

OUTSTANDING PROFITABILITY – INCREASING PRODUCTION

Tisza Chemical Group Public Limited Company (TVK Plc.) (Reuters: TVKD.BU, web site: www.tvk.hu) has published its results for the first six months of 2007 today. The data presented in TVK Plc's H1 2007 flash report are not audited and should not be treated as final. The term 'TVK group-level data' is used in this flash report to refer to the figures of TVK Plc. and its affiliates consolidated in line with the International Financial Reporting Standards (IFRS). 7 subsidiaries, 1 affiliated business and 1 non-participating business were fully consolidated while 3 businesses were consolidated by the equity method. The flash report presents true and fair figures and statements, and does not withhold any facts that the issuer – to its best knowledge – considers to be of material importance in terms of evaluating the issuer's position. The issuer is responsible for the content of the flash report. The issuer is liable for indemnifying proven damages, if any, arising from its failure to make regular and extraordinary disclosures or from any misstatements therein.

Financial Overview

TVK Group highlights (IFRS)	Q2 2006		Q2 2007		Variance %		H1 2006		H1 2007		Variance %	
	M HUF	M EUR	M HUF	M EUR	HUF	EUR	M HUF	M EUR	M HUF	M EUR	HUF	EUR
Net Sales	77,582	291.1	83,443	336.0	8	15	154,673	593.9	161,497	645.0	4	9
EBITDA	6,589	24.7	11,779	47.4	79	92	12,674	48.7	26,036	104.0	105	114
Operating Profit	3,499	13.1	8,422	33.9	141	158	6,570	25.2	19,616	78.3	199	211
Profit/(Loss) of Financial Operations	(5,283)	(19.8)	(482)	(1.9)	91	90	(9,566)	(36.7)	(409)	(1.6)	96	96
Corporate Tax, deferred tax	(18)	(0.1)	1,748	7.0	n.a.	n.a.	25	0.1	3,950	15.8	n.a.	n.a.
Net Profit/(Loss)	(1,766)	(6.6)	6,192	24.9	n.a.	n.a.	(3,021)	(11.6)	15,257	60.9	n.a.	n.a.
Operating Cash Flow	7,669	28.8	8,944	36.0	17	25	6,967	26.8	20,722	82.8	197	209

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

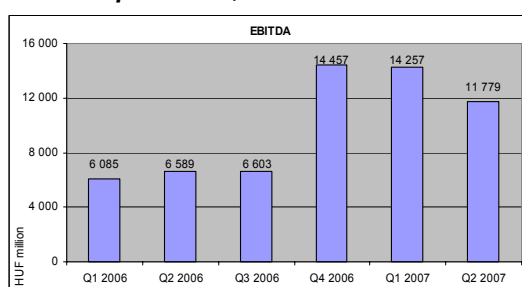
At HUF 19,616 billion, our EBIT of the first six months of 2007 shows a threefold increase year on year. This achievement was fuelled by the rise of the quoted price of polymer products and the downward pressure of the exchange rate on feedstock prices coupled with additional improvements of internal efficiency. We have managed to increase the cash generating capability and the operating profit in the same level despite Q2 2007 EBITDA falling 17% short of that in Q1 due to ethylene feedstock prices rising higher than the quoted prices of polymer products.

- **Net cash from operations amounted to HUF 20.7 billion** on June 30, 2007, showing that we have surplus cash to cover both the repayment of long term debt and new development options.
- **We spent EUR 80 million** on repaying the amounts borrowed in foreign exchange to fund the implementation of our Petrochemical Development Project during the first six months to bring the debt on hand at TVK Group to HUF 30 billion by June 30, 2007.
- **Realized and unrealized exchange rate gains of HUF 271 million and HUF 789 million, respectively**, were recognized in respect of amounts borrowed in foreign exchange as a result of the appreciation of the HUF against the EUR during the first six months.
- Although deferred taxes were charged at close to HUF 4 billion, group level H1 **net profits** reached **HUF 15.3 billion**. In contrast the net loss of HUF 3 billion was incurred in the first six months of 2006 as a result of charging the unrealised foreign exchange loss on long term loans in that period and the substantially lower level of operating profit.
- **We increased the volume of polymer output by 3%** year on year in H1 2007 owing first of all to the substantially higher rate of production in the HDPE-2 plant and despite bringing down one of the production lines of our LDPE-1 plant in line with the complete close-down of the operation of the plant scheduled to start in January 2008.
- During the first six months of 2007, we increased the **volume of monomer production by 5%** along with a 1.5% increase in the rate of monomer recovery. The **output of the Olefin-2 plant** surpassed pro rata nameplate capacity.

CEO of TVK Plc, Árpád Olvasó emphasized:

"We managed to outperform the ratios of the corresponding periods last year both in the past quarter and during the first six months. We worked hard to reach this achievement and managed to ride the extended wave of favorable market and business conditions. We operated our production capacities smoothly at high levels of utilization and with increasing energy savings during the first six months of 2007, and managed to ensure the availability of the right portfolio of products for the market, with sales producing the highest yield and complying with our sales strategy. Relying on the present high potential of the Company to generate cash, we have effected the repayment of substantial borrowings to exploit the favorable exchange rate conditions of repayment."

