

## **Announcement of North Hungarian Electricity Supply plc.**

The Board of Directors of North Hungarian Electricity Supply plc. in the following informs the shareholders under Article 2006 of the IV. Law concerning business companies, paragraph 304. § (1) and by the clause IV. 20 of the deed of foundation about the significant data of the report of the Board of Directors and the Supervisory Board and of the report according to the Accounting Act, concerning the annual general meeting which is to be convened on the 21<sup>th</sup> March 2014, and also about the summary of the presentation of issues appearing on the agenda and also about proposals for decision.

### **To the 1<sup>st</sup> item of the agenda**

#### **Closing of financial year 2013**

#### **Report of the Board of Directors about the financial year 2013**

Shareholders may get to know the report of the Board of Directors in full on the general meeting.

The Board of Directors proposes the general meeting the approval of the annual report on the basis of the following data, and also submits the following proposal for the payment of dividends:

- balance sheet total of year 2013: 117 916 M HUF,
- according to the profit and loss account the result after taxation: 3 917 M HUF,
- the suggested degree of dividend, the result after taxation complemented with the sum of 5 082 M HUF from the accumulated profit reserves, namely, a total of 8 999 M HUF, which corresponds to 2 950 HUF per share.

#### Proposal for decision No. 1:

“The general meeting accepts the report of the Board of Directors about the 2013-year business activity of the Company.”

#### **Report of the Auditor**

The PricewaterhouseCoopers accounting firm examined the annual report prepared according to the Hungarian Accounting Act, the consolidated annual report according to the International Financial Reporting Standards (IFRS), and the business report for year 2013 in connection to which it had issued an opinion without qualification.

#### Proposal for decision No. 2:

“The general meeting accepts the report of the auditor about the financial year 2013.”

## **Report of the Supervisory Board**

The Supervisory Board examined the annual report concerning financial year 2013, the consolidated annual report, the business report and the proposal concerning the application of the results which are suggested to be accepted by the general meeting. Furthermore, the Supervisory Board also agrees the proposal of the Board of Directors concerning the application of the results, and accepted the report of the auditor, and the report of the Audit Committee to the closing of financial year 2013.

### Proposal for decision No. 3:

“The general meeting accepts the report of the Supervisory Board about financial year 2013.”

## **Accepting the annual report and the utilisation of the balance sheet result, accepting the consolidated annual report**

### Proposal for decision No. 4:

“The general meeting accepts the balance sheet of the Company according to the annual report of year 2013 with a 117 916 M HUF balance sheet total, and the profit and loss account with a 3 917 M HUF result after taxation.

The 3 917 M HUF result after taxation, complemented with the sum of 5 082 M HUF from the accumulated profit reserves, namely, a total of 8 999 M HUF, which corresponds to 2 950 HUF per share, to be paid for the shareholders as dividend.

Furthermore, the General meeting also accepts the consolidated balance sheet of the Company of year 2013 with a 107 917 M HUF balance sheet total, and the profit and loss account with a 2 385 M HUF result after taxation.”

## **To the 2<sup>nd</sup> item of the agenda**

### **Report on corporate governance**

Under Article 2006 of the IV. Law, paragraph 312.§ about business companies, when the shares of the public limited-liability company are registered in the Budapest Stock Exchange, the Board of Directors on its annual general meeting has to submit the report on corporate governance together with the report according to the Accounting Act.

In the report the Board of Directors summarises the practice of corporate governance followed by the public limited-liability company in the previous financial year and makes an announcement about how, with what differences it had applied the recommendations on corporate governance of the Budapest Stock Exchange.

The Supervisory Board accepted the report on corporate governance of the Board of Directors.

The Board of Directors applies the recommendations on corporate governance with the deviations included in the above mentioned report.

## Proposal for decision No. 5:

“The general meeting accepts the report on corporate governance of the Board of Directors concerning 2013 financial year.”

## **To the 3<sup>rd</sup> item of the agenda**

### **Electing the members of the Board of Directors**

The mandate of Mrs. Dr. Maria-Theresia Elisabeth Thiell in the Board of Directors expires on the 30<sup>th</sup> of September 2014. According to the proposal Mrs. Dr. Maria-Theresia Elisabeth Thiell effective from 1<sup>st</sup> October 2014 will be elected as a member of the Board of Directors for a further three-year period, in line with the Deed of Foundation.

## Proposal for decision No. 6:

“The general meeting elects Mrs. Dr. Maria-Theresia Elisabeth Thiell as a member of the Board of Directors for a further three-year period, effective from 1<sup>st</sup> October 2014.”

The mandate of Mr. Dr. Zoltán Kövesdi in the Board of Directors expires on the 1<sup>st</sup> May 2014. According to the proposal Mr. Dr. Zoltán Kövesdi effective from 1<sup>st</sup> May 2014 will be elected as a member of the Board of Directors for a further one-year period.

