

## INTERIM MANAGEMENT REPORT ON Q1 2013 OF TVK GROUP

Tisza Chemical Group Public Limited Company (TVK Plc) (Reuters: TVKD.BU, website: www.tvk.hu) today published its first quarter 2013 interim management report. This report contains a set of unaudited interim condensed consolidated financial statements for the full year and period ended 31 March 2013 as prepared by the management in accordance with IFRS (International Financial reporting Standards).

### TVK Group Financial Overview

	Q4 2012 (M HUF)	Q1 2012 (M HUF)	Q1 2013 (M HUF)	Change % Q1 2013 / Q1 2012	Q4 2012 (M EUR)	Q1 2012 (M EUR)	Q1 2013 (M EUR)	Change % Q1 2013 / Q1 2012
Net sales	100,291	102,555	97,253	(5.2)	354.2	345.3	328.1	(5.0)
EBITDA	3,926	(961)	5,761	n.a.	13.9	(3.2)	19.4	n.a.
<b>Operating profit/loss (-)</b>	<b>368</b>	<b>(4,351)</b>	<b>2,306</b>	<b>n.a.</b>	<b>1.3</b>	<b>(14.7)</b>	<b>7.8</b>	<b>n.a.</b>
Profit/loss of financial transactions (-)	(1,350)	646	(2,019)	n.a.	(4.8)	2.2	(6.8)	n.a.
<b>Shareholder's net profit (loss)</b>	<b>(642)</b>	<b>(3,014)</b>	<b>21</b>	<b>n.a.</b>	<b>(2.3)</b>	<b>(10.1)</b>	<b>0.1</b>	<b>n.a.</b>
Operating cash flow	1,862	(15,323)	(3,193)	n.a.	6.6	(51.6)	(10.8)	n.a.

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

**The HUF 2.3 billion operating profit (EBIT) reached in Q1 2013 means a significant improvement compared to the previous quarter and to the first quarter of 2012 as well. This change is due to the favourable changes of the external environment that could compensate the lower production and volumes sold.** The integrated petrochemical margin grew by 6% compared to the quarter before, and was better by 81% compared to the first quarter of the last year, thanks to the favourable changes of the quota prices. The exchange rate changes and the lower natural gas price had a positive effect on the EBIT.

#### Zsolt Pethő, the CEO of TVK Plc., emphasized:

*„In the first quarter the company reached positive profit after tax, even though just at a moderate level. This is primary due to the favourable changes of petrochemical margins. The poor market demand and the production shortfall of LDPE-2 unit resulted in a decreased average level of the total capacity utilisation rate. Reconstruction work at the LDPE-2 unit, which suffered technological breakdown in last year, are carried out as scheduled. Since the significant improvement of the petrochemical margins did not coupled with demand stabilisation or increase, we think that this favourable quotation price environment is only a result of the feedstock price fluctuation so far, and not a sign of permanent improvement but of market volatility.*

*At the same time our three-year efficiency improvement program, launched along the entire value chain in MOL Group creates an opportunity for our company to be ready to encounter the challenges of the external environment and to be able to advantage of the business environment improvements. Construction of our Butadiene Extraction unit also continues as scheduled. The new unit will have a role in widening our product portfolio and profitability from the beginning of 2015.”*

- ▶ **Capacity utilisation rate** in all producing plants of the company decreased by 8.5 percentage points to 80.6% year-on-year, however it exceeds the same rate of our regional competitors. The reasons of this decrease was the scaled down production and sales in line with the unfavourable polymer market circumstances; and production shortfall of the LDPE-2 unit. The fire incident at the LDPE-2 plant caused technological breakdown on October 31 2012, production was stopped, and reparations are carried out continuously.
- ▶ **Polymer production** decreased by 10%, while **polymer sales** were lower by 5% year on year, due to the reduced market demand and the stoppage of the LDPE-2 unit.
- ▶ HUF 422 million **realized exchange gain** and HUF 293 million **non-realized exchange loss** was booked **on receivables and payables** as a consequence of sales and purchases, settled in foreign currencies. In Q1 2012, realized loss was HUF 571 million and HUF 552 million was non-realized.
- ▶ The total of HUF 2,019 million loss from financial transactions include HUF 128 million **realized** and HUF 1,300 million **non-realized exchange loss** of currency credits and financial instruments settled in foreign currencies. In Q1 2012, we booked HUF 351 million realized and HUF 693 million non-realized exchange rate loss. The difference between the two periods is derived from the movements in EUR exchange rate.
- ▶ The **debt from the short and long term loan** of MOL Plc. amounted to HUF 27,158 million as of March 31, 2013, increased by HUF 2,676 million compared to the level at the end of 2012.

