



EQUILOR INVESTMENT LTD.
ANNUAL REPORT

2008

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COMPREHENSIVE INVESTMENT BANKING SERVICES

As a founding member of the Budapest Stock Exchange, Equilor Investment Ltd. has been serving its retail and institutional customers with its comprehensive, client-oriented and customised investment and private banking services since 1990. Building on our employees' domestic and international experience accumulated over several decades, our aim is to increase our clients' savings as efficiently as possible, making use of the best investment instruments available. In addition, with our financial advising services we strive to promote successful business decisions while taking into account even the most unique requirements. Equilor is a founding member of the Budapest Stock Exchange and the Investor Protection Fund and an associate member of the Hungarian Venture Capital Association.

Equilor's aim is to provide its customers with integrated financial and investment services ranging from FX and securities trading through asset management and corporate financial advisory services.

Since its foundation, Equilor has been committed to prudent and professional operation so that in addition to professional experience, personal attributes also play an important role in the selection of new staff or cooperating partners. We believe that in addition to commitment and diligence, empathy and creativity are also necessary for long-term success in this complex and challenging market.

Equilor is managed by people who, through their shares, have control over nearly a third of the company and in addition to operative management, also participate in the making of strategic decisions. The rest of Equilor's owners are domestic and foreign financial investors who do not participate in the daily operation of the company. Equilor does not have any foreign or domestic financial service provider owners which ensures independence for us and enables us to always offer the best solutions to our customers through our investment advice. Independence is both a value and a responsibility. We know that we have to tackle alone the risks inherent in the constant changes to the market and this is what defines our daily operation, customer service and product development.

Equilor's more than 45 highly qualified staff members and investment professionals work hard day in and day out to provide our clients with high quality and continually developing services. Our activities are characterised by outstanding individual performance and balanced teamwork where harmony ensures that everyone can utilise their abilities to the maximum.

András Gereben

Éva Németh

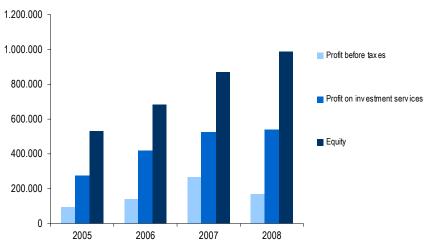
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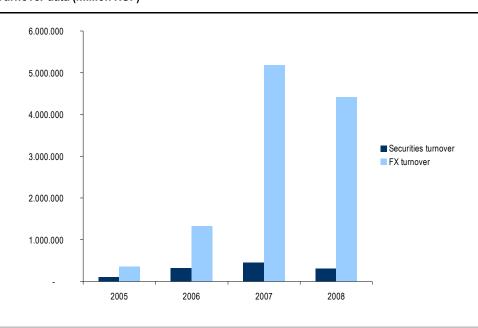
Main financial data (thousand HUF)

	2005	2006	2007	2008
Balance sheet total	3,233,187	2,412,447	6,610,711	3,683,299
Equity	529,668	682,203	871,230	985,408
Subscribed capital	500,000	500,000	500,000	500,000
Profit on investment services	275,063	418,014	526,777	538,111
Profit before taxes	91,800	138,530	262,927	165,129
Total securities turnover (million HUF)	104,624	319,649	458,520	302,393
Total foreign exchange turnover (million HUF)	361,131	1,320,248	5,175,040	4,410,658
Number of employees at the end of the year	21	29	35	45
Return on equity	24%	26%	39%	17%

Profit data (million HUF)



Turnover data (million HUF)



2008 - CHALLENGES ON THE MONEY AND CAPITAL MARKETS

Although its omens were visible as far back as 2007, we can now surely declare that in 2008 the world economy experienced one of its greatest shocks of the past century. Generally we can say that through their inappropriate interpretation of international events, the Hungarian economic and political elite underestimated the crisis that was unfolding in the world. Initially, the crisis mainly manifested itself in the loss of property value which was due to the evaporation of trust, the slowdown of the lending activity of banks, inflation, a decline in consumption, and a plummeting securities market.

At the beginning of March, the financial sector was shocked by the collapse of Bear Stearns, the fifth largest American investment bank. The reason for the bank's failure was the depreciation of its complicated, mortgage-based structured products as a result of which it in effect lost its equity and consequently, the credit lines of partner institutions were terminated which naturally resulted in shareholders rallying in throngs to withdraw their money. Subsequent to the temporary calming down of the markets, Freddie Mac and Fannie Mae, the two largest American mortgage lenders in possession of state guarantees filed for bankruptcy after disclosure of the fact that they were struggling with a significant shortage of capital.

In the interest of maintaining trust in the financial system, the US government saved the two companies: it became a majority shareholder in both and offered a state guarantee for the securities issued by them. In effect, the two companies were nationalised.

