



**Independent Auditors' Report
issued on the 2011 Annual Report
and Business Report
of M6 Duna Autópálya Koncessziós Zrt.**

This is an English translation of the statutory Annual Report and the Business Report, and the Independent Auditors' Report thereon issued in Hungarian. In case of any differences, the Hungarian language original prevails.





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This is an English translation of the Independent Auditors' Report on the 2011 statutory Annual Report of M6 Duna Autópálya Koncessziós Zrt. issued in Hungarian. If there are any differences, the Hungarian language original prevails. This report should be read in conjunction with the complete statutory Annual Report it refers to.

Independent Auditors' Report

To the shareholders of M6 Duna Autópálya Koncessziós Zrt.

Report on the Annual Report

We have audited the accompanying 2011 annual report of M6 Duna Autópálya Koncessziós Zrt. (hereinafter referred to as "the Company"), which comprise the balance sheet as at 31 December 2011, which shows total assets of EUR 400,554,768 and retained profit for the year of EUR 0, and the income statement for the year then ended, and supplementary notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Annual Report

Management is responsible for the preparation and fair presentation of this annual report in accordance with the provisions of the Act on Accounting and accounting principles generally accepted in Hungary, and for such internal control as management determines is necessary to enable the preparation of annual report are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on this annual report based on our audit. We conducted our audit in accordance with the Hungarian National Standards on Auditing and applicable laws and regulations in Hungary. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual report. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the annual report, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the annual report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the annual report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

We have audited the annual report of M6 Duna Autópálya Koncessziós Zrt., its components and elements and their accounting and documentary support in accordance with Hungarian National Standards on Auditing and gained sufficient and appropriate evidence that the annual report has been prepared in accordance with the provisions of the Act on Accounting and accounting principles generally accepted in Hungary. In our opinion, the annual report gives a true and fair view of the financial position of M6 Duna Autópálya Koncessziós Zrt. as at 31 December 2011, and of its financial performance and of the result of its operations for the year then ended.





Report on the Business Report

We have audited the accompanying 2011 business report of M6 Duna Autópálya Koncessziós Zrt.

Management is responsible for the preparation of the business report in accordance with the provisions of the Act on Accounting and accounting principles generally accepted in Hungary. Our responsibility is to assess whether this business report is consistent with the 2011 annual report. Our work with respect to the business report was limited to the assessment of the consistency of the business report with the annual report, and did not include a review of any information other than that drawn from the audited accounting records of the Company.

In our opinion, the 2011 business report of M6 Duna Autópálya Koncessziós Zrt. is consistent with the data included in the 2011 annual report of M6 Duna Autópálya Koncessziós Zrt.

Budapest, 31 January 2012

KPMG Hungária Kft.

Registration number: 000202

Kajtár László

Kajtár László

Partner, Professional Accountant

Registration number: 000269



13368254-4523-114-01
Statistical number

Cg.01-10-045198
Registration number

Company name: M6 Duna Autópálya Koncessziós Zrt.
Company address: 1117 Budapest, Fehérvári út 50-52.

ANNUAL REPORT
for the period from 2011.01.01.-2011.12.31.

*This is an English translation of the Annual Report
In case of any differences or controversies, the Hungarian language original prevails*

Date: Budapest, 31 January 2012

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M6 Duna Autópálya Koncessziós Zrt.**BALANCE SHEET Assets**

amounts in EUR

No.	Description	31.12.2010	Modification(s) of previous year	31.12.2011
a	b	c	d	e
1.	A. Fixed assets (lines 2.+10.+18.)	382 539 935		365 422 709
2.	I. INTANGIBLES (lines 03-09)	3 222		1 864
3.	Capitalised value of establishment and restructuring	-		-
4.	Capitalised value of R&D	-		-
5.	Rights of property value	3 222		1 864
6.	Intellectual property	-		-
7.	Goodwill	-		-
8.	Prepayments for intangibles	-		-
9.	Revaluation of intangibles	-		-
10.	II. TANGIBLES (lines 11-17)	365 660 765		342 271 592
11.	Land and buildings, related rights of property value	365 046 549		341 810 033
12.	Production equipment, machines, vehicles	601 098		452 333
13.	Other equipment, fitting and vehicles	13 118		9 226
14.	Breeding stock	-		-
15.	Assets under construction, reconstruction	-		-
16.	Prepayments for assets under construction	-		-
17.	Revaluation of tangibles	-		-
18.	III. FINANCIAL INVESTMENTS (lines 19-25)	16 875 948		23 149 253
19.	Shares for long-term in associated company	-		-
20.	Long-term loan to associated company	-		-
21.	Other long-term shares	-		-
22.	Long-term loan to minority-interest company	16 875 948		23 149 253
23.	Other long-term loans	-		-
24.	Long-term Securities	-		-
25.	Revaluation of financial investments	-		-

