

## *Forms related to Financial Reports*

**30.06.2007.**

### *PK1. General Information about financial data*

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

## *Forms related to Company's organisation, operation*

### **General Company data 30.06.2007.**

Date of Articles of Association/Deed of foundation	26. Apryl 2007.
Place of last Court Registration	Budapest
Date of last Court Registration	01. Jun. 2007
Number of last Court Registration	Cg. 01-10-041470/193
Issuer's capital at year end closing	HUF 7.072.365.000
Issuer's period of operation	indefinite
Issuer's business year	01.01.2007. – 31.12.2007.
Issuer's Auditor	Ernst & Young Kft.
Auditor's address	1132 Budapest, Váci út 20.
Place of publications of Issuer's Announcements Issuer's scope of activity (as per TEÁOR)	Fotex Nyrt. homepage: <a href="http://www.fotex.hu">www.fotex.hu</a> 74.15 Property management 74.81 Photo 51.47 Wholesale of other consumers goods 52.48 Retail of other manufactured goods not rated elsewhere 52.61 Retail on delivery 55.10 Hotel service 55.23 Other hotelier service 70.20 Real estate lease, management 74.14 Consultancy 92.20 Radio-television diffusion 65.23 Financial intermediary not rated elsewhere 71.33 Lease of office machinery and computer 71.34 Lease of other machineries not rated elsewhere 72.30 Data processing 72.40 Data base activity, on-line publishing 74.12 Accounting -Tax consultancy 74.40 Advertising 74.87 Other economic service not rated elsewhere 92.61 Operating sport institutions

**PK2. Consolidated companies:  
31.30.2007.**

Name	Equity/Registered capital	Interest held (%)	Voting right	Classification
Ajka Kristály Üvegipari Kft.	1 337 330	100,0	100,0	L
Azúr Ker. Zrt.	1 357 495	99,9	99,9	L
Balaton Bútorgyár Zrt.	440 130	99,9	99,9	L
Domus Ker. Nyrt.	1 633 000	99,2	99,2	L
Europtic Kft.	710 000	100,0	100,0	L
Fotex Records Kft.	140 000	100,0	100,0	L
Hungaroton Records Kft.	617 060	99,5	100,0	L
Kontúr Ker. Zrt.	1 176 756	99,9	99,9	L
Primo Zrt.	492 400	99,9	100,0	L
Europrizma Kft.	9 500	99,9	100,0	L
Hungaroton Music Zrt.	127 200	98,2	98,2	L
Fotex Cosmetics Kft.	230 550	100,0	100,0	L
Keringatlan Kft.	4 171 660	100,0	100,0	L
Fotexnet Kft.	145 860	97,9	98,0	L
Sigma Kft.	26 650	75,1	75,1	L
Bebufa Kft.	422 630	99,9	100,0	L
Upington Investments Ltd.	441	100,0	100,0	L
Downington Srl.	535 044	100,0	100,0	L
DVD Rent Kft.	83 000	99,9	100,0	L

**PK 3. BALANCE SHEET FOTEX-GROUP**  
**ACCORDING TO INTERNATIONAL**  
**FINANCIAL REPORTING STANDARDS (IFRS)**  
**(Preliminary, not audited)**

