

BorsodChem Rt's Short Business Report for Q1 of 2004, prepared for the Stock Exchange

BorsodChem Rt. prepared its Short Business Report for Q1 of 2004 based on consolidated balance sheet data as per International Financial Reporting Standards (IFRS). Data included in the Short Business Report are not audited. Data in the Report correspond to the real facts and the Report does not conceal any facts that are significant from the perspective of the Company's assessment in the capital market.

1. General Statements

1.1. Economic Environment

Compared to 2003, no decrease has taken place in energy prices as it had been expected both by energy consumers and as such by the chemical industry, in the global economy. Crude oil prices has steadily been exceeding the level of USD 30 /barrel, similarly to the price of natural gas, which has stayed in the BTU region of over USD 4 /million.

In an economic environment characterised by internationally high energy prices, in 2004, which is the year of EU accession, Hungary exhibits features specific for the region as well as Hungary, and increasing production costs, which has no or merely slight impact on chemical producers of other states also joining the EU.

It could be regarded as a Hungary-specific feature that the price of electricity has been kept high through cross-border auction fees in order to replace permanently non-operating capacity of the Paks Power Plant by the profitable operation of less efficient Hungarian power plants.

Tax imposed on electricity and natural gas, as well as the environment loading fee introduced in addition to environment protection related fines, increase production costs and exercise an adverse effect on the cost-competitiveness of Hungarian companies operating in the processing industry.

A two-percent decrease in corporation tax, intended to increase competitiveness, has no impact on companies like BorsodChem, since they enjoy tax holiday owing to significant investments carried out in the past and present as well.

In the economic environment outlined above, which is general and specific for Hungary, there is a healthy demand for high-priced chemical products. Profitability of the chlorine-vinyl line seems to increase, despite the fact that the price of caustic soda as the twin product of chlorine is approximating the historical rock bottom.

In 2003 the annual increase in demand for the raw materials of rigid and plasticized foams exceeded 10 % in Central-Eastern Europe, which serves as a good basis for the expansion of BorsodChem's MDI and TDI capacities.

In Q1 of 2004 the BorsodChem Group was able to realise **3.1 % increase in sales revenues** compared to Q1 of the previous year. It achieved total utilisation of its production capacities, increasing the production of each product compared to the base, with the exception of MDI. **Besides sales revenues of HUF 35,312 million, it realised an operating profit of HUF 3,252 million, which is 9.2 % in proportion to sales revenues.**

Due to altered trends in the processes of money-market and the capital increase executed by the owners of the Company in December 2003, the Company realised a significant, **HUF 2,660 million of financial profit, thereby the net income for Q1 is HUF 5,912 million.**

The output of major products by the BorsodChem Group was as follows:

Production	PVC (kt)	VCM (kt)	MDI (kt)	Aniline (kt)	TDI (kt)
Q1 of 2003	66.2	38.8	15.1	22.0	15.3
Q1 of 2004	73.1	44.2	15.0	28.9	15.6
Change (%)	10.4	13.9	-0.7	31.4	2.0

1.2. Market Assessment of our Products in Q1 of 2004

- **PVC resin** was listed at an average price of EUR 751 /t in Q1 of 2004, whereas raw material ethylene was listed at EUR 580 /t. The average listing price of PVC resin exceeded the Q4 price of 2003 by EUR 35 /t, while the price of ethylene increased by EUR 68 /t.

Profitability of PVC resin improved compared to Q1 of 2003, since the average listing price of PVC resin was EUR 29 /t higher in Q1 of 2004, along with an increase of EUR 5 /t in ethylene prices.
- At USD 88 /t in Q1 2004, the average listing price of **caustic soda solution**, which is a twin product to chlorine, approaches the historical rock bottom, which was USD 50 /t. The listing price of the product decreased by USD 101 /t compared to Q1 2003, whereas it showed a setback of USD 27 /t in comparison to Q4 of the previous year.

In Q2 and Q3 2004 caustic soda solution is expected to reach the historical rock bottom, to be followed by a reverse price trend from Q4 2004 and the beginning of 2005 on.
- The listing price of **crude MDI** has improved to reach EUR 1,439 /t in Q1 2004, compared to both the base and Q4 2003.