TVK Group EBITDA, from Q1 2006 to Q2 2007



Financial Overview

Operating environment

In the second quarter of 2007, average prices quoted for polymer products in the European market (ICI's for NWE) were up 3-7% on prices quoted for the previous quarter. In the first six months of 2007, the monthly quoted prices of polyethylene products were up 7-12% on the reference period of 2006 whilst polypropylene prices were 3-5% higher.

In US dollar terms, the prices of naphtha necessary for monomer production rose by 22% in Q2 2007 compared to the previous quarter and coupled with a 17% upturn in the price of atmospheric gas oil. During the first six months of 2007, the average quoted prices of a ton of naphtha (FOB med) and a ton of atmospheric gas oil (CIF med) amounted to USD 580 and USD 582, representing, respectively, an increase of 7% for naphtha on, and a reduction of 3% for AGO from, the quoted prices of the corresponding period in 2006.

In the second quarter of 2007, the HUF strengthened against both the EUR and the Dollar compared to the previous quarter, whilst the EUR also strengthened against the Dollar, which impacted gross margin favourably. On average in H1 2007, the EUR/HUF rate rose by close to 4% against a reduction of the USD/HUF by 11% compared to the reference period. A comparison of the figures of first six months of 2007 to those of the corresponding period of 2006 shows a strong positive consolidated effect of exchange rate changes on TVK Group's operating profits.

Calculated in EUR, the integrated petrochemical margin, which is used as an industry benchmark of profitability, reduced by 8% in Q2 2007 from the previous quarter as a result of simultaneous changes in the quoted prices of polymer products and EUR/HUF cross rates. Calculated on average for H1 2007, integrated petrochemical margin rose by 21% in HUF terms and by 26% in EUR terms compared to the first six months of 2006.

Operating profit

In the first half of 2007, consolidated TVK Group level sales increased by 4% year on year and amounted to HUF 161,497 million. Simultaneously, the sales of TVK Plc. taken separately rose by HUF 6.6 billion owing to increased volume of olefin sales and the higher prices charged for polymer and olefin products. The volume of polymer sales declined in response to the volume of goods purchased for resale, which was, however, compensated for by lower incurred costs.

Factors Influencing TVK Plc's Product Sales, H1 2007 – H1 2006 (HUF million)

	Effect of variance in price	Effect of variance in exchange rates	Effect of variance in volume	Total
Olefin	3,848	(3,023)	4,218	5,043
LDPE	890	(561)	(4,121)	(3,792)
HDPE	6,817	(2,414)	3,789	8,192
PP	1,837	(1,485)	(3,018)	(2,666)
Total	13,392	(7,483)	868	6,777

In the first half of 2007, TVK Plc. realized 51% of its sales income from exports. Germany (18%), Italy (17%), Poland (15%), the United Kingdom (5%), France (4%) and Austria (4%) represented the majority of exports.

Distribution of the TVK Group's sales by production unit, H1 2007 (HUF million)

	Domestic sales	Export sales	Total sales
Olefin	46,290	4,424	50,714
LDPE	6,766	7,227	13,993
HDPE	5,299	51,195	56,494
PP	17,148	19,673	36,821
Other sales income	3,871	94	3,965
Effect on consolidation	(949)	459	(490)
Total	78,425	83,072	161,497

The total Group level operating income of TVK Group increased 4% on the corresponding period of the previous year to reach HUF 161,984 million during the first six months of 2007, including other operating income at HUF 487 million, showing a decrease of HUF 1,243 million (or 72%) owing to foreign exchange gains at HUF 1,649 million accounts receivable and payable in the first half of 2006, as compared to the exchange rate loss on the same in H1 2007. On the other hand the amount of penalties, penalty interest and compensation received was up HUF 457 million compared to the loss events a year earlier.

TVK Group's material costs amounted to HUF 118,664 million and showed a decrease by HUF 2,873 million (2%) attributable to the lower cost of purchased feedstock and energy. The lower price of feedstock reflects the changes of the price of the feedstock used for the production of monomers due to exchange rate effects. Energy costs were more moderate despite the increasing price of energy owing to the reduced level of consumption.

Variations in key feedstock costs incurred by TVK Plc., H1 2007 – H1 2006 (HUF million)

	Effect of variance in volume	Effect of variance in prices	Effect of variance in exchange rates	Total
Naphtha and light hydrocarbons in total	(126)	6,394	(11,446)	(5,178)
AGO	3,279	(697)	(652)	1,930
Chemical feedstock in total	3,153	5,697	(12,098)	(3,248)

The increase in costs of goods sold was compensated for by sales.

Group level personnel expenses increased by HUF 112 million (2%) as a result of a wage increase, the higher amount of accrued items and the variance of amounts provisioned against and used for early retirement and severance pay.

The amount of depreciation charged was up HUF 316 million in part due to the capitalization of the cost of maintenance jobs completed during the scheduled turnaround of the Olefin-1 plant and to recognizing the pro rata portion of the same as depreciation and also as a result of the extra depreciation charged due to the close down of the LDPE-1 plant scheduled for 2008.

Other operating costs dropped by HUF 338 million (11%), including the lower insurance premium, the cost savings on environmental expenses and the mitigating effect of releasing amounts provisioned against environmental costs, the reduction of amounts written off and the costs saved due to the outsourcing of logistics functions. In contrast, the exchange rate losses on accounts receivable and payable added HUF 395 million to the expenses.

