

## 2009 HALF YEAR REPORT OF TVK GROUP

Tisza Chemical Group Public Limited Company (TVK Plc) (Reuters: TVKD.BU, website: www.tvk.hu) has published its results for the first half of 2009 today. The data presented in the TVK Plc's H1 2009 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 2 businesses were consolidated by the equity method.

### TVK Group Financial Overview

(IFRS) million HUF	2008	2009	Variance	2008	2009	Variance
	Q2	Q2	%	H1	H1	%
Net sales	84,396	52,184	(38)	180,838	109,771	(39)
EBITDA	(3,105)	(3,868)	(25)	3,630	(2,019)	n.a
<b>Operating profit/loss (-)</b>	<b>(6,353)</b>	<b>(7,050)</b>	<b>(11)</b>	<b>(2,829)</b>	<b>(8,379)</b>	<b>(196)</b>
Profit/loss of financial transactions (-)	992	2,286	130	(83)	(1,201)	n.a
Tax on profit/loss	(797)	(79)	90	(152)	(597)	(293)
<b>Shareholder's net profit (loss)</b>	<b>(4,564)</b>	<b>(4,698)</b>	<b>(3)</b>	<b>(2,760)</b>	<b>(8,996)</b>	<b>(226)</b>
Operating cash flow	(714)	3,452	n.a	(6,481)	3,464	n.a

(IFRS) million EUR	2008	2009	Variance	2008	2009	Variance
	Q2	Q2	%	H1	H1	%
Net sales	340.3	182.5	(46)	712.8	378.2	(47)
EBITDA	(12.5)	(13.5)	(8)	14.3	(7.0)	n.a
<b>Operating profit/loss (-)</b>	<b>(25.6)</b>	<b>(24.7)</b>	<b>4</b>	<b>(11.2)</b>	<b>(28.9)</b>	<b>(159)</b>
Profit/loss of financial transactions (-)	4.0	8.0	100	(0.3)	(4.1)	n.a
Tax on profit/loss	(3.2)	(0.3)	91	(0.6)	(2.1)	(243)
<b>Shareholder's net profit (loss)</b>	<b>(18.4)</b>	<b>(16.4)</b>	<b>11</b>	<b>(10.9)</b>	<b>(31.0)</b>	<b>(185)</b>
Operating cash flow	(2.9)	12.1	n.a	(25.5)	11.9	n.a

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

In the second quarter of 2009, naphtha prices increased rapidly, while the shrinking demand put pressure on the polymer prices, as a result the integrated petrochemical margin decreased compared with the first quarter of 2009. At the same time energy prices increased, while production and sales reduced because of the reconstruction and periodic maintenance works. As a result, we incurred operating loss of HUF 7 billion in the second quarter of 2009.

In the first half of 2009 the operating profit of the group was almost HUF 5 billion less than in the same period of the former year. The main drivers of the profit decrease were the followings: (1) 15% lower integrated petrochemical margin, (2) higher energy costs, (3) lower production and sales volumes due to process failures in the first quarter, the maintenance shut-downs in the second quarter and falling demand. These negative impacts were only partially offset by the actions designed to increase profit. In order to counterbalance the profit decrease, significant working capital optimization action was initiated, as a result the operating cash-flow was positive both in the second quarter and the first half of 2009.

- ▶ **Overall capacity utilization dropped by 19 percentage points** compared to the first half of 2008. The short supply of feedstock in the first quarter was followed by the turnaround of Olefin-1 plant and in parallel therewith by the overhauling of the HDPE-1, LDPE-2 and PP-3 plants and by the annual stoppage of the HDPE-2 and PP-4 plants for cleaning. Olefin-1 plant stopped for reconstruction and overhauling works on May 3, the work lasted 53 days. The reconstruction work was necessary to ensure the availability of the plant in a longer run.
- ▶ **Polymer production and sales were** 17% and 14%, respectively, lower than in the first half of previous year. The proportion of product types remained unchanged.
- ▶ We realized **foreign exchange gain on accounts payable/accounts receivable of HUF 602 million** due to the fluctuation of the HUF rate (it was a loss of HUF 1,784 million in the same period of 2008). Thus realized exchange gain of HUF 296 million and non-realized exchange loss of HUF 771 million on loans and assets denominated in foreign currency are reported in the "Financial operations" line. The portfolio of FX loans of TVK Plc. amounted to EUR 50 million as at June 30, 2009 as an amount of EUR 10 million was repaid in January, 2009.
- ▶ Operating **cash flow reached HUF 3.5 billion** despite of the negative EBITDA, which is mainly due to the reduction of the working capital. TVK Plc. did not have to resort to bank loans to preserve its liquidity.
- ▶ The net losses of the group amounted to HUF **8,996 million in the first half of 2009**. The TVK parent company only incurred the liability to pay industry tax and the company was not subject to either corporate or special tax. The negative amount of the deferred tax is due to the accrual of the negative tax base.
- ▶ In June 2009, **dividend of HUF 1,987 million** was distributed to the shareholders in harmony with the General Assembly resolution.

**CEO of TVK Plc., Árpád Olvasó, emphasized:**

"In the first half of the year, the average margin generating capacity of TVK hit the lowest level in two decades by reason of the combined effect of recession and financial crisis. The liquidity of the company is stable – due to the implementation of the program aimed at mitigating the impact of recession – which made possible for us to finance not only the successfully performed turnaround tasks but also the scheduled tasks of the Olefin-1 plant reconstruction project by which the life cycle of the plant can be extended by another 15 years and which makes possible more efficient operation and higher availability in the future."

## Operating environment

**A comparison of Q2 2009 to Q1 2009** shows a rise of 9-10% in average polyethylene prices and a rise of 2-8% in polypropylene prices. As regards feedstock prices, the average quoted (FOB med) of a ton of naphtha was USD 472 against the (CIF med) price of a ton of atmospheric gas oil quoted at USD 491 corresponding to an increase of 31% for naphtha and 20% for gas oil. The HUF/EUR rate increased by 3% along with a rise of 7% of the HUF/USD rate, while the EUR/USD cross rate rose by 5%. As the result of this, the average integrated petrochemical margin decreased by 14% in HUF terms and by 12% in EUR terms in the first half of 2009 as compared to the previous quarter. Exchange rate changes had a positive impact on TVK Group level operating profits in the period under review.