Date: Budapest, 31 January 2012

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M6 Duna Autópálya Koncessziós Zrt.**BALANCE SHEET Assets**

amounts in EUR

No.	Description	31.12.2010	Modification(s) of previous year	31.12.2011
a	b	c	d	e
26.	B. Current assets (lines 27.+34.+40.+45.)	12 340 529		12 594 352
27.	I. STOCKS (lines 28-33)	-		-
28.	Materials	-		-
29.	Unfinished production, semi-finished products	-		-
30.	Young, fatted and other livestock	-		-
31.	Finished products	-		-
32.	Goods	-		-
33.	Prepayments for stocks	-		-
34.	II. RECEIVABLES (lines 35-39)	152 919		33 487
35.	Accounts receivables	56 937		33 487
36.	Reveivables from associated company	-		-
37.	Receivables from minority-interest company	-		-
38.	Drafts	-		-
39.	Other receivables	95 982		-
40.	III. SECURITIES (lines 41-44)	-		-
41.	Shares in associated company	-		-
42.	Other shares	-		-
43.	Own shares, quotashares for sale	-		-
44.	Securities bought for sale	-		-
45.	IV. CASH AND BANK (lines 46-47)	12 187 610		12 560 865
46.	Cash and cheques	-		-
47.	Bank accounts	12 187 610		12 560 865
48.	C. Prepayments (lines 49.-51.)	23 159 931		22 537 707
49.	Prepayments of the incomes/revenues	8 361 045		8 702 312
50.	Prepayments of the costs and expenses	14 798 886		13 835 395
51.	Deferred costs and expenses	-		-
52.	TOTAL ASSETS (lines 1.+26.+48.)	418 040 395	-	400 554 768

Date: Budapest, 31 January 2012

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M6 Duna Autópálya Koncessziós Zrt.**BALANCE SHEET Liabilities and equity**

amounts in EUR

No.	Description	31.12.2010	Modification(s) of previous year	31.12.2011
a	b	c	d	e
53.	D. Owners equity (lines 54.+56.+57.+58.+59.+60.+61.)	28 932 310		28 932 310
54.	I. ISSUED CAPITAL	28 932 310		28 932 310
55.	from line 54: par value of own shares bought back by the Company	-		-
56.	II. REGISTERED CAPITAL, BUT NOT YET PAID (-)	-		-
57.	III. CAPITAL RESERVE	-		-
58.	IV. PROFIT/LOSS BROUGHT FORWARD	-		-
59.	V. TIED UP CAPITAL	-		-
60.	VI. REVALUATION RESERVE	-		-
61.	VII. PROFIT (LOSS) OF THE YEAR	-		-
62.	E. Provisions (lines 53.-55.)	-		-
63.	Provisions for expected losses	-		-
64.	Provision for expected liabilities	-		-
65.	Other provisions	-		-
66.	F. Liabilities (lines 67.+71.+80)	372 987 785		356 647 402
67.	I. DEFERRED LIABILITIES (lines 68.-70)	18 420 792		18 420 792
68.	Deferred liabilities to associated company	-		-
69.	Deferred liabilities to minority-interest company	18 420 792		18 420 792
70.	Deferred liabilities to other parties	-		-

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M6 Duna Autópálya Koncessziós Zrt.**BALANCE SHEET Liabilities and equity**

amounts in EUR

No.	Description	31.12.2010	Modification(s) of previous year	31.12.2011
a	b	c	d	e
71.	II. LONG-TERM LIABILITIES (lines 72.- 79)	331 761 967		310 695 662
72.	Long-term loans received	-		-
73.	Convertible bonds	-		-
74.	Liabilities from issue of bonds	151 885 740		137 429 719
75.	Investment and development credits	170 708 966		164 356 044
76.	Other long-term credits	-		-
77.	Long-term liabilities to associated company	-		-
78.	Long-term liabilities to minority-interest company	-		-
79.	Other long-term liabilities	9 167 261		8 909 899
80.	II. SHORT-TERM LIABILITIES (lines 81.-89)	22 805 026		27 530 948
81.	Short-term loans	-		-
82.	from line 81: convertible bonds	-		-
83.	Short-term credits	19 320 576		20 808 961
84.	Advances from customers	-		-
85.	Accounts payable	3 420		-
86.	Liabilities on drafts	-		-
87.	Short-term liabilities to associated company	2 086 266		5 278 256
88.	Short-term liabilities to minority-interest company	-		-
89.	Other short-term liabilities	1 394 764		1 443 731
90.	G. Accruals (lines 91.-93)	16 120 300		14 975 056
91.	Accruals of incomes	3 873 050		3 627 052
92.	Accruals of costs and expenses	4 836 374		4 477 834
93.	Deferred incomes	7 410 876		6 870 170
94.	TOTAL LIABILITIES AND EQUITY (lines 53+62+66+90)	418 040 395		400 554 768

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M6 Duna Autópálya Koncessziós Zrt.**PROFIT AND LOSS STATEMENT**

