Macquarie Atlas Roads

Management Information Report
30 June 2015

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Any arithmetic inconsistencies are due to rounding.

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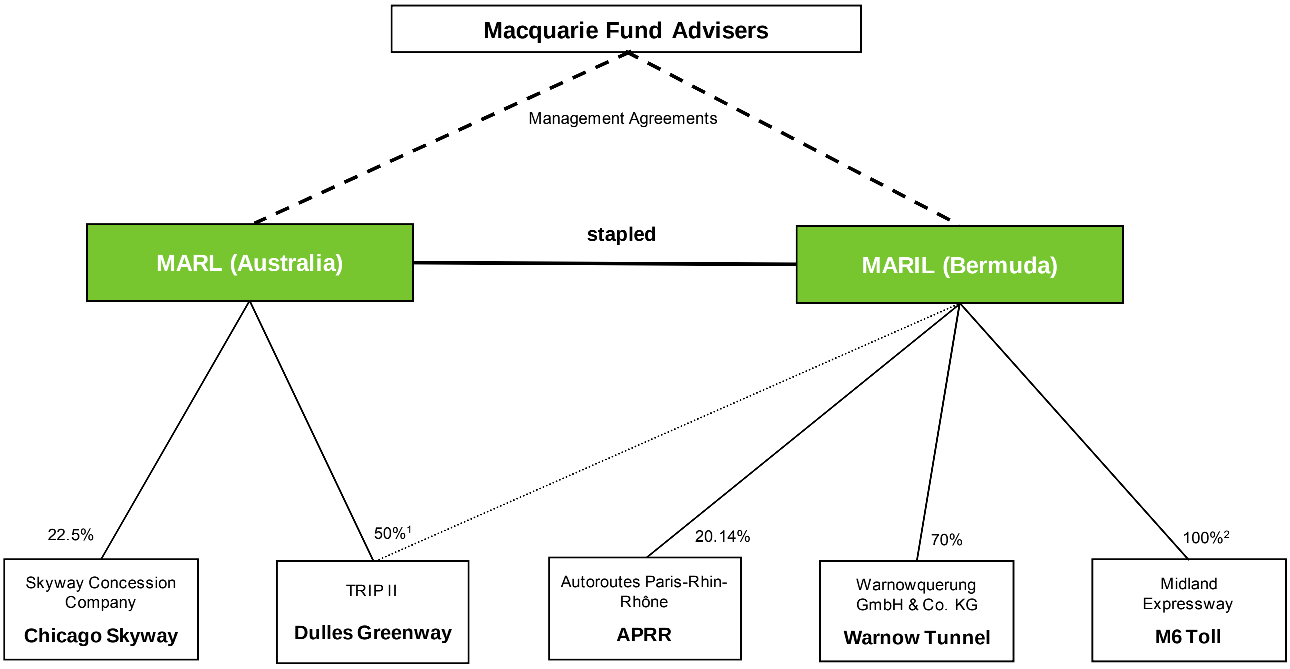
Overview of Structure

Macquarie Atlas Roads ("MQA" or "the Group") is a stapled security listed on the Australian Securities Exchange ("ASX"). Stapled securities are two or more securities that are quoted and traded as if they were a single security. An MQA stapled security consists of a share in Macquarie Atlas Roads Limited ("MARL") and a share in Macquarie Atlas Roads International Limited ("MARIL").

The diagram below shows the split of MQA's portfolio of assets between the two MQA stapled entities as at 30 June 2015 (unless otherwise stated). All assets are non-controlled assets for accounting purposes.

Figure 1 – Structure at 30 June 2015



Information in the Management Information Report is presented on an aggregated basis, reflecting MQA's structure at 30 June 2015 (unless otherwise stated).