### *Financial overview*

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

There was no significant change in the accounting policy.

#### **Profit and Loss Statement**

**Consolidated net sales** amounted to HUF 97,253 million that is 5% lower than in Q1 2012. As a result of the unfavourable external environment the sales volumes decreased which were only partly offset by the higher product prices.

**Other operating income** was up by HUF 44 million (8%). The main reason of the change is the HUF 129 million exchange gain on receivables and payables, recorded in Q1 2013, while in the first quarter 2012 income was booked from the sale of trading subsidiaries, that did not occur in the reporting quarter.

TVK Plc. realized 46% of its sales revenues from **export sales**. Italy (16%), Poland (15%), Germany (15%), Czech Republic (8%), Ukraine (4%), Romania (4%), Austria (3%) and Slovakia (2%) represented the majority of export sales.

**Raw material costs** showed a 15% decrease year on year due to the significant fall in the volume of feedstock purchased and the reduction in catalyst and chemical quoted prices, purchased for monomer production. Despite of the lower produced volumes the energy costs increased as a consequence of the fact, that while in Q1 2012 we used a part of our own produced tar by heat production, in Q1 2013 we used purchased natural gas for this sake.

**Personnel expenses** were down by 13%, in accordance with the lower number of employees.

**Depreciation, amortization and impairment** increased by HUF 65 million (2%), due to the higher value booked on the assets capitalised during the maintenance and reconstruction works in 2012.

**Other operating costs and expenses** were down by HUF 587 million (27%). This change is mainly due to that in Q1 2012 HUF 1,123 million exchange loss was booked on account receivables and account payables, while in Q1 2013 HUF 536 million provision was created for the over-quota CO<sub>2</sub> emission.

Compared to the profit of HUF 646 million in Q1 2012, the group realized a **loss on financial operations** of HUF 2,019 million. The change is mainly due to the weakening HUF against EUR. HUF 1,428 million realized and non-realized exchange rate loss was generated during the revaluation of the

loans and other assets received in foreign currency compared to a gain in the last year. HUF 609 million booked as interest expenses containing the interest effect of the provision created.

TVK Group **profit before tax** amounted to HUF 287 million showing a year on year increase of HUF 3,992 million. The **income tax** was HUF 381 million, deferred tax amounted to minus HUF 115 million. **Consolidated net gain** totalled at HUF 21 million.

### ***Balance Sheet figures***

The consolidated value of **non-current assets** decreased by 1% compared to December 31, 2012 due to the recognized depreciation.

The value of **current assets** went up by 6%. It includes 11% increase in inventories, due to the increased polymer inventory level. Accounts receivables was up by almost 12% compared to the year end value, caused mainly by the weakening of HUF, and by the higher olefin volumes sold in the actual period. The value of other current assets decreased by 2% which is attributable mainly to the higher amount of VAT reclaims.

**Long term debt, net of current portion** grew by 4%. Long term loans rose by 4% due to the weakening of HUF against EUR.

The value of **current liabilities** increased by 4%, mainly as a result of the higher amount of short-term loans.

### ***Cash flow***

**Operating cash flow** amounted to HUF (3,193) million. Within this EBITDA value was HUF 5,761 million. The changes in **working capital** decreased the cash flow by HUF 8,920 million as a consequence of the changes of the following factors: the amount of inventories increased (by HUF -1,833 million), the higher volumes of olefins sold (calculated at account receivables) (by HUF -1,317 million), the HUF weakened against the EUR (by HUF -2,378 million), and the price and volume of naphtha also decreased, that incurred in account payables (by HUF -2,257 million).

**Net cash provided by investing activities** decreased cash flow by HUF 2,762 million. Within this the amounts disbursed to the suppliers amounted to HUF 3,377 million. Cash flow was improved by HUF 129 million on the sale of saved CO<sub>2</sub> quota.

**Net cash from financial operations** increased the cash flow by HUF 4,106 million in the period under review, mainly due to the increasing revolving credit facility granted by MOL Plc. and the higher amount of loans borrowed from commercial banks.