**A comparison of H1 2009 to H1 2008** shows a downturn of 36-38% in the average prices (ICI's lor fd NWE) quoted for polyethylene in the European market of polymer products and a simultaneous drop of 37-39% in polypropylene prices. In US dollar terms, the price of the naphtha necessary to monomer production dropped by 53% coupled with a 56% reduction in the price of atmospheric gas oil. 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 15% in EUR terms and 4% in HUF terms compared to the same period of last year.

## Financial overview of TVK Group based on consolidated IFRS financial statements

### Profit and Loss Statement

In the first half of 2009, the consolidated TVK Group level operating income dropped by 39% year on year and totalled at HUF 111,284 million. Within this, the **other income from operations** was HUF 1,513 million. The increase of HUF 1,456 million is partly due to the exchange gain realized on accounts receivable and accounts payable due to the strengthening HUF rate and partly to the income from the sale of a part of the CO2 emission quota which quota surplus resulted from capacity underutilization.

In H1 2009, the **consolidated TVK Group level sales income** amounted to HUF 109,771 million that is HUF 71.067 million less than in the first six months of 2008 owing to lower production and sales volumes, which was partially mitigated by the increasing HUF rate.

#### Factors influencing product sales of TVK Plc, H1 2009 – H1 2008 (million HUF)

	Effect of variance in price	Effect of variance in exchange rates	Effect of variance in volume	Total
Olefin	(23,823)	8,782	(20,156)	<b>(35,197)</b>
LDPE	(4,634)	1,462	(2,887)	<b>(6,059)</b>
HDPE	(21,814)	7,141	(7,241)	<b>(21,914)</b>
PP	(16,921)	5,270	(4,400)	<b>(16,051)</b>
<b>Total</b>	<b>(67,192)</b>	<b>22,655</b>	<b>(34,684)</b>	<b>(79,221)</b>

In H1 2009 TVK Plc. realized 51% of its sales revenues from **export sales**. Germany (17%), Italy (16%), Poland (16%) United Kingdom (3%), France (3%) and Austria (2%) represented the majority of export sales.

## Distribution of TVK Group sales incomes by production units, H1 2009 (million HUF)

	Domestic sales	Export sales	Total sales
Olefin	26,475	1,175	27,650
LDPE	3,863	4,559	8,422
HDPE	3,581	32,915	36,496
PP	11,464	13,864	25,328
Income from other business activities	4,102	51	4,153
Effect of consolidation	7,501	221	7,722
<b>Total</b>	<b>56,986</b>	<b>52,785</b>	<b>109,771</b>

Plummeting by HUF 71,358 million (45%) due to the reduction of the cost of purchased materials and despite rising energy costs, **TVK group level material costs** amounted to HUF 87,331 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 substantially by the depreciation of HUF against the dollar. In addition to this, the reduced quantity utilization – mainly because of the production losses due to the turnaround – also mitigated the costs. Energy costs were up by 4% primarily as a result of the price hike however the amount of energy consumed was also lower due to the optimization of olefin production and of energy utilization. The reconstruction and refurbishing work performed during the turnaround period incurred raw materials of HUF 881 million - this was offset in the Self-manufactured assets line and was transferred to the investments.

## Variances in key feedstock costs incurred by TVK Plc, H1 2009 – H1 2008 (million HUF)

	Effect of variance in volume	Effect of variance in price	Effect of variance in exchange rates	Total
Naphtha and light hydrocarbons in total	(24,745)	(72,773)	33,873	(63,645)
Gas oil	(8,536)	(393)	190	(8,739)
<b>Chemical feedstock in total</b>	<b>(33,281)</b>	<b>(73,166)</b>	<b>34,063</b>	<b>(72,384)</b>

**Material type services** shrank by HUF 539 million (-7%), within this the accounted agency fees and freight costs reduced by HUF 119 million and HUF 708 million, respectively, due to the lower sales volumes and the selection of transporters by tendering process. Maintenance costs went up by HUF 190 million, within this TVK-Erőmű Kft. is responsible for an amount of HUF 178 million.

The TVK group level **costs of staff** are HUF 219 million (5%) higher mainly because of the changes in the value of raised and utilized provisions, implemented wage increase and accruals.

The **other operating costs** dropped by HUF 1,493 (-37%). Within this, it causes a reduction of HUF 1,784 million that the exchange loss on receivables and liabilities was reported among the costs in the basis period while it was included as profit among the other incomes in the reporting period. The expense of HUF 471 million booked when accounting the 2008 emission quota increases the costs incurred in the first half of 2009.

**The portfolio of self manufactured assets** decreased by HUF 91 million in H1 2009 mainly because the polymer stocks reduced considerably compared to the opening stock at the beginning of the year. The effect of stock reduction was considerably offset by the increase of prime costs, as the feedstock was more expensive than naphtha in December 2008 entailing the appreciation of inventories.

**Capitalized own performances** totalled at HUF 882 million in the first half of 2009 as the costs incurred because of the reconstruction and refurbishing works during the turnaround period were transferred to the investments.

The **Group level consolidated operating losses** (EBIT) amounted to HUF 8,379 million in the first six months of 2009 compared to the loss of HUF 2,829 million in the first half of 2008.

As opposed to the loss of HUF 83 million in the basis period, the group realized a **loss on financial operations** of HUF 1,201 million in the first half of 2009. Exchange loss of HUF 475 million (HUF 1,563 million more than H1 2008) was accounted on FX loans received and other assets denominated in foreign exchange. HUF 123 million less interest and HUF 110 million less discount was paid and interest incomes increased by HUF 191 million. The balance of the loans received from the parent company in foreign currency was HUF 50 million at the end of the reporting period following the repayment of EUR 10 million in January 2009.

In H1 2009 TVK Group **earnings before taxes** amounted to a loss of HUF 9,593 million with **corporate tax liability** of HUF 252 million. Deferred tax amounted to HUF -849 million and includes mainly the accrual of the negative tax base. **Consolidated net losses** totalled at HUF 8,996 million.

### Balance sheet figures

The value of the **total assets** of TVK Group stood at HUF 202,676 million as at June 30, 2009.

The consolidated value of **invested assets** amounted to HUF 139,591 million as at June 30, 2009, 4% lower than on June 30, 2008 mainly due to the lower value - attributable to recognized depreciation - of tangible assets.

