

1. INTRODUCTION

The Budapest Stock Exchange (BSE) has recognised the increasing demand of Hungarian investors for foreign investment opportunities. To fulfil this demand, BSE has established the BETa Market, where investors can trade in foreign equities in a safe, easy and cost effective way in Hungarian forints. The largest and most liquid equities of mainly European companies are registered on the BETa Market's ever increasing product palette. Equities bought on the BETa Market are identical in every way to those traded on foreign markets, including their identification (ISIN) code. Thus, if an investor buys a security on the BETa Market, he/she can easily sell it on a foreign exchange, and vice versa. Moreover, investors may easily obtain the dividends due after the foreign equities in their portfolio.



2. ADVENTAGES OF BETa MARKET

Effects of trading in Hungarian forints

Trading and settlement in foreign shares registered on the BETa Market is conducted in Hungarian forints. This construction is convenient for the investors because there is no need to deal with currency conversion or pay conversion fees. However, the change in the investor's position does not depend solely on the change in the equity's price, but also on the value of the currency used on the equity's main market against the forint.

Therefore, by purchasing foreign shares the investor does not only run the risk coming from the changes in the equity's price, but also undertakes foreign currency risk.

Market making in the service of liquidity

Liquidity of the foreign equities registered on the BETa Market is enhanced by market makers, based on a market making agreement concluded with BSE. The task of the market maker is to keep a continuous supply of bid and ask quotes in the order book, keeping a narrow spread. The narrow bid-ask spread means that the difference between the best bid and ask quotes maintained by the market maker is small. In other words, investors can buy and sell equities at roughly the same price at any given moment. The activity of the market maker ensures the possibility of continuous trading and fair pricing of the registered products.

Parameters undertaken in the market making agreement (maximum price spread in percentage, minimum order

obligation) are public, and are available on the BSE website under the products' company profile subpages. At the end of each month BSE publishes the performance of each market maker during that month, specifying whether or not they have fulfilled their market making obligations, and also the amount of average spread for the given month in the product's order book.

There are numerous further advantages of trading in foreign equities on the BETa Market:

Low costs

- Investors already having a securities account at a domestic investment service provider do not need to open a new account for foreign equities, which means a saving in time and money.
- Due to the favourable fees applied on the BETa Market, which are identical to those of the BSE's Equities Section, Hungarian investors can conclude transactions in foreign equities at a lower cost than in the case of trading directly on foreign markets.
- Subscribers to real-time trading data on BSE's equity market receive real-time BETa Market data automatically, with no additional cost.

Safety, simplicity, convenience

- Thanks to the simplified security registry process, practically all equities already listed in any regulated market of the European Union can easily be introduced to BETa Market trading.
- Trading conditions on the BETa Market, namely trading hours and periods, as well as order types and their expiry are identical to those applied in BSE's Equities Section.
- Foreign equities are traded on the BETa Market in Hungarian forints, so there is no need for currency conversion.
- Just like in the case of BSE's Equities Section, the clearing and settlement of the transactions executed on the BETa Market is done by KELER Ltd., and KELER CCP Ltd. guarantees the transactions.
- The BETa Market operates with the permission and under the supervision of the Hungarian Financial Supervisory Authority, which also covers the related activity of the investment service providers.
- Capital gains attained on the BETa Market are subject to the same tax rates as those attained on BSE's equity market. Foreign equities purchased on the BETa Market can be placed to the Long-term Investment Account from 1 January 2012.
- All information related to trading on the BETa Market, such as 15-minute delayed and historical trading data as well as product specifications, is available in Hungarian on the BSE website under the BETa Market main menu point.

The following information sheets also provide helpful facts about the BSE:

Facts and figures, Trading, Listing and Disclosure, Membership, Indices, BUX ETF
Budapest Stock Exchange Ltd., member of the CEE Stock Exchange Group, H-1062 Budapest, Andrásy út 93.
T +36 1 429 6700, F +36 1 429 6800 www.bse.hu, info@bse.hu

UPDATED: JANUARY 2012



BUDAPEST STOCK EXCHANGE AT A GLANCE

BETa Market: foreign equities on the BSE

3. PRODUCTS TRADABLE ON THE BETa MARKET:

| EQUITIES | ISIN CODE |
|----------------------------------|--------------|
| ARCELORMITTAL ORD share | LU0323134006 |
| AXA share | FR0000120628 |
| BANCO SANTANDER S.A. share | ES0113900J37 |
| BASF SE ORD share | DE000BASF111 |
| BAYER AG ORD share | DE000BAY0017 |
| BILBAO VISCAAYA ARGENTARIA share | ES0113211835 |
| BMW AG ORD share | DE0005190003 |
| BNP PARIBAS ORD share | FR0000131104 |
| COMMERZBANK AG ORD share | DE0008032004 |
| DAIMLER AG ORD share | DE0007100000 |
| DEUTSCHE BANK AG ORD share | DE0005140008 |
| E.ON AG ORD share | DE000ENAG999 |
| FIAT ORD share | IT0001976403 |
| INFINEON TECHNOLOGIES AG share | DE0006231004 |
| NOKIA share | FI0009000681 |
| SIEMENS AG ORD share | DE0007236101 |
| TELEFONICA share | ES0178430E18 |
| THYSSENKRUPP AG ORD share | DE0007500001 |
| TOTAL share | FR0000120271 |
| UNICREDIT SPA ORD share | IT0004781412 |

The actual product list can be vary from the above due to meanwhile listings.

The Contents of present document do not constitute an offer as well as a public offer, a public offering for sale, or commercial communication defined in the CMA.

4. CONTACT INFORMATION

Budapest Stock Exchange Ltd.

Information Center

T +361 429 6857

F +361 429 6899

Blue number +3640 233 333 (between 9am-3pm on weekdays)

info@bse.hu; www.bet.hu

The following information sheets also provide helpful facts about the BSE:

Facts and figures, Trading, Listing and Disclosure, Membership, Indices, BUX ETF
Budapest Stock Exchange Ltd., member of the CEE Stock Exchange Group, H-1062 Budapest, Andrásy út 93.
T +36 1 429 6700, F +36 1 429 6800 www.bse.hu, info@bse.hu

UPDATED: JANUARY 2012

