

BUDGET
FOR THE YEAR
2020

Prepared by: Directorate, Hungarian Hydrocarbon Stockpiling Association (HUSA)

Approved by: Board of Directors, HUSA, November 20, 2019

BUSINESS POLICY OF THE HUNGARIAN HYDROCARBON STOCKPILING ASSOCIATION

The Hungarian Hydrocarbon Stockpiling Association (hereinafter referred to as “**Association**” or “**HUSA**”) seeks to ensure the proper fulfilment of the responsibilities set out in Act No. XXIII of 2013 on the emergency stockpiling of imported crude oil and petroleum products (hereinafter referred to as “**Oil Stockpiling Act**”) as well as Act No. XXVI of 2006 on the emergency stockpiling of natural gas (hereinafter referred to as “**Gas Stockpiling Act**”, together also referred to as “**Stockpiling Acts**”) exercising the rights granted by the aforementioned acts.

In relation to the above obligations, the major tasks of the Association are as follows:

- definition of the stockpiling obligation,
- adjustment of the stock levels in line with the stockpiling obligation,
- safe storage of stocks, quantitative and qualitative maintenance of the goods stored in storage facilities rented from companies owned by the Association as well as from other companies; regular control of qualitative parameters.

The Association holds the stocks in storage facilities rented from its own companies as well as from other companies. The purchases of products to be stored are financed from external sources. Fundamentally, principals on stock financing loans and other external resources are reimbursed only when stocks are sold or external resources are refinanced. Meanwhile, the Association continuously strives to reduce its debt level with early repayments, thus improving the coverage of its loans. The Association finances its operations from its own proceeds, as contribution fee revenues and incomes from other sources are utilised to cover storage costs, stock maintenance costs arising from the qualitative and quantitative preservation of the stocks, interests on loans and other resources as well as the operating expenses of the Association’s work organisation. The Association constantly endeavours to perform the above responsibilities in a cost-efficient manner, in addition to optimising storage, financing and operating costs as well as contribution fee revenues.

The Association pursues its operations in accordance with the following principles:

- transparency,
- competitive neutrality,
- non-interference in the market,
- awarding of service, supply and loan agreements via competitive tendering.

The Association conducts exclusively the activities specified in the Stockpiling Acts, defined in detail in the Association’s Statutes (hereinafter referred to as “**Statutes**”), and performs all tasks closely related thereto.

The procurements and disposals of the Association, including the fulfilment of storage space requirements and the use of other services, are executed in the framework of open or restricted competitive tenders or equivalent procedures. The Association is not subject to Act No. CXLIII of 2015 on Public Procurement. In order to ensure the optimal price level of procurements and disposals and meet the annual budget estimates, the Association may conclude derivative, forward and option contracts on the commodity exchange and on the financial markets in case it is necessary and possible.

The Association raises external resources required for its operations from banks and other financial services companies via competitive tendering and strives to attain the most favourable conditions possible. Furthermore, the Association is committed to the optimisation of risks and costs on the financial and capital markets.

The Association cooperates with the international organisations involved or engaged in the strategic stockpiling of hydrocarbon energy sources, primarily with the competent bodies of the International Energy Agency (IEA) and those of the European Commission. It plays an active role in joint consultations and harmonisation efforts with foreign partner institutions and participates in the Annual Coordinating Meeting of Entity Stockholders (ACOMES).

BUDGET FOR THE YEAR 2020

The primary obligation of the Association is to execute the procurement, disposal, safe storage, quantitative and qualitative preservation and maintenance of stocks of crude oil, petroleum products and natural gas in compliance with the effective legislation.

In order to fulfil the above requirements, the main responsibilities of the Association for 2020 are as follows:

- Define the stockpiling obligation for 2020 in accordance with the statutory requirements, adjust the volume of stocks to the specified level of stockpiling obligation.
- Ensure mandatory stock replenishments prescribed by the relevant provision of law, provide the qualitative and quantitative maintenance of the stocks.
- Elaborate and implement a financing plan on the procurement of funds required for the refinancing of maturing loans.
- Determine the 2020 level of contribution fees by product group in a manner that secures a balanced budget as well as the Association's long-term and stable operations.

