

Independent Auditor's Report

to the shareholders of A MÁV Magyar Államvasutak Zrt.

1.) We have audited the accompanying 2007 consolidated annual financial statements of MÁV Magyar Államvasutak Zrt. ("the Company"), which comprises the consolidated balance sheet as at 31 December 2007 - showing a balance sheet total of HUF 921,585 million and a loss for the year of HUF -12,471 million -, the related consolidated profit and loss account for the year then ended and the summary of significant accounting policies and other explanatory notes.

2.) The consolidated annual financial statements as at 31 December 2006 were audited by another auditor which issued a qualified report thereon on 22 May 2007 on the grounds that the auditor deemed the recovery of the book value of the assets of Passenger Transportation Division and the Railway Track Division not ensured due to the loss making operations of these divisions in the past and according to plans for the future. Loss making operations were due primarily to service prices below prime cost; determination of those prices is beyond the Company's power. A valuation of the assets belonging to these divisions was not carried out in 2006 and the auditor was unable to satisfy themselves as to the appropriateness of the valuation of assets belonging to the Passenger Transportation Division and the Railway Track Division by other audit procedures for 2006.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

4.) Our responsibility is to express an opinion on these consolidated financial statements based on the audit and to assess whether the consolidated business report is consistent with the consolidated financial statements. We conducted our audit in accordance with Hungarian National Auditing Standards and with applicable laws and regulations in Hungary. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

5.) An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our work regarding the consolidated business report is restricted to assessing whether the consolidated business report is consistent with the consolidated financial statements and does not include reviewing other information originated from non-audited financial records.

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

Opinion

7.) We have audited the elements of and disclosures in the consolidated annual financial statements, along with underlying records and supporting documentation, of MÁV Magyar Államvasutak Zrt. in accordance with Hungarian National Auditing Standards and have gained sufficient and appropriate evidence that the consolidated annual financial statements have been prepared in accordance with the Hungarian Accounting Law and with generally accepted accounting principles in Hungary. In our opinion the consolidated annual financial statements give a true and fair view of the equity and financial position of (Company) as at 31 December 2007 and of the results of its operations for the year then ended. The consolidated business report corresponds to the disclosures in the consolidated financial statements.

8.) Without qualifying our opinion, we draw the attention to note II. 3.1 to the financial statements and to the fact that the Company's ability to continue its operations in the future is subject to continued funding by the shareholders. The Company's consolidated annual financial statements as at 31 December 2007 were drawn up on a going concern basis, and the validity of this basis depends on the availability of future funds.

9.) Without qualifying our opinion, we draw the attention to note II. 1.1.3 to the financial statements which refers to unsettled ownership status over the Company's properties.

10.) Without qualifying our opinion, we draw the attention to the fact that, according to the Company's current practice, extraordinary depreciation on state owned properties is recognised only when approval from the responsible government minister or KVI has been obtained. This practice is not consistent with the provisions of the accounting law.

Budapest, 17 June 2008

Ernst & Young Kft.
Registration No. 001165

Tremmel Zoltán
Registered Auditor
Chamber membership No.: 005210

Statistical code: 10856417-6010-114-01

Company reg No.: 01-10-042272

MÁV HUNGARIAN RAILWAYS
Private company limited by shares

1062. Budapest, Andrássy u. 73-75.
322-8645

Consolidated
financial statements
for 2007

Date: Budapest, 17 June 2008

Head (representative) of Company

P.H.

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Statistical code

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Company reg.No

Balance sheet date: 31 December 2007

BALANCE SHEET version "A" - Assets

MHUF

Serial No.	Item	Prior year 2006	Prior year adjustments	Reporting year 2007
a	b	c	d	e
A.	Fixed assets (lines I.+II.+III.)	761 855	965	794 048
I.	INTANGIBLE ASSETS	5 004	-376	5 571
01.	Capitalised foundation/restructuring	21	0	16
02.	Capitalised research and development	187	0	143
03.	Concessions, licenses and similar rights	3 155	-5	2 254
04.	Trade-marks, patents and similar assets	1 641	-371	3 158
05.	Goodwill	0	0	0
06.	Advance payments for intangible assets	0	0	0
07.	Adjusted value of intangible assets	0	0	0
II.	TANGIBLE ASSETS	747 349	759	777 799
01.	Land and buildings and related property rights	423 144	-69	429 782
02.	Plant, machinery, equipment and vehicles	254 818	828	281 394
03.	Other equipment, fixtures and fittings, vehicles	1 077	0	999
04.	Breeding stock	0	0	0
05.	Assets in the course of construction	44 220	0	48 926
06.	Advance payments for capital expenditures	24 090	0	16 698
07.	Adjusted value of tangible assets	0	0	0
III.	LONG TERM FINANCIAL ASSETS	9 502	582	10 678
01.	Long-term participations in related parties	5 900	572	7 151
02.	Long-term loans granted to related parties	8	0	8
03.	Other long-term investments	1 070	0	1 470
04.	Long-term loans granted to other investments	39	0	2
05.	Other long-term loans granted	2 465	10	2 047
06.	Long-term debt securities	0	0	0
07.	Adjusted value of financial investments	0	0	0
08.	Valuation difference of financial investments	0	0	0
09.	Goodwill arising on consolidation	20	0	0
	- from subsidiaries	20	0	0
	from associates	0	0	0

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Company reg.No

Balance sheet date: 31 December 2007

BALANCE SHEET version "A" - Assets

MHUF

Serial No.	Item	Prior year 2006	Prior year adjustments	Reporting year 2007
a	b	c	d	e
B.	Current assets (lines I.+II.+III.+IV.)	81 927	3 526	92 486
I.	INVENTORIES	14 318	0	14 746
01.	Materials	10 305	-195	11 609
02.	Work in progress and semi-finished products	2 879	0	2 304
03.	Animals for breeding, fattening and other livestock	0	0	0
04.	Finished products	196	195	320
05.	Goods	733	0	475
06.	Advance payments for inventories	205	0	38
II.	RECEIVABLES	43 311	3 479	43 795
01.	Trade debtors	20 277	893	18 260
02.	Receivables from related parties	1 323	2 480	3 349
03.	Receivables from other investments	42	-3	43
04.	Bills of exchange receivables	0	0	0
05.	Other receivables	20 522	-215	16 893
06.	(Calculated) corporate tax difference arising on consolidation	1 147	324	5 250
III.	SECURITIES	50	0	470
01.	Participations in related parties	0	0	0
02.	Other participations	0	0	0
03.	Treasury shares and own participation	0	0	0
04.	Marketable debt securities	50	0	470
IV.	LIQUID ASSETS	24 248	47	33 475
01.	Cash, cheques	89	-1	86
02.	Bank deposits	24 159	48	33 389
C.	Prepayments and accrued income	32 625	92	35 051
01.	Accrued income	16 363	92	15 622
02.	Prepaid expenses	13 681	0	17 365
03.	Deferred expenses	2 581	0	2 064
	TOTAL ASSETS (A.+B.+C.)	876 407	4 583	921 585

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Company reg.No

Balance sheet date: 31 December 2007

BALANCE SHEET version "A" - Equity and Liabilities

MHUF				
Serial No.	Item	Prior year 2006	Prior year adjustments	Reporting year 2007
a	b	c	d	e
D.	Equity	-32 273	7 665	9 888
I.	ISSUED CAPITAL	80 000	0	20 250
	of which: treasury shares redeemed at face value	0	0	0
II.	ISSUED CAPITAL NOT PAID (-)	0	0	0
III.	CAPITAL RESERVE	16	0	46 785
IV.	RETAINED LOSSES	-41 805	0	-61 530
V.	ALLOCATED RESERVE	14 150	0	13 892
VI.	REVALUATION RESERVE	0	0	0
VII.	LOSS FOR THE PERIOD	-82 554	7 665	-12 471
VIII.	CHANGE IN THE EQUITY OF SUBSIDIARY (±)	-382	0	-1 358
VIII./A	CHANGE IN THE EQUITY OF ASSOCIATE	2 538	0	3 254
IX.	CHANGES DUE TO CONSOLIDATION (±)	-5 007	0	155
	Debt consolidation difference	266	0	80
	Interim profit or loss difference	-5 273	0	75
X.	THIRD PARTY INVESTMENTS	771	0	911
E.	Provisions	26 654	0	30 685
01.	Provisions for contingent liabilities	23 113	0	22 058
02.	Provisions for future commitments	2 608	0	7 454
03.	Other provisions	933	0	1 173
F.	Liabilities	788 574	1 153	798 568
I.	SUBORDINATED DEBT	290	0	279
01.	Subordinated debt towards related party	0	0	0
02.	Subordinated debt towards other investments	0	0	0
03.	Subordinated debt towards third parties	0	0	0
04.	Negative goodwill on the consolidation of subsidiaries	290	0	279

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Company reg No.

Balance sheet date: 31 December 2007

BALANCE SHEET version "A" - Equity and Liabilities

MHUF

Serial No.	Item	Prior year 2006	Prior year adjustments	Reporting year 2007
a	b	c	d	e
II.	LONG-TERM LIABILITIES	669 831	-2	716 764
01.	Long-term borrowings	90	0	55
02.	Convertible bonds	0	0	0
03.	Debts from the issue of bonds	0	0	0
04.	Investment and development loans	109 467	0	122 328
05.	Other long-term loans	161 506	0	121 528
06.	Long-term debts to related parties	0	0	64 600
07.	Long-term debts to other investments	0	0	0
08.	Other long-term liabilities	398 768	-2	408 253
III	CURRENT LIABILITIES	118 453	1 155	81 525
01.	Short-term borrowings	828	0	188
	Of which: convertible bonds	0	0	0
02.	Short-term loans	53 581	0	11 087
03.	Prepayments received from debtors	1 809	0	2 941
04.	Creditors	38 059	571	40 336
05.	Bills of exchange payable	0	0	3 009
06.	Short-term debts to related parties	8 014	37	2 291
07.	Short-term debts to other investments	262	2	1 045
08.	Other current liabilities	15 900	545	20 628
09.	Corporate tax payable due to consolidation	0	0	0
G.	Accrued expenses and deferred income	93 452	-4 235	82 444
01	Deferred income	13 209	-231	13 173
02.	Accrued expenses	12 708	-373	11 514
03	Deferred extraordinary revenues and negative goodwill	67 535	-3 631	57 757
	TOTAL EQUITY AND LIABILITIES (D.+E.+F.+G.)	876 407	4 583	921 585

1	0	8	5	6	4	1	7	6	0	1	0	1	1	4	0	1
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Statistical code

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Company reg No

Balance sheet date: 31 December 2007

Profit and loss account - total cost method
Version 'A'

MHUF

Serial No.	Item	Prior year 2006	Prior year adjustments	Reporting year 2007
a	b	c	d	e
01.	Domestic sales, net	227 338	-143	150 669
02.	Export sales, net	36 804	1 245	33 164
I.	Sales, net (01.+02.)	264 142	1 102	183 833
03.	Change in self-produced inventories	444	0	-261
04.	Capitalised self-produced assets	15 583	0	26 572
II.	Capitalised self output(±03 +04)	16 027	0	26 311
III.	Other revenues	19 141	204	189 360
	Of line III : reversed impairment loss	16	0	63
III/A.	Profit increasing diff. arising on debt consolidation	33	0	5
05.	Material costs	61 503	-285	68 255
06.	Services used	53 857	1 038	52 177
07.	Other services	1 624	79	2 210
08.	Cost of goods sold	656	0	472
09.	Cost of consignment services	19 806	101	26 771
IV.	Material type expenditures (05 +06 +07 +08 +09.)	137 446	933	149 885
10.	Payroll	102 933	0	112 904
11.	Other payments to personnel	16 369	-1	17 298
12.	Social security	36 220	184	39 197
V.	Payments to personnel (10.+11 +12)	155 522	183	169 399
VI.	Depreciation charge	37 580	-263	40 556
VII.	Other expenditures	42 858	-2 224	44 943
	Of line VII : impairment loss	5 487	-96	2 016
VII/A.	Profit reducing diff. arising on debt consolidation	317	0	-13
A.	OPERATING PROFIT /LOSS (I +II +III +III/a -IV -V -VI -VII -VII/a.)	-74 380	2 677	-5 261

Statistical code

Company reg No

Balance sheet date 31 December 2007

Profit and loss account - total cost method
Version 'A'

held Budapest 2002, June 17.

**MÁV MAGYAR ÁLLAMVASUTAK
ZÁRTKÖRŰEN MŰKÖDŐ RÉSZVÉNYTÁRSASÁG**



MÁV GROUP

**Notes to the 2007 consolidated annual
financial statements**



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I GENERAL PART

I.1 THE GROUP

I.1.1 The quota held company

Company's name (in Hungarian):

MÁV Magyar Államvasutak Zártkörűen Működő Részvénytársaság.

The Company's name in various languages:

English: MÁV Hungarian State Railways Company Private Company by Shares

French: MÁV Chemins de Fer de l'Etat Hongrois Société Anonyme privée

German: MÁV Ungarische Staatseisenbahnen Aktiengesellschaft betreibend in geschlossener Weise.

Abbreviated name (in Hungarian):

MÁV Zrt.

Abbreviated named in other languages:

Angolul: MÁV Co,

Franciául: MÁV S.A.,

Németül: MÁV AG.

Registered seat:

1062 Budapest, Andrássy út 73-75. tel: 06-1/322-0660

Website:

www.mav.hu

Founder:

Magyar Köztársaság Közlekedési, Hírközlési és Vízügyi Minisztériuma.

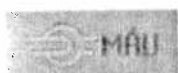
Date of foundation: 30 June 1993

The Company's sole owner:

A Gazdasági és Közlekedési Minisztérium.

Nominal capital:

The Company's nominal capital at 31 December 2007 was HUF 20,250 million comprising of one share of HUF 20,000 million face value plus one share of HUF 250 million aggregated face value.



Company registration number: Cg 01-10-042272

Tax ID: 10856417-2-44

Statistical number: 10856417-6321-114-01

The person authorised to sign the Company's consolidated annual financial statements is Heinczinger István, CEO (domicile: 1036 Budapest, Lajos u. 53-63.).

Head of Accounting: Kunné Porkoláb Andrea (domicile: 2040 Budaörs, Fém utca 5.), chamber membership/registration number: MKVK 000819.

Statutory signing auditor: Tremmel Zoltán (Ernst & Young Kft., chamber membership number: 005210)

I.1.2 The quota held company

The quota held company (MÁV Zrt.) was transformed into a company limited by shares on 30 Jun 1993 as the legal successor of Hungarian State Railways, a state owned company.

The Company's nominal capital comprises of one share of HUF 20,000 million face value plus one share of HUF 250 million cumulative face value. The shares are neither convertible nor assignable.

The Company's shares are printed as one share of cumulative denomination in accordance with regulations pertaining to securities.

The founder is entitled to all the rights of a shareholder as stipulated in the companies act.

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

The Company's sole owner is the government of Hungary the ownership rights being exercised via the Ministry for Economy and Transport. The Company's equity upon the foundation was HUF 411,801 million.

The Company's main indicators (MHUF):

Item	2006	2007	Index
Balance sheet total	850 910	898 114	106%
Equity	-31 581	20 617	N/A
Issued capital	80 000	20 250	25%
Sales, net	205 606	179 088	87%
Payroll costs	81 939	82 643	101%
Pre-tax loss/profit	-83 842	1 320	N/A



Main activities included: railway transportation (railway passenger transport, traction), services supporting rail transport (track network access). IN order to facilitate market liberalisation, passenger transport services were assigned to a subsidiary as of 1 July 2007. Railcar maintenance and traction services were assigned to various group companies as of 1 January 2008.

Based on the company's contract with the government on the management of treasury assets, treasury assets, as well as the related long-term liabilities, are presented in the company's books. In relation to the management of treasury assets, MÁV Zrt's asset management practice is oriented towards efficient services supplied on behalf of the government, protection of the condition and value of the managed assets and to increasing the value of the managed assets.



I.1.3 Fully consolidated entities

1. MÁV-START Zrt.

Date of foundation: 15 October 2006

Seat: 1087 Budapest, Kerepesi út. 1-5.

Main indicators (MHUF):

Item	2006	2007	Index
Balance sheet total	20	96 696	-
Equity	18	62 652	-
Issued capital	20	10 000	-
Sales, net	-	34 664	-
Payroll costs	-	7 348	-
Pre-tax loss/profit	-2	333	-

Main activities: normál nyomközű vasúti pályán végzett vasúti személyszállítás.

2. MÁV Cargo Zrt.

Date of foundation: 22 November 2005

Seat: 1133 Budapest, Váci út 92.

The Company and its direct investments (MÁVTRANSSPED Szállítmányozási Kft. , MÁV-Tiszavas Miskolci Járműjavító Kft., BILK Kombiterminál (Fejlesztő és Üzemeltető) Zrt., MÁV Kombiterminál Kft.) are currently under sale.

Main indicators (MHUF):

Item	2006	2007	Index
Balance sheet total	54 090	54 814	101%
Equity	31 230	32 926	105%
Issued capital	29 533	29 533	100%
Sales, net	92 727	91 027	98%
Payroll costs	7 842	8 783	112%
Pre-tax profit	1 748	1 056	60%

Main activities: rail cargo.

On 2 January 2008, a sale-purchase agreement was signed between MÁV Zrt. and Rail Cargo Austria on the sale of MÁV's shares in MÁV Cargo Zrt. Further to the agreement, a deposit of HUF 9.7 billion was transferred to MÁV in January. The remaining part of the purchase price falls due when the agreement becomes final. (The transaction is currently under competition review by the European Union.)



3. MÁVTRANSSPED Szállítmányozási Kft.

Date of foundation: 22 December 1989

Seat: 1065 Budapest, Bajcsy-Zs. u. 25.

Subsidiary of MÁV Cargo Zrt.

Main indicators (MHUF):

Item	2006	2007	Index
Balance sheet total	5 060	4 636	92%
Equity	385	945	245%
Issued capital	300	300	100%
Sales, net	15 301	16 573	108%
Payroll costs	236	234	99%
Pre-tax profit	155	259	167%

Main activities: transportation, cargo handling, storage, warehousing, advertising, market research, other activities supporting land transport.

4. MÁV-Tiszavas Miskolci Járműjavító Kft.

Date of foundation: 30 December 1992

Seat: 3527 Miskolc, Kandó Kálmán tér 1.

A MÁV Cargo Zrt. leányvállalata.

Main indicators (MHUF):

Item	2006	2007	Index
Balance sheet total	4 396	4 959	113%
Equity	861	1 144	133%
Issued capital	662	928	140%
Sales, net	4 145	5 532	133%
Payroll costs	673	721	107%
Pre-tax profit	88	18	20%

Main activities: manufacturing, repair and lease of rail freight wagons, various spare parts, ferric structures and containers.

**5. BILK Kombiterminál (Fejlesztő és Üzemeltető) Zrt.**

Date of foundation: 30 December 1996

Seat: 1239 Budapest, Európa u. 4.

A MÁV Cargo Zrt. leányvállalata.

Main indicators (MHUF):

Item	2006	2007	Index
Balance sheet total	4 700	5 153	110%
Equity	2 729	3 087	113%
Issued capital	2 654	2 754	104%
Sales, net	1 309	1 881	144%
Payroll costs	241	268	111%
Pre-tax profit	220	614	279%

Main activities: cargo handling, transportation, combined (rail and road) transportation, container lease, container inspection and repair, container cleaning.

6. MÁV Szolnoki Járműjavító Kft.

Date of foundation: 30 December 1992

Seat: 5000 Szolnok, Kőrösi út 1 -3.

Main indicators (MHUF):

Item	2006	2007	Index
Balance sheet total	7 646	4 355	57%
Equity	1 721	2 458	143%
Issued capital	1 200	1 200	100%
Sales, net	16 515	16 127	98%
Payroll costs	1 573	1 639	104%
Pre-tax profit	186	822	442%

Main activities: spare part production to facilitate railcar repairs, repair of railcars, renovation and inspection of diesel locomotives.