The value of **current assets** dropped by 16% to HUF 63,085 million including a 29% year on year decrease in inventories mainly because of the significant reduction of polymer stocks following from the fact that polymer sales were higher than polymer production due to the turnaround period. The lower selling price and sales volume of polymer products explain the drop by 41% in accounts receivable since the previous year. The value of other current assets increased by 84% which is attributable mainly to recognizing a revolving facility extended to the parent company at the end of H1 2009. The value of current assets decreased at the end of the reporting period in response to a drop in refundable VAT and other tax receivables, which was mitigated by the increase in the paid but refundable corporate tax.

**Shareholder's equity** amounted to HUF 137,581 million on June 30, 2009, approximately 6% lower than on June 30, 2008. The decrease is attributable to the variance in the value of the profit/loss after taxation and the paid dividend.

The portfolio of **long term debt** dropped by 59% to HUF 12,481 million as at June 30, 2008 and includes only the long term loans recorded in the books of the subsidiaries. In December 2008, an instalment of EUR 20 million was repaid from the parent company's loan, which amounted to altogether EUR 80 million in June 2008, and another instalment of EUR 10 million was reimbursed in January 2009. The remaining loan was transferred to the short term liabilities on December 31, 2008 as the repayment thereof falls due on December 20, 2009.

The value of **short term liabilities** rose by 15% to HUF 41,407 million from June 30, 2008 to June 30, 2009. The variance reflects the increase of short term liabilities due to the reclassification of the current portion of long term loans however this was mitigated substantially by the lower value of accounts payable resulting from the reduction of both the price and the volume of feedstock purchased for the Olefin Plant.

### Cash flow

Based on the group level cash flow statement of TVK dated June 30, 2009 **liquid assets** have decreased by HUF 3,297 million since the beginning of the year.

**Operating cash flow amounted to HUF 3,464 million.** The negative value of the EBITDA decreased by HUF 2,019 million while the changes in working capital (inventories, trade accounts receivable and payable, other receivables and short term liabilities altogether) increased the cash flow by HUF 7,893 million. Within the variance of the working capital, the cash flow deteriorating effect of the changes in the inventory follows from the fact that the olefin plant feedstock prices increased considerably since December 2008, which led to inventory appreciation. In addition to this, the volume of olefin feedstock inventories increased while polymer product inventories shrank. The decreased value of accounts receivable originates from the downturn of sales prices and sale volumes during the 2<sup>nd</sup> quarter of 2009 compared to the level that determined the value of trade accounts receivable during Q4 2008. The higher value of accounts payable emanates from the higher price paid for olefin feedstock purchases in June 2009 than in December 2008, although the reduction in volume partially compensated for the price effect. As regards other receivables, mainly the increased amount of the refundable corporate tax decreased the cash flow. Other short term liabilities increased the operating cash flow due to the higher balance of accrued costs. The adjustment due to the non-cash effects included in the EBIT decreased the operating cash flow by HUF 100 million, within this the impairment of stocks and receivables decreased it by HUF 368 million while the non-realized loss on revaluation of accounts payable/accounts receivable increased it by HUF 629 million, booking out the balance of the carbon-dioxide quota from the cash flow of the operation activities reduced the cash flow by 342 million HUF. The paid profit taxes reduced it by 2,310 million HUF.

**Investments** decreased the cash flow by HUF 475 million: an amount of HUF 4,471 million was used for purchase of tangible assets, an income of HUF 956 million was realized on the sale of tangible assets and interest received improved the cash position by HUF 329 million. Changes in loans given and long term bank deposits increased the cash flow by HUF 2,711 million, within this the loan extended to the parent company and the exchange rate difference thereof decreased it by HUF 2,010 million.

**Net cash from financial operations** decreased cash flow by HUF 6,286 million in the examined period reflecting the decreasing effect of the repayment of loans reclassified as short term loans, the paid interests and financial expenses furthermore of the paid dividend.

### *Employees*

As at June 30, 2009 the total consolidated headcount of TVK included 1,186 full time employees or 3 persons more than the closing headcount on June 30, 2008. Within this, the headcount of the TVK parent company grew by 7 while the number of employees at the subsidiaries decreased by 4 because TVK-UK Ltd. discontinued its activity as of the end of June.

### *Capital projects*

In H1 2009 the total capital expenditure of TVK group reached HUF 5,181 million, including CAPEX and refurbishment projects of HUF 5,112 million. Within this, the reconstruction of the Olefin-1 represents HUF 2,011 million, the maintenance projects HUF 1,311 million and the regular maintenance HUF 1,083 million.

### *Outlook and expectations for the period after June 30, 2009*

The operating profit/loss in July is expected to significantly improve both compared to the June fact as well as to the average in the first half of the year, partly because of the increased production and sales volumes and partly because the external circumstances are improving. However, the annual operating profit/loss is expected to lag well behind last year's figure.

TVK UK Ltd., seated in London, terminated its operation as of July 1, 2009 and the dissolution process has started. The tasks were taken over by TVK Plc. Marketing and Sales organization. The clients will be served from the Hungarian head office.

### *Financial overview of TVK Plc. based on unconsolidated financial statements prepared in accordance with Hungarian Accounting Standards*

According to the 24/2008 Resolution of the Ministry of Finance, BSE listed companies required to disclose their half-year unconsolidated financial statements prepared in accordance with Hungarian Accounting Standards. Please refer to annexes 7. and 8. for these financial statements.

### *Income statement*

**Sales income** 41% less than in the first six months of 2008 owing to lower production and sales volumes which was partially mitigated by the weakening of HUF against EUR.

**The portfolio of self manufactured assets** decreased by HUF 346 million, because the polymer stocks reduced considerably compared to the opening stock at the beginning of the year. The effect of stock reduction was considerably offset by the increase of prime costs as the feedstock was more expensive than naphtha in December 2008 entailing the appreciation of inventories.

**Capitalized value of own performances increased significantly** in the period under review as the costs incurred because of the reconstruction and refurbishing works during the turnaround period were transferred to the investments.

The reduced **material costs** reflects the decline of the quoted price of raw materials used for producing monomers and the reduced quantity utilization due to the turnaround but the effect was compensated substantially by the depreciation of HUF against the dollar.

Increase of **cost of goods sold** was offset in extraordinary income line.