1. Stockpiling Obligation

1.1. Oil Section

1.1.1. *Expected Stockpiling Obligation for 2020*

Under the effective Oil Stockpiling Act, the final deadline for determining the 90 days' stockpiling obligation for 2020 is March 31, 2020. However, in order to put forward a well-founded budget, it is necessary to forecast the expected stockpiling obligation at present as well as predict whether the volume of available strategic stocks is to meet the minimum stock level specified by the current legislation.

The stockpiling obligation was projected based on available data on net imports and domestic consumption recorded in the first eight months of 2019.

Pursuant to the amendment of the Oil Stockpiling Act entering into force on January 1, 2019, in compliance with the methodology set out in Directive 2009/119/EC imposing an obligation on Member States to maintain minimum stocks of crude oil and/or petroleum products (hereinafter referred to as "**Directive**"), a choice is provided in the calculation of the stockpiling obligation as to reduce the quantity of imported refinery feedstocks with either the naphtha yield or the volume of domestic naphtha consumption. In compliance with point 2.3.2. of Annex 1 to the Oil Stockpiling Act, the decision pertains to the competence of the Board of Directors. The volume of 90 days' net imports amounts to 1 435 kt of crude oil equivalent (ktoe) calculated with the naphtha yield, whereas if the calculation is based on the volume of domestic naphtha consumption, the result is 1 314 ktoe. In line with the decision of the Board of Directors, the volume of domestic naphtha consumption entailing a lower level of obligation is applied for the definition of the stockpiling obligation. On the basis thereof, the available volume of stocks described in detail in 1.1.2. is certain to satisfy the 90 days' stockpiling obligation throughout 2020.

The stockpiling obligation estimated accordingly for 2020 is indicated in Table 1 below.

Table 1
Estimated Stockpiling Obligation for 2020

2019	Volume (kt of oil equivalent)
Annual net imports	5 313.0
Daily net imports	14.6
90 days' net imports	1 314.0

1.1.2. Volume of Stocks

Under the Oil Stockpiling Act, in accordance with the Directive and the regulations of the International Energy Agency, solely mobile stocks, which can be withdrawn from storage tanks by traditional methods, are authorised as fulfilment of the stockpiling obligation, and

- the gross volume of strategic stocks must be reduced by 10% for calculation purposes, whilst
- conversions into crude oil equivalent are based on multipliers of 0.96 for crude oil and 1.2 for petroleum products, respectively.

Consequently, the volume of strategic stocks expressed in crude oil equivalent is anticipated to account for 1 355.5 kt at the end of 2019.

Table 2
Expected Volume of Stocks on December 31, 2019

	Gross stocks (kt)	Net stocks (kt of oil equivalent)
Crude oil	589.5	509.3
Petroleum products	783.5	846.2
Total	1 373.0	1 355.5

The above figures also correspond to the opening level of stocks in January 2020, which is expected to be equivalent to 93 days' net imports for the stockpiling period between April 1, 2020 and March 31, 2021 ($1\,355.5:14.6=93$). Thus, the volume of opening stocks in 2020 is certain to fulfil the 90 days' stockpiling obligation. As a result, no changes to the extent of stocks is projected for 2020.

1.2. Gas Section

Decree No. 13/2015 (31/03/2015) of the Ministry of National Development "on the Extent of Strategic Natural Gas Stocks" (hereinafter referred to as "**Decree**") effective in the budget planning period, set the mandatory level of emergency natural gas stocks at 15 374 000 MWh (1 450 mcm) as of August 1, 2019. In order to fulfil the level of strategic natural gas stock prescribed by the Decree, 2 650 356 MWh (250 mcm) natural gas was purchased by the Association on July 31, 2019, hence, the level of stored emergency natural gas stock rose to the level specified by the Decree.

In its 2020 Budget, the Association does not anticipate changes to the level of the strategic natural gas stock laid down in the Decree.

2. Financing Plan

In Decision No. 4/2019 (31/05/2019), the General Meeting authorised the Directorate to take out loans for stock financing within the limit of maximum EUR 596 Mn (credit limit).