**7. MÁV Északi Járműjavító Kft.**

Date of foundation: 30 December 1992

Seat: 1101, Budapest, Kőbányai út 30.

Main indicators (MHUF):

Item	2006	2007	Index
Balance sheet total	4 468	5 104	114%
Equity	1 453	1 455	100%
Issued capital	966	966	100%
Sales, net	6 693	8 241	123%
Payroll costs	1 694	1 877	111%
Pre-tax profit	13	3	23%

Main activities: repair and manufacturing of components and spare parts for electric and diesel engines and other locomotives, renovation, maintenance and modernisation of fixed rail vehicles.

8. MÁVGÉP (Vasútépítő- Gépellátó és Szolgáltató) Kft.

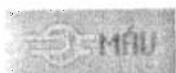
Date of foundation: 1 January 1994

Seat: 1103, Budapest, Kőér u.2./d

Main indicators (MHUF):

Item	2006	2007	Index
Balance sheet total	2 733	5 249	192%
Equity	-1 192	-703	59%
Issued capital	954	954	100%
Sales, net	3 876	8 178	211%
Payroll costs	1 077	1 235	115%
Pre-tax loss/profit	-1 148	488	N/A

Main activities: scheduled maintenance and renovation work on the public railtrack network.

**9. MÁV FKG (Felépítménykarbantartó és Gépjavító) Kft.**

Date of foundation: 1 January 1994

Seat: 5137, Jászkisér, Jászládányi u. 10.

Main indicators (MHUF):

Item	2006	2007	Index
Balance sheet total	4 610	5 742	125%
Equity	801	822	103%
Issued capital	1 505	1 505	100%
Sales, net	6 497	9 603	148%
Payroll costs	1 486	1 820	122%
Pre-tax loss/profit	-776	35	N/A

Main activities: railtrack renovation and maintenance, operation, repair and overhaul of special machine chains.

10. MÁV Debreceni Járműjavító Kft.

Date of foundation: 30 December 1992

Seat: 4034, Debrecen, Hét vezér u. 24/B.

Main indicators (MHUF):

Item	2006	2007	Index
Balance sheet total	2 539	1 604	63%
Equity	-1 730	489	N/A
Issued capital	406	5	1%
Sales, net	2 860	3 297	115%
Payroll costs	584	608	104%
Pre-tax loss	-1 798	-1	0%

Main activities: manufacturing, repairs, maintenance and renovation of rail and other traction vehicles, manufacturing vehicle structures.

The company is under sale.



11. MÁV Informatika Kft.

Date of foundation: 1 November 1996

Seat: 1012, Budapest, Krisztina krt. 37/a.

Main indicators (MHUF):

Item	2006	2007	Index
Balance sheet total	2 681	3 939	147%
Equity	1 197	1 289	108%
Issued capital	800	800	100%
Sales, net	5 138	7 039	137%
Payroll costs	1 687	1 844	109%
Pre-tax profit	180	218	121%

Main activities: system development, procurement, assembly and installation of IT assets, warranty services, maintenance, repair, provision of special materials and spare parts / components.

12. MÁV Ingatlankezelő Kft.

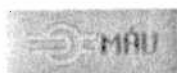
Date of foundation: 30 December 1996

Seat: 1086, Budapest, Fiumei út 22.

Main indicators (MHUF):

Item	2006	2007	Index
Balance sheet total	4 588	4 565	99%
Equity	668	748	112%
Issued capital	399	399	100%
Sales, net	10 256	10 398	101%
Payroll costs	2 545	2 658	104%
Pre-tax profit	47	114	243%

Main activities: management and operation of MÁV ZRt's properties, addressing technical matters and performance/co-ordination of scheduled renovation work a MÁV Zrt.

**13. MÁV Vasútör Kft.**

Date of foundation: 30 December 1996

Seat: 1087, Budapest, Kerepesi út 14.

Main indicators (MHUF):

Item	2006	2007	Index
Balance sheet total	767	711	93%
Equity	287	261	91%
Issued capital	215	215	100%
Sales, net	2 536	2 473	98%
Payroll costs	988	991	100%
Pre-tax profit	5	4	80%

Main activities: property protection and security. Part of the property protection service: guarding buildings and warehouses – front-desk service, patrol service, armed security service with guard dogs – and monitoring service.

14. MÁV Vagyonkezelő Zrt.

Date of foundation: 17 March 1997

Seat: 1066, Budapest, Teréz krt. 62.

Main indicators (MHUF):

Item	2006	2007	Index
Balance sheet total	468	595	127%
Equity	437	440	101%
Issued capital	549	549	100%
Sales, net	59	566	959%
Payroll costs	61	235	385%
Pre-tax loss/profit	-104	4	N/A

Main activities: property trading and asset management.



15. MÁV-TRAKCIÓ (Vasúti Vontatási) Zrt.

Date of foundation: 10 October 2007

Seat: 1062, Budapest, Andrássy út. 73-75.

Main indicators (MHUF):

Item	2006	2007	Index
Balance sheet total	-	6 020	N/A
Equity	-	20	N/A
Issued capital	-	20	N/A
Sales, net	-	0	N/A
Payroll costs	-	0	N/A
Pre-tax profit	-	0	N/A

Main activities: rail traction, operating tracting vehicles.

16. MÁV-GÉPÉSZET (Vasúti jármű Fenntartó és Javító) Zrt.

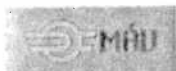
Date of foundation: 12 November 2007

Seat: 1062, Budapest, Andrássy út. 73-75.

Main indicators (MHUF):

Item	2006	2007	Index
Balance sheet total	-	92	N/A
Equity	-	20	N/A
Issued capital	-	20	N/A
Sales, net	-	0	N/A
Payroll costs	-	0	N/A
Pre-tax profit	-	0	N/A

Main activities: repair and maintenance of passenger and freight wagons, passenger car pre-heaters, chemical pollution and partly accident prevention.



I.1.4 Changes in the the scope of consolidation during the reporting year

The scope of consolidation as at 31 December 2007 changed to various extents on 31 December 2006 due to foundation, disposal, reclassification and liquidation. All entities included in the consolidation at 31 December 2007 are set out in appendix 3.

The scope of fully consolidated entities expanded by the inclusion of MÁV-START Zrt., MÁV-TRAKCIÓ Zrt. and MÁV-GÉPÉSZET Zrt.

On 1 July 2007, passenger transport was assigned by MÁV Zrt. onto MÁV-START Zrt. However, as MÁV-START Zrt. is fully owned by MÁV Zrt., this change has had no significant effect on a group level in either the profit and loss or in the group's assets. Preparations for outsourcing MÁV Zrt's engineering services also started in 2007. To this end, two companies were founded: MÁV-GÉPÉSZET Zrt. and MÁV-TRAKCIÓ Zrt. MÁV-GÉPÉSZET Zrt. is 80% owned by MÁV Zrt., while the two biggest customers, MÁV-START and MÁV-TRAKCIÓ hold 10% each. MÁV-TRAKCIÓ Zrt's shareholders are MÁV Zrt. (90%) and MÁV-START Zrt. (10%).

The owners of BILK Kombiterminál Zrt. also changed. However, this has had no effect on a group level as MÁV Zrt's shares were purchased by MÁV Cargo Zrt. on 31 August 2007.

MÁV Hídépítő Kft., which was in charge of constructing railway and road bridges, manufacturing and assembly of other construction and civil engineering structures and steel structures is under imposed liquidation. As a result, this entity was not fully consolidated in 2007.

Changes in the scope of consolidated entities on the previous year are set out in appendix 3.



I.2 GROUP ACCOUNTING POLICIES

I.2.1 Additional principles and explanation

The Group's accounting policies are based on act C of 2000 on accounting (accounting law). The Group applies the basic accounting principles in accordance with the provisions of the law. During the consolidation the Group interprets the principle of materiality which is not specified as such in the accounting law but is permitted in the amendment as follows:

- during equity consolidation by eliminating investments – taking advantage of the options provided by the accounting law – the only subsidiaries fully consolidated are the ones which, apart from the services provided to each other and the long-term investments have a share in excess of 0.5% in at least four of the indicators characterising the Group.
- during debt consolidation, when differences are eliminated, and depending on the values of the receivables and liabilities, the Group ignores immaterial differences, the accumulated value of which does not exceed 0.1% of the receivables and liabilities to be eliminated;
- when eliminating income and expenses, immaterial differences arising during netting-off are not settled but their accumulated value may not exceed 0.25% of the income and expense to be eliminated.

I.2.2 Balance sheet date and compilation

In accordance with the accounting law, the parent company set the reporting date for the consolidated financial statements as 31 December of the reporting year.

I.2.3 General additional rules pertaining to the compilation of the consolidated balance sheet and profit and loss account

MÁV Rt. compiles the consolidated balance sheet in accordance with the provisions of Section I/A of Schedule 6 to the accounting law, with the additional rules that:

- items marked with Arabic numerals are not combined or omitted,
- any equity changes resulting from changes in the quota held of associates and which constitute part of the profit reserve within equity are recognised in a separate balance sheet row marked D/VIII/A,
- under equity, the external shareholdings row (X) contains the share of external shareholders in the profit or loss for the reporting year.

MÁV ZRt. compiles the consolidated profit and loss account in accordance with the provisions of Section II/2/A of Schedule 6 to the accounting law, with the additional rules that:

- the figures for rows 13/a and 13/b are not shown separately, they are included in row 13, highlighting the dividends and profit shares received (due) from related companies – including



subsidiaries not consolidated fully and joint ventures not consolidated due to the size of their ownership quota held,

- in the consolidated profit and loss account, row 22 is entitled "Use of profit reserve for dividends and profit shares", which contains the dividend payments made to external shareholders from the profit reserve, if such take place.
- the figure in row 24 of the consolidated profit and loss account constitutes the portion of the reporting year's retained profit due to external shareholders (this sum is not included in the retained profit).

The figures in the consolidated financial statements are given in millions of forints.

The consolidated financial statements of the Group are compiled based on:

- the annual stand-alone balance sheets, profit and loss accounts and other data tables of the fully consolidated subsidiaries and joint ventures are consolidated based on their ownership percentage, and
- the stand-alone balance sheets and profit and loss accounts of associates

The accounting documentation requested and received for consolidation purposes is processed by MÁV ZRt. in a system segregated per consolidation task and designed specifically for this purpose.

MÁV Rt. compiles the consolidated balance sheet and profit and loss account based on Section 122 (2) of the law to ensure the assertion of the principle of unity. This means that assets and asset changes are classified, recognised and measured using standard methods for the entire Group.

But MÁV ZRt. takes advantage of the option provided in Section 123 (3) of the accounting law and refrains from this standardisation if the consolidated companies compiled their balance sheets and profit and loss accounts in accordance with the rules of the accounting law.

Accordingly:

- for domestic entities the classification, recognition and valuation rules applied by the companies may only be changed if such do not comply with the provisions of the accounting law and this is approved by the general or members' meeting. In this case the differences are settled in the preparatory phase for the consolidation – by correcting the stand-alone balance sheets and profit and loss accounts – and presented separately in the supplement.
- for foreign entities any deviations to the accounting law are settled during the balance sheet review and measurement standardisation carried out in the consolidation preparatory phase.

1.2.4 Methods used to compile the consolidated balance sheet and the consolidated profit and loss account

1.2.4.1 Preparation for the consolidation



When preparing the consolidation MAV ZRt. determines the groups of consolidated companies and performs the balance sheet reviews, the standardised measurements and the currency conversions, if such are necessary.

a) When establishing the consolidation groups and revising such each year, MAV ZRt. adheres to the rules prescribed in the accounting law, with the following additions:

- exemption is given to fully consolidated subsidiaries and joint ventures to be consolidated based on their ownership quota held if the share of their individual values remains below 0.5% for at least four of the key indicators used when assessing exemption, while the exempted companies do not reduce the share of the remaining companies in the gross – accumulated – values of the Group below 97% in three of the indicators,

- exemption from consolidation using the equity method is given to subsidiaries, joint ventures and associates whose quota held in the reporting year grew by less than 20% individually and which on aggregate do not exceed 5% of the pre-tax profit in the reporting year of the fully consolidated entities of the Group.

b) MAV ZRt. carries out balance sheet reviews and standardised measurements for all foreign subsidiaries and joint ventures which are consolidated fully when establishing and revising the various consolidation groups.

In the case of domestic subsidiaries and joint ventures, these reviews are only carried out if it is suspected during the consolidation procedures – based on differences arising from netting figures – that the given company committed an error in measuring its assets and related changes and in compiling its balance sheet and profit and loss account.

c) Currency conversions are carried out by MAV ZRt. for the balance sheets and profit and loss accounts of fully consolidated foreign subsidiaries and joint ventures as well as for changes to the equity of foreign subsidiaries, joint ventures and associates that are consolidated to lesser degrees, if it has such entities.

Fully consolidated entities have their balance sheets converted into HUF based on the rules recorded in Section 123 (6) a) of the accounting law, while their profit and loss accounts are converted in accordance with Subsection (8) of the same section.

When converting the balance sheet the historical exchange rate – for first consolidations – is taken to be the official rate published by the National Bank of Hungary as at the date of full consolidation.

When converting the profit and loss account the retained profit for the year is converted using the official rate published by the National Bank of Hungary, while the items designated in Subsection (8) c) are converted using the official rates published by the National Bank of Hungary for the given dates.

In the case of equity consolidated companies, changes to equity are converted using the official exchange rate published by the National Bank of Hungary as of the reporting date.

1.2.4.2 Equity consolidation by netting off quotas held

Equity consolidation by netting off quotas held is carried out by MAV ZRt. for the fully consolidated subsidiaries and joint ventures.

During equity consolidation by netting off quotas held, the following applies in respect of changes to the scope of companies consolidated in full or based on ownership ratios:

- if the scope expands with a company previously not part of the Group (including associates) then the equity pertaining to the quota held to be eliminated is eliminated at the value as at the date of acquisition, if the conditions for this prevail, otherwise the capital is consolidated as of the reporting date; both cases apply the book value
- if the scope expands with the reclassification of an associate into the scope of fully consolidated entities then the equity consolidation by eliminating quotas held is carried out as of the first day of the previous year, regardless of when the reason for the reclassification arose in the reporting year; the elimination of the quota held and the equity pertaining to the quota held ensues at book value as well by adding the equity consolidation asset or liability arising as the equity difference pertaining to the growth in the quotas held to the equity consolidation asset or liability recorded for associates.

Given that MÁV Rt. accords priority to the book value method when consolidating capital by eliminating quotas held, any equity consolidation asset or liability arising upon the elimination of the quota held is not converted into hidden reserves or hidden liabilities, if it proves to be material, i.e. it exceeds 10% of the book value of the quota held, or falls more than 10% short of said value.

The equity consolidation asset is written off over 5 years (i.e. the depreciation rate is 20%). The equity consolidation liability is reversed when the quota held is sold outside the Group, or if a further quota is acquired in the given enterprise and when eliminating the equity pertaining to the growth in the value of the quotas held an equity consolidation asset arises.

When consolidating capital by eliminating quotas held the consolidation may involve several steps if the fully consolidated companies have subsidiaries of their own or these companies have other quotas held. In this case, equity consolidation by eliminating quotas held is expanded with the chain method.

In the event there is a mutual investment relationship between fully consolidated companies, then the parent company determines the actual ownership shares to be taken into account during the elimination using the iteration method or matrix method depending on the complexity of the relationship.

1.2.4.3 Equity consolidation by measuring participations

Associates are consolidated by MÁV ZRt. by measuring the quota held in the associate. In this case the quota held is valued based on the equity pertaining to the quota held.

In the event of changes in the scope of associates the quota held is measured as follows:

- if the scope is expanded by a company not previously part of the Group (including associates) the valuation ensues using the book value method as of the reporting date,
- if the scope changes with the reclassification of a fully consolidated subsidiary into the associated scope (because part of the quota held – influencing the rating – was sold outside of the Group for example), then the quota held is valued as of the beginning of the reporting period and using the book value method, taking into account any equity consolidation asset or liability recorded in the fully consolidated scope.



Given that consolidating capital using the equity method always ensues using the book value method, when the initial and subsequent quota held acquisitions are measured an equity consolidation asset or liability may arise. The parent company includes the equity consolidation asset in the consolidated balance sheet with a parallel reduction in the value of the quota held to ensure a true and fair view and clear procedures. It is written off over 5 years. In this way the annual write-off of the equity consolidation asset does not ensue against the quota held but against the profit/loss in the balance sheet.

By contrast, the equity consolidation liability and any changes thereto are only presented in the supplement in accordance with the provisions of the accounting law.

Apart from what is outlined above, when using the equity method the quota held recognised in the balance sheet prepared for consolidation is raised with the:

- portion pertaining to the quota held of reporting year equity growth at the associate,
- portion pertaining to the quota held of dividends payable on the reporting year but not accounted by the investor,
- impairment allocated during the reporting year on the quota held.

The value of the quota held is reduced with the:

- decrease in the associate's equity attributable to the quota held in the reporting year,
- the dividend consolidated in the previous year and included in the value of the quota held,
- any amount reversed in the reporting year from the quota held impairment.

The reporting year impacts of the quota held valuation are accounted by the parent company under other income from or other expenses on financial transactions, thus these are included in the Group's retained profit for the year. By contrast, owing to their recognition as items neutral to profit the impacts of valuations carried out prior to the reporting year are included as part of the Group's equity in the balance sheet row 'D/VIII/A Changes to values of associates'.

1.2.4.4 Debt consolidation methods

The debt consolidation is performed by MÁV ZRt. for companies fully consolidated and those consolidated based on their quotas held). During the debt consolidation the receivables and liabilities of the individual fully consolidated companies are netted and eliminated.

Any differences arising from the netting of receivables and liabilities are initially classified in terms of whether they are material or immaterial (insignificant).

The parent company – as the entity compiling the consolidated financial statements – considers differences to be immaterial if they do not exceed 0.1% of the receivable or liability to be eliminated (maximum THUF 500). In such cases MÁV ZRt. refrains from examining the cause of the difference and does not carry out any eliminations. Here, the elimination of receivables and liabilities is conducted at the lower value; this constitutes the identical value. (The sum total of immaterial differences may not exceed HUF 10 million).

By contrast, the material differences are rated during the elimination preparation process in terms of whether they are genuine or fictitious differences. The fictitious differences are settled when preparing the stand-alone balance sheets and profit and loss accounts for consolidation.

However, the genuine differences are settled during the debt consolidation. To settle the given item it is first of all determined what the reason for the difference is, and if:

- it can be determined clearly then the missing item is recognised or the superfluous item is derecognised on the appropriate balance sheet and profit and loss account rows,
- it cannot be clearly determined then the difference is accounted for against other income from debt consolidation or other expenses from debt consolidation.

Genuine differences from the previous year are recognised as part of equity with no impact on the profit against the consolidation induced changes row – and within that the debt consolidation difference row. During the reporting year consolidation the differences from the previous year are released based on figures for the reporting year, or are left unchanged, depending on whether these differences arise again or not.

After the settlement of the differences the receivables and liabilities to be netted are of the same value and the elimination proceeds at this value. (In the event of an immaterial difference – as it is not settled – the receivables and liabilities are eliminated at the lower value; this constitutes the identical value.)

1.2.4.5 Consolidation of income and expenses

Income and expenses are consolidated by MÁV ZRt. for the companies fully consolidated and those consolidated based on the ownership quota held.

To prepare the elimination of income and expenses derived from internal transactions, MÁV ZRt. – as the parent company – first of all nets the income and expenses reported by the individual fully consolidated companies. Any differences arising during this process are removed through reconciliation and by applying the principle of importance. (The parent company considers differences to be immaterial if the given difference does not reach 0.5% of the income or expense to be eliminated, but maximum THUF 500.) In the event of an immaterial difference, the elimination ensues based on figures excluding the difference. If the return of the transferring party exceeds the received value reported by the recipient, then the transferring party reduces its return and related expense proportionately to the received value.

