

INTERIM MANAGEMENT REPORT ON Q1 2009 OF TVK GROUP

Tisza Chemical Group Public Limited Company (TVK Plc.) (Reuters: TVKD.BU, web site: www.tvk.hu) has published its results for Q1 2009 today. The data presented in TVK Plc's Q1 2009 interim management 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 participations, consolidated in line with the International Financial Reporting Standards (IFRS). 7 subsidiaries, 1 affiliated business and 1 non-participating business were fully consolidated while 2 businesses were consolidated by the equity method.

TVK Group financial overview

	Q1 2008 (HUF million)	Q1 2009 (HUF million)	Variance %	Q1 2008 (EUR million)	Q1 2009 (EUR million)	Variance %
Net sales	96,442	57,587	(40)	371.9	195.5	(47)
EBITDA	6,735	1,849	(73)	26.0	6.3	(76)
Operating profit / (Loss)	3,524	(1,329)	n.a.	13,6	(4.5)	n.a.
Profit/(Loss) of Financial Operations	(1,075)	(3,487)	224	(4.1)	(11.8)	186
Corporate Tax, deferred tax	645	(518)	n.a.	2.5	(1.8)	n.a.
Shareholder's net profit (loss)	1,804	(4,298)	n.a.	7.0	(14.6)	n.a.
Operating cash flow	(5,767)	12	n.a.	(22.2)	0.0	n.a.

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

In the first quarter of 2009 the price of feedstock continued to rise **compared to the previous quarter** while the price of olefin and polymer products declined heavily. At the same time, the Euro depreciated against the Dollar. The introduction of **profit maximization measures** and the **weaker Forint** generated foreign exchange gains on accounts payable and receivable, which only partially compensated for the negative impact of **adverse external conditions, the energy price hike and the marked loss of output and sales volumes**. As a result, **operating losses reached HUF 1.3 billion** as opposed to profits made at HUF 7.6 billion in Q4 2008.

Despite the adverse external environment our EBITDA, which expresses the cash generation capacity of the business, reached HUF 1.8 billion in Q1 2009, or 73% less than in the **corresponding period of the preceding year**. Integrated petrochemical margin showed a downturn of 37% in response to worsening external circumstances. Energy prices rose sharply whilst the margin on olefin by-products contracted drastically. Both output and sales volumes subsided due to process failures and falling demand.

- ▶ **Overall capacity utilisation showed a year on year downturn of 12 percentage points** in the first quarter of 2009. The output of the Olefin-2 plant decreased due as feedstock was in short supply and as the plant came off line for maintenance earlier than scheduled. At the same time, **more favourable specific monomer recovery ratios** were recorded for both olefin plants than in the reference period.
- ▶ The volume of **producing and selling polymer products** fell by 10% and 11%, respectively, from the reference levels of the preceding year.
- ▶ Our **LDPE-1 plant**, which came on line in 1970 to utilise the ICI process with nameplate capacity at 32 kilotons p.a., **was decommissioned** finally on March 16, 2009. As a result, LDPE capacity of TVK decreased to 65 Kt/year.
- ▶ We **made foreign exchange gains at HUF 2,280 million on our accounts payable and receivable** due to the depreciation of the Forint, as compared to FX gains on AP/AR at HUF 437 a year earlier. Also, the accounts of financial operations show **realized exchange rate gains at HUF 940 million and unrealized exchange rate losses at HUF 4,042 million** relating to loans and assets denominated in foreign currency. TVK Plc. recorded long term loans at EUR 50 million on March 31, 2009, after repaying EUR 10 million of debt in January 2009.
- ▶ During the period under review, TVK Plc. had sufficient working capital and EBITDA to remain liquid and **did not resort to an overdraft**.
- ▶ The **net losses** of the Group **amounted to HUF 4,298 million** in Q1 2009. As a parent TVK only incurred the liability to pay local business tax and was not subject to either corporate tax or solidarity tax. The negative amount of deferred tax is due to the accrual of the negative tax base.