On September 15, 2008, one of the largest and most illustrious US investment banks, Lehman Brothers filed for bankruptcy. This time, however, investors waited for the state's bailout in vain. As a result of these shocking events, a liquidity shortage of hundreds of billions of dollars in the interbank market occurred and lending was frozen. A general trust and liquidity crisis evolved the consequences of which are felt to this day.

The domino effect set in: the collapse of Merrill Lynch could only be avoided by the purchase offer from Bank of America and later, AIG, the world's largest insurer also got caught up in a liquidity crisis which the US government could only stabilise with a large loan from the Fed and its quasi-nationalisation. It was followed by the bankruptcy of Washington Mutual, the largest American savings bank. Later, Citigroup received a capital injection and guarantees from the government and, in addition to this, the US government increased capital in several large banks through preferred stock.

Several significant financial institutions all over the world lost their equity and are being kept alive only by their hope in the future and state guarantees. The institutions which received extra funding (i.e., aid) from the state because of their loss of capital include Royal Bank of Scotland, Bradford and Bingley, Dexia, Fortis, ING, BNP Paribas, Unicredit and KBC.

Based on the experiences of previous crises and their treatment, it is now evident that despite the scope and depth of the problems, reactions to the crisis across the world are quicker and different than before. This may give rise to the hope that instead of the global collapse envisioned by certain analysts, after a volatile period we will see the signs of stabilisation on an international level at the end of 2009.



NOTHING WILL BE LIKE BEFORE

In October 2008, after a short FX crisis, the banking system of Iceland collapsed. As a result, investors began to flee from the money markets of countries that were deemed similarly risky. Due to the indebtedness of the state and the population, the high level of state debts and the low level of household savings, the panic affected Hungary more acutely than the majority of its neighbours. The excessive borrowing and spending of both the state and the population, the high ratio of state redistribution relative to the "health" of the economy, and the irresponsible economic policies pursued for several years created a situation in which Hungary was frequently mentioned in the international press as the next possible victim of the crisis after the collapse of the government of Iceland.

The country's sources of external funding had been ensured due to the abundance of credit available in recent years. Foreign lenders and the buyers of government securities ensured the funds without a real assessment of the risks. The negative mood that set in due to the international crisis decreased the prices of domestic securities and weakened the forint significantly along with the foreign and stock exchanges of other Central and Eastern European countries.

Although many saw it as such, we cannot talk about the attack of speculators, it mainly loomed as a threat for Hungary due to the liquidity and openness of our financial markets. In October, foreign investors withdrew nearly HUF 1,400 billion from Hungarian assets which mainly affected government securities. As a result, for several days which seemed more like years, Hungarian government securities could not be traded at a realistic exchange rate and the Government Debt Management Agency Private Company Limited by Shares had to suspend long-term government securities auctions.

Hungary's external debts, together with the debt portfolio of the banking and corporate sector, approach the magnitude of Hungarian GDP. Due to the temporary freezing of lending channels and in light of the imminent danger of national bankruptcy, the Minister of Finance announced the availability of a stand-by credit facility of EUR 20 billion offered by the International Monetary Fund, the European Union and the World Bank. With this facility it became possible, even if temporarily, to restore trust in the country and gain time for the fiscal and monetary management of internal problems. Parallel to the possibility of drawing loans, the central bank tried to make money market investments in Hungary more appealing by increasing base rates by 300 basis points and at the same time making it more difficult for speculators to attack the Hungarian forint.

The Hungarian effects of the international economic crisis are not only the consequences of foreign processes and we are not mere victims of events seemingly beyond our control, but due to our short-term thinking and the unresolved structural problems that have obviously existed since the system change (pension system, healthcare, state budgetary management), we ourselves are responsible for the situation that evolved. A positive effect of the crisis may be the inevitable self-assessment and the opportunity that having learnt from the mistakes made and the opportunities lost by individuals and the community, we may be able to lay down the foundations of sustainable and balanced economic growth. Due to the economic situation of the country, it is necessary to evaluate forecasts cautiously. Therefore, at this stage, we are not going to go into forecasts of anything in respect of 2009. However, it is certain that 2009 and 2010 may well be a watershed in the life of investment firms where only the strengthening of the capital situation, the improvement of service quality and the maintenance of clients' trust can ensure the basis for successful operation in the long term.