During the consolidation of income and expenses different procedures are used for:

- self-manufactured inventories and the provision of services accounted as assets or cost,
- the transfer of purchased assets accounted as assets or cost,
- expense accounted by one member and the contrasting income accounted by another member, and
- expense accounted unilaterally or income accounted unilaterally.

In the case of self-manufactured inventories and services accounted as assets or cost, the parent company – when compiling the consolidated financial statements – eliminates income in conformance to expense by reclassifying net sales revenue to the capitalised value of self-manufactured assets, in light of the fact it uses a profit and loss statement in the consolidation that is based on the total-cost method. Thereafter it monitors what happens with the received asset in the reporting period, and if this was transferred out from the core group then the capitalised value of self manufactured assets is eliminated against the expense accounted upon the transfer.



In the case of self-manufactured inventories and services accounted as cost the income is eliminated against the expense (cost) of the recipient, given that these receipts are linked to service or administration activities that do not materialise in the form of assets.

For purchased assets accounted as assets or cost the income and expense elimination ensues by eliminating the income and expense accounted by the transferring entity, in conformance with the level of expense.

In the case of internal transactions causing one member to account an expense and the other member to account income – since the values are identical – the elimination occurs by derecognising the accounted expense and the accounted income against each other.

The parent company eliminates unilaterally accounted income or unilaterally accounted expense by cancelling the unilateral entry. Such cases exert an impact on the reporting year profit.

For this reason

- the impacts of previous year eliminations are included in the balance sheet as part of equity – not influencing the profit – against the consolidation induced changes row – and within that the changes from interim results row, then
- monitoring the changes in value of previous year eliminations these are released or left unchanged in accordance with movements in the reporting year.

1.2.4.6 Netting off interim profit or loss

Interim results are eliminated by MÁV ZRt. during the compilation of the consolidated financial statements if fully consolidated companies have concluded and implemented transactions between each other which have an impact on the profit in their stand-alone statements. When eliminating interim results the income accounted by the transferring party is reduced by the value of the received asset or the cost, if it can be considered material.

For real estate, MÁV ZRt. considers interim results to be immaterial (and does not eliminate them) if they do not exceed HUF 50 million. (However, in annual terms this may not exceed 20% of the interim results to be eliminated, or up to HUF 250 million).

For plant and other machinery, equipment, fittings and vehicles, these figures are HUF 10 million and HUF 100 million, while for other assets HUF 1 million and HUF 10 million.

Interim results eliminated in the previous year and remaining in the consolidation are accounted as follows by the parent company:

- they are recognised in the balance sheet as part of equity – not affecting the profit – against the consolidation induced changes row, and within that the changes from interim result differences row, then
- they are released based on asset changes in the reporting year or left in the consolidation depending on whether the asset reduced by the interim result remains within the core group or is transferred out.

Interim results based on internal transactions in the reporting year are eliminated against the received asset or accounted cost, then monitoring the asset or the cost they are transferred to profit/loss and/or reversed, or left in the consolidation.

Eliminated interim results are definitively released if the asset causing the eliminated interim result is transferred outside of the fully consolidated group because it was sold, or if it was written off against the profit.



1.2.4.7 Deferred tax assets and liabilities

Deferred tax is allocated and reversed by MÁV ZRt. during consolidation if the fully consolidated companies or those consolidated based on their ownership quota held execute internal transactions whose impact on the profit shall arise in the foreseeable future. The disclosure of such transactions can occur during debt consolidation, the consolidation of income and expenses and the elimination of interim results.

In the case of debt consolidation the settlement of genuine differences may trigger the allocation and then reversal of deferred tax.

During the consolidation of income and expenses the elimination of unilateral income or unilateral expense can have implications resulting in the allocation and then reversal of deferred tax.

In relation to eliminating interim results, deferred tax may be allocated and reversed in the reporting year based on monitoring the eliminated interim results.

Deferred tax is always allocated and reversed during the consolidation tasks which triggered it.

Deferred tax is allocated based on the tax rates as per the corporate tax law in force in the given year.

The implications of any changes in tax rates are re-calculated from the 2006 financial year. The result of such re-calculation is accounted through profit or loss.

Due to the re-calculation, deferred taxes are reversed using the rates in the corporate tax law valid in the year they are reversed.



II SPECIFIC PART

II.1 NOTES TO THE BALANCE SHEET

II.1.1 Fixed asset movements

II.1.1.1 Movements in tangible and intangible assets

Major movements in tangible and intangible assets:

	Opening Cost	Additions	Disposals	Reclass.	Closing Cost
INTANGIBLE ASSETS	16 436	4 332	2 611	0	18 157
Capitalised foundation/restructuring	115	4	44	0	75
Capitalised research and development	287	13	47	0	253
Concessions and similar rights	4 325	1 530	2 411	300	3 744
Intellectual products	11 709	2 785	109	-300	14 085
Goodwill	0	0	0	0	0
Advances for intangibles	0	0	0	0	0
Adjustment of intangibles	0	0	0	0	0
TANGIBLE ASSETS	1 020 834	194 591	118 819	0	1 096 606
Properties and related property rights	555 095	27 867	5 595	0	577 367
Technical equipment, machinery, vehicles	390 478	56 669	2 593	0	444 554
Other equipment, fittings, vehicles	6 951	276	433	0	6 794
Breeding stock	0	0	0	0	0
Capital expenditures, improvements	44 220	92 500	85 527	0	51 193
Advances for capex	24 090	17 279	24 671	0	16 698
Adjustment of tangibles	0	0	0	0	0

Schedule 1: Movements in tangible and intangible assets



	Opening Accumulated depreciation	Prior year adjustments	Annual deprec. charge	Extraordinar y depreciation	Decrease	Reclass.	Closing Accumul. deprec.
INTANGIBLE ASSETS	11 432	0	1 587	26	460	0	12 585
Capitalised foundation/restructuring	94	0	8	0	44	0	58
Capitalised research and development	100	0	10	0	0	0	110
Concessions and similar rights	1 170	0	574	0	254	0	1 490
Intellectual products	10 068	0	995	26	162	0	10 927
Goodwill	0	0	0	0	0	0	0
Advances for intangibles	0	0	0	0	0	0	0
Adjustment of intangibles	0	0	0	0	0	0	0
TANGIBLE ASSETS	273 485	-1 057	38 969	11 116	3 706	0	318 807
Properties and related property rights	131 951	0	16 683	750	1 799	0	147 585
Technical equipment, machinery, vehicles	135 660	-1 057	21 512	9 040	1 995	0	163 160
Other equipment, fittings, vehicles	5 874	0	407	0	486	0	5 795
Breeding stock	0	0	0	0	0	0	0
Capital expenditures, improvements	0	0	367	1 326	-574	0	2 267
Advances for capex	0	0	0	0	0	0	0
Adjustment of tangibles	0	0	0	0	0	0	0

Schedule 2: Tangible asset movements – accumulated depreciation



	Opening, net	Closing, net
INTANGIBLE ASSETS	5 004	5 571
Capitalised foundation/restructuring	21	16
Capitalised research and development	187	143
Concessions and similar rights	3 155	2 254
Intellectual products	1 641	3 158
Goodwill	0	0
Advances for intangibles	0	0
Adjustment of intangibles	0	0
TANGIBLE ASSETS	747 349	777 799
Properties and related property rights	423 144	429 782
Technical equipment, machinery, vehicles	254 818	281 394
Other equipment, fittings, vehicles	1 077	999
Breeding stock	0	0
Capital expenditures, improvements	44 220	48 926
Advances for capex	24 090	16 698
Adjustment of tangibles	0	0

Schedule 3: Tangible asset movements – net value

II.1.1.2 Assets transferred/received free of charge

Assets were transferred among MÁV Group entities in a total of HUF 74 million, of which HUF 8 million relates to treasury assets.

In 2007, assets received free of charge totalled HUF 131 million, of which HUF 14 million related to the Company's own tangible assets and HUF 117 million to treasury assets. Of all assets received free of charge, HUF 26 million relates to treasury projects.

The total profit and loss impact is HUF -52 million, and the impact on equity and liabilities is HUF 109 million.

figures in HUF millions

Item	Transfer	Receipt	P&L impact	E&L impact
MÁV Zrt. Tangible assets	66	14	-52	
Treasury tangibles	8	91		83
Capitalised tangibles, total	74	105	-52	83
Capital expenditures by the treasury	0	26		26
Capital expenditures, total	0	26	0	26
Total	74	131	-52	109

Schedule 4: Assets transferred/received free of charge



II.1.1.3 Treasury assets

Only MÁV Zrt. has treasury assets within the Group.

In accordance with the railways act, tangible assets that qualify as treasury assets are carried separately in MÁV Zrt's books.

In the absence of permission from the government, assets not related to the capital projects could not be scrapped between 2004 and 2006. A total of 2,860 treasury assets should have been scrapped, of which 1,060 are currently carried at zero as these assets have been fully depreciated in the meantime. The gross value of all assets to be scrapped is HUF 3,458 million (HUF 1,308 million, net). The value of materials which could be reused after scrapping is estimated to be HUF 160 million.

Uncertainties still exist around the ownership of the buildings used by the Group (i.e. own or treasury).

The net value of treasury assets at 3 December 2006 was HUF 367,507 million, which increased to HUF 379,058 million by the end of 2007 due to changes during the year.

Treasury assets increased by HUF 11,551 million, of which buildings increased by HUF 9 billion.

Acquisitions from both treasury and own funds increased by HUF 16 billion each. The related depreciation charge increased by HUF 19 billion and scrapping also increased by nearly HUF 2 billion. These movements amount to an increase of HUF 11,511 million.



MÁV Magyar Államvasutak Zrt

figures in HUF millions

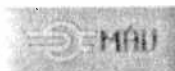
Item	2006	2007	Change
Land, total	14 938	15 157	219
Buildings, total	5 902	5 911	9
Structures, total	271 104	280 030	8 926
Machinery and equipment, total	41 163	42 270	1 107
AICC	34 400	35 690	1 290
Treasury assets, total:	367 507	379 058	11 551
Long-term liabilities, opening at 30 Sept 2001, upon signing the asset management contract	275 578	275 578	0
Acquisition from treasury funds	119 891	136 388	16 497
Acquisition from own funds	52 190	68 502	16 312
Treasury assets received free of charge	5 714	5 962	248
Surplus	100	412	312
Total increase:	177 895	211 264	33 369
Depreciation	77 730	97 568	19 838
Disposal	37	59	22
Scrapping	4 706	6 487	1 781
Shortage	310	479	169
Treasury assets transferred free of charge	3 183	3 191	8
Total decrease:	85 966	107 784	21 818
Funds of treasury assets, total:	367 507	379 058	11 551

Schedule 5: Treasury assets

figures in HUF millions

Item	2006.	2007.	Change
Treasury assets, net	342 502	367 507	25 005
Treasury assets acquired from government grants	34 981	16 497	-18 484
Treasury assets acquired from own funds	10 332	16 312	5 980
Treasury assets received free of charge	365	117	-248
Transferred to Treasury from MÁV Zrt's own assets	8	312	304
Surplus	9	131	122
Total increase in the reporting year	45 695	33 369	-12 326
Treasury assets transferred free of charge	-918	-8	910
Annual depreciation	-18 504	-19 746	-1 242
Depreciation of treasury assets over the years	-31	-92	-61
Disposal	-2	-22	-20
Scrapped, destroyed	-1 161	-1 781	-620
Shortage	0	-169	-169
Transferred by the Treasury to MÁV Zrt.	-74	0	74
Total decrease in the reporting year	-20 690	-21 818	-1 128
Treasury assets, net at 31 December 2007	367 507	379 058	11 551

Schedule 6: : Changes in treasury assets in 2007



MÁV Magyar Államvasutak Zrt

The year-end balance of treasury assets was HUF 379,058 million, including buildings and structures of HUF 280,030 million and machinery and equipment of HUF 42,270 million.

		figures in HUF millions	
Treasury assets		Gross	Net
Land		15 157	15 157
12201	Administrative buildings – listed	275	251
12411	Traffic buildings – listed	6341	5597
12415	Scale house	75	63
Buildings		6 691	5 911
21211	National railway network main structure	197 619	140 856
21212	National railway network sub-structure, ancillary structures, track blocks	66 527	45 728
212127	Loading stations in the national railway network	696	527
212129	Other ancillary buildings of the national railway network	21 178	15 885
212131	Middle (1-35 kv) and high voltage wiring of the national railway network	1 576	701
212132	Low voltage (below 1 kv) wiring of the national railway network	7 832	2 891
2121331100	Communication air cables and poles of the national railway network	125	39
212133	Telecom cables of the national railway network	24 677	13 015
2121332	Other data cables of the national railway network	336	210
212134	Electric air wires of the national railway network	31 172	20 858
212135	Traction transformer station	4 214	3 378
212136	High and low voltage and air wires of the Ministry of Defence	6	5
2122	Main and substructure of industrial tracks of the Ministry of Defence	270	168
21412	Bridges	39 580	27 187
2142	Culverts, subways, tunnels	10 988	8 543
242003	Air raid shelter	78	39
Structures		406 874	280 030
42	Loaders	21	5
442	Transformers and electric switchboards	1 786	1 194
443	Accumulators over 100 A/h	188	148
444	Telecommunication equipment	22 356	8 843
447	Meters	137	63
448566	IT equipment	2 345	255
4486	Rail traffic safety equipment	50 210	31 762
Machinery, equipment, vehicles		77 043	42 270
Assets in the course of construction		35 690	35 690
Total		541 455	379 058

Schedule 7: Fixed treasury assets



Assets owned by MÁV Zrt. necessary for the operations of fixed treasury assets:

Assets owned by MÁV Zrt. necessary for the operations of treasury assets		Gross	Net
111, 112, 113	Community buildings (worker's hostel, barracks etc.)	1 483	1 333
1211, 1212 (1230)	Commercial and service buildings	72	63
1220	Administrative buildings	2 016	1 801
12411	Station receiving buildings	22 744	20 693
124121	Telecom equipment buildings	2 125	1 918
124122	Controls and track brake buildings at junction stations	307	281
124123	Tramway traction substation buildings	259	235
124124	Track maintenance buildings	1 337	1 196
124125	Telegraph and telephone main buildings	206	186
124126,-27,-29	Traction and traffic operations buildings	2 614	2 347
12413	Motor coach and wagon barns	554	490
1242	Garages	158	140
12511, 12512	Operating buildings and workshops	1549	1337
12513	Engine room, boiler rooms	785	680
12515	Pump stations	234	188
12516	Fuel metering and filling station building	16	9
12517	Electric exchange transformer equipment building	1 193	1093
12521	Commercial warehouse	46	41
125213	Warehouses (at stations, railway terminals)	665	552
125214	Other warehouse	37	32
12526	Material barns	187	153
12527	Containers	62	52
1261-1263	Cultural and education buildings	911	765
1264, -65	Social and hostel-like buildings	226	199
1271	Farming buildings	35	29
1274	Other buildings	2 377	2 127
Buildings		42 198	37 940
2112	Roads, squares	5 373	4 251
21221	Industrial tracks (main network)	9 015	5 801
212221, -25	Industrial tracks (sub-network)	1 534	917
212226	Breast wall, footwall	53	35
212227	Railway loaders	5 413	4 144
212229	Railway crossing approach	437	320
21223	Industrial tracks – wires and cables	115	81
214124	Industrial tracks – bridges	857	588
214203	Industrial tracks – arches and culverts	62	27
21421	Tunnels, shafts and underground chambers	38	33
2221	Oil, gas and other pipelines	793	666
2222	Water supply structures	3 014	2 193
2223	Sewage and rain receivers	4 038	3 063
2304,2412, 2420	Other structures	2 161	1 726
2920	Property rights	56	24
Structures		32 959	23 869
4 ...	Other machinery, equipment	9 410	3 280



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4485,8...	IT equipment	3 355	185
Machinery and equipment		12 765	3 465
6411,-12	Railway vehicles	4 930	3 340
6413,-15	Road vehicles	170	8
Vehicles		5 100	3 348
78-,79,797,8KF	Intangible assets	929	71
AICC		4 742	4 742
Total		98 693	73 435

Schedule 8: Own assets necessary for the operations of treasury assets

II.1.1.4 MÁV Group entities

Internal code	Equity consolidated entities	Associated in the 2007 consolidated financial statements
020	MÁV VAGON Kft.	298
005	MÁV TI Kft.	70
016	MÁV JEGYNYOMDA Kft.	77
096	MÁV KERT Kft.	67
015	MÁV NOSZTALGIA Kft.	27
131	MÁV KfV Kft.	809
133	MÁV KOMBITERMINÁL Kft.	1 065
144	ZÁHONYI-HÓTÁV Kft.	82
170	FERIHEGY EXPRESS Kft.	25
913	MÁVTRANSPED WIEN	11
174	MÁV HOTELS Zrt.	0
914	VÁMKAPU Zrt.	74
111	AGROCHIMTRANSPACK Kft.	83
038	EURO-METALL Kft.	297
116	MÁV THERMIT Kft.	165
027	BOMBARDIER MÁV Kft.	846
022	MÁV VASJÁRMŰ Kft.	242
113	MÁV INTEL-TEAM Kft.	3
037	VAMAV Kft.	1 488
141	VIACOM Zrt.	767
142	MÁV MULTISZOLG Kft.	0
177	CARPATHIA CARGO S.R.O.	3
184	KELENFÖLDI PÁLYAUDVAR Kft.	13
181	RÁKOSRENDEZŐ PÁLYAUDVAR Kft.	0
182	JÓZSEFVÁROSI PÁLYAUDVAR Kft.	0
183	PRUDENT INVEST Befektetési Alapkezelő Zrt.	23
185	DÉLI PÁLYAUDVAR Ingatlanfejlesztési Zrt.	16
179	ZÁHONY-PORT Zrt.	600
Total		7 151

Schedule 9: Equity consolidated equities



MÁV Magyar Államvasutak Zrt

Internal code	Related parties treated as investments	31 Dec 2007 Recorded capital inv.	31 Dec 2007 Accumul. deprec.	31 Dec 2007 BV
004	MÁV FAVÉD Kft (f.a.)	296	296	0
006	MÁV HÍDÉPÍTŐ Kft. (f.a.)	600	600	0
008	MÁVÉPSZER Kft. (f.a.)	234	234	0
013	MÁV EGRESSY GARÁZS Kft. (v.a.)	59	59	0
029	MÁVAUT Kft. (v.a.)	42	42	0
031	ÉSZAK-TRANS Kft. (v.a.)	26	26	0
090	MÁV LIÁN Kft (f.a.)	4	4	0
097	MÁV ÉK Kft. Szeged (f.a.)	43	43	0
130	MÁV RAKSZER Kft. (v.a.)	22	22	0
132	MÁVSIN Kft. (f.a.)	200	200	0
134	MÁV UTASELLÁTÓ Zrt. (f.a.)	137	137	0
145	MM CARGO Kft. (f.a.)	43	43	0
178	MAGYAR VASÚTI FUVARÓZÓ EGYESÜLÉS	0	0	0
158	VBSZ Kft.	1	0	1
165	MÁV REC Kft.	25	0	25
150	EAST-RAIL SRL.	9	0	9
161	UNIVER TRANS Kft.	23	0	23
916	HUNGARO-RAIL Kft	1	0	1
Related parties treated as investments, total		1 765	1 706	59

Schedule 10: Related parties treated as investments for consolidation purposes



Internal code	Other related parties	31 Dec 2007 BV
007	AUTÓRAIL Kft.	0
058	TEKISZ Zrt.	5
084	RESTI Zrt.	15
120	VASÚTEGÉSZSÉGÜGYI Kht.	100
128	EUROFIMA Zrt.	1 206
147	BCC	0
151	ZTF Kft.	15
162	BUGACI KISVASÚT Kht.	1
166	NGF Kht.	0
169	HIT RAIL B.V.	56
171	BALATON-BORONKA KISVASÚT Kht.	1
172	NORMON-TOOL Kft.	0
060	HUNGAROKOMBI Kft.	1
164	I.C.A. Gmbh.	11
Other related parties		1 411

