HUNGARIAN STATE RAILWAYS CO.

Consolidated Annual Report

Business Report

Independent Auditor's Report

31 December 2003

PRICEWATERHOUSE COOPERS

Pricewaterhouse Coopers Kft.
H – 1077 Budapest
Wesselényi u. 16.

H – 1438 Budapest, P.O. Box 517
HUNGARY

Telephone: (36-1) 461-9100
Facsimile: (36-1) 461-9101
Internet: www.pwc.com/hu

To the Founder of the Hungarian State Railways Company (MÁV Rt.)

Independent Auditor's Report

We have audited the components of and disclosures in the consolidated annual report as at December 31, 2003 of the Hungarian State Railways Co. („the Company") along with the underlying accounting records and supporting documentation. The consolidated annual report shows a balance sheet total of MHUF 753 940 and a loss per balance sheet for the period of MHUF 32 869. The consolidated annual report and the business report are the responsibility of the Company's management. Our responsibility is to express an opinion on the consolidated annual report based on our audit and to assess whether or not the accounting information disclosed in the business report is consistent with that contained in the consolidated annual report. This audited consolidated annual report has been prepared for the consideration of the Founder at the forthcoming Founder's Meeting and as such do not reflect the effects, if any, of resolutions that might be adopted at that meeting.

Referring to our audit report issued on April 30, 2003 we confirm to you that on the basis of our audit we issued an unqualified audit opinion for the prior year.

We conducted our audit in accordance with International and Hungarian Standards on Auditing and with applicable laws and regulations in force in Hungary. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the consolidated annual report is free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated annual report. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated annual report presentation. Our work with respect to the business report was limited to checking it within the aforementioned scope and did not include a review of any information other than that drawn from the audited accounting records of the Company. We believe that our audit provides a reasonable basis for our audit opinion (clause).

In the lack of available market values for the Company's fix assets we were not able to compare market values prevailing on the balance sheet preparation date to net book values. Therefore the requirement set out in paragraph 53 of the Hungarian Accounting Law regarding the valuation of fixed assets at market values known at the balance sheet preparation date, taking into account their intended use, was not complied with.

PRICEWATERHOUSE COOPERS

On the basis of our audit work, we have gained sufficient and appropriate evidence that the consolidated annual report has been prepared in accordance with the provisions of the accounting law and with accounting principles generally accepted in Hungary. Except for the effects of the matter described in the preceding paragraph, in our opinion, the consolidated annual report gives a true and fair view of the financial position of the Hungarian State Railways Co. as at December 31, 2003 and of the results of its operations for the year then ended. The business report is consistent with the disclosures in the consolidated annual report.

We would like to draw attention to the fact that the applicability of the going concern assumption is questionable at the Company. The Company's financial position is predetermined to a large extent, based on the balance sheet figures the debt-equity ratio is high, and the financing of future operations depends on the completeness of the production subsidy and cost reimbursement systems. If the current systems of subsidies and cost reimbursements remain unchanged, the Company's equity may decrease to a level below two-thirds of share capital by the end of 2004. We do not have sufficient information to assess whether the Company will have adequate resources to finance its operations a year after releasing our auditor's opinion.

Budapest, May 6, 2004

[signature]	[signature]
Péter Tímár Statutory Auditor Licence no.: 002527 Address: 1077 Budapest, Wesselényi u. 16.	Éva Barsi Partner Pricewaterhouse Coopers Kft. Licence no.: 001464 Address: 1077 Budapest, Wesselényi u. 16.

1	0	8	5	6	4	1	7	6	0	1	0	1	1	4	0	1

Statistical number

0	1	-	1	0	-	0	4	2	2	7	2

Register number

Name of the company: Hungarian State Railways Co.

Address and phone number of the company: 1062 Budapest, Andrássy út 73-75. 322-8645

Business year of 2003

Consolidated annual report

Date: Budapest, 6 May 2004

signed by Mr. Zoltán Mándoki
Leader of the company
(representative)

1	0	8	5	6	4	1	7	6	0	1	0	1	1	4	0	1

Statistical number

1	1

0	1	-	1	0	-	0	4	2	2	7	2

Register number

31 December 2003

Version "A" Balance Sheet (Assets)

Data in MHUF

No.	Description	Previous year 2002	Current year 2003
a	*b*	*c*	*e*
01	**A. Fixed assets (02+10+18)**	**631 185**	**669 164**
02	**I. Intangible assets (03+04+05+06+07+08+09)**	**4 779**	**3 570**
03	Capitalised value of formation/reorganization expenses	16	12
04	Capitalised value of research and development	218	164
05	Concessions, licenses and similar rights	2	4
06	Trade-marks, patents and similar assets	4 543	3 370
07	Goodwill	0	0
08	Advances and prepayments on intangible assets	0	20
09	Adjusted value of intangible assets	0	0
10	**II. Tangible assets (11+12+13+14+15+16+17)**	**613 797**	**653 064**
11	Land and buildings and rights to immovable	364 377	377 599
12	Plant and machinery, vehicles	201 499	223 568
13	Other equipment, fixtures and fittings, vehicles	2 953	2 183
14	Breeding stock	0	0
15	Assets in course of construction	39 514	46 276
16	Payments on account	5 454	3 438
17	Adjusted value of tangible assets	0	0
18	**III. Financial Investments (19+20+21+22+23+24+25+26)**	**12 609**	**12 530**
19	Long-term participations in affiliated undertakings	5 325	5 586
20	Long-term credit to affiliated undertakings	50	32
21	Other long-term participations	3 422	3 013
22	Long-term loan to independent undertakings	0	8
23	Other long-term loans	3 617	3 578
24	Securities signifying a long-term creditor relationship	1	1
25	Adjusted value of financial investments	0	0
26	Capital consolidation difference (27+28)	194	312
27	From subsidiary companies	0	0
28	From affiliated companies	194	312

1	0	8	5	6	4	1	7	6	0	1	0	1	1	4	0	1

Statistical number

1	2

0	1	-	1	0	-	0	4	2	2	7	2

Register number

31 December 2003

Data in MHUF

No.	Description	Previous year 2002	Current year 2003
a	*b*	*c*	*e*
29	**B. Current assets** (30+37+44+49)	**58 374**	**71 733**
30	**I. Inventories** (31+32+33+34+35+36)	**12 534**	**12 062**
31	Raw materials and consumables	10 238	9 297
32	Work in progress, intermediate and semi-finished products	1 666	1 531
33	Animals for breeding and fattening and other livestock	0	0
34	Finished products	125	90
35	Goods	443	1 060
36	Advances and prepayments	62	84
37	**II. Receivables** (38+39+40+41+42+43)	**35 901**	**39 517**
38	Trade debtors	14 442	16 011
39	Receivables from affiliated undertakings	286	282
40	Receivables from independent undertakings	634	321
41	Bills receivable	0	0
42	Other receivables	19 067	21 433
43	(Calculated) corporate tax receivables arising from consolidation	1 472	1 470
44	**III. Securities** (45+46+47+48)	**0**	**0**
45	Participations in affiliated undertakings	0	0
46	Other participations	0	0
47	Own shares and own partnership shares	0	0
48	Securities signifying a creditor relationship for trading purposes	0	0
49	**IV. Liquid assets** (50+51)	**9 939**	**20 154**
50	Cash, cheques	161	187
51	Bank deposits	9 778	19 967
52	**C. Accrued and deferred assets** (53+54+55)	**11 123**	**13 043**
53	Accrued income	128	6 044
54	Accrued expenses	10 995	5 248
55	Deferred expenses	0	1 751

56	**TOTAL ASSETS** (01+29+52)	**700 682**	**753 940**

Date: Budapest, 6 May 2004

signed by Mr. Zoltán Mándoki
Leader of the company
(representative)

1	0	8	5	6	4	1	7	6	0	1	0	1	1	4	0	1

Statistical number

1	3

0	1	-	1	0	-	0	4	2	2	7	2

Register number

31 December 2003

Version "A" Balance Sheet (Liabilities)

Data in MHUF

No.	Description	Previous year 2002	Current year 2003
a	*b*	*c*	*e*
57	**D. Shareholders' equity** (58+60+61+62+63+64+65+66+67+70)	**171 633**	**158 150**
58	**I. Subscribed capital**	**188 000**	**193 733**
59	from line no 58: ownership shares repurchased at face value	0	0
60	**II. Subscribed capital unpaid (-)**	**0**	**0**
61	**III. Capital reserve**	**12 949**	**13 299**
62	**IV. Accumulated profit reserve**	**-41 558**	**-16 486**
63	**V. Tied-up reserve**	**3 671**	**5 005**
64	**VI. Revaluation reserve**	0	0
65	**VII. Profit or loss for the year**	**11 974**	**-32 869**
66	**VIII. Variation in equity of subsidiary company (±)**	**1 082**	**954**
66	**VIII/A Evaluation changes of co-handled co. shares**	**1 691**	**902**
67	**IX. Changes due to consolidation** (68+69) (±)	**-6 176**	**-6 388**
68	From the difference of debt consolidation	127	49
69	From the difference of the interim result	-6 303	-6 437
70	**X. Shares of external members (other owners)**	**0**	**0**
71	**E. Provisions** (72+73-74)	**7 723**	**16 392**
72	1. Provisions for forward liabilities	6 580	10 803
73	2. Provisions for forward expenses	1 142	5 179
74	3. Other provisions	1	410
75	**F. Liabilities** (76+81+90)	**404 753**	**471 941**
76	**I. Subordinated liabilities**	**290**	**290**
77	Subordinated liabilities to affiliated undertakings	0	0
78	Subordinated liabilities to independent undertakings	0	0
79	Subordinated liabilities to other economic entities	0	0
80	Capital consolidation difference from subsidiary companies	290	290

1	0	8	5	6	4	1	7	6	0	1	0	1	1	4	0	1

Statistical number

1	4

0	1	-	1	0	-	0	4	2	2	7	2

Register number

31 December 2003

Data in MHUF

No.	**Description**	**Previous year 2002**	**Current year 2003**
a	*b*	*c*	*e*
81	**II. Long-term liabilities (82+83+84+85+86+87+88+89))**	**341 583**	**406 497**
82	Long-term loans	95	61
83	Convertible bonds	0	0
84	Debts on issue of bonds	0	0
85	Investment and development credits	12 550	47 744
86	Other long-term credits	1	23 500
87	Long-term liabilities to affiliated undertakings	3 158	4 549
88	Long-term liabilities to independent undertakings	0	0
89	Other long-term liabilities	325 779	330 643
90	**III. Current liabilities (91+93+94+95+96+97+98+99+100)**	**62 880**	**65 154**
91	Short-term bank loans	267	46
92	from line no. 91: Convertible bonds	0	0
93	Short-term loans	18 746	18 787
94	Advances received from customers	1 037	1 514
95	Accounts payable	28 001	27 632
96	Bills payable	66	71
97	Short-term liabilities to affiliated undertakings	3 588	4 957
98	Short-term liabilities to independent undertakings	165	177
99	Other short-term liabilities	11 010	11 970
100	Corporate tax difference arising from consolidation	0	0
101	**G. Accrued and deferred liabilities (102+103+104)**	**116 573**	**107 457**
102	Deferred income	109 196	14 638
103	Deferred expenses	7 352	6 202
104	Accrued income	25	86 617

105	**TOTAL LIABILITIES (57+71+75+101)**	**700 682**	**753 940**

Date: Budapest, 6 May 2004

signed by Mr. Zoltán Mándoki
Leader of the company
(representative)

1	0	8	5	6	4	1	7	6	0	1	0	1	1	4	0	1

Statistical number

3	1

0	1	-	1	0	-	0	4	2	2	7	2

Register number

31 December 2003

Version "A" Profit and Loss Account
(Total cost method)

Data in MHUF

No.	Description	Previous year 2002	Current year 2003
a	*b*	*c*	*e*
01	Net domestic sales	193 954	205 540
02	Net external sales	11 700	12 072
I	**Total sales (revenues) (01+02)**	**205 654**	**217 612**
03	Variations in self-manufactured stocks	460	-80
04	Own work capitalized	17 120	22 460
II.	**Own performance capitalized (03+04)**	**17 580**	**22 380**
III.	**Other income**	**10 823**	**32 813**
	From line no. III: loss in value marked back	**788**	**8 973**
III/a	**Consolidation difference increasing profits arising from debt consolidation**	**0**	**74**
05	Raw materials and consumables	46 666	46 769
06	Contracted services	43 385	45 623
07	Other service activities	1 344	1 426
08	Original cost of goods sold	593	475
09	Value of services sold (intermediated)	9 036	8 925
IV	**Material costs (05+06+07+08+09)**	**101 024**	**103 218**
10	Wages and salaries	81 544	87 203
11	Other employee benefits	9 577	11 067
12	Contributions on wages and salaries	30 647	31 760
V	**Staff costs (10+11+12)**	**121 768**	**130 030**
VI	**Depreciation**	**30 076**	**31 580**
VII	**Other operating charges**	**20 952**	**41 543**
	From line no. VII: loss in value	1 024	11 912
VII/a	**Consolidation difference decreasing profits arising from debt consolidation**	**76**	**24**
A	**Income from operations (I+II+III+III/a-IV-V-VI-VII-VII/a)**	**-39 839**	**-33 507**

1	0	8	5	6	4	1	7	6	0	1	0	1	1	4	0	1

Statistical number

3	2

0	1	-	1	0	-	0	4	2	2	7	2

Register number

31 December 2003

Data in MHUF

No.	Description	Previous year 2002	Current year 2003
a	*b*	*c*	*e*
13	Dividends and profit-sharing (received or due)	345	761
	from line no. 13: from affiliated undertakings	256	632
14	Capital gains on investments	2	0
	from line no.14: from affiliated undertakings	0	0
15	Interest and capital gains on financial investments	1	0
	from line no. 15: from affiliated undertakings	0	0
16	Other interest and similar income (receive or due)	197	407
	from line no. 16: from affiliated undertakings	28	0
17	Other income from financial transaction	4 440	2 765
VIII	**Income from financial transactions (13/a+13/b+14+15+16+17)**	**4 985**	**3 933**
18	Losses on financial investments	13	8
	from line no. 18: to affiliated undertakings	13	0
19	Interest payable and similar charges	4 185	3 894
	from line no. 19: to affiliated undertakings	29	0
20	Losses on shares, securities and bank deposits	687	307
21	Others expenses on financial transactions	2 598	2 096
IX	**Expenses on financial transactions (18+19+/-20+21)**	**7 483**	**6 305**
B	**Profit or loss from financial transactions (VIII-IX)**	**-2 498**	**-2 372**
C	**Profit or loss of ordinary activities (+/-A+/-B)**	**-42 337**	**-35 879**
X	**Extraordinary income**	**56 317**	**6 434**
XI	**Extraordinary expenses**	**2 021**	**3 356**
D	**Extraordinary profit or loss (X-XI)**	**54 296**	**3 078**
E	**Income before taxes (+/-C+/-D)**	**11 959**	**-32 801**
XII	**Tax payable**	**66**	**66**
XII/a	**Latent tax**	**-81**	**-2**
F	**Profit after tax (+/-E-XII)**	**11 974**	**-32 869**
F/1	Dividends and profit-sharing paid (payable)	0	0
G	**Profit or loss for the year (+/-F-F/1)**	**11 974**	**-32 869**

Date: Budapest, 6 May 2004

signed by Mr. Zoltán Mándoki
Leader of the company
(representative)

HUNGARIAN STATE RAILWAYS CO.

Supplementary Annex to the Consolidated Annual Report for 2003

MÁV COMPANY GROUP

CONTENTS

I. GENERAL PART

1. PRESENTATION OF THE COMPANY GROUP

11. Presentation of the parent company

The parent company (MÁV Rt.) was transformed into a shareholding company on July 1, 1993 as general legal successor of the Hungarian State Railways.

Company registration no.: Cg 01-10-042272.

The owner of the company is the Hungarian State with 100% share, the ownership rights are exercised by the Ministry of Economy and Transport.
The equity capital at the foundation was MHUF 411 801.

Subscribed capital:	MHUF 193 733
Equity capital: on December 31, 2003:	MHUF 162 239
on December 31, 2002:	MHUF 175 914
Extent of decrease:	8 %

Main scope of activities of the company: public railway transportation, freight transportation, operation of railway and other rail guided tracks.

In order to further develop its economic system and to effectively manage investments, MÁV has established different economic companies, and acquired, or purchased shares in economic companies as a result of which on December 31, 2003 it was the direct owner of 90 companies.

Of the 90 companies 39 are operating as subsidiaries, 1 as joint management company, 24 as associated company and further 26 as other share relation company, while 4 companies are under liquidation and winding-up.

The book value of the shares in the mentioned – operating – companies is MHUF 14 710, of this value of shares in subsidiaries is MHUF 11 742, in joint management companies MHUF 3, in associated and other independent companies MHUF 2 965.

12. Presentation of the members of the Company group per consolidation circles

a) Presentation of completely consolidated companies

On the basis of the Act on Accounting the parent company (MÁV Rt.) involved 11 subsidiaries completely into the preparation of the consolidated annual report with effective date on 31. 12. 2003.

The share of the parent company in these undertakings is MHUF 7 110.

The basis for selection of subsidiaries completely involved into consolidation was, that these companies – from the point of view of capital investment and of value of services provided to each other – contribute decisively to the economic activity of MÁV Rt., they have constantly remained in the majority ownership of the parent company and continue their activities.

Major part of the activities of the companies is tied up by MÁV Rt., and they have been doing special works for the railway and solve specific tasks.

The completely involved subsidiaries are the following:

1. MÁVTRANSSPED (Forwarding) Kft.

Date of foundation:	December 22, 1989
Subscribed capital:	
on December 31, 2003	MHUF 300
Average staff:	
in year 2003	54 persons
Profit after tax:	
in 2002	MHUF - 210
in 2003	MHUF 91

Main activity of the company: forwarding, handling of loads, storage, warehousing, advertising, marketing, inland transport supporting services.

2. MÁV Hídépítő (Steel Structure, Bridge and Foundation Building) Kft.

Date of foundation:	August 01, 1992
Subscribed capital:	
December 31, 2003	500 MHUF

Average staff:

in 2003	194 persons

Profit after tax:

in 2002	MHUF 7
in 2003	MHUF 3

Main activity of the company: construction of railway and public road bridges, and of other foundation and building structures, production and mounting of steel structures.

3. MÁV Szolnoki Jármű (Vehicle repair) Kft.

Date of foundation: December 30, 1992.

Subscribed capital:

on December 31,2003	MHUF 1 200

Average staff:

in 2003	949 persons

Profit after tax:

in 2002	MHUF 57
in 2003	MHUF 48

Main activity of the company: internal component production, serving railway vehicle repair, repair of railway passenger cars, renovation, haulage of Diesel locomotives.

4. MÁV Északi Járműjavító Kft. (Northern Vehicle Repair Co.)

Date of foundation: December 30, 1992

Subscribed capital:

on December 31, 2003	MHUF 966

Average staff:

in 2003	793 persons

Profit after tax::

in 2002	MHUF 9
in 2003	MHUF 17

Main activity of the company: repair, production of electric and Diesel railway traction, other main locomotive parts, and components, renovation, maintenance and modernization of rail guided vehicles.

5. MÁV GÉP (Railway Building-Machine Supply and Service) Kft.

Date of foundation:		January 01, 1994
Subscribed capital:		
	on December 31, 2003	MHUF 955
Average staff:		
	in 2003	213 persons
Profit after tax:		
	in 2002	MHUF 7
	in 2003	MHUF 10

Main activity of the company: serving with track building and maintenance machines of railway track builders and maintenance staff.

