

MOL Plc. 2001 THIRD QUARTER AND FIRST NINE MONTHS PRELIMINARY RESULTS

PERFORMANCE IN BOTH THE OIL AND GAS BUSINESSES WAS IN LINE WITH OUR EXPECTATIONS

MOL Hungarian Oil and Gas plc. (MOLB.BU, MOLBq.L, MOL HB, MOL LI), today announced its 2001 third quarter and first nine months results. This report contains consolidated financial statements for the period ended 30 September 2001 for MOL Hungarian Oil and Gas Plc. as prepared by management in accordance with International Accounting Standards (IAS).

Financial highlights

MOL Group financial Results (IAS)	Q3 2000		Q3 2001		01/00 ch. %		Q1-3 2000		Q1-3 2001		01/00 ch. %	
	HUF bn	USD m ¹	HUF bn	USD m ¹	HUF	USD	HUF bn	USD m ¹	HUF bn	USD m ¹	HUF	USD
Net sales revenues	248.5	861.1	270.8	956.2	9	11	719.9	2 615.0	811.4	2 814.4	13	8
EBITDA	11.8	40.9	6.7	23.7	(43)	(42)	88.6	321.8	23.3	80.8	(74)	(75)
Operating profit/(loss)	(3.0)	(10.4)	(8.8)	(31.1)	(193)	(199)	46.1	167.5	(20.7)	(71.8)	n.a.	n.a.
Net financial expenses	12.2	42.3	5.7	20.1	(53)	(52)	25.0	90.8	8.5	29.5	(66)	(68)
Net income before special items ⁽²⁾	(8.2)	(28.4)	(9.6)	(33.9)	(17)	(19)	20.8	75.6	(14.3)	(49.6)	n.a.	n.a.
Net income/(loss)	(12.2)	(42.3)	(9.6)	(33.9)	21	20	23.1	83.9	(14.3)	(49.6)	n.a.	n.a.
Operating cash flow	(19.7)	(68.3)	(17.2)	(60.7)	13	11	50.4	183.1	18.0	62.4	(64)	(66)

⁽¹⁾ In converting HUF financial data into US Dollars, the following average NBH middle rates were used: for the third quarter of 2000: 288.6 HUF/USD, for the first nine months of 2000: 275.3 HUF/USD, for the third quarter of 2001: 283.2 HUF/USD and for the first nine months of 2001: 288.3 HUF/USD. ⁽²⁾ Net income before special items (net income adjusted for post-tax effect of special items): see detailed description in Appendix VI.

Third quarter profitability before special items fell slightly as reduced losses in the gas business were offset by lower profits from our core oil business, caused by a return to a more normal market environment after a record breaking year in 2000.

- **Exploration and Production** operating profit in Q1-3 2001 was HUF 52.9 bn driven by a combination of a lower crude oil price, lower hydrocarbon production, higher gas transfer prices and increased exploration expenditure. This represents a 11% decline in profits compared to Q1-3 2000 excluding the HUF 2.9 bn gain recorded on the disposal of our Tunisian exploration project.
- **Refining and Marketing** contributed operating profit of HUF 53.5 bn, reflecting a fall in the refining margin to more usual levels after a record level last year, being compensated by strong sales, healthy marketing margins and strong retail performance. Without the inventory holding effect operating profit grew by 5% in Q1-3 2001.
- **Gas and Power** incurred an operating loss of HUF 111.0 bn in contrast to a HUF 79.2 bn loss in Q1-3 2000 as the rising cost of imported gas was not reflected in the regulated selling price. However in Q3 the loss fell by 25%.
- **Controllable costs** (operating expenses less depreciation, oil and gas purchases and taxes and fees) excluding one-off items increased slightly by 1.5% in real Forint terms. The slight increase is largely a consequence of a delay in the sale of certain non-core businesses and an increase in maintenance costs caused by lower levels of capital expenditure over the past year. Group headcount was reduced by 12 % in line with our strategic targets.
- **Net financial expenses** for the first nine months of 2001 were HUF 8.5 bn compared with HUF 25.0 bn in Q1-3 2000 chiefly as a result of exchange gains arising from the strength of the Forint in the period.
- **Income from associates**, primarily Slovnaft and TVK, contributed HUF 9.1 bn.
- **Operating cash flow** was HUF 18.0 bn, representing a decline of 64%, primarily a result of the gas business losses. Changes in working capital requirements had a negative effect of HUF 37.7 bn on operating cash flow.
- **Capital expenditures** and investments in Q1-Q3 were reduced by 26% to HUF 39.6 bn. Net debt at the end of September 2001 was HUF 330.6 bn, giving a net debt to net debt plus equity ratio of 48%, up from 46% at the year-end 2000.