### ***Headcount***

The total consolidated headcount of TVK included 1,015 full time employees as at March 31, 2013, which is less by 103 persons than the closing headcount on March 31, 2012. The sale of trading subsidiaries decreased the headcount of the subsidiaries by 7. Total headcount decreased by 96 employee year on year, in accordance with the headcount rationalisation as part of the announced efficiency improvement program.

### ***Capital projects***

The total capital expenditure of TVK Group amounted to HUF 947 million, within this HUF 944 million expenditure incurred at TVK Plc. In the first three months, HUF 903 million was spent on the accomplishment of the Butadiene Extraction Unit. The development of the unit continues as scheduled.

### ***Outlook and expectations for the period after March 31, 2013***

In the next quarter, we expect further hectic external market environment. If the processes of the first quarter continue, our margins could improve, and as a result, our operating profit could be positive again. The volumes produced in April are almost the same as the average of the first quarter 2013 and there will be no significant change in the production yield by product types. Production was not restarted in LDPE-2 plant.

### ***Major events until the publication date***

TVK Plc. held its Annual General Meeting on April 18, 2013. The AGM had a quorum where the shareholders present were entitled to cast 23,272,919.95 votes all together represented 94.86% of the Company's shares. The AGM accepted the Annual Financial Reports (IFRS consolidated and HAS unconsolidated) and the related Business Reports for the business year of 2012, and decided to pay no dividend in 2013 connected to the year ended 31 December 2012 and the total net loss shall be recorded as retained earnings.

The AGM elected Mr. László Madarász as the Member of the Board of Directors of TVK Plc., commencing with May 1, 2013 for a period of five years but at last till the day of the annual ordinary general meeting in 2018

In connection with the accomplishment of the Butadiene Unit, LURGI/ OTF consortium began the preparations of the basic and detailed plans and the purchase of the main equipments also began in line with the agreement concluded in last year. Parallel with the implementation of the unit further supplementary capital expenditures started, for the sake of connecting the new butadiene unit to the systems and infrastructure of TVK site. The related investment projects continues as scheduled originally. The most important is that the implementation works of the construction project for the preparation of C4 fraction (the feedstock for the butadiene unit) have been started. Aggregately we can state that the whole investment continues as scheduled and the business production could start in the first quarter of 2015.

As from February 1, 2013 TVK's organisation structure changed, became simplified, more units ceased, or became merged, induced by the management concept change accomplished in MOL Group (GLOCAL). The organisation changes resulted in further internal efficiency improvements in the challenge full downstream environment.

In accordance with the organisation change Tivadar Vályi Nagy Tivadar former production director became Tiszaújváros-site Production Manager; Péter Suba Péter former petrochemical technology and project development manager became TVK development manager.

ANNEXES

**Company name:** Tisza Chemical Group Public Limited Company **Phone:** +36 49/522-377  
**Company address:** H-3581 Tiszaújváros, P.O.Box 20. **Fax:** +36 49/521-903  
**Sector group:** Chemical industry, petrochemical **E-mail address:** [bki@tvk.hu](mailto:bki@tvk.hu)  
**Reporting period:** Q1 2013 **Investors' contact person:** Vanda Haisz

Audited  Yes  No  
 Consolidated    
 Accounting principles Hungarian  IFRS  Other  
 Currency Unit HUF  1,000 EUR  1,000,000

ANNEX 1  
KEY FINANCIAL DATA

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

Key Profit and Loss figures

	Q1 2012	Q1 2013
Net revenue	102,555	97,253
Operating profit	(4,351)	2,306
Financial expenses, net	646	(2,019)
Profit before tax	(3,705)	287
Profit for the year	(3,014)	21

Key Balance Sheet figures

	31.03.2012.	31.03.2013.
<b>Non-current assets</b>	<b>122,894</b>	<b>121,804</b>
Intangible assets	2,284	1,796
Property, plant and equipment	120,241	117,620
Invested financial assets*	369	2,388
Current assets	105,691	98,491
Inventories	20,272	19,425
<b>Total assets</b>	<b>228,585</b>	<b>220,295</b>
Equity attributable to equity holders of the parent	119,923	115,399
Share capital	24,534	24,534
Non-current liabilities	32,960	32,935
Current liabilities	75,702	71,961
<b>Total equity and liabilities</b>	<b>228,585</b>	<b>220,295</b>

\* Contains deferred tax receivables also.