The change in inventories produced in house amounted to HUF 3,116 million, reflecting the increase in products on stock and the inventory appreciation arising from higher feedstock prices.

The consolidated operating profit (EBIT) of the TVK Group reached HUF 19,616 million in H1 2007, as opposed to HUF 6,570 million in the reference period. In the first half of 2007, the subsidiaries contributed HUF 1,298 million to Group level earnings.

In the first half of 2007 the Group incurred HUF 409 million worth of loss on financial operations, compared to the loss of HUF 9,566 million in the reference period. In the reporting period, Group level net financial income was HUF 1,102 million higher than in the corresponding period of the preceding year, typically owing to the exchange rate gains realized and unrealized on FX denominated borrowings, but interest received was also up due to the improved capacity to generate cash. Financial expenses decreased by HUF 8,053 million because of the realised and unrealised exchange rate losses charged on FX denominated loans in H1 2006 as compared to the exchange rate gains recognized in the first half of 2007. In the six months of 2007, TVK Group repaid EUR 80 million worth of the loan taken out earlier to finance the Petrochemical Development Project.

In H1 2007, TVK Group profit before taxation amounted to HUF 19,207 million. The financial statements of the Group show corporate tax liability at HUF 2,787 million for the reporting period. The amount of deferred tax expense came to HUF 1,163 million. The variance of deferred taxes includes first of all the recognition of the deferred tax component of the depreciation charge. Consolidated net profit amounted to HUF 15,257 million.

Balance sheet data

The value of TVK Group total assets stood at HUF 226,803 million on June 30, 2007.

The value of consolidated fixed assets amounted to HUF 150,050 million on June 30, 2007, or 5% lower than on June 30, 2006 due first of all to the lower value of tangible assets attributable to recognized depreciation.

Following a rise of close to 2%, the value of current assets reached HUF 76,753 million. The variance includes first of all an increase in the volume of purchased and produced inventories on hand at the Olefin plant, which was counterbalanced partly by the appreciation of the value of inventory due to the higher prices and the larger volume of finished polymer product inventories. The lower value of other current assets was resulted first of all from the reduced amount of refundable VAT as compared to June 30, 2006. The underlying reason for the higher value of group level cash and bank is the increase of cash held by the parent company due to its improved capacity to generate cash.

Long-term debts reduced by 60% to reach HUF 30,165 million by June 30, 2007. The fall reflects the repayment of credit by the parent company at EUR 80 million in the first half of 2007.

The value of short-term liabilities increased by 1% from June 30, 2006 to June 30, 2007 to reach a total of HUF 39,967 million by the end of the period. The variance reflects the consolidated effect of charging the corporate tax liability, provisioning against the distribution of dividends and reducing the amount of trade accounts payable.

Cash flow

The group level cash flow statement of TVK dated June 30, 2007 shows a reduction in cash and cash equivalents at HUF 3,246 million since the beginning of the year.

Operating cash flow amounted to HUF 20,722 million at the end of the first six months of 2007. EBITDA increased cash flow by HUF 26,036 million and changes in working capital (inventories, trade accounts receivable and payable, other receivables and other liabilities combined) reduced cash flow all in all by HUF 4,442 million. The increase in inventories is triggered by the higher volume and the increased prices of finished goods produced in house and purchased pyrolysis feedstock. The decrease of trade accounts receivables is mainly due to the lower sales volume in H1 2007 compared to volume at the end of 2006. A major factor in the increase of trade accounts payable (other than to suppliers of capital expenditure projects) involves the increased amount payable to the supplier of ethylene feedstock due to higher prices. The cash flow effect of other amounts receivable was due to the higher amount of refundable VAT whilst the change of other short-term liabilities increased cash flow through the variance of accrued costs.

Investments decreased cash flow by HUF 1,698 million. Capital expenditure reduced the value of investment cash flow by HUF 2,169 million, which also includes the amount of accounts payable to suppliers of capital expenditure projects.

Cash flow from financial operations decreased cash flow by HUF 20,270 million in the reporting period, attributable largely to the repayment of long-term loans and to the payment of interest. The variance in long term loans reflects loan repayments effected by the company. The new value of short term loans expresses the loan repaid by TVK Erőmű Kft., which had been reclassified from long term loans during the previous year.

Headcount

The total consolidated headcount of the TVK Group included 1,221 full-time employees on June 30, 2007, i.e. 264 fewer than the closing headcount on June 30, 2006. The reasons behind the variance include the outsourcing of the Polymer Logistics and Railway Transport activities and the effect of headcount rationalization measures at the parent company.

Capital Projects

In the first half of 2007, the total capital expenditure of the TVK Group reached HUF 1,024 million, including capital expenditures and refurbishment projects at the parent company at HUF 990 million.