The scale of improvement is merely EUR 15/t compared to Q4 of the previous year, whereas in comparison to quarterly base figures it amounts to 2.9 % at EUR 41 /t.

In the case of **pure MDI**, a reverse price trend could be observed, EUR 1,975 /t as the average listing price of Q1 2004 corresponds to the Q4 listing price of the previous year and is slightly, i.e. EUR 6 /t lower than the figure of Q1 2003.

Profitability of the product was negatively affected by a significant increase in benzene price in Q1 2004, within the product line of benzene-aniline-MDI. While in Q4 of 2003 benzene was listed at a price of EUR 375 /t, Q1 of this year already saw a benzene price of EUR 444 /t.

- Compared to isocyanate prices in Q1 2003, the **price of TDI** has decreased by 21.7 %. In Q1 2004 the listing price of TDI at EUR 1,708 /t corresponds to the long-term market pricing forecast of the product. In Q1 of 2003 the listing price of TDI at EUR 2,180 /t indicated a historical altitude owing to problems of shortage in the product , parallel to a healthy demand generated by difficulties within the production line.

Erosion of the listing price compared to Q4 of 2003 was insignificant, i.e. a mere EUR 27 /t.

- The sales price of **aniline** follows changes in the price of raw material benzene.
- There has been an increased demand for **PVC compounds** in export markets, prices have slightly improved compared to Q1 of 2003.
- In the market of **PVC-base finished products** the demand for PVC window profiles has grown significantly, though at depressed prices, due to a close competition for market share, while the moderate demand for flexible and rigid sheets continues to prevail. Prices have hardly changed compared to Q1 of 2003.

• **2. Statements on Business Activities in Q1 of 2004**

Trends in BorsodChem Rt.'s major indicators in Q1 of 2004 are as follows:

Denomination	Q1 of 2003 (HUF M)	Q1 of 2004 (HUF M)	Index %
Sales revenue	34,247	35,312	103.1
Operating profit	4,580	3,252	71.0
Pre-tax profit	2,972	6,017	202.5
Net income	2,910	5,912	203.2
EBITDA	6,723	5,434	80.8
Shareholders' equity	94,301	117,127	124.2
Total assets	156,033	187,173	120.0

Profitability in proportion to sales revenues in Q1 of 2004:

- Operating profit: 9.2 %
- Pre-tax profit: 17.0 %
- Net income: 16.7 %

In Q1 of 2004 the Company's capital expenditure was HUF 3.47 billion, out of which HUF 0.34 billion was realized by subsidiaries included in consolidation.

Indebtedness indicators of the BC Group and of BorsodChem Rt. as per the end of March (Debt/Shareholders' Equity):

- BC Group : 0.41
- BorsodChem Rt. : 0.36

The Company's consolidated staff number was 4,221 people on 31 March 2004. Compared to the staff number as at 31 December 2003, there has been an increase of 86 people, 68 of whom were employed by BorsodChem Rt. for the sake of ensuring work force efficiency of new production capacities to be commissioned in 2004 and 2005, as well as for the Company to meet requirements of being entitled to future tax allowances on staff number.

The indicator of live labour productivity calculated to the closing staff number is HUF 8.4 million/capita/quarter.

Analysis of Business Activities in Q1 of 2004

3.1. Revenues

The following chart includes the breakdown of sales revenues by business units and major products:

