the following two items: (1) no capacity overstepping fee was received in Q1 2007, against HUF 1.7 bn capacity overstepping fee invoiced to the players of the domestic market in Q1 2006. (2) The turnover fee income was HUF 0.6 bn (23.4%) lower due to a transmission volume decrease. Domestic transmission volume declined by 25% to 1,427 mn cm in Q1 2007, y-o-y, due to the unusual mild weather conditions, whilst in the base period gas consumption was above average due to the unusually cold weather.

International natural gas transit revenue decreased by 2.2% (by HUF 0.1 bn) in Q1 2007 y-o-y as a consequence of the 22% decrease of transmitted natural gas volume. Transit fee improved due to the favorable change of contractual conditions, compensating the negative impact of the declining gas price and exchange rate movements.

Operating costs decreased by 11% y-o-y, moderating the impact of the decrease in revenue. The 48.5% decrease of the cost of natural gas used for operational purposes – mainly for driving compressors – was the key driver of the cost decrease, as a combined results of the decreasing volume and decreasing gas price.

CAPEX decreased by HUF 0.3 bn compared to HUF 1.4 bn of Q1 2006.

Financial overview

Changes in accounting policies and estimates

Changes in IFRS effective from 1 January 2007 were adopted by the Group for the purposes of this Flash Report. Apart from some minor modifications in the current policies and disclosures (especially relating to financial instruments, further to the adoption of IFRS 7 Financial Instruments – Disclosures), none of these has resulted in a significant impact on the financial statements.

Profit & Loss

The majority of changes in the consolidated income statement reflects the effect of the gas business sale as of 31 March 2006. While Q1 2006 figures include the performance of the gas companies sold, Q1 2007 figures exclude this.

Group net sales revenues decreased by 35% to HUF 515.8 bn in Q1 2007, primarily reflecting the sales of the gas business as well as the lower average selling prices of refining products. **Other operating income** in Q1 2007 contains the impact of the acquisition of a 42.25% minority interest in TVK due to the excess of book value of the minority interest acquired (HUF 13.9 bn) over the consideration, while the comparative figure primarily reflects the one-time gain of HUF 81.0 bn realized on the disposal of the gas business at the end of Q1 2006.

Cost of raw materials and consumables used decreased by 43%, slightly above the decline rate of sales. Within this, raw material costs decreased by 13%, primarily as a result of the sharp fall in crude oil import prices (HUF 30.7 bn) and the lower quantity of import crude oil processed (HUF 13.2 bn). Cost of goods sold decreased by 81%, due to the combined effect of the gas business sale in Q1 2006 and the higher volumes of refining products sold during the period. The value of material-type services used increased by 8% to HUF 27.0 bn.

Other operating expenses decreased by 13% to HUF 58.0 bn, mainly caused by the effect of the sales of the two gas subsidiaries and the lower mining royalty (HUF 2.2 bn and HUF 5.7 bn, respectively). **Personnel expenses** decreased by 5% in Q1 2007, as a combined effect of an average salary increase of 6.5% and a 4.8% decrease in average headcount. Closing headcount of MOL group decreased by 3.5% to 14,048. Of the production costs incurred in Q1 2007, HUF 23.1 bn is attributable to the increase in the level of finished goods inventory and work in progress, compared to HUF 37.3 bn in Q1 2006.

Net financial gain of HUF 1.6 bn was recorded in Q1 2007 (compared to the net financial loss of HUF 26.5 bn in Q1 2006). This consisted mainly of interest received, which amounted to HUF 5.0 bn in Q1 2007 up from HUF 1.7 bn in Q1 2006. Changes in foreign exchange rates in Q1 2007 did not have a material impact on the financial position of the Group, as opposed to a foreign exchange loss of HUF 14.2 bn in Q1 2006. The fair valuation gain on the conversion option embedded in the capital security issued in the monetization of treasury shares by Magnolia Finance Ltd. was HUF 0.5 bn, compared to a loss HUF 6.6 bn in Q1 2006.

Income from associates includes INA’s Q1 2007 contribution of HUF 1.0 bn compared with HUF 1.2 bn in Q1 2006.

