



The Gas Activity of MVM The South Stream Project

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MVM Organisation



MVM Zrt.

Responsibilities of MVM Hungarian Electricity Private Limited Company (MVM Zrt.)

- performs strategic management and controlling activities as a holding company
- defines business strategies and sets targets supporting the national energy strategy

Generation

- nuclear
- fossil
- renewable

Transmission/ storage

- MAVIR Hungarian ITO Company Ltd. (99.99%)
- Hungarian Gas Transit Ltd. (49,99%)
- South Stream Hungary Ltd. (50%)
- Hungarian Gas Storage Ltd.

Distribution and trading

- MVM Partner Ltd.
- Hungarian Gas
 Trade Ltd.

Other

- engineering and construction
- IT/Accounting services
- 4th mobile service provider (45%)

Majority state ownership (99,9%) exercised by the Hungarian National Asset Management Inc. 56 companies in total:

MVM Zrt. is the parent company

37 subsidiaries

2 joint companies

8 associated companies and 8 companies in other forms of participation





Main data of the Project



PARTICIPANTS

• South Stream Hungary Ltd., joint venture of MVM & Gazprom (50%-50%)

PARAMETERS

• 32 bcm per year through Hungary, 4-6 bcm per year for Hungarian market

• Length of Hungarian part: 229 km (total length: 2380 km)

TECHNICAL SUPPORT

Technical engineering expertise of Hungarian Gas Transit
 Ltd. and Gazprom is available for the project company

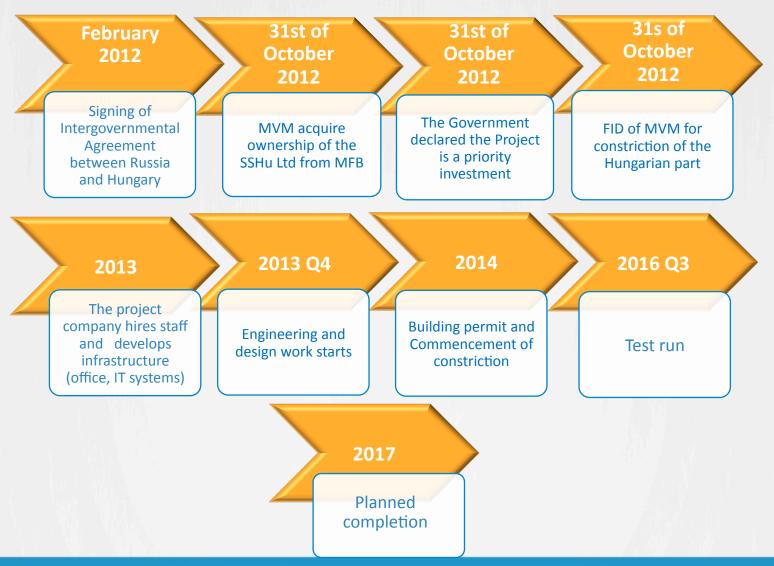






Timeline





Supporting reasons



PROFITABLE INVESTMENT

The tranzit through Hungary provides acceptable return on investment

STRATEGIC PARTNERSHIP
WITH GAZPROM

Gazprom will remain a strategic partner of MVM

MVM, AS A REGIONAL PLAYER The pipeline will determine the regional market in the future

ROLE OF MVM ON THE HUNGARIAN GAS MARKET

MVM is on the path to increase its role on the gas market

STORAGE – CO-OPERATION

The Hungarian storages are ideal for serving the shippers of the pipeline