6. MÁV FKG (Permanent way maintenance and Machine Repair) Kft.

Date of foundation:		January 01, 1994
Subscribed capital:		
	on December 31, 2003	MHUF 1 505
Average staff:		
	in 2003	381 persons
Profit after tax:		
	in 2002	MHUF 12
	in 2003	MHUF 9

Main activity of the company: renovation, maintenance of railway tracks, operation, repair, renovation of special machine chains.

7. MÁV TISZAVAS Kft.

Date of foundation:		December 30, 1992
Subscribed capital:		
	on December 31, 2003	MHUF 662
Average staff:		
	in 2003	458 persons
Profit after tax:		
	in 2002	MHUF 13
	in 2003	MHUF 2

Main activity of the company: production, repair and leasing of railway freight cars, different components, steel structures and containers.

8. MÁV Debreceni Járműjavító Kft. (Vehicle Repair)

Date of foundation:		December 30, 1992
Subscribed capital:		
	on December 31, 2003	MHUF 407
Average staff:		
	in 2003	696 persons
Profit after tax::		
	in 2002	MHUF 1
	in 2003	MHUF – 421

Main activity of the company: production, repair, maintenance, renovation of railway and other hauled vehicles, production of vehicle structures.

9. MÁV Informatika Kft.

Date of foundation:		November 01, 1996
Subscribed capital:		
	on December 31, 2003	MHUF 800
Average staff:		
	in 2003	520 persons
Profit after tax:		
	in 2002	MHUF 48
	in 2003	MHUF 0

Main activity of the company: system development, purchase, assembly, putting into operation of information technological means, guarantee services, maintenance, repair, supply of special materials, components.

10. MÁV Ingatlankezelő Kft.

Date of foundation:		December 30, 1996
Subscribed capital:		
	on December 31, 2003	MHUF 399
Average staff:		
	in 2003	602 persons

Profit after tax:

in 2002	MHUF 15
in 2003	MHUF 21

Main activity of the company: management, operation of real estates of MÁV Rt., repair of technical defects and making renovations, envisaged by the scheduled plan.

11. MÁV Vasútőr Kft.

Date of foundation: December 30, 1996

Subscribed capital:

on December 31, 2003 MHUF 215

Average staff:

in 2003 912 persons

Profit after tax:

in 2002	MHUF 1
in 2003	MHUF 1

Main activity of the company: asset protection, guarding services. In the frame of asset protection services protection, guarding of objects, buildings, warehouses – reception services, patrol service, security work with armed staff, accompanied by dogs – monitoring service.

b) Associated companies

In the frame of the consolidation subsidiary and grand children companies, which separately and collectively do not influence asset, financial and income position of the company group were handled as associated companies.

MÁV-Ko, as joint management company is appearing in this group, as well as those associated companies, which could not be exempted from capital consolidation on the basis of share evaluation.

c) Other independent companies

During the consolidation associated companies, exempted from capital consolidation on the basis of share evaluation, as well as companies, where the total value of direct and indirect voting rights of the company group remained below 20% were handled as other independent companies.

13. Changes of consolidation circles of the company group

In 2002 the company group had 43 subsidiaries and grand children undertakings, 1 joint management company, 24 associated companies and 27 other independent companies. Of this:

- 11 subsidiaries were completely involved into consolidation,
- 32 subsidiaries, or grand children companies, and 1 joint management and 14 associated companies were involved into consolidation through share evaluation, and
- 10 associated, and 27 other independent companies were included into the consolidation only on the actualized purchase value of the shares.

In 2003 there was a change in the consolidation circles, the number of companies, handled as associated ones decreased due to the winding-up of MÁV Utasellátó Rt, Zöld-lánc Rt, MÁV Ép Kft, and due to the selling during the year of Rail Bus company. Besides this the share in an other independent company (Hidro-Steel Kft) were completely sold out.

Taking the changes into account in 2003:

- 11 subsidiaries were completely involved into consolidation,
- Capital consolidation on the basis of share evaluation was made in the circle of 28 subsidiaries, and grand children companies, of 1 joint management and 14 associated companies,
- with respect to 10 associated and 26 other independent companies further on only the actualized value of share is included in the consolidated report.

Annexes no. 1 and 2 present consolidation circles of the company group according to the condition on December 31, 2003, as well as their changes compared to the basis year.

2. ACCOUNTING POLICY OF THE COMPANY GROUP

21. Supplement and interpretation of basic principles

The basis of the accounting policy of the company is determined by Act no. C. of 2000 about accounting.

The company group is applying the accounting principles according to the stipulations of the law.

The company group is interpreting the principle of essentiality, not formulated explicitly in the act on accounting, but allowed by it according to the following in the consolidation process:

- during consolidation of capital with screening out of share – availing of the possibility offered by the law – only those subsidiaries are involved completely into consolidation, which according to their volume indicators – with respect to at least four of them – represent more than 0,5% share of the typical order figures of the company group,

- during debt consolidation, at the elimination of differences it disregards from handling negligible differences, depending on the value of receivables and liabilities, the accumulated value of which cannot exceed 0,1% of receivables, liabilities to be screened out ;

- during screening of returns and expenditures, the negligible differences created by data comparisons are not settled, but their accumulated value cannot exceed 0,25% of returns, or expenditures to be screened out.

22. Balance sheet date and rules of drawing up

In agreement with the act on accounting the parent company determined December 31 of the review year as effective date of the consolidated report.

It is a target to be realized, that all joint (completely involved) undertakings and those handled as associated ones be involved into consolidation on the basis of their report approved by the general assembly and if necessary certified by an auditor.

23. *General supplementary rules of drawing up of consolidated balance sheet and profit and loss account*

MÁV Rt. – as parent company – draws up the consolidated balance sheet according to the regulations I/A of Annex no. 6. of the Act on Accounting with the additions, that:

- it does not use the possibility of contraction, or omission of items indicated with Arab figures,
- it handles as separate balance sheet item, under no. VIII/A equity capital changes, resulting from value changes of shares in undertakings handled as associated ones, composing part of the profit reserves within the equity capital.

MÁV Rt. – as parent company – draws up the consolidated profit and loss account according to the regulations II/2/A of Annex no. 6. of the Act on Accounting with the additions, that:

- it does not use the possibility of contraction, or omission of items indicated with Arab figures,
- in the consolidated profit and loss account, under no. 22 there is a line called the Use of profit reserves for dividends, shares, which shows the value of dividends paid to external owners on the account of profit reserves, if there was any.

Values in the consolidated report are determined in million HUF.

Drawing up of consolidated report of the company group is made on the basis of:

- specific annual balance sheets, profit and loss accounts of subsidiaries completely involved into consolidation, and of joint management companies, involved on quota (ownership stake) basis, and in view of the regular data supply tables, as well as
- on the basis of specific balance sheets and profit and loss accounts of associated undertakings.

The mentioned documents (balance sheet and profit and loss account), as well as the relating other documents (data tables) are handled as records of consolidated report.

The person in charge of representing the given company, or his auditor is responsible for the trueness of the documents. If the given company does not have an auditor, this responsibility is transferred to the auditor of the – parent company - MÁV Rt.

Document, requested and received for consolidation purposes are processed by MÁV Rt. – as parent company – in a system, developed for this purpose and separated as per consolidation tasks.

On the basis of 122. § (2) of the Act, MÁV Rt. – as parent company – draws up the consolidated balance sheet and profit and loss account by enforcing the principle of uniformity. This means, that rating, recording and evaluation of assets and asset changes are made in a uniform way within the company group.

Besides, MÁV Rt. – as parent company – availing of the possibilities, provided by section 123. § (3) of the Act on Accounting disregards from enforcing the uniformity principle in cases, when companies, involved into consolidation have drawn up their balance sheets and profit and loss accounts according to the rules of the Act on accounting.

Resulting from this:

- in case of domestic companies rating, recording and evaluation made by the company can only be changed, if they do not correspond to regulations of the Act on Accounting and if they were approved by the general assembly or by the member's meeting. In this case the changes are implemented in the preparatory phase of consolidation – by way of correction of specific balance sheets and profit and loss accounts – and are presented in the supplementary Annex,

- in case of foreign companies the compensation of deviations from the Act on Accounting is made during the examination of ability for making balance sheet and during integration of evaluation in the preparatory phase of consolidation.

24. Presentation of methods used during the drawing up of consolidated balance sheet and profit and loss account

24.1 Methods used during the preparation of consolidation

During the preparation of consolidation MÁV Rt – as parent company – is developing the consolidation circles, is checking the ability for drawing up the balance sheet, is making uniform evaluation, and is performing the task of currency conversion, if necessary.

a) When developing consolidation circles, and during their yearly revision MÁV Rt – as parent company – is acting according to the rules of the Act on Accounting with the stipulation, that

- it gives exemption to subsidiary companies, to be involved completely into consolidation, and to joint management companies, to be involved on quota basis, if the share of their individual values remains below 0,5% in case of at least 4 of the indicators, applied for the determination of exemption and companies, received exemption do not decrease below 98% the ratio of the remaining companies in the gross – accumulated – values of the company group in case of three indicators,

- it gives exemption from involvement into consolidation on the basis of share evaluation to subsidiary, joint management and associated companies, the value increase during the review period of shares of which remain in each case below 20 % and totally do not amount to 5% of the profit before tax in the review period of companies, composing the hard core of the company group.

b) MÁV Rt. – as parent company – performs examination of ability to make balance sheet and to integrate evaluations in the case of all foreign subsidiary and joint management companies, which are involved into the hard core during the development, or revision of consolidation circles (completely involved into consolidation).

In case of domestic subsidiaries and joint management companies these investigations can only be made, if during the execution of consolidation tasks – on the basis of differences of data comparisons – it can be assumed, that the given company has made a mistake during the evaluation of asset elements and asset changes, or during the drawing up of the balance sheet and profit and loss account.

c) Currency conversion is made by MÁV Rt. – as parent company – on the one hand in case of drawing up the balance sheets and profit and loss accounts of foreign subsidiaries and joint management companies belonging to the hard core of the company group, on the other in connection with the changes of equity capital elements of subsidiary, joint management and associated companies, belonging to the soft core, if there are such type of companies.

When converting balance sheets of companies belonging to the hard core it acts according to the rule, formulated in point a) of section 123. § (6) of the Act on Accounting, while in case of profit and loss account it applies conversion principle determined by point (8) of the same paragraph of the Act.

When calculating the balance sheet the input rate – in case of first consolidation – is the official currency exchange rate, published by the National Bank of Hungary (MNB) and valid at the time of the involvement into the complete circle.

When converting the profit and loss account the balance sheet result is converted on the officially published exchange rate of MNB, and items indicated in point c) of section (8) are converted on official exchange rates, published by MNB, and ordered to the given dates.

Changes of equity capital elements of companies, included in the soft core are converted on official exchange rate of MNB published for the balance sheet date.

24.2 Methods used for capital consolidation with share screening

Capital consolidation with share screening is applied by MÁV Rt. – as parent company – in case of subsidiary and joint management companies to be involved into the hard core.

During capital consolidation with share screening, if the circle of companies, involved into consolidation completely or on quota basis:

- is enlarged by a company, which has not belonged to the company group until now, (including companies with other share relation), equity capital value, getting on the share to be screened out, is screened on the value corresponding to the value relations at the time of acquiring, if the conditions are provided, in opposite case capital consolidation corresponding to value relations on the balance sheet date will be performed, in both cases on book value,

– is enlarged by regrouping of companies in the associated circle (soft core) into the complete circle (hard core), capital consolidation with share screening is made on the basis of value relations valid on the first day of review year, not taking into account to which date of the review year the reason for regrouping belongs, screening out of share and equity capital got on the share is made in this case, too on book value in a way, that active or passive capital consolidation difference recorded in the associated circle is added by active or passive capital consolidation difference, produced as equity capital difference on the share increase.

Regarding, that in case of capital consolidation with share screening MÁV Rt. – as parent company – gives priority to the book value method, active, or passive capital consolidation difference, resulted by the share screening, is not converted into hidden reserves, or hidden expenditures.

The active capital consolidation difference is depreciated during 5 years (that is the amortization key is 20%).

The passive capital consolidation difference can be released, when selling the shares outside the company group, or in cases, when new shares are acquired in the given company, and active capital consolidation difference is produced during screening out equity capital on the share increase.

During capital consolidation with share screening, a several step consolidation can also be made, when grand children companies or their sub-companies are also among the completely consolidated undertakings. In this case capital consolidation with share screening is supplemented with the application of chain method.

If there happen to be mutual share relation between companies in the hard core of the company group, the actual share ratios, to be taken into account by the parent company are determined by iteration, or matrix method, depending on the complexity of relations.

24.3 Methods used during capital consolidation with share evaluation

Consolidation of associated companies is made by MÁV Rt. – as parent company – by evaluation of shares in the associated undertaking. In this case the share is evaluated in view of the equity capital per share.

The share evaluation, if the associated circle

– is broadened by an undertaking not belonging to the company group (but including independent companies, too) is made by the method of taking into account value relations on the effective date and the book value,

– is made be regrouping a company in the complete circle (hard core) into the associated circle (because e.g. a part of the share – influencing the rating – was sold in the outer circle), the share evaluation is made according to value relations at the beginning of the review period and with the book value method, also taking into account active and passive capital consolidation difference, recorded in the complete circle.

Regarding, that capital consolidation with share evaluation is in each case made by the book value method, active and passive capital consolidation difference can be produced both during the first, and the next acquisition of shares.

In order to give a reliable, real picture and to make possible the clear handling of data, the parent company takes into account the active capital consolidation difference against the decrease of share value in the consolidated balance sheet and depreciates it during 5 years. In this way yearly amortization of active capital consolidation difference is made not against the shares, but against active capital consolidation difference of associated companies, also included in the balance.

Opposite to this, the passive capital consolidation difference and its development – according to the rules of the Act on Accounting – are only presented in the Annex.

Besides the above written during the share evaluation the share value, included in the balance sheet prepared for consolidation is increased:

- by the value on share of equity capital increase in the review year,
- with the part of the dividend, accounted on the share, which is to be paid for the review year, but is not accounted by the investor for the review year,
- by the value loss, accounted against the share during the review year

of the associated company.

The share is reduced:

- by the value on share of the equity capital decrease in the review year,
- with the value of dividend taken during consolidation in the previous year – included in the value of the share,
- by the marked back value of value loss of shares during the review year

of the associated company.

Effects of share evaluation in the review year are accounted by the parent company against other incomes, and expenditures of financial operations, thus they also appear in the profit and loss account of the company group. On the contrary, effects of evaluations, made prior to the review year are indicated on line VIII/A of the balance sheet "Evaluation changes of co-handled company shares", as part of equity capital of the company group, as a result of profit neutral taking into account.

24.4 Methods applied during debt consolidation

Debt consolidation is made by MÁV Rt. – as parent company – in the circle of companies completely involved into consolidation, or on quota basis (hard core).

In the frame of debt consolidation receivables and liabilities are compared and screened against each other between the members of the inner circle of the company group.

During accounting against each other of receivables and liabilities the resulted differences are first of all rated from the point of view, if they are significant or non-significant (negligible).

The parent company – compiling the consolidated report – regards negligible differences those, which do not exceed 0,1% of receivables, or liabilities to be screened out. The negligible differences are not screened out.

Opposite to this, during preparation of screening the significant differences are rated as if they are real or non-real differences.

The non-real differences are accounted during preparation for consolidation of different balance sheets and profit and loss accounts.

Accounting of real differences however is made in the frame of debt consolidation. In order to make the accounting, first the reason for difference will be discovered, and if:

- it can clearly be determined, the accounting is made by including the left out item, or by taking out the unnecessarily included item on the corresponding lines of the balance sheet and profit and loss account,

- it cannot be determined clearly, the difference is accounted against other incomes from debt consolidations, or against other expenditures of debt consolidation.

Real differences of the previous year are taken into the balance sheet without exercising impact on the result, as equity capital elements, against balance sheet line of changes – within this debt consolidation difference – due to consolidation.

During consolidation in the review year differences of the previous year are released on the basis of data supplied for the review year, or will remain in stock unchanged, depending on if they appear again, or not.

After the accounting of differences, receivables and liabilities to be screened out against each other become of the same value and screening is made on this value. (In case of negligible difference – since it is not accounted – receivables and liabilities are screened out on the lower value and this composes the equal value.)

24.5 Methods applied in the consolidation of returns and expenditures

Returns and expenditures are consolidated by MÁV Rt. – as parent company – in the circle of companies completely involved into consolidation, and involved on quota basis (in the inner circle).

In order to prepare screening out of returns and expenditures resulting from internal transactions MÁV Rt. – as parent company – first of all compares receipts and issues reported by members of the internal group. Differences, found during the comparisons are eliminated by coordination, and by using the principle of significance. (The parent company considers the difference insignificant, if it does not reach 0,5% of the return and expenditure to be screened out).

During consolidation of returns and expenditures the followings are handled in a different way:

- issue of own products and services, received on the account of assets and costs,

- issue of purchased assets, received on the account of assets and costs,

- expenditure, accounted by one of the members, against the return, accounted by another member, and

- expenditures accounted unilaterally, and returns accounted unilaterally.

In case of accepting of own produced inventories and services, accounted on the assets and costs the parent company – during drawing up of consolidated report – applies in the consolidation profit and loss account, built on the total cost method, makes the screening of return corresponding to the level of expenditure with the conversion of the net sales return to the activated value of own produced assets. After this it follows with attention, what is happening with the received assets in the review period, and if they are issued from the inner circle to outer circle, it eliminates the activated value of the own produced assets against expenditures accounted during the issue.

In case of receiving assets, purchased on the account of assets and costs the screening of return and expenditure is made by the screening of return and expenditure accounted by the issuer, on a value corresponding to the expenditure level.

In case of internal transactions causing accounting of expenditure by one member, and accounting of return by another – since these values are equal – the screening is made by the writing off against each other of accounted expenditure and accounted income.

The parent company makes the screening of one-sidedly accounted return, and one-sidedly accounted expenditure by the elimination of one-sided accounting. This case has an effect on the review period result, too.

For this reason

- if effects of previous years' screenings are taken into account in the balance sheet in a profit neutral way, as an element of the equity capital, changes resulting from consolidation – within this changes resulting from interim result – are released against the balance sheet line, then

- following the value changes of previous years' screenings they will be released, or left unchanged according to their movements in the review period.

24.6 Methods applied for screening out of interim result

During the preparation of the consolidated report MÁV Rt. – as parent company – is applying the method of screening out of interim result, if companies completely involved into consolidated have concluded and implemented transactions with each other – within the circle – which appear in their reports as profitable ones. During the screening out of interim result the income accounted by the issuer is decreased against the value of received asset, or cost.

Interim result screened out in the previous year and remained in stock will be by the parent company:

- taken into account as profit neutral equity capital element – within this as change deriving from interim result difference – against balance sheet line of results of consolidation, then

- will be released on the basis of asset movements in the review year, or will be left in stock, depending on whether the asset decreased by interim result will remain in the internal circle, or will leave it by issuing into the outer circle.

Interim results produced by internal transactions in the review year will be screened out against the received assets, or accounted costs, then following the movement of assets and costs they will carried over and/or released, or will remain in stock.

The screened out interim result will be finally released, if the asset, carrying the screened out interim result gets outside the undertaking, belonging to the inner circle of the company group, because it was sold, or was written off on the account of the profit.

24.7 Methods applied during the forming and release of latent taxes

In the consolidation forming and release of latent taxes is applied by MÁV Rt. – as parent company – if companies involved into the consolidation completely or on quota basis execute internal transactions, the effect on profit of which will in the foreseeable run turn to the opposite. These types of transactions can be revealed during debt consolidation, return and expenditure consolidation, and during screening out of interim result.

