STRONG RESULTS IN THE CORE BUSINESSES WERE OFFSET BY LOSSES IN THE REGULATED GAS BUSINESS

MOL Hungarian Oil and Gas plc. (MOLB.BU, MOLBq.L, MOL HB, MOL LI), today announced its 2001 first quarter results. This report contains consolidated financial statements for the period ended 31 March 2001 for MOL Hungarian Oil and Gas Plc. as prepared by management in accordance with International Accounting Standards (IAS).

Financial highlights

FY 2000		MOL Group financial	Q1 2000		Q1 2001		Change %	
HUF bn	USD m[1]	Results (IAS)	HUF bn	USD m[1]	HUF bn	USD m[1]	HUF	USD
1,023.3	3,624.9	Net sales revenues	259.0	998.5	289.0	1,005.2	12	1
101.7	360.3	EBITDA	49.9	192.4	14.3	49.7	(71)	(74)
42.0	**148.8**	**Operating profit**	**35.8**	**138.0**	**0.1**	**0.3**	**(100)**	**(100)**
22.4	79.3	Net financial expense	9.5	36.6	15.0	52.2	58	43
17.2	**60.9**	**Net income/(loss) before special items[2]**	**24.7**	**95.2**	**(11.5)**	**(40.0)**	**n.a.**	**n.a.**
20.2	71.6	Net income/(loss)	25.5	98.3	(11.5)	(40.0)	n.a.	n.a.
49.4	**175.0**	**Operating cash flow**	**39.9**	**153.8**	**34.3**	**119.3**	**(14)**	**(22)**

[1] In converting HUF financial data into US Dollars, the following average NBH middle rates were used: for the first quarter of 2000: 259.4 HUF/USD, for the full year of 2000: 282.3 HUF/USD, for the first quarter of 2001: 287.5 HUF/USD. [2] Net income before special items (net income adjusted for post-tax effect of special items): see detailed description in Appendix VI. There were no special items in the first quarter 2001.

The MOL Group achieved strong operating profit of HUF 35.6 bn in its non-regulated businesses, however, a HUF 35.5 bn operating loss in the regulated gas business almost completely offset the positive core business results.

- **The EBITDA of the non-regulated businesses** for the first quarter of 2001 fell by 9% to HUF 47 bn and the corresponding EBITDA margin reached 26% compared to 30% in Q1 2000. However, after the inclusion of the regulated gas business EBITDA fell by 71% to HUF 14.3 bn resulting an EBITDA margin of 5%.
- **Exploration and Production** contributed HUF 22.5 bn operating profit driven by a combination of high world market prices and cost reduction measures.
- **Refining and Marketing** contributed operating profit of HUF 15.9 bn, reflecting a favourable market environment, strong sales performance and growing efficiency. However, we experienced an inventory holding loss in Q1 2001 against a considerable gain in Q1 2000.
- **Gas and Power** incurred an operating loss of HUF 35.5 bn in contrast to a HUF 4.1 bn loss in Q1 2000 as the rising cost of imported gas was not reflected in the regulated selling price.
- **Controllable costs** (operating expenses less depreciation, oil and gas purchases and taxes and fees) were reduced by HUF 3.4 bn (or 9%) in real terms and rose by only HUF 0.3 bn in nominal Forint terms. Group headcount was reduced by 11% year-on-year.
- **Net financial expenses** for the first three months of 2001 were HUF 15.0 bn reflecting the higher level of debt and FX losses due to the renewed strength of the US dollar against the Euro.
- **Income from associates**, primarily Slovnaft and TVK, contributed HUF 3.6 bn.
- **Operating cash flow** was HUF 34.3 bn, representing a decline of 14%, primarily a result of the gas business losses. Changes in working capital requirements had a positive HUF 21 bn effect on operating cash flow, principally as a result of lower inventories.
- **Capital expenditures** and investments were reduced by 35% to HUF 8.4 bn. Net debt at end of March 2001 was HUF 298.6 bn, giving a net debt to net debt plus equity ratio of 45%.