Type A (full cost method)

amounts in EUR

No	Description	amounts in EUR		
		01.01.2010 31.12.2010	Modification(s) of previous year	01.01.2011 31.12.2011
a	b	e	d	e
1.	Net domestic sales	49 351 637		49 969 202
2.	Net export sales	-		-
I.	Total sales (01+02)	49 351 637		49 969 202
3.	Change in self-manufactured stocks.	-		-
4.	Own work capitalised	-		-
II.	Own performance capitalised (03+04.)	-		-
III.	Other revenues	128 015		15 266
	from line III. rewrite of impairment loss	-		-
5.	Cost of materials	119 112		36 088
6.	Value of rendered services	2 104 823		1 670 664
7.	Value of other services	481 748		499 699
8.	Cost of goods sold	-		-
9.	Value of sold (intermediated) services	3 169 727		2 489 085
IV.	Material-type costs (05+06+07+09)	5 875 410		4 695 536
10.	Wages and salaries	209 994		208 549
11.	Other staff costs	22 116		21 608
12.	Social security contributions	58 716		60 450
V.	Staff costs (10+11+12)	290 826		290 607
VI.	Depreciation	23 415 466		23 415 159
VII.	Other expenses	976 152		1 018 176
	from line VII. impairment loss	-		-
A.	OPERATING PROFIT/LOSS (I+II+III-IV-V-VI-VII)	18 921 798		20 564 990

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M6 Duna Autópálya Koncessziós Zrt.**PROFIT AND LOSS STATEMENT**

Type A (full cost method)

amounts in EUR

No	Description	01.01.2010 31.12.2010	Modification(s) of previous year	01.01.2011 31.12.2011
a	b	e	d	e
13.	Received dividend and similar income	-		-
	from line 13. from associated company	-		-
14.	Exchange gain of sold shares	-		-
	from line 14. from associated company	-		-
15.	Interest and exchange gain of financial investments	449 752		819 194
	from line 15. from associated company	-		-
16.	Other received interest and interest like income	-		-
	from line 16. from associated company	-		-
17.	Other income from financial activities	196 398		574 826
VIII.	Income from financial transactions (13+14+15+16+17)	646 150		1 394 020
18.	Exchange loss of financial investments	-		-
	from line 18. to associated company	-		-
19.	Payable interest and interest like expenses	17 194 415		15 746 395
	from line 19. to associated company	-		-
20.	Impairment loss of shares, securities and bank deposits	-		-
21.	Other expenses from financial transactions	286 570		507 433
IX.	Expenses on financial transactions (18+19+20+21)	17 480 985		16 253 828
B.	RESULT OF FINANCIAL TRANSACTIONS (VIII-IX)	(16 834 835)		(14 859 808)
C.	PROFIT/LOSS ON ORDINARY ACTIVITIES (±A±B)	2 086 963		5 705 182
X.	Extraordinary income	-		-
XI.	Extraordinary expenditure	697		290 745
D.	EXTRAORDINARY RESULT (X-XI)	(697)		(290 745)
E.	PROFIT/LOSS BEFORE TAXATION (±C±D)	2 086 266		5 414 437
XII.	Corporation tax	-		136 181
F.	PROFIT/LOSS AFTER TAXATION (±E-XII)	2 086 266		5 278 256
18.	Revenue reserve used for dividend payment	-		-
19.	Dividend accepted by / paid to shareholders	2 086 266		5 278 256
G.	PROFIT OF THE YEAR (±F+22.-23.)	-		-

Date: Budapest, 31 January 2012

M6 Duna Autópálya Koncessziós Zrt.
 1117 Budapest, Fehérvári út 50-52.
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Cash flow statement	amounts in EUR	
	2010.01.01.-2010.12.31.	2011.01.01.-2011.12.31.
I. cash-flow of ordinary activities (Operational cash flow, lines 1-13)	22 417 828	26 248 444
1. Profit before tax	2 086 266	5 414 437
2. Depreciation	23 415 466	23 415 159
3. Impairment loss and rewrite of impairment loss	0	0
4. Change in the amount of provision	0	0
5. Result of sale of fixed assets	3 289	-664
6. Change of accounts payable	-281 314	-3 420
7. Change of other short term liabilities	-846 863	3 240 957
8. Change of accruals	-2 986 645	-1 145 244
9. Change of accounts receivable	-40 791	23 450
10. Change in current assets (excl. Cash and acc. receivable)	63 642	95 982
11. Change of prepayments	1 004 778	622 224
12. Tax paid on result	0	-136 181
13. Dividend paid	0	-5 278 256
II. Cash flow of investment activities (Investment cash flow, lines 14-16)	-27 329	-23 964
14. Purchase of fixed assets	-31 492	-28 691
15. Sale of fixed assets	4 163	4 727
16. Dividend received	0	0
III. Cash flow on financial transactions (Financing cash flow, lines 17-27)	-41 381 027	-25 851 225
17. Issuing of shares, capital inflow	0	0
18. Cash from issue of bonds, credit letters	0	0
19. Loan, credit received	0	0
20. Repayments of long-term loans and bank deposits.	-11 915 371	-6 273 305
21. Cash received	0	0
22. Decrease of registered capital	0	0
23. Repayments of bonds, credit letters	-14 714 741	-14 374 716
24. Repayments of loan, credit	-14 364 606	-4 945 842
25. Given loans, bankdeposits for long-term	0	0
26. Cash given	0	0
27. Change of liabilities to shareholders and other long term liab.	-386 309	-257 362
28. Change in the amount of registered, but unpaid capital	0	0
IV. Change in the amount of cash (lines I. + II. + III.)	-18 990 528	373 255

M6 DUNA AUTÓPÁLYA KONCESSZIÓS ZRT.