Denomination	Q1 of 2003		Q1 of 2004		Change	
	HUF million	%	HUF million	%	HUF million	%
PVC resin						
Domestic	957.5	2.8	999.2	2.8	41.7	4.4
Export	8,198.3	23.9	9,594.8	27.2	1,396.5	17.0
Total	9,155.8	26.7	10,594.0	30.0	1,438.2	15.7
PVC compounds						
Domestic	199.7	0.6	185.8	0.5	-13.9	-7.0
Export	833.5	2.4	1,119.5	3.2	286.0	34.3
Total	1,033.2	3.0	1,305.3	3.7	272.1	26.3
MDI products						
Domestic	11.5	0.0	18.2	0.1	6.7	58.3
Export	4,780.4	14.0	5,308.5	15.0	528.1	11.0
Total	4,791.9	14.0	5,326.7	15.1	534.8	11.2
TDI products						
Domestic	312.4	0.9	313.8	0.9	1.4	0.4
Export	6,874.5	20.1	5,858.3	16.6	-1,016.2	-14.8
Total	7,186.9	21.0	6,172.1	17.5	-1,014.8	-14.1
Caustic soda						
Domestic	660.9	1.9	503.3	1.4	-157.6	-23.8
Export	562.1	1.6	471.5	1.3	-90.6	-16.1
Total	1,223.0	3.5	974.8	2.7	-248.2	-20.3
Aniline Export	1,214.5	3.5	1,979.6	5.6	765.1	63.0
Plastic finished and semi-finished products						
Domestic	1,020.2	3.0	1,288.4	3.6	268.2	26.3
Export	1,236.0	3.6	1,410.1	4.0	174.1	14.1
Total	2,256.2	6.6	2,698.5	7.6	442.3	19.6
Other products						
Domestic	2,062.8	6.1	2,308.4	6.6	245.6	11.9
Export	5,322.6	15.6	3,953.0	11.2	-1,369.6	-25.7
Total	7,385.4	21.7	6,261.4	17.8	-1,124.0	-15.2
Total sales revenues	34,246.9	100.0	35,312.4	100.0	1,065.5	3.1
Domestic sales rev.	5,225.0	15.3	5,617.1	15.9	392.1	7.5
Export sales rev.	29,021.9	84.7	29,695.3	84.1	673.4	2.3

In Q1 of 2004 the Company increased its sales revenues by 3.1% compared to Q1 of 2003.

In the total sales revenues the share of **PVC resin** rose from 26.7% of the base period up to 30%. The 15.7% increase in sales revenues took place along with 2.5% increase of volumes and a significant growth of sales prices.

Sales revenues of **PVC compounds** rose by 26.3% along with 21.1% increase of volumes. The volume of sales was successfully increased in export markets.

Sales revenues of **MDI products** rose by 11.2% along with 8.8% increase in sales volumes.

Sales revenues of **TDI** dropped by 14.1% despite the increase of volumes by 2.5%. The reason for the drop in sales revenues is the significant decrease of sales prices compared to those of the base period.

Sales revenues of the **Caustic soda** product dropped by 20.3% along with a volume decrease of 9.2%. The decrease of sales revenues is due to the fact that sales prices lagged behind that of in the base period.

Sales revenues of the **aniline** product increased by 63% along with a volume increase of 57%, which meant an increase of sales revenues by HUF 765.1 million.

Sales revenues realized from **plastic semi-finished and finished products** increased by 19.6% compared to the base. The revenue increase is due to the rise in the sold volume by 20%

The sales revenue of **other products** – ammonia, hydrochloric acid solution, hypo-chlorite, polystyrene, pre-polymer, CO, formalin, artificial fertilizer, Dukol, special amines, etc. – dropped by 15.2% due to the fact that the Formaldehyde and Resin (Dukol) Business Unit was sold in July 2003 therefore, its sales revenues are not contained in the statement.

84.1% of sales revenues are **realized by export**. This ratio is 0.6% lower than that in the base period.

The geographical breakdown of sales has changed compared to former quarters, as shown below, since the Far East, owing to the fast growth of China, has proven to be a suitable consuming market.

Domestic and Central Eastern Europe together	:	46.1%
Western Europe	:	42.9%
Far East	:	4.0%
Other	:	7.0%

3.2. Income

3.2.1. Operating Profit

In Q1 of 2004 the Company **realized HUF 3,252 million operating profit**, which is 71% of the profit of HUF 4,580 million of the base period. Two defining elements of the decrease of profit are the facts that on the one hand, production has been realized at higher energy prices in 2004 and on the other, no extra profit could have been realized on TDI sales as the price of the product has settled at the realistic level.

Direct costs of sales increased by 6.8%. The increase in costs was excessively caused by increasing prices of raw material and energy as well as additional sales.

Sales costs increased by 16.2%. Among sales costs, transportation costs across the border that are paid in foreign currency have significantly risen. Our Company has sold several products at delivered parity and sales in the Far East and other markets have grown to the detriment of sales in Central Eastern Europe and Western Europe.