**Costs of staff** were 4% higher mainly because of the implemented wage increase and accruals.

HUF 2.7 billion decrease of **other expenses** is due to counter effects: in the one hand, decrease of bonus expenses and the lower industry tax liability, on the other hand, HUF 4.4 billion expense occurred due to the use of carbon-dioxide quote, that is offset in the extraordinary incomes.

Due to the above factors, TVK's parent company's balance sheet losses amounted to HUF 5.6 billion, as opposed to the HUF 3.7 billion losses in H1 last year.

### **Balance sheet figures**

The value of the **total assets** stood at HUF 186.6 billion as at June 30, 2009, 9% lower than on June 30, 2008.

**Fixed assets** moderated by 3% mainly due to the booked depreciation.

Decrease in **inventories**, mainly polymer stocks is due to the fact, that polymer sales were higher than polymer production due to the turnaround period.

The lower selling prices and sales volume of polymer products explain the drop in **accounts receivable**.

The value of **other receivables** was decreased by a drop in refundable VAT and other tax receivables which was mitigated by the increase in the paid, but refundable corporate tax.

**Shareholder's equity** is different that a year earlier due to the variance in the value of the profit/loss after taxation and the paid dividend.

The drop of **long term debt** reflects the transfer of the remaining loan to the short term liabilities.

The rise of **short term liabilities** is due to the reclassification of the current portion of long term loans, however this was mitigated substantially by the lower value of accounts payable resulting from the reduction of both the price and the volume of feedstock purchased for the Olefin Plant.

## ANNEXES

**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 2009

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**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

	H1 2008	H1 2009
Net sales	180,838	109,771
Operating profit (EBIT)	(2,829)	(8,379)
Net income from financial activities	(83)	(1,201)
Profit before tax	(2,912)	(9,593)
Profit after tax	(2,760)	(8,996)

#### Key Balance Sheet figures

	30.06.2008.	30.06.2009.
Fixed assets	144,664	139,591
Intangible assets	3,652	3,225
Tangible assets	140,556	135,976
Invested financial assets	456	390
Current assets	75,034	63,085
Inventory	12,255	8,730
<b>Total assets</b>	<b>219,698</b>	<b>202,676</b>
Shareholders' equity	145,890	137,581
Share capital	24,534	24,534
Long-term liabilities	37,677	23,688
Short-term liabilities	36,131	41,407
<b>Total liabilities and shareholders' equity</b>	<b>219,698</b>	<b>202,676</b>

**ANNEX 2**  
**H1 2009 PROFIT AND LOSS STATEMENT**  
**TVK Group consolidated, unaudited figures according to IFRS (HUF million)**

Year 2008		Q2 2008	Q2 2009	Change %	H1 2008	H1 2009	Change %
<b>audited</b>							
323,406	Net Sales	84,396	52,184	(38.2)	180,838	109,771	(39.3)
216	Other operating income	(412)	(808)	(96.1)	57	1,513	n.a.
<b>323,622</b>	<b>Total operating income</b>	<b>83,984</b>	<b>51,376</b>	<b>(38.8)</b>	<b>180,895</b>	<b>111,284</b>	<b>(38.5)</b>
267,578	Raw material costs	75,963	39,377	(48.2)	158,689	87,331	(45.0)
14,841	Value of material type services used	3,711	3,697	(0.4)	7,703	7,164	(7.0)
5,976	Cost of goods purchased for resale	1,355	1,739	28.3	1,955	3,633	85.8
422	Mediated services	101	3,983	n.a.	199	8,457	n.a.
<b>288,817</b>	<b>Raw materials and consumable used</b>	<b>81,130</b>	<b>48,796</b>	<b>(39.9)</b>	<b>168,546</b>	<b>106,585</b>	<b>(36.8)</b>
6,292	Wages	1,638	1,755	7.1	3,135	3,339	6.5
1,054	HR related disbursements	345	221	(35.9)	646	503	(22.1)
1,982	Wage benefits	473	583	23.3	944	1,102	16.7
<b>9,328</b>	<b>Personnel expenses</b>	<b>2,456</b>	<b>2,559</b>	<b>4.2</b>	<b>4,725</b>	<b>4,944</b>	<b>4.6</b>
<b>13,148</b>	<b>Depreciation and impairment</b>	<b>3,248</b>	<b>3,182</b>	<b>(2.0)</b>	<b>6,459</b>	<b>6,360</b>	<b>(1.5)</b>
<b>4,241</b>	<b>Other operating expenses</b>	<b>3,005</b>	<b>1,572</b>	<b>(47.7)</b>	<b>4,058</b>	<b>2,565</b>	<b>(36.8)</b>
<b>4,205</b>	<b>Change in inventory of finished goods and work in progress</b>	<b>503</b>	<b>3,198</b>	<b>535.8</b>		<b>91</b>	<b>n.a.</b>
<b>(672)</b>	<b>Work performed by the enterprise and capitalised</b>	<b>(5)</b>	<b>(881)</b>	<b>n.a.</b>	<b>(17)</b>	<b>(882)</b>	<b>n.a.</b>
<b>319,067</b>	<b>Total operating expenses</b>	<b>90,337</b>	<b>58,426</b>	<b>(35.3)</b>	<b>183,724</b>	<b>119,663</b>	<b>(34.9)</b>
<b>4,555</b>	<b>Operating profit, EBIT</b>	<b>(6,353)</b>	<b>(7,050)</b>	<b>(11.0)</b>	<b>(2,829)</b>	<b>(8,379)</b>	<b>(196.2)</b>
417	Financial income	1,136	143	(87.4)	1,223	344	(71.9)
4,100	Financial expense	144	(2,143)	n.a.	1,306	1,545	18.3
<b>(3,683)</b>	<b>Net financial profit/(loss)</b>	<b>992</b>	<b>2,286</b>	<b>130.4</b>	<b>(83)</b>	<b>(1,201)</b>	<b>n.a.</b>
18	Gain/(Loss) from associates	0	13	n.a.	0	13	n.a.
<b>854</b>	<b>Profit before tax</b>	<b>(5,361)</b>	<b>(4,777)</b>	<b>10.9</b>	<b>(2,912)</b>	<b>(9,593)</b>	<b>(229.4)</b>
1,271	Income tax expense	87	156	79.3	527	252	(52.2)
(271)	Deferred tax	(884)	(235)	73.4	(679)	(849)	(25.0)
<b>(146)</b>	<b>Net income for the period</b>	<b>(4,564)</b>	<b>(4,698)</b>	<b>(2.9)</b>	<b>(2,760)</b>	<b>(8,996)</b>	<b>(225.9)</b>
<b>(146)</b>	<b>Net income attributable to equity holders of the parent</b>	<b>(4,564)</b>	<b>(4,698)</b>	<b>(2.9)</b>	<b>(2,760)</b>	<b>(8,996)</b>	<b>(225.9)</b>
0	Minority interest	0	0	n.a.	0	0	n.a.