Mr György Mosonyi, Chief Executive Officer of MOL commented: *"Our first quarter results demonstrate the continued strength and efficiency of our core non-regulated businesses, which produced EBITDA of HUF 47 billion in the period. However, as a result of significant, but expected, losses in the regulated gas business, Group EBITDA fell to HUF 14.3 billion. At the AGM held on April 27th we announced that the Board of Directors has decided to pursue all potential avenues including the sale of the gas business. With this decision the Board has determined that MOL can best serve its shareholders by narrowing its focus on development within the regional oil industry, where the company can more effectively use its capital, management skills and experience. In line with this decision, management will continue to target selective growth within the region, organic growth within the existing core businesses and increased efficiency, through a reduction in controllable costs and headcount."*

Segment performance

FY 2000		Exploration & Production	Q1 2000		Q1 2001		Change %	
HUF bn	USD m	*Segment IAS results*	HUF bn	USD m	HUF bn	USD m	HUF	USD
115.4	408.8	EBITDA	25.8	99.5	26.4	91.8	2	(8)
95.5	**338.3**	**Operating profit**	**21.3**	**82.1**	**22.5**	**78.3**	**6**	**(5)**
23.5	83.2	Capital expenditures and investments[1]	4.8	18.5	4.1	14.3	(15)	(23)

Segmental profitability was driven by an increase in the transfer price of domestically produced natural gas, cost reductions of HUF 0.7 bn (primarily personnel costs) but was reduced by the natural decline in domestic production.
Domestic crude oil production fell from 0.3 Mt in Q1 2000 to 0.27 Mt in Q1 2001, as a consequence of the natural depletion of the producing fields. Natural gas production fell 5% to 0.9 bn m^3 as a result of both natural depletion, and the optimisation of production at certain oil fields which resulted in lower dissolved gas production. MOL has continued to withdraw from international exploration and is currently active in four international projects. A final decision as to the future of these projects will be made after a full evaluation of the exploration results later this year. CAPEX spending in Q1 was reduced by 15% as a result of flat spending on existing domestic production and a reduction in domestic and international exploration activities.

FY 2000		Gas & Power	Q1 2000		Q1 2001		Change %	
HUF bn	USD m	*Segment IAS results*	HUF bn	USD m	HUF bn	USD m	HUF	USD
(106.3)	(376.5)	EBITDA	(2.0)	(7.7)	(32.7)	(113.7)	n.a.	n.a.
(115.6)	**(409.5)**	**Operating profit**	**(4.1)**	**(15.8)**	**(35.5)**	**(123.5)**	**n.a.**	**n.a.**
15.4	54.6	Capital expenditures and investments[1]	2.2	8.5	0.4	1.4	(82)	(84)

Losses in this segment increased dramatically as the regulated gas selling prices failed to reflect the significant rise in the cost of imported gas. The loss in the segment was reduced by HUF 12 bn, due to the sale from inventory of gas that had already been written down to net expected realisable value last year. However, approximately 2.2 bcm of gas was sold from gas supply imported in the period. While the average wholesale selling price in Q1 was 23.0 HUF/m^3, 28% higher than in the base period due to the price increases implemented in July and November 2000, the average import price rose more severely (by 77%) and exceeded the average selling price by 21 HUF/m^3. The volume of gas sold in Q1 fell by 4% due to the relatively mild winter. The reduction arose from a 7% reduction in GDC demand (which represented 84% of total sales), and a 2% fall in demand from the industrial sector (7% of total sales), which were partly offset by a 28% growth in demand from the power sector (9% of total sales). While the price of gas sold to large consumers (consuming more than 500m^3/hour) rose by 43% in November, the consumption by this group did not meet expectations (instead of our plan of 33% of total volume, the actual figure was 26%). Gas transit revenues grew 8% to HUF 2.3 bn, despite the fact that transit volume fell to 0.5 bcm. In response to the growing losses, segmental CAPEX was further reduced. In Q1 HUF 0.4 bn was spent on completing ongoing projects and on crucial maintenance projects.

