

Budapest, 8th September 2015

Operational Update on Akri-Bijeel Block

- **In light of recent well test results, the geological potential of the Akri-Bijeel Block has been significantly reduced**
- **MOL Group has minimized investments in the Akri-Bijeel Block, in line with responsible operatorship**
- **MOL Group remains committed to maximize the value of its investments in the Kurdistan Region of Iraq and will continuously evaluate options for further growth in the region**

MOL Plc. hereby informs the capital market participants about the developments of the Akri-Bijeel Block, located in Kurdistan Region of Iraq and operated by Kalegran B.V. (100% subsidiary of MOL).

Results of the recent well tests

Kalegran is nearing completion of Phase I of the Field Development Plan (FDP) in the Akri-Bijeel Block. As previously announced in the Q4 2014 Financial Report of MOL Group, results of Bijell-4, Bijell-6 appraisal wells on the Bijell area did not encounter movable hydrocarbons.

Additionally, the latest delineation wells in the Bijell and Bakrman areas of the Block have further confirmed greater geological complexity. In Bijell-2, which was designed to test Triassic upside, non-commercial quantities of hydrocarbons were encountered in the well. Bijell-10 well has encountered the main Jurassic reservoir, although indicating a reduced Gross Rock Volume (GRV). The Bakrman-2 side-track successfully appraised the Triassic discovery however, high concentration of hydrogen sulphide (H₂S) was encountered, which led to the suspension of the well.

In light of the aforementioned developments, the geological model of the block has been updated. To provide further assurance of the technical evaluation of Phase 1 of the FDP MOL Group has commissioned a Competent Person's Report (CPR)

Downward revision of geological potential

Preliminary results of the CPR, prepared by Gaffney, Cline & Associates are fully in line with MOL Group's updated internal estimations regarding the block's geological potential. In light of the geological challenges a significant downward adjustment was necessary regarding the GRV, Stock Tank Oil Initial-in Place (STOIIP) and Recoverable Resource volume estimates of the Akri-Bijeel Block.

According to the CPR the current best estimate for STOIIP concerning the Bijell area Jurassic is 73 MMbbl with a Contingent resource estimate of around 4 MMbbl based on the current development plans. The STOIIP figure of the Bakrman area amounts to 44 MMbbl, albeit with a high hydrogen sulfide content, which makes development of the field uneconomical (all figures 100% gross). Therefore MOL considers 4 MMbbl as the current Recoverable Resource Potential (RRP) for the Block.

Implications to the future work program

Besides the complex geology, existing uncertainties around the regular payment cycles for export sales also work against attractive project economics. Therefore MOL Group, as a responsible operator through its wholly owned subsidiary Kalegran, is minimizing investments in the Akri-Bijeel Block.

The expected investment level for the remainder of 2015 related to the Akri-Bijell block is below USD 10mn. MOL maintains the group level USD 1.3bn annual CAPEX target. In addition MOL Group has also embarked upon a comprehensive efficiency improvement program on its Kurdistan operation with the purpose of optimizing G&A costs.

Despite the revised geological potential, MOL Group intends to maintain the operated Akri-Bijeel license and optimize production from Bijell-1B well, which is expected to remain around 2,200 boepd in 2015. In case of higher level and regular repayments, consideration will be made to tie in of other Bijell well (Bijell-2).

A new commercial arrangement for domestic oil sales was concluded on the 1st July to ensure revenue stream for ongoing production.

MOL Group expects the final results from the CPR process by mid-September, which will serve as a basis for the streamlined future work program of the Akri-Bijeel Block. The completion of the CPR is expected to trigger a write-down of past Akri-Bijeel investments in the Q3 2015 Financial Report. The total current book value of Akri-Bijeel investments in MOL Group's IFRS balance sheet amounts to USD 440mn.

MOL Group remains committed to maximize the value of its investments in the Kurdistan Region of Iraq, among others in the Shaikan Block, and will continuously evaluate options for further growth in the region.

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