In case of debt consolidation the accounting of real differences may result development and release of latent tax.

During consolidation of returns and expenditures elimination of one-sided return accounting, and of one-sided expenditure accounting may have latent tax creating, then releasing consequences.

In the field of screening out of interim result, on the basis of streaming the screened interim result both formation and release of latent tax can happen during the review year.

Formation and release of latent tax is in each case made at those consolidation tasks, which produced it.

Latent taxes are formed by company tax rates, valid in the year of their formation, the release is made according to tax rate valid in the review period, thus in case of the change of tax rate the difference between the interim result of consolidation and between receivables and liabilities due to the latent tax will be rearranged.

24.8 Methods applied during base correction

Correction of the year (base year) preceding the consolidation of the review period is made by MÁV Rt. – as parent company – in cases, when compared to the previous year:

- a company is taken out of the hard, or soft core, because the share in it got into the hands of natural or legal persons, partly or completely being outside the inner circle,
- the voting rights have changed, thus a company has to be regrouped from the hard core to the soft one, or vice versa.

The base correction will be made on previous year's closing value – indicated in the consolidation – irrespective of the fact, when the stepping out of the circle or movement between the inner and associated circle took place within the review period.

In case of stepping out of the company group the base correction consists of the writing off of values included in the consolidation. When it comes to regrouping between the circles, besides the writing off of closing values the base correction contains transformation of written off values according to the new circle.

MÁV Rt. – as parent company – presents the corrected base values in the respective columns of balance sheet and profit and loss account.

The only case when this is left out is, when the base correction became necessary because of the writing off of the associated undertaking from the company group, and in this way there is a change on some lines of the consolidated balance sheet and profit and loss account. In this case detailed information is given about base correction in the supplementary annex of the consolidated report.

II. SPECIFIC PART

A.) ADDITIONS TO THE CONSOLIDATED BALANCE SHEET

1. PROCESS OF DRAWING UP OF THE CONSOLIDATED BALANCE SHEET

On the basis of consolidation of assets and liabilities, indicated in the different balance sheets of parent and subsidiary companies, belonging to the hard core of the company group – completely consolidated companies – the value of assets and liabilities of the company group on 31. 12. 2003 amounted to MHUF 776 573.

During the preparation for consolidation of assets and liabilities these values have not changed, regarding, that members of the company group have determined the value of their assets and liabilities on the basis of the regulations of the Act on Accounting and the non-real differences, revealed during debt consolidation have also required only asset reorganization, that is the balance sheet total remained unchanged.

Annexes no. ***3/a.*** ***(A/511/A-1)*** and ***3/b.*** ***(A/511/A-2.)*** present value of assets and liabilities prepared for consolidation of the company group – as per companies – in THUF.

Values of assets and liabilities of the company group, prepared for consolidation have decreased by MHUF - 22 633 during consolidation. The reasons for this decrease were the following:

– impact of capital consolidation with share screening	MHUF	– 7 718
– impact of capital consolidation with share evaluation	MHUF	+ 1 239
– impact of debt consolidation	MHUF	– 10 089
– impact of consolidation of returns and expenditures	MHUF	610
– impact of consolidation of interim results	MHUF	– 6 675
TOTAL	**MHUF**	**– 22 633**

Annexes no. ***4/a.*** **(E/601/A-1.)** and ***4/b.*** ***(E/601/A-2)*** presents impacts of consolidation tasks on assets and liabilities – as per tasks.

11. Detailing of effects of capital consolidation with share screening out

Capital consolidation with share screening has decreased the assets and liabilities of the company group, prepared for consolidation equally by MHUF 7 718.

The total value of decrease is the result of screening out of shares and equity capital elements per shares, made in the previous years, since in the review period the circle of completely involved companies has not changed. Besides this the value of investments in the given undertakings, the subscribed capital of companies, as well as ownership stakes, established during the previous years have also remained unchanged.

12. Impact of capital consolidation with share evaluation

Capital consolidation with share evaluation have increased by MHUF 1 239 value of assets and liabilities, prepared for consolidation of the company group.

Of the increase MHUF 1 211 is the result of share evaluation made in the previous years. In the review period this value was decreased by MHUF 28, which is a MHUF 204 share value change, 170 MHUF active capital consolidation amortization and MHUF 6 writing down of shares.

MHUF 204 change of share value was the result of MHUF 1 222 increase and MHUF 1 018 decrease of share values.

Of the share value increase:

- MHUF 475 is the result of equity capital increase of companies, realizing profit, the major part of which can be connected to the activity of BOMBARDIER Kft. (MHUF 181), BILK LOGISZTIKA Rt. (MHUF 88), VIACOM HUNGÁRIA Rt. (MHUF 84) VAMÁV Kft. (MHUF 51);

- MHUF 397 resulted from the taking of dividend not accounted by the investors, but taken during the consolidation, in which decisive role was played by the dividends from MÁV KOMBITERMINÁL Kft MHUF 185, from VAMÁV Kft MHUF 120 and from EURO-METAL Kft MHUF 65;

- MHUF 258 can be led back to the marked back of value loss accounted by the investors in the review year, the major part of which, MHUF 160 is connected to the activity of MÁVÉPSZER and besides this significant role was played by MÁV VAGYONKEZELŐ Kft. (MHUF 25), MÁV EIFFEL Kft. (MHUF 22) and by MÁV ÉK Kft. (19 MHUF) too;

- MHUF 92 is the result of the settlement of active capital consolidation difference, connected to BILK KOMBITERMINÁL Kft.

Of the share value decrease:

- MHUF 784 is the result of the decrease in the review year of equity capital of the companies, handled as associated ones, where decisive role was played by MÁVÉPSZER Kft. (MHUF – 333), BILK KOMBITERMINÁL Rt. (MHUF 89), MÁV THERMIT Kft. (MHUF 82), MÁV VAGYONKEZELŐ Kft. (MHUF 60) and by MÁV SIN Kft. (MHUF 52);

- MHUF 64 is connected to the arrangement in the review year of equity capital movements, made in the previous years;

- MHUF 170 can be led back to the writing out of dividend taken during the previous year consolidation – but not accounted by the investor – where major role was played by the dividend paid by VAMÁV (MHUF 100).

13. The impact of capital consolidation on assets and liabilities

The capital consolidation decreased assets and liabilities of the company, prepared for consolidation by MHUF 10 089, which on the one hand is the result of asset and liabilities increasing effect of real difference input during the review year (76 MHUF), on the other from the writing out against each other of the same value debits and credits (MHUF 10 166).

Besides the above-written the assets and liabilities stock of the company, prepared for consolidation was decreased by the taking of the previous year's real difference (MHUF 121), then its release increased by MHUF 120.

Of the screening of the same value claims and liabilities:

– advances, granted and received for investments	MHUF	1 492
– value of short term credits, granted and received by affiliated undertakings	MHUF	885
– claims in connection with freight forwarding and service providing to affiliated companies (including review year real difference, too) and liabilities	MHUF	6 896
– value of claims and liabilities on dividends due after the review year	MHUF	72
– value of other non-mentioned claims and liabilities	MHUF	816
– claim, handled as accrual, and liabilities, handled as deferrals	MHUF	5
TOTAL	**MHUF**	**10 166**

14. The impact of consolidation of returns and expenditures on the assets and resources

The screening against each other of returns and expenditures – due to their content – do not affect the value of assets and liabilities of the company group. The only exception to this is return and expenditure screenings, being the result of one-sided accountings. In case of such events – if they were not settled during debt consolidation – the value of assets and liabilities of the company group may change because of the change in the review year of previous year 's taking of company stock, and due to the screening out of one-sided accountings in the review year.

On the basis of taking the impacts of on-sided accountings of the company group, made in the previous years, the value of assets and liabilities, prepared for consolidation increased by MHUF 203. This item is the result of counterbalancing the value loss of the shares in MÁV TISZAVAS Kft.

Besides this MHUF 4 one-sided accounting was screened out for making reserves for expectable liabilities, which however only resulted the re-grouping of liabilities.

In the review period the counterbalancing of reserve formation for the expectable liabilities was released, which also resulted the regrouping of resources.

Furthermore, in the review period:

– there was MHUF 407 neutralization of value loss of the shares in MÁV DEBRECENI J.J. Kft, which increased the assets and liabilities, and

- MHUF 24 reserves for expectable liabilities had to be screened out, resulting re-grouping of liabilities.

On the basis of the mentioned movements the neutralization of the value loss in the previous, and in the review year, resulting the change of assets and liabilities took place (MHUF 203 + MHUF 407).

15. Impacts of screening out interim results on the assets and liabilities

Screening out of interim results decreased by MHUF 6 675 value of assets and liabilities of the company group, prepared for consolidation.

Of the decrease:

– impact of taking the previous year's stock	–	MHUF 6 644
– impact of releasing the previous year's stock	+	MHUF 981
– impact of screening out in the review year	–	MHUF 1 195
– impact of release of screening in review year	+	MHUF 183
TOTAL	–	**MHUF 6 675**

The major part of interim results screened out, and kept in stock in the previous years was deriving from the screening out value of real estates and machineries, vehicles, totally MHUF 7 829 (MHUF 2 961 + MHUF 4 868), which was further increased by the screened out interim result of the investments MHUF 200, of trade-marks, patens and similar assets MHUF 30, of goods MHUF 27, of other equipment MHUF 10 and of raw materials and consumables MHUF 6.

The asset decreasing effect of interim results is moderated by the value of receivable after active latent tax, which MHUF 1 458 after the above stock.

On the basis of movements in the review year MHUF 1 195 was released from interim result screened out and kept on stock in the previous years, entailing a decrease of MHUF 215 after active latent taxes.

The major part (90,4%) of interim result release, screened out and remained in stock in the previous years is connected to the amortization of machineries and equipment.

Resulting from the transactions in the review period from the value of investments MHUF 1 224, from the value of raw materials and consumables MHUF 98 and from the value of goods MHUF 127 were screened out, the value of which was further increased by the interim result, screened out from the value of trade-marks, patens and similar assets, which was MHUF 8.

Of the MHUF 1 457 interim result, screened out from transactions in the review period – to which MHUF 262 receivable after active latent tax is connected – MHUF 223 was released on the basis of movements in the review period, mainly as a result of direct or indirect releasing outer circles of materials and goods.

Its impacts decreased the receivables after active latent tax by 40 MHUF.

Of the interim result screened out of investment MHUF 918 were regrouped for machineries, MHUF 11 for buildings, and MHUF 7 for other equipment on the basis of putting into operation.

2. ADDITIONS TO THE EXPLANATION OF CONSOLIDATED BALANCE SHEET

21. Development of property position of the company group

The value of assets and liabilities of the company group, compared to the basis has increased by 53 258 MHUF (by 7,60%).

On the assets side the increase was produced by MHUF 37 979 fixed assets, MHUF 13 359 intangible assets and MHUF 1 920 accruals.

On the liabilities side the change decreased the value of equity capital by MHUF 13 483, the deferrals by MHUF 9 116 and their cumulated impact counterbalanced the MHUF 67 188 liabilities, and the MHUF 8 669 increase of provisions.

On the liabilities side MHUF 13 483 decrease of equity capital was produced by the MHUF 32 869 loss realized in the review period, which could only partly be counterbalanced by the increase of subscribed capital (MHUF 5 733) and by the value of received liquid assets (MHUF 13 716) – not increasing the equity capital – and not affecting the profit.

22. Development of the asset stock of the company group

a) Development of value of intangible assets

Net value of the intangible assets of the company group was by MHUF 1 209 behind the value in the previous year. The decrease was mainly realized in the field of trade-marks, patents and similar assets, in a value of MHUF 1 173.

The 25,3% decrease of the net value of intangible assets was realized with 3,13% (MHUF + 370) decrease of value and with the 22,65% (MHUF 1 589) increase of accumulated amortization.

The development of the value of intangible assets in the review year is shown by ***Annex no. 5. (G/501/A.)***

b) *Development of value of tangible assets*

The net value of tangible assets of the company group increased from MHUF 613 797 in the previous year to MHUF 653 064.

Of the increase MHUF + 22 069 was realized in the value of plant and machinery, vehicles, MHUF 13 222 in the value of real estates, MHUF 6 762 in investments, which were decreased to the specified level by advances for investments (MHUF 2 016) and for other equipment MHUF 770.

The 6,4% increase of the net value of tangible assets was realized with the 8,76 % (MHUF + 70 498) increase of gross value and with the 16,25% (MHUF + 29 703) increase of accumulated amortization.

Development of the tangible assets stock was also influenced, although not significantly (MHUF – 1 528) by the difference of the screening out and release of interim result in the review period, as well as by the decrease of advances for investments in the frame of debt consolidation.

The development in the review year of the value of tangible assets is illustrated by ***Annex no. 6. (G/501/B.)***

c) *Development of value of financial investments*

Compared to the previous year the financial investments had a decrease of MHUF 79. All this was the result of the 409 MHUF decrease of the constant share stock in the other independent companies and of MHUF 57 decrease of long term credits, which were moderated by the value increase of permanent share in the associated companies (MHUF 261) and of the MHUF 118 increase of the capital consolidation difference.

The value of shares in associated companies showed an amount of MHUF 11 767 in the balance sheet of the company group prepared for consolidation.
This value:

- was decreased by MHUF 7 718 during capital consolidation with share screening out in the previous years, the effect of which was reduced by MHUF 610 by the rearrangement of the accounting in the previous years of amortization by MÁV Rt. after the share in MÁV TISZAVAS Kft. and of shares in MÁV DEBRECENI J.J. Kft in the current year (MHUF 203 + MHUF 407),

- during capital consolidation with share evaluation the part due to the company group was increased by MHUF 927 with the realized equity capital increase of associated companies, since their involvement into consolidation (MHUF 1 017), and by the share on the company group of equity capital change in the review period of these companies (MHUF – 30).

The mentioned values include items, resulting from the accounting of dividend and value losses.

Development of share values is illustrated by ***Annex no. 7. (G/502/A.)***

The company group started the review period with MHUF 194 active capital consolidation difference. This value increased to MHUF 312 by the end of the year.

The MHUF 118 increase resulted on the one hand from the active capital consolidation difference of the business share in BILK LOGISZTÁR Kft in a value of MHUF + 249, on the other from the taking back into the associated circle of VIACOM HUNGÁRIA Rt. in a value of MHUF 46, finally the – MHUF 79 amortization in the review year of active capital consolidation difference and the settlement in a value of MHUF – 102.

Development of active capital consolidation difference is shown by ***Annex no. 8. (G/503.)***

d) Development of inventories

Inventory stock of the company group lagged behind the previous year's value by 3,77%, that is by MHUF 472.

The major part of the decrease was realized in the field of raw materials and consumables, work in progress, intermediate and semi-finished products in a value of MHUF 941 and MHUF 135, which were basically moderated by the MHUF 617 increase of the stock of goods.

As a result of asset movements during the review period between companies completely involved into consolidation MHUF 98 was screened out from the value of materials, and MHUF 127 interim result was screened out.

Regarding, that major part of materials and goods received in the internal circle were sold by the receiving companies in external circle, or used in the frame of services sold in the external circle MHUF 98, and MHUF 125 were released from the screened out result.

Development of inventories is illustrated by ***Annex no. 9. (G/504.)***

e) *Development of receivables*

Compared to the basis year the stock of receivables of the company group increased by 10,07%, that is by MHUF 3 616.

Of this major part is represented by the increase of other receivables (MHUF + 2 366) and of trade debtors (MHUF + 1 569).

The stock of receivables was decreased by the reduction of receivables from independent companies, resulting from the fact that receivables from independent companies were not screened out during consolidation and claim of companies in the hard core of the company group towards these firms has decreased.

The stock of receivables from affiliated companies was included in the balance sheet of the company group, prepared for consolidation in a value of MHUF 8 872, which was reduced by MHUF 8 590 in the frame of debt consolidation.

The increase of the stock of receivables of the company group was reduced by MHUF 2 by the receivables due to active latent tax, basically as a consequence of the fact that screening out of interim result in the review period was behind the release value of the interim result of the previous year and of the review period.

Development of receivables is shown by ***Annex no. 10. (G/505.),*** development of receivables due to active latent tax is shown in ***Annex no. 11. (G/506.)***

f) *Development of value of liquid assets*

Liquid assets available to the company group increased by MHUF 10 215, that is by 2,78% compared to the previous year.

The extra cash income was practically produced by MÁV Rt in a value of MHUF 9 220, which was further increased by excess cash realized by MÁV SZOLNOKI J.J. Kft. (MHUF 775), MÁV ÉSZAKI J.J. Kft. MHUF 166) and by MÁV GÉP Kft. (MHUF 102).

The extra cash, produced by the company group was reduced to the specified level by the income deficit MÁV FKG Kft. in a value of MHUF 176.

The cash-flow resulting the change of liquid assets is discussed in more detail during the presentation of the financial position of the company group.
(See page 45).

g) Development of accruals

Compared to the previous year's corrected value the stock of accruals of the company group increased by MHUF 1 920.

The increase was produced by the growth of accruals of incomes (MHUF + 5 916) and by the increase of deferred expenses (MHUF + 1 751), which was decreased to the specified level by the accrual of expenses (MHUF – 5 747).

During the consolidation the value of accruals was decreased by MHUF 112, which appears as an effect of settlement of real differences in the frame of capital consolidation (MHUF + 71) and as the screening out against each other of the same value receivables and liabilities (MHUF – 83).

Development of accruals is shown by ***Annex no. 12. (G/509.)***

23. Development of the liabilities of the company group

a) Development of equity capital

Compared to the previous year the equity capital of the company group decreased by MHUF 13 483, that is by 7,86%.

In the review period the major part in the decrease of the own capital was produced by the deficit realized by the company group (MHUF – 32 869), of which MÁV Rt. has 99,66% share.

The reduction of equity capital as a result of deficit was basically moderated by the increase of subscribed capital of MÁV Rt. (MHUF + 5 733) and the final cash taking over, received on the account of capital reserve (MHUF + 13 716), which reduced the deficit as a result of regrouping into the profit reserve.

Development of equity capital of the company group can be seen in ***Annex no. 13. (G/511.)***

b) *Development of provisions*

Compared to the previous year the provision accumulation produced MHUF 8 669 liability increase at the company group.

The increase of stock of provisions was the result of preparation for the future liabilities and costs. On this title companies in the hard core also accumulated provisions in a value of MHUF 24, which was efficiently counterbalanced from profit point of view during consolidation – in the form of one-sided settlement.

Development of provisions of the company group is shown in ***Annex no. 14. (G/512.)***

c) *Development of value of liabilities*

Compared to the corrected basis liabilities of the company group increased by MHUF 67 188, that is by 16,6%.

The increase was produced in the field of long-term liabilities, within this in the circle of investment and development credits and of other long-term credits.

The change of their stock resulted MHUF 58 693 increase in the liabilities, which was further confirmed by the increase of other long-term liabilities (MHUF + 4 864) and by the value of long-term liabilities to affiliated undertakings (MHUF 1 391).

Of long-term liabilities of the company group the part due after 5 years amounts to MHUF 38 176, which is 9,39% of the total amount of long-term liabilities and is due by MÁV Rt.

The value of passive capital consolidation difference has not changed compared to the basis in case of companies, completely involved into capital consolidation.

On the independent companies, there is a MHUF 58 increase, of which MHUF 59 is connected to the business share in BILK KOMBITERMINÁL Rt, and MHUF 1 decrease was produced by the value description in MÁV MULTISZOLG Kft.