Tiszaújváros, August 8, 2007

Árpád Olvasó
Chief Executive Officer

Gyula Hodossy
Chief Financial Officer
Deputy CEO

Data sheet header (general)

Company name: Tisza Chemical Group Public Limited Company
 Company address: H-3581 Tiszaújváros, P.O.Box 20.
 Sector group: Chemical industry, petrochemical
 Reporting period: H1 2007

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 Investors' contact person: Vanda Haisz

ANNEX 1

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

PK4. H1 2007 PROFIT AND LOSS STATEMENT
Consolidated, un-audited TVK Group data according to IFRS (HUF million)

Y 2006		Q2 2006	Q2 2007	Change	H1 2006	H1 2007	Change
HUF million		HUF million	HUF million	%	HUF million	HUF million	%
308,736	Net Sales	77,582	83,443	7.6	154,673	161,497	4.4
403	Other operating income	874	381	(56.4)	1,730	487	(71.8)
309,139	Total operating income	78,456	83,824	6.8	156,403	161,984	3.6
227,870	Raw material costs	62,681	63,231	0.9	121,537	118,664	(2.4)
13,787	Value of material type services used	3,361	3,641	8.3	6,473	7,140	10.3
17,375	Cost of goods purchased for resale	5,470	3,332	(39.1)	10,725	5,673	(47.1)
761	Mediated services	227	105	(53.7)	415	224	(46.0)
259,793	Raw materials and consumable used	71,739	70,309	(2.0)	139,150	131,701	(5.4)
6,251	Wages	1,744	1,745	0.1	3,182	3,216	1.1
1,480	HR related disbursements	275	265	(3.6)	605	631	4.3
2,035	Wage benefits	548	550	0.4	1,009	1,061	5.2
9,766	Personnel expenses	2,567	2,560	(0.3)	4,796	4,908	2.3
12,405	Depreciation and impairment	3,090	3,357	8.6	6,104	6,420	5.2
5,393	Other operating expenses	1,575	1,207	(23.4)	2,976	2,638	(11.4)
897	Change in inventory of finished goods and work in progress	(3,898)	(1,889)	(51.5)	(3,071)	(3,116)	1.5
(444)	Work performed by the enterprise and capitalised	(116)	(142)	22.4	(122)	(183)	50.0
287,810	Total operating expenses	74,957	75,402	0.6	149,833	142,368	(5.0)
21,329	Operating profit, EBIT	3,499	8,422	140.7	6,570	19,616	198.6
645	Financial income	99	271	173.7	141	1,243	781.6
4,552	Financial expense	5,382	753	(86.0)	9,705	1,652	(83.0)
2	Gain/(Loss) from associates	0	0	n.a.	2	0	n.a.
(3,909)	Net financial profit/(loss)	(5,283)	(482)	90.9	(9,566)	(409)	95.7
17,420	Profit before tax	(1,784)	7,940	n.a.	(2,996)	19,207	n.a.
568	Income tax expense	48	1,217	2,435.4	87	2,787	3,103.4
(419)	Deferred tax	(66)	531	n.a.	(62)	1,163	n.a.
17,271	Net income for the period	(1,766)	6,192	n.a.	(3,021)	15,257	n.a.
0	Minority interest	0	0	n.a.	0	0	n.a.
17,271	Net income attributable to equity holders of the parent	(1,766)	6,192	n.a.	(3,021)	15,257	n.a.

ANNEX 2

PK3. BALANCE SHEET FOR THE PERIOD ENDED ON JUNE 30, 2007
Consolidated, un-audited TVK Group data according to IFRS (HUF million)

31.12.2006. HUF million		30.06.2006. HUF million	30.06.2007. HUF million	Change %
ASSETS				
155,266	Non-current assets	157,314	150,050	(4.6)
4,001	Intangible assets	3,942	3,820	(3.1)
150,836	Property, plant and equipment	152,870	145,681	(4.7)
194	Investments	195	194	(0.5)
235	Other non-current assets	307	355	15.6
74,732	Current assets	77,993	76,753	(1.6)
8,361	Inventories	13,316	12,158	(8.7)
46,293	Trade receivables, net	46,213	46,373	0.3
4,457	Other current assets	6,392	5,878	(8.0)
15,621	Cash and cash equivalents	12,072	12,344	2.3
229,998	TOTAL ASSETS	235,307	226,803	(3.6)
EQUITY AND LIABILITIES				
133,959	Shareholders equity	113,785	149,190	31.1
24,534	Share capital	24,492	24,534	0.2
15,022	Share premium	15,022	15,022	0.0
77,106	Retained earnings	77,111	94,376	22.4
26	Revaluation difference	138	1	(99.3)
92,154	Reserves	92,271	109,399	18.6
17,271	Net income attributable to equity holders of the parent	(3,021)	15,257	n.a.
133,959	Equity attributable to equity holders of the parent	113,742	149,190	31.2
0	Minority interest	43	0	n.a.
58,021	Non-current liabilities	81,931	37,646	(54.1)
51,551	Long-term debt, net of current portion	74,902	30,165	(59.7)
3,423	Provisions for liabilities and charges	3,626	3,275	(9.7)
3,038	Deferred tax liabilities	3,394	4,201	23.8
9	Other non-current liabilities	9	5	(44.4)
38,018	Current liabilities	39,591	39,967	0.9
36,473	Trade and other payables	37,964	38,291	0.9
754	Provisions for liabilities and charges	688	764	11.0
791	Short-term debt	939	912	(2.9)
229,998	TOTAL EQUITY AND LIABILITIES	235,307	226,803	(3.6)

PK6. Significant Off-Balance Sheet Items¹

None.