STABILITY EVEN AMONG CHANGING CONDITIONS

In 2008, indices were halved and the price of the securities that were definitive in terms of turnover decreased by almost three quarters, managed assets suffered significant impairment and corporate finance transactions came to a practical standstill in the second half of the year. Despite this fact, Equilor's performance for 2008 shows a balanced picture. Our equity increased from HUF 871 million to HUF 985 million, and the result of the investment services amounted to HUF 538 million as opposed to the HUF 527 million achieved in 2007 which after the deduction of costs and expenses resulted in a pre-tax profit of HUF 165 million. The latter shows a decrease compared to the previous year but considering our return on equity, it still means a value above 17%. We consider it a significant result that compared to HUF 45 billion at the end of 2007, the value of the assets entrusted to us by our clients exceeded HUF 50 billion at the end of 2008.

CONTINUOUS DEVELOPMENT

In 2008, in line with our earlier strategy, we put emphasis on the trading of international securities and the development of online services within the framework of which we increased the number of investment professionals specialised in foreign markets and also implemented significant developments of our Equilor Direct online system.

Through Equilor Direct, in addition to simple summary statements, our customers can view all statements, confirmations and official documents in their own mailboxes and can also initiate transfers and other transactions online. In addition to the technical developments, we put great emphasis on personal contact, thus we have 20 investment advisors serving our clients every day between 8:00 a.m. and 10:00 p.m.

Since markets are expected to be rather volatile in the upcoming years, independent investment firms like Equilor must apply appropriate diversification in their business activities.

Equilor is one of the few Hungarian investment firms which can offer a complete range of investment banking activities to its customers. Our asset management business has a history of more than 12 years while our Corporate Finance business has been a decisive part of our company since its foundation. In order to further strengthen these areas, we conducted personal and infrastructural developments in these business areas so that they can ensure stable income and new business relationships even in periods which are more unfavourable from a trading point of view.

19 YEARS ON THE MONEY AND CAPITAL MARKETS

We are proud of the fact that throughout our company's history of nearly two decades, we were able to keep and, indeed, enhance our clients' trust even during difficult periods on the domestic capital market. The success of our work is bolstered by the fact that our customer and asset management portfolio and the number of our successfully completed advisory transactions continually increased over the years. We would hereby like to express our gratitude to our customers for their trust and to our staff for their tireless work which are the most important in order for Equilor to achieve balanced growth similar to that of previous years.



FOREIGN EXCHANGE TRADING

In the area of foreign exchange trade, we did not reach the outstanding turnover of 2007 on one hand because of the increased volatility of the HUF market, and on the other hand due to the increasing turnover of our online foreign exchange trading activities. However, we still managed to achieve growth in stock exchange trade and to strengthen our market positions.

Turnover on the deriv	vatives market of the B	udape	st Stock Exchange ('000 H	IUF) and market rar	king
	2006		2007		2008	
FX contracts	390.261.581	9	330.615.020	7	437.727.487	3
Equities	71.363.837	10	85.373.373	11	64.865.120	10
BUX	92.345.163	8	73.735.932	10	38.811.204	10
FX options	35.687.578	4	35.034.016	5	23.779.684	5
Grain	-	-	239.370	9	12.730	9

Due to the nature of the market, the trading of foreign exchanges and derivatives takes place primarily on the interbank market rather than on the stock exchange, and among independent investment service providers Equilor is a major player on the former. Through Equilor, our customers can invest in commodity products as well as in various derivative products (certificates, option structures, CFD's, interest derivatives) and FX forward transactions.

SECURITIES TRADING

Parallel to the significant decrease in the turnover of the Budapest Stock Exchange (BSE), the turnover of Equilor also diminished though in respect of market ratios, we should rather talk about growth. In certain periods, trading on the BSE concentrated almost on only one share which cannot be considered a positive sign for the future.

Turnover on the Budapest Stock Exchange ('000 HUF) and market ranking						
	2006		2007		2008	
BSE's equities turnover	13.000.952		17.383.639		10.568.527	
Equilor's equities turnover	80.529	19	117.658	18	81.831	17

Signs of the above process could be seen earlier, therefore, since 2006, Equilor has placed significant emphasis on the development of the trading of international shares as a result of which the trading of foreign securities amounts to one third of the figure for domestic turnover and is continuously improving. The trading of international products is available not only on the prompt market but also in the form of certificates, options and warrants which enables much more sophisticated trading strategies than the assets available on the domestic market. In order to keep track of the assets denominated in foreign exchanges, we keep accounts for our customers' in nearly 10 foreign currencies.

We expanded the range of our analyses, thus supplementing the existing daily, weekly and monthly analyses with a daily forex market analysis, a daily newsletter in English and the Equilor Flash News service. Annually, we prepare nearly 1,000 newsletters and market analyses.



PRIVATE ASSET MANAGEMENT

In our private asset management business line we managed to increase our investment portfolio despite the unfavourable market conditions. However, even Equilor was not able to remain completely independent of the general trends. Due to our absolute return investment philosophy, negative returns only had to be shown to clients in higher risk portfolios.

