



**Independent Auditors' Report  
issued on the 2008 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 Auditor's Report on the 2008 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 Auditor's Report**

To the shareholders of M6 Duna Autópálya Koncessziós Zrt.

We have audited the accompanying 2008 annual report of M6 Duna Autópálya Koncessziós Zrt. (hereinafter referred to as "the Company"), which comprises the balance sheet as at 31 December 2008, which shows total assets of Euro 457,633,338 and retained profit for the year of Euro 0, and the income statement for the year then ended, and the supplementary notes.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of the annual report in accordance with the provisions of the Act on Accounting and accounting principles generally accepted in Hungary. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on the annual report based on the audit and to assess whether the business report is consistent with the annual report. 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 relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 principles used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. 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.

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 of 31 December 2008, and of its financial performance and of the result of its operations for the year then ended. The business report is consistent with the disclosures in the annual report.

### *Emphasis of Matter*

We have issued an Auditor's Report dated 30 January 2009 on the annual report submitted to the general meeting for approval and have considered the events after the balance sheet date only up to that date. The general meeting amended the annual report in terms of the amount of dividend payments, which resulted in a decrease in the retained profit for the year of Euro 331,304.

Budapest, 26<sup>th</sup> February 2009

KPMG Hungária Kft.  
1139 Budapest, Váci út 99.  
Chamber registration number: 000202

*Kajtár László*  
Kajtár László  
Partner, Registered Auditor  
Identification 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 2008.01.01.-2008.12.31.**

*This is an English translation of the Annual Report*

*In case of any differences or controversies, the Hungarian language original prevails*

Date: Budapest, 26 February 2009

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

amounts in EUR

No.	Description	01.01.2008	Modification(s) of previous year	31.12.2008
a	b	c	d	e
<b>1.</b>	<b>A. Fixed assets (lines 2.+10.+18.)</b>	<b>447 988 603</b>		<b>418 133 878</b>
2.	I. INTANGIBLES (lines 03-09)	3 674		1 929
3.	Capitalised value of establishment and restructuring	-		-
4.	Capitalised value of R&D	-		-
5.	Rights of property value	3 674		1 929
6.	Intellectual property	-		-
7.	Goodwill	-		-
8.	Prepayments for intangibles	-		-
9.	Revaluation of intangibles	-		-
10.	II. TANGIBLES (lines 11-17)	435 278 237		412 179 612
11.	Land and buildings, related rights of property value	434 184 321		411 262 621
12.	Production equipment, machines, vehicles	1 072 831		901 241
13.	Other equipment, fitting and vehicles	21 085		15 750
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)	12 706 692		5 952 337
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	12 706 692		5 952 337
23.	Other long-term loans	-		-
24.	Long-term Securities	-		-
25.	Revaluation of financial investments	-		-

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

amounts in EUR

No.	Description	01.01.2008	Modification(s) of previous year	31.12.2008
a	b	c	d	e
<b>26.</b>	<b>B. Current assets (lines 27.+34.+40.+45.)</b>	<b>22 587 587</b>		<b>13 344 539</b>
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)	10 257 046		232 507
35.	Accounts receivables	9 460 458		-
36.	Receivables from associated company	-		-
37.	Receivables from minority-interest company	-		-
38.	Drafts	-		-
39.	Other receivables	796 588		232 507
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)	12 330 541		13 112 032
46.	Cash and cheques	1 112		-
47.	Bank accounts	12 329 429		13 112 032
<b>48.</b>	<b>C. Prepayments (lines 49.-51.)</b>	<b>19 038 101</b>		<b>26 154 921</b>
49.	Prepayments of the incomes/revenues	1 278 681		9 440 238
50.	Prepayments of the costs and expenses	17 759 420		16 714 683
51.	Deferred costs and expenses	-		-
<b>52.</b>	<b>TOTAL ASSETS (lines 1.+26.+48.)</b>	<b>489 614 291</b>	<b>-</b>	<b>457 633 338</b>

