

PRIME MINISTER’S OFFICE

**PRESS RELEASE**

In accordance with the energy strategy of the Government of Hungary and its efforts to strengthen the country’s energy security, decrease carbon-emissions and establish affordable resources of energy, in early 2014 the Cabinet concluded inter-governmental agreements to maintain the domestic nuclear electricity generating capacities of the Paks nuclear plant. Maintaining the Paks capacities would also help to decrease Hungary's dependence on external gas supplies.

These inter-governmental agreements were presented to the relevant EU authorities who, after due and careful survey of the material provided, put forward no objections.

Following this, the authorised Hungarian organisation, entered into three implementation agreements with the authorised Russian organisation, a Rosatom subsidiary, on December 9, 2014. All required notifications were made to the European Commission prior to the signing of these agreements.

Further to the EURATOM (Treaty), the EURATOM Supply Agency (an EU agency) has also reviewed one of the implementation agreements, namely the fuel supply agreement, and has requested certain modifications. Ongoing talks about addressing these observations, however, do not block the project and have no effect on the validity and enforceability of the Engineering, Procurement and Construction Agreement (EPC) that came into force on January 1, 2015.

Our expectation is that, following intensive negotiations, the fuel supply contract will be finalized in line with EURATOM requirements in a matter of weeks.

The above facts clearly demonstrate that yesterday’s announcement by the Financial Times and its “sources” are false and completely misleading. Since any further details on the documentation and ongoing talks constitute classified material and data we cannot provide you with any further information at this point.

Budapest, 13 March 2015