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

ANNEX 3

CHANGES IN SHAREHOLDER'S EQUITY IN H1 2007
Consolidated, un-audited TVK Group data according to IFRS (HUF million)

	Share capital	Retained earnings	Share premium	Revaluation difference	Net income attributable to equity holders of the parent	Minority interest	Shareholders' equity
Opening balance on January 1, 2006	24,492	71,721	15,022	31	6,409	43	117,718
Transfer of 2005 profits	0	6,409	0	0	(6,409)	0	0
Repurchased employee shares	42	0	0	0	0	0	42
Disbursements charged to retained earnings	0	0	0	0	0	0	0
Revaluation difference	0	0	0	(5)	0	0	(5)
Reclassification of negative goodwill	0	0	0	0	0	0	0
Year 2006 profits	0	0	0	0	17,271	0	17,271
Other	0	1	0	0	0	(43)	(42)
Changes due to dividend payment	0	(1,025)	0	0	0	0	(1,025)
Balance on December 31, 2006	24,534	77,106	15,022	26	17,271	0	133,959
Transfer of 2006 profits	0	17,271	0	0	(17,271)	0	0
Repurchased employee shares	0	0	0	0	0	0	0
Disbursements charged to retained earnings	0	0	0	0	0	0	0
Revaluation difference	0	0	0	(25)	0	0	(25)
Profit of H1 2007	0	0	0	0	15,257	0	15,257
Other	0	(1)	0	0	0	0	(1)
Closing balance on June 30, 2007	24,534	94,376	15,022	1	15,257	0	149,190

ANNEX 4

PK5. CASH FLOW STATEMENT ON JUNE 30, 2007
Consolidated, un-audited TVK Group data according to IFRS (HUF million)

	30.06.2006.	30.06.2007.
	HUF million	HUF million
1. NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating (trading) profit (EBIT)	6,570	19,616
Depreciation charge	6,104	6,420
Impairment of inventories	0	(16)
(Profit)/loss on the disposal of tangible assets	192	(2)
Impairment of receivables	188	11
Revaluation difference of trade accounts receivable and accounts payable	(715)	(254)
Change in environmental protection provisions	(64)	(214)
Change in other provisions	(57)	4
Change in inventories	(3,891)	(3,781)
Change in trade accounts receivable	(2,022)	221
Change in other receivables	590	(1,459)
Change in trade accounts payable	(507)	417
Change in other short term liabilities	579	160
Corporate tax paid	0	(401)
1. NET CASH PROVIDED BY OPERATING ACTIVITIES	6,967	20,722
2. NET CASH PROVIDED BY INVESTING ACTIVITIES		
Capital projects	(2,288)	(2,169)
Proceeds from the disposal of fixed assets	67	8
Termination of financial investments (joint)	14	0
Changes in loans extended, long-term bank deposits and receivables	(7)	0
Interest received and other financial income	315	463
2. NET CASH PROVIDED BY INVESTING ACTIVITIES	(1,899)	(1,698)
3. NET CASH PROVIDED BY (AND DISBURSED FOR) FINANCING OPERATIONS		
Repayment of long-term debt and loans	0	(19,931)
Changes of long-term debt and loans	(928)	0
Other long-term liabilities	(12)	(5)
Changes in short-term loans	651	(223)
Interest paid and other financial expenditure	(1,549)	(2,111)
Dividend paid to shareholders	(94)	0
3. NET CASH PROVIDED BY (AND DISBURSED FOR) FINANCING OPERATIONS	(1,932)	(22,270)
NET INCREASE (DECREASE) OF CASH AND CASH EQUIVALENTS		
Opening value of cash and cash equivalents	8,713	15,621
Effect of consolidating a subsidiary on cash	223	0
Closing value of cash and cash equivalents	12,072	12,375
NET INCREASE (DECREASE) OF CASH AND CASH EQUIVALENTS	3,136	(3,246)

ANNEX 5

PK2. CONSOLIDATED COMPANIES

Name	Equity/ Registered Capital*	Interest held (%)	Ratio of votes ¹	Classification ²
TVK Ingatlankezelő Kft.	2,970,000	100.00%	L	L
TVK Erőmű Termelő és Szolgáltató Kft.	3,298,000	26.00%	T	L
TVK Inter-Chemol GmbH (EUR thousand)	615	100.00%	L	L
TVK UK Ltd. (GBP thousand)	200	100.00%	L	L
TVK Italia S.r.l. (EUR thousand)	100	100.00%	L	L
TVK FRANCE S.a.r.l. (EUR)	76,225	100.00%	L	L
TVK Ukrajna tov (hrivnya)	33,996	100.00%	L	L
TVK Polska Spzoo (PLN thousand)	109	100.00%	L	L
Tűzoltó és Műszaki Mentő Kft.	3,000	30.00%	T	T
VIBA-TVK Termelő és Kereskedelmi Kft.	205,000	40.00%	T	T
Tiszai Hulladékégető Kft.	25,000	49.96%	T	T
Tisza-WTP Vízelőkészítő és Szolgáltató Kft.**	599,300	0.00%	-	L