Currently, the Association's stock financing loans amount to EUR 577 Mn, which does not exceed the credit limit approved by the General Meeting.

According to Chapter 1 on the fulfilment of the stockpiling obligation, the Association does not plan to execute stock purchases in either Section, besides the expenses of stock replenishments are financed from contribution fee revenues. Therefore, the Association does not intend to involve additional funding in 2020. Of the existing EUR 175 Mn credit line reaching maturity at the end of June 2020, EUR 156 Mn has effectively been drawn down, for the refinancing thereof the Association is to publish a call for tenders.

All VAT reimbursements related to the Association's procurements in 2019 are to be received by the end of the first quarter of 2020. As this sum is to be utilised for the prepayment of loans, the early repayment of EUR 49 Mn on March 31, 2020 was projected during the preparation of the budget. The existing debt level is to further reduce in case the Association allocates the amount of the 2019 budget reserve for the early repayment of its loans. Experience from previous years proves that the aforementioned figures carry considerable uncertainty. Moreover, changes may occur following the approval of the budget, which do not require modifications to the level of unit contribution fees, yet, they may lead to the amendment of the financing/prepayment strategy. As a result, the above figures are not taken into account in the financing plan in a conservative manner. In the light of factual data, the Association is to request the General Meeting to decide on the utilisation of the aforementioned sums upon approval of the 2019 Annual Report in May 2020.

Accordingly, upon the compilation of its 2020 financing plan, the Association forecasted EUR 528 Mn debt level by the end of 2020, based on the existing debt level of EUR 577 Mn with estimated prepayments of EUR 49 Mn.

3. Storage Costs, Operating Expenses and Other Costs

In 2020, the Association's total net expenditures are projected to amount to HUF 33 599.7 Mn, of which the expenditures of the Oil Section are forecasted to reach HUF 16 557.0 Mn, whereas the expenditures of the Gas Section are expected to total HUF 17 042.7 Mn.

Expenditures include net storage and stock maintenance costs (HUF 31 149.0 Mn), net financing costs (HUF 1 685.7 Mn), the Association's operating expenses (HUF 695 Mn) as well as other costs (HUF 70 Mn) explained in detail as follows.

3.1. Storage and Stock Maintenance Costs

In the Oil Section, stocks are stored within the framework of long-term custody agreements. In the course of this year, the Association renegotiated its custody agreement in force until December 31, 2019 with Terméktároló Plc, and agreed on the conclusion of a further five-year contract. As of January 2020, in order to optimise the placement of stocks, reduce the expenses of stock replenishments and conduct tank revisions flawlessly, the Association is to utilise the new storage capacity constructed at the Vámosgyörk storage facility of OPAL Szolgáltató Plc. Thus, the fulfilment of storage tasks for 2020 is satisfactorily ensured in the framework of the Association's existing contracts.

Stock maintenance costs comprise the expenses of mandatory stock replenishments prescribed by the Oil Stockpiling Act. In 2020, 138 kt of petroleum product stocks are to be replenished, a significant volume thereof, namely 79 kt is to be replaced by rail/road freight transport.

In the Oil Section, storage and stock maintenance costs are projected to total HUF 15 601.8 Mn in 2020. The rise on last year's figures is triggered by the increased volume of stock replenishments incurring freight costs, by the extended storage capacity as well as by the indexation of storage fees.

In the Gas Section, strategic stocks are stored in the framework of custody agreements concluded with MMBF Natural Gas Storage Plc (hereinafter referred to as "MMBF"), in the Szőreg-1 underground gas storage facility of MMBF. In compliance with the amendment of the Gas Stockpiling Act on May 1, 2019, the storage fee of the strategic natural gas stock may not exceed the level of natural gas storage fee set out by the Hungarian Energy and Public Utility Authority (hereinafter referred to as "HEA") in Act XL of 2008 on natural gas supply. Taking account of the level of the storage fee of the strategic natural gas stock published by HEA, the estimated storage costs of the emergency natural gas stock amount to HUF 15 547.2 Mn.