In  
thousand  
HUF

BALANCE SHEET	2006.	2007.	REFERENCE INDEX
	31. March		%
<b>A. INVESTED ASSETS</b>	<b>21 741 979</b>	<b>22 287 497</b>	<b>102,51%</b>
I. Intangible assets	2 182 486	1 467 731	67,25%
II. Tangible assets	15 981 034	17 587 185	110,05%
III. Investments	306 756	71 817	23,41%
IV. Long –term receivables			
V. Accruals			
VI. Good-will	3 271 702	3 160 764	96,61%
<b>B. CURRENT ASSETS</b>	<b>16 832 665</b>	<b>12 790 158</b>	<b>75,98%</b>
I. Liquid assets	10 387 590	7 330 106	70,57%
II. Receivables	1 837 986	1 686 773	91,77%
III. Inventories	3 717 908	3 726 888	100,24%
IV. Securities	889 182	46 391	5,22%
<b>TOTAL ASSETS:</b>	<b>38 574 644</b>	<b>35 077 655</b>	<b>90,93%</b>
<b>C. LONG TERM LIABILITIES</b>	<b>2 707 410</b>	<b>584 599</b>	<b>21,59%</b>
I. Long term bank loans	2 259 914	0	0,00%
II. Other liabilities	447 496	584 599	130,64%
<b>D. SHORT TERM LIABILITIES</b>	<b>2 456 069</b>	<b>2 055 892</b>	<b>83,71%</b>
I. Short term bank loans	14 964	0	0,00%
II. Other liabilities	2 441 105	2 055 892	84,22%
<b>TOTAL LIABILITIES:</b>	<b>5 163 479</b>	<b>2 640 491</b>	<b>51,14%</b>
<b>NET ASSETS</b>	<b>33 411 165</b>	<b>32 437 164</b>	<b>97,08%</b>
<b>E. SHAREHOLDERS' EQUITY</b>	<b>33 540 087</b>	<b>32 345 029</b>	<b>96,44%</b>
I. Share Capital	7 072 365	7 072 365	100,00%
II. Treasury share	-261 627	-261 627	100,00%
III. Capital reserve	8 712 996	8 710 131	99,97%
IV. Profit reserve (Retained earnings)	18 830 956	17 552 395	93,21%
V. Good-will	-814 603	-728 235	89,40%
<b>NET INCOME</b>	<b>-289 482</b>	<b>76 859</b>	<b>-26,55%</b>
<i>MINORITY INTEREST</i>	<i>160 560</i>	<i>15 276</i>	<i>9,51%</i>

**PK 4. PROFIT AND LOSS STATEMENT FOTEX GROUP**  
**ACCORDING TO INTERNATIONAL FINANCIAL REPORTING STANDARDS**  
**(IFRS)**  
**(preliminary, not audited)**

In thousand  
HUF

PROFIT AND LOSS STATEMENT	2006.	2007.	Reference index %
	I-III.		
Sales net income	4 545 417	3 574 607	78,64%
Sales expense	2 373 226	1 530 294	64,48%
<b>Total margins</b>	<b>2 172 191</b>	<b>2 044 313</b>	94,11%
	47,79 %	57,19%	
<b>Operating expenses</b>	<b>2 374 560</b>	<b>1 987 999</b>	83,72%
Staff remuneration	1 035 398	879 884	84,98%
Material expenditure	793 097	672 714	84,82%
Depreciation	285 401	281 819	98,74%
Other expenses	260 664	153 582	58,92%
<b>PROFIT/LOSS FROM OPERATING ACTIVITIES</b>	<b>-202 369</b>	<b>56 314</b>	-27,83%
<b>Profit/loss of financial operations</b>	<b>-40 130</b>	<b>43 605</b>	-108,66%
Interest income	86 399	64 330	74,46%
Interest expense	45 557	2 948	6,47%
Other	-80 972	-17 777	21,95%
<b>Extraordinary profit/loss</b>	<b>0</b>	<b>0</b>	
Extraordinary income			
Extraordinary expenses			
<b>PROFIT BEFORE TAX</b>	<b>-242 499</b>	<b>99 920</b>	-41,20%
Tax liability	52 225	16 429	31,46%
<b>Net profit before appropriations</b>	<b>-294 724</b>	<b>83 491</b>	-28,33%
<b>Minority shares</b>	<b>5 242</b>	<b>-6 632</b>	-126,52%
<b>NET INCOME</b>	<b>-289 482</b>	<b>76 859</b>	-26,55%

## PK 5. Fotex Public Co.Ltd. and subsidiaries

31.03.2007.