Schedule 11: Other related parties

II.1.1.5 Goodwill arising on full consolidation

Internal code	Company	Opening	Movement in the year				Closing
			Increase		Decrease		
			Investment acquisition	Other	Disposal of investment	W/off for other reasons	
167	BILK Kombiterminál Zrt.	18	0	0	0	18	0
176	MÁV Cargo Zrt.	2	0	0	0	2	0
Total		20	0	0	0	20	0

Schedule 12: Goodwill arising on full consolidation

**II.1.1.6 Negative goodwill arising on full consolidation**

Internal code	Company	Negative goodwill				
		Opening	Change			Closing
			Investment acquisition	Investment disposal	Other	
001	MÁVTRANSSPED Kft.	152	0	0	0	152
006	MÁV HÍDÉPÍTŐ Kft.	11	0	0	-11	0
028	MÁV Szolnoki Járműjavító Kft.	49	0	0	0	49
033	MÁV Északi Járműjavító Kft.	41	0	0	0	41
102	MÁVGÉP Kft.	2	0	0	0	2
101	MÁV FKG Kft.	3	0	0	0	3
023	MÁV-Tiszavas Kft.	25	0	0	0	25
034	MÁV Debreceni Járműjavító Kft.	4	0	0	0	4
138	MÁV Informatika Kft.	3	0	0	0	3
Total		290	0	0	-11	279

Schedule 13: Negative goodwill arising on full consolidation



II.1.1.7 Negative goodwill arising on equity consolidation

Internal code	Company	Negative goodwill				
		Opening	Change			Closing
			Investment acquisition	Investment disposal	Other	
020	MÁV VAGON Kft.	2	0	0	0	2
005	MÁVTI Kft.	14	0	0	0	14
016	MÁV JEGYNYOMDA Kft.	12	0	0	0	12
029	MÁVAUT Kft.	2	0	0	0	2
096	MÁV KERT Kft.	2	0	0	0	2
131	MÁV KfV Kft.	8	0	0	0	8
133	MÁV KOMBITERMINÁL Kft.	4	0	0	0	4
174	MÁV HOTELS Zrt.	30	0	0	0	30
914	VÁMKAPU RT	2	0	2	0	0
040	TRANSFER-R Kft.	2	0	2	0	0
111	AGROCHIMTRANSPACK Kft.	24	0	0	0	24
038	EURO-METAL Kft.	121	0	0	0	121
116	MÁV THERMIT Kft.	13	0	0	0	13
135	LOGISZTÁR Kft.	4	0	4	0	0
027	Bombardier MÁV Kft.	13	0	0	0	13
022	MÁV VASJÁRMŰ Kft.	5	0	0	0	5
037	VAMAV Kft.	111	0	0	0	111
141	VIACOM Zrt.	46	0	0	0	46
183	PRUDENT INVEST Befektetési Alapkezelő Zrt.	0	23	0	0	23
Total		415	23	8	0	430

Schedule 14: Negative goodwill arising on equity consolidation



II.1.2 Receivables and impairment loss

Company	Receivables gross at 31 Dec 2007	Impairment loss	Written off	Impairment in the rep. year	Bad debts collected	Reversed imp. loss	Accumulated imp. loss	Receivables net at 31 Dec 2007.
MAV Zrt	10 456	5 851	193	993	80	0	6 571	3 885
MAVTRANSPED Kft.	3 252	0	0	0	0	0	0	3 252
MAV Szolnoki Járműjavító Kft.	57	0	0	0	0	0	0	57
MAV Eszaki Járműjavító Kft.	104	1	0	8	0	9	0	104
MÁVGÉP Kft.	76	0	0	0	0	0	0	76
MÁV FKG Kft.	545	0	0	0	0	0	0	545
MÁV Tiszavas Kft.	57	0	0	0	0	0	0	57
MÁV Debreceni Járműjavító Kft.	248	0	0	1	0	0	1	247
MÁV Informatika Kft.	132	0	0	0	0	0	0	132
MÁV Ingatlankezelő Kft.	35	4	0	1	0	1	4	31
MÁV Vasútor Kft.	51	0	0	0	0	0	0	51
BILK Kombiterminal Zrt.	386	2	0	1	1	0	1	386
MAV Cargo Zrt.	8 929	0	0	0	0	0	0	8 929
MAV Vagyonkezelő Zrt.	2	0	0	0	0	0	0	2
MAV-START Zrt.	507	0	0	0	0	0	0	507
MAV-GÉPÉSZET Zrt.	0	0	0	0	0	0	0	0
MAV-TRAKCIÓ Zrt.	0	0	0	0	0	0	0	0
MAV Group, total	24 837	5 857	193	1 004	81	10	6 577	18 260

Schedule 15: Receivables and impairment loss



II.1.3 Prepaid expenses and accrued income

figures in HUF millions

Item	2007
Accrued income	11 099
Receivables from unsettled deliveries	2 159
Rents	2 057
RO-LA subsidy	150
Expected income for 2007	70
Damages	28
FX gain	45
Utilities	5
Recharged revenues	5
Interest received	4
Accrued income	15 622
Prepaid usage fee (debt service part) (VIACOM Zrt.)	16 230
Other prepayments	568
Prepaid severance pay and lay-off costs	328
Software rent for 2008	104
Prepaid mast/pole usage charge (VIACOM Zrt.)	38
Insurance	30
Rents	26
Utilities	16
Subscriptions	15
Public transport passes to personnel or 2008	2
Quality assurance	3
Interest paid	1
Bank guarantee	4
Prepaid expenses	17 365
Accrued FX loss	2 064
Total	35 051

Schedule 16: Prepaid expenses and accrued income



II.1.4 Equity

II.1.4.1 Movements in equity

D	Item	Equity 31 Dec 2006	Capital reduction	Capital injection	Prior year adjustments	Loss/Profit for 2006	Loss for the reporting year	Additional capital paid	Released from the vocational training fund	Provision for unrealised FX losses made/released	Equity 31 Dec 2007
I.	EQUITY	-32 273	0	47 000	7 665	0	-12 331	-173	0	0	9 888
	ISSUED CAPITAL	80 000	-60 000	250							20 250
	from line 54: redeemed shares at face value										0
II.	ISSUED CAPITAL NOT PAID										0
III.	CAPITAL RESERVE	16		46 750					19		46 785
IV.	RETAINED LOSSES	-41 805	60 000		4 051	-83 842		-173		239	-61 530
V.	ALLOCATED RESERVE	14 150							-19	-239	13 892
VI.	VALUATION RESERVE										0
VII.	LOSS FOR THE YEAR	-82 554				82 554	-12 471				-12 471
VIII.	CHANGE IN SUBSIDIARY EQUITY	-382			755	-1 731		0			-1 358
VIII/A	CHANGE IN THE VALUATION OF QUOTA HELDS IN ASSOCIATES	2 538			-178	894					3 254
IX.	CHANGES DUE TO THE CONSOLIDATION	-5 007	0	0	3 037	2 125	0	0	0	0	155
of which:	debt consolidation difference	266			-239	53					80
	intra-group profit/loss difference	-5 273			3 276	2 072					75
X.	INVESTMENTS HELD BY THIRD PARTIES	771					140				911

Schedule 17: Movements in equity



II.1.4.2 Equity movement details

Allocated reserve

The annual closing balance of allocated reserve at the end of 2007 included additional capital payments totalling HUF 8,994 million further to resolutions No. 2/2005 and No. 5/2005 of the founder, HUF 3,617 million received to finance environmental restoration, HUF 1,251 million being the difference of unrealised FX losses and the related provision, HUF 16 million of vocational training contribution received, and other items totalling HUF 14 million.



II.1.5 Provisions

II.1.5.1 Provisions in the balance sheet for 2007

At MÁV Group level, provisions total HUF 30,685 million, of which provisions for contingent liabilities is HUF 22,058 million, for provisions for future obligations is HUF 7,454 million, and other provisions amount to HUF 1,173 million.

II.1.5.2 Provisions for contingent liabilities

Provisions for contingent liabilities total HUF 22,058 million at Group level.

The most significant items include provisions for guarantee obligations, litigations and for severance pay.

figures in HUF millions	
Item	2007
Guarantee (environmental) liability	7 780
Litigations	7 705
Lay-offs, early retirement, severance pay	5 543
Maintenance commitment related to the disposal of welfare buildings	449
For an accident at Szőny	413
For customer claims	100
Other	28
Guarantees assumed towards related parties	26
Guarantee provision for availability	14
Total	22 058

Schedule 18: Provisions for contingent liabilities

A claim for damages totalling HUF 40 billion from MÁV Zrt. in relation to disposed of property incurred and is carried as contingent liability. MÁV Zrt. disputes and has challenged the grounding of the claim. The claim has not yet been litigated. Nevertheless, MÁV Zrt. took a prudent approach and made a HUF 3 billion provision for such claims.



II.1.5.3 Provisions for future expenses

Provisions for future expenses totalled HUF 7,454 million at MÁV Group level. The three most significant items are demolition costs, maintenance costs and the lay-off costs at the subsidiaries.

figures in HUF millions

Item	2007
Provision for demolition costs	3 515
Provision for maintenance costs	2 765
Provision for layoffs at subsidiaries	1 054
Provision for MVH penalty	100
Provision for other future liabilities	20
Total	7 454

Schedule 19: Provisions for future liabilities

II.1.5.4 Other provisions

figures in HUF millions

Item	2007
Provision for FX losses on investment and development loans	800
Provision for the warranty costs of MÁV locomotives series M62 and M41	169
Provision for the expected warranty costs of the 2 million62 Lithuanian twin locomotive	157
Provision for the expected warranty costs of the 2 million62 Latvian twin locomotive	32
Provision for expected penalties related to the 2 million62 Latvian twin locomotive	11
Other provisions	4
Total	1 173

Schedule 20: Other provisions



II.1.6 Liabilities

II.1.6.1 Liabilities relating to treasury assets and investments/improvements funded by the National Treasury

Further to subsection 23(2) of the accounting law, managed treasury assets (assets owned by the central government or by local governments assigned for management to MÁV) should be recorded among the asset manager's own assets, while, further to subsection 42(5) of the law, the related liabilities should be recorded among long-term liabilities. The accounting treatment of treasury assets is governed by Government decree 58/2005 on the management, disposal of treasury assets and on other related liabilities and obligations, and by the KVI-MÁV Zrt. Asset Management Contract.

The Asset Management Contract defines the types of asset movements that affect the related long-term liabilities and those movements that should leave the related long-term liabilities unaffected.

As a result of the differences between movements in treasury asset and in the related liabilities, at 31 December 2007, long-term liabilities related to treasury assets and projects financed from EU funds but assigned to MÁV Zrt. totalled HUF 406,766 million while treasury assets presented in the balance sheet totalled HUF 379,058 million.

Long-term liabilities owed to the government thus exceed the value of managed treasury assets by HUF 27,708 million (HUF 28,375 million being subsidy refund liability and the HUF -667 million difference is due to the accumulated balance of settlements (receivables vs. payables) towards the Hungarian National Treasury.

The movements in treasury assets are presented below:

Liabilities related to treasury assets	2006	2007	Change
Liabilities related to treasury assets	362 779	396 752	33 973
Increase in treasury assets in the reporting year	45 696	33 369	-12 327
Decrease in treasury assets in the reporting year	-20 691	-21 818	-1 127
Increase in subsidy refund liability in the reporting year	8 325	1 405	-6 920
Balance of settlements with the treasury in 2007	643	-2 942	-3 585
of which: project invoices submitted to the treasury in 2007	-35 875	-17 115	18 760
Payments received from treasury in the rep. year	36 518	13 985	-22 533
Invoice submitted to the treasury but paid by MÁV for the prev. year	0	188	188
Liabilities related to treasury assets	396 752	406 766	10 014

Schedule 21: Movements in liabilities related to treasury assets



II.1.6.2 Long-term liabilities

Internal code	Item	Project and development loans	Other loans	Shareholder loan	Issued capital not paid	Other long-term liabs.	Total
100	MÁV Zrt.	120 836	121 500	0	64 600	408 082	715 017
001	MÁVTRANSSPED Kft.	0	0	0	0	0	0
028	MÁV Szolnoki Járműjavító Kft.	0	0	0	0	0	0
033	MÁV Északi Járműjavító Kft.	56	0	0	0	2	58
102	MAVGÉP Kft.	0	0	0	0	0	0
101	MÁV FKG Kft.	0	28	0	0	0	28
023	MÁV-Tiszavas Kft.	215	0	0	0	0	215
034	MÁV Debreceni Járműjavító Kft.	0	0	0	0	9	9
138	MÁV Informatika Kft.	0	0	0	0	0	0
136	MÁV Ingatlankezelő Kft.	0	0	0	0	0	0
139	MÁV Vasútór Kft.	0	0	1	0	0	1
167	BILK Kombiterminál Kft.	1 221	0	54	0	0	1 276
176	MÁV Cargo Zrt.	0	0	0	0	139	139
149	MÁV Vagyonkezelő Zrt.	0	0	0	0	0	0
180	MÁV-START Zrt.	0	0	0	0	21	21
187	MÁV-GÉPÉSZET Zrt.	0	0	0	0	0	0
186	MÁV-TRAKCIÓ Zrt.	0	0	0	0	0	0
Total		122 328	121 528	55	64 600	408 253	716 764

Schedule 22: Long-term liabilities



II.1.6.3 Long-term loans of MÁV Group

figures in HUF millions

Internal code	Item	Long-term loans			Total
		Current	2-5 years	over 5 years	
100	MÁV Zrt.	3 332	110 903	131 433	245 668
001	MÁVTRANSSPED Kft.	0	0	0	0
028	MÁV Szolnoki Járműjavító Kft.	0	0	0	0
033	MÁV Északi Járműjavító Kft.	33	23	0	56
102	MÁVGÉP Kft.	0	0	0	0
101	MÁV FKG Kft.	0	0	28	28
023	MÁV-Tiszavas Kft.	6	239	0	245
034	MÁV Debreceni Járműjavító Kft.	0	0	9	9
138	MÁV Informatika Kft.	0	0	0	0
136	MÁV Ingatlankezelő Kft.	0	0	0	0
139	MÁV Vasútór Kft.	0	0	0	0
167	BILK Kombiterminál Kft.	283	1221	0	1 504
176	MÁV Cargo Zrt.	0	0	0	0
149	MÁV Vagyongkezelő Zrt.	0	0	0	0
180	MÁV-START Zrt.	0	0	0	0
187	MÁV-GÉPÉSZET Zrt.	0	0	0	0
186	MÁV-TRAKCIÓ Zrt.	0	0	0	0
Total		3 654	112 386	131 470	247 510

Schedule 23: Long-term loans



II.1.6.4 Leasing liabilities

Below are the detailed of the leasing liabilities of fully consolidated entities by maturity of the lease.

Item	Currency	2008	2009	2010	Total:
MÁV Zrt.					
Leasing liability	M EUR	4	4	1	9
	MHUF	1 025	1 108	166	2 299
Északi Járműjavító Kft.					
Phone exchange lease	MHUF	2	0	0	2
Debreceni Járműjavító Kft.					
Car, van, painting machine	MHUF	5	4	0	9
MÁV Informatika Kft.					
Other assets	MHUF	1	0	0	1
MÁV Vasútór Kft.					
Car lease	MHUF	1	1	0	2
Total	MHUF	1 034	1 113	166	2 313

Schedule 24: Assets leased by MÁV Group entities

II.1.6.5 Other current liabilities

figures in HUF
millions

Item	2007
Taxes and similar charges payable	7 867
Wages and salaries	6 218
Current part of leasing fees	1 034
Social security	776
Current liabilities towards the Treasury	353
Factoring payables	191
Local taxes	157
PIT	10
Liabilities related to special purpose funds	9
Amounts paid to the national budget	8
Private pension fund contributions deducted from employees	4
Membership fees	2
Other financial settlements	2 165
Other liabilities	1 834
Total	20 628

Schedule 25: Other current liabilities

**II.1.6.6 Environmental assets**

The details of environmental assets are as follows:

figures in HUF millions

Item	Environmental assets, net 2007
1. Opening, gross	2 493
2. Increase	162
3. Decrease	4
4. Closing, gross	2 651
5. Depreciation, opening	529
6. Increase	155
7. Decrease	4
8. Depreciation, closing	680
9. Net asset value	1 971

Schedule 26: Environmental assets



II.1.6.7 Hazardous waste

EWG code	Item	Closing quantities at the end of (kg)
06 02 04*	Battery base liquid	1 250
07 06 10*	Oily chipping	26
08 01 11*	Paint bottom	4 717
08 01 13*	Paint bottom	300
08 03 17*	Office waste	85
10 04 02*	Blast furnace slag from primary and secondary production	208
10 10 07*	Cores and moulds used for metal moulding containing hazardous materials	431
12 01 09*	Non homogenous coolers and lubricants (emulsion and liquid)	2 640
12 01 12*	Used wax and grease	1 803
12 01 16*	Waste from grit blasting	9 420
12 01 18*	Oily slick (from abrasion, honing and lapping)	1 755
13 02 05*	Refuse oil	26 705
13 03 07*	Transmitter oils	260
13 05 01*	Oily sludge	579
13 05 02*	Oily sludge	450
13 07 03*	Other fuel (incl. mixtures)	10 150
13 08 99*	Air filter	45
14 06 04*	Sludge and solid waste with halogenous solvents	497
15 01 10*	Paint stained packaging	7 809
15 02 02*	Oil stained cloth, tinted brush, cloth	16 376
16 01 07*	Oil filter	469
16 01 14*	Antifreeze	30
16 01 21*	Hazardous parts	1 158
16 02 09*	PCB containing condenser	300
16 02 13*	Electronic waste	920
16 06 01*	Accumulators	13 856
16 06 02*	Batteries	3
16 06 04*	Alkali battery	9 763
16 07 07*	Oil filter	520
17 05 03*	Inky filter	45
	Oily sand, soil	1 324
17 06 03*	Other hazardous insulation materials	489
19 08 13*	Washing mud	160 150
20 01 21*	Used light tubes, mercury lamps	45
20 01 33*	Dry battery	313
20 01 35*	Dry battery	852
28 01 35*	Waste from office equipment	5
Total hazardous waste		275 748

Schedule 27: Hazardous waste at the end of 2007



II.1.7 Accrued expenses and deferred income

figures in HUF millions

Item	2007
PanTel Kft. other deferred income	11 606
Deferred other income	1 554
Permanent rental income	11
Stock count surplus, regained from scrapping, other	2
Deferred income	13 173
Accrued interest	2 618
Materials, utilities	2 390
Unsettled freight deliveries in cross-border operations (payable balance)	2 220
Rents	1 681
Accrued expenses	936
Calculated early retirement	987
Consignment services	255
Unassessed damage claims	219
Payments to personnel, bank interest	57
Retrospective discount	62
National Pension Fund	45
Accounting, auditing	17
Dues and stamp duties	17
Pre-paid early retirement	8
Bank costs	1
Business advisory, IT services	1
Accrued expenses	11 514
Debts arising from asset acquisitions assumed by the government	44 816
EU funds and funds from government schemes	2 281
Phare aid for development	1 016
Fixed assets received free of charge and as gifts	584
Fixed asset surplus	378
Amounts received from local government and from businesses free of charge	300
Other non-refundable government grants	8 382
Deferred extraordinary revenues and subsidies	57 757
Total	82 444

Schedule 28: Accrued expenses and deferred income



II.1.8 Contingencies

II.1.8.1 Hedging transactions

Hedging transactions	
MÁV Zrt.	At 31 December 2007, MÁV Zrt. had one open FX forward contract on EUR 700,000 and four open interest collar contracts totalling EUR 96 million. Interest collar contracts hedge the interest rate risk of FX project loans and follow the loans' interest repayment periods. The last hedged interest repayment period is in 2009.
MÁV Cargo Zrt.	<u>Open forward contracts:</u> At 31 Dec 2007: EUR 163,900,000 The contracts for 2008 represent 70% of our EUR and EUR-based revenues. All forward contracts are for an average FX rate of 259.88 HUF/EUR.