Corporate tax expense increased by HUF 4.4 bn to HUF 12.6 bn in Q1 2007, primarily as a result of the current tax expense of MOL Plc compared to the previous year’s figure, which reflects MOL Plc.’s tax holiday. The current tax expense is the result of the contribution of MOL Plc (16% corporate tax and 4% solidarity surplus tax), Slovnaft (19% corporate tax rate) and the gas transmission subsidiary (16%+4%), of HUF 5.5 bn, HUF 2.1 bn and HUF 1.2 bn respectively, as well as the corporate tax payable on the profit of the ZMB joint venture (HUF 1.2 bn).

Balance sheet

Total assets amounted to HUF 2,150.7 bn at the end of March 2007, representing a decrease of 1%, compared to 31 December 2006. Within this, Property, plant and equipment decreased by 2% to HUF 1,008.6 bn.

Inventories increased by 13% to HUF 203.7 bn, as a result of a seasonal accumulation of the refined products inventory prior to the driving season. Trade receivables did not change significantly. Other current assets increased by 22% due to the higher amount of prepaid and recoverable taxes and duties. Trade and other payables decreased by 2% to HUF 458.4 bn, mainly resulting from the lower volume and price level of crude oil purchases.

Total amount of provisions was HUF 124.0 bn at the end of Q1 2007, a slight increase on the HUF 123.2 bn recorded in 2006 year-end, reflecting mainly the unwinding of the discount recorded thereon.

Other non-current liabilities amounted to HUF 56.4 bn, primarily representing the financing incurred by the monetization of treasury shares by Magnolia Finance Ltd. The derivative liability resulting from this transaction was HUF 51.0 bn as of 31 March 2007.

Long-term debt (including the current portion) decreased by 1% compared to the 2006 year-end, demonstrating a further improvement in the liquidity position of the Group. As at 31 March 2007, 95.3% of the MOL Group's total debt was Euro-denominated, 4.0% in HUF and 0.7% in USD and other currencies. At the end of Q1 2007, MOL's gearing (net debt to net debt plus shareholders' equity including minority interests) was minus 14.7% (caused by the cash positive status of the Group) compared to minus 17.3% at the end of 2006.

Holders of the capital securities of Magnolia received a coupon payment of HUF 1.5 bn in Q1 2007, which have been recorded directly against equity attributable to **minority interests**. The significant decrease in minority interest is due to the acquisition of the 42.25% shareholding in TVK (HUF 64.5 bn).

Changes in contingencies and commitments and litigations

Capital contractual commitments of the Group were HUF 103.3 bn as of Q1 2007 compared to HUF 21.0 bn at the end of 2006. The increase reflects the HUF 85.0 bn commitment to the development of the strategic gas storage at the Szőreg-1 gas field. Other contingencies and commitments (guarantees, operating lease liabilities, obligations resulting from litigation in which the Group acts as defendant) did not change significantly in the first quarter of 2007 compared to the amounts reported in the previous year.

Cash flow

Operating cash flow in Q1 2007 was HUF 48.2 bn, a 47% decrease compared to Q1 2006 figure. Operating cash flow before movements in working capital decreased by 13%. The change in the working capital position decreased funds by HUF 39.6 bn, arising from an increase in inventories, other receivables and other payables (of HUF 22.1 bn, HUF 9.7 bn and HUF 27.9 bn respectively), as well as a decrease in trade receivables and trade payables (of HUF 1.3 bn and HUF 37.0 bn). Corporate taxes paid amounted to HUF 3.9 bn, relating to a cash outflow of Slovnaft's corporate tax liabilities and the tax expense of the ZMB project.

Net cash used in investing activities was HUF 65.5 bn compared with net cash of HUF 249.8 bn provided in Q1 2006. The cash outflow of the current period reflects the combined effect of the consideration paid for the acquisition of minority interest of TVK, the second installment paid for the acquisition of BaiTex LLC as well as the consideration of the acquisition of Energopetrol, while the comparative figure of Q1 2006 contains the consideration received for gas subsidiaries sold.

Net financing cash outflows amounted to HUF 1.1 bn, representing an increase in funds compared to the Q1 2006 figure, which contained the result of the issuance of the perpetual exchangeable capital securities by the fully consolidated Magnolia and HUF 169.1 bn net repayment of long-term debt.

