APPENDIX 4E

Preliminary Final Report

Name of entity: **Macquarie Atlas Roads ("MQA")**

1. Details of the reporting period

Current Period: 1 January 2012 - 31 December 2012

Previous Corresponding Period: 1 January 2011 - 31 December 2011

2. Results for announcement to the market

				$A'000
2.1 Revenue from continuing activities	Up	1.7%	to	93,384
2.2 Loss from continuing operations after tax for the year	Down (Reduction in loss)	(57.0%)	to	(124,435)
Loss after tax for the year	Down (Reduction in loss)	(57.0%)	to	(124,435)
2.3 Loss for the period attributable to MQA stapled security holders	Down (Reduction in loss)	(57.0%)	to	(124,435)

MQA's statutory loss from continuing activities after tax for the year to 31 December 2012 of $124.4 million (2011: $289.5 million) includes MQA's share of net losses of investments accounted for using the equity method of $40.6 million (2011: $90.3 million). These results include fair value losses on interest rate swaps of $27.0 million (2011: $70.1 million). The majority of the fair value gains/losses on interest rate swaps are taken through reserves (accounted for as effective hedges) at the non-controlled asset level. Derivative instruments are recorded at fair value which can result in significant volatility in a given period as market expectations of interest rates fluctuate.

MQA consolidates the wholly owned M6 Toll's assets and non-recourse liabilities, income and expense items into in its statutory financial statements. MQA's balance sheet shows a net liability position of $980.6 million (2011: $821.3 million) as at 31 December 2012. This is primarily driven by M6 Toll related balances: its non-recourse liabilities of $2.5 billion (2011: $2.4 billion) exceed the depreciated carrying value of its toll road related assets of $0.8 billion (2011: $0.8 billion).

Neither the statutory loss for the year, nor the net liability position reflect any MQA fund level solvency issues.

The results from continuing activities after tax for the period represent MQA's statutory result. MQA also separately provides supplementary information including its proportionate results from its portfolio of toll road assets. On a like for like basis, proportionate revenue increased by 1.9% to $683.6 million, proportionate EBITDA increased by 2.9% to $503.9 million and proportionate earnings from road assets decreased by 7.6% to $180.5 million. Proportionate earnings information represents the aggregation of the financial results of MQA's assets in proportion to its beneficial ownership interests. For a reconciliation of the statutory result to the proportionate result please refer to MQA's Management Information Report.

2.4 Dividends (distributions)	Amount per security	Franked amount per security
Current Period:		
Final dividend /distribution	Nil	Nil
Interim dividend / distribution	Nil	Nil
Previous Corresponding Period:		
Final dividend /distribution	Nil	Nil
Interim dividend / distribution	Nil	Nil

2.5 Record date for determining entitlements to the dividend / distribution	N/A

2.6 *Provide a brief explanation of any of the figures reported above necessary to enable the figures to be understood:*

The result of MQA for the year ended 31 December 2012 was a loss from continuing activities after tax of $124.4 million (2011: $289.5 million) which was attributable to MQA stapled security holders. The decrease in the loss for the period reflects the following significant movements:

- Other operating costs of $88.6 million (2011: $206.7 million) have decreased due to no new performance fees being incurred during the year ended 31 December 2012. For the year ended 31 December 2011, total performance fees of $50.1 million (excluding GST) were determined and recognised by MQA. Also, a provision for impairment on non-controlled investments of $67.4 million was created in the previous year. No such provision has been recognised in the current year.
- Share of net losses of investments accounted for using the equity method have decreased to $40.6 million (2011: $90.3 million). MQA's share of net losses comprises the following: Autoroutes Paris-Rhine-Rhône ("APRR") loss of $26.0 million (2011: loss of $21.6 million), Dulles Greenway loss of $14.6 million (2011: loss of $18.2 million), Chicago Skyway loss of $nil (2011: loss of $50.5 million).