**ANNEX 2**  
**Q1 2013 PROFIT AND LOSS STATEMENT**  
**TVK Group consolidated, unaudited figures according to IFRS (HUF million)**

Year 2012 audited	Q1 2012	Q1 2013	Change %
374,584 Net revenue	102,555	97,253	(5.2)
2,192 Other operating income	572	616	7.7
<b>376,776 Total operating income</b>	<b>103,127</b>	<b>97,869</b>	<b>(5.1)</b>
328,544 Material costs	97,213	82,622	(15.0)
13,595 Material type services	3,589	3,262	(9.1)
21,678 Cost of goods sold	6,624	4,082	(38.4)
167 Cost of services sold	46	38	(17.4)
<b>363,984 Raw materials and consumable used</b>	<b>107,472</b>	<b>90,004</b>	<b>(16.3)</b>
<b>9,463 Personnel expenses</b>	<b>2,298</b>	<b>2,010</b>	<b>(12.5)</b>
<b>13,836 Depreciation, amortization and impairment</b>	<b>3,390</b>	<b>3,455</b>	<b>1.9</b>
<b>6,474 Other operating expenses</b>	<b>2,204</b>	<b>1,617</b>	<b>(26.6)</b>
<b>(4,699) Change in inventory of finished goods and work in progress</b>	<b>(7,821)</b>	<b>(1,498)</b>	<b>(80.8)</b>
<b>(2,092) Work performed by the enterprise and capitalised</b>	<b>(65)</b>	<b>(25)</b>	<b>(61.5)</b>
<b>386,966 Total operating expenses</b>	<b>107,478</b>	<b>95,563</b>	<b>(11.1)</b>
<b>(10,190) Profit from operation</b>	<b>(4,351)</b>	<b>2,306</b>	<b>n.a.</b>
2,943 Financial income	1,079	23	(97.9)
1,991 Financial expense	433	2,042	(371.6)
<b>952 Financial expenses, net</b>	<b>646</b>	<b>(2,019)</b>	<b>n.a.</b>
0 Income from associates	0	0	n.a.
<b>(9,238) Profit before tax</b>	<b>(3,705)</b>	<b>287</b>	<b>n.a.</b>
(1,678) Tax payable	(691)	266	n.a.
<b>(7,560) Profit for the year</b>	<b>(3,014)</b>	<b>21</b>	<b>n.a.</b>
(7,560) Profit attributable to equity holders of the parent	(3,014)	21	n.a.
0 Non-controlling interest	0	0	n.a.

**OTHER FACTORS AND COSTS INFLUENCING PROFIT AND LOSS STATEMENT DATA**  
 unaudited figures according to IFRS (HUF million)

**Factors influencing product sales of TVK Plc.**  
 Q1 2013 – Q1 2012 (HUF million)

	Effect of variance in price	Effect of variance in exchange rates	Effect of variance in volume	Total
Olefin	535	3	(5,161)	<b>(4,623)</b>
LDPE	28	4	(5,167)	<b>(5,135)</b>
HDPE	1,224	43	4,014	<b>5,281</b>
PP	898	20	(1,723)	<b>(805)</b>
<b>Total</b>	<b>2,685</b>	<b>70</b>	<b>(8,037)</b>	<b>(5,282)</b>

**Distribution of TVK Group sales incomes by production units Q1 2013 (HUF million)**

	Domestic sales	Export sales	Total sales
Olefin	34,396	1,268	<b>35,664</b>
LDPE	1,293	39	<b>1,332</b>
HDPE	3,158	30,910	<b>34,068</b>
PP	10,987	12,907	<b>23,894</b>
Income from other business activities	3,252	159	<b>3,411</b>
Effect of consolidation	(1,135)	19	<b>(1,116)</b>
<b>Total</b>	<b>51,951</b>	<b>45,302</b>	<b>97,253</b>

**Variances in key feedstock costs incurred by TVK Plc.**  
 Q1 2013 – Q1 2012 (HUF million)

	Effect of variance in volume	Effect of variance in price	Effect of variance in exchange rates	Total
Naphtha and light hydrocarbons in total	(6,541)	(6,394)	(375)	<b>(13,310)</b>
Gas oil	(1,975)	0	0	<b>(1,975)</b>
<b>Chemical feedstock in total</b>	<b>(8,516)</b>	<b>(6,394)</b>	<b>(375)</b>	<b>(15,285)</b>