**ANNEX 3**  
**BALANCE SHEET FOR THE PERIOD ENDED ON JUNE 30, 2009**  
**TVK Group consolidated, unaudited figures according to IFRS (HUF million)**

31.12.2008 audited		30.06.2008.	30.06.2009.	Change %
<b>ASSETS</b>				
<b>141,692</b>	<b>Non-current assets</b>	<b>144,664</b>	<b>139,591</b>	<b>(3.5)</b>
3,492	Intangible assets	3,652	3,225	(11.7)
137,833	Property, plant and equipment	140,556	135,976	(3.3)
178	Investments in associates	204	165	(19.1)
189	Other non-current assets	252	225	(10.7)
<b>68,089</b>	<b>Current assets</b>	<b>75,034</b>	<b>63,085</b>	<b>(15.9)</b>
7,072	Inventories	12,255	8,730	(28.8)
37,009	Trade receivables, net	47,476	28,185	(40.6)
15,433	Other current assets	10,140	18,672	84.1
2,030	Tax receivables	993	4,088	311.7
6,545	Cash and cash equivalents	4,170	3,410	(18.2)
<b>209,781</b>	<b>TOTAL ASSETS</b>	<b>219,698</b>	<b>202,676</b>	<b>(7.7)</b>
<b>EQUITY AND LIABILITIES</b>				
<b>148,541</b>	<b>Shareholders equity</b>	<b>145,890</b>	<b>137,581</b>	<b>(5.7)</b>
24,534	Share capital	24,534	24,534	0.0
15,022	Share premium	15,022	15,022	0.0
109,097	Retained earnings	109,097	106,959	(2.0)
34	Revaluation difference	(3)	62	n.a.
124,153	Reserves	124,116	122,043	(1.7)
(146)	Net income attributable to equity holders of the parent	(2,760)	(8,996)	(225.9)
<b>148,541</b>	<b>Equity attributable to equity holders of the parent</b>	<b>145,890</b>	<b>137,581</b>	<b>(5.7)</b>
0	Minority interest	0	0	0
<b>19,746</b>	<b>Non-current liabilities</b>	<b>37,677</b>	<b>23,688</b>	<b>(37.1)</b>
12,586	Long-term debt, net of current portion	30,651	12,481	(59.3)
2,724	Provisions for liabilities and charges	3,008	2,885	(4.1)
4,423	Deferred tax liabilities	4,015	3,574	(11.0)
13	Other non-current liabilities	3	4,748	n.a.
<b>41,494</b>	<b>Current liabilities</b>	<b>36,131</b>	<b>41,407</b>	<b>14.6</b>
24,392	Trade and other payables	34,707	26,539	(23.5)
0	Tax liabilities	0	0	n.a.
393	Provisions for liabilities and charges	651	302	(53.6)
0	Short-term debt	0	73	n.a.
16,709	Short term part of long term debts	773	14,493	1,774.9
<b>209,781</b>	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>219,698</b>	<b>202,676</b>	<b>(7.7)</b>

**Significant Off-Balance Sheet Items<sup>1</sup>**

None.

<sup>1</sup> 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 H1 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
<b>Opening balance on January 1, 2008</b>	<b>24,534</b>	<b>94,376</b>	<b>15,022</b>	<b>26</b>	<b>23,684</b>	<b>0</b>	<b>157,642</b>
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)
<b>Balance on December 31, 2008</b>	<b>24,534</b>	<b>109,097</b>	<b>15,022</b>	<b>34</b>	<b>(146)</b>	<b>0</b>	<b>148,541</b>
Transfer of 2008 profits	0	(146)	0	0	146	0	0
Revaluation difference	0	0	0	28	0	0	28
Profit of H1 2009	0	0	0	0	(8,996)	0	(8,996)
Change due to dividend payment	0	(1,992)	0	0	0	0	(1,992)
<b>Closing balance on June 30, 2009</b>	<b>24,534</b>	<b>106,959</b>	<b>15,022</b>	<b>62</b>	<b>(8,996)</b>	<b>0</b>	<b>137,581</b>

**ANNEX 5**  
**STATEMENT OF COMPREHENSIVE INCOME IN H1 2009**  
**TVK Group consolidated, unaudited figures according to IFRS (HUF million)**

<b>Statement of comprehensive income</b>	<b>31.12.2008.</b>	<b>30.06.2009.</b>
<i>Profit for the year</i>	(146)	(8,996)
<i>Other comprehensive income</i>		
Exchange differences on translating foreign operations	8	28
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	28
<b>Total comprehensive income for the year</b>	<b>(138)</b>	<b>(8,968)</b>
<i>Total comprehensive income attributable to:</i>		
Equity holders of the parent	(138)	(8,968)
Non-controlling interest	0	0

**ANNEX 6**  
**CASH FLOW STATEMENT ON JUNE 30, 2009**  
**TVK Group consolidated, unaudited figures according to IFRS (HUF million)**

