

REPORT OF THE SUPERVISORY BOARD

REPORT OF THE SUPERVISORY BOARD ON THE 2014 FINANCIAL STATEMENTS AND ON THE PROPOSAL FOR THE DISTRIBUTION OF PROFIT AFTER TAXATION AND ITS OPINION ON THE BOARD OF DIRECTORS' PROPOSALS TO BE SUBMITTED TO THE GENERAL MEETING



György Mosonyi
Chairman of the Supervisory Board



Dr. Attila Chikán
Chairman of the Audit Committee

The Supervisory Board and the Audit Committee performed their duties in full accordance with their statutory obligations; five meetings were held jointly during the year to review various agenda points in common. Regular agenda points of these meetings included quarterly reports of the Board of Directors on Company operations as well as reports by Internal Audit, Corporate Compliance Office and the Audit Committee itself. In addition, the Supervisory Board reviewed proposals for the Annual General Meeting. The report of the Supervisory Board was prepared pursuant to the report of the Board of Directors, the opinions of the auditors, scheduled regular mid-year reviews and the work of the Audit Committee. At its meetings during 2014, the Supervisory Board dealt in detail with MOL Group's business situation and the strategic development of the Group and its Divisions. The Supervisory Board regularly received information on the decisions of the Board of Directors and issues concerning the Company.

MOL, with its close to USD 5 billion market capitalisation at end of 2014, is one of the leading integrated company in the CEE region.

The Company's 2014 financial statements - in accordance with Accounting Law - provide a true and fair picture of its economic activities and were audited by Ernst & Young Kft. The accounting methods applied in developing these financial reports are supported by the report of the Audit Committee, comply with the provisions of the Accounting Act and are consistent with the accounting policies of the Company. All figures in the balance sheet are supported by analytical registration. Assessment and payment of tax obligations were implemented as prescribed by law.

A total of 126 companies were fully, and a further 11 companies partially, consolidated in MOL Group, using the equity method. Last year, the ownership structure changed to a limited extent: at the end of 2014, compared to the end of the prior year, the shareholding of foreign institutional investors decreased slightly, the ownership of domestic institutional investors increased from 2.8% to 5.6%, while

the shareholding of private investors remain broadly unchanged. According to requests for the registration of shares received and published shareholder notifications, the Company had six shareholders or shareholder groups that held more than 5% voting rights on 31 December 2014. MOL's largest shareholder is the Hungarian State which holds 24.7% of MOL shares. The Company held 2.7% treasury shares at the end of December 2014, 0.3% higher than a year before.

Despite a challenging external environment, MOL Group delivered a firm performance in 2014 and reported a HUF 511bn Clean CCS EBITDA. Despite the falling oil price in the second half of the year, this is just a marginally lower figure (one percent) compared to 2013. Additionally, MOL grew its capital expenditures, while keeping gearing and indebtedness at relatively low levels. These excellent results are the reflection of the the strength and resilience of the integrated business model, having managed to strike the right balance between Upstream and Downstream.

The Upstream division financial results decreased considerably compared to 2013, however, results are satisfactory in light of the drastic decrease in oil prices during the second half of 2014. Despite the lower financial performance, there were several key positive milestones achieved during the year which bode well for the future growth of MOL. These included a) gradual increase of production since the middle of 2014, b) over 100% organic reserves replacement ratio due to sizeable reserves booking in international projects, and c) further optimization of the international E&P portfolio in line with the company's strategy and entering into the North Sea region.

As for Downstream, it delivered very strong financial and operational performance. Full year Clean CCS EBITDA improved by over 30% compared to 2013 and MOL reported its best quarterly results in the last ten years during the second half of 2014. The improvement was attributed to a more favourable external environment, but was also driven by the implementation of internal efficiency measures.

The New Downstream Program was successfully closed in 2014 in line with expectations. Despite these great results, MOL has launched the Next Downstream Program, which will target additional USD 500 m improvement for the period of 2015-17 through a combination of additional efficiency measures and growth projects.

Overall in 2014 MOL managed to maintain its strong financial position due to its resilient integrated business model. Looking forward, despite all the difficulties faced by the current external environment, MOL remains committed to maintain its strong cashflow generating ability and balance sheet position. This continues to leave room for possible inorganic steps targeting attractive growth opportunities as MOL seeks to renew its asset base in Upstream and further strengthen its Downstream position across the CEE region.

Although the combination of a low oil price, an uncertain geopolitical scene and a tightening regulatory environment pose considerable challenges, we are confident that in line with the Company's objectives and expectations, MOL can successfully face all the challenges underpinned by the solid foundations laid down over the years.

The Supervisory Board proposes that the General Meeting approve the audited financial statements of MOL Plc. for 2014, with a balance-

sheet total of HUF 3,189 billion, net income of minus HUF 121 billion and tied-up reserve of HUF 8 billion and the audited consolidated financial statements of MOL Group for 2014, with a balance sheet total of HUF 4,650 billion and profit attributable to equity holders of HUF 4 billion.

The Supervisory Board endorses the recommendation of the Board of Directors to pay out HUF 50 billion dividend in 2015 based on the year ended 31 December 2014. The proposed amount represents the continuation of the last years' gradually increasing payout trend of the regular dividend payment.

The Supervisory Board has reviewed and surveyed all proposals of the Board of Directors to be submitted to the General Meeting and recommends to the General Meeting to approve those proposals. The Audit Committee provided assistance to the Supervisory Board in supervising the financial report regime and the 2014 financial statements and supported the report of the Supervisory Board.

Budapest, 24 March 2015

For and on behalf of the Supervisory Board and Audit Committee of MOL Plc.:

György Mosonyi
Chairman of the Supervisory Board

Dr. Attila Chikán
Chairman of the Audit Committee