FY 2000		Refining and Marketing	Q1 2000		Q1 2001		Change %	
HUF bn	USD m	*Segment IAS results*	HUF bn	USD m	HUF bn	USD m	HUF	USD
109.1	386.5	EBITDA	26.9	103.7	22.2	77.2	(17)	(26)
84.8	**300.4**	**Operating profit**	**20.9**	**80.6**	**15.9**	**55.3**	**(24)**	**(31)**
40.3	142.8	Capital expenditures and investments[1]	5.8	22.4	3.7	12.9	(36)	(42)

Due to stable marketing margins and growth in the volume of higher value product sales (primarily gasoline and diesel), the segment achieved strong operating results. The Retail Services division also contributed to this strength through higher fuel volume sales and an improvement in the profitability of shop sales. The refining margin fell due to an increase in fuel oil volumes combined with a fall in the spread on this product. The reduction in operating profit compared to Q1 2000 is due primarily to the unusually large inventory holding gain, in the region of HUF 4 bn, in Q1 2000, which arose as a result of the rising oil price environment at that time. This compares with an inventory holding loss of approximately HUF 2 bn in Q1 2001.
Product sales in volume terms grew 11% to 1.9 Mt in Q1 2001, out of which domestic sales were 1.3 Mt. Export sales in volume terms grew by 19%. We were able to increase our market share in key product groups. Domestic demand for motor gasoline grew by 3%, while MOL sales increased by 4%. We achieved sales volume growth of 6% for diesel and heating oils in spite of a 3% fall in domestic demand. Demand for fuel oils was unchanged, though imports were limited and therefore we were able to increase our market share by 15% as we sold higher volumes than in Q1 2000. Domestic LPG consumption dropped due to competing natural gas consumption, high LPG prices and milder weather, which resulted in a sales volume decrease of 17 kt, though we were still able to increase our market share by 3% to 85%.
In the retail business, gasoline sales increased by 4% and diesel sales grew by 2%, resulting in a 3% growth in retail fuel sales though the growth is in part attributable to weakness in Q1 2000. Gasoline retail market share grew slightly to 43% as a result of the introduction of the Tempo brand and remained at 48% for diesel. Fuel card sales grew by 5% and the number of loyalty cards rose by 12% over the twelve months. By the end of March, 2001, MOL operated 447 filling stations, of which 382 were located in Hungary (a slight fall as a positive result of our rationalisation programme) and 65 in the region. CAPEX spending was significantly lower than in Q1 2000. CAPEX was predominantly focused on ongoing projects, principally the Residue Upgrading Project, which will be completed this year. In the retail division, CAPEX spending was HUF 0.3 bn less than in the previous period though investment will accelerate later in the year.

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

Financial overview

Overview of the environment

The average Brent dated crude oil price was 25.8 USD/bbl in the first three months of 2001, down by 4% compared to an average price of 26.9 USD/bbl in the same period of 2000. In the first three months of 2001 the average Med quoted price of Ural Blend (dominating MOL's crude oil purchases) was 23.7 USD/bbl, decreasing by 9% compared to the first quarter of 2000 (26.1 USD/bbl). At the same time average CIF Med gasoline (grade 95) prices decreased by 3% compared to the first three months of 2000, gasoil prices were up by 3%, naphtha and heavy fuel oil prices decreased by 5% and 14%, respectively. The USD appreciated by an average of 10.8% against the Hungarian Forint (from HUF 259.4 in Q1 2000 to HUF 287.5 in Q1 2001). The USD/HUF exchange rate from the year-end 2000 until 31 March 2001 increased by 6.3% (from 284.7 to 302.8 HUF/USD).

Operations

In the first quarter of 2001, Group net sales revenues were HUF 289 bn, an increase of 12% over Q1 2000. Sales to customers outside Hungary reached HUF 51.6 bn, up by 10%, and represented almost 18% of total sales. The value of raw materials and consumables used increased by 23%. Within this, raw material costs increased by 16%, principally due to the increase in crude oil prices in HUF terms and slightly higher volumes processed. Cost of goods purchased for resale, the major part of which relates to imported natural gas, increased by 34%, reflecting higher import costs. The value of material-type services and the cost of subcontractors fell by 19% as a direct result of cost saving initiatives. Personnel expenses for the first three months were unchanged in Forint terms reflecting our headcount reduction measures. Depreciation went up by only 1% reflecting our stricter capital budgeting discipline.