Total storage and stock maintenance costs of the two Sections is budgeted to HUF 31 149.0 Mn.

3.2. Financing Costs

In 2020, financing costs of the Oil Section are projected to add up to HUF 577.7 Mn, which approximately corresponds to the amount approved in the 2019 Budget.

Interest revenues derived from the fixed term deposits of the temporary surplus of liquid assets are expected to reach HUF 5 Mn, hence bringing the net financing costs (less revenues) of the Oil Section to HUF 572.7 Mn.

In the Gas Section, interest costs amount to HUF 1 118.0 Mn exceeding the level targeted in the amended 2019 Budget (HUF 1 041.1 Mn). The increase was fundamentally induced by the higher average debt level, as the funding needs of the natural gas procurement in 2019 places a burden on the whole of 2020.

Interest revenues from the fixed term deposits of the temporary surplus of liquid assets are projected to equal to HUF 5 Mn, therefore, net financing costs (less revenues) in the Gas Section correspond to HUF 1 113.0 Mn.

In 2020, net financing costs in the two Sections are anticipated to total HUF 1 685.7 Mn.

3.3. Operating Expenses

In 2020, the Association's allocated budget for operating expenses is HUF 695 Mn, HUF 45 Mn below the amount approved in the amended 2019 Budget. The base comprised a one-off appropriation of HUF 50 Mn allotted for consulting, legal and other expenditures related to the acquisition of 51% ownership in MMBF Plc. Excluding the above mentioned one-off amount of HUF 50 Mn, total expenses planned for 2020 exceed the budget allocated for operating expenses in 2019 by HUF 5 Mn.

Disregarding the aforementioned one-off item, the structure of costs demonstrates significant modifications compared to the 2019 Budget. The entry "Procurement and disposal of tangible assets" is considerably reduced as the source code of the Member Registration Information Technology System (TIR) was already purchased in the course of 2019, therefore this expenditure is not included in the 2020 Budget. The increase in "Services used" is attributable to higher office rental fees and increased operating costs as of February 2020, expenditures incurred by the relocation, additional costs related to the improvement of information technology systems and organisation development. Personnel expenses are expected to grow by HUF 20 Mn as two full-time and one part-time employees were hired to deliver the Association's extended tasks (acquisition of MMBF, classification into the government sector).

Operating expenses must not exceed 2% of total costs.

Table 3
Major Elements of Operating Expenses (HUF million)

	2019	2019	2020
	plan	plan w/o one-off appropriation	plan
Material and material type costs	5.0	5.0	5.5
Personnel expenses	430.0	430.0	450.0
Services used	225.0	175.0	220.5
Other costs	7.5	7.5	8.0
Other expenditures	0.5	0.5	1.0
Procurement and disposal of tangible assets	72.0	72.0	10.0
Total	740.0	690.0	695.0

3.4. Startup Costs of the Holding Company

In line with the proposal concerning item 4 on the agenda, extraordinary expenses of HUF 70 Mn are planned in the Association's 2020 Budget in connection with the establishment of the holding company.

4. Revenues, Level of Contribution Fees

In the projection of funding needs, the primary objective was to ensure a balanced budget for 2020.

In accordance with the budgetary amendments introduced as of 2018, the budget reserves of the previous year and the dividend income of the current year are utilised to make early loan repayments. Accordingly, the Association's net contribution fee revenues must provide coverage for net stockpiling costs (storage and financing costs), operating expenses and other costs.

As a result, a total coverage of HUF 16 557.0 Mn is required for net expenditures in the Oil Section and HUF 17 042.7 Mn in the Gas Section, respectively.

In the Oil Section, the Association's contribution fee revenues are determined by the forecasted volume of annual fuel consumption in 2020. Meanwhile, in the Gas Section, contribution fee revenues depend on the estimated level of annual gas consumption in 2020.

4.1 Oil Section

In the 2020 Budget, in terms of fuel consumption, which serves as a basis for contribution fee revenues, the working group approved the projection on a total increase of approximately 3.6%, to 5 515 kt (6.813 billion litres₁₅), of which gas oil consumption constitutes 3 975 kt (4.732 billion litres₁₅) and gasoline consumption 1 540 kt (2.081 billion litres₁₅), respectively.