Asset Portfolio

As at 30 June 2015 MQA's portfolio of toll road assets and percentage interests were as follows:

Asset	Location	Reporting currency	Date of initial acquisition[3]	MQA's interest
APRR/Eiffarie	France	€	Feb 2006	20.14%
Dulles Greenway	United States	US$	Sep 2005	50.00%[1]
Chicago Skyway	United States	US$	Jan 2005	22.50%
Warnow Tunnel	Germany	€	Dec 2000	70.00%
M6 Toll	United Kingdom	£	Oct 1999	100.00%[2]

1. Estimated economic interest.
2. MQA holds 100% of the ordinary equity in M6 Toll, however the Beneficial Interest is 0% as MQA is no longer exposed to any significant variable returns from M6 Toll's ongoing operations. Refer to Update on Assets (page 6).
3. Reflects initial acquisition by Macquarie Infrastructure Group ("MIG"). These assets were acquired by MQA on demerger from MIG on 2 February 2010.

Report Summary

The purpose of the Management Information Report ("MIR" or "the Report") is to provide information supplementary to the Interim Financial Report of MQA for the six months ended 30 June 2015. This Report provides a detailed analysis of the underlying performance of each road asset within the MQA portfolio. The policies applied in preparing this Report are detailed in Appendix 1.

This Report is prepared on a different basis from the MQA Interim Financial Report, which is prepared in accordance with Australian Accounting Standards. The information contained in this Report does not, and cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of MQA for the six months ended 30 June 2015 as in the Interim Financial Report. This Report should be read in conjunction with the Interim Financial Report which is available from the MQA website. Refer to Appendix 2 for a reconciliation between the results presented in this Report and the Interim Financial Report.

This Report presents a number of metrics prepared on a proportionate basis which involves the aggregation of the Group's proportionate interest in the financial results of road assets. Proportionate EBITDA information presented aggregates the financial results of MQA's toll road assets in the relevant proportions that MQA holds Beneficial Interests. Proportionate EBITDA excludes non-cash items which are not reflective of cash outflows in the current reporting period.

This Report comprises the following Sections:

Section 1 – Traffic and Financial Performance presents a summary of road asset performance, proportionate EBITDA and other measures for the six months ended 30 June 2015. Also outlined in Section 1.2 is a summary of MQA's corporate cash position.

Section 2 – Asset Performance provides a more detailed analysis of the performance of MQA's individual road assets.

Section 3 – Asset Debt Information provides further details on the asset level non-recourse debt for each of MQA's assets as at 30 June 2015.

Update on Assets

Indiana Toll Road – Indiana, US

On 27 May 2015, financial close was reached on the sale of the Indiana Toll Road ("ITR") and subsequently MQA received US$25.0m in proceeds. These proceeds were subject to United States Alternative Minimum Tax ("AMT"). An estimated AMT liability of US$12.6m was paid to the Internal Revenue Service ("IRS") on 15 June 2015.

M6 Toll – West Midlands, UK

On 12 December 2013, a debt refinancing for the M6 Toll was completed. Under the terms of the refinancing, the debt has been reorganised and has an extended new maturity date of 1 June 2020.

While MQA continues to hold 100% of the ordinary equity in the project, it only receives an annual fee for continuing to manage the asset of £750,000, indexed for inflation (beginning 1 January 2015) and paid semi-annually. MQA does not expect to receive any further equity distributions as all surplus cash flows from the asset will be applied to service the debt.

Following the deconsolidation of the M6 Toll and the sale of ITR, traffic and financial information for these assets are not included in MQA's proportionally consolidated results. The operating performance of these assets no longer has an impact on MQA's cash flow or value. M6 Toll and ITR related figures have been excluded from pro forma prior corresponding period ("pcp") information.