Description	30.06.2008.	30.06.2009.
<i>Profit before tax</i>	(2,912)	(9,593)
<i>Adjustments to reconcile profit before tax to net cash provided by operating activities</i>		
Depreciation and impairment	6,459	6,360
Write-off of inventories	50	(394)
Increase / (Decrease) in environmental provisions	40	85
Increase / (Decrease) in other provisions	12	(16)
Loss/ (Profit) on the sale of tangible assets	(19)	(342)
Write-off of receivables	23	26
Unrealised foreign exchange (gain) / loss on receivables and payables	1,032	629
Interest income	(124)	(315)
Interest on borrowings	994	871
Net foreign exchange gain on excluding foreign exchange differences on receivables and payables	(1,088)	475
Other financial gain, loss, net	210	82
Share of net (profit) / loss of associates	0	13
<b><i>Operating cash flow before changes in working capital</i></b>	<b>4,677</b>	<b>(2,119)</b>
Increase /decrease in inventories	(85)	(1,264)
Increase /decrease in trade accounts receivable	6,286	8,069
(Increase) /decrease in other receivables	(6,001)	(802)
Increase /(decrease) in trade accounts payable	(9,787)	1,407
Increase in other current liabilities	(817)	483
Income taxes paid	(754)	(2,310)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>(6,481)</b>	<b>3,464</b>
Purchase of property, plant and equipments	(3,648)	(4,471)
Proceeds from disposals of fixed assets	34	956
Loans and long-term bank deposits provided	0	2,711
Increase / (decrease) in short term investments	0	0
Cash provided by sale, termination financial investments	0	0
Interest received and other financial income	180	329
Dividend received	0	0
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<b>(3,434)</b>	<b>(475)</b>
Proceeds from issue of new debts	12,079	0
Repayments of long-term debt	(40)	(13)
Changes of short-term debts	(303)	(3,235)
Other long-term liabilities	2	(1)
Interest paid and other financial costs	(1,884)	(1,050)
Dividends paid to minority interest and payment on liquidation	(8,948)	(1,987)
<b>NET CASH PROVIDED BY (AND DISBURSED FOR) FINANCING OPERATIONS</b>	<b>906</b>	<b>(6,286)</b>
<b>NET INCREASE (DECREASE) OF CASH AND CASH EQUIVALENTS</b>	<b>(9,009)</b>	<b>(3,297)</b>
Opening value of cash and cash equivalents	13,241	6,545
Closing value of cash and cash equivalents	4,232	3,248

**ANNEX 7**  
**H1 2009 PROFIT AND LOSS STATEMENT**  
**TVK Plc, unaudited figures according to HAS (HUF million)**

Year 2008 audited	Description	H1 2008	H1 2009	Change %
172,119	01. Net domestic sales	93,455	55,940	(40.1)
154,258	02. Net export sales	88,609	51,364	(42.0)
<b>326,377</b>	<b>I. NET SALES</b>	<b>182,064</b>	<b>107,304</b>	<b>(41.1)</b>
(3,993)	03. Change in self-produced stocks	(28)	(346)	(1,135.7)
901	04. Capitalised value of self-produced assets	66	656	893.9
<b>(3,092)</b>	<b>II. CAPITALIZED VALUE OF OWN PERFORMANCE</b>	<b>38</b>	<b>310</b>	<b>715.8</b>
<b>5,386</b>	<b>III. OTHER INCOME</b>	<b>4,456</b>	<b>4,295</b>	<b>(3.6)</b>
271,690	05. Material costs	160,783	89,834	(44.1)
13,244	06. Material type services	6,929	7,066	2.0
1,136	07. Other services	579	569	(1.7)
6,038	08. Cost of goods sold	1,978	9,181	364.2
2,798	09. Cost of services sold	1,286	727	(43.5)
<b>294,906</b>	<b>IV. MATERIAL TYPE EXPENSES</b>	<b>171,555</b>	<b>107,377</b>	<b>(37.4)</b>
5,456	10. Wages and salaries	2,704	2,982	10.3
1,070	11. Other personnel expenses	692	482	(30.3)
1,895	12. Payroll related contributions	900	1,003	11.4
<b>8,421</b>	<b>V. PERSONNEL COSTS</b>	<b>4,296</b>	<b>4,467</b>	<b>4.0</b>
<b>11,157</b>	<b>VI. DEPRECIATION</b>	<b>5,546</b>	<b>5,510</b>	<b>(0.6)</b>
<b>11,797</b>	<b>VII. OTHER EXPENDITURES</b>	<b>7,751</b>	<b>10,404</b>	<b>34.2</b>
<b>2,390</b>	<b>A. OPERATING PROFIT</b>	<b>(2,590)</b>	<b>(15,849)</b>	<b>(511.9)</b>
1,004	13. Dividend received	766	438	(42.8)
0	14. Capital gain on financial investments sold	0	0	-
19	15. Interest income and capital gains on financial investments	9	11	22.2
279	16. Other received interest and similar income	83	263	216.9
9,464	17. Other financial income	2,901	6,321	117.9
<b>10,766</b>	<b>VIII. FINANCIAL INCOME</b>	<b>3,759</b>	<b>7,033</b>	<b>87.1</b>
2	18. Foreign exchange loss on financial investments	0	0	-
979	19. Interest payable	391	259	(33.8)
(4)	20. Impairment loss of participations, securities and bank deposits	0	12	-
11,505	21. Other financial expenditures	4,511	6,002	33.1
<b>12,482</b>	<b>IX. FINANCIAL EXPENDITURES</b>	<b>4,902</b>	<b>6,273</b>	<b>28.0</b>
<b>(1,716)</b>	<b>B. FINANCIAL PROFIT / LOSS (-)</b>	<b>(1,143)</b>	<b>760</b>	<b>-</b>
<b>674</b>	<b>C. PROFIT FROM ORDINARY ACTIVITIES</b>	<b>(3,733)</b>	<b>(15,089)</b>	<b>(304.2)</b>
4	X. Extraordinary profit	4	9,457	-
3	XI. Extraordinary expenditures	0	1	-
<b>1</b>	<b>D. EXTRAORDINARY PROFIT / LOSS (-)</b>	<b>4</b>	<b>9,456</b>	<b>-</b>
<b>675</b>	<b>E. PROFIT BEFORE TAXATION</b>	<b>(3,729)</b>	<b>(5,633)</b>	<b>(51.1)</b>
<b>0</b>	<b>XII. Taxation</b>	<b>0</b>	<b>0</b>	<b>-</b>
<b>675</b>	<b>F. PROFIT AFTER TAXATION</b>	<b>(3,729)</b>	<b>(5,633)</b>	<b>(51.1)</b>
1,317	22. Retained earnings used for dividends	0	0	-
1,992	23. Dividends approved, paid	0	0	-
<b>0</b>	<b>G. PROFIT FOR THE PERIOD</b>	<b>(3,729)</b>	<b>(5,633)</b>	<b>(51.1)</b>