On the fuel oil market, since demand continues to fall, annual consumption is forecasted to total 3 kt in 2020.

Consumption of JET A1¹ is expected to keep up the dynamic growth of the previous years thanks to the boom in aviation and air freight. Therefore, 300 kt (380 million litres₁₅) annual consumption is projected in 2020.

4.2 Gas Section

Two factors must be taken into account for the projection of contribution fee revenues in the Gas Section. Firstly, members are entitled to reclaim contribution fee payments on household consumption². Secondly, the majority of actual natural gas consumption figures only appear in the contribution fee declarations with a delay of two to three months as the sales of natural gas are declared upon the fulfilment dates of VAT payments.

In the Gas Section, analyses by industry players and experts predict stagnant consumption for 2020 in general, which basically corresponds to the 2019 level (104 million MWh (9.8 bcm)³). As a result of energy efficiency investments, household natural gas consumption demonstrates a downward trend, albeit to a lesser extent, therefore, natural gas consumption less household consumption, which serves as a basis for net contribution fee revenues, is estimated to increase slightly by 1-1.5% to 67 million MWh (6.3 bcm).

4.3 Level of Contribution Fees

As of 2018, the Association's major goal is to revamp its finances and maintain a stable budget position in consideration of risk factors so as to ensure secure and predictable operations and level of contribution fees in the long term, meanwhile gradually improving the coverage of its loans with early repayments in the two Sections. Accordingly, the level of contribution fees in both Sections is established so that the Association's stockpiling costs (storage, stock maintenance and financing costs), operating expenses and other costs estimated for the given year are covered from contribution fee revenues derived in the same year. The previous year's budget reserves and dividend income received from the companies operating with the Association's participation are utilised for the prepayment of stock financing loans.

In the Oil Section, expenses anticipated for 2020 are covered from proceeds calculated on the basis of the 2020 consumption forecast, as well as the 2019 level of contribution fees, which remain unchanged. As a consequence, the currently effective level of unit contribution fees by product group is not modified in the Oil Section.

In 2020, total gross contribution fee revenues, calculated with the consumption figures indicated in 4.1 and the level of contribution fees unchanged, are budgeted to add up to HUF 18 273.5 Mn. Reduced with anticipated recoveries by member companies (HUF 857.6 Mn), it corresponds to net contribution fee revenues of HUF 17 415.9 Mn.

In the Gas Section, the level of unit contribution fee is reduced by 12% to 257.07 HUF/MWh (2.73 HUF/mcm) compared to the currently effective level. Total gross revenues calculated with the decreased level of contribution fee are predicted to amount to HUF 27 179.5 Mn, reduced with estimated refunds on household consumption in the amount of HUF 9 713.0 Mn, result in net revenues of HUF 17 466.5 Mn.

In 2020, the Association's gross contribution fee revenues from the two Sections are projected to total HUF 45 453.0 Mn, of which HUF 10 570.6 Mn are to be reclaimed by member companies. Therefore, gross contribution fee revenues less refunds equal to net revenues of HUF 34 882.4 Mn.

Table 4

¹ Subject to the fulfilment of the conditions prescribed in Section (2) of Article 41 of the Oil Stockpiling Act, contribution fee payments on kerosene can be reclaimed. The estimated level of contribution fee refunds was calculated on the basis of the forecasted kerosene consumption.

² Pursuant to Section (8)-(10) of the Gas Stockpiling Act, universal service providers are eligible to reclaim contribution fee payments on household natural gas consumption as of 2013.

³ For conversions from MWh into mcm, the average calorific value of 34.5 as well as the conversion factor of 3.2493 effective for the 2H quality natural gas group were applied in accordance with the Order of Natural Gas Quality Accounting at the Entry and Exit Points of the Natural Gas Transmission System for the gas year 2018/2019.