Financial income in Q1 2001 was HUF 1.7 bn, 25% lower than in the basis period. Dividends received fell as dividend from TVK Rt. in 2000 (HUF 0.9 bn) was presented as financial income while in 2001, due to TVK's status as associated company, MOL's share in profits and dividends is accounted for under the equity method, and presented as income from associates. Other financial income in Q1 2001 includes a gain of HUF 0.6 bn achieved on the disposal of 2.4 m TVK shares. Total financial expenses for the same period amounted to HUF 16.7 bn, of which interest payable was HUF 5.2 bn, up 37% on Q1 2000, while exchange losses on foreign currency loans increased by 25% to HUF 7.9 bn. The foreign exchange loss is partially compensated by an increase in the Forint value of certain assets, but in accordance with IAS this increase is not recorded in the financial statements. Income from associates was HUF 3.6 bn in Q1 2001 of which HUF 2.1 bn relates to Slovnaft a.s. and HUF 1.5 bn to TVK Rt. Of the latter amount HUF 0.8 bn is our share of TVK's Q1 profit, while the balance represents the consolidation effect of the share disposal referred to above. Minority interests increased by HUF 1.1 bn as the profitability of the main contributor, Nitrogénművek Rt went up.

Balance sheet

Total assets amounted to HUF 912.1 bn at the end of March 2001 growing by 23%. Property, plant and equipment increased by 3%. Long-term financial investments increased by 307% reflecting the stake acquired in Slovnaft and the additional stake in TVK Rt. Inventories were 12% higher than at 31 March 2000, driven by a 7% decrease and 53% increase in the value of raw materials and goods for resale, respectively. Trade receivables increased by 15%, other current assets increased by 8%. Trade and other payables grew by 18% mainly as a result of a substantial increase in natural gas import prices. Short-term debt (including long term debt repayable within one year) was HUF 57.5 bn, HUF 44.1 bn higher than at 31 March 2000, and was HUF 1.8 bn higher than at the end-year 2000. Long term debt grew by 80% compared to 31 March 2000 but remained unchanged on 31 December 2000. The increased borrowings were chiefly necessitated by the losses in the regulated gas business. 67% of the long-term debt bore floating interest rates. Foreign currency debt (predominantly US dollar as the company's non-regulated revenues are dollar linked) accounted for 89% of total long-term debt at 31 March 2001.

Cash flow

Operating cash flow was HUF 34.3 bn, representing a decline of 14% on Q1 2000, reflecting the poor performance of the gas business. Operating cash flow before movements in working capital decreased by 74%. The change in working capital needs contributed HUF 21.1 bn to operating cash flow, arising from the positive effect of the fall in inventories and other current assets, HUF 27.0 bn and HUF 7.2 bn respectively during the quarter. This was only partially offset by the HUF 1.3 bn increase in trade receivables and the HUF 11.8 bn decrease in trade and other payables in the quarter. Corporate tax paid amounted to HUF 1.3 bn. Net cash provided by investing activities reached HUF 4.1 bn, reflecting the disposal of a 9.7% shareholding in TVK Rt. and the inflow of sales price of our Egyptian foreign exploration interest. Net financing cash outflows amounted to HUF 21.1 bn, due to repayment of loans and payment of financing costs.

APPENDIX I.

CONSOLIDATED IAS STATEMENT OF OPERATIONS FOR THE MOL GROUP

FOR THE PERIOD ENDED 31 MARCH 2001

Unaudited quarterly figures (in HUF millions)