SUPPLEMENTARY NOTES TO THE ANNUAL REPORT FOR 2011

M6 DUNA AUTÓPÁLYA KONCESSZIÓS ZRT.

Supplementary Notes for 2011

1. GENERAL BACKGROUND INFORMATION

M6 Duna Autópálya Koncessziós Zrt. (the "Company"), having its legal seat at 1117 Budapest, Fehérvári út 50-52, was founded on 7 October 2004 by the following companies (the „Founders”):

- Bilfinger Berger BOT GmbH (Wiesbaden, Germany)
- Porr Infrastruktur GmbH (Vienna, Austria)
- Swietelsky International Baugesellschaft (Linz, Austria)

During 2008 Bilfinger Berger BOT GmbH transferred its shares in M6 Duna to Bilfinger Berger Project Investments S.C.A. SICAR (Luxemburg), while Porr Infrastruktur GmbH merged into Porr Solutions Immobilien- und Infrastrukturprojekte GmbH. In 2009 the latter company further transferred its shares in M6 Duna to Porr Infrastruktur Investment AG.

The Company has been registered by the Budapest Metropolitan Court on 14 October 2004, so its pre-company period last between 7 and 14 October 2004. Due to the new legal requirements, the Company's name was changed to M6 Duna Zártkörűen Működő Részvénytársaság (Zrt.) on 15 December 2005 with the decision of Founders.

The Company is a private company limited by shares established for a fixed term, which is the concession period set out in the Concession Agreement concluded with the Hungarian State. The concession period is 22 years, lasting until 8 October 2026. The rights and obligations set by the Concession Agreement were transferred to the Company via the Transfer Agreement dated 13 October 2004 by the consortium originally obtaining the concession. The consortium and the Founders were the same.

Accordingly, the Company is solely engaged in the design, construction, renovation, operation and maintenance under concession of the section of the M6 Motorway between Érdi tető and the intersection of the M6 and M8 Motorways at Dunaujváros, and the financing of the above activities. The interim completion of the motorway occurred on 11 June 2006. The relevant Traffic Authority issued the final licence to operate for this section of the M6 Motorway on 31 October 2006. The Final Acceptance Certificate issued by the Minister of Economy and Transport –acting on behalf of the Hungarian State – became effective on 13 December 2006.

On 7 February 2007 the Company established a branch office in the building of the Operation & Maintenance Centre (at 2454 Ivánca, Kilencedi utca 1, hrsz: 067/17).

During the term of the concession, the Company is entitled to possess and utilize certain assets under exclusive state property (e.g. main road) and to receive the benefits derived from those assets. Accordingly, starting from interim completion, the Company is receiving monthly availability fees from the Hungarian State for the use of the motorway. The availability fee amounts are determined by the calculation formulae contained in the Concession Agreement.

M6 DUNA AUTÓPÁLYA KONCESSZIÓS ZRT.

Supplementary Notes for 2011

2. ACCOUNTING POLICY

The books and records of the Company are maintained in accordance with Law C of 2000 on Accounting, as amended (the "Law") and generally accepted accounting principles in Hungary. In accordance with the requirements of the Law, from 1 January 2008 the books and records of the Company are maintained in EUR.

The accounting policy, the valuation method and process of the Company with the modifications introduced during this period are as follows:

Financial statement preparation date

The preparation date of the financial statements for the year ended 31 December 2010 was 4 January 2011 (except for the declared dividend, for which the respective date is 23 February 2011), while for the year ended 31 December 2011, the preparation date was 4 January 2012 (except for the declared dividend, for which the respective date is 31 January 2012).

Intangible fixed assets

Purchased software, included in Rights of property value, are amortised over 3 years. Intangible fixed assets below purchase price of 100,000 HUF are fully depreciated when put into use.

Tangible fixed assets

According the paragraph 23 (3) of the Law, the Company records the acquisition cost of the assets purchased or created under the Concession Agreement as tangible fixed assets in its books. The acquisition cost includes:

- upfront fees, commitment fees, handling fees etc. stipulated in the financing contracts directly linked to the design and construction of the motorway
- interest due until the interim completion of the motorway minus interest received on funds dedicated to the project
- banking fees and bank advisors' (technical, financial, legal, etc.) fees directly linked to the project as stipulated by the financing contracts
- insurance costs directly linked to the project, until interim completion
- direct salaries and related taxes of company officers and employees exclusively working on the project, until interim completion
- design, construction, monitoring, environmental, safety, documentation etc. advisory fees, until final completion of the construction contract
- realised and unrealised FX differences on foreign currency liabilities in direct connection with the construction, until project completion

M6 DUNA AUTÓPÁLYA KONCESSZIÓS ZRT.

Supplementary Notes for 2011

Tangible fixed assets are stated at acquisition costs less accumulated depreciation. Depreciation is calculated on a straight-line basis over the estimated useful life of the related asset. The useful lives of the motorway and the ancillary facilities are calculated from the interim completion date (11 June 2006) until the end of the concession period, which is 20.3 years. The depreciation rates applied are as follows:

Motorway and ancillary facilities	4.9%
Vehicles	20.0%
Office and IT equipment	33.3%
Furniture	14.5%

Tangible assets below purchase price of 100,000 HUF are fully depreciated when put into use.