Overhead and administrative costs have practically stayed at the base level.

3.2.2. Net Value of Other Incomes / Expenses

The balance of interests received and payable is HUF 195 million, which is more favourable than HUF -404 million of the base period. The balance improvement is a result of the higher interest income earned on the significantly higher amount of cash, which was exceeded that of the base period, from the capital increase. The balance of gain/loss of forward transactions is HUF 988 million compared to HUF -45 million of the base. Owing to the strengthening HUF, the **balance of exchange gain/loss is HUF 1,428 million** compared to HUF -1,150 million of the base. Improvement of balance results enhancement in profits by HUF 2,578 million compared to the base.

3.2.3. Pre-Tax and Net Income

Profit before tax and minority interest is HUF 6,017 million, which is twice as much as the profit in the base period.

BorsodChem Rt. will again comply with conditions of tax allowance in 2004 thus its tax payment obligation is only HUF 85 million. Profit attributable to minority interest-holders, such as Dynea Austria GmbH, AliaChem AS, amounts only to HUF 20 million thus the net profit is HUF 5,912 million, which is more than double of the profit in the base period.

The Company's **cash generating capacity** is HUF 5,434 billion, continues to be in the healthy range.

HUF million

Denomination	Q1 of 2003	Q1 of 2004	Index (%)
Operating Profit	4,580	3,252	71.0
Depreciation	2,143	2,182	101.8
Operating Profit + Depreciation (EBITDA)	6,723	5,434	80.8

4. Balance Sheet Analysis

Total assets of the Company amount to HUF 187.2 billion, which is 20% higher than the same figure of the previous year.

Among assets, the amount of current assets indicates an increment of HUF 21,179 million, which equals with 48.9%. Within this category liquid assets have risen by HUF 9,331 million as a result of capital increase. The HUF 1,699 million increase in inventories was mainly generated by material stock, especially by investment materials and spare parts. The increase of other current assets by HUF 3,687 million is due to the increase of VAT accounts receivable and advances on capital expenditure.

The increment value of tangible and intangible assets totals HUF 9,770 million, which is the resultant of investments and accounted depreciation.

Total liabilities amount to HUF 69,611 million, which is HUF 8,272 million, i.e. 13.5 % higher than the base. The total of short-term loans increased by 41.8%, due to their transfer from long-term loans to short-term ones. The amount of long-term loans decreased by 13.9%. The 28.4% increment in suppliers' value is explained by the increase of investment suppliers' stock generated by intensified investment activities.

The total of shareholders' equity shows increment of HUF 22,826 million, reaching HUF 117,127 million as total, which exceeds the base by 24.2%. Implemented capital increase added HUF 17,064 million to the equity. Retained earnings amount to HUF 71,702 million, surpassing the base by 10.3%.

5. Changes in Cash-flow

Net cash income **from operating activities** amounted to **HUF 15,397 million** in the period between 1 April 2003 and 31 March 2004. Non-cash items increased the net

profit of HUF 9,362 million by HUF 7,205 million. Among non-cash items depreciation reaching HUF 8,686 million is the most significant element, which was decreased by HUF 1,481 million as a joint effect of profit generated by the sales of assets, sharing the profit of non-consolidated businesses as well as by other non-cash items. The change of current assets and short-term liabilities decreased the net cash income of operating activities by HUF 1,170 million.

A significant part of **cash flow totalling HUF –23,704 million and generated by capex and investment activities** was induced by the purchase of tangible assets and short-term investments such as the purchase of securities.

HUF 17,638 million cash flow of financial transactions is a result of HUF 17,064 million increase in capital, dividends paid up to HUF 2,682 million, purchase of treasury shares of HUF 837 million and an increase of HUF 4,093 million in the total of loans.

Net cash increased by HUF 9.331 million to reach HUF 11,910 million at the end of the period.

6. Major Changes Having Occurred at the Company

A major change has taken place at the Company, namely BorsodChem Rt. purchased a 50% stake in B.C.-M.C. s.r.l. in Milan as of 1 April 2004 from Novochem Kereskedelmi és Szolgáltató Kft. (a trading and service company) the legal successor of Mol-Chem formerly owned by MOL and the company operates on as BC s.r.l. in the future, 100% owned by BorsodChem.