1

Traffic and Financial Performance

1. Traffic and Financial Performance

1.1 Traffic and Proportionate Financial Performance Summary – Assets

Table 1 – Traffic growth and proportionate EBITDA from road assets for six months ended 30 June

A$m	Actual 6 months ended 30 Jun 15	Pro Forma 6 months ended 30 Jun 14[2]	Change vs pcp[3]	Actual 6 months ended 30 Jun 14[4]
Traffic growth on pcp[1]	n/a	n/a	2.3%	n/a
Proportionate revenue	347.0	335.4	3.4%	361.9
Proportionate operating expenses	(85.5)	(94.0)	9.1%	(102.4)
Proportionate EBITDA from road assets	**261.5**	**241.4**	**8.4%**	**259.5**
EBITDA margin (%)	75.4%	72.0%	3.4%	71.7%

1. Weighted average based on portfolio revenue allocation.
2. Data represents the results of MQA's portfolio of road assets for the six months ended 30 June 2014, adjusted for ownership interests and foreign exchange rates for the six months ended 30 June 2015.
3. Positive number reflects an improvement.
4. Actual data reflects ownership interests and foreign exchange rates for the six months ended 30 June 2014.

Weighted average traffic for the six months ended 30 June 2015 (the "period") was 2.3% higher than pcp. Overall traffic performance during the period was largely driven by increased traffic volumes on the APRR network and strong performance at Dulles Greenway.

Proportionate EBITDA for the six months ended 30 June 2015 increased compared to pcp reflecting both higher traffic levels and the revised toll schedules implemented over the past six months. The EBITDA increase also includes an accounting change in the timing of expense recognition for land tax and other operating taxes at APRR (IFRIC 21). See section 2.2.1 for further details.

Further details on the preparation of this section of the Report are set out in the Summary of Significant Policies (Appendix 1). Refer to Appendix 2 for a reconciliation of the Proportionate EBITDA presented in this section to the profit attributable to MQA security holders in the statutory results. A more detailed analysis of the proportionate EBITDA of the individual road assets is included in Section 2.

1.2 Financial Performance Summary – Corporate Cash Position

Table 2 – Aggregated Cash Flow Statement

A$m	6 months ended 30 Jun 15	6 months ended 30 Jun 14
Cash flow received from assets		
APRR	39.8	39.6
Indiana Toll Road	32.3	-
M6 Toll	0.7	-[1]
Warnow Tunnel	0.3[2]	-
Total cash flow received from assets	**73.1**	**39.6**
Other operating cash flows		
Manager and Adviser base fees paid	(11.9)	(11.5)
Manager and Adviser performance fees paid	-	-
Payments to suppliers	(1.5)	(1.5)
Interest income on corporate cash balances	0.4	0.3
Other net amounts received	0.1	0.1
Estimated AMT on receipt from ITR	(16.2)	-
Income tax paid	(0.0)	(0.0)
Net MQA operating cash flows	**43.9**	**27.0**
Investing and financing cash flows		
Distributions paid	(30.7)	(24.4)
Total investing and financing cash flows	**(30.7)**	**(24.4)**
Net increase in cash assets	**13.2**	**2.6**
Cash assets at beginning of the half year	**31.9**	**19.5**
Exchange rate movements	**0.4**	**(0.1)**
Cash assets at the end of the half year	**45.5**	**22.0**
Comprising: Available cash	43.7	20.3
Cash not currently available for use	1.7	1.7

1. Management fee for 1H 2014 received in July 2014.
2. Warnow Tunnel services fees received for the first time in 2015.

1.2.1 Cash flow and cash position

Cash assets include cash not currently available for use by MQA of €1.2m (A$1.7m). This amount represents a secured cash deposit in relation to an outstanding guarantee in respect of Warnow Tunnel.

The Aggregated Cash Flow Statement includes the cash flows of each of the stapled entities and their wholly owned subsidiaries, excluding the entities that form part of the road operator company groups. Refer to Appendix 2 for a reconciliation of operating cash flows per this Report to the statutory results.

1.2.2 Corporate net interest income

Corporate net interest income was A$0.4m for the six months ended 30 June 2015, an increase from A$0.3m over the corresponding period in 2014. The average cash balance during the period was A$32.2m (2014: A$24.1m).