<b><i>Operating activity cash flow:</i></b>	
Loss/income before tax and minority interest	99 920
Depreciation and amortisation	281 819
Provisions and write-off	1 277
General reserve less appropriations	-4 500
exchange rate different	-85 408
Goodwill	0
Losses arising from daughter company sales	
Income on invested assets' changes	-10 783
Interest income	-64 330
Interest expense	2 948
<b><i>Changes in assets and liabilities</i></b>	
Receivables and prepayments	-57 096
Current assets' changes (without buyers' receivables and cash)	-187 101
Liabilities and accrued expenses	-1 002 214
<b>Cash-flow from operating activities</b>	<b>-1 025 468</b>
Interest income	64 330
Interest expenses	-2 948
Income tax expense	-16 429
Expense on legal proceedings	
<b><i>Net cash-flow from operating activities</i></b>	<b>-980 515</b>
<b><i>Cash flow on investments</i></b>	
Tangible assets net purchase	-673 636
Intangible assets net purchase	
Other investments net purchase	-3 062
Cash paid on subsidiaries' purchase	
<b>Cash-flow from investment activities</b>	<b>-676 698</b>
<b><i>Cash-flow on financing activities</i></b>	
Net sales/purchase of treasury shares	
Dividend distributed	
Dividend to minority shareholders	
Bond repayment	
Derivative commitments on changes for transferred bonds	
Credit and loan borrowed	0
Net growth on long term liabilities	440 369
Definitive finacness passing	0
Capital issue to the direction	
<b><i>Net cash-flow from financial activities:</i></b>	<b>440 369</b>
<b>Increase/decrease in cash and cash equivalents:</b>	<b>-1 216 844</b>
Cash and cash equivalents as of 31.12.2006.	8 546 950
Cash and cash equivalents as of 31.03.2007.	7 330 106

**Company :** Fotex First American-Hungarian Public Holding Co.Ltd.  
**Address :** 1126 Budapest, Nagy Jenő str..12.  
**Sector :** Economic activity service supply  
**Beszámolási időszak:** 01.01.2007 – 30.06.2007.

**Telefon:** (361) 202-24-00  
**Telefax:** (361) 202-24-51  
**E-mail :** [fotexrt@fotex.hu](mailto:fotexrt@fotex.hu)  
**Investors relations:** Lagyánszki Tiborné

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## ***PK 6. Significant off-balance sheet items***

***None***

## ***PK7. Net asset value of the investment fund***

***None***

**Company:** Fotex First American-Hungarian Public Holding Co.Ltd.  
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**Reporting period:** 01.01.2007 – 31.03.2007.

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**E-mail:** [fotexrt@fotex.hu](mailto:fotexrt@fotex.hu)  
**Investors relations:** Lagyánszki Tiborné

## ***Forms Related to the Structure of Shares and Ownership***

**31.03.2007.**

### ***RS1. Ownership structure, Ratio of Holdings and Votes***

Description of owner	Total equity						Listed series					
	tárgyév elején			időszak végén			Year opening			closing		
	%2	%3	Qty	%2	%3	Qty	%2	%3	Qty	%2	%3	Qty
Domestic institution / company	31,52	32,22	22 288 836	31,68	32,39	22 407 269	31,52	32,22	22 288 836	31,68	32,39	22 407 269
Foreign institution / company	49,16	50,25	34 767 441	49,16	50,25	34 767 441	49,16	50,25	34 767 441	49,16	50,25	34 767 441
Domestic individual	3,09	3,15	2 182 193	2,93	3,00	2 073 760	3,09	3,15	2 182 193	2,93	3,00	2 073 760
Foreign individual	14,05	14,36	9 938 221	14,05	14,36	9 938 221	14,05	14,36	9 938 221	14,05	14,36	9 938 221
Employees, senior officers	0,01	0,01	10 000	0,00	0,00	0	0,01	0,01	10 000	0,00	0,00	0
Treasury shares	2,17		1 536 959	2,17		1 536 959	2,17		1 536 959	2,17		1 536 959
Government held owner 2												
International development Inst. 3												
	100,00	100,00	70 723 650	100,00	100,00	70 723 650	100,00	100,00	70 723 650	100,00	100,00	70 723 650

### ***RS2. Volume (qty) of treasury shares held in the year under review***

	1st January	31st. March
Company	255 879	255 879
Subsidiary	1 281 080	1 281 080
Total	1 536 959	1 536 959

### ***RS3/1. List and description of shareholders with more than 5% (at the end of the period) in reference to listed series***

Name	Nationality	Activity	Quantity (pcs)	Interest (%)	Voting right (%)	Remarks
Blackburn Int. Inc.	Foreign	C.	11 982 321	16,94	17,32	Financial investor
Zürich Investments Inc.	Foreign	C.	10 000 000	14,14	14,45	Financial investor
Bank Austria AG	Foreign	L.	9 910 561	14,01	14,32	bank
Fotex Ingatlanfejlesztő Kft.	domestic	C.	12 478 012	17,64	18,04	Real estate development