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

amounts in EUR

No.	Description	01.01.2008	Modification(s) of previous year	31.12.2008
a	b	c	d	e
<b>53.</b>	<b>D. Owners equity (lines 54.+56.+57.+58.+59.+60.+61.)</b>	<b>29 725 935</b>		<b>28 932 310</b>
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	793 625		-
59.	V. TIED UP CAPITAL	-		-
60.	VI. REVALUATION RESERVE	-		-
61.	VII. PROFIT (LOSS) OF THE YEAR	-		-
<b>62.</b>	<b>E. Provisions (lines 53.-55.)</b>	-		-
63.	Provisions for expected losses	-		-
64.	Provision for expected liabilities	-		-
65.	Other provisions	-		-
<b>66.</b>	<b>F. Liabilities (lines 67.+71.+80)</b>	<b>440 399 889</b>		<b>409 344 110</b>
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	01.01.2008	Modification(s) of previous year	31.12.2008
a	b	c	d	e
71.	<b>II. LONG-TERM LIABILITIES (lines 72.- 79)</b>	<b>388 984 365</b>		<b>370 486 336</b>
72.	Long-term loans received	-		-
73.	Convertible bonds	-		-
74.	Liabilities from issue of bonds	193 061 771		180 975 197
75.	Investment and development credits	185 923 599		179 749 419
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	9 998 995		9 761 720
80.	<b>II. SHORT-TERM LIABILITIES (lines 81.-89)</b>	<b>32 994 732</b>		<b>20 436 982</b>
81.	Short-term loans	-		-
82.	from line 81: convertible bonds	-		-
83.	Short-term credits	17 216 976		18 260 754
84.	Advances from customers	-		-
85.	Accounts payable	272 428		-
86.	Liabilities on drafts	-		-
87.	Short-term liabilities to associated company	-		-
88.	Short-term liabilities to minority-interest company	14 509 000		1 124 929
89.	Other short-term liabilities	996 328		1 051 299
90.	<b>G. Accruals (lines 91.-93)</b>	<b>19 488 467</b>		<b>19 356 918</b>
91.	Accruals of incomes	4 612 391		4 365 720
92.	Accruals of costs and expenses	5 968 198		6 597 859
93.	Deferred incomes	8 907 878		8 393 339
94.	<b>TOTAL LIABILITIES AND EQUITY (lines 53+62+66+90)</b>	<b>489 614 291</b>		<b>457 633 338</b>

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**M6 Duna Autópálya Koncessziós Zrt.**

## PROFIT AND LOSS STATEMENT

Type A (full cost method)

amounts in EUR

No	Description	01.01.2008
		31.12.2008
a	b	e
1.	Net domestic sales	48 435 964
2.	Net export sales	-
<b>I.</b>	<b>Total sales (01+02)</b>	<b>48 435 964</b>
3.	Change in self-manufactured stocks.	-
4.	Own work capitalised	-
<b>II.</b>	<b>Own performance capitalised (03±04.)</b>	<b>-</b>
<b>III.</b>	<b>Other revenues</b>	<b>122 062</b>
	from line III. rewrite of impairment loss	-
5.	Cost of materials	98 814
6.	Value of rendered services	1 559 206
7.	Value of other services	722 606
8.	Cost of goods sold	-
9.	Value of sold (intermediated) services	3 168 870
<b>IV.</b>	<b>Material-type costs (05+06+07+09)</b>	<b>5 549 496</b>
10.	Wages and salaries	203 480
11.	Other staff costs	26 146
12.	Social security contributions	72 378
<b>V.</b>	<b>Staff costs (10+11+12)</b>	<b>302 004</b>
<b>VI.</b>	<b>Depreciation</b>	<b>23 405 995</b>
<b>VII.</b>	<b>Other expenses</b>	<b>1 039 540</b>
	from line VII. impairment loss	-
<b>A.</b>	<b>OPERATING PROFIT/LOSS (I±II+III-IV-V-VI-VII)</b>	<b>18 260 991</b>

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

Type A (full cost method)