## Proposal for decision No. 7:

“The general meeting elects Mr. Dr. Zoltán Kövesdi as a member of the Board of Directors effective from 1<sup>st</sup> May 2014 until 1<sup>st</sup> May 2015.”

The mandate of Mr. Hans-Günter Hogg in the Board of Directors expires on the 30<sup>th</sup> of June 2014. According to the proposal Mr. Hans-Günter Hogg effective from 1<sup>st</sup> July 2014 will be elected as a member of the Board of Directors for a further three-year period, in line with the Deed of Foundation.

## Proposal for decision No. 8:

“The general meeting elects Mr. Hans-Günter Hogg as a member of the Board of Directors for further three years effective from 1<sup>st</sup> July 2014.”

## To the 4<sup>th</sup> item of the agenda

### Electing the members of the Supervisory Board

The mandate of Mr. Dr. Martin Konermann in the Supervisory Board expires on the 25<sup>th</sup> of April 2014. According to the proposal Mr. Dr. Martin Konermann effective from 25<sup>th</sup> April 2014 will be elected as a member of the Supervisory Board for a further three-year period, in line with the Deed of Foundation.

#### Proposal for decision No. 9:

“The general meeting elects Mr. Dr. Martin Konermann as a member of the Supervisory Board for a further three-year period, effective from 25<sup>th</sup> April 2014.”

The mandate of Mr. Martin Hermann in the Supervisory Board expires on the 14<sup>th</sup> of April 2014. According to the proposal Mr. Martin Hermann effective from 14<sup>th</sup> April 2014 will be elected as a member of the Supervisory Board for a further three-year period, in line with the Deed of Foundation.

#### Proposal for decision No. 10:

“The general meeting elects Mr. Martin Hermann as a member of the Supervisory Board for further three years effective from 14<sup>th</sup> April 2014.”

Hermann Lüschen discarded his mandate in the Supervisory Board with an effect of 21. March 2014. According to the proposal Mr. Marc Wolpensinger effective from 22<sup>nd</sup> March 2014 will be elected as a member of the Supervisory Board for a three-year period, in line with the Deed of Foundation.

#### Proposal for decision No. 11:

“The general meeting elects Mr. Marc Wolpensinger as a member of the Supervisory Board for three years effective from 22<sup>nd</sup> March 2014.”

Mr. Tibor Gembiczki discarded his mandate in the Supervisory Board as employees' representative with an effect of 21. March 2014. According to the proposal of the works council Mrs. Juhász Gyuláné effective from 22<sup>nd</sup> March 2014 will be elected as a member of the Supervisory Board for a three-year period, in line with the Deed of Foundation.

#### Proposal for decision No. 12:

“The general meeting elects Mrs. Juhász Gyuláné as a member of the Supervisory Board for three years effective from 22<sup>nd</sup> March 2014.”

## To the 5<sup>th</sup> item of the agenda

### Electing the members of the Audit Committee

Together with the Mr. Dr. Martin Konermann's mandate in the Supervisory Board, his mandate in the Audit Committee also expires. According to the proposal Mr. Dr. Martin Konermann will be elected as a member of the Audit Committee until the expiration of his mandate in the Supervisory Board effective from 25<sup>th</sup> April 2014.

#### Proposal for decision No. 13:

“The general meeting elects Mr. Dr. Martin Konermann with an effect of 25<sup>th</sup> April 2014, until the expiration of his mandate in the Supervisory Board as a member of the Audit Committee.”

Together with the Mr. Hermann Lüschen's mandate in the Supervisory Board, his mandate in the Audit Committee also expires. According to the proposal Mr. Marc Wolpensinger will be elected as a member of the Audit Committee until the expiration of his mandate in the Supervisory Board effective from 22<sup>nd</sup> March 2014.

#### Proposal for decision No. 14:

“The general meeting elects Mr. Marc Wolpensinger with an effect of 22<sup>nd</sup> March 2014, until the expiration of his mandate in the Supervisory Board as a member of the Audit Committee.”

## To the 6<sup>th</sup> item of the agenda

### Electing the Auditor

The mandate of PricewaterhouseCoopers Kft. who carries out the audit of the company expires on the 1<sup>st</sup> of June 2014. According to the proposal the PricewaterhouseCoopers Kft. and Mr. Balázs Mészáros as responsible person for the audit effective from 1<sup>st</sup> of June 2014 will be elected as auditor of the company for a three-year period.

#### Proposal for decision No. 15:

“The general meeting elects PricewaterhouseCoopers Kft. as auditor of the company and Mr. Balázs Mészáros as responsible person for the audit for further three years effective from 1<sup>st</sup> June 2014.”

In accordance with the 20<sup>nd</sup> point of the Deed of Foundation the annual report on the business policy, on the balance sheet and profit and loss statement of the company are available in the headquarters of the company with at least fifteen days prior to the general meeting, in order that the shareholders have the opportunity to look into them.

North Hungarian Electricity Supply plc.  
Board of Directors