Format of statements of operations

The accompanying statement of operations is prepared according to the "A" version of the Law. Assets and liabilities denominated in HUF are valued at the daily FX rates set by the National Bank of Hungary. The consequent valuation gains/losses are recorded net as Result on financial transactions.

Material errors, significant error

Amounts exceeding 1% of total assets are considered as material errors resulting of tax audits, self-revisions and errors effecting prior years (both in 2010 and 2011 the corresponding figure was 500 mHUF or its equivalent in EUR, the maximum amount set by the Law).

If the cumulative effect of material errors exceeds 20% of prior year's equity that is considered as significant error deteriorating the true and fair view provided by the financial statements (regarding 2010 and 2011 as well the corresponding figure was 5.8 mEUR).

3. FINANCIAL POSITION, PROFITABILITY AND LIQUIDITY

In March 2006 the project was successfully refinanced: the previous syndicated long-term bank loan was replaced by cheaper funds from a new loan from the European Investment Bank („EIB”) and the proceeds of the issuance of floating rate Notes (see Point 11). Due to the refinancing, the project's feasibility and profitability is even more secure and robust, per the underlying Financial Model. The Company has fulfilled its debt service obligations in 2010 and 2011 as well, in full compliance with the credit agreements.

The interim completion of the motorway occurred on 11 June 2006 that is with 71 days of delay compared to the target interim completion date of 31 March 2006. Since the Company was not responsible for that delay, therefore the budgeted Availability fees for such „deemed operation” period have been fully reimbursed (see Point 13 and 14) by the Ministry of Economy and Transport („GKM”), in accordance with the agreement dated 17 May 2007.

M6 DUNA AUTÓPÁLYA KONCESSZIÓS ZRT.

Supplementary Notes for 2011

In accordance with the finance documents, due the downgrade of the credit rating of Dexia Credit Local-t („Dexia”), the provider of the Debt Service Letter of Credit („DSLCL”), in March 2009 the lenders requested Dexia to advance 19 mEUR to the Company under the DSLCL facility. This amount was kept on the dedicated Debt Service Reserve Account of the Company.

In May 2010 the Company came to an agreement with its lenders and Banco Bilbao Vizcaya Argentaria („BBVA”) regarding a new letter of credit backing Dexia. The financing documents were amended to implement the backing letter of credit issued by BBVA, which enabled the Company to fully repay the outstanding DSLCL amount with the 19 m EUR released from Debt Service Reserve Account. This was the reason for the substantial decrease in the cash balance in 2010.

4. INTANGIBLE FIXED ASSETS

The changes in intangibles during 2010 and 2011 are detailed as follows (in EUR):

	<u>Rights of property value</u>
<u>Gross value</u>	
Opening balance at 1 January 2010	17 185
Additions	2 189
Disposals	-6 603
Closing balance at 31 December 2010	<u>12 771</u>
Additions	566
Disposals	0
Closing balance at 31 December 2011	<u>13 337</u>
<u>Accumulated depreciation</u>	
Opening balance at 1 January 2010	14 907
Depreciation-straight line method	1 245
Disposals	-6 603
Closing balance at 31 December 2010	<u>9 549</u>
Depreciation-straight line method	1 924
Disposals	0
Closing balance at 31 December 2011	<u>11 473</u>
Net Book Value at 31 December 2010	<u>3 222</u>
Net Book Value at 31 December 2011	<u>1 864</u>

M6 DUNA AUTÓPÁLYA KONCESSZIÓS ZRT.

Supplementary Notes for 2011

5. TANGIBLE FIXED ASSETS

The changes in tangible fixed assets during 2010 and 2011 are detailed as follows (in EUR):

	<u>Real property</u>	<u>Production vehicles and equipment</u>	<u>Other vehicles and equipment</u>	<u>Construction- in-progress</u>	<u>Total</u>
<u>Gross value</u>					
Opening balance at 1					
January 2010	470 541 359	1 447 362	64 045	0	472 052 766
Additions	3 108	18 366	7 829	0	29 303
Disposals	0	-18 840	-14 042	0	-32 882
Closing balance at 31					
December 2010	470 544 467	1 446 888	57 832	0	472 049 187
Additions	0	22 453	5 672	0	28 125
Disposals	0	-26 848	-5 851	0	-32 699
Closing balance at 31					
December 2011	470 544 467	1 442 493	57 653	0	472 044 613
<u>Accumulated depreciation</u>					
Opening balance at 1					
January 2010	82 261 101	685 921	52 609	0	82 999 631
Depreciation-straight line method	23 236 817	171 257	6 147	0	23 414 221
Disposals	0	-11 388	-14 042	0	-25 430
Closing balance at 31					
December 2010	105 497 918	845 790	44 714	0	106 388 422
Depreciation-straight line method	23 236 516	167 254	9 465	0	23 413 235
Disposals	0	-22 884	-5 752	0	-28 636
Closing balance at 31					
December 2011	128 734 434	990 160	48 427	0	129 773 021
Net Book Value at 31					
December 2010	365 046 549	601 098	13 118	0	365 660 765
December 2011	341 810 033	452 333	9 226	0	342 271 592

M6 DUNA AUTÓPÁLYA KONCESSZIÓS ZRT.