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

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

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

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

** Non-participating business with full consolidation.

ANNEX 6

MAJOR EXTERNAL FACTORS

	Q2 2006	H1 2006	Q1 2007	Q2 2007	H1 2007	Change % Q2 2007/ Q2 2006	Change % Q2 2007/ Q1 2007	Change % H1 2007/ H1 2006
Naphtha FOB med USD/t	577	541	523	636	580	10.2	21.5	7.1
AGO CIF med USD/t	636	600	538	627	582	(1.3)	16.6	(2.9)
Ethylene ICI's lor fd NWE contract EUR/t	865	825	855	890	873	2.9	4.1	5.8
Propylene ICI's lor fd NWE contract EUR/t	825	805	820	850	835	3.0	3.7	3.7
LDPE Film ICI's lor fd NWE low EUR/t	1,092	1,066	1,107	1,182	1,144	8.2	6.8	7.4
HDPE Film ICI's lor fd NWE low EUR/t	1,048	1,030	1,121	1,169	1,145	11.5	4.3	11.2
HDPE Blow ICI's lor fd NWE low EUR/t	1,040	1,023	1,118	1,181	1,149	13.5	5.6	12.3
PP Homo raffia ICI's lor fd NWE low EUR/t	1,079	1,065	1,064	1,136	1,100	5.2	6.7	3.3
PP Homo Injection ICI's lor fd NWE low EUR/t	1,080	1,065	1,093	1,145	1,119	6.0	4.8	5.0
PP Copolymer ICI's lor fd NWE low EUR/t	1,120	1,109	1,151	1,179	1,165	5.3	2.5	5.1
EUR/HUF	266.57	260.49	252.35	248.28	250.31	(6.86)	(1.61)	(3.9)
USD/HUF	212.23	211.88	192.61	184.22	188.42	(13.19)	(4.35)	(11.1)
EUR/USD	1.256	1.229	1.310	1.348	1.329	7.3	2.9	8.1

ANNEX 7
ST1. EXTRAORDINARY ANNOUNCEMENT IN 2007 UNTIL PREPARING THE REPORT

Date	Published in	Subject Matter, Brief Contents
12.01.2007. 15.01.2007. 15.01.2007.	BSE website Magyar Tőkepiac Napi Gazdaság	Announcement of TVK Plc. on the payment of the countervalue of the invalidated employee's shares which were not submitted for conversion.
09.02.2007. 09.02.2007.	BSE website Magyar Tőkepiac	Notice on completing the TVK Plc. Flash Report for Q4 and the year of 2006 and the site where it is accessible.
10.02.2007. 12.02.2007.	BSE website Magyar Tőkepiac	TVK Plc. Flash Report for Q4 and the year of 2006.
01.03.2007. 02.03.2007.	BSE website Magyar Tőkepiac	Notice on the application in connection with registration to the Share Register (MOL Plc. Application to register in the Share Register)
01.03.2007. 02.03.2007.	BSE website Magyar Tőkepiac	Notice on the Shareholder's Announcement (The announcement of CE Oil & Gas Beteiligung und Verwaltung AG on its influence in TVK Nyrt.)
02.03.2007.	TVK website	Notice on the Shareholder's Announcement (Change in influence of MOL in TVK)
05.03.2007. 06.03.2007.	BSE website Magyar Tőkepiac	Extraordinary announcement on changes of the shareholders owned more than 5% stake
14.03.2007. 14.03.2007. 14.03.2007.	BSE website Magyar Tőkepiac Napi Gazdaság	Announcement by the Board of Directors of TVK Plc. on the convocation of the company's ordinary general meeting in 2007.
04.04.2007. 05.04.2007.	BSE website Magyar Tőkepiac	Announcement on TVK Plc's most important financial figures for 2006.
04.04.2007.	BSE website	Proposals of the Board of Directors of TVK Plc. to the 2007 ordinary general meeting of the company.
18.04.2007.	BSE website	Shareholder structure according to the shareholder identification prepared in connection with the ordinary General Meeting of the company, to be held on April 19, 2007.
19.04.2007. 20.04.2007.	BSE website Magyar Tőkepiac	<p>Disclosure of the resolutions of the Annual General Meeting of TVK Plc. held on April 19, 2007. The General Meeting:</p> <ul style="list-style-type: none"> - 100% majority accepted the proposal of the Board on the order of the debate the Agenda items. - 99,99% majority accepted the reports by the Board of Directors on the statutory financial reports for 2006 (that of the mother company and the one consolidated in compliance with the international accounting standards) on the activities of the Company in the year 2006. - 99,98% majority accepted: the consolidated financial statement of TVK Plc. and TVK's subsidiary companies prepared according to the international financial reporting standards for the year ending as of December 31, 2006 with the balance sheet total amounting to HUF 229.998 million and the net profit amounting to HUF 17.271 million; the annual report of TVK Plc. prepared according to the Hungarian Accounting Law for the year ending as of December 31, 2006 with the balance sheet total amounting to HUF 212.302 million and the after tax profit amounting to HUF 15.895 million. The GM acknowledged that the Company's profit before tax for the year 2006 is HUF 16.104 million and its net profit is HUF 15.895 million, the dividends payable upon the profit for the year 2006 are HUF 0 per share and HUF 15.895 million shall be transferred into the retained earnings with that the Company shall use its free monetary assets for future acquisition aims and the repayment of its long-term loan. - 99,98% majority accepted the Declaration regarding corporate governance practices of TVK Plc. for the business year of 2006. - 99,99% majority elected Ernst & Young Könyvvizsgáló Kft. to the Auditor of the Company (appointed Auditor: Judit Szilágyi) for the business year of 2007 until the time of adjourning the Annual General Meeting of 2008, until 30 April, 2008. - 99,98% majority determined the Auditor's fee for the whole period of the appointment, and authorised the Board of Directors to conclude the commission contract with the appointed Auditor - 100% majority elected György Mosonyi, Michel-Marc Delcommune, Vratko Kassovic, József Molnár and József Simola as a Member of the Board, with the effect from the adjourning of the GM until April 19, 2012.