CEO of TVK Plc, Árpád Olvasó emphasized:

"The global financial crisis and economic recession influenced the performance of TVK. The strengthening of the Dollar against the Euro puts brings our EBIT under pressure whilst the weakening of the Forint hits our financial performance adversely through the revaluation of our FX loan. Our liquidity remained stable. We paid keen attention to developing opportunities for cooperation to ensure stable market positions both for ourselves and our partners."

Operating environment

A comparison of Q1 2009 with Q1 2008 shows a downturn of 38-43% in the average quoted price of polymers. As regards feedstock prices, the average quoted (FOB med) price of a ton of naphtha was USD 362 against the (CIF med) price of a ton of atmospheric gas oil (AGO) quoted at USD 409, corresponding to an increase of 56% for naphtha and 54% for AGO. The EUR/HUF rate rose 13% along with a rise of 31% in the USD/HUF rate and a 13% reduction in EUR/USD cross rates. Integrated petrochemical margin responded to the changes listed above by an average downturn of 15% in HUF terms and an average fall of 25% in EUR terms from Q1 2008. Exchange rate changes had a negative impact on TVK group level operating profits in the period under review.

A comparison of Q1 2009 to Q4 2008 shows a downturn by 12-17% in the average prices (ICI's lor fd NWE) quoted for polyethylene in the European market of polymer products and a simultaneous drop of 17-18% in polypropylene prices. In US dollar terms, the price of the naphtha necessary for monomer production rose by 8% and coupled with a 28% downturn in the price of AGO. The HUF depreciated heavily against both the USD and the EUR, with the latter also depreciating against the dollar. The aforementioned factors reduced the integrated petrochemical margin by 37% in EUR terms and by 29% in HUF terms compared to the level recorded for the previous quarter.

Financial overview

Profit and Loss Statement

In Q1 2009, **consolidated TVK Group level operating income** fell by 38% from the corresponding period of the previous year and amounted to HUF 59,908 million, including **other operating income** at HUF 2,321 million. The positive variance of HUF 1,852 million arises from the foreign exchange gains made on accounts receivable and payable due to the depreciation of the Forint.

In Q1 2009, **consolidated TVK Group level sales income** amounted to HUF 57,587 million, representing a downturn of HUF 38,855 million from the reference figure recorded for the first three months of 2008, owing to lower production and sales volumes, which was mitigated partially by the depreciation of the Forint.

Factors Influencing TVK Plc's Product Sales, Q1 2009 – Q1 2008 (HUF million)

	Effect of variance in price	Effect of variance in exchange rates	Effect of variance in volume	Total
Olefin	(15,522)	5,271	(7,601)	(17,852)
LDPE	(3,218)	849	(982)	(3,351)
HDPE	(13,317)	3,810	(3,442)	(12,949)
PP	(9,706)	2,601	(2,233)	(9,338)
Total	(41,763)	12,531	(14,258)	(43,490)

In Q1 2009, TVK Plc. realized 50% of its sales income from **export sales**. Poland (19%), Italy (16%), Germany (14%), the United Kingdom (3%), France (3%) and Austria (2%) represented the majority of exports.

Distribution of TVK Group sales by production unit, Q1 2009 (HUF million)

	Domestic sales	Export sales	Total sales
Olefin	14,895	430	15,325
LDPE	1,933	2,324	4,257
HDPE	2,060	16,994	19,054
PP	5,560	6,963	12,523
Income from other business	2,405	0	2,405
Effect of consolidation	3,952	71	4,023
Total	30,805	26,782	57,587

Plummeting by HUF 34,722 million (42%) due to the reduction of the cost of purchased materials and despite rising energy costs, **TVK Group level material costs** amounted to HUF 47,954 million. The reduced cost of feedstock reflects the radical decline of the quoted price of raw materials used for producing monomers, but the effect was compensated for substantially by the HUF appreciating against the USD. Energy costs were up by 19% primarily as a result of the price hike, but the amount of energy consumed was also lower due to the restraint on production and to optimisation of the olefins process and energy use.