amounts in EUR

No	Description	01.01.2008
		31.12.2008
a	b	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	856 583
	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	336 597
<b>VIII.</b>	<b>Income from financial transactions (13+14+15+16+17)</b>	<b>1 193 180</b>
18.	Exchange loss of financial investments	-
	from line 18. to associated company	-
19.	Payable interest and interest like expenses	18 831 027
	from line 19. to associated company	-
20.	Impairment loss of shares, securities and bank deposits	-
21.	Other expenses from financial transactions	284 145
<b>IX.</b>	<b>Expenses on financial transactions (18+19+20+21)</b>	<b>19 115 172</b>
<b>B.</b>	<b>RESULT OF FINANCIAL TRANSACTIONS (VIII-IX)</b>	<b>(17 921 992)</b>
<b>C.</b>	<b>PROFIT/LOSS ON ORDINARY ACTIVITIES (±A±B)</b>	<b>338 999</b>
X.	Extraordinary income	-
XI.	Extraordinary expenditure	1 679
<b>D.</b>	<b>EXTRAORDINARY RESULT (X-XI)</b>	<b>(1 679)</b>
<b>E.</b>	<b>PROFIT/LOSS BEFORE TAXATION (±C±D)</b>	<b>337 320</b>
<b>XII.</b>	<b>Corporation tax</b>	<b>6 016</b>
<b>F.</b>	<b>PROFIT/LOSS AFTER TAXATION (±E-XII)</b>	<b>331 304</b>
18.	Revenue reserve used for dividend payment	793 625
19.	Dividend accepted by / paid to shareholders	1 124 929
<b>G.</b>	<b>PROFIT OF THE YEAR (±F+22.-23.)</b>	<b>-</b>

Date: Budapest, 26 February 2009

M6 DUNA AUTÓPÁLYA KONCESSZIÓS ZRT.

SUPPLEMENTARY NOTES TO THE ANNUAL REPORT FOR 2008

# M6 DUNA AUTÓPÁLYA KONCESSZIÓS ZRT.

## Supplementary Notes for 2008

### 1. GENERAL BACKGROUND INFORMATION

M6 Duna Autópálya Koncessziós Rt. (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.

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 Dunaújváros, 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 Center (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 deriving from those assets. Accordingly, starting from interim completion, the Company will receive monthly availability fees from the Hungarian State for the use of the motorway. The expected availability fee amounts are determined by the calculation formulae contained in the Concession Agreement.

# M6 DUNA AUTÓPÁLYA KONCESSZIÓS ZRT.

## Supplementary Notes for 2008

### 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. Due to the conversion from HUF to EUR, in the prior year's column of the accompanying balance sheet as of 31 December 2008, the figures of 1 January 2008 set in the conversion balance sheet are included, while the accompanying statement of operations include only the figures for 2008 in a single column.

For information purposes, in Point 22 below the values of the statement of operations for 2007 (originally prepared in HUF), converted to EUR at the yearly average FX rate (of EUR = 251.31 HUF), are presented.

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 2007 was 3 January 2008 (except for the declared dividend, for which the respective date is 26 February 2008), while for the year ended 31 December 2008, the preparation date was 5 January 2009 (except for the declared dividend, for which the respective date is 26 February 2009). The change in the financial statement preparation date had no material effect on this annual report.

#### 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 2008

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 life 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 gross among 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 2007 and 2008 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 2007 the corresponding figure was 2,543 mHUF, while for 2008 that was 6 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 2008 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 8) 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 2008

4. INTANGIBLE FIXED ASSETS

The changes in intangibles during 2008 are detailed as follows (in EUR):

	<u>Rights of property value</u>
<u>Gross value</u>	
Opening balance at 1 January 2008	14 048
Additions	481
Disposals	0
Closing balance at 31 December 2008	<u>14 529</u>
<u>Accumulated depreciation</u>	
Opening balance at 1 January 2008	10 374
Depreciation-straight line method	2 226
Closing balance at 31 December 2008	<u>12 600</u>
<b>Net Book Value at 1 January 2008</b>	<b><u>3 674</u></b>
<b>Net Book Value at 31 December 2008</b>	<b><u>1 929</u></b>

M6 DUNA AUTÓPÁLYA KONCESSZIÓS ZRT.