Mr Zsolt Hernádi, Executive Chairman of MOL commented: "We continue to examine potential expansion opportunities in the region. Notably we were selected for exclusive negotiations with PKN and have been short-listed, with TVK, for the Unipetrol bid. The resolution of the future of the regulated gas business remains our first priority. The data room is open and the sale process is underway. While the indication we gave in the last quarterly report regarding the expected gas loss remains valid, I am pleased to say that we can already see signs that the losses are beginning to abate. I am also pleased to announce that on a current cost accounting basis, our downstream performance has improved"

Mr György Mosonyi, Chief Executive Officer of MOL added:

"In the non-regulated businesses we can report many advances in terms of efficiency, growth and the realisation of our strategic goals. In the upstream sector we have achieved promising preliminary results in both domestic and international exploration projects. In the downstream oil business, marketing margins and sales volumes grew both on the wholesale and retail markets and we are in the process of testing the coker plant, which is expected to make a significant contribution to refining profitability from next year. We continue to focus on the harmonisation of our activities with those of Slovnaft. In Q1-3 Slovnaft achieved USD 7 mn synergies, in line with our plan. As part of our drive to increase efficiency we mothballed our atmospheric distillation capacity at the Tisza refinery, which will lead to an immediate increase in refinery utilisation and a reduction of costs. Furthermore, we reduced our headcount by 12% in line with our strategic target. We also continued our non-core divestment programme through the sale of MOLTELECOM and our interest in Kőolajtároló. These transactions will result in both a reduction in capital employed and future operating costs. "



Segment performance

Exploration & Production <i>Segment IAS results</i>	Q3 2000		Q3 2001		01/00 ch. %		Q1-3 2000		Q1-3 2001		01/00 ch. %	
	HUF bn	USD m	HUF bn	USD m	HUF	USD	HUF bn	USD m	HUF bn	USD m	HUF	USD
EBITDA	25.2	87.3	18.0	63.6	(29)	(27)	75.9	275.7	65.5	227.2	(14)	(18)
Operating profit	20.4	70.7	13.1	46.3	(36)	(35)	62.4	226.7	52.9	183.5	(15)	(19)
Capital exp.and investments ¹	4.4	15.2	6.9	24.4	57	61	14.2	51.6	17.1	59.3	20	15

Primarily as a combined effect of a 7% fall in both the crude oil price and crude production, segment profitability in Q1-3 2001 decreased by 15% to HUF 52.9 bn. Excluding the HUF 2.9 bn gain on the disposal of our Tunisian exploration project, booked last year, operating profit fell by 11%. The fall in crude oil prices was most pronounced in Q3 and the same period saw a higher fall in gas production and increased exploration and maintenance costs.

Exploration expenses at the Syrian and Yemen projects increased in line with the work schedule. However, in Q3 MOL continued the rationalisation of its international exploration portfolio and successfully farmed out part of its interests in its Yemen and Pakistan projects. As a result, in Pakistan MOL will incur no further costs while reserving a 10% working interest, and in Yemen our share of future expenses will be reduced as we maintain a 70% paying interest in the project. Initial exploration results from block 49 of the Yemen project are promising, but further tests are required to determine the existence of economically recoverable reserves.

Domestic exploration expenses increased by HUF 1.1 bn in Q1-3 2001 compared to the same period of the previous year, in line with the increased number of exploration prospects. In the first nine months six new fields were discovered. In Q4 tests will be carried out to evaluate the size of new reserves indicated by recent drilling. Crude oil production fell 7% to 0.8 Mt in the first three quarters of the year as a result of the natural depletion of the fields. In the same period natural gas production fell slightly to 2.2 bcm, as increased low calorific gas production largely compensated for a fall in high calorific gas production.

Refining and Marketing <i>Segment IAS results</i>	Q3 2000		Q3 2001		01/00 ch. %		Q1-3 2000		Q1-3 2001		01/00 ch. %	
	HUF bn	USD m	HUF bn	USD m	HUF	USD	HUF bn	USD m	HUF bn	USD m	HUF	USD
EBITDA	35.7	123.7	24.8	87.6	(31)	(29)	93.9	341.1	72.8	252.5	(22)	(26)
Operating profit	29.2	101.2	18.2	64.3	(37)	(36)	76.1	276.4	53.5	185.6	(30)	(33)
Capital exp.and investments ¹	11.2	38.8	4.9	17.3	(56)	(55)	27.9	101.3	13.1	45.4	(53)	(55)

Operating profit was positively influenced by strong marketing margins and high export sales, which led to an increase in our total sales volume by 3%. However, the weaker refining margins during Q1-3 2001 compared to Q1-3 2000 countered these positive effects. The inventory holding effect in the period was a loss of approximately HUF 7 bn compared with a gain of approximately HUF 18 bn in the first three quarters of 2000. Without the inventory holding effect, operating profit rose by 5%.