APPENDIX I
CONSOLIDATED STATEMENTS OF OPERATIONS FOR THE MOL GROUP
PREPARED IN ACCORDANCE WITH IFRS
FOR THE PERIOD ENDED 31 MARCH 2007
Unaudited figures (in HUF million)

Q4 2006	Q1 2007	Q1 2006 Restated	Ch. %		FY 2006
627,916	515,836	798,669	(35)	Net sales	2,891,061
13,914	18,439	84,301	(78)	Other operating income	107,191
641,830	**534,275**	**882,970**	**(39)**	**Total operating revenues**	**2,998,252**
304,787	287,357	331,849	(13)	Raw material costs	1,363,664
38,256	27,016	25,044	8	Value of material-type services used	125,265
97,124	55,273	288,964	(81)	Cost of goods purchased for resale	603,523
440,167	*369,646*	*645,857*	(43)	*Raw material and consumables used*	*2,092,452*
31,597	25,197	26,605	(5)	Personnel expenses	110,190
37,683	34,136	31,627	8	Depreciation, depletion, amortisation and impairment	134,507
75,217	57,972	66,611	(13)	Other operating expenses	278,385
25,345	(23,067)	(37,287)	(38)	Change in inventory of finished goods & work in progress	13,337
(10,745)	(2,175)	(5,610)	(61)	Work performed by the enterprise and capitalised	(25,432)
599,264	**461,709**	**727,803**	**(37)**	**Total operating expenses**	**2,603,439**
42,566	**72,566**	**155,167**	**(53)**	**Operating profit**	**394,813**
4,831	4,966	1,679	196	Interest received	13,191
17	-	-	n.a.	Dividends received	55
(851)	542	-	n.a.	Fair valuation difference of conversion option	-
934	3,640	121	2,908	Exchange gains and other financial income	4,430
4,931	***9,148***	***1,800***	***408***	***Financial income***	***17,676***
2,007	3,270	5,108	(36)	Interest on borrowings	13,427
1,542	1,106	1,546	(28)	Interest on provisions	6,113
14,131	-	6,585	(100)	Fair valuation difference of conversion option	14,131
(1,954)	3,190	15,075	(79)	Exchange losses and other financial expenses	21,623
15,726	***7,566***	***28,314***	***(73)***	***Financial expense***	***55,294***
10,795	**(1,582)**	**26,514**	**n.a.**	**Total financial expense/(gain), net**	**37,618**
1,368	1,077	1,229	(12)	Income from associates	5,195
33,139	**75,225**	**129,882**	**(42)**	**Profit before tax**	**362,390**
3,309	12,638	8,257	53	Income tax expense	24,864
29,830	**62,587**	**121,625**	**(49)**	**Net income for the year** [1]	**337,526**
				Attributable to:	
22,589	59,467	122,255	(51)	Equity holders of the parent	329,483
7,241	3,120	(630)	n.a.	Minority interests	8,043
244	**643**	**1,204**	**(47)**	**Basic earnings per share attributable to ordinary equity holders of the parent (HUF)**	**3,424**
380	**595**	**1,192**	**(50)**	**Diluted earnings per share attributable to ordinary equity holders of the parent (HUF)** [2]	**3,376**

[1] 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'.
[2] 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 31 MARCH 2007 Unaudited figures (in HUF million)

31 Dec. 2006		31 March 2006 Restated	31 March 2007	Change %
	Assets			
	Non-current assets			
92,598	Intangible assets	39,087	89,745	130
1,027,148	Property, plant and equipment	999,347	1,008,564	1
132,806	Investments	135,615	135,873	-
20,500	Deferred tax asset	20,855	20,429	(2)
26,630	Other non-current assets	30,376	25,592	(16)
1,299,682	**Total non-current assets**	**1,225,280**	**1,280,203**	**4**
	Current assets			
181,030	Inventories	252,285	203,725	(19)
229,986	Trade receivables, net	256,370	227,062	(11)
666	Marketable securities	518	667	29
54,177	Other current assets	84,124	65,963	(22)
399,104	Cash and cash equivalents	396,934	373,096	(6)
864,963	**Total current assets**	**990,231**	**870,513**	**(12)**
2,164,645	**Total assets**	**2,215,511**	**2,150,716**	**(3)**
	Equity and Liabilities			
	Shareholders' equity			
83,467	Share capital[1]	94,020	83,467	(11)
666,716	Reserves	921,565	996,207	8
329,483	Net income attributable to equity holders of the parent	122,255	59,467	(51)
1,079,666	**Equity attributable to equity holders of the parent**	**1,137,840**	**1,139,141**	-
191,537	Minority interest	191,047	128,819	(33)
1,271,203	**Total equity**	**1,328,887**	**1,267,960**	**(5)**
	Non-current liabilities			
208,279	Long-term debt, net of current portion	233,171	206,352	(12)
112,646	Provisions	104,409	114,965	10
33,016	Deferred tax liability	18,192	33,219	83
56,881	Other non-current liabilities	49,929	56,424	13
410,822	**Total non-current liabilities**	**405,701**	**410,960**	**1**
	Current liabilities			
468,460	Trade and other payables	459,131	458,424	-
10,507	Provisions	15,971	9,029	(43)
2,175	Short-term debt	4,729	2,853	(40)
1,478	Current portion of long-term debt	1,092	1,490	36
482,620	**Total current liabilities**	**480,923**	**471,796**	**(2)**
2,164,645	**Total equity and liabilities**	**2,215,511**	**2,150,716**	**(3)**