**ANNEX 8**  
**BALANCE SHEET FOR THE PERIOD ENDED ON JUNE 30, 2009**  
**TVK Plc, unaudited figures according to HAS (HUF million)**  
**ASSETS**

31.12.2008 audited	Description	30.06.2008.	30.06.2009.	Change %
<b>127,806</b>	<b>01. A. FIXED ASSETS</b>	<b>129,902</b>	<b>125,804</b>	<b>(3.2)</b>
<b>3,400</b>	<b>02. I. INTANGIBLE ASSETS</b>	<b>3,560</b>	<b>3,130</b>	<b>(12.1)</b>
0	03. Capitalized value of foundation and restructuring	0	0	-
0	04. Capitalized value of research and development	0	0	-
0	05. Property rights	0	0	-
3,400	06. Intellectual property	3,560	3,130	(12.1)
0	07. Goodwill	0	0	-
<b>120,028</b>	<b>08. II. TANGIBLE ASSETS</b>	<b>121,946</b>	<b>118,308</b>	<b>(3.0)</b>
28,698	09. Real estate and related property rights	28,826	28,287	(1.9)
84,193	10. Technical machines and equipment	87,061	81,802	(6.0)
4,858	11. Other machines and equipment	5,019	4,479	(10.8)
2,279	12. Assets in the course of construction	987	3,722	277.1
0	13. Advances for construction	53	18	(66.0)
<b>4,378</b>	<b>14. III. FINANCIAL INVESTMENTS</b>	<b>4,396</b>	<b>4,366</b>	<b>(0.7)</b>
4,190	15. Long-term investments in associates	4,197	4,159	(0.9)
0	16. Long-term loans to associates	0	0	-
0	17. Other long-term investments	0	0	-
13	18. Other long-term loans	28	13	(53.6)
175	19. Long-term debt securities	171	194	13.5
<b>66,391</b>	<b>20. B. CURRENT ASSETS</b>	<b>74,390</b>	<b>60,447</b>	<b>(18.7)</b>
<b>8,773</b>	<b>21. I. INVENTORIES</b>	<b>13,761</b>	<b>9,891</b>	<b>(28.1)</b>
3,326	22. Materials	4,381	4,600	5.0
667	23. Work in process	606	1,038	71.3
4,599	24. Finished products	8,625	3,883	(55.0)
165	25. Merchandises	95	351	269.5
16	26. Advances for inventories	54	19	(64.8)
0	27. Livestock	0	0	-
<b>54,097</b>	<b>28. II. RECEIVABLES</b>	<b>58,053</b>	<b>48,975</b>	<b>(15.6)</b>
33,624	29. Trade receivables	40,788	25,683	(37.0)
13,823	30. Receivables from associates	6,657	14,952	124.6
0	31. Receivables from other related parties	0	0	-
0	32. Bill receivables	0	0	-
6,650	33. Other receivables	10,608	8,340	(21.4)
<b>0</b>	<b>34. III. MARKETABLE SECURITIES</b>	<b>0</b>	<b>0</b>	<b>-</b>
0	35. Securities in related parties	0	0	-
0	36. Other securities	0	0	-
0	37. Treasury shares, participations	0	0	-
0	38. Debt securities held for trading	0	0	-
<b>3,521</b>	<b>39. IV. CASH AND BANK</b>	<b>2,576</b>	<b>1,581</b>	<b>(38.6)</b>
2	40. Patty cash	5	2	(60.0)
3,519	41. Bank accounts	2,571	1,579	(38.6)
<b>259</b>	<b>42. C. PREPAYMENTS</b>	<b>286</b>	<b>349</b>	<b>22.0</b>
171	43. Accrued income	4	30	650.0
88	44. Prepaid expenses	282	319	13.1
<b>194,456</b>	<b>45. TOTAL ASSETS</b>	<b>204,578</b>	<b>186,600</b>	<b>(8.8)</b>

**ANNEX 9**  
**BALANCE SHEET FOR THE PERIOD ENDED ON JUNE 30, 2009**  
**TVK Plc, unaudited figures according to HAS (HUF million)**

31.12.2008 audited	Description	30.06.2008.	30.06.2009.	Change %
<b>150,134</b>	<b>46. D. SHAREHOLDERS' EQUITY</b>	<b>147,722</b>	<b>144,501</b>	<b>(2.2)</b>
<b>24,534</b>	<b>47. I. Share capital</b>	<b>24,534</b>	<b>24,534</b>	<b>0.0</b>
<b>0</b>	<b>48. II. Issued unpaid capital (-)</b>	<b>0</b>	<b>0</b>	<b>-</b>
<b>4,624</b>	<b>49. III. Capital reserve</b>	<b>4,624</b>	<b>4,624</b>	<b>0.0</b>
<b>120,976</b>	<b>50. IV. Retained earnings</b>	<b>121,793</b>	<b>120,976</b>	<b>(0.7)</b>
<b>0</b>	<b>51. V. Allocated reserve</b>	<b>500</b>	<b>0</b>	<b>-</b>
<b>0</b>	<b>52. VI. Revolution reserve</b>	<b>0</b>	<b>0</b>	<b>-</b>
<b>0</b>	<b>53. VII. Profit for the year</b>	<b>(3,729)</b>	<b>(5,633)</b>	<b>51.1</b>
<b>6,611</b>	<b>54. E. PROVISIONS</b>	<b>6,162</b>	<b>4,582</b>	<b>(25.6)</b>
6,611	55. 1. Provision for expected liabilities	6,162	4,582	(25.6)
0	56. 2. Other provisions	0	0	-
<b>35,952</b>	<b>57. F. LIABILITIES</b>	<b>47,064</b>	<b>33,336</b>	<b>(29.2)</b>
<b>0</b>	<b>58. I. SUBORDINATED LIABILITIES</b>	<b>0</b>	<b>0</b>	<b>-</b>
<b>0</b>	<b>59. II. LONG TERM LIABILITIES</b>	<b>18,962</b>	<b>0</b>	<b>-</b>
0	60. Long term loans	0	0	-
0	61. Investment and development loans	0	0	-
0	62. Other long term loans	0	0	-
0	63. Long term liabilities to associates	18,962	0	-
0	64. Other long term liabilities	0	0	-
<b>35,952</b>	<b>65. III. SHORT TERM LIABILITIES</b>	<b>28,102</b>	<b>33,336</b>	<b>18.6</b>
0	66. Short term debt	0	0	-
0	67. Short term loans	0	0	-
204	68. Advances from customers	74	79	6.8
5,418	69. Trade payable	2,981	4,788	60.6
0	70. Bill of exchange	0	0	-
29,844	71. Current liabilities to associates	24,726	27,999	13.2
2	72. Current liabilities to other associates	6	3	(50.0)
484	73. Other current liabilities	315	467	48.3
<b>1,759</b>	<b>74. G. ACCURED EXPENSES</b>	<b>3,630</b>	<b>4,181</b>	<b>15.2</b>
0	75. Deferred income	0	42	-
1,736	76. Accrued expenses	3,607	4,088	13.3
23	77. Deferred negative goodwill and extraordinary	23	51	121.7
<b>194,456</b>	<b>78. TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>204,578</b>	<b>186,600</b>	<b>(8.8)</b>