Total product sales increased by 3% to 6 Mt in Q1-3 2001, out of which 4.2 Mt was sold on the domestic market. During the same period, export sales grew by 12% mainly to Slovakia and Slovenia exploiting MOL-Slovnaft regional logistic advantages. In the period we successfully focused on achieving an optimal balance between unit margins and market share. While this policy boosted overall profitability, in Hungary it led to a fall in gasoline sales of 2%, despite a 3% increase in market demand and a growth in diesel sales of 4% compared to a 5% growth in market demand. Total domestic motor fuel sales increased by 1.3% compared to 4.5% growth for the market as a whole.

In the retail segment both gasoline and diesel sales grew by 3%. Our retail market share in gasoline grew to 42% and in diesel remained stable at 48%. The contribution of fuel card sales increased by 7% and the number of loyalty cards issued grew by 16%. Shop sales grew by 66% and the ratio of shop sales per litre of fuel sales increased by 56%. At the end of September, we operated 442 filling stations, of which 377 are located in Hungary. Four new MOL-2000 standard filling stations were opened (two green field) and we closed 11 low turnover locations in order to increase network operational efficiency. Due to the lower market demand for LPG, our domestic wholesale volume in Q1-3 2001 dropped by 35 kt compared to the previous year. At the same time our LPG retail market share increased, driven by the increasing number of our bottle and autogas sales points. In Q3 the final element of the Residue Upgrading Project, the delayed coker unit, was successfully commissioned and after test runs it is expected to operate at full capacity from November. The unit will convert significant quantities of heavy fuel oil into more valuable lighter products, particularly diesel and gasoline.

Gas & Power <i>Segment IAS results</i>	Q3 2000		Q3 2001		01/00 ch. %		Q1-3 2000		Q1-3 2001		01/00 ch. %	
	HUF bn	USD m	HUF bn	USD m	HUF	USD	HUF bn	USD m	HUF bn	USD m	HUF	USD
EBITDA	(40.9)	(141.7)	(29.7)	(104.9)	27	26	(72.4)	(263.0)	(102.9)	(356.9)	(42)	(36)
Operating profit/(loss)	(43.3)	(150.0)	(32.6)	(115.1)	25	23	(79.2)	(287.7)	(111.0)	(385.0)	(40)	(34)
Capital exp.and investments ¹	4.0	13.9	1.5	5.3	(63)	(62)	10.0	36.3	2.7	9.3	(73)	(74)

Losses in the gas business grew by 40% y-o-y to HUF 111.0 bn in the Q1-3 period. However, natural gas business losses fell by 25% y-o-y in Q3 to HUF 32.6 bn. The gap between the import price and the average selling price decreased further in Q3 following the tendency established in Q2.

In Q3 1.6 bcm of gas was sold, of which 1.4 bcm was sold directly from import and 0.2 bcm directly from domestic production with minimal gas sold from storage. In the same period, 1.2 bcm of imported gas was injected into the storage facilities, approximately the same amount as in Q3 2000, and the write down to net realisable value reduced the Q3 result by HUF 13.5 bn. The average wholesale price was 32.4 HUF/m³ in Q3 2001, which was 42% higher than in Q3 2000, but the average import price increased by only 2% to 37.8 HUF/m³ in the same period. The average import price in Q3 2001 fell by 10% compared to Q2 2001. Natural gas sales grew by 5% to 1.6 bcm in Q3 as a result of increased sales to the gas distribution companies due to an unseasonably cold September.

Gas transit revenues grew by 29% to HUF 4.4 bn in Q1-3 2001.

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



Financial overview

Overview of the environment

The average Brent dated crude oil price was 26.1 USD/bbl in the first nine months of 2001, down by 7% compared to an average price of 28.1 USD/bbl in the same period of 2000. In Q3 the average Brent dated crude oil price was 25.3 USD/bbl compared to 30.4 USD/bbl in Q3 2000. In the first nine months of 2001, the average CIF Med quoted price of Ural Blend (dominating MOL's crude oil purchases) was 24.4 USD/bbl, decreasing by 7% compared to the first nine months of 2000 (26.2 USD/bbl). At the same time average CIF Med gasoline (grade 95) prices decreased by 11% compared to the first nine months of 2000, gasoil prices were down by 7% and naphtha and heavy fuel oil prices decreased by 10% and 12%, respectively. The US dollar appreciated by an average of 4.7% against the Hungarian Forint (from HUF 275.3 in Q1-3 2000 to HUF 288.3 in Q1-3 2001) but, from the year-end 2000 until 30 September 2001 the USD/HUF exchange rate decreased by 1.2% (from 284.7 to 281.3 HUF/USD).