Development of long-term liabilities of the company group is shown in ***Annex no. 15. (G/513.)***, the development of passive capital consolidation difference as per companies is presented in ***Annexes no. 16. (G/514-1.)*** and ***no. 17. (G/514-2.)***

Compared to the previous year value of short-term liabilities increased by MHUF 2 274.

The increase is basically shown in the circle of liabilities to affiliated companies, in a value of MHUF 1 369, which was further increased by the change of volume of other short-term liabilities and advances, received from the customers (MHUF 960 and MHUF 477).

The increase was moderated by the MHUF 369 decrease of liabilities to suppliers and by the MHUF 221 decrease of short-term credits.

The value of short-term liabilities of the company group was indicated on MHUF 75 274 in the preparatory balance.

Of this MHUF 10 120 was screened out in the frame of debt consolidation against the receivables from companies, completely involved into consolidation.

In connection with the affiliated companies of the remained MHUF 4 957 liabilities MHUF 1 715 is to subsidiaries not involved completely into consolidation and MHUF 3 242 is to associated companies.

98,5% of the above liabilities are due to MÁV Rt.

Development of short-term liabilities of the company group is shown in ***Annex no. 18. (G/515.)***

Liabilities of the company group not included in the balance sheet is MHUF 13 484, plus MDEM 27, MUSD 1.8 and MEUR 1.

Of this MHUF 10 304 is investment and development credit, concluded but not used by MÁV Rt. until 31. 12. 2003, MHUF 3 180 is guarantee taking, similarly to liabilities recorded in foreign currency.

Of the guarantee takings MHUF 20 is guarantee, taken by MÁVTRANSPED Kft. in connection with the MTS WIEN credit, the rest is guarantee taken by MÁV Rt., mainly connected to the overdraft credits of the subsidiaries and to the short-term credits.

In the company group the value of liabilities covered by mortgage or similar rights is MHUF 26 476.

Of this MHUF 22 791 is taken by MÁV Rt., which is covered by vehicles, renovated from credit.

MHUF 3 314 is connected to long and short-term credits of MÁV TISZAVAS Kft., to advances received from customers and to credits of the members.

The guarantees are mainly tangible assets in a value of MHUF 3 800.

Besides the above-written MHUF 311 short-term credit of MÁV TRANSPED Kft. and MHUF 10 investment credit of MÁV FKG Kft. are covered by mortgage. The guarantees are tangible assets the value of which is MHUF 250, and MHUF 14.

d) Development of value of deferrals

Compared to the basis the value of deferrals of the company group increased by MHUF 9 116, that is by 7,82%.

The increase resulted from the growth of the stock of accrued income in a value of MHUF 86 592, as well as from the reduction of deferred income (MHUF – 94 558).

B) ADDITIONS TO THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

1. Presentation of the preparation of the consolidated profit and loss account

After the aggregation of the profit and loss accounts of the completely consolidated companies MHUF 33 357 balance sheet deficit was resulted on company group level, which was moderated by MHUF 488 during consolidation and thus the consolidated profit and loss account of the company group results MHUF 32 869 deficit.

Of the decrease of deficit:

–	impact of capital consolidation with share screening out	MHUF 0
–	impact of capital consolidation with share evaluation	+ MHUF 91
–	impact of debt consolidation	+ MHUF 1
–	impact of screening out of return and expenditure	+ MHUF 427
–	impact of screening out interim result	– MHUF 31
	TOTAL	**+ MHUF 488**

Values (in THUF) of returns and expenditures of the company group are indicated in ***Annex no. 3/c. (A/511/B.)***, and the changes of the consolidation results are shown in ***Annex no. 4/c. (E/601/B.)***

11. Detailing of impacts of capital consolidation with share screening out

Capital consolidation with share screening out has not affected the returns and expenditures of the company group, prepared for consolidation, thus it has not changed the profit or loss for the year.

The impact of this profit efficient transaction, concerning the previous years, but resulting in the review period was inactivated by the increase of financial expenditures and of the profit reserve.

12. Detail of impacts of capital consolidation with share evaluation

Capital consolidation with share evaluation improved the company group's balance sheet prepared for consolidation by MHUF 91.

The improvement of the result was partly consequence of the balance sheet deficit (309 MHUF) due to the company group on the basis of its owner's share of associated companies.

On the other hand the result improvement originated from the neutralization of value loss accounted by MÁV Rt. in the review period – after its share in these undertakings – (MHUF + 258).

Their total impact was decreased to the planned level by the equity difference due for the review period and for the previous year (MHUF + 227), as well as by the envisaged amortization of active capital consolidation difference related to shares in associated undertakings (MHUF – 85)

13. Details of debt consolidation impacts

Balance sheet profit or loss of the company group prepared for consolidation – as a result of settlement of real differences – increased by MHUF 1 in the course of debt consolidation.

Its total amount is deriving from the taking of real differences in the review year (MHUF + 52), the impact of which was moderated by the release of the previous year's real differences by MHUF 51.

In the real differences of the review year MHUF 72 dividend was not accounted, but taken during the consolidation, which was decreased by MHUF 20 (MHUF 24 – MHUF 4) by the non-accounted liabilities due to the effective date. Liabilities settled during consolidation resulted MHUF 4 latent tax.

After the writing off of real differences of the previous year the profit decreased by MHUF 112 due to the dividend not accounted in the previous year, but taken during consolidation and written off in the review period. Its profit worsening effect was decreased by the writing off of the liabilities taken in the previous year (MHUF 74– MHUF 13), of which MHUF 13 is the impact of the latent tax.

14. Presentation on the profit and loss of impact of return and expenditure screening

Screening against each other of returns and expenditures does not influence the result, they only lead to the decrease of returns and expenditures. The only exception to this is one-sided return and expenditure accountings, the screening out of which is necessarily made profit efficiently.

In the company group during the review period, in the circle of completely consolidated companies one-sided accounting of expenditures was made in a value of MHUF 431, the impact of which on the profit or loss for the year was decreased by the provisions, screened out in the previous year and released in the review year, in a value of MHUF 4.

Resulting from the transactions, realized in the review period by companies in the hard core of the company group:

- MHUF 32 449 was screened out of incomes (MHUF 32 093 from net income from domestic sales, MHUF 194 from other incomes, MHUF 162 from dividends and interests),
- expenditures were decreased by MHUF 15 531, of which decisive part was taken by the decrease of expenditures in connection with used services in a value of MHUF 14 321, as well as of dividend and interest expenditures MHUF 163, decrease of other expenditures MHUF 192, decrease of the value of sold goods and intermediated services MHUF 691 and the MHUF 159 decrease of other expenditures of financial operations,
- as counter-balance of expenditures in connection with sales return on own produced assets and services, own work capitalized increased by MHUF 16 914.

15. *Details of impact on profit and loss on screening out of interim result*

Screening out of interim result decreased by MHUF 31 profit or loss for the year of the company group as a consequence of the following:

- of interim profit and loss screened out in the previous periods and retained in stock, on the basis of asset movements in the review period MHUF 1 216 was released and together with this – as a result of this – MHUF 215 latent tax expenditure was produced, resulting MHUF 981 profit for the year,

- screening out and release of interim result in the review period decreased by MHUF 1 012 the profit or loss for the year, regarding that the impact of the screened out MHUF 1 234 interim result was decreased by 222 MHUF through the change of latent tax expenditure.

The screening out and streaming of interim result of the review year decreased the incomes by MHUF 1 457 and the expenditures by MHUF 10 162, which was accompanied by the decrease by MHUF 9 899 of the own work capitalized, regarding, that realization in the outer circle of assets, containing interim result, produced this extent of release of MHUF 16 914 during screening out of incomes and expenditures.

Thus the decrease of income was realized in the MHUF 1 457 decrease of net sales return and in the MHUF 9 899 decrease of own work capitalized.

Of the expenditure decrease MHUF 9 660 derived from sold, intermediated services, MHUF 481 from material costs, MHUF 15 of contracted services and MHUF 6 in the decrease of original cost of goods sold.

2. Additions to the explanation of consolidated profit and loss account

21. Distribution of net sales return according to main products and activity types

In the profit and loss account of the company group, prepared for consolidation the net sales return represented MHUF 251 162.

This value comprises the impact of sales both within and outside the company group. Of this value MHUF 117 145 is connected to passenger transport, MHUF 71 320 to the freight transportation activity, thus these two activities cover 75,04% of the whole sales activities.

Besides these two activities inland transport supporting (6,09%) and forwarding (5,64%) occupy more significant place in the sales return of the company group.

After the screening out of internal sales these ratios were significantly changed.

Of performances, issued into the outer circle passenger transport has a share of 53,83%, freight transport 32,78%, forwarding 6,29%.

Of the remaining activities the proportion of inland transport supporting activities decreased to 1,54%, regarding that 78,05% of its domestic sales was realized on the internal – within the company group – market.

Compared to the previous year's basis the production of the company group increased by 5,81%, that is by MHUF 11 958, of which passenger transport has a share of MHUF 5 706, forwarding of MHUF 2 816, and other transportation has MHUF 2 656, while leasing activities has a share of MHUF 2 322.

These output increases, issued into outer circle were decreased by the reduction of freight transport (MHUF 1 139), building industrial activity (MHUF 822) and industrial activity (MHUF 606) compared to the basis year.

Those mentioned above are contained in ***Annexes no. 19. (G/521/A.) and 20. (G/521/B.)***

22. *Development according to market segments of the export sales return of the company group*

Compared to the corrected basis the export sales return of the company group shows a 3,18% increase.

The value of increase is 372 MHUF.

In the realization of export still MÁV Rt. is playing the decisive role (87,34%), to which DEBRECENI JÁRMŰ JAVÍTÓ Kft. 6,35%, MÁV FKG Kft. 3,46% and MÁV TRANSSPED Kft. 2,47% have contributed.

In export relations the Austrian, Romanian, German and Italian markets are still playing the decisive role, although their basis year ratio (63,73%) dropped back to 58,19% in the review period. The reason for this was the MHUF 967 and MHUF 255 decline on the Italian and Austrian markets, while there was MHUF 414, and MHUF 376 increase on the German and Romanian markets.

Export to the EU member countries decreased by MHUF 653 compared to the basis year, but it still represents 43,98% of total export.

Besides the above-mentioned there was more significant export increase in the Swiss (MHUF 645), Czech (MHUF 228) and French (MHUF 128) market segments.

Those mentioned above are illustrated by ***Annex no. 21. (G/522.)***

C) FINANCIAL SITUATION

The stock of liquid assets, available to the company group increased by MHUF 10 215 compares to the base value.

The increase was practically produced by the realized profit (MHUF + 10 626), since the MHUF 32 869 loss was cancelled by the MHUF 31 580 accounted amortization, by MHUF + 3 246 difference of calculated value loss and marked back and by the MHUF + 8 669 difference of provisions.

Of the MHUF 10 626 extra money, produced on the profit side the company group could retain MHUF 10 558, since the tax burdens have decreased this amount only by MHUF 68.

Changes of asset and liability stocks of the operational activity have decreased the gross cash flow value by MHUF 15 451 thus its amount is MHUF – 4 893.

The investment activity has further increased the lack of cash flow by MHUF 69 124, in which significant role was played by the MHUF 75 769 spent on the purchase of fixed assets.

The lack of MHUF 74 017 cash-flow, being the result of the above-written was balanced by the company group with taking credits and loans (MHUF + 58 479), with acquiring capital increase from the founder (MHUF 5 733), with cash taking over (MHUF 13 716) and with the increase of long-term liabilities (MHUF 6 255).

The above-written are illustrated by ***Annex no. 22. (G/508.)***

As a result of the decrease of the available liquid assets all the liquidity indicators of the company group have improved.

The quick liquidity rate is close to the ideal value of 1, which shows that due to the past no more serious financial tensions can be envisaged on the short run.

The somewhat more favourable value of the liquidity rate shows the possible increase of financial tension on the long run, which is confirmed by the 26,55% ratio of indebtedness.

The following table shows indicators reflecting the financial situation and its indicators:

Nomination	Indicator in coefficient form		INDEX
	Corrected base	Review period	%
Cash-flow liquidity	0,158	0,309	195,56
Liquidity quick rate	0,729	0,916	125,65
Liquidity rate	0,928	1,101	118,64
Indebtedness (capital tension)	2,358	2,984	126,55
Ratio of customer and supplier stock	0,516	0,579	112,21
Ratio of receivables and of short term liabilities	0,571	0,606	106,13

III. INFORMATION PART

1. Presentation of internal owners of the company group

Companies of the company group, completely involved into consolidation, and involved on the basis of share evaluation, the values of their equity capital and subscribed capital, as well as the internal owners, their ownership share and book value of their shares, as well as the equity capital value per shares are shown by ***Annexes no. 23. (G/531-1.) and 24. (G/531-2.)***

It is clear from the table that the vast majority of the company group members are connected to the group via the direct investment of MÁV Rt.

Besides the parent company only MÁVTRANSSPED Kft., MÁV KOMBITERMINÁL Kft. and MÁV VAGYONKEZELŐ Kft. have investment, which can be found among associated companies.

2. Data of selected officials of the parent company

The value of income, acquired by the managerial organs of the Company group (Directorate, Management, Supervisory Board of the parent company) was MHUF 230 in the review period, which is 58,97% of the income in the previous year.

The income of the review year income was distributed according to the following:

- Directorate MHUF 46,
- Management MHUF 160,
- Supervisory Board MHUF 24.

Similar to the previous years no credits, advancements, or guarantee were granted to the members of the Directorate and of the Supervisory Board.

3. Data of employees

The average number of employees belonging to the company group was 58 857 persons in 2003, which by 1,96% behind the base value in the previous year.

The decrease equally affected the employees on staff – 1 162 persons and those not registered on staff – 7 persons.

Within the registered staff employee the number of full-time employees decreased by 1 095 persons.

Income of the employees increased by 7,85% compared to the basis.

Within this the income of full time employees increased by 8,25%, that of part-time employees decreased by 6,11%.

The major part of incomes – 88,74% – was paid in the form of wages.

On company group level incomes paid in the form of wages increased by 6,94% compared to the previous year. Wage income of full-time employees increased by 6,93%.

The above-written are illustrated for the company group and for companies completely involved into consolidation by ***Annexes no. 25-27. (G/534/A., G/534/B. and G/534/C.)***

LIST OF ANNEXES

Name of company group: MÁV

Annex 1.

CONSOLIDATION CIRCLES OF THE COMPANY GROUP

31. 12. 2003

Table A/411.

COMPLETELY INVOLVED COMPANIES		
PARENT	SUBSIDIARY	JOINT MANAGEMENT
100 MÁV RT	101 MÁVTRANSSPED	
	103 MÁV HIDÉPÍTŐ KFT	
	109 MÁV SZOLNOKI JJ. KFT	
	111 MÁV ÉSZAKI JJ. KFT	
	112 MÁV GÉP KFT	
	113 MÁV FKG KFT	
	115 MÁV TISZAVAS KFT	
	117 MÁV DEBRECENI JJ. KFT	
	118 MÁV INFORMATIKA KFT	
	119 MÁV IK KFT	
	121 MÁV VASUTŐR KFT	

ASSOCIATED COMPANIES		
SUBSIDIARY	JOINT MANAGEMENT	ASSOCIATED
201 MÁVÉPSZER KFT	402 MÁV KO	601 TRANSFER-R KFT
203 MÁV VAGON KFT		603 AGROCHIMTRANSPACK KFT
207 MÁVTI KFT		605 EURO-METALL KFT
209 MÁV EGRESSY GARÁZS KFT		607 MÁV THERMIT KFT
210 MÁV JEGYNYOMDA KFT		608 LOGISZTÁR KFT
213 MÁV EIFFEL KFT		609 BOMBARDIER MÁV KFT
214 MÁVAUT KFT		613 MÁV VASJÁRMŰ KFT
216 ÉSZAK-TRANS KFT		617 KOMBIWEST KFT
220 MÁV BOGLÁRKA KFT		618 MÁV INTEL-TEAM KFT
222 MÁV LIÁN KFT		619 VAMAV
228 MÁV KERT KFT		620 VIACOM RT
229 MÁV ÉK KFT		622 MÁV MULTISZOLG KFT
236 MÁV NOSZTALGIA KFT		623 ORNAMENT-2000 KFT
240 VÁLLALKOZÁSI KFT		624 BILK LOGISZTIKA RT
249 MÁV SIN KFT		
250 MÁV KFV KFT		
253 MÁV KOMBITERMINÁL KFT		
254 MÁV RAKSZER KFT		
257 MM CARGO KFT		
258 ZÁHONY HÓTÁV KFT		
260 MÁV VAGYONKEZELŐ RT		
262 MÁV RAKTÁR KFT		
263 MÁV DENT KFT		
266 MÁV FAVÉD KFT		
267 MÁV ÉHK KFT		
268 FERIHEGY EXPRESSZ KFT		
270 MÁVTRANSSPED WIEN		
272 BILK KOMBITERMINAL RT		

OTHER COMPANIES		
JOINT MANAGEMENT	ASSOCIATED	OTHER SHARE RELATION
	703 KELENFÖLDI KONTÉNER DEPÓ	903 JULEIMPEX KFT
	705 HUNGAR-ITAL	912 HUNGAROKOMBI KFT
	706 PRAELOG KFT	915 RESTI RT
	707 EAST-RAIL KFT	918 LOCO COMBI KFT
	709 TSM	936 EUROFIMA RT
	710 UNIVER-TRANS KFT	938 DIÓSGYŐRI SZ.G.GYÁR KFT
	711 MÁV REC	939 DIÓSGYŐRI ALT.SZOLG. KFT
	712 VBSZ KFT	940 DIÓSGYŐRI MELE. KFT
	713 LOGISZOL KFT	941 DIÓSGYŐRI VAGYON KFT
	714 LOCOMOVIE KFT	943 TISZATRANS
		946 HÓDIKÖT RT
		947 BCC
		950 BVSC-ZUGLÓ KFT
		951 ZTF KFT
		953 AUTORAIL KFT
		954 PANNON BARTER RT
		958 VASÚTEGÉSZSÉGÜGYI KHT
		960 PANTEL RT
		961 TÉKISZ RT
		962 KOMBISZTÁR
		963 EUROMETRO
		964 BUGACI KISVASÚT KHT
		965 HIT RAIL RT
		966 ICA AUSTRIA KFT
		967 NORMON-TOOL KFT
		968 BALATON-BORONKA KISVASUT KHT

Name of company group: MÁV

Annex 2.

CHANGE OF CONSOLIDATION CIRCLES OF THE COMPANY GROUP

31. 12. 2003

Table A/413.

CHANGE OF COMPLETE CIRCLE

INCREASE		DECREASE	
COMPANY NAME	REASON	COMPANY NAME	REASON

CHANGE OF ASSOCIATED CIRCLE

INCREASE		DECREASE	
COMPANY NAME	REASON	COMPANY NAME	REASON
620 VIACOM HUNGÁRIA	LEADING BACK	265 RAIL BUS	SALE

CHANGE OF OTHER CIRCLE

INCREASE		DECREASE	
COMPANY NAME	REASON	COMPANY NAME	REASON
		937 HYDRO-STEEL GÉPGY. KFT	SOLD

VALUE OF ASSESTS PREPARED FOR CONSOLIDATION AS PER COMPLETELY CONSOLIDATED UNDERTAKINGS

Annex 3/a.

31. 12. 2003.