Supplementary Notes for 2011

6. FINANCIAL INVESTMENTS

In line with its Financial Model, the Company is providing a loan facility to its Shareholders from its surplus cash, in proportion to their shareholdings.

Any amount (interest plus principal) payable under this upstream loan facility may, at the election of either party, be offset against any dividend which is declared to the borrower in its capacity as Shareholder of the Company.

Accordingly, the changes in long-term loans during 2010 and 2011 were as follows (in EUR):

Opening balance at 1 January 2010	4 960 577
Offset against dividend payable on 1 June 2010	-757 384
New loans advanced in June 2010	5 719 653
New loans advanced in December 2010	<u>6 953 102</u>
Closing balance at 31 December 2010	<u>16 875 948</u>
Offset against dividend payable on 23 Febr 2011	-1 866 695
New loans advanced in May 2011	4 250 000
New loans advanced in November 2011	<u>3 890 000</u>
Closing balance at 31 December 2011	<u>23 149 253</u>

The final maturity of the facilities is the date on which the Concession Agreement expires, i.e. in October 2026. The floating interest rates of the loans are linked to the applicable interbank rate (12M Euribor) (see Point 8).

7. RECEIVABLES

As of 31 December 2010 and 31 December 2011, Accounts Receivable mainly included items recharged to the contractor. Other receivables included overpayments of local business tax as of 31 December 2010.

8. PREPAYMENTS

As of 31 December 2010 and 31 December 2011 not invoiced income items were as follows (in EUR):

	2010.12.31	2011.12.31
Availability fee from NFM	8 118 154	8 132 368
Interest on upstream loan	154 829	475 443
Leaseholding fee and overweight fee	64 807	69 730
Interest on current account and bank deposit	<u>23 255</u>	<u>24 771</u>
Total	<u>8 361 045</u>	<u>8 702 312</u>

In accordance with the VAT law, receivables from the legal successor of GKM, the Ministry of National Development („NFM”) as of 31 December 2010 and 31 December 2011 are not recorded as Accounts Receivable, but included as deferred income.

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Supplementary Notes for 2011

As of 31 December 2010 and 31 December 2011 prepayments of costs were as follows (in EUR):

	2010.12.31	2011.12.31
Deferred concession fee	14 607 299	13 681 504
Insurance premium	117 499	116 387
BBVA LC commitment fee	38 260	37 504
Prepaid operations fee	<u>35 828</u>	<u>0</u>
Total	<u>14 798 886</u>	<u>13 835 395</u>

The deferred part of the additional concession fee paid to NFM (see Point 11) in accordance with the second amendment of Concession Agreement is recorded among Prepayments. This concession fee is deferred over the concession period (until 2026) and charged as an expense on a straight line basis.

Prepayments as of 31 December 2010 included the pre-operation fees invoiced by Duna-Intertoll Zrt., the subcontractor for the operation and maintenance of the motorway, in accordance with the underlying contract, before the commencement of the operations. These fees were charged to the profit and loss account over 5 years, which was the minimum guaranteed term of the operation and maintenance contract.

9. ISSUED CAPITAL

The General Meeting held on 26 February 2008 made a resolution on the redenomination of the issued capital of the Company to EUR. Consequently, since then the Company's issued capital consists of 28,932,310 registered shares with a face value of 1 EUR each, granting equal and identical rights to the shareholders.

The respective shareholdings as of 31 December 2010 and 31 December 2011 were as follows (in EUR):

"Shareholder"	Amount	Portion
Bilfinger Berger Project Investments S.C.A. SICAR	11,572,924	40%
Porr Infrastruktur Investment AG	11,572,924	40%
Swietelsky International Baugesellschaft	5,786,462	20%
Total	<u>28,932,310</u>	<u>100%</u>

The Company issued one cumulative share denominated in EUR for each shareholder in 2008.

10. SUBORDINATED LIABILITIES

In October 2006 the Company has received subordinated loans totalling to 18,420,792 EUR from the Founders, in proportion to their shareholdings. The loans expire in October 2026. The interest on these loans is linked to the Company's EBIT (10.1% until 30 September 2010 and 6% after that date) and payable semi-annually. These loans were transferred to the respective new Shareholders upon the share transfers explained under Point 1.