Operations

In the first nine months of 2001, Group net sales revenues were HUF 811.4 bn, an increase of 13% over Q1-3 2000. Sales to customers outside Hungary reached HUF 189.3 bn, up by 23%, and represented almost 23% of total sales. The value of raw materials and consumables used increased by 23%. Within this, raw material costs increased by 4%, principally due to the higher volumes processed. Cost of goods purchased for resale, the major part of which relates to imported natural gas, increased by 45%, reflecting higher import costs. The value of material-type services and the cost of subcontractors increased by 20% primarily as a result of higher exploration costs. Personnel expenses for the first nine months were unchanged in Forint terms reflecting our headcount reduction measures. The 4% increase in other operating expenses is chiefly due to the ongoing Business Process Re-engineering project, which started towards the end of H1 2000, the costs of which are charged to the Corporate and other segment.

Financial income in Q1-3 2001 was HUF 13.5 bn, 111% higher than in the basis period. Other financial income in Q1-3 2001 includes an exchange gain of HUF 10.0 bn on foreign currency loans corresponding to an exchange loss of HUF 16.6 bn in Q1-3 2000. Total financial expenses for the same period amounted to HUF 22.0 bn, of which interest payable was HUF 15.8 bn, up 58% on Q1-3 2000, while other financial expenses were HUF 2.7 bn. Other financial income in Q1-3 2001 includes a gain of HUF 0.6 bn achieved on the disposal in Q1 of 2.4 m TVK shares. Income from associates was HUF 9.1 bn in Q1-3 2001 of which HUF 6.8 bn relates to Slovnaft a.s., confirming that this acquisition is already accretive for MOL's shareholders. Of the HUF 2.3 bn relating to TVK, HUF 1.6 bn is our share of TVK's Q1-3 profit, while the balance represents the consolidation effect of the share disposal referred to above. A deferred tax asset has been established in respect of the losses for the period, as these losses can be utilised to reduce future tax liabilities, giving rise to a tax benefit for the period. Minority interests increased by HUF 4.1 bn as the profitability of the main contributor, Kőolajtároló Rt improved.

Balance sheet

Total assets amounted to HUF 921.7 bn at the end of September 2001, an increase of 11%. Long-term financial investments increased by 201% reflecting the stake acquired in Slovnaft and the additional stake in TVK Rt. Inventories were 4% higher than at 30 September 2000, driven by a 21% decrease and a 20% increase in the value of raw materials and goods for resale, respectively. Trade receivables decreased by 4% and other current assets decreased by 9%. Short-term debt (including long term debt repayable within one year) was HUF 106.8 bn, HUF 73.7 bn higher than at 30 September 2000, and was HUF 51.1 bn higher than at the end-year 2000. Long term debt grew by 19% compared to 30 September 2000 but fell by 14% compared to 31 December 2000. Further borrowings were chiefly necessitated by the losses in the regulated gas business. The increase in short term debt relates principally to a transaction for the purchase of crude oil on deferred terms, which under IAS is required to be recorded as debt. 70% of the long-term debt bore floating interest rates. In order to reduce the volatility of financial results due to currency movements, MOL began to reweight the currency exposure of its loan portfolio. As at 30 September 2001 54% of the MOL Group's total debt was denominated in Euro, 37% in USD and 9% in HUF.

Cash flow

Operating cash flow was HUF 18.0 bn, representing a decline of 64% on Q1-3 2000, reflecting the losses of the gas business. Operating cash flow before movements in working capital decreased by 51%. The change in working capital decreased the operating cash flow by HUF 37.7 bn. This arises from the HUF 44.2 bn increase in inventories, HUF 7.7 bn decrease in trade payables and HUF 6.5 bn decline in other payables which was only partially offset by the fall in trade receivables and other current assets, of HUF 14.5 bn and HUF 6.2 bn respectively, during the first nine months. Corporate tax paid amounted to HUF 3.5 bn. Net cash used in investing activities was only HUF 16.4 bn compared with HUF 64.7 bn in the first nine months of 2000, reflecting reduced capital expenditure, down from HUF 54.7 bn to HUF 36.2 bn, and the receipt of the sales proceeds in respect of our Egyptian foreign exploration interest. The net cash outflow of HUF 2.0 bn from the acquisition and disposal of investments relates principally to the sale and purchase of shareholdings in TVK Rt. Net financing cash inflows amounted to HUF 0.4 bn, mainly due to the issuance of long term debt.