Supplementary Notes for 2008

5. TANGIBLE FIXED ASSETS

The changes in tangible fixed assets during 2008 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 2008	469 991 469	1 429 269	59 232	0	<b>471 479 970</b>
Additions	390 873	0	2 452	0	<b>393 325</b>
Disposals	-95 506	0	0	0	<b>-95 506</b>
Closing balance at 31 December 2008	<u>470 286 836</u>	<u>1 429 269</u>	<u>61 684</u>	<u>0</u>	<u><b>471 777 789</b></u>
<u>Accumulated depreciation</u>					
Opening balance at 1 January 2008	35 807 148	356 438	38 147	0	<b>36 201 733</b>
Depreciation-straight line method	23 224 392	171 590	7 787	0	<b>23 403 769</b>
Disposals	-7 325	0	0	0	<b>-7 325</b>
Closing balance at 31 December 2008	<u>59 024 215</u>	<u>528 028</u>	<u>45 934</u>	<u>0</u>	<u><b>59 598 177</b></u>
<b>Net Book Value at 1 January 2008</b>	<u><b>434 184 321</b></u>	<u><b>1 072 831</b></u>	<u><b>21 085</b></u>	<u><b>0</b></u>	<u><b>435 278 237</b></u>
<b>Net Book Value at 31 December 2008</b>	<u><b>411 262 621</b></u>	<u><b>901 241</b></u>	<u><b>15 750</b></u>	<u><b>0</b></u>	<u><b>412 179 612</b></u>

## M6 DUNA AUTÓPÁLYA KONCESSZIÓS ZRT.

### Supplementary Notes for 2008

#### 6. FINANCIAL INVESTMENTS

In line with its Financial Model, the Company is providing a loan facility to its Founders from its surplus cash, in proportion to their shareholdings. Under this upstream loan facility, the Company advanced to its Founders in total 12,706,692 EUR during 2007.

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

Accordingly, the changes in long-term loans during 2008 are detailed as follows (in EUR):

	<b>2008</b>
Opening balance at 1 January 2008	12 706 692
Offset against dividend payable on 26 Febr 2008	-12 706 692
New loan advanced on 20 May 2008	1 852 337
New loan advanced on 18 November 2008	<u>4 100 000</u>
Closing balance at 31 December 2008	<u>5 952 337</u>

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

#### 7. RECEIVABLES

Due to the changes in the VAT law effective from 2008, receivables from the legal successor of GKM, the Ministry of Transport, Telecommunication and Energy („KHEM”) as of 31 December 2008 are not recorded as Accounts Receivable, but included as deferred income.

Other receivables as of 31 December 2008 included overpayments of local business tax.

#### 8. PREPAYMENTS

As of 1 January 2008 and 31 December 2008 deferred income items were as follows (in EUR):

	<b>2008.01.01</b>	<b>2008.12.31</b>
Availability fee from KHEM	0	7 951 629
Receivable under Swap agreements	873 277	1 340 575
Interest on upstream loan	283 462	81 171
Leaseholding fee and overweight fee	44 715	66 863
Interest on current account and bank deposit	<u>77 227</u>	<u>0</u>
Total	<u>1 278 681</u>	<u>9 440 238</u>

## M6 DUNA AUTÓPÁLYA KONCESSZIÓS ZRT.

### Supplementary Notes for 2008

As of 1 January 2008 and 31 December 2008 prepayments of costs were as follows (in EUR):

	<b>2008.01.01</b>	<b>2008.12.31</b>
Deferred concession fee	17 389 756	16 461 425
Prepaid operations fee	362 136	243 480
Insurance premium and other fees	<u>7 528</u>	<u>9 778</u>
Total	<u>17 759 420</u>	<u>16 714 683</u>

The deferred part of the additional concession fee paid by KHEM (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 1 January 2008 and 31 December 2008 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 are charged to the profit and loss account over 5 years, which is 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, the Company's issued capital now 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 2008 were as follows (in EUR):

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

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

## M6 DUNA AUTÓPÁLYA KONCESSZIÓS ZRT.

### Supplementary Notes for 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 and payable semi-annually. These loans were transferred to the respective new Shareholders as a result of the share transfers explained under Point 1.

#### 11. LONG-TERM LIABILITIES

As of 1 January 2008, the outstanding debts with maturity over one year were as follows:

Lender	Type of debt	Expiry date	Total original facility	Outstanding amount LT portion
EIB	Loan	2025.03.31	200 000 000 €	185 923 599 €
Noteholders	Notes	2025.03.31	212 000 000 €	193 061 771 €
<b>Total</b>				<b>378 985 370 €</b>

As of 31 December 2008, the outstanding debts with maturity over one year were as follows:

Lender	Type of debt	Expiry date	Total original facility	Outstanding amount LT portion
EIB	Loan	2025.03.31	200 000 000 €	179 749 419 €
Noteholders	Notes	2025.03.31	212 000 000 €	180 975 197 €
<b>Total</b>				<b>360 724 616 €</b>

Interest and principal repayments (starting from 2007) 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 2009 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 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 2008 the Company received a net amount of 3,298,632 EUR on the interest swaps and enjoyed a gain of 3,765,930 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 a new 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 2008, 9,014,072 EUR of that has been paid to GKM in total. Of the remaining 9,998,995 EUR liability, the scheduled payment for 2009 of 237,275 EUR is reclassified to Other short-term liabilities in the accompanying Balance Sheet.