[1] 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 31 MARCH 2007 - 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**
Opening balance 1 January 2006	**94,020**	**134,850**	**1,662**	**31,704**	**(5,456)**	**481,580**	**644,340**	**244,919**	**983,279**	**70,359**	**1,053,638**
Cash flow hedges, net of deferred tax	-	-	(626)	-	-	-	**(626)**	-	**(626)**	-	**(626)**
Available for sale financial instruments, net of deferred tax	-	-	866	-	-	-	**866**	-	**866**	-	**866**
Currency translation differences	-	-	-	33,128	-	-	**33,128**	-	**33,128**	393	**33,521**
Total income and expense for the period recognized directly in equity	-	-	240	33,128	-	-	**33,368**	-	**33,368**	393	**33,761**
Profit for the period	-	-	-	-	-	-	**-**	122,255	**122,255**	(630)	**121,625**
Total income and expense for the period	-	-	240	33,128	-	-	**33,368**	122,255	**155,623**	(237)	**155,386**
Transfer to reserves of retained profit for the previous year	-	-	-	-	-	244,919	**244,919**	(244,919)	**-**	-	**-**
Equity recorded for share-based payment	**-**	-	-	-	-	(1,062)	**(1,062)**	-	**(1,062)**	-	**(1,062)**
Issuance of Perpetual Exchangeable Capital Securities	**-**	-	-	-	-	-	**-**	-	**-**	120,925	**120,925**
Closing balance 31 March 2006	**94,020**	**134,850**	**1,902**	**64,832**	**(5,456)**	**725,437**	**921,565**	**122,255**	**1,137,840**	**191,047**	**1,328,887**
Opening balance 1 January 2007	**83,467**	**(89,830)**	**4,930**	**64,011**	**(8,074)**	**695,679**	**666,716**	**329,483**	**1,079,666**	**191,537**	**1,271,203**
Cash flow hedges, net of deferred tax	-	-	(195)	-	-	-	**(195)**	-	**(195)**	-	**(195)**
Available for sale financial instruments, net of deferred tax	-	-	12	-	-	-	**12**	-	**12**	-	**12**
Currency translation differences	-	-	-	84	-	-	**84**	-	**84**	162	**246**
Total income and expense for the period recognized directly in equity	-	-	(183)	84	-	-	**(99)**	-	**(99)**	162	**63**
Profit for the period	-	-	-	-	-	-	**-**	59,467	**59,467**	3,120	**62,587**
Total income and expense for the period	-	-	(183)	84	-	-	**(99)**	59,467	**59,368**	3,282	**62,650**
Transfer to reserves of retained profit for the previous year	-	-	-	-	-	329,483	**329,483**	(329,483)	**-**	-	**-**
Dividends of subsidiaries	-	-	-	-	-	-	**-**	-	**-**	(1,499)	**(1,499)**
Equity recorded for share-based payment	-	-	-	-	-	107	**107**	-	**107**	-	**107**
Acquisition of minority interest	-	-	-	-	-	-	**-**	-	**-**	(64,501)	**(64,501)**
Closing balance 31 March 2007	**83,467**	**(89,830)**	**4,747**	**64,095**	**(8,074)**	**1,025,269**	**996,207**	**59,467**	**1,139,141**	**128,819**	**1,267,960**