**ANNEX 3**  
**BALANCE SHEET FOR THE PERIOD ENDED ON MARCH 31, 2013**  
**TVK Group consolidated, unaudited figures according to IFRS (HUF million)**

31.12.2012. audited		31.03.2012.	31.03.2013.	Change %
<b>ASSETS</b>				
<b>123,573</b>	<b>Non-current assets</b>	<b>122,894</b>	<b>121,804</b>	<b>(0.9)</b>
2,194	Intangible assets	2,284	1,796	(21.4)
119,643	Property, plant and equipment	120,241	117,620	(2.2)
132	Investments in associated companies	132	132	0.0
1,603	Deferred tax receivables	0	1,719	n.a.
1	Other non-current assets	237	537	126.6
<b>92,760</b>	<b>Current assets</b>	<b>105,691</b>	<b>98,491</b>	<b>(6.8)</b>
17,461	Inventories	20,272	19,425	(4.2)
49,683	Trade receivables, net	59,114	55,656	(5.8)
222	Securities	0	225	n.a.
18,819	Other current assets	19,559	18,437	(5.7)
135	Prepaid taxes	453	135	(70.2)
6,440	Cash and cash equivalents	6,293	4,613	(26.7)
<b>216,333</b>	<b>TOTAL ASSETS</b>	<b>228,585</b>	<b>220,295</b>	<b>(3.6)</b>
<b>EQUITY AND LIABILITIES</b>				
<b>115,387</b>	<b>Equity attributable to equity holders of the parent</b>	<b>119,923</b>	<b>115,399</b>	<b>(3.8)</b>
24,534	Share capital	24,534	24,534	0.0
98,413	Reserves	98,403	90,844	(7.7)
(7,560)	Profit for the year attributable to equity holders of the parent	(3,014)	21	n.a.
<b>115,387</b>	<b>Equity attributable to equity holders of the parent</b>	<b>119,923</b>	<b>115,399</b>	<b>(3.8)</b>
0	Non-controlling interest	0	0	n.a.
<b>31,724</b>	<b>Non-current liabilities</b>	<b>32,960</b>	<b>32,935</b>	<b>(0.1)</b>
29,265	Long-term debt, net of current portion	30,613	30,513	(0.3)
2,422	Provisions for liabilities and charges	2,288	2,388	4.4
0	Deferred tax liabilities	54	0	n.a.
37	Other non-current liabilities	5	34	580.0
<b>69,222</b>	<b>Current liabilities</b>	<b>75,702</b>	<b>71,961</b>	<b>(4.9)</b>
58,667	Trade and other payables	63,758	56,703	(11.1)
0	Income tax liabilities	0	65	n.a.
1,373	Provisions	627	1,796	186.4
8,030	Short-term debt	10,199	12,437	21.9
1,152	Current portion of long term debt	1,118	960	(14.1)
<b>216,333</b>	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>228,585</b>	<b>220,295</b>	<b>(3.6)</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 Q1 2013**  
**TVK Group consolidated, unaudited figures according to IFRS (HUF million)**

	Share capital	Retained earnings	Share premium	Translation reserve	Profit for the year attributable to equity holders of the parent	Non controlling interest	Total equity
<b>Opening balance 1 January 2012</b>	<b>24,534</b>	<b>94,600</b>	<b>15,022</b>	<b>22</b>	<b>(11,226)</b>	<b>-</b>	<b>122,952</b>
Transfer to reserves of retained profit for 2011	-	(11,226)	-	-	11,226	-	-
Translation reserve	-	-	-	(5)	-	-	(5)
Retained profit for year 2012	-	-	-	-	(7,560)	-	(7,560)
Other	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
<b>Closing balance 31 December 2012</b>	<b>24,534</b>	<b>83,374</b>	<b>15,022</b>	<b>17</b>	<b>(7,560)</b>	<b>-</b>	<b>115,387</b>
Transfer to reserves of retained profit for 2012	-	(7,560)	-	-	7,560	-	-
Translation reserve	-	-	-	(9)	-	-	(9)
Retained profit for Q1 2013	-	-	-	-	21	-	21
Other	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
<b>Closing balance 31 March 2013</b>	<b>24,534</b>	<b>75,814</b>	<b>15,022</b>	<b>8</b>	<b>21</b>	<b>-</b>	<b>115,399</b>

