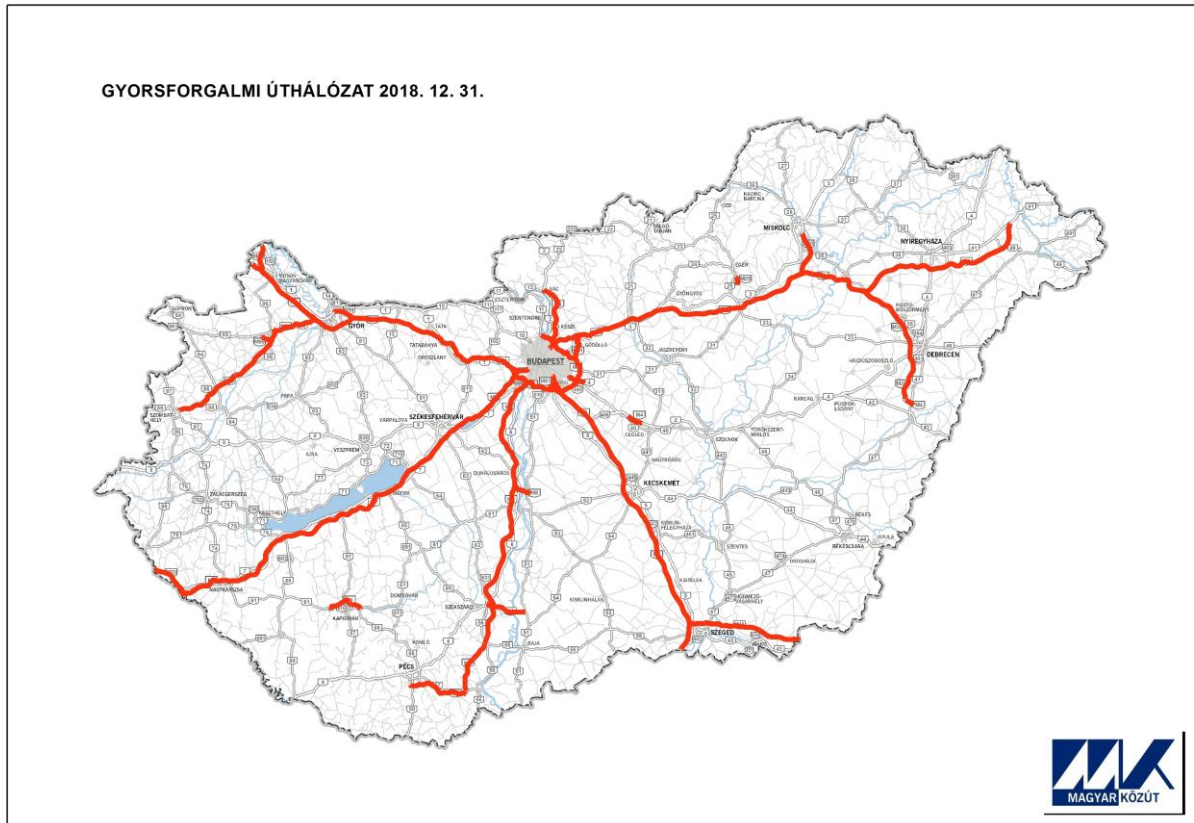


HUNGARY
GENERAL REPORT 2018
ASECAP STUDY AND INFORMATION DAYS
COSTA NAVARINO, 29-31 MAY 2019

Network length



The length of the tolled motorway network in Hungary as of 31 December 2017 is: 1143 km, as of 31 December 2018 is: 1166 km.

Magyar Közút NZrt. is responsible for the operation and maintenance of M1, M3, M30, M31, M35, M43, M7, M8 Motorways; M5 Motorway between sections 13-17.4, M6 Motorway between sections 14-22,3 and several expressways.

The length of the motorway and expressway operated by **Magyar Közút NZrt.** (Hungarian Public Road Nonprofit Ltd.) as of 31 December 2018 are: 1.146 km. Length of the tolled motorway operated by MK NZrt. as of 31 December 2018 are: 795 km. (Length of 2 x 2 lanes: 742 km, 2 x 3 lanes: 5 km, 2+3 lanes: 48 km)

AKA Zrt. (AKA Alföld Concession Motorway Ltd.) is a Concession Company responsible for the operation and maintenance of M5 Motorway between km section 17+400 and 173+895, total length of 156,5 km. Overall length of the bridges on the M5 motorway are 3,7 km. No more sections are foreseen to be included in this Concession.