APPENDIX IV
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE MOL GROUP PREPARED IN ACCORDANCE WITH IFRS FOR THE PERIOD ENDED 31 MARCH 2007
Unaudited figures (in HUF million)

Q4 2006	Q1 2007	Q1 2006 Restated	Ch. %		FY 2006
42,566	**72,566**	**155,167**	**(53)**	**Profit from operations**	**394,813**
				Adjustments to reconcile operating profit to net cash provided by operating activities	
37,683	34,136	31,627	8	Depreciation, depletion, amortisation and impairment	134,507
-	(13,895)	-	n.a.	Acquisition of minority interest of TVK	-
(117)	300	(159)	n.a.	Write-off / (reversal of write-off) of inventories	2,383
(1,456)	(58)	(12)	383	Reversal of impairment losses on property, plant and equipment	(1,681)
92	(620)	(1,659)	(63)	Increase / (decrease) in provisions	(3,289)
(1,237)	(2,248)	102	n.a.	Net (gain) / loss on sale of property, plant and equipment	(1,124)
3,016	129	124	4	Write-off / (reversal of write-off) of receivables	3,942
71	(706)	361	n.a.	Unrealised foreign exchange (gain) / loss on receivables and payables	522
(3,752)	-	(81,082)	n.a.	Net gain on sale of subsidiaries	(86,316)
152	1,432	1,578	(9)	Exploration and development costs expensed during the year	5,469
108	107	(1,062)	n.a.	Share-based payment	(489)
1,151	609	(13)	n.a.	Other non cash items	3,397
78,277	**91,752**	**104,972**	**(13)**	**Operating cash flow before changes in working capital**	**452,134**
37,546	(22,130)	1,510	n.a.	(Increase) / decrease in inventories	72,706
34,052	1,280	(10,591)	n.a.	(Increase) / decrease in trade receivables	10,896
18,314	(9,703)	(16,032)	(39)	(Increase) / decrease in other receivables	5,016
10,629	(37,021)	(29,386)	26	Increase / (decrease) in trade payables	(20,948)
(43,852)	27,898	48,722	(43)	Increase / (decrease) in other payables	34,290
(9,859)	(3,884)	(7,830)	(50)	Corporate taxes paid	(24,586)
125,107	**48,192**	**91,365**	**(47)**	**Net cash provided by operating activities**	**529,508**
(65,063)	(17,334)	(17,040)	2	Capital expenditures, exploration and development costs	(144,846)
1,855	2,606	786	232	Proceeds from disposals of property, plant and equipment	8,816
(42,462)	(51,358)	-	n.a.	Acquisition of subsidiaries, net cash	(42,462)
-	(4,459)	-	n.a.	Acquisition of joint ventures, net cash	-
289	-	-	n.a.	Acquisition of other investments	-
7,357	-	264,099	n.a.	Net cash inflow on sales on subsidiary undertakings	272,126
3,187	-	-	n.a.	Proceeds from disposal of associated companies and other investments	3,187
1,718	(803)	778	n.a.	Changes in loans given and long-term bank deposits	1,493
(155)	(5)	1	n.a.	Changes in short-term investments	(112)
4,254	5,818	1,196	386	Interest received and other financial income	12,637
17	-	-	n.a.	Dividends received	830
(89,003)	**(65,535)**	**249,820**	**n.a.**	**Net cash (used in) / provided by investing activities**	**111,669**
-	-	159,174	n.a.	Issuance of Perpetual Exchangeable Capital Securities	159,174
-	-	96,184	n.a.	Long-term debt drawn down	432,020
(157)	(18)	(265,305)	(100)	Repayments of long-term debt	(608,486)
19	111	(512)	n.a.	Changes in other long-term liabilities	(137)
398	1,366	2,244	(39)	Changes in short-term debt	33,791
(8,911)	(1,078)	(1,935)	(44)	Interest paid and other financial costs	(26,815)
(5)	-	-	n.a.	Dividends paid to shareholders	(30,174)
(1,584)	(1,509)	(4)	37,625	Dividends paid to minority interest	(8,755)
-	-	-	n.a.	Repurchase of treasury shares	(238,099)
(10,240)	**(1,128)**	**(10,154)**	**(89)**	**Net cash used in financing activities**	**(287,481)**
25,864	**(18,471)**	**331,031**	**n.a.**	**Increase/(decrease) in cash and cash equivalents**	**353,696**
397,461	399,104	64,170	522	Cash and cash equivalents at the beginning of the period	64,170
-	-	214	n.a.	Cash effect of consolidation of subsidiaries previously accounted for as other investment	214
26	(2,178)	569	n.a.	Exchange differences of cash and cash equivalents of consolidated foreign subsidiaries	1,098
(24,247)	(5,359)	950	n.a.	Unrealised foreign exchange difference on cash and cash equivalents	(20,074)
399,104	**373,096**	**396,934**	**(6)**	**Cash and cash equivalents at the end of the period**	**399,104**