- 99,99% majority elected Árpád Olvasó as a Member of the Board, with the effect from the adjourning of the GM until April 19, 2012.
- 99,99% majority accepted the remuneration of the Board members for the next year.
- 100% majority elected dr. Gyula Bakacsi, dr. György Bíró and László Gyurovszky, as a Member of the Supervisory Board, with the effect from the adjourning of the GM until April 19, 2012.
- 100% majority accepted the net remuneration per months of the Supervisory Board members.
- 99,93% majority accepted the amendment of Article 2 of the Articles of Association as follows: The seat of the Company: 3581 Tiszaújváros, TVK-lpartelep, TVK Central Office Building (building no. 136., topographical lot number: 2119/3); modified the Article 14 and 32 of the Articles of Association.
- 99,92% majority supplemented Article 13.17., 22.1., 24.1 of the Articles of Association; supplemented the Articles of Association with the Article 7.9, 8.11, 16.6, és 22.1 (q); modified the Articles 8.3., 15., 16.1., 17.2, 17.6, 25., 27., 28. and 36. of the Articles of Association; deleted the first paragraph of Article 8.6, and deleted the Articles 11. and 24.1. e.).
- 99,91 majority deleted the Article 21. and modified the Articles 7.8, 8.9., 16.2. and 17.5. of the Articles of Association .
- 99,92% majority approved the Supervisory Board's rules of procedure.
- 100% majority elected dr. Gyula Bakacsi, dr. György Bíró and László Gyurovszky as a Member of the Audit Committee, with the effect from the adjourning of the GM until April 19, 2012.

19.04.2007.	BSE website	TVK Plc's declaration on corporate governance practices.
19.04.2007.	BSE website	Disclosure on completing the annual report of TVK Plc. on the 2006 business year and the site where it is accessible.
19.04.2007.	BSE website	TVK Plc. Annual Report for the business year of 2006.
19.04.2007.	BSE website	TVK Plc. Summary Report for the business year of 2006.
19.04.2007. 20.04.2007.	BSE website Magyar Tőkepiac	Announcement on changes of the disclosure channels.
09.05.2007. 09.05.2007.	BÉT website TVK website	Consolidated Financial Statement of TVK Plc. prepared according to the international financial reporting standards for the year 2006 and Financial Statements of TVK Plc. prepared according to the Hungarian Accounting Law for the year 2006 modified according to the resolutions of the 2007 Annual General Meeting.
14.05.2007. 14.05.2007. 14.05.2007.	BÉT website TVK website LSE website	Notice on completing the TVK Plc. Flash Report for Q1 2007 and the site where it is accessible.
15.05.2007. 15.05.2007. 15.05.2007.	BÉT website TVK website LSE website	TVK Plc. Flash Report for Q1 2007.
21.05.2007. 21.05.2007. 22.05.2007.	BÉT website TVK website LSE website	Minutes of the 2007 Annual General Meeting of TVK Plc. (abstract)
22.06.2007. 22.06.2007. 22.06.2007.	BÉT website TVK website LSE website	Extraordinary Notice on the Resolution of the Supervisory Board, the members elected Mr. László Gyurovszky to be the Chairman of the Supervisory Board, and Mr. Tamás Magyar to be the Deputy Chairman of the Supervisory Board.
22.06.2007. 22.06.2007. 22.06.2007.	BÉT website TVK website LSE website	Extraordinary announcement about changes in management as from July 1, 2007.
04.07.2007. 04.07.2007. 04.07.2007.	BÉT website TVK website LSE website	The Articles of Association of TVK Plc, consolidated with the amendments accepted by the AGM held on April 19, 2007.
01.08.2007. 01.08.2007. 01.08.2007.	BÉT website TVK website LSE website	Extraordinary announcement about change in management.

ANNEX 8

STRUCTURE OF OWNERSHIP - % AND TREASURY SHARES

RS1. Ownership Structure, Ratio of Holdings and Votes

Description of owner	Total equity						Listed series					
	Year opening (January 1, 2007)			Period closing (June 30, 2007)			Year opening (January 1, 2007)			Period closing (June 30, 2007)		
	% ²	% ³	Pc	% ²	% ³	Pc	% ²	% ³	Pc	% ²	% ³	Pc
Domestic institution/company	46.16	same	11,214,683	87.09	same	21,154,161	46.16	same	11,214,683	87.09	same	21,154,161
Foreign institution/company	52.80	same	12,824,697	8.14	same	1,976,426	52.80	same	12,824,697	8.14	same	1,976,426
Domestic individual	0.77	same	185,847	0.27	same	66,106	0.77	same	185,847	0.27	same	66,106
Foreign individual	0.02	same	4,376	0.00	same	841	0.02	same	4,376	0.00	same	841
Employees, senior officers	-	-	-	-	-	-	-	-	-	-	-	-
Treasury shares	-	-	-	-	-	-	-	-	-	-	-	-
Government held owner*	0.04	same	9,899	0.00	same	0	0.04	same	9,899	0.00	same	0
International Development Institutions	-	-	-	-	-	-	-	-	-	-	-	-
Shares held by unidentified parties	0.25	same	61,240	4.50	same	1,093,309	0.25	same	61,240	4.50	same	1,093,309
TOTAL	100	same	24,290,843	100	same	24,290,843	100	same	24,290,843	100	same	24,290,843