M6 Duna Autópálya Koncessziós Zrt. (M6 Danube Motorway Concession Ltd.) is a Concession Company responsible for the operation and maintenance of M6 Motorway between km sections 22+150 and 76+200 and M8 Motorway between km sections 5+750 and 10+300 which sections were opened to traffic on 11 June 2006. The bridges on the above motorways are 2,81 km long (including all types of bridges). No more sections are foreseen to be included in this Concession.

M6 Tolna Autópálya Koncessziós Zrt. (M6 Tolna Motorway Concession Ltd.) is a Concession Company responsible for the design, construction, finance, operation and maintenance of M6 motorway between km sections 76+200 and 141+300. The section was opened for traffic on 31 March 2010. Overall length of bridges (2x2 lanes under and overpasses as well): 4,4 km. No more sections are foreseen to be included in this Concession.

MAK Zrt. (Mecsek Motorway Concession Ltd.) is a Concession Company responsible for the design, construction, operation and maintenance, and as well as the financing of these activities on the following motorway sections: M6 Motorway section between Szekszárd - Bóly and M60 Motorway section between Bóly - Pécs, as well as the M6/M9 Motorway interchange, total of approx. 80 km motorway, including 4 twin tube tunnels (altogether 2 x 3.013 m), 78 bridge structures, out of which 18 is considered as viaduct (total length of bridges is approx. 7 km), 2 operation and maintenance centres, 3 simple rest areas, 1 complex rest area with fuel station. The entire motorway section is part of the Hungarian toll (vignette) system.

The Motorway was opened for traffic in March 2010.

Openings in 2018

Road No.	Location	Beginning	End	Length (km)
M25 (expressway)	Andornaktálya-Eger	15+000	19+000	4.0
M35(motorway)	481-Berettyóújfalu	49+050	67+790	18.74
M4 (motorway)	Berettyóújfalu-Nagykereki	1+025	5+550	4.5

Foreseeable Openings in 2019

Road No.	Location	Beginning	End	Length (km)
M44 (expressway)	Tizsakürt-Kondoros	39+800	100+800	61
M4 (expressway)	Üllő-Cegléd	28+856	73+235	44.4

Investments

AKA Zrt.: New restaurant in Petőfiszállás rest area was opened in February 2018.

Establishment of a new Kecskemét North interchange and relocation of Hetény rest area in State investment were closed, the opening took place in December 2018.

M6 Duna Autópálya Koncessziós Zrt.: No more sections are foreseen to be included in this Concession. Invested amount in 2018 - 0 m€, foreseeable invested amount in 2019 - 0 m€.

M6 Tolna Autópálya Koncessziós Zrt.: No more sections are foreseen to be included in this Concession. Invested amount in 2018 - 0 m€, foreseeable invested amount in 2019 - 0 m€.

MAK Zrt.: No more sections are foreseen to be included in this concession. Invested amount in 2018 was ~ 2 m€, foreseeable invested amount in 2019 – 3 m€ in the form of heavy maintenance. No expansion was performed and it is not foreseen.

Financing

The road user charging scheme is operated by National Toll Payment Services Private Company Limited By Shares (NÚSZ Zrt.) means of e-vignettes, toll collection, penalty collection.

AKA Zrt.: Project is financed by financial institutions (Lenders). AKA receives revenues from the State in form of availability fee during the operation period.

M6 Duna Autópálya Koncessziós Zrt.: Notes issued on the financial markets and loan from EIB, both guaranteed by a monoline insurer.

M6 Tolna Autópálya Koncessziós Zrt.: Notes issued on the financial markets and loan from EIB, both guaranteed by a monoline insurer.

MAK Zrt.: Project is financed by financial institutions (banks) and the shareholders. MAK receives revenues from the State in form of availability fee during the operation period.

Traffic

Magyar Közút Zrt.: The traffic output was $9.041 \cdot 10^6$ vehicle km in 2018; and $8.687 \cdot 10^6$ vehicle km in 2017. The growth (2018/2017 years) was 4,1 %.

The average daily traffic volume was 29.930 vehicle/day in 2017, and 31.345 vehicle/day in 2018.

AKA Zrt.

Year	Light	Heavy	Total
2017	25 155	7 355	32 510
2018	26 772	7 575	34 347
Variation 2018/2017	+6,03 %	+2,90 %	+5,34 %

M6 Duna Autópálya Koncessziós Zrt.: The traffic output was 445,6*10⁶ vehicle km in 2017 for the M6-M8 in total; and 488,2*10⁶ vehicle km in 2018. The growth (2017/2018 years) was 9,55%.