Unit Contribution Fees Effective as of January 1, 2020

Product group	Combined nomenclature number	Contribution fees		
		up to 31/12/2019	as of 01/01/2020	
Gasoline type fuel	2710 12 31	2 674	2 674	HUF / 1000 litre ₁₅
	2710 12 41			
	2710 12 45			
	2710 12 49			
	2710 12 51			
	2710 12 59			
	2710 12 70			
Kerosene	2710 19 21	2 232	2 232	HUF / 1000 litre ₁₅
Gas oil	2710 19 43	2 505	2 505	HUF / 1000 litre ₁₅
	2710 19 46			
	2710 19 47			
	2710 19 48			
	2710 20 11			
	2710 20 15			
	2710 20 17			
	2710 20 19			
Fuel oil	2710 19 62	2 303	2 303	HUF / ton
	2710 19 64			
	2710 19 68			
	2710 20 31			
	2710 20 35			
	2710 20 39			
Natural gas	2711	292.13	257.07	HUF / MWh

In consideration of the above, the 2020 Budget is to contain HUF 858.9 Mn budget reserve for the Oil Section and HUF 423.8 Mn for the Gas Section adding up to a total budget reserve of HUF 1 282.7 Mn.

5. Budget Implementation: Risks and Considerations

The budget was prepared based on the information available in the budgeting period (October 2019). The assumptions taken into account comprise the parameters applied by oil and gas companies, defined in the budget working group, as well as forecasts of the National Bank of Hungary and the financing banks, hence there is a certain degree of uncertainty to them by nature.

In the cost structure of the budget, storage fees account for the major part. Financing costs, essentially determined by the debt level, the interest rate context, the average interest premiums and the EUR/HUF exchange rate, constitute the second largest proportion. The third and smallest part is composed of operating expenses.

The cost structures of the 2019 and 2020 Budgets are demonstrated in the table below.

Table 5
Cost Structure of HUSA

	2019	2020
Storage fees, stock maintenance costs	93%	93%
Financing costs	5%	5%
Operating expenses, procurement of assets	2%	2%
Total	100%	100%

The major budgetary risk in the two Sections is posed by consumption forecasts, which are only preliminary estimations. These projections were based on the consumption figures anticipated for 2019, which are high compared to the consumption data of the previous five years, as well as on the currently favourable market environment.

Economic growth losing momentum as well as an upsurge in the use of lower consumption hybrid and electric vehicles triggered by increased awareness of environmental and economical issues may have a negative impact on fuel consumption. However, in the Oil Section, a slightly higher budget reserve is planned entailing lower risks. A 100-litre shortfall of the projected level of fuel consumption incurs a loss of HUF 250 Mn in contribution fee revenues.

Predominant risk factors influencing natural gas consumption are as follows:

- negative changes in the ratio of natural gas and electricity price may reduce the utilisation of gas fired power plants, generating a decline in the natural gas consumption of power plants,
- the slower pace of economic growth may have an adverse effect on the natural gas consumption of the industrial sector,
- changes in weather conditions may lead to significant deviations from the projected volume of natural gas consumption both in a negative (in the event of a particularly milder-than-average heating period) and in a positive (in the case of a colder-than-average heating period or hotter summer weather) direction.

In the Gas Section, on account of the risk factors outlined above, planned consumption data carry considerable uncertainty. Even a slight shortfall of these projections incurs a loss in revenues the budget reserve is insufficient to provide full coverage for. In case natural gas consumption less household consumption is 100 mcm below the budgeted volume, contribution fee revenues are to drop by approximately HUF 275 Mn.

In consideration of the above, the Board of Directors is authorised by the General Meeting of the Association to modify the level of unit contribution fees by +/- 10% in the course of the year.