7. Changes in the Share Capital and Company Management

7.1. Changes in the Share Capital and Shares

On its Board Meeting of 16th December 2003, the Board of Directors of the Company decided on implementing an increase in the share capital by HUF 3,077,663.9 thousand, thereby share capital of the Company rose up to HUF 15,388,319.6 thousand. The capital increase was registered by the Registry Court on 10th January 2004.

7.2. Changes in the Total of Treasury Shares

On 31st March 2004 the Company owned 60,000 treasury shares, i.e. its treasury shares portfolio has increased by 60,000 shares compared to the previous quarter.

7.3. Changes in Staff

In Q1 no changes took place either in the Board of Directors and Supervisory Board, or in the person of auditor of the Company.

Kazincbarcika, 26 April 2004
Attachment !

László F. Kovács
Chief Executive Officer

Notehead of data sheet (general)

Name of company BorsodChem Rt.
 Address of Kazincbarcika, Bolyai tér 1. H-3702
 company
 Sector of activity Production of plastics
 Period Q 1 of 2004

Phone 36-48-511-211
 Facsimile 36-48-511-511

E-mail: Gazdik.Zoltan@borsodchem.hu
 Investors relations contact person Dr.Zoltán Gazdik

Data sheet of financial accounts

PK1. General information on financial data

	Yes	No		
Audited	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Consolidated	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Accounting standards	Hungarian	<input type="checkbox"/>	IFRS	<input checked="" type="checkbox"/>
Other:			Other	<input type="checkbox"/>

PK2. Subsidiaries involved in consolidation

Denomination	Equity	Share of ownership (%)	Voting right	Classification
BC-Ongropack Kft.	HUF 935,000 thousand	100	100	L
BorsodChem Polska Sp.z o.o.	PLN 2,000,000	100	100	L
BC-Ongromechanika Kft.	HUF 167,700 thousand	100	100	L
BC-Ongrobau Kft.	HUF 60,000 thousand	100	100	L
BC ONGRO BENELUX B.V	EUR 199,663	100	100	L
BC-Ongroelektro Kft.	HUF 77,000 thousand	100	100	L
BC Handelsges. m.b.H.	EUR 730,000	100	100	L
BC-KC Formalin Kft.	HUF 338,100 thousand	66.66	66.66	L
Panoráma Kft.	HUF 88,190 thousand	100	100	L
BC-Ablakprofil Kft.	HUF 190,000 thousand	100	100	L
BC-MCHZ s.r.o.	CZK 865,100 thousand	97.5	97.5	L

¹ Voting right of the subsidiaries involved in consolidation providing the participation in the decision making process at the General Meeting

² Total (L); Joint management (K); Associated (T)

(Should classification be not obvious from the share of ownership or voting rate, please specify in the interim report)

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Phone 36-48-511-211
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E-mail: Gazdik.Zoltan@borsodchem.hu
Investors relations contact person Dr.Zoltán Gazdik

PK3. Balance Sheet

IFRS CONSOLIDATED BALANCE SHEET (unaudited) (in HUF million)

	31 March 2003	31 March 2004	Index %
<i>Current Assets:</i>			
Cash	2,579	11,910	461.8
Accounts receivable	21,586	22,046	102.1
Inventory	12,937	14,636	113.1
Short term investments		6,002	.
Other current assets	6,203	9,890	159.4
Total current assets	43,305	64,484	148.9
Property, plant and equipment	88,771	98,859	111.4
Intangible assets	2,788	2,470	88.6
Long term investments	21,686	21,805	100.5
Negative goodwill	(517)	(444)	85.9
Total assets	156,033	187,174	120.0
<i>Current liabilities:</i>			
Trade accounts payable	13,671	17,550	128.4
Other accrued liabilities	2,692	4,104	152.5
Short term borrowings	16,490	23,383	141.8
Total current liabilities	32,853	45,037	137.1
Long term debt	28,020	24,114	86.1
Other non-current liabilities	466	460	98.7
Total liabilities	61,339	69,611	113.5
Minority interest	393	436	110.9
<i>Shareholders' equity:</i>			
Share capital	12,311	15,388	125.0
Share premium	16,329	30,316	185.7
Treasury stock		(837)	.
Retained earnings	65,022	71,702	110.3
Cumulative translation adjustment	639	558	87.3
Total shareholders' equity	94,301	117,127	124.2
Total liabilities, shareholders' equity and minority interest	156,033	187,174	120.0