**ANNEX 5**  
**STATEMENT OF COMPREHENSIVE INCOME IN Q1 2013**  
**TVK Group consolidated, unaudited figures according to IFRS (HUF million)**

<b>Statement of comprehensive income</b>	<b>31.03.2012.</b>	<b>31.03.2013.</b>
<i>Profit for the year</i>	(3,014)	21
<i>Other comprehensive income</i>		
Exchange differences on translating foreign operations	(15)	(9)
Available-for-sale financial assets, net of deferred tax	-	-
Cash-flow hedges, net of deferred tax	-	-
Share of other comprehensive income of associates	-	-
Other comprehensive income for the year, net of tax	(15)	(9)
<b>Total comprehensive income for the year</b>	<b>(3,029)</b>	<b>12</b>
<i>Attributable to:</i>		
Equity holders of the parent	(3,029)	12
Non-controlling interest	-	-

**ANNEX 6**  
**CASH FLOW STATEMENT ON MARCH 31, 2013**  
**TVK Group consolidated, unaudited figures according to IFRS (HUF million)**

Description	2012.03.31	2013.03.31
<b>Profit before tax</b>	<b>(3,705)</b>	<b>287</b>
<i>Adjustments to reconcile profit before tax to net cash provided by operating activities</i>		
Depreciation, amortisation and impairment	3,390	3,455
Write-off of inventories, net	(485)	8
Increase/(decrease) in provisions	145	388
Net (gain)/loss on sale of property, plant and equipment	(362)	(387)
Impairment of receivables	0	4
Unrealised foreign exchange (gain) / loss on trade receivables and trade payables	551	293
Profit on the sales of subsidiaries	(24)	0
Interest income	(33)	(19)
Interest paid	383	585
Net foreign exchange (gain) / loss on foreign currency loan and other financial items	(914)	1,428
Other financial (gain)/ loss, net	(112)	2
Other non cash items	0	0
<b>Operating cash flow before changes in working capital</b>	<b>(1,166)</b>	<b>6,044</b>
(Increase) / decrease in inventories	(7,939)	(1,973)
(Increase) / decrease in trade receivables	(8,552)	(6,070)
(Increase) / decrease in other payables	(4,302)	95
Increase / (decrease) in trade payables	6,067	(3,241)
Increase / (decrease) in other payables	1,010	2,269
Income taxes paid	(441)	(317)
<b>Net cash provided by operating activities</b>	<b>(15,323)</b>	<b>(3,193)</b>
Investments	(3,193)	(3,377)
Proceeds from disposals of property, plant and equipment	362	595
Net cash income from sales of a subsidiary	63	0
Changes in loans given and long-term bank deposits	(34)	0
Interest received and other financial income	32	20
Dividend received	0	0
<b>Net cash flows used in investing activities</b>	<b>(2,770)</b>	<b>(2,762)</b>
Long term debt drawn down	15,276	0
Repayments of long-term debt	(24)	(302)
Changes in the other long-term liabilities	(1)	(3)
Changes of short-term debt	3,743	4,333
Interest paid and other financial costs	(332)	78
<b>Net cash (used in) / provided by financing activities</b>	<b>18,662</b>	<b>4,106</b>
<b>Increase / (decrease) in cash and cash equivalents</b>	<b>569</b>	<b>(1,849)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>5,715</b>	<b>6,440</b>
Exchange differences of cash and cash equivalents of consolidated foreign subsidiaries	0	6
Unrealized foreign exchange difference on cash and cash equivalents	9	16
<b>Cash and cash equivalents at the end of the period</b>	<b>6,293</b>	<b>4,613</b>

**ANNEX 7  
CONSOLIDATED COMPANIES**

Name	Equity/ Registered Capital	Interest held (%)	Ratio of votes <sup>1</sup>	Classification <sup>2</sup>
TVK Ingatlankezelő Kft. (HUF thousand)	2,070,000	100.00%	L	L
TVK Erőmű Termelő és Szolgáltató Kft. (HUF thousand)	2,630,100	26.00%	T	L
TVK FRANCE S.a.r.l. (EUR)	76,225	100.00%	L	L
TVK Polska Sp z.o.o. (PLN thousand)*	-	-	-	-
TMM Tűzoltó és Műszaki Mentő Kft. (HUF thousand)	3,000	30.00%	T	T
Tisza-WTP Vízelőkészítő és Szolgáltató Kft. (HUF thousand)**	455,000	-	-	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.