FY 2000		Q1 2000	Q1 2001	Change %
1,023,342	Net sales	258,984	288,955	12
15,922	Other operating income	5,859	2,481	(58)
1,039,264	**Total operating revenues**	**264,843**	**291,436**	10
415,035	Raw material costs	89,838	104,280	16
47,198	Value of material-type services used	10,338	8,352	(19)
376,396	Cost of goods purchased for resale	101,713	136,466	34
838,629	*Raw material and consumables used*	*201,889*	*249,098*	*23*
63,686	Personnel expenses	15,603	15,596	0
59,677	Depreciation, depletion, amortisation and impairment	14,068	14,209	1
74,109	Other operating expenses	18,963	19,834	5
(18,837)	Change in inventories of finished goods and work in progress	(18,937)	(3,454)	82
(20,003)	Work performed by the enterprise and capitalised	(2,591)	(3,984)	(54)
997,261	**Total operating expenses**	**228,995**	**291,299**	27
42,003	**Operating profit**	**35,848**	**137**	**(100)**
4,527	Interest received	549	717	31
936	Dividends received	1,081	20	(98)
5,591	Exchange gains and other financial income	597	931	56
11,054	*Total financial income*	*2,227*	*1,668*	*(25)*
14,805	Interest on borrowings	3,822	5,246	37
5,921	Interest on provisions	1,550	1,181	(24)
464	Write-off of financial investments	-	62	n.a.
12,243	Exchange losses and other financial expenses	6,355	10,208	61
33,433	*Total financial expense*	*11,727*	*16,697*	*42*
22,379	**Financial expense/(gain), net**	**9,500**	**15,029**	**58**
(3,025)	(Income) /loss from associates	(162)	(3,637)	n.a.
22,649	**Profit/(loss) before tax**	**26,510**	**(11,255)**	n.a.
3,324	Income tax expense/(benefit)	1,468	(401)	n.a.
19,325	**Profit/(loss) after tax**	**25,042**	**(10,854)**	n.a.
915	Minority interests	464	(645)	n.a.
20,240	Net income/(loss)	25,506	(11,499)	n.a.
17,187	**Net income/(loss) before special items**	**24,675**	**(11,499)**	**n.a.**
206	**Basic and diluted earnings per share (HUF)**	**260**	**(118)**	**n.a.**

International Accounting Standard 39, Financial Instruments, came into effect on 1 January 2001 and is therefore applied for the first time in Q1 2001. No adjustment has been made to the prior year financial statements, as retrospective application is prohibited by the standard. The principal effect of the new standard is to require derivative financial instruments to be recorded in the balance sheet at their fair values, changes in fair values being in most instances recorded as financial income or expense as they arise. Application of the new standard in Q1 2001 increased net financial expense by HUF 0.7 bn. In addition a change has been made with effect from 1 January 2001 to the method of presenting exchange gains and losses arising on the settlement of trade receivables and payables. Such gains and losses are now presented on a net basis as either other operating income or other operating expense. Previously exchange differences on receivables were recorded as part of net sales and those on payables as part of the relevant cost item. Comparative figures have been restated to reflect this presentational change.

APPENDIX II.

CONSOLIDATED IAS BALANCE SHEETS FOR THE MOL GROUP
AS AT 31 MARCH 2001
Unaudited quarterly figures (in HUF millions)

31 Dec 2000		31 March 2000	31 March 2001	Change %
	ASSETS			
	Non-current assets			
5,948	Intangible assets	7,725	6,197	(20)
443,076	Property, plant and equipment	425,757	437,471	3
150,643	Investments	35,647	145,157	307
13,171	Deferred tax asset	13,074	14,448	11
1,854	Other non-current assets	3,624	2,107	(42)
614,692	**Total non-current assets**	**485,827**	**605,380**	**25**
	Current assets			
141,436	Inventories	101,304	113,020	12
113,776	Trade receivables, net	100,404	115,093	15
8,875	Marketable securities	8,433	14,621	73
41,459	Other current assets	31,889	34,313	8
12,390	Cash and cash equivalents	16,282	29,701	82
317,936	**Total current assets**	**258,312**	**306,748**	**19**
932,628	**Total assets**	**744,139**	**912,128**	**23**
	LIABILITIES AND SHAREHOLDERS' EQUITY			
	Shareholders' equity			
98,113	Share capital	97,993	97,759	0
261,460	Reserves	260,844	274,935	5
20,240	Net income for the period	25,506	(11,499)	n.a.
379,813	**Total shareholders' equity**	**384,343**	**361,195**	**(6)**
5,672	**Minority interest**	**6,190**	**6,316**	**2**
	Non-current liabilities			
285,647	Long-term debt, net of current portion	158,710	285,431	80
41,009	Provisions for liabilities and charges	39,989	39,632	(1)
500	Other non-current liabilities	2,173	61	(97)
327,156	**Total non-current liabilities**	**200,872**	**325,124**	**62**
	Current liabilities			
154,977	Trade and other payables	128,335	151,528	18
9,262	Provisions for liabilities and charges	10,970	10,427	(5)
7,629	Short-term debt	2,805	3,030	8
48,119	Current portion of long-term debt	10,624	54,508	413
219,987	**Total current liabilities**	**152,734**	**219,493**	**44**
932,628	**Total liabilities and shareholders' equity**	**744,139**	**912,128**	**23**

With effect from 1 January 2001 amounts due from or to associated companies are presented as trade receivables or payables. Previously such balances were recorded as other current assets or liabilities. Comparative figures have been restated to reflect this presentational change.