APPENDIX V

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

Q4 2006	Q1 2007	Q1 2006	Ch. %	NET SALES REVENUES[1]	FY 2006
93,045	75,246	99,484	(24)	Exploration and Production	389,611
533,128	438,547	475,932	(8)	Refining and Marketing	2,331,254
18,137	20,389	317,402	(94)	Natural Gas	368,195
117,688	111,768	109,083	2	Petrochemicals	451,248
40,505	15,419	17,138	(10)	Corporate and other	103,034
802,503	**661,369**	**1,019,039**	(35)	**TOTAL NET SALES REVENUES**	**3,643,342**
(174,587)	(145,533)	(220,370)	(34)	Less: Inter(segment transfers)	(752,281)
(39,975)	(34,306)	(91,138)	(62)	ow: Exploration and Production	(227,261)
(73,606)	(75,768)	(82,210)	(8)	ow: Refining and Marketing	(324,391)
(85)	(85)	(7,786)	(99)	ow: Natural Gas	(8,261)
(23,074)	(21,932)	(23,529)	(7)	ow: Petrochemicals	(95,392)
(37,847)	(13,442)	(15,707)	(14)	ow: Corporate and other	(96,976)
627,916	**515,836**	**798,669**	**(35)**	**TOTAL NET EXTERNAL SALES REVENUES**	**2,891,061**

Q4 2006	Q1 2007	Q1 2006	Ch. %	OPERATING PROFIT[1]	FY 2006
14,817	16,636	38,256	(57)	Exploration and Production	120,440
17,017	27,300	24,235	13	Refining and Marketing	169,028
8,296	12,543	86,173	(85)	Natural Gas *	109,620
10,250	12,627	3,653	246	Petrochemicals	23,285
(9,683)	4,881	(11,494)	n.a.	Corporate and other	(45,090)
1,869	(1,421)	14,344	n.a.	Intersegment transfers[2]	17,530
42,566	**72,566**	**155,167**	**(53)**	**TOTAL**	**394,813**

*****Gas segment operating profit, in addition to subsidiary results, includes segment level consolidation effects and the one-off effects of asset sale on 31 March 2006.

Q4 2006	Q1 2007	Q1 2006	Ch. %	DEPRECIATION	FY 2006
12,519	9,817	7,329	34	Exploration and Production	36,745
15,869	15,617	15,866	(2)	Refining and Marketing	63,240
1,806	1,651	1,969	(16)	Natural Gas	6,747
4,947	4,595	4,408	4	Petrochemicals	18,487
2,542	2,456	2,055	20	Corporate and other	9,288
37,683	**34,136**	**31,627**	**8**	**TOTAL**	**134,507**

Q4 2006	Q1 2007	Q1 2006	Ch. %	EBITDA	FY 2006
27,336	26,453	45,585	(42)	Exploration and Production	157,185
32,886	42,917	40,101	7	Refining and Marketing	232,268
10,102	14,194	88,142	(84)	Natural Gas *	116,367
15,197	17,222	8,061	114	Petrochemicals	41,772
(7,141)	7,337	(9,439)	n.a.	Corporate and other	(35,802)
1,869	(1,421)	14,344	**n.a.**	Intersegment transfers[2]	17,530
80,249	**106,702**	**186,794**	**(43)**	**TOTAL**	**529,320**