\* Liquidation process was finished on March 25, 2013

\*\* Non-participating business with full consolidation.

**ANNEX 8  
MAJOR EXTERNAL FACTORS**

	Q1 2012	Q4 2012	Q1 2013	Change % Q1 2013/ Q1 2012	Change % Q1 2013/ Q4 2012
Naphtha FOB med USD/t	987	910	913	(7.5)	0.3
AGO 0.1 CIF med USD/t	995	954	961	(3.4)	0.7
Ethylene ICI's lor fd NEW contract EUR/t	1,215	1,280	1,292	6.3	0.9
Propylene ICI's lor fd NWE contract EUR/t	1,105	1,121	1,115	0.9	(0.5)
LDPE Film ICI's lor fd NWE low EUR/t	1,259	1,275	1,312	4.2	2.9
HDPE Film ICI's lor fd NWE low EUR/t	1,223	1,303	1,313	7.4	0.8
HDPE Blow ICI's lor fd NWE low EUR/t	1,229	1,310	1,308	6.4	(0.2)
PP Homo raffia ICI's lor fd NWE low EUR/t	1,218	1,210	1,223	0.4	1.1
PP Homo Injection ICI's lor fd NWE low EUR/t	1,218	1,216	1,224	0.5	0.7
PP Copolymer ICI's lor fd NWE low EUR/t	1,261	1,257	1,255	(0.5)	(0.2)
EUR/HUF	296.97	283.11	296.42	(0.2)	4.7
USD/HUF	226.47	218.54	224.51	(0.9)	2.7
EUR/USD	1.312	1.296	1.320	0.6	1.9
<b>Integrated petrochemical margin</b>	<b>172</b>	<b>295</b>	<b>312</b>	<b>81.4</b>	<b>5.8</b>

Note:

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

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

**Ownership Structure, Ratio of Holdings and Votes**

Description of owner	Total equity and Listed series					
	2012. 12. 31.			2013. 04. 18.		
	Ownership ratio %	Voting right %	No of shares	Ownership ratio %	Voting right %	No of shares
Domestic institution/company	95.93	95.93	23,301,477	96.65	96.65	23,477,416
Foreign institution/company	1.13	1.13	275,353	1.14	1.14	276,527
Domestic individual	1.21	1.21	294,718	1.54	1.54	374,693
Foreign individual	0.02	0.02	4,571	0.02	0.02	4,637
Treasury shares	-	-	-	-	-	-
Shares held by unidentified parties	1.71	1.71	414,724	0.65	0.65	157,570
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>	<b>24,290,843</b>	<b>100.00</b>	<b>100.00</b>	<b>24,290,843</b>

**Volume (Qty) of Treasury Shares Held in 2013**

	January 1	18 April
Corporate level	0	0
Subsidiaries	0	0
<b>Grand total</b>	<b>0</b>	<b>0</b>

**List and Description of Shareholders with more than 5% of the listed Series and of Equity total (on April 18, 2013)**

Name	Depository (yes/no)	Quantity (No. of shares)	Shareholding (%) (up to 2 decimal places)
MOL Hungarian Oil and Gas Public Limited Company	yes	23,042,385	94.86

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

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.

**ANNEX 10  
EMPLOYEES**

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

	Reference Period Ended March 31, 2012	Year Opening January 1, 2013	Period Closing March 31, 2013
Corporate level	1,105	1,036	1,009
Group level	1,118	1,042	1,015