Notehead of data sheet (general)

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company
Sector of activity Production of plastics E-mail: Gazdik.Zoltan@borsodchem.hu
Period Q 1 of 2004 Investors relations contact person Dr.Zoltán Gazdik

PK4. Statement of Income

IFRS CONSOLIDATED STATEMENT OF INCOME (unaudited) (in HUF million)

	Q1 2003	Q1 2004	Index %
Net sales	34,247	35,312	103.1
Cost of sales	(24,270)	(25,923)	106.8
Gross profit	9,977	9,389	94.1
Distribution cost	(2,788)	(3,239)	116.2
General and administrative expenses	(2,591)	(2,575)	99.4
Other operating income/(expense)	(18)	(323)	1.794.4
Operating income	4,580	3,252	71.0
Other income/(expense):			
Interest income/(expense)	(404)	195	.
Income from associates	(9)	154	.
Gain/loss on forward deals	(45)	988	.
Foreign currency gains/(losses)	(1,150)	1,428	.
Total other income/(expense)	(1,608)	2,765	.
Income before income taxes and minority interest	2,972	6,017	202.5
Income tax expense	(53)	(85)	160.4
Minority interest	(9)	(20)	222.2
Net income	2,910	5,912	203.2

Notehead of data sheet (general)

Name of company	BorsodChem Rt.	Phone	36-48-511-211
Address of company	Kazincbarcika, Bolyai tér 1. H-3702	Facsimile	36-48-511-511
Sector of activity	Production of plastics	E-mail:	Gazdik.Zoltan@borsodchem.hu
Period	Q 1 of 2004	Investors relations contact person	Dr.Zoltán Gazdik

PK5. Statement of cash-flow

CONSOLIDATED STATEMENT OF CASH-FLOW (unaudited) (in HUF million)

31.03.2003-
31.03.2004.

Cash flows relating to operating activities:

Net income	9,362
Adjustment for items not affecting cash:	
Depreciation and amortisation expense	8,686
Gain on disposal of fixed assets	(532)
Interest in income of associates	(256)
Other non-cash charges, net	(693)
	<u>16,567</u>
Changes in current assets and current liabilities	
Increase in accounts receivable	(460)
Increase in inventories	(1,699)
Increase in other assets	(3,135)
Increase in accounts payable and accrued liabilities	4,124
Changes in current assets and current liabilities	<u>(1,170)</u>
Net cash provided by operating activities	<u>15,397</u>

Cash flows from investing activities:

Purchase of fixed and intangible assets	(18,962)
Investments in long term equity investments	190
Increase in short term investments	(6,002)
Proceeds from sale of investments and fixed assets	1,070
Net cash used in investing activities	<u>(23,704)</u>

Cash flows from financing activities:

Repayment of borrowings	(14,111)
Proceeds from borrowings	18,204
Dividends paid	(2,682)
Purchase of own shares	(837)
Proceeds from sales own shares	17,064
Net cash used in financing activities	<u>17,638</u>

Net increase in cash	<u>9,331</u>
Cash at the beginning of the year	2,579
Cash at the end of the year	11,910

Notehead of data sheet (general)

Name of company BorsodChem Rt. Phone 36-48-511-211
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 company
 Sector of activity Production of plastics E-mail: Gazdik.Zoltan@borsodchem.hu
 Period Q 1 of 2004 Investors relations contact person Dr.Zoltán Gazdik

PK6. Significant items outside the balance sheet ¹

Denomination	Value
	-

¹ Financial liabilities, which are significant in respect of the financial assessment, but not shown in the balance sheet (e.g. collateral, guarantee, security related liabilities etc.)