APPENDIX III.

MOVEMENT IN SHAREHOLDERS' EQUITY FOR THE MOL GROUP
FOR THE PERIOD ENDED 31 MARCH 2001
Unaudited quarterly figures (in HUF millions)

	Share capital	Reserves	Retained profit for the period
Opening balance 1 January 2001	**98,113**	**261,460**	**20,240**
Transfer to reserves of retained profit for the previous year		20,240	(20,240)
Retained profit for the period			(11,499)
Net change in balance of treasury shares held	(354)	(1,381)	
Gains on treasury share transactions			
Effect of first application of IAS 39, Financial Instruments		16	
Dividend for the year 2000		(5,400)	
Closing balance 31 March 2001	**97,759**	**274,935**	**(11,499)**

APPENDIX IV.

CONSOLIDATED IAS STATEMENTS OF CASH FLOWS FOR THE MOL GROUP
FOR THE PERIOD ENDED 31 MARCH 2001
Unaudited quarterly figures (in HUF millions)

FY 2000		Q1 2000	Q1 2001	Change %
49,376	**Net cash provided by operating activities**	**39,862**	**34,298**	**(14)**
(63,906)	Of which changes in working capital	(10,088)	21,138	n.a.
(75,800)	Capital expenditures and exploration costs	(12,216)	(3,775)	(69)
6,464	Proceeds from the disposal of fixed assets	237	3,139	n.a.
(115,201)	Acquisition of other investments	(112)	59	n.a.
8,671	Proceeds from the disposal of investments	453	9,600	n.a.
(29)	Changes in loans and long-term bank deposits	(781)	(217)	(72)
(2,179)	Changes in short term investments	(1,736)	(5,746)	231
5,999	Interest received and other financial income	771	1,031	34
1,459	Dividend received	60	20	(67)
(170,616)	**Net cash provided/(used) in investing activities**	**(13,324)**	**4,111**	**n.a.**
169,500	Issuance of long-term debt	-	-	-
(38,000)	Repayments of long term debt	(16,620)	(1,412)	(92)
5,884	Changes in short-term debt	(7,375)	(5,004)	(32)
(19,149)	Interest paid and other financial costs	(6,326)	(12,940)	(105)
(4,677)	Dividends paid to shareholders	(9)	(6)	(33)
(737)	Dividends paid to minority interest	-	-	-
1,242	Net sale/(repurchase) of treasury shares	507	(1,736)	n.a.
114,063	**Net cash provided/(used) in financing activities**	**(29,823)**	**(21,098)**	**(29)**
(7,177)	**Net increase/(decrease) in cash**	**(3,285)**	**17,311**	**n.a.**
19,567	Cash at the beginning of the period	19,567	12,390	(37)
12,390	Cash at the end of the period	**16,282**	**29,701**	**82**

APPENDIX V.

KEY IAS FINANCIAL DATA BY BUSINESS SEGMENT (in HUF millions)

FY 2000	NET EXTERNAL SALES REVENUES	Q1 2000	Q1 2001	Change%
4,644	Exploration and Production	1,654	2,166	31
235,167	Gas and Power	84,785	106,971	26
752,409	Refining and Marketing	162,345	172,135	6
31,122	Corporate and other	10,200	7,683	(25)
1,023,342	**TOTAL**	**258,984**	**288,955**	**12**

FY 2000	OPERATING PROFIT	Q1 2000	Q1 2001	Change%
95,472	Exploration and Production	21,259	22,470	6
(115,623)	Gas and Power	(4,066)	(35,485)	(773)
84,789	Refining and Marketing	20,881	15,886	(24)
(22,635)	Corporate and other	(2,226)	(2,734)	(23)
42,003	**TOTAL**	**35,848**	**137**	**(100)**

FY 2000	PROPERTY, PLANT, EQUIPMENT AND INTANGIBLES ACQUIRED	Q1 2000	Q1 2001	Change%
13,262	Exploration and Production	6,113	2,072	(66)
16,046	Gas and Power	2,680	549	(80)
45,202	Refining and Marketing	7,057	4,810	(32)
1,907	Corporate and other	116	69	(41)
76,417	**TOTAL**	**15,966**	**7,500**	**(53)**