## M6 DUNA AUTÓPÁLYA KONCESSZIÓS ZRT.

### Supplementary Notes for 2008

#### 12. SHORT-TEM CREDITS

The short-tem credits as of 1 January 2008 were as follows:

Lender	Type of debt	Expiry date	Total original facility	Outstanding amount ST portion
EIB	Loan	2025.03.31	200 000 000 €	6 407 637 €
Noteholders	Notes	2025.03.31	212 000 000 €	10 809 339 €
<b>Total</b>				<b>17 216 976 €</b>

The short-tem credits as of 31 December 2008 were as follows:

Lender	Type of debt	Expiry date	Total original facility	Outstanding amount ST portion
EIB	Loan	2025.03.31	200 000 000 €	6 174 180 €
Noteholders	Notes	2025.03.31	212 000 000 €	12 086 574 €
<b>Total</b>				<b>18 260 754 €</b>

#### 13. ACCRUALS

As of 1 January 2008 and 31 December 2008 accruals included the following items (in EUR):

	<b>2008.01.01</b>	<b>2008.12.31</b>
Accrued income from "deemed operation"	8 907 878	8 393 339
Accrued interest costs and guarantee fee	5 689 249	6 020 704
Accrued income from petrol station leaseholding contracts	4 612 391	4 365 720
Motorway operation & maintenance cost	225 566	472 598
Seconded officers' fees	10 625	40 625
Advisory costs and other items	17 220	37 778
Commitment fees	13 538	13 254
Audit fee	12 000	12 900
<b>Total</b>	<b>19 488 467</b>	<b>19 356 918</b>

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 2008

14. NET SALES

Net sales in 2007 and 2008 consisted of the following items (the values for 2007 were originally prepared in HUF and converted to EUR at the yearly average FX rate (EUR = 251.31 HUF) (in EUR):

	<b>2007</b>	<b>2008</b>
Availability fee income	46 585 134	47 449 574
Released income of "deemed operation"	471 720	475 466
Leaseholding income	308 397	332 602
Other operational income from the motorway	122 366	104 514
Reinvoiced items	8 514 387	37 781
Secondment fee income	<u>0</u>	<u>36 027</u>
Total	<u>56 002 002</u>	<u>48 435 964</u>

15. OTHER REVENUES

Other revenues in 2007 and 2008 consisted of the following items (the values for 2007 were originally prepared in HUF and converted to EUR at the yearly average FX rate (EUR = 251.31 HUF) (in EUR):

	<b>2007</b>	<b>2008</b>
Fee from overweight vehicles	53 160	79 517
Compensation from contractor	0	40 504
Late payment interest received	299 306	0
Proceeds from sales of fixed assets	7 544	0
Other	<u>7 055</u>	<u>2 041</u>
Total	<u>367 065</u>	<u>122 062</u>

## M6 DUNA AUTÓPÁLYA KONCESSZIÓS ZRT.

### Supplementary Notes for 2008

#### 16. VALUE OF RENDERED SERVICES

The value of rendered in 2007 and 2008 consisted of the following items (the values for 2007 were originally prepared in HUF and converted to EUR at the yearly average FX rate (EUR = 251.31 HUF) (in EUR):

	<b>2007</b>	<b>2008</b>
Concession fee	944 534	951 282
Legal, technical & financial advisory cost	1 648 382	246 688
Seconded officers' fees	194 763	124 000
Commitment fee	56 419	52 155
Office rent	34 889	39 924
Vehicle rental	32 114	32 685
Audit fee	20 275	24 880
Bookkeeping, payroll calculation etc.	22 056	18 861
PR, marketing costs	5 135	5 656
Other	48 970	63 075
	<hr/>	<hr/>
Total	3 007 537	1 559 206

#### 17. VALUE OF OTHER SERVICES

Other services in 2007 and 2008 consisted of the following items (the values for 2007 were originally prepared in HUF and converted to EUR at the yearly average FX rate (EUR = 251.31 HUF) (in EUR):