Data sheet of the structure of shares and ownership

RS1. Structure, stake of ownership and degree of the voting rate

Denomination of shareholders	Total equity						Listed series ^{1*}					
	At the beginning of the current year (on 1 January)			At the end of the period			At the beginning of the current year (on 1 January)			At the end of the period		
	% ²	% ³	Pcs	% ²	% ³	Pcs	% ²	% ³	Pcs	% ²	% ³	Pcs
Domestic institutions	1.02		156 105	0.43		65 200	1.28		156 105	0.43		65 200
Foreign institutions	98.2		14 961 984	98.85		15 061 074	97.75		11 914 792	98.85		15 061 074
Domestic private individuals	0.72		110 345	0.30		46 077	0.90		110 345	0.30		46 077
Foreign private individuals	0.03		2 932	0.00		542	0.03		2 932	0.00		542
Employees, managing officials	0.00		8	0.00		8	0.00		8	0.00		8
Treasury stock	0.00		0	0.40		60 000	0.00		0	0.40		60 000
Shareholder as part of the state budget ⁴	0.00		0	0.00		0	0.00		0	0.00		0
International Development Institutions ⁵	0.00		0	0.00		0	0.00		0	0.00		0
Other	0.03		4 586	0.02		3 059	0.04		4 586	0.02		3 059
Total:	100.00		15 235 960	100.00		15 235 960	100.00		12 188 768	100.00		15 235 960

* Total primary capital of the Company consists of two series, namely the original (12,188,768 shares; HU 0000065057) and the other one resulting from private capital increase (3,047,192 shares; HU 0000070966). This latter series is listed and held by CE Oil & Gas AG. and VCP Industrie AG in proportion as 1,828,315 and 1,828,315 respectively.

¹If listed series equal to total equity, and it is indicated, the blanks are not necessary to be filled out. Should there be more series listed at the Budapest Stock Exchange, please specify the ownership structure with each series.

² Stake

³ Voting right providing the participation in the decision making process at the General meeting of the issuer

If the stake and the voting rate are the same, only the column of stake should be filled in and handed in/published by indicating the fact!

⁴E.g.: ÁPV Rt., Social Security, Local government, etc.

⁵E.g.: EBRD, EIB, etc.

Notehead of data sheet (general)

Name of company BorsodChem Rt. Phone 36-48-511-211
Address of Kazincbarcika, Bolyai tér 1. H-3702 Facsimile 36-48-511-511
company
Sector of activity Production of plastics E-mail: Gazdik.Zoltan@borsodchem.hu
Period Q 1 of 2004 Investors relations contact person Dr.Zoltán Gazdik

RS2. Change in treasury stock (pieces) in the year

	1 January	31 March	30 June	30 September	31 December
At corporal level	0	60 000			
Subsidiaries	0	0			
Total	0	60 000			

Please state – besides indicating the fact – if the 100 % owned subsidiaries have shares from the issuer.

RS3. List of shareholders holding over 5 % of the shares (at the end of the period) and its introduction regarding the introduced series

Denomination	Nationality ¹	Activity ²	Quantity (pcs)	Share (%) ³	Voting rate (%) ^{3,4}	Note ⁵
CE Oil & Gas Beteiligung und Verwaltung AG	K	I	9 047 526	59.38	59.61	Financial investor
VCP Industrie Beteiligungen AG	K	I	4 843 877	31.79	31.92	Financial investor

When determining the share of ownership, relevant regulations of the LAW No. CXII of 1996 on 'Credit institutions and financial enterprises' on calculation of indirect ownership ratios must also be followed as it is ordered in Appendix 4 of the Law.

Should there be information available that any natural or legal entity or enterprise without a legal entity registered with the custodian hold over 5% of the shares, this should also be indicated even in a consolidated form, expressed in percentages.

It is not necessary to fill in if indicating that the introduced series and the whole equity capital are the same. If more series are introduced on the Stock Exchange data must be indicated regarding each of the series.

¹Domestic (B), Foreign (K)

²Custodian (L), State budget (Á), International Development Institute (F), Institutional (I), Private (M), Employee, managing official(D)

³Please, specify rounded off two decimals

⁴ Voting right providing the participation in the decision making process at the General Meeting of the issuer

⁵E.g.: trade investor, financial investor, etc.