FY 2000	DEPRECIATION	Q1 2000	Q1 2001	Change%
19,906	Exploration and Production	4,543	3,882	(15)
9,277	Gas and Power	2,105	2,744	30
24,333	Refining and Marketing	6,030	6,332	5
6,161	Corporate and other	1,390	1,251	(10)
59,677	**TOTAL**	**14,068**	**14,209**	**1**

31. 12. 2000	TANGIBLE ASSETS	31. 03. 2000	31. 03. 2001	Change %
87,742	Exploration and Production	90,074	86,231	(4)
108,976	Gas and Power	104,817	112,673	7
220,230	Refining and Marketing	202,563	213,541	5
26,128	Corporate and other	28,303	25,026	(12)
443,076	**TOTAL**	**425,757**	**437,471**	**3**

With effect from 1 January 2001 the operation of gas transportation assets, previously included in the Refining and Marketing segment, has been transferred to Gas and Power. Prior year segmental data have been restated accordingly. Net external sales revenues include only sales to third parties outside the MOL Group; operating profit includes the profit arising both from sales to third parties and transfers to the other business segments. Exploration and Production transfers domestically produced crude oil, condensates and LPG to Refining and Marketing and natural gas to Gas and Power. The internal transfer prices used are based on prevailing market prices. However, in respect of transfers of natural gas, the transfer price is limited to the average regulated wholesale selling price (not taking into account the higher price applicable from November 2000 to non-residential customers consuming over 500 m^3/h), adjusted to exclude storage, transport and inventory holding fees, where this is below the prevailing market price as this was the case in Q1 2000 and in Q1 2001 as well. Divisional figures contain the results of the fully consolidated subsidiaries engaged in the respective divisions. The Nitrogénművek Rt. fertiliser manufacturing business is included under Corporate and other.

APPENDIX VI.

RESTRUCTURING CHARGES AND OTHER SPECIAL ITEMS (in HUF millions)

FY 2000	Impact of special items	Q1 2000	Q1 2001
	Adoption of Successful Efforts method of exploration accounting		
-	Effect on operating profit	-	-
-	Effect on income from associates	-	-
-	**Restructuring items affecting operating profit**	**-**	-
	Other special items affecting operating profit		
4,835	Disposal of Tunisian and Egyptian exploration projects	-	-
3,679	Release of provision for Yugoslavian receivables	879	-
(5,563)	Gas eruption at Pusztaszőlős	-	-
	Other special items affecting financial results		
	Writedowns on investments	-	-
2,951	**TOTAL IMPACT BEFORE TAXATION**	**879**	**-**
102	Tax effect associated with restructuring and other special items	(48)	-
3,053	**TOTAL IMPACT AFTER TAXATION**	**831**	**-**
0	Minority interest	-	-
3,053	**TOTAL IMPACT ON NET INCOME**	**831**	**-**

APPENDIX VII.

KEY OPERATING DATA (Group figures)

FY 2000	HYDROCARBON PRODUCTION (kt, before royalty)	Q1 2000	Q1 2001	Change %
1136	Crude oil production	299	267	(11)
3189	Natural gas production (net dry)	913	867	(5)
279	Condensates production	85	72	(15)
201	LPG from producing fields	56	54	(4)
75	LPG from refining process	20	19	(5)
45	Other gas products	13	14	8

FY 2000	NATURAL GAS BALANCE million m^3	Q1 2000	Q1 2001	Change %
2917	Sales from production	1149	1139	(1)
8711	Sales from import	3577	3378	(6)
11628	**TOTAL SOURCES**	**4726**	**4517**	(4)
8739	Sales to Gas Distribution Companies (GDCs)	4079	3789	(7)
1687	Sales to power sector	313	400	28
1202	Sales to industrial and other consumers	334	328	(2)
11628	**TOTAL THIRD PARTY SALES**	**4726**	**4517**	(4)
483	Loss and own consumption	79	116	47
12111	**TOTAL SALES AND LOSSES**	**4805**	**4633**	(4)
1281	Natural gas transit	670	538	(20)