In addition to our private asset management business, we wish to place greater emphasis on our customised advisory services in the area of private banking within the framework of which we wish to ensure professional financial investment consultation opportunities and individual solutions for our customers beyond asset management.

INSTITUTIONAL ASSET MANAGEMENT

2008 was a genuine year of reckoning for institutional asset managers. The evaluation of the asset management performance over the course of the year is important not just from a return standpoint but also from the standpoint of the advisory work performed during the development of the investment policy which substantially determined the extent of returns achievable during periods of crisis. Equilor proved itself in this situation and did not lose any asset management mandates, something which cannot be said of all of our competitors.

CORPORATE FINANCE

The Corporate Finance business line deals with the organisation of capital market transactions, M&A as well as financial and financing advisory services and, in accordance with international investment banking practice, does so in an organisational structure that is completely separate from Equilor's other business lines.

This activity felt the impact of the financial-economic crisis the most since, due to the sudden tightening of market liquidity and the dramatic decrease in the willingness to assume risk, several of the transactions and projects launched at the beginning of the year – although all valuable and realistic at the time - had to be halted.

We are convinced that the world's economy will recover from the effects of the crisis within the foreseeable future and companies which are able to adjust to the changed situation and are sufficiently optimistic about future opportunities can attain a leading position in the new market environment. In 2008, the business line proved that it is able to offer solutions even in crisis situations and that through its network of international relationships, it has tools at its command which, due to the lack of opportunities on the Hungarian market, are not directly available to domestic firms.

EQUILOR FINE ART

Since 2007, through a separate company Equilor has been serving clients who are interested in fine art investments. Our activities include the revaluation and management of collections, the arrangement of fine art sales, the organisation of exhibitions and auctions, the arrangement of Hungarian and foreign authenticity examinations as well as any credit and insurance administration related to works of art. Naturally, the activity related to artwork only comprises a small portion of Equilor's turnover, but we believe the independent investment banking background as well as the committed customised consulting service will pique the curiosity of more and more customers in this unique service line.



EQUILOR INVESTMENT LTD.

Board of Directors

András Gereben, chairman

Éva Németh Bálint Szécsényi

Supervisory Board

György Zdeborsky, chairman

Dr. József Csernák András Gömböcz

Dr. Karl-Heinz Hauptmann

Dr. József Tóth

EQUILOR FINE ART LTD.

Managing Director

Dr. Katalin Gereben

AUDITOR

AUDIT Könyvszakértő és Tanácsadó Kft. (1077 Budapest Izabella utca 2.) Dr. József Horváth auditor

^{*} Effective since 31st May 2009



No.	Title	2007.12.31	2008.12.31
1	A) Invested assets (lines 02+10+18)	167.173	151.910
2	I. INTANGIBLE ASSETS (lines 03 - 09)	29.121	27.899
3	Foundation value		
4	Developments value		
5	Property rights	26.534	0
6	Intellectual products	2.587	27.899
7	Goodwill		
8	Advances on intangible assets		
9	Value adjustment of intangible assets		
10	II. FIXED ASSETS (lines 11-17)	94.606	100.502
11	Real estates	14.621	13.569
12	Technical equipment, machines and vehicles		
13	Other equipment, machines and vehicles	79.752	86.933
14	Animals		
15	Investments	233	0
16	Advances on investments		
17	value adjustment of fixed assets		
18	III. INVESTED FINANCIAL ASSETS (lines19-25)	43.446	23.509
19	Long term shares in related companies	19.820	2.900
20	Long term given loans to related companies		
21	Other long term shares	13.775	11.519
22	Long term loans given to other companies		
23	Other long term given loans	9.851	9.090
24	Long term securities		
25	Value adjustment of invested financial assets		

No.	Title	2007.12.31	2008.12.31
26	B) Current assets (27+34+46+51)	6.399.423	3.470.341
27	I. STOCKS (lines 28-33)	0	0
28	Materials		
29	Semi-finished goods		
30	Animals		
31	Finished goods		
32	Goods		
33	Advances on goods		
34	II. RECEIVABLES (lines 35-45)	156.336	375.882
35	Trade receivables	41.991	77.439
36	Receivables from service provided for costumers	6.603	156.527
37	Receivables from settlement of stock market transactions		
38	Receivables from settlement of over the counter transactions		
39	Receivables from clearing houses	51.335	75.100
40	a) receivables from clearing house	51.335	75.100
41	b) receivables from other entity providing clearing house services		
42	Receivables from related companies	36.001	0
43	Receivables from other companies		
44	Receivables from bills of exchange		
45	Other receivables	20.406	66.816
46	III. SECURITIES (lines 47-50)	461.614	488.069
47	Shares in related companies		
48	Other shares	8.082	15.792
49	Own shares	125.000	125.000
50	Securities for sale	328.532	347.277
51	IV. CASH AND BANK (lines 52-53)	5.781.473	2.606.390
52	Cash, cheques	15.907	17.979
53	Banks	5.765.566	2.588.411
	a) Brokerage account	611.074	1.031.821
	b) Other bank deposits	5.154.492	1.556.590
54	C) Prepayments (lines 55-57)	44.115	61.048
55	Prepaid revenues	44.115	60.689
56	Prepaid expenses		359
57	Deferred expenses		
58	TOTAL ASSETS (lines 01+26+54.)	6.610.711	3.683.299