Q4 2006	Q1 2007	Q1 2006	Ch. %	CAPITAL EXPENDITURES	FY 2006
55,832	7,379	5,300	39	Exploration and Production	79,639
39,213	8,849	5,710	55	Refining and Marketing	74,808
4,057	1,131	3,364	(66)	Natural Gas	13,111
3,405	433	567	(24)	Petrochemicals	8,923
7,029	50,616	501	--	Corporate and other	10,731
109,536	**68,408**	**15,442**	**343**	**TOTAL**	**187,212**

31/12/2006	TANGIBLE ASSETS	31/03/2006	31/03/2007	Ch. %
147,056	Exploration and Production	146,672	141,145	(4)
540,361	Refining and Marketing	517,915	531,822	3
79,022	Natural Gas	73,979	78,197	6
196,188	Petrochemicals	202,491	192,942	(5)
64,521	Corporate and other	58,290	64,458	11
1,027,148	**TOTAL**	**999,347**	**1,008,564**	**1**

[1] 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.

[2] 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)

Q4 2006	Q1 2007	Q1 2006	Ch. %	NET SALES REVENUES[1]	FY 2006
460	390	470	(17)	Exploration and Production	1,851
2,641	2,276	2,249	1	Refining and Marketing	11,075
107	106	1,500	(93)	Natural Gas	1,749
579	580	516	12	Petrochemicals	2,144
196	80	81	(1)	Corporate and other	489
3,983	**3,432**	**4,816**	**(29)**	**TOTAL NET SALES REVENUES**	**17 308**
(866)	(755)	(1,041)	(27)	Less: Inter(segment transfers)	(3,574)
(202)	(178)	(431)	(59)	ow: Exploration and Production	(1,080)
(365)	(393)	(389)	1	ow: Refining and Marketing	(1,541)
(1)	-	(37)	-	ow: Natural Gas	(39)
(114)	(114)	(111)	3	ow: Petrochemicals	(453)
(184)	(70)	(73)	(4)	ow: Corporate and other	(461)
3,117	**2,677**	**3,775**	**(29)**	**TOTAL NET EXTERNAL SALES REVENUES**	**13,734**

Q4 2006	Q1 2007	Q1 2006	Ch. %	OPERATING PROFIT[1]	FY 2006
77	86	181	(52)	Exploration and Production	572
90	142	115	23	Refining and Marketing	803
46	65	407	(84)	Natural Gas *	521
50	66	17	288	Petrochemicals	111
(48)	25	(54)	n.a.	Corporate and other	(214)
10	(7)	68	n.a.	Intersegment transfers[2]	83
225	**377**	**734**	**(49)**	**TOTAL**	**1,876**

*Gas segment operating profit, in addition to subsidiary results, includes segment level consolidation effects and the one-off effects of asset sale on 31 March 2006.

Q4 2006	Q1 2007	Q1 2006	Ch. %	DEPRECIATION	FY 2006
61	51	35	46	Exploration and Production	175
78	81	75	8	Refining and Marketing	300
9	9	9	-	Natural Gas	32
24	24	21	14	Petrochemicals	88
12	13	11	18	Corporate and other	44
184	**178**	**151**	**18**	**TOTAL**	**639**

Q4 2006	Q1 2007	Q1 2006	Ch. %	EBITDA	FY 2006
138	137	216	(37)	Exploration and Production	747
168	223	190	17	Refining and Marketing	1,103
55	74	416	(82)	Natural Gas *	553
74	90	38	137	Petrochemicals	199
(36)	38	(44)	n.a.	Corporate and other	(170)
10	(8)	67	n.a.	Intersegment transfers[2]	83
409	**554**	**883**	**(37)**	**TOTAL**	**2,515**

Q4 2006	Q1 2007	Q1 2006	Ch. %	CAPITAL EXPENDITURES	FY 2006
277	38	25	52	Exploration and Production	378
194	46	27	70	Refining and Marketing	355
20	6	16	(63)	Natural Gas	62
17	2	3	(33)	Petrochemicals	42
35	263	2	--	Corporate and other	51
543	**355**	**73**	**386**	**TOTAL**	**889**

31/12/2006	TANGIBLE ASSETS	31/03/2006	31/03/2007	Ch. %
762	Exploration and Production	669	758	13
2,693	Refining and Marketing	2,363	2,858	21
1,004	Natural Gas	337	420	25
1,054	Petrochemicals	924	1,037	12
295	Corporate and other	266	346	30
5,808	**TOTAL**	**4,559**	**5,419**	**19**

[1] 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.