Table A/511/A.-1.

data in MHUF

Mark	Balance Sheet items / Nomination	Balance sheets prepared for consolidation of parent, subsidiary and joint management (1) companies completely involved in the company group: Parent K: 100	K: 101	K: 103	K: 109	K: 111	K: 112	K: 113	K: 115	K: 117	K: 118	K: 119	K:121	TOTAL
A	FIXED ASSETS	0	0	0	0	0	0	0	0	0	0	0	0	684 663
I.	INTANGIBLE ASSETS	0	0	0	0	0	0	0	0	0	0	0	0	3 593
1.	Capitalised value of formation/reorganization expenses													12
2.	Capitalised value of research development													164
3.	Concessions, licenses and similar rights													4
4.	Trade-marks, patents and similar assets													3 393
5.	Goodwill													
6.	Advances and prepayments on intangible assets													20
II.	TANGIBLE ASSETS	0	0	0	0	0	0	0	0	0	0	0	0	662 671
1.	Land and buildings and rights to immovables													380 626
2.	Plant and machinery, vehicles													228 273
3.	Other equipment, fixtures and fittings, vehicles													2 198
4.	Breeding stock													
5.	Assets in course of construction													46 644
6.	Payments on account													4 930
III.	FINANCIAL INVESTMENTS	0	0	0	0	0	0	0	0	0	0	0	0	18 399
1.	Long-term participations in affiliated undertakings													11 767
2.	Long-term credit to affiliated undertakings													32
3.	Other long-term participations													3 013
4.	Long-term loan to independent undertakings													8
5.	Other long-term loans													3 578
6.	Securities signifying a long-term creditor relationship													1
8.	Active capital consolidation difference	0	0	0	0	0	0	0	0	0	0	0	0	0
8/a	of subsidiaries													
8/b	of affiliated companies													
B	CURRENT ASSETS	0	0	0	0	0	0	0	0	0	0	0	0	78 855
I.	INVENTORIES	0	0	0	0	0	0	0	0	0	0	0	0	12 064
1.	Raw materials and consumables													9 297
2.	Work in progress, intermediate and semi-finished products													1 531
3.	Animals for breeding and fattening and other livestock													
4.	Finished products													90
5.	Goods													1 062
6.	Advances and prepayments													84
II.	LIABILITIES	0	0	0	0	0	0	0	0	0	0	0	0	46 637
1.	Trade debtors (customers)													16 011
2.	Receivables from affiliated undertakings													8 872
3.	Receivables from independent undertakings													321
4.	Bills receivable													
5.	Other receivables													21 433
6.	Company tax receivable from consolidation													
III.	SECURITIES	0	0	0	0	0	0	0	0	0	0	0	0	0
1.	Participations in affiliated undertakings													
2.	Other participations													
3.	Own shares and own partnership shares													
4.	Securities signifying a creditor relationship for trading purposes													
IV.	LIQUID ASSETS	0	0	0	0	0	0	0	0	0	0	0	0	20 154
1.	Cash, cheques													187
2.	Bank deposits													19 967
C.	ACCRUED AND DEFERRED ASSETS	0	0	0	0	0	0	0	0	0	0	0	0	13 055
1.	Accrued income													6 056
2.	Accrued expenses													5 248
3.	Deferred expenses													1 751
	TOTAL ASSETS	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*776 573*

(1) Values corresponding to quotas

VALUES OF LIABILITIES PREPARED FOR CONSOLIDATION ACCORDING TO COMPLETELY CONSOLIDATED UNDERTAKINGS

Annex 3/b.

31. 12. 2003.

Table A/511/A.-2.

data in MHUF

Mark	Balance sheet items Nomination	Balance sheets prepared for consolidation of parent, subsidiary and joint management (1) companies completely involved in the company group Parent K: 100	K: 101	K: 103	K: 109	K: 111	K: 112	K: 113	K: 115	K: 117	K: 118	K: 119	K:121	TOTAL
D.	SHARESHOLDERS' EQUITY	0	0	0	0	0	0	0	0	0	0	0	0	170 910
I.	SUBSCRIBED CAPITAL													201 640
	Of this: ownership shares repurchased at face value													
II.	SUBSCRIBED CAPITAL UNPAID													
III.	CAPITAL RESERVES													13 313
IV.	PROFIT RESERVES													-15 717
V.	TIED UP RESERVES													5 031
VII.	PROFIT OR LOSS FOR THE YEAR													-33 357
VIII.	VARIATION IN EQUITY OF SUBSIDIARIES													
VIII/A	EVALUATION CHANGES OF CO-HANDLED CO. SHARES													
IX.	CHANGES DUE TO CONSOLIDATION	0	0	0	0	0	0	0	0	0	0	0	0	0
1.	Debt consolidation difference													
2.	To interim result difference													
X.	SHARES OF EXTERNAL MEMBERS													
E.	PROVISIONS	0	0	0	0	0	0	0	0	0	0	0	0	16 416
1.	Provisions for forward liabilities													10 827
2.	Provisions for forward expenses													5 179
3.	Other provisions													410
F.	LIABILITIES	0	0	0	0	0	0	0	0	0	0	0	0	481 771
I.	SUBORDINATED LIABILITIES	0	0	0	0	0	0	0	0	0	0	0	0	0
1.	Subordinated liabilities to affiliated undertakings													
2.	Subordinated liabilities to independent undertakings													
3.	Subordinated liabilities to other economic entities													
4.	Passive capital consolidation difference													
II.	LONG TERM LIABILITIES	0	0	0	0	0	0	0	0	0	0	0	0	406 497
1.	Long-term loans													61
2.	Convertible bond													
3.	Debts from bond issues													
4.	Investment and development credits													47 744
5.	Other long term credits													23 500
6.	Long term liabilities to affiliated undertakings													4 549
7.	Long-term liabilities to independent undertakings													
8.	Other long term liabilities													330 643
III.	CURRENT LIABILITIES	0	0	0	0	0	0	0	0	0	0	0	0	75 274
1.	Short term bank loans													46
	Of this: convertible bonds													
2.	Short term credits													18 787
3.	Advances received from customers													1 514
4.	Accounts payable													27 632
5.	Bills payable													71
6.	Short-term liabilities to affiliated undertakings													15 077
7.	Short-term liabilities to independent undertakings													177
8.	Other short term liabilities													11 970
9.	Company tax difference from consolidation													
G.	ACCRUED AND DEFERRED LIABILITIES	0	0	0	0	0	0	0	0	0	0	0	0	107 476
1.	Deferred income													14 638
2.	Deferred expenses													6 221
3.	Accrued income													86 617
	TOTAL LIABILITIES	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*776 573*

(1) Values corresponding to quotas

VALUES OF RETURNS AND EXPENDITURES PREPARED FOR CONSOLIDATION ACCORDING TO COMPLETELY CONSOLIDATED UNDERTAKINGS

Annex 3/c.

Year 2003

Table A/511/B. data in MHUF

	PROFIT AND LOSS ACCOUNT	Balance sheets prepared for consolidation of parent, subsidiary and joint management (1) companies completely involved in the company group												
Mark	Nomination	Parent K: 100	K: 101	K: 103	K: 109	K: 111	K: 112	K: 113	K: 115	K: 117	K: 118	K: 119	K:121	TOTAL
01.	Net domestic sales													239 090
02.	Net external sales													12 072
I.	**TOTAL SALES (REVENUES)**	0	0	0	0	0	0	0	0	0	0	0	0	**251 162**
03.	Variations in self-manufactured stocks													-80
04.	Own work capitalized													15 445
II.	**OWN PERFORMANCE CAPITALIZED**	0	0	0	0	0	0	0	0	0	0	0	0	**15 365**
III.	**OTHER INCOMES**													**33 007**
	Of this: loss in value marked back													**8 973**
III/A.	**CONSOLIDATION DIFFERENCE INCREASING PROFIT ARISING FROM DEBT CONSOLIDATION**													
05.	Raw materials and consumables													47 248
06.	Contracted services													59 959
07.	Other service activities													1 426
08.	Original cost of goods sold													1 161
09.	Value of services sold (intermediated)													18 596
IV.	**MATERIAL COSTS**	0	0	0	0	0	0	0	0	0	0	0	0	**128 390**
10.	Wages and salaries													87 203
11.	Other employee benefits													11 067
12.	Contributions on wages and salaries													31 760
V.	**PERSONNEL TYPE EXPENDITURES**	0	0	0	0	0	0	0	0	0	0	0	0	**130 030**
VI.	**AMORTIZATION**													**32 743**
VII.	**OTHER OPERATING CHARGES**													**41 750**
	Of this: loss in value													**11 912**
VII/A.	**PROFIT DECREASING DIFF. OF DEBT CONSOLIDATION**													
A.	**INCOME FROM OPERATIONS**	0	0	0	0	0	0	0	0	0	0	0	0	**-33 379**
13.	Dividends and profit-sharing (received or due)													646
	Of this: Received from affiliated undertakings													517
14.	Capital gains on investments													
	Of this: Received from affiliated undertakings													
15.	Interest and capital gains on financial investments													
	Of this: Received from affiliated undertakings													
16.	Other interest and similar income (receive or due)													497
	Of this: Received from affiliated undertakings													90
17.	Other income from financial transaction													2 290
VIII.	**INCOMES FROM FINANCIAL TRANSACTIONS**	0	0	0	0	0	0	0	0	0	0	0	0	**3 433**
18.	Losses on financial investments													2
	Of this: to affiliated undertakings													
19.	Interest payable and similar charges													3 985
	Of this: to affiliated undertakings													91
20.	Losses on shares, securities and bank deposits													1 131
21.	Others expenses on financial transactions													1 233
IX.	**EXPENSES ON FINANCIAL TRANSACTIONS**	0	0	0	0	0	0	0	0	0	0	0	0	**6 351**
B.	**PROFIT OR LOSS FROM FINANCIAL TRANSACTIONS**	0	0	0	0	0	0	0	0	0	0	0	0	**-2 918**
C.	**PROFIT OR LOSS OF ORDINARY ACTIVITIES**	0	0	0	0	0	0	0	0	0	0	0	0	**-36 297**
X.	**EXTRAORDINARY INCOMES**													**6 434**
XI.	**EXTRAORDINARY EXPENSES**													**3 356**
D.	**EXTRAORDINARY PROFIT OR LOSS**	0	0	0	0	0	0	0	0	0	0	0	0	**3 078**
E.	**INCOME BEFORE TAXES**	0	0	0	0	0	0	0	0	0	0	0	0	**-33 219**
XII.	**TAX PAYABLE**													**66**
XII/A.	**LATENT TAX**													
F.	**PROFIT AFTER TAX**	0	0	0	0	0	0	0	0	0	0	0	0	**-33 285**
22.	Profit reserve used for dividends and profit-sharing													
23.	Dividends and profit-sharing paid (payable)													72
G.	PROFIT OR LOSS FOR THE YEAR	0	0	0	0	0	0	0	0	0	0	0	0	-33 357

(1)Values corresponding to quotas

DEVELOPMENT OF CONSOLIDATED BALANCE SHEET OF THE COMPANY GROUP

Annex 4/a.

31. 12. 2003

Table E 601/A - 1.

data in MHUF

Mark	Balance sheet items Nomination	Preparatory balance sheet values	Impacts of solving consolidation tasks: Capital consolidation, with share screening, credit	debit	with equity method, credit	debit	Debt consolidation, credit	debit	Consolidation of returns - expenditures, credit	debit	Screening of interim results, credit	debit	Consolidated values
A	FIXED ASSETS	684 663	0	0	0	0	0	0	0	0	0	0	669 164
I.	INTANGIBLE ASSETS	3 593	0	0	0	0	0	0	0	0	0	0	3 570
1.	Capitalised value of formation/reorganization expenses	12	0	0	0	0	0	0	0	0	0	0	12
2.	Capitalised value of research development	164	0	0	0	0	0	0	0	0	0	0	164
3.	Concessions, licenses and similar rights	4	0	0	0	0	0	0	0	0	0	0	4
4.	Trade-marks, patents and similar assets	3 393	0	0	0	0	0	0	0	0	15	38	3 370
5.	Goodwill	0	0	0	0	0	0	0	0	0	0	0	0
6.	Advances and prepayments on intangible assets	20	0	0	0	0	0	0	0	0	0	0	20
II.	TANGIBLE ASSETS	662 671	0	0	0	0	0	0	0	0	0	0	653 064
1.	Land and buildings and rights to immovables	380 626	0	0	0	0	0	0	0	0	65	3 092	377 599
2.	Plant and machinery, vehicles	228 273	0	0	0	0	0	0	0	0	1 081	5 786	223 568
3.	Other equipment, fixtures and fittings, vehicles	2 198	0	0	0	0	0	0	0	0	2	17	2 183
4.	Breeding stock	0	0	0	0	0	0	0	0	0	0	0	0
5.	Assets in course of construction	46 644	0	0	0	0	0	0	0	0	1 056	1 424	46 276
6.	Payments on account	4 930	0	0	0	0	0	1 492	0	0	0	0	3 438
III.	FINANCIAL INVESTMENTS	18 399	0	0	0	0	0	0	0	0	0	0	12 530
1.	Long-term participations in affiliated undertakings	11 767	0	7 718	3 505	2 578	0	0	610	0	0	0	5 586
2.	Long-term credit to affiliated undertakings	32	0	0	0	0	0	0	0	0	0	0	32
3.	Other long-term participations	3 013	0	0	0	0	0	0	0	0	0	0	3 013
4.	Long-term loan to independent undertakings	8	0	0	0	0	0	0	0	0	0	0	8
5.	Other long-term loans	3 578	0	0	0	0	0	0	0	0	0	0	3 578
6.	Securities signifying a long-term creditor relationship	1	0	0	0	0	0	0	0	0	0	0	1
8.	Active capital consolidation difference	0	0	0	0	0	0	0	0	0	0	0	312
8/a	of subsidiaries	0	0	0	0	0	0	0	0	0	0	0	0
8/b	of affiliated companies	0	0	0	492	180	0	0	0	0	0	0	312
B	CURRENT ASSETS	78 855	0	0	0	0	0	0	0	0	0	0	71 733
I.	INVENTORIES	12 064	0	0	0	0	0	0	0	0	0	0	12 062
1.	Raw materials and consumables	9 297	0	0	0	0	0	0	0	0	104	104	9 297
2.	Work in progress, intermediate and semi-finished products	1 531	0	0	0	0	0	0	0	0	0	0	1 531
3.	Animals for breeding and fattening and other livestock	0	0	0	0	0	0	0	0	0	0	0	0
4.	Finished products	90	0	0	0	0	0	0	0	0	0	0	90
5.	Goods	1 062	0	0	0	0	0	0	0	0	152	154	1 060
6.	Advances and prepayments	84	0	0	0	0	0	0	0	0	0	0	84
II.	LIABILITIES	46 637	0	0	0	0	0	0	0	0	0	0	39 517
1.	Trade debtors (customers)	16 011	0	0	0	0	0	0	0	0	0	0	16 011
2.	Receivables from affiliated undertakings	8 872	0	0	0	0	5	8 595	0	0	0	0	282
3.	Receivables from independent undertakings	321	0	0	0	0	0	0	0	0	0	0	321
4.	Bills receivable	0	0	0	0	0	0	0	0	0	0	0	0
5.	Other receivables	21 433	0	0	0	0	0	0	0	0	0	0	21 433
6.	Company tax receivable from consolidation	0	0	0	0	0	18	13	0	0	1 720	255	1 470
III.	SECURITIES	0	0	0	0	0	0	0	0	0	0	0	0
1.	Participations in affiliated undertakings	0	0	0	0	0	0	0	0	0	0	0	0
2.	Other participations	0	0	0	0	0	0	0	0	0	0	0	0
3.	Own shares and own partnership shares	0	0	0	0	0	0	0	0	0	0	0	0
4.	Securities signifying a creditor relationship for trading purposes	0	0	0	0	0	0	0	0	0	0	0	0
IV.	LIQUID ASSETS	20 154	0	0	0	0	0	0	0	0	0	0	20 154
1.	Cash, cheques	187	0	0	0	0	0	0	0	0	0	0	187
2.	Bank deposits	19 967	0	0	0	0	0	0	0	0	0	0	19 967
C.	ACCRUED AND DEFERRED ASSETS	13 055	0	0	0	0	0	0	0	0	0	0	13 043
1.	Accrued income	6 056	0	0	0	0	184	196	0	0	0	0	6 044
2.	Accrued expenses	5 248	0	0	0	0	0	0	0	0	0	0	5 248
3.	Deferred expenses	1 751	0	0	0	0	0	0	0	0	0	0	1 751
	TOTAL ASSETS	776 573	0	7 718	3 997	2 758	207	10 296	610	0	4 195	10 870	753 940

DEVELOPMENT OF CONSOLIDATED BALANCE SHEET OF THE COMPANY GROUP

Annex 4/b.