**Variances in key feedstock costs incurred by TVK Plc.,
Q1 2009 – Q1 2008 (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	(4,940)	(42,166)	18,522	(28,584)
AGO	(6,858)	(393)	191	(7,060)
Chemical feedstock in total	(11,798)	(42,559)	18,713	(35,644)

The downturn in **services recognized under materials** amounted to HUF 525 million (-13%) including a reduction of freight costs by HUF 497 million and of settled agency fees by HUF 72 million due to reduced sales volumes.

Sales income compensated for the variance in **costs of goods sold** and in the value of mediated services.

TVK Group level **wage related costs** increased by HUF 116 million (5%) due to provisioning, implemented wage increases and accruals.

Other operating costs dropped by HUF 60 million (-6%), including the reduced balance of amounts provisioned and released in connection with environmental clean-up, lower marketing costs, insurance premiums and higher regulatory fees and impairment charged to amounts receivable.

The **variance of inventories produced in house** increased by HUF 3,107 million in Q1 2009 typically as a result of stock appreciation due to the increase of feedstock prices, as the price of naphtha increased since December 2008, which in turn increased production costs and appreciated the value of inventory on hand. The increase of polymer inventories on hand also boosted stock levels.

TVK Group level consolidated operating losses (EBIT) amounted to HUF 1,329 million during the first three months of 2009, as opposed to HUF 3,524 million worth of profits recorded for Q1 2008.

As opposed to the loss of HUF 1,075 million recorded for the reference period, the Group incurred HUF 3,487 million in **losses on financial operations** in Q1 2009. In the reporting period, Group level financial income increased by HUF 114 million from the level of the reference period due to higher interest income from a rollover facility. Financial expenditure rose by HUF 2,562 million, which is the composite effect of unrealised FX gains and realised FX losses on borrowings and assets denominated in foreign currency increasing by HUF 3,575 million and falling by HUF 1,013, respectively, since the reference period. The closing balance of the FX denominated shareholder loan, after repaying EUR 10 million of debt in January 2009, stood at EUR 50 million at the end of reporting period.

In Q1 2009, TVK Group **earnings before taxes** showed a loss of HUF 4,816 million with corporate **tax liability** stated at HUF 96 million. Deferred tax expense amounted to the negative figure of HUF 614 million and essentially includes the accrual of the negative tax base. **Consolidated net losses** were incurred at HUF 4,298 million.

Balance sheet figures

The value of TVK Group **total assets** stood at HUF 213,083 million on March 31, 2009.

The consolidated value of **invested assets** amounted to HUF 139,072 million on March 31, 2009, or 5% lower than on March 31, 2008 due first of all to the lower value of tangible assets attributable to recognized depreciation.

The value of **current assets** fell by 14% to HUF 74,011 million; including a 7% reduction of the value of inventories as inventory depreciated due to lower feedstock prices. The reduction was mitigated by the slight increase of olefin and polymer products on hand. The value of accounts receivable dropped 36% year-on-year due to the lower selling price and sales volume of polymer products. The value of other current assets increased by 65%, which is attributable mainly to recognising a rollover facility extended to the parent company at the end of Q1 2009. The value of current assets rose at the end of the reporting period in response to a rise in the value of company tax transferred with the option to reclaim, which was partially compensated for by the lower value of VAT available for refunding and of other tax receivables.

The value of **owner's equity** amounted to HUF 144,365 million on March 31, 2009, or roughly 10% lower than on March 31, 2008 due to the variance in the value of profit after tax and the distribution of dividends in 2008.

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The portfolio of **long-term debt** decreased by 31% and amounted to HUF 14,363 million on March 31, 2009. The reduction reflects first of all the repayment of EUR 20 million in December from the EUR 50 million shareholder loan taken out in June 2008 and the reclassification of the remaining portion as a short term loan.