Schedule 29: Hedging transactions

II.1.8.2 Joint and several liabilities and guarantees given

MÁV Zrt.	<u>Bank guarantees:</u> VEG Südost GmbH 2010.07.31 3481 MHUF VPOP 2008.11.24 1 MHUF VPOP 2008.12.11 60 MHUF MÁK 2008.05.30 7 MHUF
MÁV Informatika Kft.	50 MHUF bank guarantee facility (Raiffeisen) of which: Qualified authorised signature guarantee: 25 MHUF (2006.11.03-2008.11.03) MÁV IP network performance guarantee: 32,276 MHUF (2008.10.10-2008.12.29)
MÁV CARGO Zrt.	Security given as bank guarantee: Customs payment obligation assumed by K&H Bank Nyrt. on behalf of MÁV Raktár Kft. for MÁV CARGO Zrt., breakdown by maturity: 30 June 2008 - 50 MHUF, 20 MHUF, 10 MHUF, 50 MHUF, 31 Dec 2008 - 10 MHUF

Schedule 30: Joint and several liabilities and guarantees given



II.1.8.3 Mortgages and liens

Item	Description
MÁV Zrt.	In relation to an existing Eurofima loan in MÁV Zrt's books: 183 M EUR
	In relation to an Eurofima loan assumed by the government and no longer recorded in MÁV Zrt's books: 98 M EUR and 42 M CHF
	KfW 5+5 Desiro motor coach train: 28.6 M EUR (loan repaid on 28 Dec 2007, mortgage is being cancelled)
	OTP Talent motor coach train: 45 352 822,58 EUR
	Calyon first 30 Flirt motor coach train: 144,6 M EUR
	Raiffeisen option 30 Flirt motor coach train: 141,6 M EUR
	As collateral for a subsidy for the improvement of the company's metering system, mortgage of MHUF 23 was recorded on the building of the rail track business line (Pályavasúti Üzletág) at Kmetty u. 3., Budapest on 27 July 1987 for the Ministry for Transport, Communications and Water as beneficiary.
	Based on a KAC subsidy agreement, the company's property at X. Kőbányai út 24. (hrs: 38920) worth HUF 2.5 billion is a guarantee with the Ministry of Environment Protection being the beneficiary. Although the project ended in 2007, the mortgage had not been cancelled by the balance sheet preparation date.
MÁVTRANSSPED Kft.	In 2007, the company has an MHUF 450 overdraft with Magyar Külkereskedelmi Bank secured by an MHUF 400 mortgage on part of the company's own office building at 1065 Bajcsy-Zs. út 25., Budapest.
MÁV Északi Járműjavító Kft.	Bank guarantees relating to subsidies should be treated as contingencies. A secured K & H Bank guarantee of 12.4 MHUF, 19.2 MHUF MÁV guarantee, and a 121.2 MHUF maximum mortgage with Erste Bank.
MÁV-Tiszavas Miskolci Járműjavító Kft.	200 Hbbillnss type wagons (adjustable sided, covered and along with specified track numbers set out in the underlying notarised document). 16,119,232 DEM - ABN AMRO Bank N.V. 7 939 323 DEM - HypoVereinsbank Hungária Rt.
	Industrial work in progress – 250 MHUF
	Mortgage on movables (purchased materials, machinery, equipment, vehicles) - 450 MHUF.
	Receivable relating to a bogie wagon for log freights. - 798 MHUF
MÁV Debreceni Járműjavító Kft.	List of assets offered as collateral by MÁV Zrt. in 2004. for a member's loan of MHUF 244 (based on loan agreement No. K-3164-2/2004).
	List of assets offered as collateral by MÁV Zrt. In 2004. for a member's loan of MHUF 56 (based on loan agreement No.K-3164-2/2004.).
	A guarantee of EUR 4,832,413 issued by MÁV Zrt. for the repayment of advances received to MKB ZRt. In a guarantee agreement dates 30 November 2005, MÁV Zrt. put a lien on all the company's assets.

Schedule 31: Mortgages, liens and encumbered assets



II.1.8.4 Long-term loans – draws and repayments

Long-term loans – draws and repayments	
MÁV Zrt.	Project and development loan schedules based on the underlying agreements:
	<u>Loan</u> 2008. 2009. 2010. <u>Total</u>
	OTP (10 Talent acquisition) 976 0 0 976
	Calyon (30 motor coach train) 9 880 0 0 9 880
	Raiffeisen (+30 motor coach train) 3 712 20 648 221 24 582
	Total 14 568 20 648 221 35 438
	Repayment schedule of not fully drawn project and development loans signed before or on 31 December 2007:
	<i>± based on agreements to be signed in 2008</i>
	<u>Loan</u> 2008. 2009. 2010. <u>Total</u>
	EUROFIMA 14 2 831 4 500 1 275 8 606
	28,57 HUF billion project loan guaranteed by government (2007.) 28 570 28 570
	24,546 HUF billion project loan guaranteed by government (2008.) 24 546 24 546
	+25 db locomotive acquisition loan* 4 340 7 812 5 208 17 360
	Total 60 287 12 312 6 483 79 082
	Repayment of project loans based on agreements to be signed in 2008
	<u>Loan</u> 2009. 2010. 2011. 2012. 2013< <u>Total</u>
	EUROFIMA 14 8 606 8 606
	28,57 HUF billion project loan guaranteed by government (2007.) 28 570 28 570
	24,546 HUF billion project loan guaranteed by government (2008.) 24 546 24 546
	+25 db locomotive acquisition loan* 1 389 1 389 14 582 17 360
	Total 0 0 1 389 1 389 76 304 79 082
MÁV Szolnoki Járműjavító Kft.	200 MHUF revolving overdraft with MKB (no amount drawn by 31 Dec)
MÁV Debreceni Járműjavító Kft.	Payment obligation relating to heating modernisation works in co-operation with Siemens Building Technologies Kft.: from 30 May 2003 for 72 months: 5,101 MHUF*curr. month index + VAT/month from Feb 2004 until 31 Oct 2009: 9,423 MHUF*curr. month index + VAT/month

Schedule 32: Repayment of long-term loans



II.2 NOTES TO THE PROFIT AND LOSS ACCOUNT

II.2.1 Domestic sales

figures in HUF
millions

Item		2006.	2007.	Change
Domestic sales, net		227 338	150 669	-113 473
of which:	- ticket compensation	24 306	20 468	-3 838
	- production subsidy	74 407	0	-74 407

Schedule 33: Subsidies relating to domestic sales

The changes in subsidies received were due to changes in their settlement. Reimbursements for public services amounted to HUF 74,407 million in net sales in 2006. Based on the relevant position of the Ministry of Finance, such reimbursements increased to HUF 160,712 million in 2007.



II.2.2 Export sales, net

EU countries		2007		Non EU countries		2007	
Serial No.	Item	Value (MHUF)	Percentage	Serial No.	Item	Value (MHUF)	Percentage
1	Austria	8 491	30%	24	Albania	4	0%
2	Belgium	460	2%	25	Australia	7	0%
3	Bulgaria	210	1%	26	Belorussia	1	0%
4	Czech Republic	2 233	8%	27	Bosnia-Herzegovina	292	6%
5	Denmark	17	0%	28	United States	43	1%
6	Finland	9	0%	29	Belorussia	1	0%
7	France	668	2%	30	Croatia	666	14%
8	Greece	136	0%	31	Canada	15	0%
9	Holland	536	2%	32	Kazakhstan	2	0%
10	Ireland	8	0%	33	Macedonia	57	1%
11	Poland	633	2%	34	Moldavia	2	0%
12	Latvia	0	0%	35	Montenegro	28	1%
13	Lithuania	1 868	7%	36	Norway	9	0%
14	Luxembourg	16	0%	37	Russia	84	2%
15	United Kingdom	13	0%	38	Switzerland	1 823	38%
16	Germany	4 963	18%	39	Serbia	973	20%
17	Italy	1 480	5%	40	Turkey	84	2%
18	Portugal	5	0%	41	Turkmenistan	0	0%
19	Romania	2 523	9%	42	Ukraine	426	9%
20	Spain	100	0%	43	Uzbekistan	0	0%
21	Sweden	264	1%	44	Others	338	7%
22	Slovakia	2 174	8%				
23	Slovenia	1 502	5%				
EU Member States total:		28 309	100%	NON EU total		4 855	100%
Export sales, total:				33 164			

Schedule 34: Export sales – geographical segments

**II.2.3 Other revenues**

figures in HUF millions

Item	2007
Fixed asset disposals	10 542
Of which: own asset disposals	10 462
Reversed impairment of stocks and receivables	11
Loss reducing items	908
Of which: Late payment interest received	386
Damages received	336
Penalties received	91
Use of provisions made	11 382
Of which: Provisions for expected liabilities	8 420
Provisions for future liabilities	1 237
Provisions for unrealised FX losses	348
Debtor receivables sold	13
Sundry other revenues	4 375
Non-refundable grants to pay off costs	162 129
Of which: Public service cost refunds	160 712
Compensation for lost earnings relating to passenger transport (BEB)	1 051
Flood aid	352
Total	189 360

Schedule 35: Other revenues

Reimbursements for public services amounted to HUF 74,407 million in net sales in 2006. In 2007, reimbursements totalling HUF 94,409 million (MÁV Zrt.) and HUF 66,303 million (MÁV-START Zrt.), respectively, were accounted for among other revenues Based on the relevant position of the Ministry of Finance.



II.2.4 Average statistical number of staff and payroll costs

The payroll costs and average statistical numbers of staff of the fully consolidated subsidiaries are set out below.

Fully consolidated entities		White collar					Blue collar				
Code	Item	Average statistical number of staff	Payroll costs	Payments to personnel	Social security and similar	Total staff costs	Average statistical number of staff	Payroll costs	Payments to personnel	Social security and similar	Total staff costs
100	MÁV Zrt.	13 881	40 798	4 462	13 790	59 050	19 770	41 173	8 568	14 581	64 322
001	MÁVTRANSPED Kft.	45	225	58	85	368	0	0	0	0	0
023	MÁV-Tiszavas Kft.	70	235	22	81	338	309	479	79	169	728
028	MÁV Szolnoki Járműjavító. Kft.	205	597	55	225	877	680	1 015	122	365	1 502
033	MÁV Északi Járműjavító. Kft.	176	625	66	220	910	672	1 189	124	418	1 731
034	MÁV Debreceni Járműjavító. Kft.	86	231	12	80	323	276	362	47	124	533
101	MÁV FKG Kft..	141	575	78	211	864	714	1 240	175	448	1 862
102	MÁVGÉP Kft.	136	372	25	132	529	470	845	69	300	1 214
136	MÁV Ingatlankezelő Kft	448	1 077	107	389	1 573	1 211	1 577	305	571	2 453
138	MÁV Informatika Kft.	371	1 794	191	630	2 615	21	38	5	18	61
139	MÁV Vasútor Kft.	79	194	11	37	243	655	786	94	320	1 200
149	MÁV Vagyonkezelő Zrt.	38	232	13	78	323	0	0	0	0	0
167	BILK Kombiterminál Zrt.	51	196	23	74	293	27	61	11	20	92
176	MÁV Cargo Zrt.	2 265	6 452	702	2 096	9 251	958	2 269	300	848	3 417
180	MÁV-START Zrt.	1 497	3 379	475	1 153	5 007	1 959	3 914	700	1 357	5 971
186	MÁV-TRAKCIÓ Zrt.	0	0	0	0	0	0	0	0	0	0
187	MÁV-GÉPÉSZET Zrt.	0	0	0	0	0	0	0	0	0	0
Total		19 489	56 983	6 301	19 281	82 564	27 722	54 948	10 599	19 539	85 086



MAV Magyar Államvasutak Zrt

Fully consolidated entities		Officers				Other employees (part-time, inactive)			
Code	Item	Payroll costs	Payments to personnel	Social security and similar	Total staff costs	Payroll costs	Payments to personnel	Social security and similar	Total staff costs
100	MAV Zrt.	83	0	27	110	589	190	217	996
001	MAVTRANSSPED Kft.	4	0	1	5	6	0	0	6
023	MAV-Tiszavas Kft.	7	8	2	17	0	0	0	0
028	MAV Szolnoki Járőjavító Kft.	0	0	0	0	27	20	0	47
033	MAV Északi Járőjavító Kft.	63	2	22	87	0	0	0	0
034	MAV Debeceni Járőjavító Kft.	15	0	5	20	0	0	0	0
101	MAV FKG Kft.	5	0	2	7	0	0	0	0
102	MAV GEP Kft.	0	0	0	0	18	11	6	35
136	MAV Ingatlankezelő Kft.	4	0	0	4	0	0	0	0
138	MAV Informatika Kft.	0	0	0	0	12	0	0	12
139	MAV Vasútor Kft.	10	0	3	13	0	0	0	0
149	MAV Vagyongazdálkodó Zrt.	3	0	1	4	0	0	0	0
167	BILK Kombiterminál Zrt.	11	0	0	11	0	0	0	0
176	MAV Cargo Zrt.	0	0	0	0	62	147	69	278
180	MAV-START Zrt.	18	0	5	23	37	20	16	73
186	MAV-TRAKCIÓ Zrt.	0	0	0	0	0	0	0	0
187	MAV-GEPESET Zrt.	0	0	0	0	0	0	0	0
Total		223	10	68	301	751	388	308	1 448



MÁV Magyar Államvasutak Zrt

Fully consolidated entities		Total				
Code	Item	Average statistical number of staff	Payroll costs	Payments to personnel	Social security and similar	Total staff costs
100	MÁV Zrt.	34 236	82 643	13 220	28 615	124 478
001	MÁVTRANSSPED Kft.	49	234	58	87	379
023	MÁV-Tiszavas Kft.	379	721	109	253	1 083
028	MÁV Szolnoki Járműjavító. Kft.	885	1 639	197	590	2 426
033	MÁV Északi Járműjavító. Kft.	852	1 877	192	659	2 728
034	MÁV Debreceni Járműjavító Kft.	362	608	59	209	876
101	MÁV FKG Kft.	855	1 820	253	660	2 733
102	MÁVGÉP Kft.	616	1 235	106	438	1 779
136	MÁV Ingatlankezelő Kft.	1 659	2 658	412	960	4 030
138	MÁV Informatika Kft.	399	1 844	196	648	2 688
139	MÁV Vasútor Kft.	741	991	105	361	1 456
149	MÁV Vagyonkezelő Zrt.	41	235	13	79	328
167	BILK Kombiterminal Zrt.	88	268	33	94	396
176	MÁV Cargo Zrt.	3 223	8 783	1 150	3 013	12 945
180	MÁV-START Zrt.	3 473	7 348	1 195	2 531	11 074
186	MÁV-TRAKCIÓ Zrt.	0	0	0	0	0
187	MÁV-GÉPÉSZET Zrt.	0	0	0	0	0
Total		47 858	112 904	17 298	39 197	169 399



II.2.5 Financial and extraordinary profit or loss

II.2.5.1 Financial income

figures in HUF millions	
Item	2007
Dividends, profit sharing received	151
Gain on investments and long-term financial assets	469
Interest received and similar income	1 560
Of which: interest from other lending institutions	984
Cash-pool account interest	47
Profit of equity consolidated entities attributable to the Group	1 264
Other financial revenues	2 702
Of which: realised FX gain on FX balances	928
Other financial income	1 774
Total	6 146

Schedule 36: Financial income

II.2.5.2 Financial expenses

figures in HUF millions	
Item	2007
FX losses on interest paid and on long-term financial assets	19 471
Of which: bank interest	18 712
Impairment loss on shares, securities and bank deposits	153
Loss of equity consolidated entities attributable to the Group	336
Other financial expenditures	2 824
Of which: realised FX loss on FX receivables and payables	1 990
FX loss from the year-end revaluation of receivables and payables	54
Other financial expenses	515
Total:	22 784

Schedule 37: Financial expenses



II.2.5.3 Extraordinary revenues

figures in HUF millions

Item	2007
Gains on contributed assets	893
Revenues from assets received free of charge and from surplus assets	418
Other extraordinary revenues	6104
Of which: Amounts received free of charge	2 136
Forgiven debt	3 510
Subsidy	463
PHARE aid	182
Total	7 415

Schedule 38: Extraordinary revenues

II.2.5.4 Extraordinary expenditures

figures in HUF
millions

Item	2007
Losses on contributed assets	793
Expenditures on asset received free of charge and surplus assets	183
Other extraordinary expenditures	326
Of which: Repayment of assumed loans	146
Amounts transferred free of charge	68
Non-refundable employee housing grant	80
Forgiven debts (domestic)	12
Development contribution (vocational training)	3
Other	17
Total	1 302

Schedule 39: Extraordinary expenditures



II.2.6 Consolidated profit and loss

Aggregate group profit	4 730
Effect of netted off intra-group contributions in kind	- 18 169
Effect of forgiven intra-group debts	- 2 112
Dividends netted off	- 2 012
Interim profit/loss netted off	- 596
Debt consolidation difference	- 579
Minority interest	- 140
Other	- 73
Profits of associates attributable to the Group	986
Impairment loss on consolidated investments	1 740
Deferred tax	3 754
Consolidated Group loss	- 12 471

Schedule 40: Consolidated loss - details

II.2.7 Consolidated profit based on the aggregate profit and loss

figures in HUF millions

Result of aggregate Group adjustments relating the prior years:	3 858
Impairment of fully consolidated entities	2 952
Change in prior year depreciation	1 056
Change in deferred tax	324
For fully consolidated entities	0
Other	-108
Prior year adjustment of associates' profits/losses	-178
Debt consolidation difference	-239
Prior year adjustments of group profit and loss	7 665

Schedule 41: Prior year adjustments



II.3 ACTUAL ASSETS, FINANCIAL AND INCOME POSITION

II.3.1 Going concern principle

In 2007, the parent company received a capital injection of HUF 111,400 million from its owner, the Hungarian government. In addition, the group as a whole received reimbursement of cost of public services totalling HUF 160,712 million and HUF 20,468 million of consumer price compensation.

The group's ability to continue operating as a going concern depends on whether or not the owners ensure the necessary funds for continued operations (via capital injection or otherwise, e.g. based on a contract for public services). The consolidated financial statements as at 31 December 2007 were drawn up on the going concern basis assuming that the owners will make the funds necessary for continued operations available.

