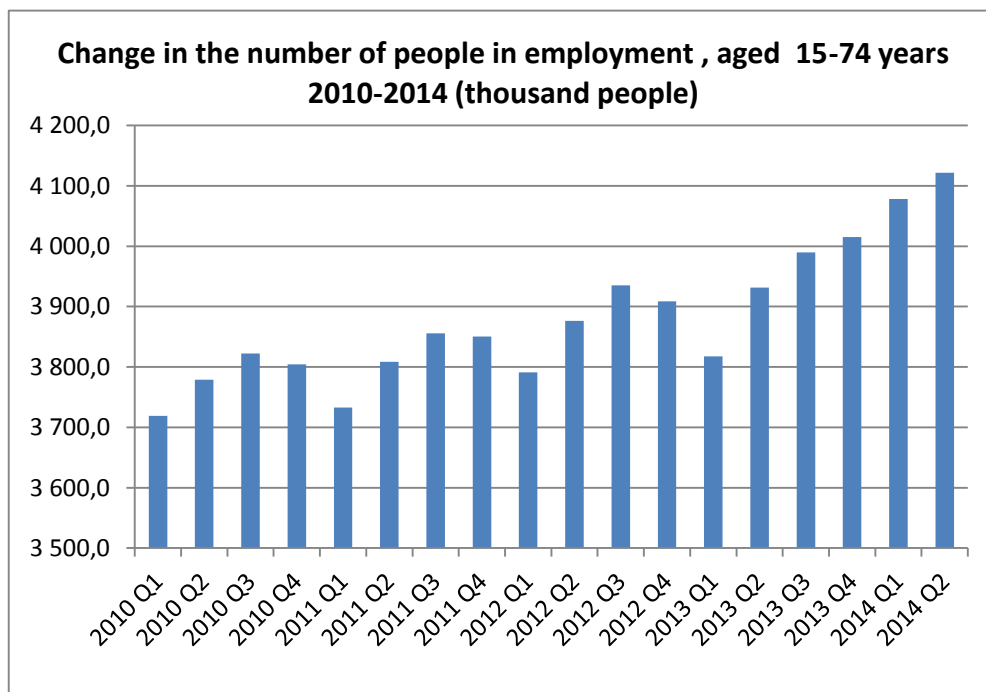




Employment continues to improve

In the initial six months of 2014, the number of people in employment aged 15-74 years increased by 106 thousand. In Q2 2014, the number of those in employment was up by 190 thousand in comparison to the corresponding period of 2013, jumping from 3 million 931 thousand to 4 million 122 thousand. Thanks to the large increase, the employment rate improved to 54.2 percent.

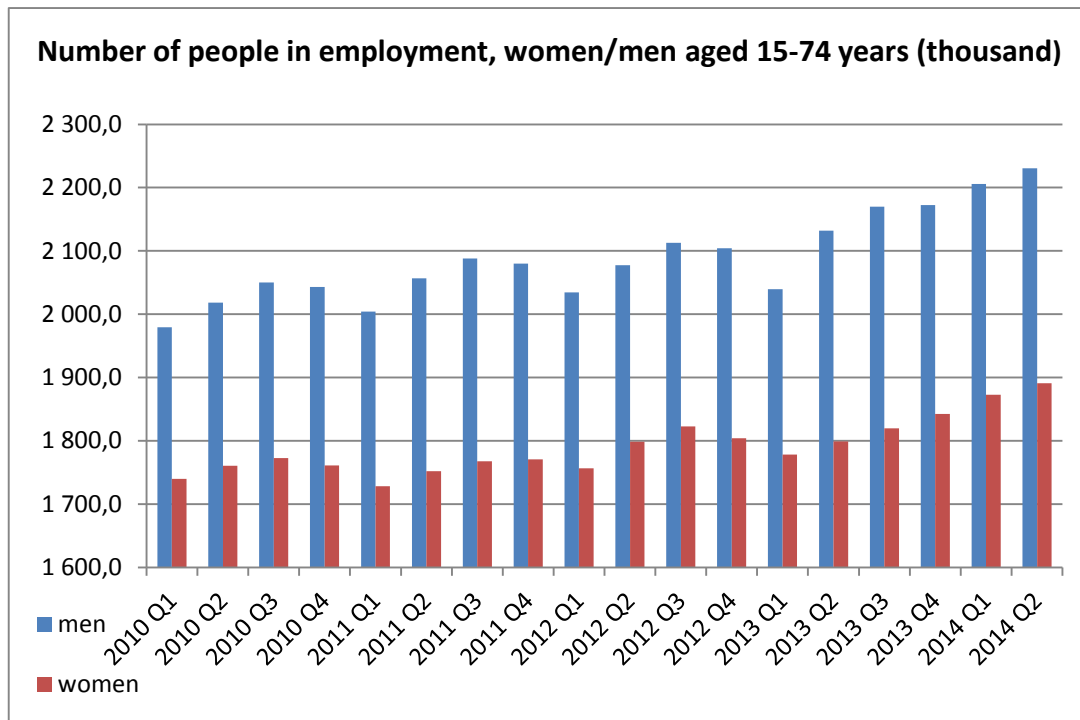


Source: Hungarian Central Statistical Office (KSH)

As the above chart demonstrates, in Q2 2013 employment picked up steam and thus over the past one year the number of people in employment gained more than 303 thousand among those aged 15-75 years. In the year of 2013 a positive employment trend reversal took place. Employment growth was underpinned by each age group: the employment rate of those aged 15-64 years, 20-64 years and 25-54 years jumped to 61.7 percent, 66.5 percent and 78.5 percent, respectively.