The value of **short-term liabilities** rose by 8% to HUF 47,733 million between March 31, 2008 and March 31, 2009. The variance reflects the higher value of short-term accounts payable due to the reclassification of the current portion of long term loans, which was mitigated substantially by the lower value of account payable arising from the reduction of both the price and the volume of feedstock purchased for our olefin plants.

Cash flow

The group level cash flow statement of TVK dated March 31, 2009 shows an increase in **cash and cash equivalents** at HUF 103 million since the beginning of the year.

Operating cash flow amounted to HUF 12 million. EBITDA increased cash flow by HUF 1,849 million and changes in working capital (inventories, trade accounts receivable and payable, other receivables and other liabilities combined) increased cash flow by HUF 1,479 million. On the other hand, items reducing cash flow included the revaluation of inventories and receivables (HUF 368 million), the payment of taxes charged to earnings (HUF 1,680 million), the revaluation of trade accounts payable and receivable (HUF 1,228) and the balance of amounts provisioned and released (HUF 40 million). The variance of inventories reduced cash flow because the prices of olefin plant feedstock increased sharply since December 2008, which led to inventory appreciation. Moreover, olefin feedstock inventories and the volume of polymer inventories produced in house also increased. The decreased value of trade accounts receivable originates from the downturn of sales prices and sales volumes during Q4 2009 compared to the levels that determined the value of trade accounts receivable during Q4 2008. The higher value of accounts payable emanates from the higher price paid for cracker feedstock purchases in March 2009 than in December 2008, although the reduction of volume partially compensated for the price effect. As regards other amounts receivable, cash flow was reduced mainly by the higher amount of refundable VAT and the higher value of reclaimable corporate tax. Other short-term liabilities increased operating cash flow due to the accrual of quantity discounts and the higher value of accrued costs.

Investments increased cash flow by HUF 3,369 million, including the reduction of a revolving facility extended to the parent company, which improved cash flow by HUF 4,382 million, and the amounts disbursed to the suppliers of capital goods at HUF 1,475 million, which reduced cash flow.

Net cash from financial operations decreased cash flow by HUF 3,278 million in the reporting period, including cash outflows associated with the repayment of short term loans and with interest payments.

Headcount

The total consolidated headcount of the TVK Group included 1,192 full-time employees on March 31, 2009, or 9 persons fewer than the closing headcount on March 31, 2008.

Capital Projects

In Q1 2009, the total capital expenditure of the TVK Group reached HUF 632 million, including CAPEX and refurbishment projects at the parent company at HUF 628 million.

Outlook and expectations for the period after March 31, 2009

Our operating profit/loss position is not expected to improve in April 2009 compared to the average of the first quarter despite the major increase of monomer production and the volume of polymer output. In April, the integrated petrochemical margin remained practically unchanged compared to Q1 2009, but it decreased compared to March 2009, as polymer prices will continue to lag behind the rate at which the price of feedstock is expected to increase.

On May 3, periodical turnaround started at Olefin-1 plant, and expected to take for 51 days. Besides the maintenance duties, we will carry out the tasks of the Reconstruction Project, which ensure the longer availability of the plant. Reconstruction projects have been launched at TVK Olefin-1 unit in order to enhance energy and cost efficiency and ensure the safe operation of the key assets for further 15 years. The Reconstruction Program has been launched to improve the unit technical status and ensure efficient operation for the future with higher capacity utilization. Parallel with the Olefin-1 Plant an overhaul will be carry out at HDPE-1, LDPE-2 and PP-3 plants and the annual cleaning halt will come at HDPE-2 and PP-4 plants. Due to the feedstock supply, the stands schedules were harmonised at MOL Group level.