Budapest, November 28, 2019

LIST OF APPENDIXES

1. Oil and Gas Inventory Plan for 2020
2. Expected Level of Stock Financing Loans for 2020
3. HUSA Participations in Affiliated Companies
4. Planning Assumptions
5. Summary Tables of the 2020 Budget

Inventory Plan

2020

Oil Section

	Gross opening stocks (01/01/2020)(kt)	Change within the year (kt)	Closing stocks (31/12/2020)		
			Gross stocks (kt)	Net stocks (kt)	Net stocks (ktoe)
Crude oil	589.5	0.0	589.5	530.6	509.4
Petroleum products	783.5	0.0	783.5	705.1	846.1
<i>Gasoline</i>	268.9	0.0	268.9	242.0	290.4
<i>Gas oil</i>	514.6	0.0	514.6	463.1	555.7
Total	1 373.0	0.0	1 373.0	1 235.7	1 355.5

Gas Section

	Opening stock (01/01/2020)	Change within the year (disposal of stocks)	Change within the year (procurement of stocks)	Closing stock (31/12/2020)
Natural gas (kWh)	15 374 000 000	0	0	15 374 000 000

EXPECTED LEVEL OF STOCK FINANCING LOANS FOR 2020

Values and items	Loans EUR Mn	Loans HUF Mn
Opening value on 01/01/2020	577	187 525
Early repayment of loans from VAT reimbursements on 31/03/2020	-49	-15 925
Loans maturing on 30/06/2020	-156	-50 700
Refinancing of maturing loans	156	50 700
Closing value on 31/12/2020	528	171 600

EUR/HUF exchange rate 325

HUSA Participation in Affiliated Companies

Expected for December 31, 2019

Company name	HUSA participation (%)	Investment value (HUF Mn)
MMBF Földgáztároló Zrt.	100.0	32 256.7
OPAL Szolgáltató Zrt.	100.0	15 137.8
Terméktároló Zrt.	25.9	8.4
Total		47 402.9

Planning Assumptions for the 2020 Budget

	Period	Unit	Value
Gas oil consumption ¹	2020	million litre ₁₅	4 732
		kt	3 975
Gasoline consumption ¹	2020	million litre ₁₅	2 081
		kt	1 540
Fuel oil consumption ¹	2020	kt	3
JET A1 consumption ¹	2020	kt	300
Natural gas consumption ¹	2020	bcm	6.3
		thous MWh	66 891.33
EUR/HUF exchange rate	Annual average for 2020	HUF	325
3-month EURIBOR rate	Annual average for 2020	%	0.02
Consumer price index ²	2019	%	103.2
Producer price index ²	2019	%	102.5

¹ Consumption subject to contribution fee payment pursuant to the Oil Stockpiling Act

² Indicators for the indexation of custody fees

BUDGET SUMMARY 2020

OIL SECTION

HUF million

		January	February	March	April	May	June	July	August	Sept	Oct	Nov	Dec	TOTAL
Gross contribution fee revenues	MHUF	1 218.9	1 239.0	1 458.8	1 534.3	1 494.6	1 546.9	1 692.1	1 613.8	1 684.9	1 706.2	1 608.5	1 475.5	18 273.5
Contribution fee refunds	MHUF	-58.2	-55.0	-65.3	-66.2	-73.6	-78.8	-83.9	-82.1	-80.6	-79.0	-68.0	-66.9	-857.6
NET CONTRIBUTION FEE REVENUES	MHUF	1 160.7	1 184.0	1 393.5	1 468.1	1 421.0	1 468.1	1 608.2	1 531.7	1 604.3	1 627.2	1 540.5	1 408.6	17 415.9
Storage and stock maintenance costs	MHUF	-1 143.5	-1 128.1	-1 514.2	-1 444.9	-1 248.6	-1 106.6	-1 143.5	-1 132.8	-1 096.0	-1 543.9	-1 790.0	-1 309.7	-15 601.8
Interest due, other costs	MHUF	-57.1	-53.4	-53.1	-47.5	-49.1	-47.5	-45.5	-45.5	-44.0	-45.5	-44.0	-45.5	-577.7
Income from capacity sales	MHUF	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest received	MHUF	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.0	5.0
NET STOCKPILING COSTS	MHUF	-1 200.6	-1 181.5	-1 567.3	-1 492.4	-1 297.7	-1 154.1	-1 189.0	-1 178.3	-1 140.0	-1 589.4	-1 834.0	-1 350.2	-16 174.5
OPERATING EXPENSES OF HUSA	MHUF	-29.0	-29.0	-29.0	-29.0	-29.0	-29.0	-29.0	-29.0	-29.0	-29.0	-29.0	-29.0	-347.5
STARTUP COSTS OF HOLDING COMPANY	MHUF	-35.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-35.0
TOTAL NET EXPENDITURES	MHUF	-1 264.6	-1 210.5	-1 596.3	-1 521.4	-1 326.7	-1 183.1	-1 218.0	-1 207.3	-1 169.0	-1 618.4	-1 863.0	-1 379.2	-16 557.0
BUDGET RESULT	MHUF	-103.9	-26.5	-202.8	-53.3	94.3	285.0	390.2	324.4	435.3	8.8	-322.5	29.4	858.9