No.	Title	2007.12.31	2008.12.31
59	D) Equity (lines 60-67)	871.230	985.408
60	I. SUBSCRIBED CAPITAL	500.000	500.000
	including: repurchased own shares at the nominal price		
61	II. REGISTERED BUT NOT PAID CAPITAL (-)		0
62	III. CAPITAL RESERVE	21.369	21.369
63	IV. PROFIT RESERVE	160.834	349.861
64	V. CAPITAL DEPOSIT		
65	VI. VALUATION RESERVE		
66	VII. GENERAL RESERVE	21.403	11.418
67	VIII. RETAINED EARNINGS	167.624	102.760
68	E) Provisions (lines 69-71)	2.385	50.950
69	Provisions for expected liabilities		42.018
70	Provisions for costs		
71	Other provisions	2.385	8.932
72	F) Liabilities (73+77+85)	5.730.898	2.626.246
73	I. DEFERRED LIABILITIES (lines 74-76)	0	0
74	Deferred liabilities to related companies		
75	Defrerred liabilities to other companies		
76	Deferred liabilities to other economy entities		
77	II. LONG TREM LIABILITIES (lines 78-84)	6.270	2.184
78	Long term credits		
79	Bonds		
80	Loans for investment		
81	Other long term loans		
82	Long term liabilities to related companies		
83	Long term liabilities to other companies		
84	Other long term liabilities	6.270	2.184
85	III. SHORT TERM LIABILITIES (lines 86-97.)	5.724.628	2.624.062
86	Short term loans		
87	Short term credits	3.837	192
88	Prepayments from costumers		
89	Trade payables	17.563	56.393
90	Liabilities to costumers	5.647.854	2.548.573
91	Liabilities from settlement of stock exchange transactions		
92	Liabilities from settlement of over the counter transactions		
93	Liabilities to clearing houses		
	a) Liabilities to clearing house		
	b) Liabilities to other entity providing clearing house services		
94	Short term liabilities to related companies		
95	Short term liabilities to other companies		
96	Bill of exchange		
97	Other short term liabilities	55.374	18.904
98	G) Accruals (lines 99-101)	6.198	20.695
99	Accrued income		
100	Accrued expenses	6.198	20.695
101	Deferred income		