M6 Tolna Autópálya Koncessziós Zrt.: The traffic output was 241,7*10⁶ vehicle km in 2017 for the M6 in total; and 261,1*10⁶ vehicle km in 2018. The growth (2017/2018 years) was 8,0%.

MAK Zrt.: Please find below a table with the traffic figures of 2017 and 2018. Figures are in number of vehicles and are annual average daily traffic.

Year	Light	Heavy	Total
2017	5.099	1.147	6.245
2018	5.839	1.266	7.105
Variation 2018/2017	+14,51%	+10,37%	+13,77%

Tolling system and tolling technologies used

The responsible entity in Hungary is the National Toll Payment Services Plc. (**NÚSZ Zrt.**) for operation of tolling system and toll collection.

E-vignette and purchase

The e-vignette user charge system applies to motorcycles, passenger cars and their trailers, as well as cargo vehicles with a maximum permissible gross weight of 3.5 tons, campers and buses, and their trailers. These vehicles are authorized to use the Hungarian toll speedway network's roads exclusively with pre-purchased – purchased prior to entering a toll speedway section – road use authorization, i.e. e-vignettes. The amount of toll charges depends on the category of the vehicle and the type of the e-vignette. The category of the motor vehicles must be determined according to the official entry that appears in the vehicle registration certificate, based on the maximum permissible gross weight of the motor vehicle and the number of persons it is allowed to transport. E-vignettes can be purchased by the usual methods: at the customer service offices and the points of sale of the National Toll Payment Services PLC (NÚSZ Zrt.), as well as at our online customer service, our contracted retailers, the fuel stations, and via text messages, online, phone calls and mobile purchase methods.

The methods of checking road use authorisation continue to be based on vehicle registration numbers. The Company calls attention to the relevant legal regulation, according to which all motorway sections (as well as highways) subject to tolls can be used only with a valid and (in terms of items such as registration number and validity period) properly validated e-vignette for the proper vehicle category, purchased prior to entering the motorway (or any other toll road). It is also important to remember that the signature of motorists purchasing vignettes in person – and the reply message of those buying vignettes via text messages – confirms the validity of the indicated data (registration number, toll category, start and end date of validity), therefore it is highly recommended to double check these data.

E-toll road use declaration and toll payment

In the distance-based HU-GO electronic toll system toll is required to be paid for all cargo vehicles and towing vehicles with a gross weight exceeding 3.5 tons, tractors (including semi-trailer towing vehicles), and all articulated vehicle combinations consisting of such a motor vehicle and a towed trailer or semi-trailer on the Hungarian public road network (motorways, highways, main routes).

The system complies with the European Union requirements and the directives of the European Electronic Toll Service (EETS). The rate of distance-based toll payment depends on the used road type, the category of the motor vehicle (J2, J3, J4), as well as its environmental classification. The toll collection system follows the principle “user and polluter pays”, according to which everybody pays in proportion to the rate of using the toll section of the Hungarian road network and the rate of environment pollution.

Road use purchase options in the HU-GO system

As a non-registered user, you can purchase your ad-hoc route ticket by:

- payment online by bank card through the www.hu-go.hu site or at a POS, or customer service office
- by route planning through a kiosk with payment at a POS, or customer service office.

Purchasing road use authorisation charging it against the balance of a registered user, which may be accomplished by:

- charging it to a pre-paid balance
- retrospective payment (post-paid).

Ad-hoc route tickets

Ad-hoc route tickets offer a convenient, fast solution for road users who wish to use the Hungarian toll road network only for relatively infrequent trips on a specific route. In this case purchasing road use authorisation is carried out without registration in the HU-GO system and can be completed within by providing the data of the vehicle and those required for route tickets.

Instant payment for the ticket can be made online with a bank card.

Charging route ticket purchase against a balance

In case of purchasing a route ticket against a balance, the road user must register in the HU-GO system, which can be accomplished simply via the www.hu-go.hu web site. After providing basic information (name, contact, contact details, etc.) during registration, a user account is opened offering the following services:

- Opening current accounts
- Assigning vehicles to current accounts
- Detailed statements of current account transactions.

Post-paid option is available even to those registered road users who charge their route ticket purchase against their balance, if they meet the NÚSZ Zrt. customer qualification requirements.

Toll Declaration Methods

Route planning and route ticket purchase options:

- through the www.hu-go.hu website
- with the help of the route planner device (kiosk, tablet or computer) located at the HU-GO POS and customer service points
- at resellers (petrol stations, Truck Stops)

through the HU-GO mobile application.