APPENDIX I.

CONSOLIDATED IAS STATEMENT OF OPERATIONS FOR THE MOL GROUP
FOR THE PERIOD ENDED 30 SEPTEMBER 2001
Unaudited quarterly figures (in HUF millions)

FY 2000		Q3 2000	Q3 2001	Ch. %	Q1-3 2000	Q1-3 2001	Ch. %
1 023 342	Net sales	248 494	270 752	9	719 887	811 408	13
15 922	Other operating income	(115)	2 069	n.a.	9 987	4 574	(54)
1 039 264	Total operating revenues	248 379	272 821	10	729 874	815 982	12
415 035	Raw material costs	117 328	93 843	(20)	289 470	301 865	4
47 198	Value of material-type services used	9 794	13 705	40	29 580	35 480	20
376 396	Cost of goods purchased for resale	78 276	120 998	55	248 335	359 543	45
838 629	<i>Raw material and consumables used</i>	205 398	228 546	11	567 385	696 888	23
63 686	Personnel expenses	13 758	13 724	-	46 288	46 888	1
59 677	Depreciation, depletion, amortisation and impairment	14 794	15 578	5	42 522	44 022	4
74 109	Other operating expenses	21 942	18 218	(17)	54 705	56 930	4
(18 837)	Ch. In inventory of finished goods & work in progress	(579)	7 270	n.a.	(16 101)	1 488	n.a.
(20 003)	Work performed by the enterprise and capitalised	(3 952)	(1 671)	(58)	(10 999)	(9 548)	(13)
997 261	Total operating expenses	251 361	281 665	12	683 800	836 668	22
42 003	Operating profit	(2 982)	(8 844)	(197)	46 074	(20 686)	n.a.
4 527	Interest received	1 187	581	(51)	4 256	2 022	(52)
936	Dividends received	(2)	188	n.a.	932	291	(69)
5 591	Exchange gains and other financial income	142	386	172	1 213	11 196	823
11 054	<i>Total financial income</i>	1 327	1 155	(13)	6 401	13 509	111
14 805	Interest on borrowings	2 662	5 059	90	9 997	15 751	58
5 921	Interest on provisions	1 480	1 150	(22)	4 441	3 475	(22)
464	Write-off of financial investments	1	11	n.a.	5	72	n.a.
12 243	Exchange losses and other financial expenses	9 394	587	(94)	16 948	2 728	(84)
33 433	<i>Total financial expense</i>	13 537	6 807	(50)	31 391	22 026	(30)
22 379	Financial expense/(gain), net	12 210	5 652	(54)	24 990	8 517	(66)
(3 025)	(Income) /loss from associates	(1 068)	(1 808)	69	(1 388)	(9 056)	552
22 649	Profit before tax	(14 124)	(12 688)	10	22 472	(20 147)	n.a.
3 324	Income tax expense/(benefit)	(650)	(3 601)	454	1 311	(8 090)	n.a.
19 325	Profit after tax	(13 474)	(9 087)	33	21 161	(12 057)	n.a.
915	Minority interests	1 238	(516)	n.a.	1 896	(2 230)	n.a.
20 240	Net income	(12 236)	(9 603)	22	23 057	(14 287)	n.a.
17 187	Net income before special items	(8 150)	(9 603)	(18)	20 783	(14 287)	n.a.
206	Basic and diluted earnings per share (HUF)	(125)	(98)	22	235	(146)	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 Q1-3 2001 increased net financial expense by HUF 2.7 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 30 SEPTEMBER 2001
Unaudited quarterly figures (in HUF millions)