TSZ2. Number of employees in full time (person)

	At the end of the base period	At the beginning of the year	At the end of the period
At corporal level	2,794	2,823	2,862
At group level	4,135	4,147	4,221

Notehead of data sheet (general)

Name of company BorsodChem Rt. Phone 36-48-511-211
 Address of Kazincbarcika, Bolyai tér 1. H-3702 Facsimile 36-48-511-511
 company
 Sector of activity Production of plastics E-mail: Gazdik.Zoltan@borsodchem.hu
 Period Q 1 of 2004 Investors relations contact person Dr.Zoltán Gazdik

TSZ3. Managing officials and employees in strategic position

Type ¹	Name	Position	Assignment started	Assignment ends	BC shares owned (pcs)
BD	Dr. Heinrich Georg Stahl	Chairman of the Board of Directors	2001.01.24.	2006.04.30.	0
BD	Kovács F. László	Member of the Board	1991.08.01.	2005.04.11.	0
BD	S. Varga Béla	Member of the Board	2002.04.11.	2005.04.11.	0
BD	Dr. Nyíri Iván	Member of the Board	2001.04.27.	2004.04.27.	0
BD	Márton Ferenc	Member of the Board	2002.04.11.	2005.04.11.	0
BD	Dr. Christoph Herbst	Member of the Board	2003.04.30.	2006.04.30.	0
BD	Bartha Ferenc	Member of the Board	2003.04.30.	2006.04.30.	0
SB	Dr. Varga Zoltán	Chairman of the Supervisory Board	2001.01.24.	2006.04.30.	0
SB	Dr. Christian Rierer	Member of the Supervisory Board	2003.04.30.	2006.04.30.	0
SB	Heinrich Pecina	Member of the Supervisory Board	2001.01.24.	2006.04.30.	0
SB	Bankó Judit	Member of the Supervisory Board	2002.04.11.	2005.04.11.	0
SB	Balázs Attila	Member of the Supervisory Board	2003.05.01.	2006.04.30.	0
SB	Fejes Bertalan	Member of the Supervisory Board	2003.05.01.	2006.04.30.	0
SP	Kovács F. László	Chief Executive Officer	1991.04.15	2005.12.31.	0
SP	Dr. Gazdik Zoltán	Financial Director	2001.05.01.	2004.12.31.	0
SP	Purzsa Tamás	Technical Director, Deputy CEO, Director of Business Unit	2000.02.01.	2004.12.31.	0
SP	Gaál Gyula	Director of Business Unit	1999.10.01.	2004.12.31.	0
SP	Dr. Szakállas István	Director of Business Unit	1998.01.01.	2004.12.31.	2
SP	Seres András	Director of Business Unit	1998.04.01.	2004.12.31.	5
SP	Szentmiklóssy László	Director of Business Unit	1998.04.01.	2004.12.31.	0
SP	S. Varga Béla	Purchase Director	1997.09.01.	2004.12.31.	0
SP	Szabó János	Director of Utilities and Investment	2003.01.01.	2004.12.31.	1
SP	Gyurácz N. Gergely	Personnel Director	1991.09.01.	2004.12.31.	0
SP	Kézdi László	Iso-cyanide Commercial Director	2002.05.01.	2006.12.31.	0
Own stockholding (piece), total:					8

In case of Board of Directors and Supervisory Board, the chairman should be listed first.

¹ Employees in strategic position (SP), Board of Directors (BD), Supervisory Board (SB)

Data sheet of extraordinary announcements

ST1. Extraordinary announcements disclosed in the year

Denomination	Denomination place	Subject, short summary
January 06 2004	BSE's website	BorsodChem open towards the mercury-free chlor-alkali technology
January 28 2004	BSE's website	Equity Share Purchase
February 02 2004	BSE's website	BorsodChem set to growth
February 09 2004	BSE's website	Change in the Company's place of announcement
February 11 2004	BSE's website	Short Business Report for 2003
February 16 2004	BSE's website	Introduction of BorsodChem shares to the stock exchange
March 25 2004	BSE's website	Invitation of the Annual General Meeting
March 29 2004	BSE's website	Corporate Governance Declaration
April 02 2004	BSE's website	Change at the foreign trade organization
April 20 2004	BSE's website	Proposals of the Annual General Meeting

Subsequently, announcements are published in daily newspapers Magyar Tőkepiac and Világgazdaság as well as on the homepage of the Company (www.borsodchem.hu).