The decrease in the share of net losses of investments accounted for using the equity method is primarily due to the following:

- The results include fair value losses on interest rate swaps of $27.0 million for the year ended 31 December 2012 compared to fair value losses of $70.1 million in the year ended 31 December 2011. The majority of the fair value gains/losses on interest rate swaps are taken through reserves (accounted for as effective hedges) at the non-controlled asset level. Derivative instruments are recorded at fair value which can result in significant volatility in a given period as market expectations of interest rates fluctuate.
- No further losses have been brought to account with regard to Chicago Skyway (2011: loss of $50.5 million) because the carrying value of this asset has been reduced to nil.

For further explanation of the results please refer to the accompanying announcement, including the Financial Report for the year ended 31 December 2012.

3. Statement of Comprehensive Income with notes

Refer to attached financial statements.

4. Statement of Financial Position with notes

Refer to attached financial statements.

5. Statement of Cash Flows with notes

Refer to attached financial statements.

6. Statement of retained earnings showing movements

Refer to attached financial statements (Note 19: Accumulated Losses).

7. Details of dividends/distributions

No dividend was paid or proposed during the year.

8. Details of dividend/distribution reinvestment plan

There was no dividend reinvestment plan in operation during the year.

9. Net tangible assets per security

	Current year (As at 31 December 2012)	Previous corresponding Period (As at 31 December 2011)
Net tangible asset backing per stapled security*	($2.16)	($1.85)

* *Under the listing rules* net tangible asset backing *must be determined by deducting from total tangible assets all claims on those assets ranking ahead of the ordinary securities (i.e., all liabilities, preference shares, outside equity interests etc). The* net tangible asset backing *does not reflect the fair value of MQA's portfolio of Assets.*

10. Control gained or lost over entities during the year

10.1 Name of entity (or group of entities) over which control was gained	None
10.2 Date control was gained	N/A
10.3 Consolidated profit (loss) from ordinary activities after tax of the controlled entity (or group of entities) for the current period to the date of gain of control	N/A
10.4 Name of entity (or group of entities) over which control was lost	European Transport Investments Pty Limited (ETI) M635 Pty Limited (M635) Macquarie Infrastructure Netherlands Tollroads BV (MINT) Macquarie Infrastructure Netherlands Investments Cooperatief UA (MINI) Macquarie UK Projects Limited (MUKP) MIT(II) Holdings Pty Limited MQA Holdings Limited Macquarie Autoroute International Sarl (MAIS)
10.5 Date control was lost	5 April 2012 for ETI and M635 26 June 2012 for MINT 12 July 2012 for MINI 15 August 2012 for MUKP 1 November 2012 for MIT(II) Holdings 9 November 2012 for MQA Holdings Limited 27 December 2012 for MAIS
10.6 Consolidated profit (loss) from ordinary activities after tax of the controlled entity (or group of entities) for the current period to the date of loss of control	No material contribution was made by the entities over which control was lost during the current year or previous corresponding year

11. Details of associates and joint venture entities

Refer attached financial statements (Note 12: Investments in Associates).

12. Other significant information

Refer attached financial statements (Directors' Report).

13. Accounting standards used by foreign entities

International Financial Reporting Standards.

14. Commentary on results

	Current year (As at 31 December 2012)	Previous corresponding Period (As at 31 December 2011)
14.1 Basic Loss per stapled security attributable to MQA stapled security holders	(26.40 cents)	(63.43 cents)

Commentary on significant features of operating performance

For further commentary on the results above please refer to the announcement, including the audited Financial Report for the year ended 31 December 2012.

15. Audit / review of accounts upon which this report is based

This report is based on accounts to which one of the following applies (*tick one*):

☑	The accounts have been audited. (refer attached financial statements)	☐	The accounts have been subject to review. (refer attached financial statements)
☐	The accounts are in the process of being audited or subject to review.	☐	The accounts have *not* yet been audited or reviewed.

16. Accounts not yet audited or reviewed

Not applicable.

17. Qualification of audit / review

Not applicable.