	<b>2007</b>	<b>2008</b>
Insurance premiums	750 404	720 566
Bank charges	2 324	1 814
Other	32	226
	<hr/>	<hr/>
Total	752 760	722 606

## M6 DUNA AUTÓPÁLYA KONCESSZIÓS ZRT.

### Supplementary Notes for 2008

#### 18. OTHER EXPENSES

Other expenses in 2007 and 2008 consisted of the following items (the values for 2007 were originally prepared in HUF and converted to EUR at the yearly average FX rate (EUR = 251.31 HUF) (in EUR):

	<b>2007</b>	<b>2008</b>
Local business tax	693 074	813 432
Innovation contribution	0	135 505
Impact of comprehensive tax inspection	0	88 246
Other	<u>16 926</u>	<u>2 357</u>
Total	<u>710 000</u>	<u>1 039 540</u>

The increase in local business tax charge is caused by the amendments of the applicable tax law effective from 2008

The innovation contribution is payable by the Company from 2008 onwards.

#### 19. STAFF

The average statistical staff number for 2007 was 6, while for 2008 that was 5 persons. At the end 2007, the Company had 6 employees, while at the end of 2008 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 2007 and 2008.

The original Hungarian version of this annual report has been signed by:

Fáskerti Zsolt – Member of the Board of Directors

Derzsi András – Member of the Board of Directors

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

The person in charge of bookkeeping is Boldizsár Richárd, who is a registered accountant at the Ministry of Finance under registration number 172687.

M6 DUNA AUTÓPÁLYA KONCESSZIÓS ZRT.

Supplementary Notes for 2008

21. CORPORATE TAX

The following is the calculation of the corporate tax charge for the year of 2008 (in EUR):

	<b>2008</b>
Profit/Loss before tax	<b>337 320</b>
<u>Adjusting items:</u>	
Proportional part of previous year's unrealised FX gain	1 008 636
Impact of comprehensive tax inspection	88 246
Tax loss carried forward from previous years	-821 736
Change in retained earnings due to conversion from HUF to EUR	-275 144
Local business tax	<u>-337 322</u>
Corporate tax base for 16% normal rate	0
Corporate tax charge at 16% normal rate	<u><u>0</u></u>
Corporate tax base for 4% supplementary rate	150 422
Corporate tax charge at 4% supplementary rate	<u><u>6 016</u></u>

M6 DUNA AUTÓPÁLYA KONCESSZIÓS ZRT.

Supplementary Notes for 2008

22. COMPARATIVE FIGURES

For information purposes, the values of the statement of operations for 2007 (originally prepared in HUF), converted to EUR at the yearly average FX rate (of EUR = 251.31 HUF), are presented here:

No	Description	2007.01.01.- 2007.12.31.
1.	Net domestic sales	56 002 002
2.	Net export sales	-
<b>I. Total sales (01+02)</b>		<b>56 002 002</b>
3.	Change in self-manufactured stocks.	-
4.	Own work capitalised	-
<b>II. Own performance capitalised (03±04.)</b>		<b>-</b>
<b>III. Other revenues</b>		<b>367 065</b>
5.	Cost of materials	71 637
6.	Value of rendered services	3 007 537
7.	Value of other services	752 760
8.	Cost of goods sold	-
9.	Value of sold (intermediated) services	11 337 985
<b>IV. Material-type costs (05+06+07+09)</b>		<b>15 169 918</b>
10.	Wages and salaries	194 557
11.	Other staff costs	24 034
12.	Social security contributions	70 216
<b>V. Staff costs (10+11+12)</b>		<b>288 807</b>
<b>VI. Depreciation</b>		<b>23 534 050</b>
<b>VII. Other expenses</b>		<b>710 000</b>
<b>A. OPERATING PROFIT/LOSS (I±II+III-IV-V-VI-VII)</b>		<b>16 666 293</b>
13.	Received dividend and similar income	
14.	Exchange gain of sold shares	
15.	Interest and exchange gain of financial investments	1 217 827
16.	Other received interest and interest like income	
17.	Other income from financial activities	2 252 883
<b>VIII. Income from financial transactions (13+14+15+16+17)</b>		<b>3 470 709</b>
18.	Exchange loss of financial investments	
19.	Payable interest and interest like expenses	-
20.	Impairment loss of shares, securities and bank deposits	
21.	Other expenses from financial transactions	25 863 376
<b>IX. Expenses on financial transactions (18+19+20+21)</b>		<b>25 863 376</b>
<b>B. RESULT OF FINANCIAL TRANSACTIONS (VIII-IX)</b>		<b>(22 392 666)</b>
<b>C. PROFIT/LOSS ON ORDINARY ACTIVITIES (±A±B)</b>		<b>(5 726 374)</b>
X.	Extraordinary income	
XI.	Extraordinary expenditure	
<b>D. EXTRAORDINARY RESULT (X-XI)</b>		<b>-</b>
<b>E. PROFIT/LOSS BEFORE TAX (±C±D)</b>		<b>(5 726 374)</b>
<b>XII. Corporate tax</b>		<b>-</b>
<b>F. PROFIT/LOSS AFTER TAX (±E-XII)</b>		<b>(5 726 374)</b>
18.	Revenue reserve used for dividend payment	14 617 703
19.	Dividend accepted by / paid to shareholders	14 617 703
<b>G. PROFIT OF THE YEAR (±F+22.-23.)</b>		<b>(5 726 374)</b>

