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| Case number: | Vj – 033/2004 |
| Short title (party, conduct, type of case): | MOL — pricing of wholesale petrol, exploitative price — abuse of dominance |
| Type of case: | Abuse of dominance (Exploitative) |
| Date: | October 12, 2004 |

The Hungarian Competition Office (GVH) has terminated the repeated proceeding against MOL Ltd. finding that MOL’s pricing method was fairly used

At a hearing in October 2004, the Competition Council terminated the proceeding against MOL finding that the fuel prices MOL applied in the period between 1997 and the first half of 2000 did not constitute an abuse of the undertaking’s dominant market position.

In 2000, the Hungarian Motoring Club brought an action before GVH in order to clarify whether MOL abused its dominant position by charging excessively high wholesale and retail prices for fuels (petrol and diesel) between 1997 and 2000.

In January 2001, the GVH dropped the case as to the applied retail prices concerned declaring that MOL was not in a dominant position in this market. The GVH also established that the wholesale prices MOL charged were competitive prices and therefore an abuse of the undertaking’s dominant position could not be detected.

As a result of a judicial review initiated by the Hungarian Motoring Club in 2001, the Metropolitan Court judged the GVH’s decision mentioned above in respect of the wholesale prices quashed and ordered GVH to launch a new proceeding in this regard.

In November 2003, the Supreme Court approved the decision of the Metropolitan Court and requested GVH to repeat its examination, with the involvement of an expert, relating to MOL’s wholesale pricing method. The examination extended to the relation between the wholesale prices and the unit production cost as well.

In that new proceeding GVH found that MOL’s wholesale prices exceeded the wholesale costs (where these costs included the reasonable proceeds of the invested capital) in the period between 1997 and the first half of 2000.

Having regard the fact that MOL set competitive wholesale prices, which could not be judged unfair according to the Hungarian competition law, and the departure from this rule was not substantiated by the GVH’s investigation the GVH put an end to the proceeding.

Budapest, 12 October 2004