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Supplementary Notes for 2011

11. LONG-TERM LIABILITIES

As of 31 December 2010, the outstanding debts with maturity over one year were as follows:

<u>Lender</u>	<u>Type of debt</u>	<u>Expiry date</u>	<u>Total original facility</u>	<u>Outstanding amount LT portion</u>
EIB	Loan	2025.03.31	200 000 000 €	170 708 966 €
Noteholders	Notes	2025.03.31	212 000 000 €	151 885 740 €
Total				322 594 706 €

As of 31 December 2011, the outstanding debts with maturity over one year were as follows:

<u>Lender</u>	<u>Type of debt</u>	<u>Expiry date</u>	<u>Total original facility</u>	<u>Outstanding amount LT portion</u>
EIB	Loan	2025.03.31	200 000 000 €	164 356 044 €
Noteholders	Notes	2025.03.31	212 000 000 €	137 429 719 €
Total				301 785 763 €

Interest and principal repayments on the EIB loan and the Notes are due semi-annually on each 31 March and 30 September. Accordingly, the repayments due on the EIB loan and the Notes in 2012 have been reclassified to Short-term credits (see Point 12).

The floating interest rates of the EIB loan and the Notes are linked to the applicable interbank rate (6M Euribor). The entire debt service under the EIB loan and the Notes is guaranteed by the monoline insurer Assured Guaranty (Europe) Ltd. (formerly called: Financial Security Assurance UK Ltd.).

However, the effective interest charge on the EIB loan and the Notes are fixed for the whole term via swap deals concluded with BNP Paribas SA (Paris). The notional amounts of the swaps follow the repayment profile of the loan and the Notes.

In 2011 the Company paid a net amount of 8,826,617 EUR on the interest swaps and incurred a net loss of 8,185,752 EUR as difference between the fixed and floating rates of these swaps.

The EIB loan and the Notes are guaranteed by the Company's shares held in custody. All the assets and future receivables of the Company are pledged as security for these borrowings as well.

Upon refinancing, the Company made an obligation to pay in total 19,013,067 EUR of additional concession fee to GKM at predetermined dates, ending on 30 September 2024. Up to 31 December 2011, 9,845,806 EUR of that has been paid to GKM in total. Of the remaining 9,167,261 EUR liability, the scheduled payment in 2012 of 257,362 EUR is reclassified to Other short-term liabilities as of 31 December 2011.

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Supplementary Notes for 2011

12. SHORT-TERM CREDITS

The short-term credits as of 31 December 2010 were as follows:

Lender	Type of debt	Expiry date	Total original facility	Outstanding amount ST portion
EIB	Loan	2025.03.31	200 000 000 €	4 945 860 €
Noteholders	Notes	2025.03.31	212 000 000 €	14 374 716 €
DSLCL	Loan	2025.03.31	19 000 000 €	0 €
Total				19 320 576 €

The short-term credits as of 31 December 2011 were as follows:

Lender	Type of debt	Expiry date	Total original facility	Outstanding amount ST portion
EIB	Loan	2025.03.31	200 000 000 €	6 352 940 €
Noteholders	Notes	2025.03.31	212 000 000 €	14 456 021 €
DSLCL	Loan	2025.03.31	19 000 000 €	0 €
Total				20 808 961 €

The floating interest rate of the DSLCL facility is linked to the applicable interbank rate (6M Euribor). The entire debt service under the DSLCL facility as well is guaranteed by the monoline insurer Assured Guaranty (Europe) Ltd.

13. ACCRUALS

As of 31 December 2010 and 31 December 2011 accruals included the following items (in EUR):

	2010.12.31	2011.12.31
Accrued income from "deemed operation"	7 410 876	6 870 170
Accrued interest & swap costs and guarantee fee	4 083 782	3 923 142
Accrued income from petrol station leaseholding contracts	3 873 050	3 627 052
Motorway operation & maintenance cost	504 063	461 051
Other advisory costs and other items	38 065	52 588
Legal advisory costs	137 811	14 000
Audit fee	13 200	13 800
Commitment fees	13 253	13 253
Seconded officers' fees	46 200	0
Total	16 120 300	14 975 056

The above accrued leaseholding income and the accrued income from "deemed operation" is being released to profit and loss on a straight line basis over the remaining part of the concession period.

M6 DUNA AUTÓPÁLYA KONCESSZIÓS ZRT.

Supplementary Notes for 2011

14. NET SALES

Net sales in 2010 and 2011 consisted of the following items (in EUR):

	2010	2011
Availability fee income	48 381 701	49 011 563
Released income of "deemed operation"	470 881	469 529
Leaseholding income	335 912	339 980
Other operational income from the motorway	39 611	76 431
Secondment fee income	67 200	67 200
Reinvoiced items	56 332	4 499
Total	<u>49 351 637</u>	<u>49 969 202</u>

15. OTHER REVENUES

Other revenues in 2010 and 2011 consisted of the following items (in EUR):

	2010	2011
Compensation from contractor	80 188	9 882
Proceeds from sales of fixed assets	4 163	4 727
Fee from overweight vehicles	43 618	0
Other	46	657
Total	<u>128 015</u>	<u>15 266</u>

The fee received from overweight vehicles in 2011 (30,834 EUR) is classified to Net sales.