**ANNEX 11**  
**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	17.04.2017	0
BoD	Gyula Gansperger	Board member	20.04.2006	20.04.2016	0
BoD	Dr. Péter Medgyessy	Board member	20.04.2006	20.04.2016	0
BoD	Miklós Kamarás	Board member	01.05.2011	30.04.2016	0
BoD	Dr. Zoltán Nagy	Board member	01.05.2011	30.04.2016	0
BoD	Ferenc Horváth	Board member	01.05.2011	30.04.2016	0
BoD	Zsolt Pethő	Board member	17.04.2012	17.04.2017	
BoD	László Madarász	Board member	01.05.2013	30.04.2018	
SB	László Gyurovsky	SB chairperson	22.06.2007	17.04.2017	0
		SB member	19.04.2007	17.04.2017	
SB	dr. Gyula Bakacsi	SB member	19.04.2007	17.04.2017	0
SB	dr. György Bíró	SB member	19.04.2007	17.04.2017	0
SB	László Réti	SB member, employee representative	29.04.2010	29.04.2015	0
SB	Judit Turóczy	SB member	21.04.2011	20.04.2016	
SP	Zsolt Pethő	Chief Executive Officer	01.06.2011	Indefinite term	0
SP	Tivadar Vályi Nagy	Tiszaújváros Production Manager	01.07.2007	Indefinite term	0
SP	Balázs Sándor	Chief Financial Officer, Deputy CEO	15.07.2012	Indefinite term	0
SP	Adrienn Ráczné Bodnár	Human Resources Manager	03.01.2012	Indefinite term	0
SP	Péter Suba	TVK Development Manager	02.01.2013	Indefinite term	0
SP	Zoltán Szántó	Polymer Marketing and Sales Manager	01.02.2013	Indefinite term	0

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

**Changes in the organisation and in the top management:**

As from January 2, 2013, Petrochemical Technology and Project Development Manager is Péter Suba, this organisation works as TVK Development as from February 1, 2013.

As from February, 2013 TVK Plc's Polymer Marketing and Sales Manager is Zoltán Szántó.

TVK organisation structure had changed as from February 1, 2013. TVK Production, as a new organisation was established containing TVK and MOL refinery Tiszaújváros Site, which manager is Tivadar Vályi Nagy, former production director.

The 2013 AGM elected Mr. László Madarász as the Member of the Board of Directors of TVK Plc., commencing with May 1, 2013 for a period of five years but at last till the day of the annual ordinary general meeting in 2018

**ANNEX 12  
REGULATED INFIORMATIONS IN 2013**

The Company information mentioned below is available at the website of the Company ([www.tvk.hu](http://www.tvk.hu)) below the Investor Relations item. Places of the disclosures are: the websites of TVK ([www.tvk.hu](http://www.tvk.hu)), of the Budapest Stock Exchange ([www.bse.hu](http://www.bse.hu)), the Capital Market Disclosure website ([www.kozzetetelek.hu](http://www.kozzetetelek.hu)) and the website of the London Stock Exchange ([www.londonstockexchange.com](http://www.londonstockexchange.com)).

<b>Announcement date</b>	<b>Content</b>
2 January, 2013	Extraordinary announcement on change in the top management (Petrochemical Technology and Project Development Manager)
2 January, 2013	Number of voting rights at TVK Plc.
31 January, 2013	Number of voting rights at TVK Plc.
7 February, 2013	Extraordinary announcement on change in the top management (Polymer Marketing and Sales Manager)
26 February, 2013	Report on the Full Year 2012 Result of TVK Group
28 February, 2013	Number of voting rights at TVK Plc.
14 March, 2013	Announcement by the Board of Directors of TVK Plc. on the convocation of the Company's Ordinary General Meeting in 2013
14 March, 2013	Remuneration statement - Remuneration of members of the Board of Directors and of the Supervisory Board in 2012 as cash and non-cash benefit.
27 March, 2013	Documents for the Annual General Meeting of TVK Plc. to be held on April 18, 2013
2 April, 2013	Number of voting rights at TVK Plc.
18 April, 2013	2013 Annual General Meeting resolutions of TVK Plc.
18 April, 2013	TVK Group Corporate Governance Report for 2012 in accordance with Budapest Stock Exchange Corporate Governance Recommendations
18 April, 2013	Annual Report of TVK Plc. prepared on the business year 2012
18 April, 2013	Summary report of TVK Plc. on the business year 2012
30 April, 2013	Number of voting rights at TVK Plc.
2 May, 2013	Financial Statements and Business Reports of TVK Plc. prepared on the business year 2012

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 the first quarter of 2013 of TVK Group 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 13, 2013

**Zsolt Pethő**  
Chief Executive Officer

**Balázs Sándor**  
Chief Financial Officer,  
Deputy CEO