Toll declaration with on-board unit (OBU) that can be purchased:

- at our customer service offices
- at our resellers
- directly from the toll declaration operators.

E-vignette toll rates

TOLL CATEGORIES

Toll category D1: motorcycles and automobiles for up to 7 persons including the driver and with a maximum permissible gross weight of 3.5 t, and their trailers.

Toll category D2: all automobiles not included in category D1 for more than 7 persons, and cargo vehicles and campers of a maximum permissible gross weight of 3.5 t;

Toll category B2: buses;

Toll category U: trailers of vehicles in toll categories D2 and B2, for which the authorization must always be purchased for the registration number of the trailer.

Hungarian e-vignette gross fees 2017 (EUR)

Vehicle Category	National		Annual	
	Weekly (10 Days)	Monthly	National	Regional
D1M (motorcycles)	€ 4,74	-	-	-
D1 (motorcycles, ≤ 3,5 t automobiles for up to 7 persons and their trailers)	€ 9,57	€ 15,41	€ 138,58	€ 16,12
D2 (automobiles not included in category D1, for more than 7 persons, ≤ 3,5 t cargo vehicles and campers)	€ 19,18	€ 30,82	€ 138,58	€ 32,24
U (trailers of vehicles in categories D2 and B2)	€ 9,59	€ 15,341	€ 138,58	€ 16,12
B2 (Bus)	€ 44,66	€ 70,86	€ 644,79	€ 64,49

MNB exchange rate 29.12.2017 (1 EUR = 310,14 HUF)

The e-vignette rates were fixed the last 5 years only the exchange rate changed.



HU-GO toll rates

The toll rate is determined in accordance with the requirements of the European Union, based on the road type, the vehicle category (J2, J3, J4) and the environmental (emission) classification.

VEHICLE CATEGORIES

- J2 category: Heavy goods vehicle with a total weight over 3.5 tons with two axles
- J3 category: Heavy goods vehicle with a total weight over 3.5 tons with three axles
- J4 category: Heavy goods vehicle with a total weight over 3.5 tons with four or more axles

Gross price of road use – 2016 and 2017 (EUR/km)

Environmental classification	Vehicle category / Road category					
	Category J2		Category J3		Category J4	
	Expressway	Main road	Expressway	Main road	Expressway	Main road
≥ EURO III.	0,14	0,06	0,20	0,10	0,29	0,18
EURO II.	0,17	0,07	0,23	0,12	0,36	0,22
≤ EURO I.	0,19	0,08	0,27	0,14	0,43	0,27

MFB exchange rate

31.12.2016 (1 EUR = 311,02 HUF),

29.12.2017 (1 EUR = 310,14 HUF)

The HU-GO toll rates were fixed the last 5 years only the exchange rate changed.



Revenues

On the basis of the Concession Agreement between the Republic of Hungary and the Concessionaire, the concession companies receive revenues from the State in form of availability fee payment. The availability fee is paid every month and can be varied subject to the availability of the motorway for the users.

AKA Zrt.'s revenue figures are published in its Annual Report.

M6 Duna Autópálya Koncessziós Zrt.: Received revenues in 2018: 52,5 m€

M6 Tolna Autópálya Koncessziós Zrt.: Received revenues in 2018: 44.6 m€

MAK Zrt.'s revenue figures are published in its Annual Report.

Safety

Magyar Közút Zrt.: The number of personal injury accidents has decreased by 13,5% in 2018.

M6 Duna Autópálya Koncessziós Zrt.:

M6: Number of personal injury accidents has not changed comparing to the 2017 year's figures. There was one fatal accident on the M6 motorway in 2018, and in 2017 there was no fatal accident, that means in figures 100% increase.

M8: There were 3 accidents on the M8 motorway in 2018. There was one fatal accident on the M6 motorway in 2018.

Nevertheless, these figures cannot be considered as representative, since the accident rate is quite low on M6, therefore slight change of it could result in a high figure in percentage.

M6 Tolna Autópálya Koncessziós Zrt.: Number of personal injury accidents has a little decreased in total comparing to the 2017 year's figures (2017: 10; 2018: 6). There were 3 fatal accidents on the M6 motorway in 2018. Nevertheless, this figure cannot be considered as representative, since the accident rate is quite low on M6, therefore slight change of it could result in a high figure in percentage.

MAK Zrt.: Please find below the accident statistics of the motorway section operated by the company.