BUDGET SUMMARY 2020

GAS SECTION

HUF million

		January	February	March	April	May	June	July	August	Sept	Oct	Nov	Dec	TOTAL
Gross contribution fee revenues	MHUF	3 286.5	3 102.9	3 154.8	2 770.5	2 331.0	1 776.9	1 604.9	1 509.4	1 337.5	1 776.9	1 872.4	2 655.8	27 179.5
Contribution fee refunds	MHUF	-1 240.2	-1 108.2	-1 250.4	-1 050.9	-955.3	-573.2	-573.2	-477.7	-477.7	-573.2	-668.7	-764.3	-9 713.0
NET CONTRIBUTION FEE REVENUES	MHUF	2 046.3	1 994.7	1 904.4	1 719.6	1 375.7	1 203.7	1 031.7	1 031.7	859.8	1 203.7	1 203.7	1 891.5	17 466.5
Storage and stock maintenance costs	MHUF	-1 295.6	-1 295.6	-1 295.6	-1 295.6	-1 295.6	-1 295.6	-1 295.6	-1 295.6	-1 295.6	-1 295.6	-1 295.6	-1 295.6	-15 547.2
Interest due, other costs	MHUF	-101.6	-95.1	-99.3	-93.9	-97.0	-93.9	-90.5	-90.5	-87.6	-90.5	-87.6	-90.5	-1 118.0
Interest received	MHUF	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.0	5.0
NET STOCKPILING COSTS	MHUF	-1 397.2	-1 390.7	-1 394.9	-1 389.5	-1 392.6	-1 389.5	-1 386.1	-1 386.1	-1 383.2	-1 386.1	-1 383.2	-1 381.1	-16 660.2
OPERATING EXPENSES OF HUSA	MHUF	-29.0	-29.0	-29.0	-29.0	-29.0	-29.0	-29.0	-29.0	-29.0	-29.0	-29.0	-29.0	-347.5
STARTUP COSTS OF HOLDING COMPANY	MHUF	-35.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-35.0
TOTAL NET EXPENDITURES	MHUF	-1 461.2	-1 419.7	-1 423.9	-1 418.5	-1 421.6	-1 418.5	-1 415.1	-1 415.1	-1 412.2	-1 415.1	-1 412.2	-1 410.1	-17 042.7
BUDGET RESULT	MHUF	585.1	575.0	480.5	301.1	-45.9	-214.8	-383.4	-383.4	-552.4	-211.4	-208.5	481.4	423.8

BUDGET SUMMARY 2020

	HUF million		
	OIL	GAS	TOTAL
Gross contribution fee revenues	18 273.5	27 179.5	45 453.0
Contribution fee refunds	-857.6	-9 713.0	-10 570.6
NET CONTRIBUTION FEE REVENUES	17 415.9	17 466.5	34 882.4
Storage and stock maintenance costs	-15 601.8	-15 547.2	-31 149.0
Interest due, other costs	-577.7	-1 118.0	-1 695.7
Interest received	5.0	5.0	10.0
NET STOCKPILING COSTS	-16 174.5	-16 660.2	-32 834.7
OPERATING EXPENSES OF HUSA	-347.5	-347.5	-695.0
STARTUP COSTS OF HOLDING COMPANY	-35.0	-35.0	-70.0
TOTAL NET EXPENDITURES	-16 557.0	-17 042.7	-33 599.7
BUDGET RESULT	858.9	423.8	1 282.7