31 Dec 2000		30 Sept 2000	30 Sept 2001	Change %
	Assets			
	Non-current assets			
5 948	Intangible assets	7 400	4 356	(41)
443 076	Property, plant and equipment	440 326	424 733	(4)
150 643	Investments	53 049	159 744	201
13 171	Deferred tax asset	14 735	22 918	56
1 854	Other non-current assets	2 885	3 198	11
614 692	Total non-current assets	518 395	614 949	19
	Current assets			
141 436	Inventories	152 077	158 872	4
113 776	Trade receivables, net	103 431	99 283	(4)
8 875	Marketable securities	8 457	6 719	(21)
41 459	Other current assets	30 359	27 597	(9)
12 390	Cash and cash equivalents	14 689	14 308	(3)
317 936	Total current assets	309 013	306 779	(1)
932 628	Total assets	827 408	921 728	11
	Liabilities and shareholders' equity			
	Shareholders' equity			
98 113	Share capital	98 094	97 802	-
261 460	Reserves	261 334	274 579	5
20 240	Net income for the period	23 057	(14 287)	n.a.
379 813	Total shareholders' equity	382 485	358 094	(6)
5 672	Minority interest	4 779	6 725	41
	Non-current liabilities			
285 647	Long-term debt, net of current portion	205 748	244 822	19
41 009	Provisions for liabilities and charges	42 906	39 631	(8)
500	Other non-current liabilities	917	4 062	343
327 156	Total non-current liabilities	249 571	288 515	16
	Current liabilities			
154 977	Trade and other payables	150 770	151 365	-
9 262	Provisions for liabilities and charges	6 633	10 198	54
7 629	Short-term debt	11 226	40 555	261
48 119	Current portion of long-term debt	21 944	66 276	202
219 987	Total current liabilities	190 573	268 394	41
932 628	Total liabilities and shareholders' equity	827 408	921 728	11

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 30 SEPTEMBER 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	-	-	(14 287)
Net change in balance of treasury shares held	(311)	(1 171)	-
Effect of first application of IAS 39, Financial Instruments	-	(550)	-
Dividend for the year 2000	-	(5 400)	-
Closing balance 30 September 2001	97 802	274 579	(14 287)

APPENDIX IV.

**CONSOLIDATED IAS STATEMENTS OF CASH FLOWS FOR THE MOL GROUP
FOR THE PERIOD ENDED 30 SEPTEMBER 2001**
Unaudited quarterly figures (in HUF millions)

FY 2000	Q3 2000	Q3 2001	Ch. %	Q1-3 2000	Q1-3 2001	Ch. %
49 376	(19 697)	(17 179)	13	50 428	17 966	(64)
(63 906) Net cash provided by operating activities	(59 827)	(40 247)	33	(63 158)	(37 735)	40
(75 800) Of which changes in working capital	(23 881)	(17 413)	(27)	(54 725)	(36 248)	(34)
6 464 Capital expenditures and exploration costs	1 942	1 095	(44)	2 052	9 628	369
(115 201) Proceeds from the disposal of fixed assets	(18 204)	101	n.a.	(17 136)	(12 188)	(29)
8 671 Acquisition of other investments	433	413	(5)	886	10 153	1 046
(29) Proceeds from the disposal of investments	15	(1 337)	n.a.	(182)	(1 303)	616
(2 179) Changes in loans and long-term bank deposits	5 336	(632)	n.a.	(1 761)	2 156	n.a.
5 999 Changes in short term investments	1 689	5 553	229	4 466	8 218	84
1 459 Interest received and other financial income	1 040	2 621	152	1 722	3 169	84
Dividend received						
(170 616)	(31 630)	(9 599)	(70)	(64 678)	(16 415)	(75)
169 500 Net cash used in investing activities	41 306	101 290	145	54 628	101 462	86
(36 123) Issuance of long-term debt	(8 580)	(98 460)	n.a.	(35 762)	(117 372)	228
(1 877) Repayments of long term debt	1 456	666	(54)	-	4 603	n.a.
5 884 Changes in other long term liabilities	16 441	20 242	23	9 481	33 119	249
- Changes in short-term debt	-	2 094	n.a.	-	8 897	n.a.
(19 149) Changes in other short term liabilities	(2 346)	(4 789)	104	(14 603)	(22 322)	53
(4 677) Interest paid and other financial costs	(55)	(190)	245	(4 677)	(5 394)	15
(737) Dividends paid to shareholders	(64)	(208)	225	(793)	(1 146)	45
1 242 Dividends paid to minority interest	3	27	800	1 098	(1 480)	n.a.
Net sale/(repurchase) of treasury shares						
114 063	48 161	20 672	(57)	9 372	367	(96)
(7 177) Net cash provided/(used) in financing activities	(3 166)	(6 106)	93	(4 878)	1 918	n.a.
19 567 Net increase/(decrease) in cash	17 855	20 414	14	19 567	12 390	(37)
12 390	14 689	14 308	(3)	14 689	14 308	(3)
Cash at the beginning of the period						
Cash at the end of the period						



APPENDIX V.