ANNEXES

Company name: Tisza Chemical Group Public Limited Company **Phone:** +36 49/522-222
Company address: H-3581 Tiszaújváros, P.O.Box 20. **Fax:** +36 49/521-322
Sector group: Chemical industry, petrochemical **E-mail address:** tvkinfo@tvk.hu
Reporting period: Q1 2009 **Investors' contact person:** Vanda Haisz

	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"/>
Currency	HUF	X	EUR	
Unit	1,000		1,000,000	X

ANNEX 1
KEY FINANCIAL DATA

TVK Group consolidated unaudited figures according to IFRS (HUF million)

Key Profit and Loss figures

	Q1 2008	Q1 2009
Net sales	96,442	57,587
Operating profit (EBIT)	3,524	(1,329)
Net income from financial activities	(,075)	(3,487)
Profit before tax	2,449	(4,816)
Profit after tax	1,804	(4,298)

Key Balance Sheet figures

	31.03.2008.	31.03.2009.
Fixed assets	146,949	139,072
Intangible assets	3,788	3,357
Tangible assets	142,702	135,338
Invested financial assets	459	377
Current assets	85,637	74,011
Inventory	13,026	12,095
Total assets	232,586	213,083
Shareholders' equity	159,473	144,365
Share capital	24,534	24,534
Long-term liabilities	28,693	20,985
Short-term liabilities	44,420	47,733
Total liabilities and shareholders' equity	232,586	213,083

ANNEX 2
Q1 2009 PROFIT AND LOSS STATEMENT
TVK Group consolidated, unaudited figures according to IFRS (HUF million)

Year 2008 audited		Q1 2008	Q1 2009	Change %
323,406	Net Sales	96,442	57,587	(40.3)
216	Other operating income	469	2,321	394.9
323,622	Total operating income	96,911	59,908	(38.2)
267,578	Raw material costs	82,726	47,954	(42.0)
14,841	Value of material type services used	3,992	3,467	(13.2)
5,976	Cost of goods purchased for resale	600	1,894	215.7
422	Mediated services	98	4,474	4,465.3
288,817	Raw materials and consumable used	87,416	57,789	(33.9)
6,292	Wages	1,497	1,584	5.8
1,054	HR related disbursements	301	282	(6.3)
1,982	Wage benefits	471	519	10.2
9,328	Personnel expenses	2,269	2,385	5.1
13,148	Depreciation and impairment	3,211	3,178	(1.0)
4,241	Other operating expenses	1,053	993	(5.7)
4,205	Change in inventory of finished goods and work in progress	(550)	(3,107)	464.9
(672)	Work performed by the enterprise and capitalised	(12)	(1)	(91.7)
319,067	Total operating expenses	93,387	61,237	(34.4)
4,555	Operating profit, EBIT	3,524	(1,329)	n.a.
417	Financial income	87	201	131.0
4,100	Financial expense	1,162	3,688	217.4
(3,683)	Net financial profit/(loss)	(1,075)	(3,487)	224.4
18	Gain/(Loss) from associates	0	0	n.a.
854	Profit before tax	2,449	(4,816)	n.a.
1,271	Income tax expense	440	96	(78.2)
(271)	Deferred tax	205	(614)	n.a.
(146)	Net income for the period	1,804	(4,298)	n.a.
(146)	Net income attributable to equity holders of the parent	1,804	(4,298)	n.a.
0	Minority interest	0	0	n.a.

ANNEX 3
BALANCE SHEET FOR THE PERIOD ENDED ON MARCH 31, 2009
TVK Group consolidated, unaudited figures according to IFRS (HUF million)