No.	Title	2007.12.31	2008.12.31
a)	Income from stock brokerage activities	463.200	469.560
b)	Income from commercial activities	83.869	69.222
c)	Income from security issue activities	500	7.000
d)	Income from deposit and porfolio management activities	94.551	57.743
e)	Income from other investment services	147.994	131.862
1	Income from investment services (a+b+c+d+e)	790.114	735.387
f)	Expenditures of stock brokerage activities	67.394	74.088
g)	Expenditures of commercial activities	56.101	34.929
h)	Expenditures of security issue activities		
I)	Expenditures of deposit and porfolio management activities		
j)	Expenditures of other investment services	94.055	87.038
2	Expenditures of investment services (f+g+h+l+j)	217.550	196.055
l.	PROFIT FROM INVESTMENT SERVICES (lines 01-02.)	572.564	539.332
II.	Other incomes	23.500	8.565
	Including: loss in value marked back		
III.	Income from non-investment services		
IV.	Own performance capitalized	44.000	11.000
3	Raw materials and consumables	11.369	14.339
4	Contracted services	169.740	170.255
5 6	Other service activities	5.610	6.182
	Original cost of goods sold		
7	Value of services sold (intermediated)	400.740	400 770
V .	Material costs (lines 03-07)	186.719 84.896	190.776 129.965
4	Wages and salaries Other employee henefits		
5	Other employee benefits Contributions on wages and salaries	5.164 33.177	11.234 48.390
VI.	Personal costs (lines 03-05)	123.237	189.589
VII.	Depreciation	27.561	32.160
VIII.	Other operating charges	94.965	107.383
V III.	Including: loss in value	34.300	107.303
IX.			
A	Expenditures of non-investment services OPERATING INCOME (lines I-IX.)	163.582	27.989
6	Dividend and profit-sharing	3.576	5.861
-	Including: from related companies	3.370	3.001
7	Capital gain on investments		
•			
	Including: from related companies		
8	Including: from related companies Capital gain on financial investments		
8	Capital gain on financial investments		
	Capital gain on financial investments Including: from related companies	99,001	117.578
9	Capital gain on financial investments Including: from related companies Interest and interest-like revenues	99.001	117.578
	Capital gain on financial investments Including: from related companies	99.001	117.578
9	Capital gain on financial investments Including: from related companies Interest and interest-like revenues Including: from related companies		
9	Capital gain on financial investments Including: from related companies Interest and interest-like revenues Including: from related companies Other income from financial transactions Income from non-distribution financial transactions (lines 06-10.)	10.835	7.493
9 10 X .	Capital gain on financial investments Including: from related companies Interest and interest-like revenues Including: from related companies Other income from financial transactions Income from non-distribution financial transactions (lines 06-10.) Losses on financial investments	10.835	7.493
9 10 X .	Capital gain on financial investments Including: from related companies Interest and interest-like revenues Including: from related companies Other income from financial transactions Income from non-distribution financial transactions (lines 06-10.)	10.835	7.493
9 10 X . 11	Capital gain on financial investments Including: from related companies Interest and interest-like revenues Including: from related companies Other income from financial transactions Income from non-distribution financial transactions (lines 06-10.) Losses on financial investments Including: to related companies	10.835 113.412	7.493 130.932
9 10 X . 11	Capital gain on financial investments Including: from related companies Interest and interest-like revenues Including: from related companies Other income from financial transactions Income from non-distribution financial transactions (lines 06-10.) Losses on financial investments Including: to related companies Interest expenses	10.835 113.412	7.493 130.932
9 10 X . 11	Capital gain on financial investments Including: from related companies Interest and interest-like revenues Including: from related companies Other income from financial transactions Income from non-distribution financial transactions (lines 06-10.) Losses on financial investments Including: to related companies Interest expenses Including: to related companies	10.835 113.412	7.493 130.932
9 10 X. 11 12	Capital gain on financial investments Including: from related companies Interest and interest-like revenues Including: from related companies Other income from financial transactions Income from non-distribution financial transactions (lines 06-10.) Losses on financial investments Including: to related companies Interest expenses Including: to related companies Capital gain on investments	10.835 113.412 861	7.493 130.932
9 10 X. 11 12	Capital gain on financial investments Including: from related companies Interest and interest-like revenues Including: from related companies Other income from financial transactions Income from non-distribution financial transactions (lines 06-10.) Losses on financial investments Including: to related companies Interest expenses Including: to related companies Capital gain on investments Other expenses on financial transactions	10.835 113.412 861	7.493 130.932 1.096
9 10 X. 11 12 13 14 XI.	Capital gain on financial investments Including: from related companies Interest and interest-like revenues Including: from related companies Other income from financial transactions Income from non-distribution financial transactions (lines 06-10.) Losses on financial investments Including: to related companies Interest expenses Including: to related companies Capital gain on investments Other expenses on financial transactions Expenses on non-distribution financial transactions (lines 11-14.)	10.835 113.412 861 13.206 14.067	7.493 130.932 1.096 10.015 11.111
9 10 X. 11 12 13 14 XI. B	Capital gain on financial investments Including: from related companies Interest and interest-like revenues Including: from related companies Other income from financial transactions Income from non-distribution financial transactions (lines 06-10.) Losses on financial investments Including: to related companies Interest expenses Including: to related companies Capital gain on investments Other expenses on financial transactions Expenses on non-distribution financial transactions (lines 11-14.) PROFIT FROM FINANCIAL OPERATIONS(X-XI. sorok)	10.835 113.412 861 13.206 14.067 99.345	7.493 130.932 1.096 10.015 11.111 119.821