II.3.2 Cash flow statement 2007

I. Cash flows from ordinary activities	
1. Pre-tax profit	-15 786
2. Depreciation charge	40 556
3. Impairment loss, obsolescence, scrapping	13 158
4. Difference between provisions made and used	4 031
5. Fixed asset disposal	-4 050
6. Creditor movements	2 277
7. Changes in other current liabilities	3 289
8. Changes in accruals	-13 521
9. Debtor movements	938
10. Movements in current assets (less debtors and liquid assets)	-532
11. Changes in prepayments and accrued income	-2 426
12. Income tax paid	-299
13. Dividends paid	0
13/a Assets transferred/received free of charge	-173
13/b Prior year adjustments	6 608
13/c Adjustments arising on consolidation without actual money movement	-337
Cash flows from ordinary activities	33 733
II. Cash flows from investing activities	
14. Fixed asset additions	-58 241
15. Fixed asset disposals	6 357
15/b Movements in long-term financial assets	-1 262
15/c Movements in advance payments for capital projects	-15 712
16. Dividends received	0
Cash flows from investing activities	-68 858
III. Cash flows from financing activities	



17. Income from the issue of shares	111 600
18. Income from the issue of bonds	0
19. Loans taken	49 361
20. Loans granted	423
21. Amounts received free of charge	2 513
22. Shares withdrawn	0
23. Bonds repaid	0
24. Loans repaid	-119 545
25. Loans granted – collected	0
27. Changes in other long-term liabilities	0
26. Amounts given free of charge	0
Cash flows from financing activities	44 352
IV. Change in cash and cash equivalents	9 227
Cash and cash equivalents at the beginning of the year	24 248
Cash and cash equivalents at the end of the year	33 475
Net change in cash and cash equivalents	9 227

II.3.3 Asset ratios

II.3.3.1 Fixed asset ratio

2007:

$$\frac{\text{Fixed assets}}{\text{Total assets}} = \frac{794\,048}{921\,585} = 86.16\%$$

II.3.3.2 Tangible asset margin

2007:

$$\frac{\text{Equity}}{\text{Own tangibles}} = \frac{9.888}{398.741} = 2.48\%$$

2007:

$$\frac{\text{Equity} + \text{Treasury funds}}{\text{Tangible assets}} = \frac{9.888 + 406.766}{777.799} = 53.57\%$$



II.3.3.3 Fixed asset margin

2007:

$$\frac{\text{Equity}}{\text{Own.fixed.assets}} = \frac{9,888}{414,990} = 2.38\%$$

$$\frac{\text{Equity} + \text{Treasury.funds}}{\text{Fixed.assets}} = \frac{9,888 + 406,766}{794,048} = 52.47\%$$

II.3.3.4 Current assets per fixed assets

2007:

$$\frac{\text{Current.assets}}{\text{Fixed.assets}} = \frac{92,486}{794,048} = 11.65\%$$

II.3.4 Equity and liabilities ratios

II.3.4.1 Capitalisation ratio

2007:

$$\frac{\text{Equity}}{\text{equity \& liabilities}} = \frac{9,888}{921,585} = 1.07\%$$

2007:

$$\frac{\text{Equity}}{\text{equity \& liabs.} - \text{Treasuryfunds}} = \frac{9,888}{921,585 - 406,766} = 1.92\%$$



II.3.4.2 Gearing ratio

2007:

$$\frac{\text{Borrowed.capital}}{\text{Equity}} = \frac{798,568}{9,888} = 8,076.13\%$$

2007:

$$\frac{\text{Borrowed.capital} - \text{Treasury.fund}}{\text{Equity}} = \frac{798,568 - 406,766}{9,888} = 3,962.39\%$$

II.3.4.3 Indebtedness

2007:

$$\frac{\text{Borrowed.capital}}{\text{Total.assets}} = \frac{798.568}{921.585} = 86,65\%$$

II.3.4.4 Long-term liabilities

2007:

$$\frac{\text{Long-term.liabilities}}{\text{Long-term.liabilities} + \text{equity}} = \frac{716,764}{716,764 + 9,888} = 98.64\%$$

2007:

$$\frac{\text{Long-term.liabs.} - \text{Treasury.liabs.}}{\text{Long-term.liabs} - \text{Treasury.liabs.} + \text{Equity}} = \frac{716,764 - 406,766}{716,764 - 406,766 + 9,888} = 96.91\%$$

II.3.4.5 Equity growth ratio



2007:

$$\frac{Equity}{Issued\ capital} = \frac{9,888}{20,250} = 48.83\%$$

II.3.4.6 Fixed asset margin

2007:

$$\frac{Equity}{Fixed\ assets} = \frac{9,888}{794,048} = 1.25\%$$

2007:

$$\frac{Equity}{Ownfixedassets} = \frac{9,888}{414,990} = 2.38\%$$

II.3.4.7 Profit ratios

2007:

$$EBITDA = Operating\ profit/loss + depreciation = -5,261 + 40,556 = 35,295$$

$$EBITDA\ ratio = \frac{EBITDA}{Net\ sales} = \frac{35,295}{183,833} = 19.20\%$$

$$Operating\ ratio = \frac{Operating\ profit / loss}{Net\ sales} = \frac{-5,261}{183,833} = -2.86\%$$



II.3.5 Financial position

II.3.5.1 Working capital and liquidity

Net working capital

2007:

$$\text{Current assets} - \text{Current liabilities} = 92\,486 - 81\,525 = 10\,961$$

Liquidity ratio

2007:

$$\frac{\text{Current assets}}{\text{Current liabilities}} = \frac{92,486}{81,525} = 113.44\%$$

Quick ratio

2007:

$$\frac{\text{Current assets} - \text{Inventories}}{\text{Current liabilities}} = \frac{92,486 - 14,746}{81,525} = 95.36\%$$

Cash liquidity ratio

2007:

$$\frac{\text{Liquid assets}}{\text{Current liabilities}} = \frac{33,475}{81,525} = 41.06\%$$



II.3.6 Balance sheet and profit & loss account of MÁV Zrt. and its subsidiaries affecting previous years

II.3.6.1 MÁV Vasútör Kft.

As an item reducing the profit for 2002, HUF 26 million principal payable related to a court case lost against President Kft. has been deducted from retained earnings.

II.3.6.2 MÁVTRANSSPED Kft.

Assets and liabilities in 2006 both increased by HUF 95 million. As a result, the balance sheet total is HUF 5,396 million. Self-correction had to be done due to invoices received after the preparation of the balance sheet. The following profit and loss lines reflect changes:

- Domestic sales increased by HUF 93 million
- Export sales, net, increased by HUF 2 million
- Consignment services increased by HUF 35 million
- along with increases in the related receivables and payables

The pre-tax profit grew from HUF 155 million by HUF 59 million to HUF 214 million. The surplus corporate tax liability is HUF 10 million. As a result of self-correction, the net profit for 2006 grew by HUF 49 million. Thus, the adjusted profit for 2006 is HUF 173 million (HUF 49 million after dividends).



II.3.6.3 MÁV Cargo Zrt.

In 2007, the Company recorded invoices and accounting documents related to 2006 among retained earnings. As the effect of such items on the profit and loss is material, a set of three-column financial statements had to be drawn up as presented below:

P&L line	Amount relating to 2006
Domestic sales, net	348
Export sales, net	-397
Other income	-69
Material costs	10
Services used	225
Other services	0
(Consignment) services provided	64
Other expenses	35
Other financial revenues	-2
Other financial expenditures	1
Prior year adjustments	215

Schedule 42: MÁV Cargo Zrt. – prior year adjustments

II.3.6.4 MÁV Zrt.

According to the accounting law, the adjustments of prior year errors, if material, must be presented separately in the reporting year's financial statements. The aggregate absolute balance of adjustments that affect the loss for 2006 of MÁV Zrt. is HUF 11,699 million and is presented separately as required by our accounting policies:

Loss reducing HUF 7,875 million,

Loss increasing HUF 3,824 million.

The effects of the above items on prior year's loss have been recognised against retained loss (increasing and decreasing); the overall effect is HUF 4,051 million reduction in retained losses.

The most important items that affect prior year's loss are as follows:

- adjustment of deferred income unreleased in previous years (HUF 3,631 million loss reducing effect),
- owing to post balance sheet preparation settlements with other railway companies, prior year's export sales increased by HUF 636 million and services used increased by HUF 815 million,
- net domestic sales increased by HUF 243 million due to a finding of the Tax Authority for the period between 2003 and 2005 in relation to passenger services (ticket compensation),



- other income increased by damages received related to previous years (HUF 123 million),
- material costs in previous years reduced by the adjustment of errors stemming from the inadequate recording system and deficiencies in prior years' accounting practice (HUF 420 million),
- HUF 158 million adjustment of payments to personnel (duplicated booking entry of calculated early retirement costs),
- depreciation charge in 2007 also includes retrospective capitalisations relating to previous years totalling HUF 793 million,
- The adjustment of the innovation contribution previously recognised among other expenses improved losses by HUF 276 million.

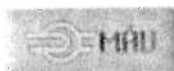


II.3.7 Research and development

MÁV Zrt. recognised research and development costs in 2007. Details of the related costs are set out in the schedule below:

Item	2006	2007	Change
R&D	359	282	-77
Of which: To be capitalised for own purposes	2	0	-2
For own purposes, expensed	276	282	6
R&D for third parties	81	0	-81
Technical development	155	207	52
Of which: Cost of technical development arrangements, design and inspections	67	105	38
Technical information, technical propaganda, production arrangement	59	56	-3
Standardisation, industrial design	28	23	-5
Tender for technical development	0	0	0
Uncapitalised and/or not used invention	0	22	22
Uncapitalised and/or used innovation	1	1	0
Uncapitalised and/or used other intellectual work	0	0	0
Total	514	489	-25

Schedule 43: Costs of research and development



III INFORMATIVE PART

III.1 Remuneration to officers of the parent company

figures in HUF millions

Item	2006	2007	Change
Board of Directors	35	49	14
Supervisory Board	33	33	0
Total	68	82	14

Schedule 44: Remuneration of officers in 2006-2007

No loan was granted or disbursed to Board and Supervisory Board members in 2007.



MÁV Magyar Államvasutak Zrt

Subsidies received

Internal code	Item	ROLA	Ticket compensation	Refunded excise tax	Project subsidy	Refunded public service costs	Subsidy to make up for lost revenue	Unforeseen damage	Turnover based refund	Other grants	Total
100	MÁV Zrt.	0	10 681	5 714	13 985	94 409	549	352	0	12	125 702
001	MÁVTRANSSPED Kft.	0	0	0	0	0	0	0	276	0	276
028	MÁV Szolnoki Járnyújtató Kft.	0	0	0	0	0	0	0	0	0	0
033	MÁV Északi Járnyújtató Kft.	0	0	0	0	0	0	0	0	13	13
102	MÁV Gép Kft.	0	0	0	0	0	0	0	0	0	0
101	MÁV FKG Kft.	0	0	0	0	0	0	0	0	0	0
023	MÁV-Tiszavas Kft.	0	0	0	0	0	0	0	0	0	0
034	MÁV Debreceni Járnyújtató Kft.	0	0	0	0	0	0	0	0	0	0
138	MÁV Informatika Kft.	0	0	0	0	0	0	0	0	438	438
136	MÁV Ingatlankezelő Kft.	0	0	0	0	0	0	0	0	0	0
139	MÁV Vasúti Kft.	0	0	0	0	0	0	0	0	0	0
167	BILK Kombiterminal Zrt.	0	0	0	0	0	0	0	0	0	0
176	MÁV Cargo Zrt.	877	0	0	0	0	0	0	0	0	877
149	MÁV Vagyongazdálkodó Zrt.	0	0	0	0	0	0	0	0	0	0
180	MÁV START Zrt.	0	9 787	0	0	66 303	502	0	0	0	76 592
187	MÁV GÉPÉSZET Zrt.	0	0	0	0	0	0	0	0	0	0
186	MÁV-TRAKCIÓ Zrt.	0	0	0	0	0	0	0	0	0	0
Total		877	20 468	5 714	13 985	160 712	1 051	352	276	463	203 898

Schedule 45: Subsidies received

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MÁV Magyar Államvasutak Zrt
Key indicators for non-inclusion in the consolidation

Appendix 1

Serial No.	Parent, subsidiaries and joint ventures		BS total		Equity		Issued capital		Net sales		Payroll costs		Pre-tax profit or loss	
	Code	Company	Value	%	Value	%	Value	%	Value	%	Value	%	Value	%
1	100	MÁV Zrt.	898 114	80,90%	20 617	15,61%	20 250	27,89%	179 088	44,16%	82 643	71,34%	1 320	24,27%
2	001	MÁVTRANSSZED Kft.	4 636	0,42%	945	0,72%	300	0,41%	16 573	4,09%	234	0,20%	259	4,76%
3	023	MÁV-Tiszavas Kft.	4 960	0,45%	1 144	0,87%	928	1,28%	5 532	1,36%	721	0,62%	18	0,33%
4	028	MÁV Szolnoki Járnyajvító Kft.	4 355	0,39%	2 458	1,86%	1 200	1,65%	16 127	3,98%	1 639	1,41%	822	15,12%
5	033	MÁV Északi Járnyajvító Kft.	5 104	0,46%	1 455	1,10%	966	1,33%	8 241	2,03%	1 877	1,62%	3	0,06%
6	034	MÁV Debreceni Járnyajvító Kft.	1 604	0,14%	489	0,37%	5	0,01%	3 297	0,81%	608	0,52%	-1	-0,02%
7	101	MÁV FKG Kft.	5 712	0,52%	822	0,62%	1 505	2,07%	9 603	2,37%	1 820	1,57%	35	0,64%
8	102	MÁV Gép Kft.	5 249	0,47%	-703	-0,53%	955	1,32%	8 178	2,02%	1 235	1,07%	488	8,97%
9	136	MÁV Ingatlankezelő Kft.	4 565	0,41%	748	0,57%	399	0,55%	10 398	2,56%	2 658	2,29%	114	2,10%
10	138	MÁV Informatika Kft.	3 939	0,35%	1 289	0,98%	800	1,10%	7 039	1,74%	1 844	1,59%	218	4,01%
11	139	MÁV Vasútor Kft.	711	0,06%	261	0,20%	215	0,30%	2 473	0,61%	991	0,86%	4	0,07%
12	167	BILK Kombiterminal Zrt.	5 153	0,46%	3 087	2,34%	2 754	3,79%	1 881	0,46%	268	0,23%	614	11,29%
13	176	MÁV Cargo Zrt.	54 814	4,94%	32 926	24,92%	29 533	40,68%	91 027	22,45%	8 783	7,58%	1 056	19,42%
14	149	MÁV Vagyonkezelő Zrt.	595	0,05%	440	0,33%	549	0,76%	566	0,14%	235	0,20%	4	0,07%
15	180	MÁV-START Zrt.	96 696	8,71%	62 651	47,43%	10 000	13,77%	34 664	8,55%	7 348	6,34%	333	6,12%
16	186	MÁV-TRAKCIÓ Zrt.	6020	0,54%	20	0,02%	20	0,03%	0	0,00%	0	0,00%	0	0,00%
17	187	MÁV-GEPESET Zrt.	92	0,01%	20	0,02%	20	0,03%	0	0,00%	0	0,00%	0	0,00%
Fully consolidated entities, total			1 102 319	99,30%	128 670	97,40%	70 399	96,97%	394 687	97,33%	112 904	97,46%	5 287	97,22%
18	005	MÁVTI Kft.	1 195**	0,11%	84**	0,06%	80	0,11%	2 749**	0,68%	610	0,53%	205	3,77%
19	015	MÁV NOSZTALGIA Kft.	349**	0,03%	48	0,04%	10	0,01%	912**	0,22%	112**	0,10%	25	0,46%
20	016	MÁV JEGYNYOMDA Kft.	257**	0,02%	89**	0,07%	61	0,08%	462	0,11%	97	0,08%	29	0,53%
21	020	MÁV VAGON Kft.	790	0,07%	290	0,22%	244	0,34%	1 541	0,38%	386	0,33%	29	0,53%



MÁV Magyar Államvasutak Zrt

Serial No.	Parent, subsidiaries and joint ventures		BS total		Equity		Issued capital		Net sales		Payroll costs		Pre-tax profit or loss	
	Code	Company	Value	%	Value	%	Value	%	Value	%	Value	%	Value	%
23	096	MÁV KERT Kft.	318	0,03%	74	0,06%	46	0,06%	603	0,15%	154	0,13%	18	0,33%
25	131	MÁV KfV Kft.	1 198	0,11%	817**	0,62%	180	0,25%	1 278	0,32%	371	0,32%	193	3,55%
26	133	MÁV KOMBITERMINÁL Kft.	1 631	0,15%	1 069	0,81%	825	1,14%	1 060	0,26%	176	0,15%	27	0,50%
27	142	MÁV MULTISZOLG Kft.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
28	144	ZAHONYI-HÓTÁV Kft.	153	0,01%	81	0,06%	87	0,12%	194	0,05%	58	0,05%	-8	-0,15%
29	170	FERIHEGY EXPRESS Kft.*	N/A	N/A	49	0,04%	81	0,11%	N/A	N/A	N/A	N/A	N/A	N/A
30	174	MÁV HOTELS Zrt.	150**	0,01%	-7**	-0,01%	20	0,03%	467	0,12%	205	0,18%	-146	-2,68%
31	179	ZAHONY-PORT Zrt.	1 298	0,12%	600	0,45%	320	0,44%	1 059	0,26%	560	0,48%	-138	-2,54%
32	181	RÁKOSRENDEZŐ PÁLYAUDVAR Kft.	9	0,00%	-32	-0,02%	20	0,03%	0	0,00%	33	0,03%	-52	-0,96%
33	182	JÓZSEFVÁROSI PÁLYAUDVAR Kft.	2	0,00%	-5	0,00%	20	0,03%	0	0,00%	19	0,02%	-25	-0,46%
34	183	PRUDENT INVEST Befektetési Alapkezelő Zrt.	135	0,01%	101	0,08%	85	0,12%	92	0,02%	38	0,03%	-63	-1,16%
35	184	KELENFÖLDI PÁLYAUDVAR Kft.	15	0,00%	13	0,01%	30	0,04%	0	0,00%	4	0,00%	-6	-0,11%
36	185	DÉLI PÁLYAUDVAR Ingatlanfejlesztési Zrt.	17	0,00%	16	0,01%	20	0,03%	0	0,00%	1	0,00%	-2	-0,04%
37	912	KOMBISZTÁR Kft.	40	0,00%	16	0,01%	4	0,01%	117	0,03%	28	0,02%	15	0,28%
38	913	MÁVTRANSSPED WIEN	24	0,00%	11	0,01%	9	0,01%	2	0,00%		0,00%	-1	-0,02%
39	914	VÁMKAPU Zrt.	221	0,02%	121	0,09%	61	0,08%	312	0,08%	85	0,07%	51	0,94%
Equity consolidated entities, total			7 802	0,70%	3 435	2,60%	2 203	3,03%	10 848	2,67%	2 937	2,54%	151	2,78%
* figure for 2006			1 110 121	100,00%	132 105	100,00%	72 602	100,00%	405 535	100,00%	115 841	100,00%	5 438	100,00%

** based on preliminary information



MÁV Magyar Államvasutak Zrt

Appendix 2

Fully consolidated entities	
100	MÁV Zrt.
001	MÁVTRANSPED Kft.
028	MÁV Szolnoki Járműjavító Kft.
033	MÁV Északi Járműjavító Kft.
102	MÁVGÉP KFT.
101	MÁV FKG KFT.
023	MÁV-Tiszavas KFT.
034	MÁV Debreceni Járműjavító Kft.
138	MÁV Informatika Kft.
136	MÁV Ingatlankezelő Kft.
139	MÁV Vasútór Kft.
167	BILK Kombiterminál Zrt.
176	MÁV Cargo Zrt.
149	MÁV Vagyonkezelő Zrt.
180	MÁV-START Zrt.
186	MÁV-TRAKCIÓ Vasúti Vontatási Zrt.
187	MÁV-GÉPÉSZET Zrt.



MÁV Magyar Államvasutak Zrt

Equity consolidated entities			
Subsidiaries		Associates	
020	MÁV VAGON Kft.	111	AGROHIMTRANSPACK Kft.
005	MÁV TI Kft.	038	EURO-METALL Kft.
016	MÁV JEGYNYOMDA Kft.	116	MÁV THERMIT Kft.
096	MÁV KERT Kft.	027	BOMBARDIER MÁV Kft.
015	MÁV NOSZTALGIA Kft.	022	MÁV VASJÁRMŰ Kft.
131	MÁV KFV Kft.	113	MÁV INTEL-TEAM Kft.
133	MÁV KOMBITERMINAL Kft.	037	VAMAV Kft.
144	ZÁHONYI-HÓTÁV Kft.	141	VIACOM Zrt.
170	FERIHEGY EXPRESSZ Kft.	142	MÁV MULTISZOLG Kft.
913	MÁV TRANSSPED WIEN	177	CARPATHIAN CARGO S.R.O.
174	MÁV HOTELS Zrt.		
914	VÁMKAPU Zrt.		
179	ZÁHONY-PORT Zrt.		
181	RÁKOSRENDEZŐ PÁLYAUDVAR Kft.		
182	JÓZSEFVÁROSI PÁLYAUDVAR Kft.		
183	PRUDENT INVEST Befektetési Alapkezelő Zrt.		
184	KELENFÖLDI PÁLYAUDVAR Kft.		
185	DÉLI PÁLYAUDVAR INGATLANFEJLESZTÉSI Zrt.		