### ANNEX 10 CONSOLIDATED COMPANIES

Name	Equity/ Registered Capital*	Interest held (%)	Ratio of votes <sup>1</sup>	Classification <sup>2</sup>
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

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

<sup>2</sup> 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

\*\*\*\* Dissolution made on July 1, 2009

### ANNEX 11 MAJOR EXTERNAL FACTORS

	Q2	H1	Q1	Q2	H1	Change	Change	Change
	2008	2008	2009	2009	2009	%	%	%
	Q2 2009/ Q2 2008	Q2 2009/ Q1 2009	H1 2009/ H1 2009					
Naphtha FOB med USD/t	956	886	362	472	417	(50.6)	30.5	(52.9)
AGO CIF med USD/t	1,160	1,026	409	491	450	(57.7)	19.9	(56.2)
Ethylene ICI's lor fd NEW contract EUR/t	1,038	1,031	595	688	642	(33.7)	15.7	(37.7)
Propylene ICI's lor fd NWE contract EUR/t	927	936	461	527	494	(43.1)	14.5	(47.2)
LDPE Film ICI's lor fd NWE low EUR/t	1,203	1,218	719	791	755	(34.3)	10.0	(38.0)
HDPE Film ICI's lor fd NWE low EUR/t	1,163	1,185	710	774	742	(33.5)	9.1	(37.4)
HDPE Blow ICI's lor fd NWE low EUR/t	1,161	1,175	721	787	754	(32.2)	9.2	(35.8)
PP Homo raffia ICI's lor fd NWE low EUR/t	1,080	1,117	661	705	683	(34.7)	6.7	(38.9)
PP Homo Injection ICI's lor fd NWE low EUR/t	1,080	1,120	662	705	683	(34.7)	6.5	(39.0)
PP Copolymer ICI's lor fd NWE low EUR/t	1,147	1,176	738	751	745	(34.5)	1.7	(36.7)
EUR/HUF	247.93	253.64	294.24	285.86	290.05	15.3	(2.8)	14.4
USD/HUF	158.61	165.87	226.19	210.18	218.19	32.5	(7.1)	31.5
EUR/USD	1.563	1.531	1.301	1.362	1.332	(12.9)	4.6	(13.0)

Note:

1. Data in the table are rounded, but changes are calculated without rounding.

2. Exchange rates are the period average of the monthly average mid rates announced by the Hungarian National Bank.

**ANNEX 12**  
**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 (June 30, 2009)			Year opening (December 31, 2008)			Period closing (June 30, 2009)		
	% <sup>2</sup>	% <sup>3</sup>		% <sup>2</sup>	% <sup>3</sup>		% <sup>2</sup>	% <sup>3</sup>		% <sup>2</sup>	% <sup>3</sup>	
Domestic institution/company	88.63	same	21,530,125	88.44	same	21,482,608	88.63	same	21,530,125	88.40	same	21,482,608
Foreign institution/company	9.95	same	2,416,138	9.85	same	2,391,740	9.95	same	2,416,138	9.85	same	2,391,740
Domestic individual	1.40	same	339,587	1.66	same	403,798	1.40	same	339,587	1.66	same	403,798
Foreign individual	0.01	same	2,391	0.03	same	6,655	0.01	same	2,391	0.03	same	6,655
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	0.02	same	6,102,420	0.01	same	2,602	0.02	same	6,102,420
<b>TOTAL</b>	<b>100</b>	<b>same</b>	<b>24,290,843</b>	<b>100</b>	<b>same</b>	<b>24,290,843</b>	<b>100</b>	<b>same</b>	<b>24,290,843</b>	<b>100</b>	<b>same</b>	<b>24,290,843</b>

\* Also included under domestic institutions

<sup>2</sup> Ownership ratio<sup>3</sup> 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**

	January 1	April 16	June 30
Corporate level	0	0	0
Subsidiaries	0	0	0
<b>Grand total</b>	<b>0</b>	<b>0</b>	<b>0</b>

**List and Description of Shareholders with more than 5% of the listed Series (on June 30, 2009)**

Name	Nationality <sup>1</sup>	Activity <sup>2</sup>	Quantity (of shares)	Interest (%)	Voting ratio (%) <sup>3,4</sup>	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 June 30, 2009)**

Name	Nationality <sup>1</sup>	Activity <sup>2</sup>	Quantity (of shares)	Interest (%)	Voting ratio (%) <sup>3,4</sup>	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

<sup>1</sup> Domestic (B), Foreign (K)<sup>2</sup> Corporate (T)<sup>3</sup> Figure rounded to two decimal points<sup>4</sup> 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 13 EMPLOYEES

#### Changes in the Number of Full Time Employees

	Reference Period Ended June 30, 2008	Year Opening January 1, 2009	Period Closing June 30, 2009
Corporate level	1,151	1,139	1,158
Group level	1,183	1,170	1,186

### ANNEX 14 SENIOR OFFICERS AND STRATEGIC EMPLOYEES INFLUENCING THE OPERATIONS OF THE ISSUER

Type <sup>1</sup>	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 Gyurovsky	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 Péntzes	Human Resources Manager	01.07.2004	Indefinite term	0

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

**During the second quarter of 2009 there was no significant change in company structure.**

**During the second 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 Flash Report on H1 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, August 27, 2009

**Árpád Olvasó**  
Chief Executive Officer

**Gyula Hodossy**  
Chief Financial Officer,  
Deputy CEO