31.12.2008 audited		31.03.2008.	31.03.2009.	Change %
	ASSETS			
141,692	Non-current assets	146,949	139,072	(5.4)
3,492	Intangible assets	3,788	3,357	(11.4)
137,833	Property, plant and equipment	142,702	135,338	(5.2)
178	Investments in associates	204	178	(12.7)
189	Other non-current assets	255	199	(22.0)
68,089	Current assets	85,637	74,011	(13.6)
7,072	Inventories	13,026	12,095	(7.1)
37,009	Trade receivables, net	56,986	36,350	(36.2)
15,433	Other current assets	9,134	15,079	65.1
2,030	Tax receivables	833	3,614	333.9
6,545	Cash and cash equivalents	5,658	6,873	21.5
209,781	TOTAL ASSETS	232,586	213,083	(8.4)
	EQUITY AND LIABILITIES			
148,541	Shareholders equity	159,473	144,365	(9.5)
24,534	Share capital	24,534	24,534	0.0
15,022	Share premium	15,022	15,022	0.0
109,097	Retained earnings	118,060	108,951	(7.7)
34	Revaluation difference	53	156	194.3
124,153	Reserves	133,135	124,129	(6.8)
(146)	Net income attributable to equity holders of the parent	1,804	(4,298)	n.a.
148,541	Equity attributable to equity holders of the parent	159,473	144,365	(9.5)
0	Minority interest	0	0	n.a.
19,746	Non-current liabilities	28,693	20,985	(26.9)
12,586	Long-term debt, net of current portion	20,767	14,363	(30.8)
2,724	Provisions for liabilities and charges	3,028	2,797	(7.6)
4,423	Deferred tax liabilities	4,898	3,809	(22.2)
13	Other non-current liabilities	0	16	n.a.
41,494	Current liabilities	44,420	47,733	7.5
24,392	Trade and other payables	41,758	30,800	(26.2)
0	Tax liabilities	0	0	n.a.
393	Provisions for liabilities and charges	560	326	(41.8)
0	Short-term debt	1,334	170	(87.3)
16,709	Short term part of long term debts	768	16,437	2,040.2
209,781	TOTAL EQUITY AND LIABILITIES	232,586	213,083	(8.4)

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 4
CHANGES IN SHAREHOLDER'S EQUITY IN Q1 2009
TVK Group consolidated, unaudited figures according to IFRS (HUF million)

	Share capital	Retained earnings	Share premium	Revaluation difference	Net income attributable to equity holders of the parent	Minority interest	Share-holders' equity
Opening balance on January 1, 2008	24,534	94,376	15,022	26	23,684	0	157,642
Transfer of 2007 profits	0	23,684	0	0	(23,684)	0	0
Revaluation difference	0	0	0	8	0	0	8
Reclassification of negative goodwill	0	0	0	0	0	0	0
Year 2008 profits	0	0	0	0	(146)	0	(146)
Other	0	(8,963)	0	0	0	0	(8,963)
Balance on December 31, 2008	24,534	109,097	15,022	34	(146)	0	148,541
Transfer of 2008 profits	0	(146)	0	0	146	0	0
Revaluation difference	0	0	0	122	0	0	122
Profit of Q1 2009	0	0	0	0	(4,298)	0	(4,298)
Change due to dividend payment	0	0	0	0	0	0	0
Closing balance on March 31, 2009	24,534	108,951	15,022	156	(4,298)	0	144,365

ANNEX 5
STATEMENT OF COMPREHENSIVE INCOME IN Q1 2009
TVK Group consolidated, unaudited figures according to IFRS (HUF million)

Statement of comprehensive income	31.12.2008.	31.03.2009.
<i>Profit for the year</i>	(146)	(4 298)
<i>Other comprehensive income</i>		
Exchange differences on translating foreign operations	8	122
Available-for-sale financial assets, net of deferred tax	0	0
Cash-flow hedges, net of deferred tax	0	0
Share of other comprehensive income of associates	0	0
Other comprehensive income for the year, net of tax	8	122
Total comprehensive income for the year	(138)	(4 176)
<i>Total comprehensive income attributable to:</i>		
Equity holders of the parent	(138)	(4 176)
Non-controlling interest	0	0

ANNEX 6
CASH FLOW STATEMENT ON MARCH 31, 2009
TVK Group consolidated, unaudited figures according to IFRS (HUF million)