MÁV Magyar Államvasutak Zrt

Subsidiaries			Related parties		
Subsidiaries			Associates		Other investments
006	MÁV HÍDÉPÍTŐ Kft.		916	HUNGARO RAIL Kft.	084 RESTI Zrt.
029	MÁV AUT Kft.		178	MAGYAR VASÚTI FUVARÓZÓI EGYESÜLÉS	128 EUROFIMA Zrt.
130	MÁV RAKSZER Kft.		150	EAST-RAIL Kft.	147 BCC
004	MÁV FAVÉD Kft.		161	UNIVER-TRANS Kft.	151 ZTF Kft.
008	MÁVÉPSZER Kft.		165	MÁV REC Kft.	007 AUTORAIL Kft.
013	MÁV EGRESSY GARÁZS Kft.		158	VBSZ Kft.	120 VASUTEGÉSZSÉGÜGY Kht.
031	ÉSZAK-TRANS Kft.				058 TÉKISZ Zrt.
090	MÁV LIÁN Kft.				162 BUGACI KISVASÚT Kht.
097	MÁV ÉK Kft. Szeged				169 HIT RAIL B.V.
132	MÁVSÍN Kft.				172 NORMON-TOOL Kft.
134	MÁV UTASELLÁTÓ Zrt.				171 BALATON-BORONKA Kht
145	MM CARGO Kft..				166 NGF Kht.
					060 HUNGAROKOMBI Kft.
					164 I.C.A. Gmbh.



MÁV Magyar Államvasutak Zrt

Entities under liquidation (imposed and voluntary)		
	Company	Status
004	MÁV FAVÉD Kft.	under imposed liquidation
006	MÁV HÍDEPÍTŐ Kft.	under imposed liquidation
008	MÁVÉPSZER Kft.	under imposed liquidation
013	MÁV EGRESSY GARÁZS Kft.	under voluntary liquidation
029	MÁVAUT Kft.	under voluntary liquidation
031	ÉSZAK-TRANS Kft.	under voluntary liquidation
090	MÁV LIÁN Kft.	under imposed liquidation
097	MÁV ÉK Kft. Szeged	under imposed liquidation
130	MÁV RAKSZER Kft.	under voluntary liquidation
132	MÁVSÍN Kft.	under imposed liquidation
134	MÁV UTASELLÁTÓ Zrt.	under imposed liquidation
145	MM CARGO Kft.	under imposed liquidation



MÁV Magyar Államvasutak Zrt

Appendix 3

Changes in the scope of fully consolidated entities				
Increase			Decrease	
	Company	Reason	Company	Reason
180	MÁV-START Zrt.	Reclassified from associate	006	MÁV HÍDÉPÍTŐ KFT. Reclassified to other due to liquidation
186	MÁV-TRAKCIÓ Zrt.	Newly founded		
187	MÁV-GÉPÉSZET Zrt.	Newly founded		



MÁV Magyar Államvasutak Zrt

Changes in the scope of equity consolidated entities				
Increase		Decrease		
Company	Reason	Company	Reason	
181 RÁKOSRENDEZŐ PÁLYAUDVAR Kft.	Newly founded	180 MÁV-START Zrt.	Reclassified to fully consolidated	
182 JÓZSEFVÁROSI PÁLYAUDVAR Kft.	Newly founded	029 MÁVAUT KFT.	Reclassified to other due to liquidation	
183 PRUDENT INVEST Befektetési Alapkezelő Zrt.	New acquisition	130 MÁV RAKSZER KFT.	Reclassified to other due to liquidation	
184 KELENFÖLDI PÁLYAUDVAR Kft.	Newly founded	154 KOMBIWEST KFT.	Reclassified to other due to liquidation	
185 DÉLI PÁLYAUDVAR INGATLANFEJLESZTÉSI Zrt.	Newly founded	132 LOGISZTÁR Kft.	Contributed to third party	
		152 MÁV RAKTÁR Kft.	Sold to third party	
		040 TRANSFER-R	Sold to third party	
		912 KOMBISZTÁR Kft	Sold to third party	



MÁV Magyar Államvasutak Zrt

Changes in the scope of investments				
Increase		Decrease		
Company	Reason	Company	Reason	
006 MÁV HÍDÉPÍTŐ Kft.	Reclassified from fully consolidated, under liquidation	915 LOCOMOTIVE Kft.		Sold to third party
029 MÁVAUT Kft.	Reclassified from associates, under voluntary liquidation	088 MÁV BOGLÁRKA Kft.		Liquidated
130 MÁV RAKSZER Kft.	Reclassified from associates, under voluntary liquidation	153 BVSC-ZUGLÓ FC Kft.		Liquidated
		906 TISZATRANS		Sold to third party
		909 PANNON BARTER Zrt.		Sold to third party
		160 EUROMETRO Kft.		Sold to third party
		159 MOZAIK Zrt.		Sold to third party
		903 KELENFÖLDI KONTÉNER DEPÓ		Sold to third party
		905 TSM		Sold to third party
		137 LOGISZOL Kft.		Sold to third party
		151 ZTF		Sold to third party

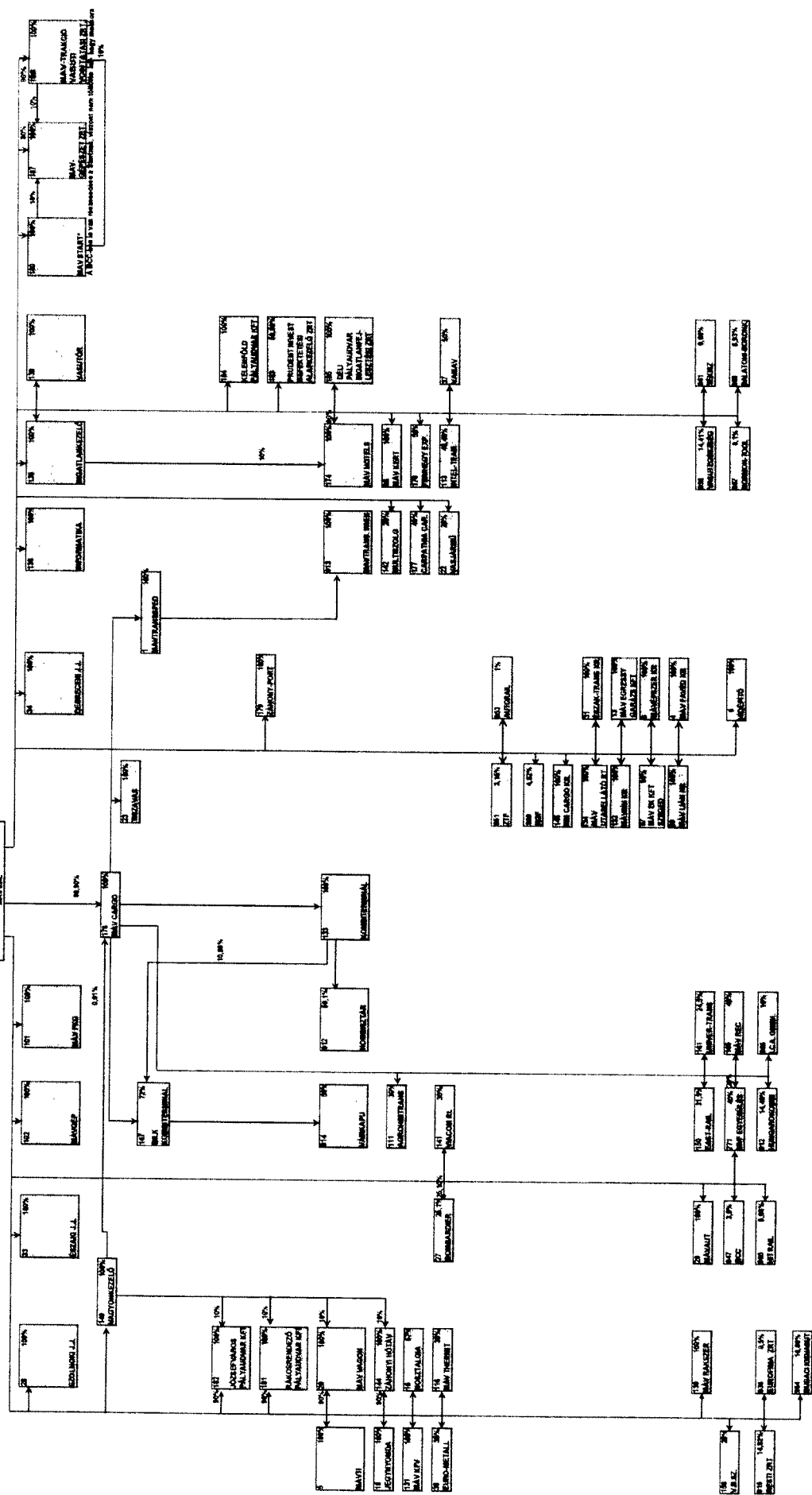


MÁV Magyar Államvasutak Zrt

Appendix 4 Chart



MÁV Magyar Államvasutak Zrt



Required level of consolidation and actual method of consolidation applied

No.	Company		Relation	Basis of relation	Required level of consolidation based on relation	Actual consolidation method applied
	Internal code	Item				
1	100	MÁV Zrt.	parent		Full	full
2	001	MÁVTRANSSPED Kft.	granddaughter	voting right	Full	full
3	028	MÁV Szolnoki Járműjavító Kft.	subsidiary	voting right	Full	full
4	033	MÁV Északi Járműjavító Kft.	subsidiary	voting right	full	full
5	102	MÁV Gép Kft.	subsidiary	voting right	full	full
6	101	MÁV FKG Kft.	subsidiary	voting right	full	full
7	023	MÁV-Tiszavas Kft.	granddaughter	voting right	full	full
8	034	MÁV Debreceni Járműjavító Kft.	subsidiary	voting right	full	full
9	138	MÁV Informatika Kft.	subsidiary	voting right	full	full
10	136	MÁV Ingatlankezelő Kft.	subsidiary	voting right	full	full
11	139	MÁV Vasútor Kft.	subsidiary	voting right	full	full
12	167	BILK Kombiterminál Zrt.	granddaughter	voting right	full	full
13	176	MÁV Cargo Zrt.	subsidiary	voting right	full	full
14	149	MÁV Vagyonkezelő Zrt.	subsidiary	voting right	full	full
15	180	MÁV-START Zrt.	subsidiary	voting right	full	full
16	186	MÁV-TRAKCIÓ Zrt.	subsidiary	voting right	full	full
17	187	MÁV-GÉPÉSZET ZRT.	subsidiary	voting right	full	full
18	020	MÁV VAGON Kft.	subsidiary	voting right	full	equity
19	005	MÁV TI Kft.	subsidiary	voting right	full	equity
20	016	MÁV JEGYNYOMDA Kft.	subsidiary	voting right	full	equity
21	096	MÁV KERT Kft.	subsidiary	voting right	full	equity
22	015	MÁV NOSZTALGIA Kft.	subsidiary	voting right	full	equity
23	131	MÁV KfV Kft.	subsidiary	voting right	full	equity
24	133	MÁV KOMBITERMINÁL Kft.	granddaughter	voting right	full	equity
25	144	ZÁHONY HÓTÁV Kft.	subsidiary	voting right	full	equity
26	170	FERIHEGY EXPRESS Kft.	subsidiary	voting right	full	equity

MÁV Magyar Államvasutak Zrt

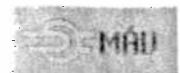
No.	Company		Relation	Basis of relation	Required level of consolidation based on relation	Actual consolidation method applied
	Internal code	Item				
27	913	MÁV TRANSPED WIEN	granddaughter	voting right	full	equity
28	174	MÁV HOTELS Zrt.	subsidiary	voting right	full	equity
29	914	VÁMKAPU Zrt.	granddaughter	voting right	full	equity
31	179	ZÁHONY-PORT Zrt.	subsidiary	voting right	full	equity
32	181	RAKOSRENDEZŐ PÁLYAUDVAR Kft.	subsidiary	voting right	full	equity
33	182	JÓZSEFVÁROSI PÁLYAUDVAR Kft.	subsidiary	voting right	full	equity
34	183	PRUDENT INVEST Befektetési Alapkezelő Zrt.	subsidiary	voting right	full	equity
35	184	KELENFÖLDI PÁLYAUDVAR Kft.	subsidiary	voting right	full	equity
36	185	DÉLI PÁLYAUDVAR Ingatlanfejlesztési Zrt.	subsidiary	voting right	full	equity
37	111	AGROCHIMTRANSPACK Kft.	associate	voting right	equity	equity
38	038	EURO-METALL Kft.	associate	voting right	equity	equity
39	116	MÁV THERMIT Kft.	associate	voting right	equity	equity
41	027	BOMBARDIER MÁV Kft.	associate	voting right	equity	equity
42	022	MÁV VASJÁRMŰ Kft.	associate	voting right	equity	equity
43	113	MÁV INTEL-TEAM Kft.	associate	voting right	equity	equity
44	037	VAMAV Kft.	associate	voting right	equity	equity
45	141	VIACOM Zrt.	associate	voting right	equity	equity
46	142	MÁV MULTISZOLG Kft.	associate	voting right	equity	equity
47	177	CARPATIA CARGÓ S.R.O.	associate	voting right	equity	equity
49	150	EAST-RAIL Kft.	associate	voting right	equity	only the investment
51	161	UNIVERTRANS Kft.	associate	voting right	equity	only the investment
52	165	MÁV REC	associate	voting right	equity	only the investment
53	158	VBSZ Kft.	associate	voting right	equity	only the investment
54	916	HUNGARO RAIL Kft.	associate	voting right	equity	only the investment
55	006	MÁV HIDÉPÍTŐ Kft.	subsidiary	voting right	full	only the investment
56	029	MÁVAUT Kft.	subsidiary	voting right	full	only the investment
57	130	MÁV RAKSZER Kft.	subsidiary	voting right	full	only the investment
58	004	MÁV FAVÉD Kft.	subsidiary	voting right	full	only the investment



MÁV Magyar Államvasutak Zrt

No.	Company		Relation	Basis of relation	Required level of consolidation based on relation	Actual consolidation method applied
	Internal code	Item				
59	008	MÁVÉPSZER Kft.	subsidiary	voting right	full	only the investment
60	013	MÁV EGRESSY GARÁZS Kft.	subsidiary	voting right	full	only the investment
61	031	ÉSZAK-TRANS Kft.	subsidiary	voting right	full	only the investment
62	090	MÁV LIÁN Kft.	subsidiary	voting right	full	only the investment
63	097	MÁV ÉK Kft. Szeged	subsidiary	voting right	full	only the investment
64	132	MÁVSÍN Kft.	subsidiary	voting right	full	only the investment
65	134	MÁV Utasellátó Zrt.	subsidiary	voting right	full	only the investment
66	145	MM CARGO Kft.	subsidiary	voting right	full	only the investment
69	178	MAGYAR VASÚTI FUVARÓZÓI EGYESÜLÉS	associate	voting right	equity	only the investment
70	060	HUNGAROKOMBI Kft.	other related party	voting right	only the investment	only the investment
71	084	RESTI Zrt.	other related party	voting right	only the investment	only the investment
72	128	EUROFIMA Zrt.	other related party	voting right	only the investment	only the investment
73	147	BCC	other related party	voting right	only the investment	only the investment
74	151	ZTF Kft.	other related party	voting right	only the investment	only the investment
75	07	AUTORAIL Kft.	other related party	voting right	only the investment	only the investment
76	120	VASUTEGÉSZSÉGÜGY Kft.	other related party	voting right	only the investment	only the investment
77	058	TÉKISZ Zrt.	other related party	voting right	only the investment	only the investment
78	162	BUGACI KISVASÚT KHT.	other related party	voting right	only the investment	only the investment
79	169	HIT RAIL B.V.	other related party	voting right	only the investment	only the investment
80	164	I.C.A AUSTRIA Gmbh.	Grandaughter	voting right	only the investment	only the investment
81	172	NORMON-TOOL Kft..	other related party	voting right	only the investment	only the investment
82	171	BALATON-BORONKA KHT.	other related party	voting right	only the investment	only the investment
83	166	NGF Kft.	other related party	voting right	only the investment	only the investment