FY 2000	MOBILE NATURAL GAS INVENTORIES (million m^3)	Q1 2000	Q1 2001	Change %
555.1	From domestic sources	164.2	207.7	27
1 843.3	From import sources	264.9	602.6	128
2398.4	**TOTAL CLOSING INVENTORIES**	**429.1**	**810.3**	89

FY 2000	NATURAL GAS PRICES (HUF/m^3)	Q1 2000	Q1 2001	Change %
33.7	Average import price	24.8	43.9	77
20.5	Average MOL selling price	18.0	23.0	28
20.2	Wholesale price to GDCs	17.8	21.9	23
20.9	Wholesale price to industry/power	18.5	28.3	53

FY 2000	CRUDE OIL PROCESSING (kt)	Q1 2000	Q1 2001	Change %
1090.7	Domestic crude oil	274	226	(18)
5710.4	Imported crude oil	1398	1510	8
273.7	Condensates	83	75	(10)
699.3	Other feedstock	153	159	4
7774.1	**TOTAL REFINERY THROUGHPUT**	1908	1970	3
FY 2000	**REFINED PRODUCT SALES (kt)**	**Q1 2000**	**Q1 2001**	**Change %**
5627.8	Total domestic sales	1263	1354	7
2011.4	Total export sales	479	571	19
7639.2	**TOTAL CRUDE OIL PRODUCT SALES**	1742	1925	11

FY 2000	HEADCOUNT (full-time MOL Group employees)	Q1 2000	Q1 2001	Change %
16557	Total closing headcount	18614	16621	(11)

APPENDIX VIII.

EXTRAORDINARY ANNOUNCEMENTS IN Q1 2001

Announcement date	
9 January 2001	MOL appointed J.P. Morgan as successor depositary bank for GDR programme
11 January 2001	MOL and Accenture announced significant outsourcing agreement for finance and accounting functions in Hungary
22 January 2001	Announcement of the share distribution to employees amounting to half a month's salary
14 February 2001	2000 fourth quarter and full year preliminary results
26 February 2001	Announcement of the order to purchase treasury shares
2 March 2001	Purchase of treasury shares completed
12 March 2001	MOL submitted a bid for the acquisition of a stake in the Gdansk Refinery
21 March 2001	Announcement of the Annual General Meeting
23 March 2001	Zoltán Szemmelveisz appointed managing director of the natural gas business of MOL
28 March 2001	MOL changed its stake in TVK

APPENDIX IX.

SHAREHOLDER STRUCTURE AND TREASURY SHARES

Shareholder groups	30 Sept 1999	31 Dec 1999	30 Sept 2000	31 Dec 2000	31 March 2001
Foreign institutional investors	55.3	50.7	52.1	52.8	54.2
Foreign private investors	0.0	0.0	0.0	0.0	0.0
ÁPV Rt. (Hungarian State Privatisation and Holding Co.)	25.0	25.0	25.0	25.0	25.0
Hungarian institutional investors	2.1	2.2	3.5	4.9	4.5
Hungarian private investors	0.8	0.8	0.9	0.5	0.5
Depositories	13.4	18.5	18.0	16.4	15.1
MOL Rt. (treasury shares)	0.5	0.4	0.3	0.3	0.6
Unregistered shares	2.9	2.4	0.2	0.1	0.1

According to the Share Register, beside ÁPV Rt. only 2 shareholders owned more than 2% of the ordinary share capital of MOL Rt. at 31 March 2001: the depository bank for MOL's GDR programme at that date, J.P. Morgan which had 24.8% of the shares registered and OMV owning 10% of the ordinary shares of MOL. The increase of 342,452 in the number of treasury shares held by MOL from 283,496 to 625,948 is due chiefly to the purchase of 400,000 shares on the Budapest Stock Exchange and the share distribution to employees amounting to half a month's salary.

Relevant changes in the governing bodies of MOL Rt. during the period:
Following the period, at the Annual General Meeting held on 27 April 2001 the shareholders approved the following changes: On the proposal of the APV Rt., the holder of the "B" share, the AGM elected Dr Géza Pap as a member of the Board of Directors for a period ending on the day of the Annual General Meeting approving the 2003 consolidated financial statements. Dr Géza Pap was elected to replace Mr Miklós Andrási who resigned from the Board of Directors.