[2] 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

Q4 2006	Q1 2007	Q1 2006	Ch. %		FY 2006
59.6	57.8	61.8	(6)	Brent dated (USD/bbl)	65.1
56.5	54.3	58.3	(7)	Ural Blend (USD/bbl)	61.4
528.1	553.4	563.9	(2)	Premium unleaded gasoline 10 ppm (USD/t)*	619.3
570.3	545.7	566.9	(4)	Gas oil – ULSD 10 ppm (USD/t)*	608.4
498.4	523.2	505.0	4	Naphtha (USD/t)**	536.9
76.6	116.5	96.7	20	Crack spread – premium unleaded (USD/t)*	126.9
118.9	108.8	99.7	9	Crack spread – gas oil (USD/t)*	115.6
46.9	86.3	37.9	128	Crack spread – naphtha (USD/t)**	44.1
900	855	785	9	Ethylene (EUR/t)	863
550	550	433	27	Integrated petrochemical margin (EUR/t)	469
201.9	192.7	211.6	(9)	HUF/USD average	210.5
27.9	26.3	31.1	(15)	SKK/USD average	29.7
5.28	5.27	4.70	12	3m USD LIBOR (%)	5.13
3.59	3.52	2.61	35	3m EURIBOR (%)	3.08
8.18	8.09	6.21	30	3m BUBOR (%)	6.99

* FOB Rotterdam parity
** FOB Med parity

	Q4 2006	Q1 2007	Ch. %
HUF/USD closing	191.6	186.1	(3)
HUF/EUR closing	252.3	247.8	(2)

APPENDIX VIII
EXTRAORDINARY ANNOUNCEMENTS IN Q1 2007

Announcement date	
4 January	MOL has acquired an ownership in the MSZKSZ Zrt.
9 January	MOL started negotiations to secure uninterrupted supply of crude oil
11 January	Crude supply to MOL refineries re-started
22 January	New activity in MOL's Articles of Association
28 February	Change in influence of MOL in TVK (two announcements)
26 March	Invitation to the Annual General Meeting
29 March	Correction in invitation to the Annual General Meeting
30 March	MOL Plc. announcement media
6 April	Documents for the Annual General Meeting
24 April	MOL acquired 100% stake in Matjushkinskaya Vertikal LLC
25 April	MOL established a natural gas trading company
26 April	Resolutions on the annual general meeting of MOL held on 26 april 2007
2 May	Share sale of MOL manager
4 May	Dividend announcement for the 2006 financial year

APPENDIX IX

SHAREHOLDER STRUCTURE (%) AND TREASURY SHARES

Shareholder groups	31 Dec 2005	31 March 2006	30 June 2006	30 Sept 2006	31 Dec 2006	31 March 2007
Foreign investors (mainly institutional)	58.2	58.6	57.5	57.5	58.6	58.1
OMV	10.0	10.0	10.0	10.0	10.0	10.0
BNP Paribas	6.9	7.0	8.6	8.2	8.2	8.3
Magnolia	0.0	5.5	5.5	5.5	5.5	5.5
ÁPV Zrt. (Hungarian State Privatisation and Holding Company)	11.7	11.7	1.7	1.7	0.0	0.0
Domestic institutional investors	4.0	3.9	4.9	4.8	5.2	5.1
Domestic private investors	2.4	2.0	1.8	2.3	2.5	3.0
MOL Plc. (treasury shares)	6.8	1.3	10.0	10.0	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 Plc. on 31 March 2007: The Bank of New York, the depository bank for MOL's DR programme, which had 8.3%, 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 depositary bank for MOL's DR 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 31 March 2007.

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:

As of January 1, 2007 László Geszti was appointed to the position of the Retail Services Division Managing Director. László Geszti was previously 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.

APPENDIX X
MOL GROUP FILLING STATIONS

MOL Group filling stations	31 March 2006	31 Dec. 2006	31 March 2007
Hungary	356	358	358
Slovakia	256	210	210
Romania	136	120	117
Austria	32	33	34
Czech Republic	30	30	30
Slovenia	10	10	10
Serbia	4	11	15
Poland	21	0	0
Other markets	0	0	0
Total MOL Group filling stations	**845**	**772**	**774**