Description	31.03.2008.	31.03.2009.
<i>Profit before tax</i>	2,449	(4,816)
<i>Adjustments to reconcile profit before tax to net cash provided by operating activities</i>		
Depreciation and impairment	3,211	3,178
Write-off of inventories	1	(391)
Increase / (Decrease) in environmental provisions	43	(1)
Increase / (Decrease) in other provisions	(63)	6
Loss/ (Profit) on the sale of tangible assets	(19)	(1)
Write-off of receivables	1	23
Unrealised foreign exchange (gain) / loss on receivables and payables	7	(1,228)
Interest income	(82)	(195)
Interest on borrowings	471	489
Net foreign exchange gain on excluding foreign exchange differences on receivables and payables	540	3,102
Other financial gain, loss, net	101	47
Share of net (profit) / loss of associates	0	0
<i>Operating cash flow before changes in working capital</i>	6,660	213
Increase /decrease in inventories	(807)	(4,632)
Increase /decrease in trade accounts receivable	(2,131)	1,907
(Increase) /decrease in other receivables	(4,991)	(2,867)
Increase /(decrease) in trade accounts payable	(4,634)	6,140
Increase in other current liabilities	643	931
<i>Income taxes paid</i>	(507)	(1,680)
NET CASH PROVIDED BY OPERATING ACTIVITIES	(5,767)	12
Purchase of property, plant and equipments	(2,583)	(1,475)
Proceeds from disposals of fixed assets	34	145
Loans and long-term bank deposits provided	0	4,382
Increase / (decrease) in short term investments	0	0
Cash provided by sale, termination financial investments	0	0
Interest received and other financial income	58	317
Dividend received	0	0
NET CASH PROVIDED BY INVESTING ACTIVITIES	(2,491)	3,369
Proceeds from issue of new debts	0	0
Repayments of long-term debt	0	(7)
Changes of short-term debts	1,125	(2,920)
Other long-term liabilities	0	0
Interest paid and other financial costs	(471)	(351)
Dividends paid to minority interest and payment on liquidation	0	0
NET CASH PROVIDED BY (AND DISBURSED FOR) FINANCING OPERATIONS	654	(3,278)
NET INCREASE (DECREASE) OF CASH AND CASH EQUIVALENTS	(7,604)	103
Opening value of cash and cash equivalents	13,241	6,545
Closing value of cash and cash equivalents	5,637	6,648

**ANNEX 7
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
TMM Tűzoltó és Műszaki Mentő Kft.	3,000	30.00%	T	T
VIBA-TVK Termelő és Kereskedelmi Kft.***	205,000	40.00%	T	T
Tisza-WTP Vízelőkészítő és Szolgáltató Kft.**	495,000	0.00%	-	L

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

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

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

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

** Non-participating business with full consolidation.

*** Dissolution process begin on January 1, 2009

**ANNEX 8
MAJOR EXTERNAL FACTORS**

	Q1 2008	Q4 2008	Q1 2009	Change % Q1 2009/ Q1 2008	Change % Q1 2009/ Q4 2008
Naphtha FOB med USD/t	817	335	362	-55,7	8,1
AGO CIF med USD/t	892	567	409	-54,1	-27,8
Ethylene ICI's lor fd NEW contract EUR/t	1 023	1 120	595	-41,8	-46,9
Propylene ICI's lor fd NWE contract EUR/t	945	953	461	-51,3	-51,7
LDPE Film ICI's lor fd NWE low EUR/t	1 233	816	719	-41,7	-11,9
HDPE Film ICI's lor fd NWE low EUR/t	1 207	854	710	-41,2	-16,9
HDPE Blow ICI's lor fd NWE low EUR/t	1 188	866	721	-39,3	-16,8
PP Homo raffia ICI's lor fd NWE low EUR/t	1 154	806	661	-42,7	-18,0
PP Homo Injection ICI's lor fd NWE low EUR/t	1 161	807	662	-43,0	-18,0
PP Copolymer ICI's lor fd NWE low EUR/t	1 205	891	738	-38,7	-17,1
EUR/HUF	259,36	262,42	294,24	13,4	12,1
USD/HUF	173,12	199,41	226,19	30,7	13,4
EUR/USD	1,499	1,317	1,301	-13,2	-1,2