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

FY 2000	NET EXTERNAL SALES REVENUES	Q3 2000	Q3 2001	Ch. %	Q1-3 2000	Q1-3 2001	Ch. %
4 644	Exploration and Production	1 073	969	(10)	3 164	4 687	48
752 409	Refining and Marketing	208 758	214 714	3	542 783	577 769	6
235 167	Gas and Power	33 603	51 245	53	152 366	206 039	35
31 122	Corporate and other	5 060	3 824	(24)	21 574	22 913	6
1 023 342	TOTAL	248 494	270 752	9	719 887	811 408	13

FY 2000	OPERATING PROFIT	Q3 2000	Q3 2001	Ch. %	Q1-3 2000	Q1-3 2001	Ch. %
95 472	Exploration and Production	20 402	13 084	(36)	62 440	52 855	(15)
84 789	Refining and Marketing	29 155	18 242	(37)	76 120	53 453	(30)
(115 623)	Gas and Power	(43 328)	(32 595)	25	(79 172)	(111 044)	(40)
(22 635)	Corporate and other	(9 211)	(7 575)	18	(13 314)	(15 950)	(20)
42 003	TOTAL	(2 982)	(8 844)	(197)	46 074	(20 686)	n.a

FY 2000	PROPERTY, PLANT, EQUIPMENT AND INTANGIBLES ACQUIRED	Q3 2000	Q3 2001	Ch. %	Q1-3 2000	Q1-3 2001	Ch. %
13 262	Exploration and Production	4 362	2 241	(49)	10 569	6 463	(39)
45 202	Refining and Marketing	15 414	5 349	(65)	34 522	13 485	(61)
16 046	Gas and Power	4 664	1 534	(67)	10 702	2 726	(75)
1 907	Corporate and other	1 733	2 668	54	2 918	3 086	6
76 417	TOTAL	26 173	11 792	(55)	58 711	25 760	(56)

FY 2000	DEPRECIATION	Q3 2000	Q3 2001	Ch. %	Q1-3 2000	Q1-3 2001	Ch. %
19 906	Exploration and Production	4 753	4 896	3	13 452	12 612	(6)
24 333	Refining and Marketing	6 584	6 522	(1)	17 769	19 355	9
9 277	Gas and Power	2 462	2 892	17	6 732	8 189	22
6 161	Corporate and other	995	1 268	27	4 569	3 866	(15)
59 677	TOTAL	14 794	15 578	5	42 522	44 022	4

31/12/2000	TANGIBLE ASSETS	30/09/2000	30/09/2001	Ch. %
87 742	Exploration and Production	87 457	81 976	(6)
220 230	Refining and Marketing	216 067	213 537	(1)
108 976	Gas and Power	108 629	104 563	(4)
26 128	Corporate and other	28 173	24 657	(12)
443 076	TOTAL	440 326	424 733	(4)

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 m³/h), adjusted to exclude storage, transport and inventory holding fees, where this is below the prevailing market price as this was the case in Q3 2000 and in Q3 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.

SPECIAL ITEMS (in HUF millions)

FY 2000	Impact of special items	Q3 2000	Q3 2001	Ch. %	Q1-3 2000	Q1-3 2001	Ch. %
4 835	Disposal of Tunisian exploration project	(2 010)	-	-	2 863	-	-
3 679	Release of provision for Yugoslavian receivables	1 365	-	-	2 937	-	-
(5 563)	Gas eruption at Pusztaszőlös	(3 559)	-	-	(3 559)	-	-
2 951	TOTAL IMPACT BEFORE TAXATION	(4 204)	-	-	2 241	-	-
102	Tax effect associated with Special Items	118	-	-	33	-	-
3 053	TOTAL IMPACT AFTER TAXATION	(4 086)	-	-	2 274	-	-
3 053	TOTAL IMPACT ON NET INCOME	(4 086)	-	-	2 274	-	-



APPENDIX VII.

KEY OPERATING DATA (Group figures)

FY 2000	HYDROCARBON PRODUCTION Kt (gross figures before royalty)	Q3 2000	Q3 2001	Change %	Q1-3 2000	Q1-3 2001	Change %
1 136	Crude oil production	277	270	(3)	850	793	(7)
3 189	Natural gas production (net dry)	663	623	(6)	2 283	2 243	(2)
279	Condensates production	53	57	(8)	204	191	(6)
201	LPG from producing fields	51	38	(26)	143	141	(1)
75	LPG from refining process	18	19	6	51	57	12
45	Other gas products	10	5	(50)	31	28	(10)

FY 2000	NATURAL GAS BALANCE Million m ³	Q3 2000	Q3 2001	Change %	Q1-3 2000	Q1-3 2001	Change %
2 917	Sales from production	381	200	(48)	1 949	1 779	(9)
8 711	Sales from import	1 148	1 405	22	6 039	6 366	5
11 628	TOTAL SOURCES	1 529	1 605	5	7 988	8 145	2
8 739	Sales to Gas Distribution Companies (GDCs)	791	903	14	5 911	6 012	2
1 687	Sales to power sector	499	475	(5)	1 241	1 302	5
1 202	Sales to industrial and other consumers	239	227	(5)	836	831	(1)
11 628	TOTAL THIRD PARTY SALES	1 529	1 605	5	7 988	8 145	2
483	Loss and own consumption	201	126	(37)	362	364	1
12 111	TOTAL SALES AND LOSSES	1 730	1 731	-	8 350	8 509	2
1 281	Natural gas transit	47	223	374	986	1 030	5