1.2.3 Corporate expenses

Tax paid during the year consisted mainly of estimated AMT paid to the IRS of US$12.6m (A$16.2m) on receipt from ITR. Base management fees paid in the current period totalled A$11.9m, increasing from A$11.5m in the six months ended 30 June 2014.

The second instalment of the 2014 performance fee (A$19.4m) became payable at 30 June 2015. MQA's manager/adviser, Macquarie Fund Advisers Pty Limited, and MQA's independent directors agreed that Macquarie would apply this instalment to a subscription for MQA securities. These securities were issued on 2 July 2015.

Corporate net expenses paid, other than base management and performance fees, totalled A$1.5m for the six months ended 30 June 2015 (2014: A$1.5m).

1.2.4 Distribution

On 17 March 2015, MQA declared a distribution of 6.0 cents per MQA stapled security ("cps") for the first six months of 2015. This distribution was paid in full by MARIL on 31 March 2015. 4.7 cps of the distribution was a capital return for Australian tax purposes. The remaining 1.3 cps comprised a foreign dividend.

As MARIL is a Bermudan company the Australian franking credit regime does not apply to foreign dividend components.

The following table provides a summary of distributions paid.

Table 3 – Distributions paid

A$ cps	Return of Capital	Foreign Dividend	Total
Distribution per security paid on 31 March 2015	4.7	1.3	**6.0**
Distribution per security paid on 8 October 2014	6.4	1.8	**8.2**
Ordinary dividend per security paid on 4 April 2014	-	5.0	**5.0**
Ordinary dividend per security paid on 4 October 2013	-	3.3	**3.3**
Ordinary dividend per security paid on 19 April 2013	-	2.4	**2.4**

2

Asset Performance

2. Asset Performance

Prior corresponding period results presented in this section of the Report are prepared on a pro forma basis unless otherwise stated. Section 2.1 represents the Group's proportionate share of the assets in Australian dollars. Sections 2.2 to 2.5 are reported on a 100% asset basis and in the natural currency of the asset.

Refer to Appendix 3 for a summary of quarterly traffic performance and toll revenue.

2.1 Traffic and Toll Revenue Analysis by Asset

Further details on the basis of preparation of this section of the Report are set out in the Summary of Significant Policies (Appendix 1).

Table 4 – Traffic and Toll Revenue Analysis

	APRR	Dulles Greenway	Chicago Skyway	Warnow Tunnel
Traffic metric	Total VKT[1]	Average Daily Traffic	Average Daily Traffic	Average Daily Traffic
6 months ended 30 June 2015				
Toll revenue growth on pcp[2]	2.7%	7.4%	14.9%	5.0%
Traffic growth on pcp	2.2%	4.3%	0.4%	2.8%

1. Measured as Total Vehicle Kilometres Travelled ("VKT").
2. Excludes other revenue such as rental income.

Table 5 – Proportionate EBITDA

A$m	APRR/ Eiffarie[1]	Dulles Greenway	Chicago Skyway	Warnow Tunnel	Total
Actual 6 months ended 30 June 2015					
Operating revenue	303.8	26.2	12.3	4.7	347.0
Operating expenses	(76.6)	(5.7)	(1.6)	(1.5)	(85.5)
EBITDA from road assets	**227.2**	**20.5**	**10.7**	**3.1**	**261.5**
Pro forma 6 months ended 30 June 2014[2]					
Operating revenue	295.8	24.4	10.7	4.4	335.4
Operating expenses	(86.0)	(5.4)	(1.4)	(1.3)	(94.0)
EBITDA from road assets	**209.8**	**19.1**	**9.4**	**3.1**	**241.4**
Change vs pcp[3,4]					
Operating revenue	2.7%	7.3%	14.9%	5.1%	3.4%
Operating expenses	11.0%	(7.3%)	(17.6%)	(16.3%)	9.1%
EBITDA from road assets	**8.3%**	**7.2%**	**14.5%**	**0.3%**	**8.4%**

