

**Announcement of Tiszai Vegyi Kombinát Rt on the settlement of cash
compensation of those printed shares that were not submitted for
dematerialization**

Tiszaújváros, November 16, 2004

Tiszai Vegyi Kombinát Rt. hereby informs its shareholders and capital market participants, that in accordance with the requirements of the 2001. CXX Law on Capital Markets (Tpt.) 12. §, the Company sold on the Budapest Stock Exchange those dematerialised TVK ordinary shares, which were issued in replacement of those shares that were not submitted for dematerialisation. The sale was made with the assistance of a brokerage firm at the prevailing price on the Budapest Stock Exchange.

The owners of cancelled printed shares that were not submitted for dematerialisation are no longer entitled to exchange the cancelled shares for dematerialised shares, but they are entitled to request the cash value of the sold dematerialised shares. The cash compensation is equal to the average price of the total shares sold, reduced by the HUF 8 per share costs accrued until the sale of the shares. According to the information above the cash compensation is HUF 4,892 per share.

The Company will transfer the cash compensation to the shareholder from 22 November 2004. In order to receive the cash equivalent of the shares it is necessary to present the printed cancelled shares by mail or personally to the Legal Department of the Company (H-3580 Tiszaújváros, TVK Industrial Site, Gyári út, Central Office, postal address: H-3581 Tiszaújváros, P.O.Box 20., Hungary). In order to receive the cash equivalent of the shares it is necessary to present the documents certifying the necessary identification data (in case of private persons: name, address, personal identification card number and tax identification number; in case of institutions: name of the company, site address, company registration number and tax number) and the bank account number of the shareholder.

Árpád Olvasó
CEO