FY 2000	MOBILE NATURAL GAS INVENTORIES Million m ³	30 Sept 2000	30 Sept 2001	Change %
555.1	From domestic sources	648.0	775.0	20
1 843.3	From import sources	2 395.5	2 625.3	10
2 398.4	TOTAL CLOSING INVENTORIES	3 043.5	3 400.3	12

FY 2000	NATURAL GAS PRICES HUF/m ³	Q3 2000	Q3 2001	Change %	Q1-3 2000	Q1-3 2001	Change %
33.7	Average import price	37.1	37.8	2	31.5	40.8	30
20.5	Average MOL selling price	22.8	32.4	42	19.2	25.8	34
20.2	Wholesale price to GDCs	24.9	32.2	29	19.2	24.4	27
20.9	Wholesale price to industry/power	19.8	32.6	65	18.9	29.7	57

FY 2000	CRUDE OIL PROCESSING Kt	Q3 2000	Q3 2001	Change %	Q1-3 2000	Q1-3 2001	Change %
1 090.7	Domestic crude oil	261	255	(2)	810	745	(8)
5 710.4	Imported crude oil	1 633	1 423	(13)	4 228	4 396	4
273.7	Condensates	43	55	28	197	190	(4)
699.3	Other feedstock	150	190	27	408	491	20
7 774.1	TOTAL REFINERY THROUGHPUT	2 087	1 923	(8)	5 643	5 822	3

FY 2000	REFINED PRODUCT SALES Kt	Q3 2000	Q3 2001	Change %	Q1-3 2000	Q1-3 2001	Change %
5 627.8	Total domestic sales	1 542	1 460	(5)	4 209	4 199	(0)
2 011.4	Total export sales	583	633	9	1 566	1 757	12
7 639.2	TOTAL CRUDE OIL PRODUCT SALES	2 125	2 093	(2)	5 775	5 956	3

FY 2000	HEADCOUNT Full-time MOL Group employees	30 Sept 2000	30 Sept 2001	Change %
16 557	Total closing headcount	17 703	15 537	(12)



APPENDIX VIII.

EXTRAORDINARY ANNOUNCEMENTS IN Q3 2001

Announcement date	
16 July	MOL declared the public bid for TVK ordinary shares successful
14 August	Announcement of the second quarter and first half 2001 results
14 August	MOL submitted a proposal for a series of transactions with Nafta Polska and PKN Orlen
29 August	MOL's lender banks support MOL's strategy
11 September	Announcement of the sale of the telecommunication unit to Pantel and the ownership position in TVK
27 September	The supreme court rejects MOL's appeal against the first instance court decision on MOL's claim for gas damages

APPENDIX IX.

SHAREHOLDER STRUCTURE (%) AND TREASURY SHARES

Shareholder groups	31 Dec 1999	30 Sept 2000	31 Dec 2000	30 Sept 2001
Foreign institutional investors	50.7	52.1	43.5	44.8
OMV	0.0	0.0	9.3	10.0
Foreign private investors	0.0	0.0	0.0	0.0
ÁPV Rt. (Hungarian State Privatisation and Holding Co.)	25.0	25.0	25.0	25.0
Hungarian institutional investors	2.2	3.5	4.9	4.8
Hungarian private investors	0.8	0.9	0.5	0.5
Depositories	18.5	18.0	16.4	14.2
MOL Rt. (treasury shares)	0.4	0.3	0.3	0.6
Unregistered shares	2.4	0.2	0.1	0.1

According to the Share Register, besides the ÁPV Rt. only 2 shareholders owned more than 2% of the ordinary share capital of MOL Rt. at 30 September 2001: the depository bank for MOL's GDR programme at that date, J.P. Morgan which had 22.3% of the shares registered and OMV owning 10% of the ordinary shares of MOL. The decrease of 796 in the number of treasury shares held by MOL from 584,407 to 583,611 is due chiefly to the sale of 245 shares to MOL Invest and a distribution of shares to certain employees. Please note that in Hungary, the Share Register does not fully reflect the ownership structure, as registration is not mandatory.

Relevant changes in the governing bodies of MOL Rt. during the period:

There was no relevant change in the governing bodies in the third quarter.