**ANNEX 9
STRUCTURE OF OWNERSHIP - % AND TREASURY SHARES**

Ownership Structure, Ratio of Holdings and Votes

Description of owner	Total equity						Listed series					
	Year opening (December 31, 2008)			Period closing (April 16, 2009)			Year opening (December 31, 2008)			Period closing (April 16, 2009)		
	% ²	% ³		% ²	% ³		% ²	% ³		% ²	% ³	
Domestic institution/company	88.63	same	21,530,125	88.63	same	21,317,129	88.63	same	21,530,125	88.63	same	21,317,129
Foreign institution/company	9.95	same	2,416,138	9.95	same	2,033,541	9.95	same	2,416,138	9.95	same	2,033,541
Domestic individual	1.40	same	339,587	1.40	same	83,596	1.40	same	339,587	1.40	same	83,596
Foreign individual	0.01	same	2,391	0.01	same	274	0.01	same	2,391	0.01	same	274
Employees, senior officers	-	-	-	-	-	-	-	-	-	-	-	-
Treasury shares	-	-	-	-	-	-	-	-	-	-	-	-
Government held owner*	0.00	same	0	0.00	same	0	0.00	same	0	0.00	same	0
International Development Institutions	-	-	-	-	-	-	-	-	-	-	-	-
Shares held by unidentified parties	0.01	same	2,602	3.53	same	856,303	0.01	same	2,602	3.53	same	856,303
TOTAL	100	same	24,290,843	100	same	24,290,843	100	same	24,290,843	100	same	24,290,843

* Also included under domestic institutions

² Ownership ratio

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

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

	April 16
Corporate level	0
Subsidiaries	0
Grand total	0

List and Description of Shareholders with more than 5% of the listed Series (on April 16, 2009)

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

List and Description of Shareholders with more than 5% of Equity Total (on April 16, 2009)

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

¹ Domestic (B), Foreign (K)

² Corporate (T)

³ Figure rounded to two decimal points

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

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

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

**ANNEX 10
EMPLOYEES**

Changes in the Number of Full Time Employees

	Reference Period Ended March 31, 2008	Year Opening January 1, 2009	Period Closing March 31, 2009
Corporate level	1,151	1,139	1,161
Group level	1,183	1,170	1,192

**ANNEX 11
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
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	Gyula Hodossy	Chief Financial Officer, Deputy CEO	01.07.2007	Indefinite term	0
SP	László Piry	Director of Polymer Marketing and Sales, Deputy CEO	07.06.2004	Indefinite term	0
SP	Tivadar Vályi Nagy	Production Director	01.07.2007	Indefinite term	0
SP	János Bóta	Petrochemical Technology and Project Development Director	01.08.2007	Indefinite term	0
SP	Tamás Péntes	Human Resources Manager	01.07.2004	Indefinite term	0

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

**During the first quarter of 2009 there was no significant change in company structure.
During the first quarter of 2009 there was no significant change in the senior management.**

We the undersigned representatives authorized to sign on behalf of Tisza Chemical Group Public Limited Company (TVK Plc.), the issuer of TVK ordinary shares, hereby declare that TVK Plc. accepts full liability for having prepared the disclosed Interim Management Report on Q1 2009 results on the basis of the applicable accounting standards and to the best knowledge of the company, and it offers a true and fair picture of the assets, liabilities, financial position, profits and losses of TVK Plc. (and its consolidated businesses); and the reliable account of the position, development and performance of TVK Plc. (and its consolidated businesses) through a description of key risks and factors of uncertainty.

Tiszaújváros, May 18, 2009

Árpád Olvasó
Chief Executive Officer

Gyula Hodossy
Chief Financial Officer,
Deputy CEO