**Company:** Fotex First American-Hungarian Public Holding Co.Ltd.  
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**Investors relations:** Lagyánszki Tiborné

***RS3/2. List and description of shareholders with more than 5% ownership ( at the end of the period)  
in reference to the total share capital***

Name	Nationality	Activity	Quantity (pcs)	Interest (%)	Voting right (%)	Remarks
Blackburn Int. Inc.	Foreign	C.	11 982 321	16,94	17,32	Financial investor
Zürich Investments Inc.	Foreign	C.	10 000 000	14,14	14,45	Financial investor
Bank Austria AG	Foreign	L.	9 910 561	14,01	14,32	Bank
Fotex Ingatlanfejlesztő Kft.	domestic	C.	12 478 012	17,64	18,04	Real estate development

**TSZ1. Changes in the headcount (number of persons) employed by the 31.03.2007.**

	31.03.2006.	01.01.2007.	31.03.2007.
Company	15	17	16
Group	1 549	1 271	1 226

**TSZ2. Senior officers, strategic employees 31.03.2007.**

Type	Name	Position	Beginning of assignment	End of assignment	No. of shares held
IT	Várszegi Gábor	Board President	17.09.1990.	30.06.2006.	
IT	dr. Hetényi István	Board Member	01.09.1994.	30.06.2006.	
IT	dr. Katzer Zoltán	Board Member	17.09.1990.	30.06.2006.	
IT	dr. Vértés András	Board Member	07.11.1994.	30.06.2006.	
IT	Robert J. Dole	Board Member	27.04.2000.	30.06.2006.	
FB	dr. Zdeborsky György	Supervisory Board President	01.06.1995.	30.06.2006.	
FB	Korányi G. Tamás	Supervisory Board Member	27.04.2000.	30.06.2006.	10 000
FB	dr. Sándor László	Supervisory Board Member	01.11.1994.	30.06.2006.	
Board of Directors	Várszegi Gábor	Board President	26.04.2006.	*	
	dr. Hetényi István	Board Member	26.04.2006.	*	
	dr. Vértés András	Board Member	26.04.2006.	*	
	dr. Békesi László	Board Member	26.04.2006.	*	
	Robert J. Dole	Board Member	26.04.2006.	*	
	Rammer Anna	Board Member	26.04.2006.	*	
Audit Committee	dr. Békesi László	Audit Committee Member	26.04.2006.	*	
	dr. Hetényi István	Audit Committee Member	26.04.2006.	*	
	dr. Vértés András	Audit Committee Member	26.04.2006.	*	
	Várszegi Gábor	General Manager	01.04.2006.	01.04.2011.	
	Várszegi Dávid	Deputy General Manager	07.11.2005.	indefinite	
	Rammer Anna	Deputy Financial Director	01.11.1995.	indefinite	
Own share property (pcs) Total				10 000	

\* April 2008. Ordinary Board Meeting day

You are requested to start the list of Board and Supervisory Board members with the chairmen of these bodies. Employee in strategic position (SP), Board Member (IT), Supervisory Board Member (FB).

## ***Forms Related to Extraordinary Reports***

### ***ST1. Extraordinary reports published in the period under review 31.03.2007.***

<b>Date</b>	<b>Place of publication</b>	<b>Subject matter, brief summary</b>
January 30, 2007	Magyar Tőkepiac	Fotex Nyrt.'s communication on the merger of its subsidiary
January 30, 2007	Magyar Tőkepiac	Fotex Nyrt.'s communication on personal change
January 30, 2007	Magyar Tőkepiac	Fotex Nyrt.'s communication on the merger of its subsidiary
January 30, 2007	Magyar Tőkepiac	Fotex Nyrt.'s communication on personal change
February 14, 2007	Magyar Tőkepiac	Fotex Nyrt.'s flash report for the months January through December, 2006
March 9, 2007	Magyar Tőkepiac	Fotex Nyrt.'s communication on the merger of its subsidiary
March 27, 2007	Magyar Tőkepiac	Fotex Nyrt.'s invitation to general meeting, as well as the tables of balance-sheet and profit or loss statement consolidated, in accordance with IFRS to be presented to the general meeting and those non-consolidated, in accordance with HAS
April 27, 2007	Magyar Tőkepiac	Announcement of a change in the media of publication
April 27, 2007	Homepage of Fotex Nyrt.	Fotex Nyrt.'s general meeting decisions
April 27, 2007	Homepage of Fotex Nyrt.	A consolidated and a non-consolidated annual report of Fotex Nyrt. as adopted at the general meeting April 26, 2007, the chairman's report, a statement on the "Responsible corporate management practice" and the "Guidelines of the Managerial interestedness system for the business years 2007-2011"