31. 12. 2003

Table E 601/A - 2.

data in MHUF

mark	Balance sheet items nomination	Preparatory balance sheet values	Capital consolidation with share screening credits	Capital consolidation with share screening debits	Capital consolidation with equity method credits	Capital consolidation with equity method debits	Debt consolidation credits	Debt consolidation debits	Consolidation of returns - expenditures credits	Consolidation of returns - expenditures debits	Screening of interim results credits	Screening of interim results debits	Consolidated values
D.	SHARESHOLDERS' EQUITY	170 910	0	0	0	0	0	0	0	0	0	0	158 150
I.	SUBSCRIBED CAPITAL	201 640	7 907	0	0	0	0	0	0	0	0	0	193 733
	Of this: ownership shares repurchased at face value	0	0	0	0	0	0	0	0	0	0	0	0
II.	SUBSCRIBED CAPITAL UNPAID	0	0	0	0	0	0	0	0	0	0	0	0
III.	CAPITAL RESERVES	13 313	14	0	0	0	0	0	0	0	0	0	13 299
IV.	PROFIT RESERVES	-15 717	1 200	185	0	246	0	0	0	0	0	0	-16 486
V.	TIED UP RESERVES	5 031	124	98	0	0	0	0	0	0	0	0	5 005
VII.	PROFIT OR LOSS FOR THE YEAR	-33 357	0	0	6	97	51	52	0	427	1 195	1 164	-32 869
VIII.	VARIATION IN EQUITY OF SUBSIDIARIES	0	191	1 145	0	0	0	0	0	0	0	0	954
VIII/A	EVALUATION CHANGES OF CO-HANDLED CO. SHARES	0	0	0	1 125	2 027	0	0	0	0	0	0	902
IX.	CHANGES DUE TO CONSOLIDATION	0	0	0	0	0	0	0	0	0	0	0	-6 388
1.	Debt consolidation difference	0	0	0	0	0	77	126	0	0	0	0	49
2.	To interim result difference	0	0	0	0	0	0	0	0	207	6 644	0	-6 437
X.	SHARES OF EXTERNAL MEMBERS	0	0	0	0	0	0	0	0	0	0	0	0
E.	PROVISIONS	16 416	0	0	0	0	0	0	0	0	0	0	16 392
1.	Provisions for forward liabilities	10 827	0	0	0	0	0	0	28	4	0	0	10 803
2.	Provisions for forward expenses	5 179	0	0	0	0	0	0	0	0	0	0	5 179
3.	Other provisions	410	0	0	0	0	0	0	0	0	0	0	410
F.	LIABILITIES	481 771	0	0	0	0	0	0	0	0	0	0	471 941
I.	SUBORDINATED LIABILITIES	0	0	0	0	0	0	0	0	0	0	0	290
1.	Subordinated liabilities to affiliated undertakings	0	0	0	0	0	0	0	0	0	0	0	0
2.	Subordinated liabilities to independent undertakings	0	0	0	0	0	0	0	0	0	0	0	0
3.	Subordinated liabilities to other economic entities	0	0	0	0	0	0	0	0	0	0	0	0
4.	Passive capital consolidation difference	0	0	290	0	0	0	0	0	0	0	0	290
II.	LONG TERM LIABILITIES	406 497	0	0	0	0	0	0	0	0	0	0	406 497
1.	Long-term loans	61	0	0	0	0	0	0	0	0	0	0	61
2.	Convertible bond	0	0	0	0	0	0	0	0	0	0	0	0
3.	Debts from bond issues	0	0	0	0	0	0	0	0	0	0	0	0
4.	Investment and development credits	47 744	0	0	0	0	0	0	0	0	0	0	47 744
5.	Other long term credits	23 500	0	0	0	0	0	0	0	0	0	0	23 500
6.	Long term liabilities to affiliated undertakings	4 549	0	0	0	0	0	0	0	0	0	0	4 549
7.	Long-term liabilities to independent undertakings	0	0	0	0	0	0	0	0	0	0	0	0
8.	Other long term liabilities	330 643	0	0	0	0	0	0	0	0	0	0	330 643
III.	CURRENT LIABILITIES	75 274	0	0	0	0	0	0	0	0	0	0	65 154
1.	Short term bank loans	46	0	0	0	0	0	0	0	0	0	0	46
	Of this: convertible bonds	0	0	0	0	0	0	0	0	0	0	0	0
2.	Short term credits	18 787	0	0	0	0	0	0	0	0	0	0	18 787
3.	Advances received from customers	1 514	0	0	0	0	0	0	0	0	0	0	1 514
4.	Accounts payable	27 632	0	0	0	0	0	0	0	0	0	0	27 632
5.	Bills payable	71	0	0	0	0	0	0	0	0	0	0	71
6.	Short-term liabilities to affiliated undertakings	15 077	0	0	0	0	10 216	96	0	0	0	0	4 957
7.	Short-term liabilities to independent undertakings	177	0	0	0	0	0	0	0	0	0	0	177
8.	Other short term liabilities	11 970	0	0	0	0	0	0	0	0	0	0	11 970
9.	Company tax difference from consolidation	0	0	0	0	0	0	0	0	0	0	0	0
G.	ACCRUED AND DEFERRED LIABILITIES	107 476	0	0	0	0	0	0	0	0	0	0	107 457
1.	Deferred income	14 638	0	0	0	0	0	0	0	0	0	0	14 638
2.	Deferred expenses	6 221	0	0	0	0	19	0	0	0	0	0	6 202
3.	Accrued income	86 617	0	0	0	0	0	0	0	0	0	0	86 617
	TOTAL LIABILITIES	776 573	9 436	1 718	1 131	2 370	10 363	274	28	638	7 839	1 164	753 940
	CONTROL VALUES		9 436	9 436	5 128	5 128	10 570	10 570	638	638	12 034	12 034	

NAME OF COMPANY GROUP: MÁV

DEVELOPMENT OF CONSOLIDATED PROFIT AND LOSS ACCOUNT OF THE COMPANY GROUP

Annex 4/c.

Year 2003

Table E 601/B.

data in MHUF

Balance sheet items		Preparatory balance sheet values	Impacts of solving consolidation tasks										Consolidated values
			Capital consolidation				Debt consolidation		Consolidation of returns - expenditures		Screening of interim results		
			with share screening		with equity method								
mark	nomination		credits	debits	credits	debits	credits	debits	credits	debits	credits	debits	
01.	Net domestic sales	239 090	0	0	0	0	0	0	32 093	0	1 457	0	205 540
02.	Net external sales	12 072	0	0	0	0	0	0	0	0	0	0	12 072
I.	**TOTAL SALES (REVENUES)**	251 162	0	0	0	0	0	0	0	0	0	0	217 612
03.	Variations in self-manufactured stocks	-80	0	0	0	0	0	0	0	0	0	0	-80
04.	Own work capitalized	15 445	0	0	0	0	0	0	0	16 914	9 899	0	22 460
II.	**OWN PERFORMANCE CAPITALIZED**	15 365	0	0	0	0	0	0	0	0	0	0	22 380
III.	**OTHER INCOMES**	33 007	0	0	0	0	0	0	194	0	0	0	32 813
	Of this: loss in value marked back	8 973	0	0	0	0	0	0	0	0	0	0	8 973
III/A.	**PROFIT INCREASING DIFFERENCE OF DEBT CONSOLIDATION**	0	0	0	0	0	0	74	0	0	0	0	74
05.	Raw materials and consumables	47 248	0	0	0	0	0	0	0	5	7	481	46 769
06.	Contracted services	59 959	0	0	0	0	0	0	0	14 321	0	15	45 623
07.	Other service activities	1 426	0	0	0	0	0	0	0	0	0	0	1 426
08.	Original cost of goods sold	1 161	0	0	0	0	0	0	0	680	0	6	475
09.	Value of services sold (intermediated)	18 596	0	0	0	0	0	0	0	11	0	9 660	8 925
IV.	**MATERIAL COSTS**	128 390	0	0	0	0	0	0	0	0	0	0	103 218
10.	Wages and salaries	87 203	0	0	0	0	0	0	0	0	0	0	87 203
11.	Other employee benefits	11 067	0	0	0	0	0	0	0	0	0	0	11 067
12.	Contributions on wages and salaries	31 760	0	0	0	0	0	0	0	0	0	0	31 760
V.	**PERSONNEL TYPE EXPENDITURES**	130 030	0	0	0	0	0	0	0	0	0	0	130 030
VI.	**AMORTIZATION**	32 743	0	0	0	0	0	0	0	0	0	1 163	31 580
VII.	**OTHER OPERATING CHARGES**	41 750	0	0	0	0	0	0	0	216	0	0	41 534
	Of this: loss in value	11 912	0	0	0	0	0	0	0	0	0	0	11 912
VII/A.	**PROFIT DECREASING DIFF. OF DEBT CONSOLIDATION**	0	0	0	0	0	24	0	0	0	0	0	24
A.	**INCOME FROM OPERATIONS**	-33 379	0	0	0	0	0	0	0	0	0	0	-33 507
13.	Dividends and profit-sharing (received or due)	646	0	0	170	397	112	72	72	0	0	0	761
	Of this: Received from affiliated undertakings	517	0	0	170	397	112	72	72	0	0	0	632
14.	Capital gains on investments	0	0	0	0	0	0	0	0	0	0	0	0
	Of this: Received from affiliated undertakings	0	0	0	0	0	0	0	0	0	0	0	0
15.	Interest and capital gains on financial investments	0	0	0	0	0	0	0	0	0	0	0	0
	Of this: Received from affiliated undertakings	0	0	0	0	0	0	0	0	0	0	0	0
16.	Other interest and similar income (receive or due)	497	0	0	0	0	0	0	90	0	0	0	407
	Of this: Received from affiliated undertakings	90	0	0	0	0	0	0	90	0	0	0	0
17.	Other income from financial transaction	2 290	0	0	0	475	0	0	0	0	0	0	2 765
VIII.	**INCOMES FROM FINANCIAL TRANSACTIONS**	3 433	0	0	0	0	0	0	0	0	0	0	3 933
18.	Losses on financial investments	2	0	0	6	0	0	0	0	0	0	0	8
	Of this: to affiliated undertakings	0	0	0	0	0	0	0	0	0	0	0	0
19.	Interest payable and similar charges	3 985	0	0	0	0	0	0	0	91	0	0	3 894
	Of this: to affiliated undertakings	91	0	0	0	0	0	0	0	91	0	0	0
20.	Losses on shares, securities and bank deposits	1 131	0	0	0	258	0	0	0	407	0	0	466
21.	Others expenses on financial transactions	1 233	0	0	863	0	0	0	0	159	0	0	1 937
IX.	**EXPENSES ON FINANCIAL TRANSACTIONS**	6 351	0	0	0	0	0	0	0	0	0	0	6 305
B.	**PROFIT OR LOSS FROM FINANCIAL TRANSACTIONS**	-2 918	0	0	0	0	0	0	0	0	0	0	-2 372
C.	**PROFIT OR LOSS OF ORDINARY ACTIVITIES**	-36 297	0	0	0	0	0	0	0	0	0	0	-35 879
X.	**EXTRAORDINARY INCOMES**	6 434	0	0	0	0	0	0	0	0	0	0	6 434
XI.	**EXTRAORDINARY EXPENSES**	3 356	0	0	0	0	0	0	0	0	0	0	3 356
D.	**EXTRAORDINARY PROFIT OR LOSS**	3 078	0	0	0	0	0	0	0	0	0	0	3 078
E.	**INCOME BEFORE TAXES**	-33 219	0	0	0	0	0	0	0	0	0	0	-32 801
XII.	**TAX PAYABLE**	66	0	0	0	0	0	0	0	0	0	0	66
XII/A.	**LATENT TAX**	0	0	0	0	0	13	4	0	0	255	262	-2
F.	**PROFIT AFTER TAX**	-33 285	0	0	0	0	0	0	0	0	0	0	-32 869
22.	Profit reserve used for dividends and profit-sharing	0	0	0	0	0	0	0	0	0	0	0	0
23.	Dividends and profit-sharing paid (payable)	72	0	0	0	0	0	0	0	72	0	0	0
G.	**PROFIT OR LOSS FOR THE YEAR**	-33 357	0	0	97	6	52	51	427	0	1 164	1 195	-32 869

Name of company group: MÁV *Annex 5.*

INVESTMENTS (1)
VALUES OF INTANGIBLE ASSETS

Year 2003

Table G/501/A. **values in MHUF**

NOMINATION	BALANCE SHEET ITEM		OPENING VALUE	CHANGES IN REVIEW YEAR		CLOSING VALUE	REVIEW YEAR AMORITZATION
	MARK	NOMINATION		INCREASE	DECREASE		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
GROSS VALUE	A/I/1.	CAPITALISED VALUE OF FOUND.-REORGAN.	45	2	18	29	
	A/I/2.	CAPITALISED VALUE OF RESEARCH & DEVELOP.	281	15	62	234	
	A/I/3.	CONCESSIONS, LICENSES AND SIMILAR RIGHTS	6	4	2	8	
	A/I/4.	TRADE-MARKS, PATENTS AND SIMILAR RIGHTS	11 492	862	451	11 903	
	A/I/5.	GOODWILL	-			-	
	A/I/6.	ADVANCES FOR INTANGIBLE ASSETS	-	20		20	
	A/I.	**TOTAL**	**11 824**	**903**	**533**	**12 194**	
SCREENED OUT INTERIM RESULT	A/I/1.	CAPITALISED VALUE OF FOUND.-REORGAN.	-			-	
	A/I/2.	CAPITALISED VALUE OF RESEARCH & DEVELOP.	-			-	
	A/I/3.	CONCESSIONS, LICENSES AND SIMILAR RIGHTS	-			-	
	A/I/4.	TRADE-MARKS, PATENTS AND SIMILAR RIGHTS	30	8	15	23	- 15
	A/I/5.	GOODWILL	-			-	
	A/I/6.	ADVANCES FOR INTANGIBLE ASSETS	-			-	
	A/I.	**TOTAL**	**30**	**8**	**15**	**23**	**- 15**
ACCUMULATED VALUE DECREASE	A/I/1.	CAPITALISED VALUE OF FOUND.-REORGAN.	29	6	18	17	6
	A/I/2.	CAPITALISED VALUE OF RESEARCH & DEVELOP.	63	10		73	9
	A/I/3.	CONCESSIONS, LICENSES AND SIMILAR RIGHTS	4	2	2	4	2
	A/I/4.	TRADE-MARKS, PATENTS AND SIMILAR RIGHTS	6 919	2 044	453	8 510	1 898
	A/I/5.	GOODWILL	-			-	
	A/I/6.	ADVANCES FOR INTANGIBLE ASSETS	-			-	
	A/I.	**TOTAL**	**7 015**	**2 062**	**473**	**8 604**	**1 915**
NET VALUE	A/I/1.	CAPITALISED VALUE OF FOUND.-REORGAN.	16	20	24	12	
	A/I/2.	CAPITALISED VALUE OF RESEARCH & DEVELOP.	218	15	72	164	
	A/I/3.	CONCESSIONS, LICENSES AND SIMILAR RIGHTS	2	6	4	4	
	A/I/4.	TRADE-MARKS, PATENTS AND SIMILAR RIGHTS	4 543	1 330	2 503	3 370	
	A/I/5.	GOODWILL	-			-	
	A/I/6.	ADVANCES FOR INTANGIBLE ASSETS	-	20		20	
	A/I.	**TOTAL**	**4 779**	**1 391**	**2 603**	**3 570**	

INVESTMENTS (2)
VALUES OF TANGIBLE ASSETS

Year 2003

Table G/501/B. *values in MHUF*

NOMINATION	BALANCE SHEET ITEM		OPENING VALUE	CHANGES IN REVIEW YEAR		CLOSING VALUE	REVIEW YEAR AMORTIZATION
	MARK	NOMINATION		INCREASE	DECREASE		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
GROSS VALUE	A/II/1.	LAND AND BUILDINGS AND RIGHTS TO IMMOVABLE	442 159	30 822	3 878	469 103	
	A/II/2.	PLANT AND MACHINERY, VEHICLES	309 917	40 076	2 904	347 089	
	A/II/3.	OTHER EQUIP., FITTINGS, VEHICLES	7 429	196	180	7 445	
	A/II/4.	BREEDING STOCK	1	-	-	1	
	A/II/5.	INVESTMENTS, RENOVATIONS	39 714	75 397	68 467	46 644	
	A/II/6.	ADVANCES FOR INVESTMENTS	5 494	4 930	5 494	4 930	
	A/II.	**TOTAL**	**804 714**	**151 421**	**80 923**	**875 212**	
SCREENED OUT INTERIM RESULT	A/II/1.	LAND AND BUILDINGS AND RIGHTS TO IMMOVABLE	2 961	131	65	3 027	
	A/II/2.	PLANT AND MACHINERY, VEHICLES	4 868	918	1 081	4 705	
	A/II/3.	OTHER EQUIP., FITTINGS, VEHICLES	10	7	2	15	
	A/II/4.	BREEDING STOCK	-				
	A/II/5.	INVESTMENTS, RENOVATIONS	200	1 224	1 056	368	
	A/II/6.	ADVANCES FOR INVESTMENTS*	40	1 492	40	1 492*	
	A/II.	**TOTAL**	**8 079**	**3 772**	**2 244**	**9 607**	
ACCUMULATED VALUE DECREASE	A/II/1.	LAND AND BUILDINGS AND RIGHTS TO IMMOVABLE	74 821	13 949	293	88 477	
	A/II/2.	PLANT AND MACHINERY, VEHICLES	103 550	18 029	2 763	118 816	
	A/II/3.	OTHER EQUIP., FITTINGS, VEHICLES	4 466	940	159	5 247	
	A/II/4.	BREEDING STOCK	1	-	-	1	
	A/II/5.	INVESTMENTS, RENOVATIONS	-				
	A/II/6.	ADVANCES FOR INVESTMENTS	-				
	A/II.	**TOTAL**	**182 838**	**32 918**	**3 215**	**212 541**	
NET VALUE	A/II/1.	LAND AND BUILDINGS AND RIGHTS TO IMMOVABLE	364 377	31 180	17 958	377 599	
	A/II/2.	PLANT AND MACHINERY, VEHICLES	201 499	43 920	21 851	223 568	
	A/II/3.	OTHER EQUIP., FITTINGS, VEHICLES	2 953	357	1 127	2 183	
	A/II/4.	BREEDING STOCK	-				
	A/II/5.	INVESTMENTS, RENOVATIONS	39 514	76 453	69 691	46 276	
	A/II/6.	ADVANCES FOR INVESTMENTS	5 454	4 970	6 986	3 438	
	A/II.	**TOTAL**	**613 797**	**156 880**	**117 613**	**653 064**	

*Value screened out against advances received for investments

Name of company group: MÁV

Annex 7.

DEVELOPMENT OF FINANCIAL INVESTMENTS
A) SHARES

Year 2003

Table G/502/A.

values in MHUF

BALANCE SHEET ITEM		(CORRECTED) BASE VALUE	VALUES PREPARED FOR CONSOLIDATION	TAKING OF PREV. YEAR CONSOL. EFFECTS	CHANGES IN REVIEW YEAR				CONSOLIDATION CLOSING VALUE	DIFF. BETWEEN CLOSING AND BASE
MARK	NOMINATION				SCREENING OF SHARES	EVALUATION OF SHARES	UNILATERAL CLEARING	INTERIM RESULT		
					FOR CAPITAL CONSOLIDATION		SCREENING OR RELEASE			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
A/III/1	LONG-TERM PARTICIPATIONS IN AFFILIATED UNDERTAKINGS	5 325	11 767	- 7 718 + 1 017	-	-90	+ 610	-	5 586	261
A/III/3	OTHER LONG-TERM PARTICIPATIONS	3 422	3 013						3 013	- 409
TOTAL		**8 747**	**14 780**	**- 6 701**	**-**	**-90**	**+ 610**	**-**	**8 599**	**-148**

Name of company group: MÁV

Annex 8.

DEVELOPMENT OF ACTIVE CAPITAL CONSOLIDATION DIFFERENCE

Year 2003

Table G/503.

values in MHUF

No.	COMPANY		CORRECTED BASE VALUE	OPENING VALUE	CHANGE IN REVIEW YEAR				CLOSING VALUE	DIFFERENCE BETWEEN CLOSING AND BASE VALUES
					INCREASE		DECREASE			
	CODE	NOMINATION			FROM ACQUIRING SHARES	FOR OTHER REASONS	FROM SALES OF SHARES	AMORTIZATION FOR OTHER REASONS		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1.	-	RAIL BUS	1	1			1		-	- 1
2.	268	FERIHEGYI EXPRESS	2	2				1	1	- 1
3.	272	BILK KOMBITERMINÁL Rt.	100	100	2			102	-	- 100
4.	624	BILK LOGISZTÁR Rt.	91	91	249			68	272	+ 181
5.	620	VIACOM HUNGARIA			46			9	37	+ 37
6.	270	MÁV TRANSSPEED WIEN			3			1	2	+ 2
		TOTAL	**194**	**194**	**300**	**-**	**1**	**181**	**312**	**+ 118**

Name of company group: MÁV

Annex 9.