MINISTRY
FOR NATIONAL ECONOMY



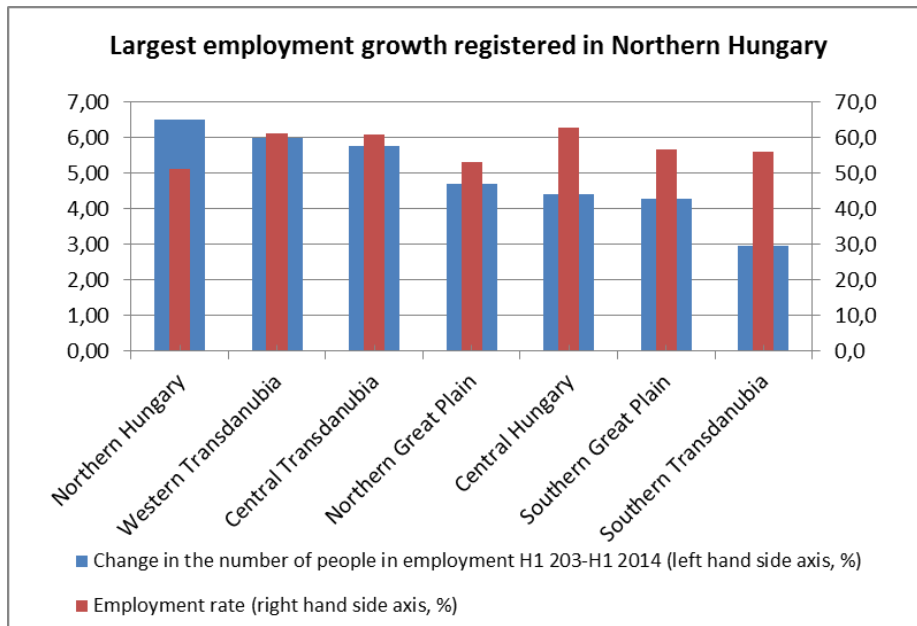
Source: Hungarian Central Statistical Office (KSH)

An analysis of the changes in the employment numbers of women and men reveals that both indicators have improved steadily since the first quarter of 2013. The employment rate of men aged 20-64 years increased to 67.8 percent, while that of women in the same category exceeded 60 percent. **According to the latest data, in Q2 2014 the number of men with a job exceeded 2 million 230 thousand and that of women was higher than 1 million 890 thousand.** Since 2010, the number of women and men who have found a job on the Hungarian labour market was altogether up by 151 thousand and 251 thousand, respectively.

As the below chart shows, employment was up in each Hungarian region in comparison to the first half of 2013. The largest increase was recorded in Northern Hungary, however, the employment rate, 51.2 percent, is still the lowest here. The highest employment rate figure was registered in Central Hungary, where the number of people in employment was also significantly higher, gaining 4 percent.



MINISTRY
FOR NATIONAL ECONOMY

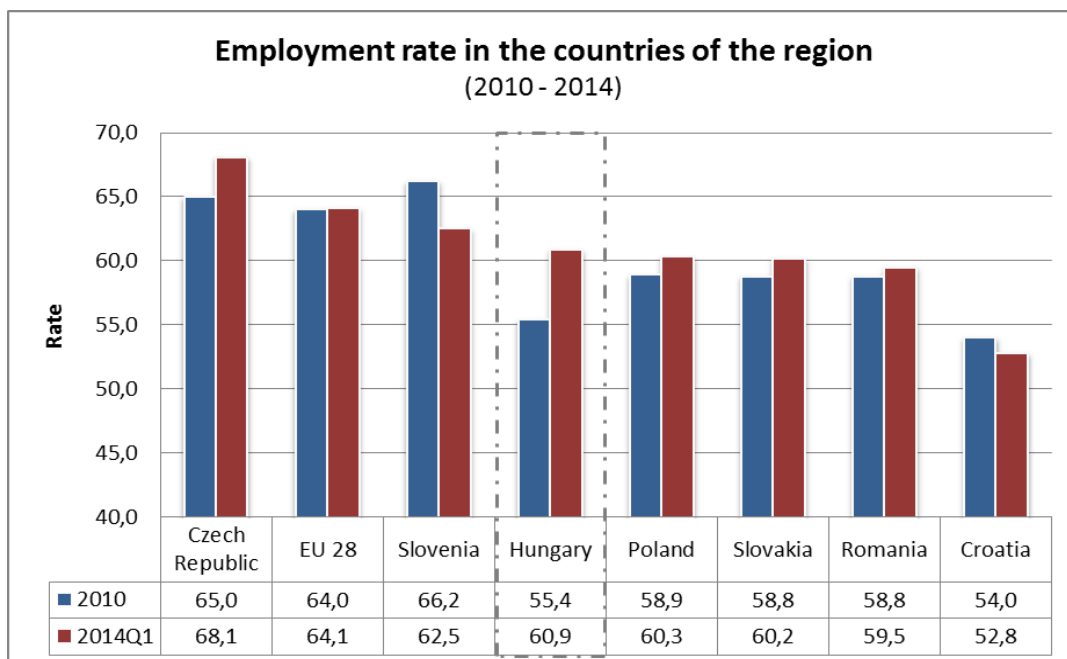


Source: Hungarian Central Statistical Office (KSH)

By evaluating EU data from Q1 2014 it can be concluded that while in 2010 the Hungarian employment rate was the lowest in the region (excluding Croatia which was a non-EU country at that time) by now Hungary's employment indicator has become the third best with 60.9 percent behind that of the Czech Republic, a country with a robust industrial sector, and Slovenia. Thus, in Q1 2014 Hungary came ahead of Poland and Slovakia among the Visegrád Four. It can also be discerned that Hungary's growth was the largest in the observed period and Slovenia suffered a setback.



MINISTRY
FOR NATIONAL ECONOMY



Source: Eurostat