Figures in MHUF			Consolidation postings																				Appendix. 6.			
No.	Item		Aggregate BS figures for 2007		Equity consolidation						Debt consolidation				Consolidated gains and expenses				Interim profit net-offs		Start assets		Consolidated FS for 2007			
A			Prior year adjustments	Reporting year	Prior year consolidation postings	Affecting prior year's consolidated profit/loss	Affecting prior year's profit/loss	Net off investment Dt	Net off investment Cr	Equity method Dt	Equity method Cr	Prior year affecting Dt	Prior year affecting Cr	Dt	Cr	Prior year Dt	Prior year Cr	Dt	Cr	Dt	Cr	Dt	Cr	Prior year adjustments	Consolidated FS	
01.	A	FIXED ASSETS	-663	905 979	-40 651	1 806	178	2 340	68 752	1 112	775	0	0	0	581	0	0	1 538	3 727	1 732	95	30 938	36 646	965	794 048	
02.	I.	INTANGIBLE ASSETS	-376	6 064	-13	0	0	0	0	0	0	0	0	0	0	0	0	0	474	1	6	0	0	-376	5 571	
03.		Capitalised foundation/restructuring	0	16	0									0	0	0	0	0	0	0	0	0	0	0	16	
04.		Capitalised research and development	0	149	-6									0	0	0	0	0	0	0	0	0	0	0	143	
05.		Concessions, licenses and similar rights	-5	2 254	0									0	0	0	0	0	0	0	0	0	0	-5	2 254	
06.		Trade-marks, patents and similar assets	-371	3 644	-7									0	0	0	0	0	0	0	0	0	0	-371	3 158	
07.		Goodwill	0	0	0									0	0	0	0	0	474	1	6	0	0	-371	3 158	
08.		Advance payments for intangible assets	0	0	0									0	0	0	0	0	0	0	0	0	0	0	0	
09.		Adjusted value of intangible assets	0	0	0									0	0	0	0	0	0	0	0	0	0	0	0	
10.	II.	TANGIBLE ASSETS	-297	791 783	-7 443	1 056	0	0	1 320	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
11.		Land and buildings and related property rights	-69	430 649	-1 693							0	0	0	581	0	0	1 538	3 207	1 695	13	30 938	36 646	759	777 799	
12.		Plant, machinery, equipment and vehicles	-228	292 739	-4 371	1 056			1 056					0	0	0	0	406	0	434	13	0	0	-69	429 782	
13.		Other equipment, fixtures and fittings, vehicles	0	959	0									0	0	0	0	0	3 203	1 221	0	30 938	35 930	828	281 394	
14.		Breeding stock	0	0	0									0	0	0	0	0	0	40	0	0	0	0	999	
15.		Assets in the course of construction	0	49 893	-1 379									0	0	0	0	0	0	0	0	0	0	0	0	
16.		Prepayments for capital expenditures	0	17 279	0									0	0	0	0	1 132	4	0	0	0	717	0	48 926	
17.		Adjusted value of tangible assets	0	264	0				264					0	581	0	0	0	0	0	0	0	0	0	16 698	
18.	III.	LONG TERM FINANCIAL ASSETS	10	108 132	-33 195	750	178	2 356	67 457	1 112	775	0	0	0	0	0	0	0	0	47	36	76	0	0	582	10 678
19.		Long-term participations in related parties	0	104 642	-33 215	750	178	2 351	67 412	1 112	775			0	0	0	0	0	47	0	76	0	0	572	7 151	
20.		Long-term loans granted to related parties	0	8	0									0	0	0	0	0	0	0	0	0	0	0	8	
21.		Other long-term investments	0	1 439	0			5						0	0	0	0	0	0	36	0	0	0	0	1 533	
22.		Long-term loans granted to other investments	0	2	0									0	0	0	0	0	0	0	0	0	0	0	2	
23.		Other long-term loans granted	10	2 042	0				5					0	0	0	0	0	0	0	0	0	0	10	1 984	
24.		Long-term debt securities	0	0	0									0	0	0	0	0	0	0	0	0	0	0	0	
25.		Adjusted value of financial investments	0	0	0									0	0	0	0	0	0	0	0	0	0	0	0	
26.		Goodwill arising on consolidation	0	0	20	0	0	0	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
27.		From subsidiaries	0	0	20				20					0	0	0	0	0	0	0	0	0	0	0	0	
28.		From associates	0	0	0									0	0	0	0	0	0	0	0	0	0	0	0	
29.	B	CURRENT ASSETS	1 001	157 666	1 150	324	0	0	6 000	0	0	833	0	270	65 153	1 369	0	0	1 732	0	0	0	0	3 527	92 486	
30.	I.	INVENTORIES	0	14 902	-22	0	0	0	0	0	0	0	0	0	13	0	0	0	121	0	0	0	0	0	14 746	
31.		Materials	-195	11 717	0									0	0	0	0	0	108	0	0	0	0	-195	11 609	
32.		Work in progress and semi-finished products	0	2 304	0									0	0	0	0	0	0	0	0	0	0	0	2 304	
33.		Animals for breeding, fattening and other livestock	0	0	0									0	0	0	0	0	0	0	0	0	0	0	0	
34.		Finished products	195	320	0									0	0	0	0	0	0	0	0	0	0	195	320	
35.		Goods	0	497	-22									0	0	0	0	0	0	0	0	0	0	0	475	
36.		Advance payments for inventories	0	64	0									0	0	0	0	0	0	0	0	0	0	0	475	
37.	II.	RECEIVABLES	954	108 819	1 172	324	0	0	6 000	0	0	833	0	270	65 140	1 369	0	0	1 611	0	0	0	0	3 480	43 795	
38.		Trade debtors	894	18 259	0			1						0	0	0	0	0	0	0	0	0	0	894	18 260	
39.		Receivables from related parties	278	73 360	0				6 000			833		270	65 114	1 369	0	0	1 369	0	0	0	0	2 480	3 349	
40.		Receivables from other investments	-3	43	0									0	0	0	0	0	0	0	0	0	0	-3	43	
41.		Bills of exchange receivables	0	0	0									0	0	0	0	0	0	0	0	0	0	0	0	
42.		Other receivables	-215	17 157	0			4						0	26	0	0	0	242	0	0	0	0	-215	16 893	
43.		(Calculated) corporate tax difference arising on consolidation	0	0	1 172	324								0	0	0	0	0	0	0	3 754	0	324	5 250		
44.	III.	SECURITIES	0	470	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	470	
45.		Quotas held in related parties	0	0	0									0	0	0	0	0	0	0	0	0	0	0	0	
46.		Other participations	0	0	0									0	0	0	0	0	0	0	0	0	0	0	0	
47.		Treasury shares and own quota	0	0	0									0	0	0	0	0	0	0	0	0	0	0	0	
48.		Marketable debt securities	0	470	0									0	0	0	0	0	0	0	0	0	0	0	0	
49.	IV.	LIQUID ASSETS	47	33 475	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47	33 475	
50.		Cash, cheques	-1	86	0									0	0	0	0	0	0	0	0	0	0	-1	86	
51.		Bank deposits	48	33 389	0									0	0	0	0	0	0	0	0	0	0	0	0	
52.	C	PREPAYMENTS AND ACCRUED INCOME	91	38 631	0	0	0	0	0	0	0	0	0	0	3 580	0	0	0	0	0	0	0	0	92	35 051	
53.		Accrued income	91	19 170	0									0	3 548	0	0	0	0	0	0	0	0	92	15 622	
54.		Prepaid expenses	0	17 397	0									0	32	0	0	0	0	0	0	0	0	0	17 365	
55.		Deferred expenses	0	2 064	0									0	0	0	0	0	0	0	0	0	0	0	0	
56.		TOTAL ASSETS	429	1 102 276	-39 3																					



MÁV Magyar Államvasutak Zrt

MÁV Magyar Államvasutak Zrt																									Appendix 6.			
Figures in MHUF					Consolidation postings																				Consolidated FS for 2007			
No.			Item		Aggregate BS figures for 2007		Equity consolidation						Debt consolidation				Consolidated gains and expenses				Interim profit net-offs		Start assets		Consolidated FS for 2007			
A					Prior year adjustments	Reporting year	Prior year consolidation postings	Affecting prior year's consolidated profit/loss	Affecting prior year's profit/loss	Net off investment Dt	Net off investment Cr	Equity method Dt	Equity method Cr	Prior year affecting Dt	Prior year affecting Cr	Dt	Cr	Prior year Dt	Prior year Cr	Dt	Cr	Dt	Cr	Dt	Cr	Prior year adjustments	Consolidated FS	
					0	70 398	-40 643			10 408	903					0	0	0	0	0	0	0	0	0	0	0	20 250	
58.	I.	ISSUED CAPITAL														0	0	0	0	0	0	0	0	0	0	0		
59.		of line 54: treasury shares redeemed at face value														0	0	0	0	0	0	0	0	0	0	0		
60.	II.	ISSUED CAPITAL NOT PAID														0	0	0	0	0	0	0	0	0	0	46 785		
61.	III.	CAPITAL RESERVE								55 748						0	0	0	0	0	0	0	0	0	0	0	-61 530	
62.	IV.	RETAINED EARNINGS								1 906	571					0	0	0	0	0	0	0	0	0	0	0	13 892	
63.	V.	ALLOCATED RESERVE								80	620					0	0	0	0	0	0	0	0	0	0	0	0	
64.	VI.	REVALUATION RESERVE								264						0	0	0	0	0	0	0	0	0	0	0	0	
65.	VII.	PROFIT FOR THE PERIOD		3 858	4 730	-337	286	2 130	3 695	3 383	1 140	1 476	0	833	743	316	239	1 369	215 687	212 002	0	1 638	152 089	137 674	7 665	-12 471		
66.	VIII.	CHANGE IN THE EQUITY OF SUBSIDIARY		0	0	-382			1 556	580						0	0	0	0	0	0	0	0	0	0	0	155	
67.	IX.	CHANGES DUE TO CONSOLIDATION		0	0	-1 457	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	80	
68.		Debt consolidation difference		0	0	266				-186						0	0	0	0	0	0	0	0	0	0	0	75	
		Interim profit or loss difference		0	0	-5 273				5 348						0	0	0	0	0	0	0	0	0	0	0	0	
		Impairment loss of goodwill on consolidation		0	0	0										0	0	0	0	0	0	0	0	0	0	0	3 254	
		Valuation of investments in associates		0	0	3 532					278					0	0	0	0	0	0	0	0	0	0	0	0	
69.		Deferred tax		0	0	18					18					0	0	0	0	0	0	0	0	0	0	0	911	
70.	X.	THIRD PARTY INVESTMENTS		0	0	771			0	140						0	0	0	0	0	0	0	0	0	0	0	30 685	
71.	E	PROVISIONS		0	30 841	-156	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	22 058	
72.	1.	Provisions for contingent liabilities		0	22 214	-156										0	0	0	0	0	0	0	0	0	0	0	7 454	
73.	2.	Provisions for future commitments		0	7 454	0										0	0	0	0	0	0	0	0	0	0	0	1 173	
74.	3.	Other provisions		0	1 173	0										0	0	0	0	0	0	0	0	0	0	0	1 153	
75.	F	LIABILITIES		806	862 371	290	0	108	13 406	366	0	7 718	0	0	58 204	0	0	239	1 608	1 369	0	0	0	0	0	0	279	
76.	I.	SUBORDINATED DEBT		0	0	290	0	0	11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
77.		Subordinated debt towards related party		0	0	0										0	0	0	0	0	0	0	0	0	0	0	0	
78.		Subordinated debt towards other investments		0	0	0										0	0	0	0	0	0	0	0	0	0	0	0	
79.		Subordinated debt towards third parties		0	0	0										0	0	0	0	0	0	0	0	0	0	0	0	
80.		Amounts owed to founders		0	0	0										0	0	0	0	0	0	0	0	0	0	0	0	
81.		Other long-term liabilities		0	0	0										0	0	0	0	0	0	0	0	0	0	0	279	
82.		Negative goodwill on the consolidation of subsidiaries		0	0	290			11							0	0	0	0	0	0	0	0	0	0	0	-2	
83.	II.	LONG-TERM LIABILITIES		-2	723 065	0	0	0	6 000	366	0	7 718	0	0	8 384	0	0	0	0	0	0	0	0	0	0	0	716 765	
84.		Long-term borrowings		0	55	0										0	0	0	0	0	0	0	0	0	0	0	55	
85.		Convertible bonds		0	0	0										0	0	0	0	0	0	0	0	0	0	0	0	
86.		Debts from the issue of bonds		0	0	0										0	0	0	0	0	0	0	0	0	0	0	122 328	
87.		Investment and development loans		0	122 328	0										0	0	0	0	0	0	0	0	0	0	0	121 528	
88.		Other long-term loans		0	121 528	0										0	0	0	0	0	0	0	0	0	0	0	64 600	
89.		Long-term debts to related parties		0	70 900	0			6 000	366		7 718			8 384	0	0	0	0	0	0	0	0	0	0	0	0	
90.		Long-term debts to other investments		0	0	0										0	0	0	0	0	0	0	0	0	0	-2	408 253	
		Other long-term liabilities		-2	408 253	0										0	0	0	0	0	0	0	0	0	0	0	0	
		Corporate tax payable due to consolidation		0	0	0										0	0	0	0	0	0	0	0	0	0	1 155	81 525	
	III.	CURRENT LIABILITIES		808	139 307	0	0	108	7 395	0	1	0	0	0	0	49 820	0	0	239	1 608	1 369	0	0	0	0	0	0	188
91.		Short-term borrowings		0	188	0										0	0	0	0	0	0	0	0	0	0	0	0	
92.		Of line 81: convertible bonds		0	0	0										0	0	0	0	0	0	0	0	0	0	0	11 087	
93.		Short-term loans		0	11 761	0					674					0	0	0	0	0	0	0	0	0	0	0	2 941	
94.		Prepayments received from debtors		0	2 941	0										0	0	0	0	0	0	0	0	0	0	570	40 336	
95.		Creditors		570	43 292	0						1				2 955	0	0	0	0	0	0	0	0	0	0	3 009	
96.		Bills of exchange payable		0	3 009	0										0	0	0	0	0	0	0	0	0	0	37	2 291	
97.		Short-term debts to related parties		37	56 809	0				7 976						46 542	0	0	0	1 369	1 369	0	0	0	0	0	2	1 045
98.		Short-term debts to other investment		2	1 045	0										0	0	0	0	0	0	0	0	0	0	545	20 628	
99.		Other current liabilities		198	20 262	0			108	-581						323	0	0	239	239	0	0	0	0	0	0	4	82 444
100.	G	Accrued expenses and deferred income		-4 235	80 395	0	0	0	0	0	0	0	0	0	0	10 412	0	0	0	0	0	0	0	1 479	13 940	-4 235	82 444	
101.		Deferred income		-231	13 174	0										1	0	0	0	0	0	0	0	0	0	-231	13 173	
102.		Accrued expenses		-373	21 925	0										10 411	0	0	0	0	0	0	0	0	0	-373	11 514	
103.		Deferred extraordinary revenues and negative goodwill		-3 631	45 296	0										0	0	0	0	0	0	0	0	0	0	0	921 585	
104.																												

Figures in MHUF																								
No.	Item	Aggregate BS figures for 2007		Equity consolidation							Debt consolidation				Consolidated gains and expenses				Interim profit net-offs		Start assets		Appendix. 6.	
A		Prior year adjustments	Reporting year	Prior year consolidation postings	Affecting prior year's consolidated profit/loss	Affecting prior year's profit/loss	Net off investment Dt	Net off investment Cr	Equity method Dt	Equity method Cr	Prior year affecting Dt	Prior year affecting Cr	Dt	Cr	Prior year Dt	Prior year Cr	Dt	Cr	Dt	Cr	Dt	Cr	Prior year adjustments	Consolidated FS
II.	CAPITALISED SELF OUTPUT	0	3 585	0	0	0	0	0	0	0	0	0	0	0	0	0	0	22 726	0	0	0	0	0	26 311
III.	OTHER REVENUES	204	193389	-31			1			0			97	0	0	0	2410	0	0	0	1490	0	204	189 360
	Of which: reversed impairment loss	0	63	0									0	0	0	0	0	0	0	0	0	0	0	63
III/A.	DIFFERENCE ARISING ON CONSOLIDATION DUE TO	0	0	5									0	0	0	0	0	0	0	0	0	0	0	5
	DEBT CONSOLIDATION (PROFIT INCREASING)	0	0	0									0	0	0	0	0	0	0	0	0	0	0	0
05.	Materials	-285	68888	0									0	0	0	0	632	0	0	0	0	0	-285	68 256
06.	Services used	799	213799	0									0	46	239	0	0	161576	0	0	0	0	1 038	52 177
07.	Other services	79	2358	0									0	0	0	0	0	148	0	0	0	0	79	2 210
08.	Cost of goods sold	0	6869	0									0	0	0	0	419	6816	0	0	0	0	0	472
09.	Cost of consignment services	101	42928	0									0	0	0	0	0	16157	0	0	0	0	101	26 771
	Intra-group costs recognised	0	0	0									0	0	0	0	0	0	0	0	0	0	0	0
IV.	MATERIAL TYPE EXPENDITURES	694	334 842	0	0	0	0	0	0	0	0	0	46	239	0	419	185 329	0	0	0	0	933	149 885	
10.	Payroll	0	112 904	0									0	0	0	0	0	0	0	0	0	0	0	112 904
11.	Other payments to personnel	-1	17 298	0									0	0	0	0	0	0	0	0	0	0	-1	17 298
12.	Social security	184	39 197	0									0	0	0	0	0	0	0	0	0	0	184	39 197
V.	PAYMENTS TO PERSONNEL	183	169 399	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	183	169 399
VI.	DEPRECIATION CHARGE	793	42 305	0		1 056	20						0	0	0	0	0	0	1 204	0	566	-263	40 556	
VII.	OTHER EXPENDITURES	-130	44 175	0	108		2	19	36			833	0	270	0	1 369	0	3 606	0	0	5 856	1 231	-2 224	44 943
	Of which: impairment	-96	2 016	0								0	0	0	0	0	0	0	0	0	0	-96	2 016	
VII/A.	DIFFERENCE ARISING ON CONSOLIDATION DUE TO	0	0	-13									0	0	0	0	0	0	0	0	0	0	0	-13
	DEBT CONSOLIDATION (PROFIT REDUCING)		0	0									0	0	0	0	0	0	0	0	0	0	0	0
A	OPERATING PROFIT /LOSS	-234	939	-5	108	1 056	23	19	36	0	0	833	97	316	239	1 369	213 690	211 661	0	1 204	7 346	1 797	2 677	-5 261
13.	Dividends received	86	2 409	0	92		1 379		613				266	0	0	0	0	0	0	0	0	0	-6	151
	Of which: from related parties	86	2 376	0									0	0	0	0	0	0	0	0	0	0	86	2 376
13/a.	Dividends received from associates	37	0	0									0	0	0	0	0	0	0	0	0	0	37	0
13/b.	Dividends received from other investments	0	0	0									0	0	0	0	0	0	0	0	0	0	0	0
14.	Foreign exchange gain on disposal of investments	0	68	0			3	11					0	0	0	0	47	0	0	0	0	0	0	29
	Of which: from related parties	0	49	0									0	0	0	0	0	0	0	0	0	0	0	49
15.	Interest and foreign exchange gain on financial investments (TE profit technical account)	0	0	0				443					0	0	0	0	6	0	0	0	68 703	68 706	0	440
	Of which: from related parties	0	0	0									0	0	0	0	0	0	0	0	0	0	0	0
16.	Other interest received and similar income	115	1 657	0									0	0	0	0	97	0	0	0	0	0	115	1 560
	Of which: from related parties	63	30	0			1						0	0	0	0	0	0	0	0	0	63	31	
17.	Other financial income	14	2 504	0						1 476			0	0	0	0	14	0	0	0	0	0	14	3 966
VIII.	FINANCIAL REVENUES	252	6 638	0	92	0	1 382	454	613	1 476	0	0	266	0	0	0	164	0	0	68 703	68 706	160	6 146	
18.	Foreign exchange loss of financial investments	0	0	0			440						0	0	0	0	6	0	434	0	0	0	0	0
	Of which: to related parties	0	0	0									0	0	0	0	0	0	0	0	0	0	0	0
19.	Interest payable and similar charges	16	19 560	0									0	0	0	0	0	89	0	0	0	0	16	19 471
	Of which: to related parties	0	118	0									0	0	0	0	0	0	0	0	0	0	0	118
20.	Impairment loss on shares, securities, bank deposits	0	1 623	0				1 470					0	0	0	0	0	0	0	0	0	0	0	153
21.	Other financial expenditures	14	2 907	0	86	750	500	723	490				0	0	0	0	14	0	0	0	0	-650	3 160	
IX.	FINANCIAL EXPENDITURES	30	24 090	0	86	750	940	2 193	490	0	0	0	0	0	0	0	109	0	434	0	0	-634	22 784	
B	FINANCIAL PROFIT/LOSS	222	-17 452	0	178	750	2 322	2 647	1 103	1 476	0	0	266	0	0	0	164	109	0	434	68 703	68 706	793	-16 638
C	PROFIT/LOSS FROM ORDINARY ACTIVITIES	-12	-16 513	-5	286	1 806	2 345	2 666	1 139	1 476	0	833	363	316	239	1 369	213 854	211 770	0	1 638	76 049	70 503	3 470	-21 899
X.	EXTRAORDINARY REVENUES	3 882	85 731	-332			1 210						380	0	0	0	1 833	0	0	0	76 040	1 479	3 882	7 415
XI.	EXTRAORDINARY EXPENDITURES	1	63 930	0				459					0	0	0	0	0	232	0	0	0	61 938	1	1 302
D	EXTRAORDINARY PROFIT/LOSS	3 881	21 801	-332	0	0	1 210	459	0	0	0	0	380	0	0	0	1 833	232	0	0	76 040	63 417	3 881	6 113
E	PRE-TAX PROFIT/LOSS	3 869	5 288	-337	286	1 806	3 555	3 125	1 139	1 476	0	833	743	316	239	1 369	215 687	212 002	0	1 638	152 089	133 920	7 351	-15 786
XII.	TAX LIABILITY	10	300	0					1				0	0	0	0	0	0	0	0	0	0	10	299
XII/A.	(CALCULATED) CORPORATE TAX DIFFERENCE ARISING ON CONSOLIDATION	0	0	0		324							0	0	0	0	0	0	0	0	0	-324	-3 754	
F	PROFIT/LOSS AFTER TAX	3 859	4 988	-337	286	2 130	3 555	3 125	1 140	1 476	0	833	743	316	239	1 369	215 687	212 002	0	1 638	152 089	137 674	51	-12 331
	Minority interest	0	0	0			140						0	0	0	0	0	0	0	0	0	0	0	140
	Dividends, profit sharing paid from retained earnings	0	0	0									0	0	0	0	0	0	0	0	0	0	0	0
22.	Dividends, profit sharing paid (approved)	0	258	0			258						0	0	0	0	0	0	0	0	0	0	0	0
G	PROFIT/LOSS FOR THE YEAR	3 859	4 730	-337	286	2 130	3 695	3 383	1 140	1 476	0	833	743	316	239	1 369	215 687	212 002	0	1 638	152 089	137 674	7 665	-12 471