DEVELOPMENT OF INVENTORIES

Year 2003

Table G/504.

values in MHUF

BALANCE SHEET ITEM		(CORRECTED) BASE VALUE	VALUES PREPARED FOR CONSOLIDATION	TAKING OF PREV. YEAR'S CONSOLID. EFFECTS	CHANGE FROM CONSOLIDATION	CHANGES IN REVIEW YEAR			CONSOLIDATION CLOSING VALUE	DIFFERENCE BETWEEN CLOSING AND BASE
						PREV. YEAR	REVIEW YEAR			
						INTERIM RESULT				
MARK	NOMINATION					RELEASE	SCREENING	RELEASE		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
B/I/1	RAW MATERIALS AND CONSUMABLES	10 238	9 297	- 6		+ 6	- 98	+ 98	9 297	- 941
B/I/2	WORK IN PROGRESS, INTERMEDIATE AND SEMI-FINISHED PRODUCTS	1 666	1 531						1 531	- 135
B/I/3	ANIMALS FOR BREEDING AND FATTENING AND OTHER LIVESTOCK	-	-						-	-
B/I/4	FINISHED PRODUCTS	125	90						90	- 35
B/I/5	GOODS	443	1 062	- 27		+ 27	- 127	+ 125	1 060	+ 617
B/I/6	ADVANCES FOR INVENTORIES	62	84						84	-22
B/I	**INVENTORIES TOTAL**	**12 534**	**12 064**	**- 33**	**-**	**+ 33**	**- 225**	**+ 223**	**12 062**	**- 472**

Name of company group: MÁV *Annex 10.*

DEVELOPMENT OF RECEIVABLES

Year 2003

Table G/505. **values in MHUF**

BALANCE SHEET ITEMS		*(CORRECTED) BASE VALUE*	*VALUES PREPARED FOR CONSOLIDATION*	*TAKING OF PREV. YEAR'S CONSOLID. EFFECTS*	*CHANGES IN REVIEW YEAR*				*CONSOLIDATION CLOSING VALUE*	*DIFFERENCE BETWEEN BASE AND CLOSING*
MARK	*NOMINATION*				*REAL DIFF. RELEASE SCREENING*	*SCREENING AGAINST LIABILITIES*	*UNILATERAL RELEASE SCREENING*	*INTERIM RESULT RELEASE SCREENING*		
(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*	*(7)*	*(8)*	*(9)*	*(10)*	*(11)*
B/II/1	TRADE DEBTORS	14 442	16 011						16 011	+ 1 569
B/II/2	RECEIVABLES FROM AFFILIATED UNDERTAKINGS	286	8 872	- 5	+ 5	- 8 590			282	- 4
B/II/3	RECEIVABLES FROM INDEPENDENT UNDERTAKINGS	634	321						321	- 313
B/II/4	BILLS	-							-	-
B/II/5	OTHER RECEIVABLES	19 067	21 433						21 433	+ 2 366
B/II/6	RECEIVABLE DUE TO ACTIVE LATENT TAX	1 472	-	+ 14 '+ 1 458	- 9 '- 215			+ 222	1 470	- 2
B/II	**RECEIVABLES TOTAL**	**35 901**	**46 637**	**+ 1 467**	**- 219**	**- 8 590**	**-**	**+ 222**	**39 517**	**+ 3 616**

Name of company group: MÁV

Annex 11.

DEVELOPMENT OF RECEIVABLES DUE TO ACTIVE LATENT TAX

Year 2003

Table G/506.

values in MHUF

NOMINATION	CORRECTED BASE VALUE	TAKING OF OPENING VALUE	CHANGES IN REVIEW YEAR						COUNTER BALANCING OF LIABILITIES DUE TO PASSIVE LATENT TAX	CLOSING VALUE	DIFF. BETWEEN CLOSING AND BASIS
			FOR PREVIOUS YEAR STOCK			FOR REVIEW YEAR STOCK					
			RELEASE OF REAL DIFFERENCE	ONE-SIDED ACCOUNTING	INTERIM RESULT	TAKING OF REAL DIFF.	ONE-SIDED ACCOUNTING	INTERIM RESULT			
				RELEASE OF SCREENINGS			RELEASE OF SCREENINGS				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
After result screened out from intangible assets	5	5			- 3			+ 2		4	- 1
After result screened out from tangible assets	1 447	1 447			- 206			+ 220		1 461	+ 14
Connected to financial investments	-									-	
After interim result screened out from inventories	6	6			- 6			+ 40 - 40		-	- 6
Connected to receivables	14	14	- 13			+ 4				5	- 9
TOTAL	**1 472**	**1 472**	**- 13**		**- 215**	**+ 4**		**+ 222**		**1 470**	**- 2**

Name of company group: MÁV

Annex 12.

DEVELOPMENT OF ACCRUALS

Year 2003

Table G/509.

values in MHUF

BALANCE SHEET ITEM		CORRECTED BASE VALUE	VALUE PREPARED FOR CONSOLIDATION	TAKING OF RESULT PROD. BY PREV. YEAR CONSOLIDATION	MOVEMENTS IN REVIEW YEAR			CONSOLIDATED CLOSING VALUE	DIFFERENCE BETWEEN CLOSING AND BASIS
MARK	NOMINATION				RELEASE OF PREV. YEAR REAL DIFF.	TAKING OF CURRENT YEAR REAL DIFF.	SCREENING AGAINST LIABILITIES		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
C/1	ACCRUED INCOME	128	6 056	+ 112	- 112	+ 71	- 83	6 044	+ 5 916
C/2	ACCRUED EXPENSES	10 995	5 248					5 248	- 5 747
C/3	DEFERRED EXPENSES	-	1 751					1 751	+ 1 751
C	**ACCRUED AND DEFERRED ASSETS**	**11 123**	**13 055**	**+ 112**	**- 112**	**+ 71**	**- 83**	**13 043**	**+ 1 920**

DEVELOPMENT OF EQUITY CAPITAL OF THE COMPANY GROUP

Year 2003

Table G/511.

values in MHUF

NOMINATION	PREVIOUS YEAR'S CLOSING VALUE	CORRECTION	CORRECTED CLOSING BASE VALUE	SETTLEMENT AFTER OPENING	SETTLED BASE VALUES	REVIEW YEAR CLOSING VALUES	SETTLEMENT AFTER OPENING	SETTLED REVIEW YEAR VALUES	DIFFERENCE BETWEEN REVIEW AND SETTLED BASIS
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
SUBSCRIBED CAPITAL	188 000			-	188 000	193 733	-	193 733	+ 5 733
SUBSCRIBED CAPITAL UNPAID	-			-	-	-			-
CAPITAL RESERVE	12 949			-	12 949	13 299	-	13 299	+ 350
ACCUMULATED PROFIT RESERVE	- 41 558			+13 120	-28 438	-16 486	- 33 066	-49 552	-21 114
TIED-UP RESERVE	3 671			-	3 671	5 005	-	5 005	+ 1 334
PROFIT OR LOSS FOR THE YEAR	+ 11 974			- 11 974	-	-32 869	32 869	-	-
VARIATION IN EQUITY CAPITAL OF SUBSIDIARIES	1 082			- 145	937	954	- 291	663	- 274
CO-HANDLED COMPANIES	1 691			-789	902	902	91	993	+91
CHANGES DUE TO CONSOLIDATION	- 6 176			- 212	-6 388	-6 388	+ 397	- 5 991	+ 397
DEBT CONSOLIDATION DIFFERENCE	+ 127			- 78	49	49	+ 1	50	+ 1
INTERIM RESULT DIFFERENCE	-6 303			- 134	-6 437	-6 437	+ 396	- 6 041	+ 396
SHARES OF EXTERNAL OWNERS	-			-	-	-	-	-	-
EQUITY CAPITAL	**171 633**			**-**	**171 633**	**158 150**	**-**	**158 150**	**-13 483**

Name of company group: MÁV

Annex 14.

DEVELOPMENT OF PROVISIONS OF THE COMPANY GROUP

Year 2003

Table G/512.

values in MHUF

BALANCE SHEET ITEM		VALUE PREPARED FOR CONSOLIDATION	CHANGES DUE TO CONSOLIDATION			CONSOLIDATION CLOSING VALUE	OF LIABILITIES NON-COMPLETELY INVOLVED INTO CONSOLIDATION, VALUES AGAINST		
			SCREENING BECAUSE OF PREV. YEAR'S UNILAT. ACCOUNTING		REVIEW YEAR UNILATERAL ACCOUNT SCREENING		SUBSIDIARY	JOINT MGMT	ASSOCIATED
MARK	NOMINATION		TAKING	RELEASE			COMPANIES		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(10)	(11)	(12)
E/1	Provisions for forwarded liabilities	10 827	- 4	+ 4	- 24	10 803			
E/2	Provisions for forwarded expenses	5 179	-	-	-	5 179			
E/3	Other provisions	410	-	-	-	410			
	TOTAL:	**16 416**	**- 4**	**+ 4**	**- 24**	**16 392**	-	-	-

DEVELOPMENT OF LONG TERM LIABILITIES OF THE COMPANY GROUP

Year 2003

Table G/513.

values in MHUF

BALANCE SHEET ITEM		VALUE PREPARED FOR CONSOLID.	CHANGES DUE TO CONSOLIDATION				CONSOLIDATION CLOSING VALUE	OF LIABILITIES			
			PREV. YEAR REAL DIFF.		REVIEW YEAR			DUE WITHIN 5 YEARS	NOT COMPLETELY CONSOLIDATED		
MARK	NOMINATION		TAKING	RELEASE	TAKING OF REAL DIFF.	SCREENING AGAINST RECEIV.			SUBSIDIARY	JOINT MGMT.	ASSOCIATED
									VALUES AGAINST THE ABOVE COMPANIES		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
F/I/1	Subordinated liabilities to affiliated undertakings	-	-	-	-	-	-	-	-	-	-
F/I/2	Subordinated liabilities to independent undertakings	-	-	-	-	-	-	-	-	-	-
F/I/3	Subordinated liabilities to other economic entities	-	-	-	-	-	-	-	-	-	-
F/I	SUBORDINATED LIABILITIES TOTAL	-	-	-	-	-	-	-	-	-	-
F/II/1	Long-term loans	61	-	-	-	-	61	-	-	-	-
F/II/2	Convertible bonds	-	-	-	-	-	-	-	-	-	-
F/II/3	Debts on issue of bonds	-	-	-	-	-	-	-	-	-	-
F/II/4	Investment and development credits	47 744	-	-	-	-	47 744	38 176	-	-	-
F/II/5	Other long-term credits	23 500	-	-	-	-	23 500	-	-	-	-
F/II/6	Long-term liabilities to affiliated undertakings	4 549	-	-	-	-	4 549	-	-	-	-
F/II/7	Long-term liabilities to independent undertakings	-	-	-	-	-	-	-	-	-	-
F/II/8	Other long-term liabilities	330 643	-	-	-	-	330 643	-	-	-	-
F/II	**TOTAL LONG-TERM LIABILITIES**	**406 497**	**-**	**-**	**-**	**-**	**406 497**	**38 176**	**-**	**-**	**-**

Name of company group: MÁV

Annex 16.

DEVELOPMENT OF PASSIVE CAPITAL CONSOLIDATION DIFFERENCE IN CASE OF COMPLETELY CONSOLIDATED UNDERTAKINGS

Year 2003

Table G/514-1.

values in MHUF

NO.	COMPANY		PASSIVE CAPITAL CONSOLIDATION DIFFERENCE				
	CODE	NOMINATION	OPENING VALUE	CHANGE			CLOSING VALUE
				OF ACQUIRING SHARE	OF SALES OF SHARE	OTHER	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(15)
1.	101	MÁV TRANSSPED KFT.	152	-	-	-	152
2.	103	MÁV HÍDÉPÍTŐ KFT.	11	-	-	-	11
3.	109	MÁV SZOLNOKI JÁRMŰJAVÍTÓ KFT.	49	-	-	-	49
4.	111	MÁV ÉSZAKI JÁRMŰJAVÍTÓ KFT.	41	-	-	-	41
5.	112	MÁV GÉP KFT.	2	-	-	-	2
6.	113	MÁV ÉPÍTMÉNYKARBANTARTÓ KFT.	3	-	-	-	3
7.	115	MÁV TISZAVAS KFT.	25	-	-	-	25
8.	117	MÁV DEBRECENI JÁRMŰJAVÍTÓ KFT.	4	-	-	-	4
9.	118	MÁV INFORMATIKA KFT.	3	-	-	-	3
		TOTAL:	290	-	-	-	290

Name of company group: MÁV

Annex 17.

DEVELOPMENT OF PASSIVE CAPITAL CONSOLIDATION DIFFERENCE IN CASE OF ASSOCIATED UNDERTAKINGS

Year 2003

Table G/514-2.

values in MHUF

NO.	COMPANY		PASSIVE CAPITAL CONSOLIDATION DIFFERENCE				
	CODE	NOMINATION	OPENING VALUE	CHANGE			CLOSING VALUE
				OF ACQUIRING SHARE	OF SALES OF SHARE	OTHER	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(15)
1.	203	MÁV VAGON KFT.	2	-	-	-	2
2.	207	MÁVTI KFT.	14	-	-	-	14
3.	210	MÁV JEGYNYOMDA KFT.	12	-	-	-	12
4.	228	MÁV KERT KFT.	2	-	-	-	2
5.	229	MÁV ÉPÜLETKARBANTARTÓ KFT.	4	-	-	-	4
6.	249	MÁV SIN KFT.	19	-	-	-	19
7.	250	MÁV KFV KFT.	8	-	-	-	8
8.	253	MÁV KOMBITERMINÁL KFT.	4	-	-	-	4
9.	256	MÁV MULTISZOLG. KFT.	1	-	-	- 1	-
10.	402	MÁV KO KFT.	5	-	-	-	5
11.	601	TRANSFER KFT.	2	-	-	-	2
12.	605	EUROMETAL KFT.	121	-	-	-	121
13.	607	MÁV THERMIT KFT.	13	-	-	-	13
14.	609	BOMBARDIER KFT.	13	-	-	-	13
15.	613	MÁV VASJÁRMŰ KFT.	5	-	-	-	5
16.	619	VAMÁV KFT.	111	-	-	-	111
17.	214	MÁVAUT KFT.	2	-	-	-	2
18.	266	MÁV FAVÉD KFT.	86	-	-	-	86
19.	608	LOGISZTÁR KFT.	4	-	-	-	4
20.	272	BILK KOMBITERMINÁL RT.	-	59	-	-	59
		TOTAL:	428	59	-	- 1	486

DEVELOPMENT OF SHORT TERM LIABILITIES OF THE COMPANY GROUP

Year 2003

Table G/515.

values in MHUF

NO.	NOMINATION	BASE VALUE	VALUE PREPARED FOR CONSOLID.	CHANGES DUE TO CONSOLIDATION				CONSOLIDATED CLOSING VALUE	NOT COMPLETELY CONSOLIDATED OF LIABILITIES		
				PREV. YEAR REAL DIFF.		CURRENT YEAR			SUBSIDIARY	JOINT MGMT.	ASSOCIATED
				TAKING	RELEASE	REAL DIFF. TAKING	SCREENING AGAINST RECEV.		VALUE AGAINST ABOVE COMPANIES		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(10)	(11)	(12)	(13)
1.	SHORT-TERM BANK LOANS	267	46	-	-	-	-	46	-	-	-
2.	SHORT-TERM CREDITS	18 746	18 787	-	-	-	-	18 787	-	-	-
3.	DUE TO ADVANCES RECEIVED FROM CUSTOMERS	1 037	1 514	-	-	-	-	1 514	-	-	-
4.	ACCOUNTS PAYABLE	28 001	27 632	-	-	-	-	27 632	-	-	-
5.	BILLS PAYABLE	66	71	-	-	-	-	71	-	-	-
6.	SHORT-TERM LIABILITIES TO AFFILIATED UNDERTAKINGS	3 588	15 077	+72	-69	+24	-10 147	4 957	1 715	-	3 242
7.	SHORT-TERM LIABILITIES TO INDEPENDENT UNDERTAKINGS	165	177	-	-	-	-	177	-	-	-
8.	OTHER SHORT-TERM LIABILITIES	11 010	11 970	-	-	-	-	11 970	-	-	-
9.	CORPORATE TAX LIABILITY ARISING FROM CONSOLIDATION	-	-	-	-	-	-	-	-	-	-
III/7	SHORT-TERM LIABILITIES	62 880	75 274	+72	-69	+24	-10 147	65 154	1 198	-	3 242

Name of company group: MÁV

Annex 19.

NET SALES RETURN OF THE COMPANY GROUP ACCORDING TO PRODUCT AND ACTIVITY TYPES

Year 2003

Table G/521/A.

values in MHUF

NO.	NAME OF PRODUCT, PRODUCT TYPE	ACCUMULATED VALUES				SCREENED OUT VALUES				NON ACCUMULATED VALUE			
		DOMESTIC SALES	EXPORT	TOTAL	DISTRIBUTION%	DOMESTIC SALES	EXPORT	TOTAL	DISTRIBUTION %	DOMESTIC SALES	EXPORT	TOTAL	DISTRIBUTION %
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1.	PASSENGER TRANSPORT	111 550	5 595	117 145	46,64	-		-	-	111 550	5 595	117 145	53,83
2.	FREIGHT TRANSPORT	66 444	4 876	71 320	28,40	-		-	-	66 444	4 876	71 320	32,78
3.	OTHER TRANSPORT	7 115	2	7 117	2,83	3 707		3 707	11,05	3 408	2	3 410	1,57
4.	ACTIVITY SUPPORTING INLAND TRANSPORT.	14 516	770	15 286	6,09	11 932		11 932	35,57	2 584	770	3 354	1,54
5.	FORWARDING	13 858	298	14 156	5,64	483		483	1,44	13 375	298	13 673	6,29
6.	BUILDING INDUSTRIAL ACTIVITY	6 040		6 040	2,40	4 382		4 382	13,06	1 658	-	1 658	0,76
7.	INDUSTRIAL ACTIVITY	699	417	1 116	0,44	-		-	-	699	417	1 116	0,51
8.	LEASING ACTIVITY	3 986		3 986	1,59	518		518	1,54	3 468	-	3 468	1,59
9.	INFORMATION SERVICES	4 714	43	4 757	1,89	3 879		3 879	11,56	835	43	878	0,40
10.	PROPERTY PROTECTION ACTIVITIES	1 869		1 869	0,75	1 604		1 604	4,78	265	-	265	0,12
11.	OTHER NON-MENTIONED ACTIVITIES	8 299	71	8 370	3,33	7 045		7 045	21,00	1 254	71	1 325	0,61
	TOTAL:	**239 090**	**12 072**	**251 162**	**100,00**	**33 550**	-	**33 550**	**100,00**	**205 540**	**12 072**	**217 612**	**100,00**

Name of company group: MÁV

Annex 20.

NET SALES RETURN OF PRODUCTS, ACTIVITY TYPES, ISSUED BY THE COMPANY INTO EXTERNAL CIRCLES

Year 2003

Table G/521/B.

values in MHUF

NO.	NAME OF PRODUCT, PRODUCT TYPE	BASE VALUES				CORRECTED BASE VALUES				ACTUAL VALUES				CHANGE BETWEEN ACTUAL AND CORRECTED BASIS	
		DOMESTIC SALES	EXPORT	TOTAL	DISTRIBUTION%	DOMESTIC SALES	EXPORT	TOTAL	DISTRIBUTION %	DOMESTIC SALES	EXPORT	TOTAL	DISTRIBUTION %	VALUE	INDEX
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
1.	PASSENGER TRANSPORT	106 346	5 093	111 439	54,19					111 550	5 595	117 145	53,83	5 706	105,12
2.	FREIGHT TRANSPORT	66 977	5 482	72 459	35,23					66 444	4 876	71 320	32,78	- 1 139	98,43
3.	OTHER TRANSPORT	754	-	754	0,37					3 408	2	3 410	1,57	2 656	452,25
4.	ACTIVITY SUPPORTING INLAND TRANSPORT.	2 651	-	2 651	1,29					2 584	770	3 354	1,54	703	126,52
5.	FORWARDING	10 447	410	10 857	5,28					13 375	298	13 673	6,29	2 816	125,94
6.	BUILDING INDUSTRIAL ACTIVITY	2 480	-	2 480	1,21					1 658	-	1 658	0,76	- 822	66,85
7.	INDUSTRIAL ACTIVITY	1 288	434	1 722	0,83					699	417	1 116	0,51	- 606	64,81
8.	LEASING ACTIVITY	1 075	71	1 146	0,56					3 468	-	3 468	1,59	2 322	302,62
9.	INFORMATION SERVICES	883	17	900	0,44					835	43	878	0,40	- 22	97,56
10.	PROPERTY PROTECTION ACTIVITIES	258	-	258	0,12					265	-	265	0,12	7	102,71
11.	OTHER NON-MENTIONED ACTIVITIES	795	193	988	0,48					1 254	71	1 325	0,61	337	134,11
	TOTAL:	**193 954**	**11 700**	**205 654**	**100,00**					**205 540**	**12 072**	**217 612**	**100,00**	**11 958**	**105,81**

Name of company group: MÁV

Annex 21.