9 10 X. 11 12 13 14 XI. B	Capital gain on financial investments Including: from related companies Interest and interest-like revenues Including: from related companies Other income from financial transactions Income from non-distribution financial transactions (lines 06-10.) Losses on financial investments Including: to related companies Interest expenses Including: to related companies Capital gain on investments Other expenses on financial transactions Expenses on non-distribution financial transactions (lines 11-14.) PROFIT FROM FINANCIAL OPERATIONS(X-XI. sorok) PROFIT FROM ORDINARY ACTIVITY (+/-A+/-B)	10.835 113.412 861 13.206 14.067 99.345	7.493 130.932 1.096 10.015 11.111 119.821
9 10 X. 11 12 13 14 XI. B C XII.	Capital gain on financial investments Including: from related companies Interest and interest-like revenues Including: from related companies Other income from financial transactions Income from non-distribution financial transactions (lines 06-10.) Losses on financial investments Including: to related companies Interest expenses Including: to related companies Capital gain on investments Other expenses on financial transactions Expenses on non-distribution financial transactions (lines 11-14.) PROFIT FROM FINANCIAL OPERATIONS(X-XI. sorok) PROFIT FROM ORDINARY ACTIVITY (+/-A+/-B) Extraordinary income	10.835 113.412 861 13.206 14.067 99.345	7.493 130.932 1.096 10.015 11.111 119.821
9 10 X. 11 12 13 14 XI. B C XII. XIII.	Capital gain on financial investments Including: from related companies Interest and interest-like revenues Including: from related companies Other income from financial transactions Income from non-distribution financial transactions (lines 06-10.) Losses on financial investments Including: to related companies Interest expenses Including: to related companies Capital gain on investments Other expenses on financial transactions Expenses on non-distribution financial transactions (lines 11-14.) PROFIT FROM FINANCIAL OPERATIONS(X-XI. sorok) PROFIT FROM ORDINARY ACTIVITY (+/-A+/-B) Extraordinary income Extraordinary expenses	10.835 113.412 861 13.206 14.067 99.345 262.927	7.493 130.932 1.096 10.015 11.111 119.821 147.810
9 10 X. 11 12 13 14 XI. B C XII. XIII. D	Capital gain on financial investments Including: from related companies Interest and interest-like revenues Including: from related companies Other income from financial transactions Income from non-distribution financial transactions (lines 06-10.) Losses on financial investments Including: to related companies Interest expenses Including: to related companies Capital gain on investments Other expenses on financial transactions Expenses on non-distribution financial transactions (lines 11-14.) PROFIT FROM FINANCIAL OPERATIONS(X-XI. sorok) PROFIT FROM ORDINARY ACTIVITY (+/-A+/-B) Extraordinary income Extraordinary expenses EXTRAORDINARY PROFIT (XII-XIII.sorok)	10.835 113.412 861 13.206 14.067 99.345 262.927	7.493 130.932 1.096 10.015 11.111 119.821 147.810
9 10 X. 11 12 13 14 XI. B C XII. XIII. D E	Capital gain on financial investments Including: from related companies Interest and interest-like revenues Including: from related companies Other income from financial transactions Income from non-distribution financial transactions (lines 06-10.) Losses on financial investments Including: to related companies Interest expenses Including: to related companies Capital gain on investments Other expenses on financial transactions Expenses on non-distribution financial transactions (lines 11-14.) PROFIT FROM FINANCIAL OPERATIONS(X-XI. sorok) PROFIT FROM ORDINARY ACTIVITY (+/-A+/-B) Extraordinary income Extraordinary expenses EXTRAORDINARY PROFIT (XII-XIII.sorok) PROFIT BEFORE TAXES(+/-C+/- D)	10.835 113.412 861 13.206 14.067 99.345 262.927	7.493 130.932 1.096 10.015 11.111 119.821 147.810
9 10 X. 11 12 13 14 XI. B C XII. XIII. D E XIV.	Capital gain on financial investments Including: from related companies Interest and interest-like revenues Including: from related companies Other income from related companies Other income from financial transactions Income from non-distribution financial transactions (lines 06-10.) Losses on financial investments Including: to related companies Interest expenses Including: to related companies Capital gain on investments Other expenses on financial transactions Expenses on non-distribution financial transactions (lines 11-14.) PROFIT FROM FINANCIAL OPERATIONS(X-XI. sorok) PROFIT FROM ORDINARY ACTIVITY (+/-A+/-B) Extraordinary income Extraordinary expenses EXTRAORDINARY PROFIT (XII-XIII.sorok) PROFIT BEFORE TAXES(+/-C+/-D) Tax payable	10.835 113.412 861 13.206 14.067 99.345 262.927 0 262.927	7.493 130.932 1.096 10.015 11.111 119.821 147.810 0 147.810 33.632
9 10 X. 11 12 13 14 XI. B C XIII. D E XIV. F	Capital gain on financial investments Including: from related companies Interest and interest-like revenues Including: from related companies Other income from related companies Other income from financial transactions Income from non-distribution financial transactions (lines 06-10.) Losses on financial investments Including: to related companies Interest expenses Including: to related companies Capital gain on investments Other expenses on financial transactions Expenses on non-distribution financial transactions (lines 11-14.) PROFIT FROM FINANCIAL OPERATIONS(X-XI. sorok) PROFIT FROM ORDINARY ACTIVITY (+/-A+/-B) Extraordinary income Extraordinary expenses EXTRAORDINARY PROFIT (XII-XIII.sorok) PROFIT BEFORE TAXES(+/-C+/-D) Tax payable PROFIT AFTER TAXES (+/-E-XIV)	10.835 113.412 861 13.206 14.067 99.345 262.927 0 262.927 48.900 214.027	7.493 130.932 1.096 10.015 11.111 119.821 147.810 0 147.810 33.632 114.178
9 10 X. 11 12 13 14 XI. B C XII. XIII. D E XIV. F XV.	Capital gain on financial investments Including: from related companies Interest and interest-like revenues Including: from related companies Other income from related companies Other income from financial transactions Income from non-distribution financial transactions (lines 06-10.) Losses on financial investments Including: to related companies Interest expenses Including: to related companies Capital gain on investments Other expenses on financial transactions Expenses on non-distribution financial transactions (lines 11-14.) PROFIT FROM FINANCIAL OPERATIONS(X-XI. sorok) PROFIT FROM ORDINARY ACTIVITY (+/-A+/-B) Extraordinary income Extraordinary expenses EXTRAORDINARY PROFIT (XII-XIII.sorok) PROFIT BEFORE TAXES(+/-C+/- D) Tax payable PROFIT AFTER TAXES (+/-E-XIV) General reserve (+/-)	10.835 113.412 861 13.206 14.067 99.345 262.927 0 262.927 48.900 214.027	7.493 130.932 1.096 10.015 11.111 119.821 147.810 0 147.810 33.632 114.178