* Also included under domestic institutions

² Ownership ratio³ Voting right entitling the holder to participate in decision making at the general meetings of consolidated companies. If the ownership ratio and the voting ratio are identical, only the column for the ownership ratio should be filled in and submitted (published) along with mentioning that the two are the same.**RS2. Volume (Qty) of Treasury Shares Held in the Period Under Review**

	January 1	March 31	April 19	June 30
Corporate level	0	0	0	0
Subsidiaries	0	0	0	0
Grand total	0	0	0	0

RS3/1. List and Description of Shareholders with more than 5% of the listed Series (on 30 June 2007)

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

RS3/2. List and Description of Shareholders with more than 5% of Equity Total (on 30 June 2007)

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

¹ Domestic (B), Foreign (K)² Corporate (T)³ Figure rounded to two decimal points⁴ Voting right entitling the holder to participate in decision making at the general meetings of consolidated companies

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

TSZ2. Changes in the Number of Full Time Employees

	Reference Period Ended June 30, 2006	Year Opening January 1, 2007	Period Closing June 30, 2007
Corporate level	1,457	1,200	1,189
Group level	1,485	1,231	1,221

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

Type ¹	Name	Position	Beginning of assignment	End/termination/term of assignment	Shares held (qty)
BoD	György Mosonyi	Chairman of the Board	26.04.2002	19.04.2012	0
BoD	Árpád Olvasó	Deputy Chairman of the Board	29.08.2000	19.04.2012	0
BoD	Michel-Marc Delcommune	Board member	03.11.2000	19.04.2012	0
BoD	Gyula Gansperger	Board member	20.04.2006	20.04.2011	0
BoD	Vratko Kassovic	Board member	28.04.2005	19.04.2012	0
BoD	Dr. Péter Medgyessy	Board member	20.04.2006	20.04.2011	0
BoD	József Molnár	Board member	20.04.2001	19.04.2012	0
BoD	József Simola	Board member	28.04.2005	19.04.2012	0
SB	László Gyurovszky	SB chairperson	22.06.2007	19.04.2012	0
		SB member	19.04.2007	19.04.2012	
SB	Tamás Magyar	SB deputy chair	22.06.2007	20.04.2011	0
		SB member, employee representative	20.04.2001	20.04.2011	
SB	dr. Gyula Bakacsi	SB member	19.04.2007	19.04.2012	0
SB	dr. György Bíró	SB member	19.04.2007	19.04.2012	0
SB	Ildikó Keményné Újvári	SB member, employee representative	28.04.2000	28.04.2010	0
SP	Árpád Olvasó	Chief Executive Officer	01.07.2003	Indefinite term	0
SP	Tivadar Vályi Nagy	Chief Financial Officer, Deputy CEO	01.01.2005	01.07.2007	0
		Production Director	01.07.2007	Indefinite term	
SP	Gyula Hodossy	Chief Financial Officer, Deputy CEO	01.07.2007	Indefinite term	0
SP	László Piry	Director of Polymer Marketing and Sales, Deputy CEO	07.06.2004	Indefinite term	0
SP	Árpád Deák	Petrochemical Technology and Project Development Director	01.06.2001	01.07.2007	0
SP	Dr. Gábor Nagy	Petrochemical Technology and Project Development Director	01.07.2007	01.08.2007	0
SP	János Bóta	Petrochemical Technology and Project Development Director	01.08.2007	Indefinite term	0
SP	Tamás Péntes	Human Resources Manager	01.07.2004	Indefinite term	0
SP	László Sebestyén	Production Director	01.01.2004	01.07.2007	0

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

During the second quarter of 2007 there was no significant change in company structure.

During the second quarter of 2007 the senior management changed as follows:

On the Supervisory Board meeting held on June 22, 2007, the members elected:

- Mr. László Gyurovszky to be the Chairman of the Supervisory Board, and
- Mr. Tamás Magyar (employee representative) to be the Deputy Chairman of the Supervisory Board.

The following changes took place in the Company's management as of July 1, 2007 in order to strengthen the group-level positions and further improve production profitability:

- Mr. Tivadar Vályi Nagy will be the Company's new Production Director, who was up to that time the Chief Financial Officer of TVK Plc. The new Chief Financial Officer will be Mr. Gyula Hodossy, having been active formerly as senior manager of Energy Service and Maintenance Unit of TVK Plc.
- Mr. László Sebestyén, the former Production Director of TVK Plc. will pursue his career at TVK Plc., his duty will be to manage the team, specialised to the short-term and long-term reconstruction programs and capacity-increasing tasks of the MOL Group's three Olefin Plants operating in Tiszaújváros and Bratislava.
- The mandate of Mr. Árpád Deák, director of Petrochemical Technology and Project Development of TVK Plc. was terminated due to his retirement. In the future period, Dr. Gábor Nagy, TVK Plc's technology-development manager will take over the tasks regarding the management of this department.

Until preparing the report the senior management changed as follows:

- As from August 1, 2007 Mr. János Bóta is the director of Petrochemical Technology and Project Development of TVK Plc.