EXPORT SALES OF THE COMPANY GROUP AS PER MARKET SEGMENTS

Year 2003

Table G/522.

values in MHUF

MARKET SEGMENTS		BASIS		CORRECTION	CORRECTED BASIS		ACTUAL		CHANGE	
NO.	NOMINATION	VALUE	RATIO %		VALUE	RATIO %	VALUE	RATIO %	IN VALUE	IN %
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1.	GERMANY	1 490	12,74				1 904	15,77	414	+ 27,79
2.	AUSTRIA	2 475	21,15				2 220	18,39	- 255	- 10,30
3.	ITALY	1 936	16,55				969	8,03	- 967	- 49,95
4.	FRANCE	-					128	1,06	128	
5.	ENGLAND	27	0,23				63	0,52	36	+ 33,33
6.	SWEDEN	34	0,29				25	0,21	- 9	- 26,47
	EU member railway total	**5 962**	**50,96**				**5 309**	**43,98**	**- 653**	**- 10,95**
7.	ROMANIA	1 555	13,29				1 931	16,00	376	+ 24,18
8.	SLOVAKIA	1 054	9,01				964	7,99	- 90	- 8,54
9.	CZECH REPUBLIC	569	4,86				797	6,60	228	+ 40,07
10.	SLOVENIA	516	4,41				425	3,52	- 91	- 17,64
11.	POLAND	450	3,85				380	3,15	- 70	- 15,56
12.	CROATIA	303	2,59				349	2,89	46	+ 15,18
13.	YUGOSLAVIA	362	3,09				446	3,69	84	+ 23,20
14.	UKRAINA	68	0,58				128	1,06	60	+ 88,24
15.	SWITZERLAND	111	0,95				756	3,77	645	+ 581,08
16.	BULGARIA	167	1,43				115	0,95	- 52	+ 31,14
17.	TURKEY	81	0,69				48	0,39	-33	- 40,74
18.	NON-MENTIONED OTHER	502	4,29				424	3,51	- 78	- 15,54
	NON-EU railway total	**5 738**	**49,04**				**6 763**	**56,02**	**1 025**	**+ 17,86**
TOTAL:		**11 700**	**100,00**				**12 072**	**100,00**	**372**	**+ 3,18**

Name of the Company Group: MÁV *Annex 22.*

PRESENTATION OF CASH-FLOW

Year 2003

Table G/508. *values in MHUF*

No.	NOMINATION	BASIS VALUE	VALUE OF REVIEW YEAR
(1)	(2)	(3)	(4)
1/a.	Income before taxes	+11 959	-32 801
1/b.	Received dividend, share	-345	-761
1.	Corrected income before taxes	+11 614	-33 562
2.	Accounted amortizatioin	+30 076	31 580
3.	Accounted loss in value and marked back	+242	3 246
4.	Diff. of calculation and use of provisions	+6 000	8 669
5.	Result of sales of fix assets	-170	- 3 032
6.	Change of supplier liabilities	+4 755	- 369
7.	Change of other short term liabilities	-1 702	2 823
8.	Changes of deferrals	+60 769	- 9 116
9.	Changes of customer receivables	+ 5 068	- 1 569
10.	Change of current assets (excl. Customer receivables and cash)	-11	- 1 575
11.	Changes of accruals	-2 192	- 1 920
12.	Tax paid, and to be paid (after profit)	+15	- 68
13.	Dividend, share paid, to be paid	-	-
I.	OPERATIONAL CASH-FLOW	+114 464	-4 893
14.	Purchase of fix assets	-54 993	-75 769
15.	Sales of fix assets	+443	+ 5 884
16.	Received dividend, share	345	761
II.	INVESTMENT CASH-FLOW	-54 205	-69 124
17.	Income from issue of shares, involv. of capital	-	5 733
18.	Income from bonds, securities representing credit relations	-	-
19.	Credit, loan taking	+6 405	68 725*
20.	Instalment, termination, conversion of long term loans and bank deposits	-	57
21.	Received liquid assets	+4	13 716
22.	Withdraw of shares, of capital (decrease of capital)	-12 958	-
23.	Repayment of bonds and securities, repr. credit relations	-	-
24.	Instalment, repayment of credit, loans	-88 351	- 10 246*
25.	Instalment, termination, conversion of long term credits and bank deposits	-	- 8
26.	Finally given over bank deposits	-2	-
27.	Changes of liabilities towards the founders, and other long term liabilities	+34 487	+ 6 255
III.	FINANCING CASH-FLOW	-60 415	84 232
IV.	AVAILABLE CASH-FLOW	-156	10 215

Name of company group: MÁV

Annex 23.

PRESENTATION OF OWNERS OF SUBSIDIARY, JOINT MANAGEMENT AND ASSOCIATED COMPANIES, COMPLETELY INVOLVED INTO CONSOLIDATION AND INVOLVED WITH SHARE EVALUATION

31. 12. 2003

Table G/531.

values in MHUF

SUBSIDIARY AND JOINT MGMT COMPANIES COMPLETELY INVOLVED IN CONSOL.					PRESENTATION OF OWNERS, BELONGING TO THE COMPANY GROUP OF INVOLVED INTO CONSOLIDATION								
					MÁV RT.			MÁV KOMBITERMINÁL KFT.			MÁV VAGYONKEZELŐ KFT.		
CODE	NOMINATION	MIN.	EQUITY CAPITAL	SUBSCRIBED CAPITAL	VALUE OF SHARE	OWNERSHIP RATIO %	EQUITY PER SHARE	VALUE OF SHARE	OWNERSHIP RATIO %	EQUITY PER SHARE	VALUE OF SHARE	OWNERSHIP RATIO %	EQUITY PER SHARE
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
101	MÁVTRANSSPED KFT	SUBSID	375	300	111	100,00	375						
103	MÁV HÍDÉPÍTŐ KFT	SUBSID	520	500	500	100,00	520						
109	MÁV SZOLNOKI J.JAV. KFT	SUBSID	1 543	1 200	1 200	100,00	1 543						
111	MÁV ÉSZAKI J.JAV. KFT	SUBSID	1 297	966	966	100,00	1 297						
112	MÁV GÉP KFT	SUBSID	1 163	955	955	100,00	1 163						
113	MÁV FKG KFT	SUBSID	1 562	1 505	1 505	100,00	1 562						
115	MÁV TISZAVAS KFT	SUBSID	501	662	459	100,00	501						
117	MÁV DEBRECENI J.JAV KFT	SUBSID	92	407	0	100,00	92						
118	MÁV INFORMATIKA KFT	SUBSID	878	800	800	100,00	878						
119	MÁV IK KFT	SUBSID	451	399	399	100,00	451						
121	MÁV VASÚTŐR KFT	SUBSID	289	215	215	100,00	289						
	COMPLETE CIRCLE TOTAL:	~	8 671	7 909	7 110	~	8 671	-	-	-	-	-	-
201	MÁVÉPSZER KFT	SUBSID	- 152	234	0	100,00	- 152						
203	MÁV VAGON KFT	SUBSID	316	244	220	90,00	284				30	10,00	32
207	MÁVTI KFT	SUBSID	165	80	80	100,00	165						
209	MÁV EGRESSY GARÁZS KFT	SUBSID	75	59	55	100,00	75						
210	MÁV JEGYNYOMDA KFT	SUBSID	171	61	61	100,00	171						
213	MÁV EIFFEL KFT	SUBSID	23	43	0	90,00	21				5	10,00	2
214	MÁVAUT KFT	SUBSID	58	42	42	100,00	58						
216	ÉSZAK-TRANS KFT	SUBSID	10	26	0	100,00	10						
220	MÁV BOGLÁRKA KFT	SUBSID	1	6	0	90,00	1						
222	MÁV LIÁN KFT	SUBSID	6	5	4	90,00	5				1		1
228	MÁV KERT KFT	SUBSID	91	46	46	100,00	91						
229	MÁV ÉK KFT	SUBSID	11	45	0	90,00	10				1		1

Name of company group: MÁV

PRESENTATION OF DIRECT OWNERS, BELONGING TO THE COMPANY GROUP OF SUBSIDIARY AND JOINT MANAGEMENT COMPANIES, INVOLVED INTO CONSOLIDATION

31. 12. 2003

Table G/531.

values in MHUF

SUBSIDIARY AND JOINT MGMT COMPANIES COMPLETELY INVOLVED IN CONSOL.					PRESENTATION OF OWNERS, BELONGING TO THE COMPANY GROUP OF INVOLVED INTO CONSOLIDATION								
					MÁV RT.			MÁV KOMBITERMINÁL KFT.			MÁV VAGYONKEZELŐ RT.		
CODE	NOMINATION	MIN.	EQUITY CAPITAL	SUBSCRIBED CAPITAL	VALUE OF SHARE	OWNERSHIP RATIO %	EQUITY PER SHARE	VALUE OF SHARE	OWNERSHIP RATIO %	EQUITY PER SHARE	VALUE OF SHARE	OWNERSHIP RATIO %	EQUITY PER SHARE
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
236	MÁV NOSZTALGIA KFT	SUBSID	17	10	6	57,00	10						
249	MÁV SIN KFT	SUBSID	183	200	200	100,00	183						
250	MÁV KFV KFT	SUBSID	340	180	180	100,00	340						
253	MÁV KOMBITERMINAL KFT	SUBSID	519	307	307	100,00	519						
254	MÁV RAKSZER KFT	SUBSID	21	22	22	100,00	21						
257	MM CARGÓ KFT	SUBSID	- 19	50	1	100,00	- 19						
258	ZÁHONY HŐTÁV KFT	SUBSID	92	87	75	90,00	83				17	10,00	9
260	MÁV VAGYONKEZELŐ	SUBSID	492	549	500	100,00	492						
262	MÁV RAKTÁR	SUBSID	16	3	2	100,00	16						
263	MÁV DENT	SUBSID	14	4	2	52,77	7						
266	MÁV FAVÉD	SUBSID	- 77	376	0	100,00	-77						
267	MÁV ÉHK	SUBSID	- 687	45	0	100,00	-687						
268	FERIHEGY EXPRESSZ	SUBSID	52	81	29	50,00	26						
270	MÁVTRANSSPED WIEN	SUBSID	18	19	20	100,00	18						
402	MÁV-KO KFT	JOINT MGMT	18	33	3	33,33	6						
272	BILK KOMBITERMINÁL	SUBSID	2 356	2 503	1494	60,00	1414	300	12,00	283			
	TOTAL ASSOCIATED SUBSIDIARY AND JOINT MGMT:	~	**4 130**	**5 360**	**3 349**	~	**3 091**	**300**	~	**283**	**54**	~	**45**

Name of company group: MÁV

Annex 24.

PRESENTATION OF DIRECT OWNER, BELONGING TO THE COMPANY GROUP OF ASSOCIATED COMPANIES INVOLVED INTO CONSOLIDATION WITH SHARE EVALUATION

31. 12. 2003

Table G/531.

values in MHUF

SUBSIDIARY AND JOINT MGMT COMPANIES COMPLETELY INVOLVED IN CONSOL.					PRESENTATION OF OWNERS, BELONGING TO THE COMPANY GROUP OF INVOLVED INTO CONSOLIDATION								
					MÁV RT			MÁV KOMBITERMINÁL KFT			MÁVTRANSPED KFT.		
CODE	NOMINATION	MIN.	EQUITY CAPITAL	SUBSCRIBED CAPITAL	VALUE OF SHARE	OWNERSHIP RATIO %	EQUITY PER SHARE	VALUE OF SHARE	OWNERSHIP RATIO %	EQUITY PER SHARE	VALUE OF SHARE	OWNERSHIP RATIO %	EQUITY PER SHARE
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
601	TRANSFER-R KFT	ASSOCIA.	53	67	16	28,50	15				20	30,5	24
605	EURO-METALL KFT	ASSOCIA.	881	51	18	34,99	308						
607	MÁV THERMIT KFT	ASSOCIA.	304	138	48	35,00	106						
608	LOGISZTÁR KFT	ASSOCIA.	820	849	238	28,52	234						
609	BOMBARDIER MÁV KFT	ASSOCIA.	1 592	772	130	25,10	400						
613	MÁV VASJÁRMŰ KFT	ASSOCIA.	860	632	158	25,00	215						
617	KOMBIWEST KFT	ASSOCIA.	31	22	0	9,00	3	8	38,00	12			
618	MÁV INTEL-TEAM KFT	ASSOCIA.	5	3	2	48,48	2						
619	VAMÁV KFT	ASSOCIA.	2 434	1 400	480	50,00	1 217						
620	VIACOM HUNGÁRIA	ASSOCIA.	532	100	30	30,00	160						
622	MÁV MULTISZOLG KFT.	ASSOCIA.	64	62	15	25,00	16						
623	ORNAMENT-2000 KFT.	ASSOCIA.	72	54	13	30,00	22						
624	BILK LOGISZTIKA RT.	ASSOCIA.	2 616	2 503	1 073	42,87	1 121						
	ASSOCIATED TOTAL	~	**10 264**	**6 653**	**2 221**	~	**3 819**	**8**	~	**12**	**20**	~	**16**
	GRAND TOTAL:	~	***23 065***	***19 922***	***12 680***	~	***15 581***	***8***	~	***295***	***74***	~	***61***

Name of company group: MÁV

Annex 25.

MAIN DATA OF THE EMPLOYEES OF THE COMPANY GROUP PRESENTED AS PER COMPANIES

Year 2003

Table G/534/A.

values in MHUF

COMPLETELY INVOLVED COMPANIES		EMPLOYEES ON STAFF								EMPLOYEES NOT ON STAFF				TOTAL			
		FULL TIME EMPLOYEES				PART-TIME EMPLOYEES											
CODE	NOMINATION	AVERAGE STATIST. STAFF NO. (pers.)	WAGE COST	PERSONNEL TYPE PAYMENT	INCOME TOTAL	AVERAGE STATIST. STAFF NO. (pers.)	WAGE COST	PERSONNEL TYPE PAYMENT	INCOME TOTAL	AVERAGE STATIST. STAFF NO. (pers.)	WAGE COST	PERSONNEL TYPE PAYMENT	INCOME TOTAL	AVERAGE STATIST. STAFF NO. (pers.)	WAGE COST	PERSONNEL TYPE PAYMENT	INCOME TOTAL
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
100	MÁV Rt	52 499	76 952	9 138	86 090	521	382	157	539	50	1 105	888	1 993	53 070	78 439	10 183	88 622
101	MÁVTRANSSPED	54	235	39	274							2	2	54	235	41	276
103	Hídépítő Kft.	194	296	33	329									194	296	33	329
109	Szolnoki JJ.Kft.	949	1 225	119	1 344						11	6	17	949	1 236	125	1 361
111	Északi JJ.Kft.	793	1 223	105	1 328						6	5	11	793	1 229	110	1 339
112	MÁV Gépell.Kft.	213	342	25	367	6	5		5	1	5	5	10	213	352	30	382
113	MÁV FKG Jászk.	381	712	102	814									381	712	102	814
115	Tiszavas Kft.	454	577	72	649	4	4		4		6		6	458	587	72	659
117	Debreceni JJ.Kft.	696	738	81	819						4		4	696	742	81	823
118	Informatika Kft.	520	1 606	141	1 747						31		31	520	1 637	141	1 778
119	Ingatlankez.Kft.	602	843	72	915	8	6		6		18		18	602	867	72	939
121	Vasútőr Kft.	912	865	77	942						6		6	912	871	77	948
TOTAL		58 267	85 614	10 004	95 618	539	397	157	554	51	1 192	906	2 098	58 842	87 203	11 067	98 270

Name of company group: MÁV *Annex 26.*

MAIN DATA OF THE EMPLOYEES OF THE COMPANY GROUP

Year 2003

Table G/534/B. *values in MHUF*

NOMINATION	STAFF NO. DATA (persons)					TOTAL INCOME (in THUF)				
	BASIS	CORRECTION	CORRECTED BASIS	ACTUAL	INDEX %	BASIS	CORRECTION	CORRECTED BASIS	ACTUAL	INDEX %
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
FULL TIME EMPLOYEES	59 362	-		58 267	98,16	88 334	-		95 618	108,25
PART-TIME EMPLOYEES	606	-		524	88,94	590	-		554	93,99
TOTAL STAFF NUMBER	59 968	-		58 791	98,06	88 924	-		96 172	108,15
PERSONNEL NOT ON STAFF	64	-		51	79,69	2 197	-		2 098	95,49
TOTAL:	**60 032**	-		**58 842**	**98,04**	**91 121**	-		**98 270**	**107,85**

NOMINATION	WAGE COST (in THUF)					PERSONNEL TYPE PAYMENTS (in THUF)				
	BASIS	CORRECTION	CORRECTED BASIS	ACTUAL	CHANGE %	BASIS	CORRECTION	CORRECTED BASIS	ACTUAL	INDEX %
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
FULL TIME EMPLOYEES	80 063			85 614	106,93	8 271			10 004	120,95
PART-TIME EMPLOYEES	455			397	87,25	135			157	116,3
TOTAL STAFF NUMBER	80 518			86 011	106,82	8 406			10 161	120,88
PERSONNEL NOT ON STAFF	1 026			1 192	116,18	1 171			906	77,37
TOTAL:	**81 544**	-		**87 203**	**106,94**	**9 577**			**11 067**	**115,56**

Name of company group: MÁV

Annex 27.

DEVELOPMENT OF NUMBER AND WAGE COST OF THE EMPLOYEES ON STAFF OF THE COMPANY GROUP

Year 2003

Table G/534/C.

COMPANY		STAFF DATA (persons)					WAGE COST (in MHUF)					AVERAGE WAGE		
CODE	NOMINATION	BASIS	CORRECTION	CORRECTED BASIS	ACTUAL	CHANGE %	BASIS	CORRECTION	CORRECTED BASIS	ACTUAL	CHANGE %	CORRECTED BASIS	ACTUAL	CHANGE %
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
100	MÁV Rt	53 704			53 070	98,73	71 611			77 334	107,99	111 120	121 548	109,38
101	MÁVTRANSSPED	57			54	94,74	199			235	118,09	290 936	362 654	124,65
103	Hídépítő Kft.	249			194	77,91	354			296	83,62	118 474	127 148	107,32
109	Szolnoki JJ.Kft.	998			949	95,09	1 146			1 225	106,89	95 691	107 569	112,41
111	Északi JJ.Kft.	835			793	94,97	1 156			1 223	105,80	115 369	128 507	111,39
112	MÁV Gépell.Kft.	245			213	89,39	413			347	84,02	140 476	132 040	93,99
113	MÁV FKG Jászk.	424			381	89,86	873			712	81,56	171 580	155 731	90,76
115	Tiszavas Kft.	499			458	91,78	589			581	98,64	98 363	105 713	107,47
117	Debreceni JJ.Kft.	785			696	88,66	817			738	90,33	86 730	88 362	101,88
118	Informatika Kft.	561			520	92,69	1 572			1 606	102,16	233 512	257 372	110,22
119	Ingatlankez.Kft.	650			602	93,85	817			849	103,92	104 743	115 984	110,73
121	Vasútőr Kft.	961			912	94,90	971			865	89,08	84 200	79 038	93,87
TOTAL:		59 968	-	0	58 842	98,06	80 518	-	0	86 011	106,82	111 890	121 885	108,93