Year	No. of accident involving fatalities	No. of accident with personal injury	No. of accident without personal injury	Total No. of accident	AADT
2017	0	8	31	39	6.245
2018	0	3	50	53	7.105

Long-term forecasts and tendencies

AKA Zrt: The Concession Company is a special purpose company established for the design, construction, operation and maintenance of M5 motorway during a 35 years' concession period. Construction activity is completed in March 2006 and operation and maintenance activity is performed in the remaining concession period. Official long term forecast for the development of the motorway network is outside of the scope of the Concession Company.

M6 Duna Autópálya Koncessziós Zrt.: The Concession Period lasts 22 years plus 11 years in option starting from 2004. The Concessionaire has no plan at the moment - beyond the normal Operation and Maintenance works - for developing the motorway.

Being the Concessionaire of the M6 between sections 22+150 – 76+200 and the M8 between sections 5+750 – 10+300 that is not the scope of our duties to report such tendencies with the relations with the other transport modes.

M6 Tolna Autópálya Koncessziós Zrt.: The Concession Period lasts 30 years starting from 2008. The Concessionaire has no plan at the moment - beyond the normal Operation and Maintenance works - for developing the motorway. Being the Concessionaire of the M6 between sections 76+200 – 141+300 that is not the scope of our duties to report such tendencies with the relations with the other transport modes.

MAK Zrt: The Concession Company is a special purpose company established for the design, construction, operation and maintenance of the M6/M60 motorway during a 30 years' period. Construction activity is completed in March 2010 and operation and maintenance activity will be performed in the remaining concession period. Official long term forecast for the development of the motorway network is outside of the scope of the Concession Company.

Recent significant actions

E-vignette system

Significant changes from previous years have been introduced in the toll decree of 2015 with respect to the toll-free sections, toll categories and type of e-vignette as follows.

New products and toll categories has been introduced

In addition to the vignettes of the usual validity periods (weekly/10-day, monthly, annual), a new, county-based annual e-vignette type will become available for vehicles in Categories D1M, D1, D2, U and B2. The toll road networks of one or more counties can be used with the **regional vignette**. The validity period of this e-vignette type will be the same as the validity period of the annual authorization.

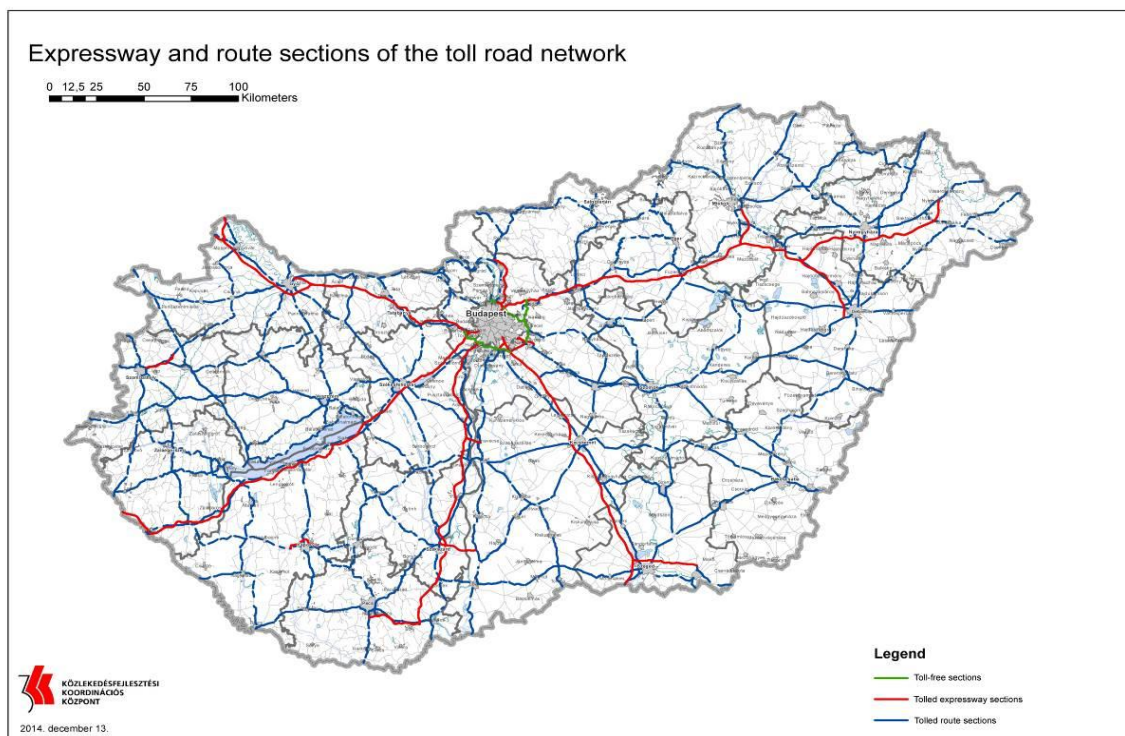
Annual regional e-vignettes can be purchased for the counties which have toll road networks (15 out of 19).