### ***ST2. Announcement of the acquisition of, or change in a ratio of more than 5% control***

***None***

### ***ST3. Announcement of a change in capital***

***None***

### ***ST4. Announcement of the distribution of dividends***

***None***

### ***ST5. Summary of General Meeting Resolutions***

Number	Re, brief summary	Number of “Aye” votes	Voting rate
1/2007.	Election of the general meeting’s keeper and certifier of the minutes, and the members of the returning board	36 152 495	100 %
2/2007.	Election of a chairman of the meeting	36 152 495	100 %
3/2007.	Adoption of the general meeting’s agenda	36 152 495	100 %
4/2007.	The General Meeting adopts a report of Fotex Nyrt.’s Board of Directors on the company’s financial management in the year 2006	36 152 495	100%
5/2007.	The General Meeting adopts a responsible corporate management report of Fotex Nyrt.’s Board of Directors on the Company’s corporate management practice in the year 2006	36 152 495	100 %
6/2007.	The General Meeting adopts a report of Fotex Nyrt.’s Audit Board	36 152 495	100 %
7/2007.	The General Meeting adopts a report by the Fotex Nyrt.’s auditor prepared on the company’s 2006 statement	36 152 495	100 %
8/2007.	The General Meeting adopts the Fotex Nyrt.’s 2006 report and balance-sheet	36 152 495	100 %
9/2007.	Amendment of sections 5.3 and 11 of the Statutes	36 152 495	100 %
10/2007.	Amendment of article 2 of section 7 of the Statutes	36 152 495	100 %
11/2007.	Addition to the Statutes by section 10.): “Long-term remuneration and incentive system for chief executive officers and senior employees”	36 152 495	100 %
12/2007.	Adoption of the guidelines of a managerial interestedness system for the business years 2007-2011	35 629 401	98.55 %
13/2007.	As of this day, the general meeting elects Gábor Várszegi member of the Board of Directors for a term until the date of the first ordinary general meeting following his election	36 152 495	100 %
14/2007.	As of this day, the general meeting elects István Hetényi member of the Board of Directors for a term until the date of the first ordinary general meeting following his election	36 152 495	100 %
15/2007.	As of this day, the general meeting elects dr. András Vértes member of the Board of Directors for a term until the date of the first ordinary general meeting following his election	36 152 495	100 %
16/2007.	As of this date, the general meeting elects dr. Békesi László member of the Board of Directors for a term until the first ordinary general meeting following his election	36 152 495	100 %
17/2007.	As of this date, the general meeting elects Robert J. Dole member of the Board of Directors for a term until the date of the first ordinary general meeting following his election	36 152 495	100 %

18/2007.	As of this day, the general meeting elects Anna Rammer member of the Board of Directors for a term until the date of the first ordinary general meeting following her election	36 152 495	100 %
19/2007.	As of this day, the general meeting elects István Hetényi member of the Audit Board until the date of the first ordinary general meeting following his election	36 152 495	100 %
20/2007.	As of this day, the general meeting elects dr. András Vértes member of the Audit Board until the date of the first ordinary general meeting following his election	36 152 495	100 %
21/2007.	As of this day, the general meeting elects dr. László Békesi member of the Audit Board until the date of the first ordinary general meeting following his election	36 152 495	100 %
22/2007.	Election of the Fotex Nyrt.'s auditor	36 152 495	100 %
23/2007.	Remuneration for the chairman and the member of the Board of Directors	36 152 495	100 %
24/2007.	Remuneration for the chairman of the Audit Board	36 152 495	100 %
25/2007.	Remuneration for the Fotex Nyrt.'s auditor for the year 2007	36 152 495	100 %

***ST6. Announcement of transactions in treasury shares***

*None*

***ST8. Announcement on changes in credit rating***

*None*