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INDEPENDENT AUDITOR'S REPORT

To the shareholders of Equilor Befektetési Zrt.

(1037 Budapest, Montevideo u. 2/c.)

We have audited the attached 2008 annual financial statements of Equilor Befektetési Zrt., which comprise the balance sheet as at 31 December 2008 – showing equal amounts of assets and liabilities of THUF 3,683,299 and retained profit for the year of THUF 102,760 –, the profit and loss statement for the year then ended, and the notes to the financial statements containing essential elements of the accounting policy as well as other explanatory notes.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Act on Accounting and the accounting principles generally accepted in Hungary. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The auditor's responsibility is to express an opinion on the financial statements based on the audit completed.

The audit was conducted in accordance with the Hungarian National Standards on Auditing and other laws and regulations applying to audit activities in Hungary. Those standards require that we comply with certain ethical requirements, and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatements.

The audit involved performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments in relation to the financial statements, the auditor's purpose is not to express an opinion on the effectiveness of the company's internal control.

The audit also included evaluating the appropriateness of accounting policies used and the reasonableness of main accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion.

Based on the above, we provide the following opinion for the 2008 financial statements:

During the audit, we reviewed the financial statements of EQUILOR Befektetési Zrt. including all components and elements as well as accounting and documentary support thereof in accordance with the applicable national standards on auditing, and gained sufficient and appropriate evidence that the financial statements have been prepared in accordance with the provisions of the Act on Accounting, the accounting principles generally accepted in Hungary, and the requirements of the Governmental Decree No. 251/2000 (XII. 24.).

In our opinion, the financial statements give a true and fair view of the property, financial and income positions of EQUILOR Befektetési Zrt. as of 31 December 2008. The business report is consistent with the data of the financial statements.

Budapest, 31 March 2009

AUDIT Könyvszakértő és Tanácsadó Kft.

[illegible signature] Dr. József Horváth AUDIT Könyvszakértő és Tanácsadó Kft. Budapest 1077, Izabella u. 2. Reg. No. of the Company: 000026

[illegible signature] Dr. József Horváth Registered auditor Certificate No.: 003438

AS OF 31.12.2008 EQUILOR HAD SHARE OWNERSHIP IN THE FOLLOWING COMPANIES

EQUILOR FINE ART KFT.

Activity fine art investment consulting

Subscribed capital (thousand HUF) 3,000 Ownership share 99%

BUDAPESTI ÉRTÉKTŐZSDE ZRT.

Activity stock exchange Subscribed capital (thousand HUF) 541,348 Ownership share 0.14702%

PROFESSIONAL MEMBERSHIPS

Budapest Stock Exchange Investor Protection Fund

Hungarian Venture Capital Association

Italian Chamber of Commerce



CORPORATE SOCIAL RESPONSIBILITY

IN 2008 EQUILOR SUPPORTED THE FOLLOWING FOUNDATIONS

Remény Gyermekeiért Közhasznú Alapítvány

Medicopter Alapítvány

Egy a szívünk-Segítsünk! Alapítvány

Őssejt az Élet Esélye Alapítvány

Hallgass a Szívedre Alapítvány

Segíts, hogy élhessek Alapítvány

A Szív Hangja Alapítvány

Segítőszándék a Beteg Gyerekekért és Rászorultakért Alapítvány

Gyermekmosoly Alapítvány

KIÚT Szociális és Mentálhigiénés Egyesület



CONTACT INFORMATION

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