The scope of validity of the regional vignette extends outside the relevant county, up to the first junction past the county border.

HU-GO system

According to EU legal directives we have divided the Bound Service Provider and the Toll Collector accounting systems of the HU-GO.

The length of the HU-GO tolled network is currently 6.690 km.



The categories are the same, but the gross price has been increased with 5% from 01.01.2015.

Gross price of road use (HUF / km), valid from 01.01.2015

Vehicle category / Road category	J2 category		J3 category		J4 category	
Environmental Classification	Expressway	Main road	Expressway	Main road	Expressway	Main road
≥ EURO III	44.54	18.95	62.49	32.80	91.04	56.78
EURO II	52.40	22.29	73.52	38.59	113.80	70.98
≤ EURO I	60.26	25.63	84.55	44.38	136.56	85.18

Gross price of road use (EUR / km), exc. rate: 310 HU/EUR

Vehicle category / Road category	J2 category		J3 category		J4 category	
Environmental Classification	Expressway	Main road	Expressway	Main road	Expressway	Main road
≥ EURO III	0,1437	0,0611	0,2016	0,1058	0,2937	0,1832
EURO II	0,1690	0,0719	0,2372	0,1245	0,3671	0,2290
≤ EURO I	0,1944	0,0827	0,2727	0,1432	0,4405	0,2748

The government has approved a number of large railway projects and indicated that M1 and M7 motorways would have to be widened to three lanes in both directions along their entire length, this is to be considered for the part of M5 motorway to Kecskemét. Due to the increasing traffic these projects may be the most important transport infrastructure developments of the next few years.

MAIN ASECAP KEY FIGURES FOR 2018

Country: H - HUNGARY	2018 Figures				
	AKA Zrt.	M6 Duna Zrt.	M6 Tolna Zrt.	MAK Zrt.	Magyar Közút Zrt.
Network length (Km) 2 x 2lanes	156,5	M6 54,05 M8 4,55	65,1	80	795
Number of km in construction	0	0	0	0	27,2
Forecasts of opening motorways section for 2019	0	0	0	0	105,4
Annual toll revenues* (in millions of Euros)	E-vignette: net 182,7 m EUR E-toll: net 572,9 m EUR Total: net 755,6 m EUR The responsible entity in Hungary is the National Toll Payment Services Plc. (NÚSZ Zrt.) for operation of tolling system and toll collection.				
VAT % (Indicate the VAT % percentage to the toll revenues)	27				
Permanent staff	n/a	M6: 4, M8: 4	4	6	
Average daily traffic (light vehicles)	26 772	M6 16.579 M8 2.706	9.559	5.839	24.888
Average daily traffic (heavy vehicles)	7 575	M6 2.233 M8 1306	1.428	1.266	6.457
Average daily traffic (total = light + heavy vehicles)	34 347	M6 18.812 M8 4.012	10.987	.105	31.345
Total number of accidents	550	M6 88 M8 3	69	53	2.412
Number of personal injury accidents	69	M6 10 M8 2	6	3	379
Number of fatalities	6	M6 1 M8 1	3	0	32
Number of toll transactions (Total) Number of toll transactions (light vehicles): Number of toll transactions (heavy vehicles):	n/a	n/a	n/a	n/a	n/a
Number of toll stations	n/a	n/a	n/a	n/a	n/a

Number of toll lanes	n/a	n/a	n/a	n/a	n/a
Number of ETC lanes	n/a	n/a	n/a	n/a	n/a
Number of ETC subscribers (Total): Number of ETC subscribers (light vehicles): Number of ETC subscribers (heavy vehicles):	n/a	n/a	n/a	n/a	n/a
Number of service areas (equipped with petrol stations)	12	M6 2 M8 0	2	1	53
Number of rest areas	18	M6 4 M8 0	4	3	74
Number of restaurants	5	M6 0 M8 0	0	0	35
Number of hotels	3	M6 0 M8 0	0	0	11

*please provide the figure VAT and other taxes excluded.