16. VALUE OF RENDERED SERVICES

The value of rendered in 2010 and 2011 consisted of the following items (in EUR):

	2010	2011
Concession fee	948 376	951 327
Legal, technical & financial advisory cost	694 292	240 828
Commitment fee	99 215	147 791
Seconded officers' fees	155 400	127 050
Vehicle rental	41 302	45 246
Travel costs	44 939	42 210
Office rent	36 086	37 283
Audit fee	22 393	23 235
Bookkeeping, payroll calculation etc.	17 192	16 695
PR, marketing costs	6 316	3 909
Other	39 312	35 090
Total	<u>2 104 823</u>	<u>1 670 664</u>

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Supplementary Notes for 2011

17. VALUE OF OTHER SERVICES

Other services in 2010 and 2011 consisted of the following items (in EUR):

	2010	2011
Insurance premiums	479 837	488 900
Authority fees	939	9 350
Bank charges	972	751
Other	0	698
Total	<u>481 748</u>	<u>499 699</u>

18. OTHER EXPENSES

Other expenses in 2010 and 2011 consisted of the following items (in EUR):

Local business tax	829 070	855 367
Innovation contribution	138 188	142 332
Book of value of sold fixed assets	7 452	4 063
Other	1 442	16 414
Total	<u>976 152</u>	<u>1 018 176</u>

19. STAFF

The average statistical staff number for 2010 and 2011 as well was 5 persons. At the end 2010, the Company had 5 employees, while at the end of 2011 there were 5 employees working in intellectual jobs.

20. BOARD OF DIRECTORS, SUPERVISORY BOARD

No remuneration, advances or loan were provided by the company to the members of the Board of Directors or the Supervisory Board in 2010 and 2011.

The original Hungarian version of this annual report has been signed by:
Fáskerti Zsolt – Member of the Board of Directors
Belle Örs – Member of the Board of Directors

Their business address is 1117 Budapest, Fehérvári út 50-52.

The person in charge of bookkeeping is Szabó Krisztina Henrietta, who is a registered accountant at the Ministry of Finance under registration number 181355.

M6 DUNA AUTÓPÁLYA KONCESSZIÓS ZRT.

Supplementary Notes for 2011

21. CORPORATE TAX

The following is the calculation of the corporate tax charge for 2010 and 2011 (in EUR):

	2010	2011
Profit before tax	2 086 266	5 414 437
<u>Adjusting items:</u>		
Proportional part of previous year's unrealised FX gain	1 063 181	1 020 679
Non-deductible expenses	9 843	11 957
Cost impact of tax audit on previous years	0	15 746
Difference in net book value of disposed assets under statutory and tax accounts	0	-9 170
Tax loss carried forward from previous years	-3 159 290	-3 487 047
	<hr/>	<hr/>
Corporate tax base for 10% & 19% rate	0	2 966 602
	<hr/>	<hr/>
Corporate tax charge at 10% & 19% rate	0	419 021
Tax allowance for sports donation	-	-282 840
	<hr/>	<hr/>
Corporate tax payable	0	136 181
	<hr/>	<hr/>

22. POST BALANCE SHEET EVENTS

On 31 January 2012, the Annual General Meeting of the Company has declared a dividend of 5,278,256 EUR being the full Profit after tax for the year. This amount is recorded as Short-term liabilities to associated company in the accompanying Balance sheet as of 31 December 2011.

Budapest, 31 January 2012

BUSINESS REPORT FOR 2011

M6 Duna Autópálya Koncessziós Zrt. (the "Company") was founded on 7 October 2004. The Company is a private company limited by shares, established for a fixed term of 22 years, which is the concession period as set out in the Concession Agreement concluded with the Hungarian State.

In accordance with the Concession Agreement, the Company is engaged in the design, construction, renovation, operation and maintenance of the 58.6 km long section of the M6 Motorway between Érdi tető and the intersection of the M6 and M8 Motorways at Dunaújváros, and the financing of the above activities.

The construction works started in October 2004. The interim completion – so the opening of the motorway – took place on 11 June 2006. The relevant Traffic Authority issued the final licence to operate on 31 October 2006. The Final Acceptance Certificate issued by the Minister of Economy and Transport –acting on behalf of the Hungarian State – became effective on 13 December 2006. On 31 March 2010 the further sections of the M6 Motorway has been opened for traffic. Consequently, the M6 Motorway now gives direct access to the city of Pécs.

In the 5.5 half years that elapsed since the opening, the motorway has been operated in an orderly manner, without significant performance point events or unavailability incidents. The motorway is properly operated, maintained etc., in accordance with the routine maintenance plans and Hungarian road standards, by our operation subcontractor, Duna-Intertoll Zrt. The contract with Duna-Intertoll Zrt. is valid until 2016.

The operation of the motorway is regularly checked by the relevant Hungarian authorities.

During the term of the concession, the Company is entitled to possess and utilize certain assets under exclusive state property (e.g. main road) and to receive the benefits deriving from those assets. Accordingly, the Company receives revenues starting from 11 June 2006, in the form of monthly availability fees paid by the Hungarian State, calculated with the formulas set out in the Concession Agreement. These fees have been fully received, always in time, in 2011 as well.

In addition, the ancillary facilities of the motorway also generate revenues for the Company. Accordingly, 2*2 petrol stations are operated by MOL and OMV, respectively, in the Complex Rest Areas at km 30 and 70 of the motorway.

The Company has fulfilled its debt service obligations in 2011 as well, in full compliance with the credit agreements.

Budapest, 31 January 2012