M6 DUNA AUTÓPÁLYA KONCESSZIÓS ZRT.

Supplementary Notes for 2008

23. POST BALANCE SHEET EVENTS

On 26 February 2009, the Annual General Meeting of the Company has declared a dividend of 1,124,929 EUR from the available Retained Earnings and Profit after tax for the year. This amount is recorded as Short-term liabilities to related company in the accompanying Balance sheet as of 31 December 2008.

Budapest, 26 February 2009

Cash flow - statement	2007.01.01.-2007.12.31.	2008.01.01.-2008.12.31.
<b>I. cash-flow of ordinary activities</b>	<b>23 538 867</b>	<b>11 787 011</b>
(Operational cash flow, lines 1-13)		
1. Profit before tax	-5 680 264	337 320
2. Depreciation	23 344 551	23 405 995
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	2 277	0
6. Change of accounts payable	150 306	-272 428
7. Change of other short term liabilities	5 817 892	-13 329 101
8. Change of accruals	-433 266	-131 549
9. Change of accounts receivable	5 045 005	9 460 458
10. Change in current assets (excl. Cash and acc. receivable)	271 774	564 081
11. Change of prepayments	9 520 592	-7 116 820
12. Tax paid on result	0	-6 016
13. Dividend paid	-14 500 000	-1 124 929
<b>II. Cash flow of investment activities</b>	<b>-2 351 872</b>	<b>-305 625</b>
(Investment cash flow, lines 14-16)		
14. Purchase of fixed assets	-2 361 756	-305 625
15. Sale of fixed assets	9 884	0
16. Dividend received	0	0
<b>III. Cash flow on financial transactions</b>	<b>-27 093 139</b>	<b>-10 699 895</b>
(Financing cash flow, lines 17-27)		
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.	0	0
21. Cash received	0	0
22. Decrease of registered capital	0	0
23. Repayments of bonds, credit letters	-5 716 056	-10 809 339
24. Repayments of loan, credit	-8 787 018	-6 407 637
25. Given loans, bankdeposits for long-term	-12 702 179	6 754 355
26. Cash given	0	0
27. Change of liabilities to shareholders and other long term liab.	112 114	-237 274
28. Change in the amount of registered, but unpaid capital	0	0
<b>IV. Change in the amount of cash (lines I. + II. + III.)</b>	<b>-5 906 144</b>	<b>781 491</b>

## **BUSINESS REPORT FOR 2008**

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.

In the 2.5 half years that elapsed since the opening, the motorway has been operated in an orderly manner, without significant performance point events or substantial 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 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. In 2008 these fees have been fully received, always in time.

In addition, the ancillary facilities of the motorway also generate revenues for the Company. In 2006, 2\*2 petrol stations were put into operation by MOL and OMV, respectively, in the Complex Rest Areas at km 30 and 70 of the motorway. The Company intends to find leasehold partners to built and operate restaurants and motels as well in these Complex Rest Areas. Due to the current economic situation, this project had to be postponed.

The Company has fulfilled its debt service obligations in 2008 as well, in full compliance with the credit agreements.

Due to increasing efficiency, the Company's staff was further reduced to 6 persons in 2008; 2 of them are working only in part-time.

Budapest, 26 February 2009