1. Figures represent a consolidation of APRR and Eiffarie/Financière Eiffarie ("FE"). APRR Group information provided in Section 2.2.1. The EBITDA increase includes an accounting change in the timing of expense recognition for land tax and other operating taxes at APRR (IFRIC 21). See section 2.2.1 for further details
2. Data for 30 June 2014 represents the results of MQA's portfolio of road assets for the six months ended 30 June 2014 adjusted for ownership interests and foreign exchange rates for the six months ended 30 June 2015.
3. Based on AUD figures presented. There may be differences when calculated in natural currency.
4. Positive number reflects an improvement.

2.2 Autoroutes Paris-Rhin-Rhône (APRR) – France

2.2.1 Traffic

Table 6 – APRR traffic performance

Vehicle kilometres travelled (millions)	6 months ended 30 Jun 15	6 months ended 30 Jun 14	Change vs pcp
Light vehicles	8,773	8,578	2.3%
Heavy vehicles	1,672	1,639	2.0%
Total	**10,445**	**10,217**	**2.2%**
Workdays in period	123	123	+0
Non-workdays in period	58	58	+0

Light vehicle traffic was up 2.3% on pcp reflecting an increase in total household disposable income aided by lower fuel prices on average for the six months. Heavy vehicle traffic grew 2.0% during the six months, reflecting the improving economic outlook in France.

Figure 2 – Light vehicle traffic growth vs pcp

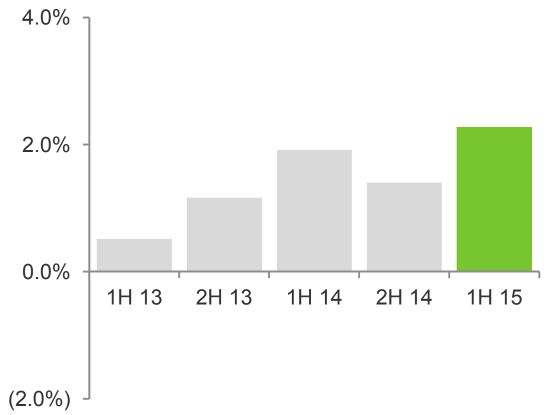


Figure 3 – Heavy vehicle traffic growth vs pcp

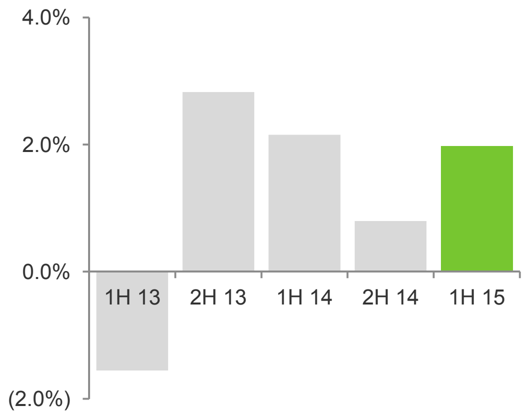


Figure 4 – APRR quarterly traffic performance (VKTm)

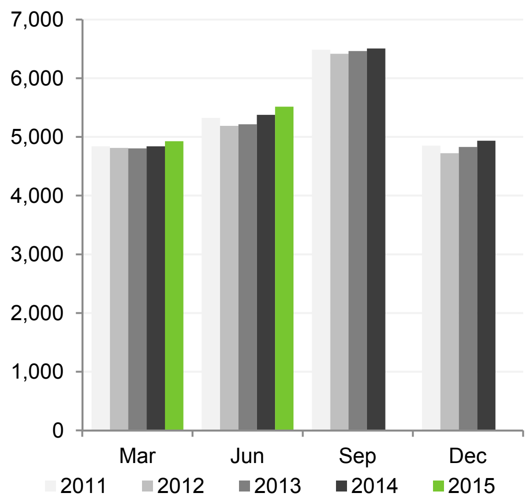
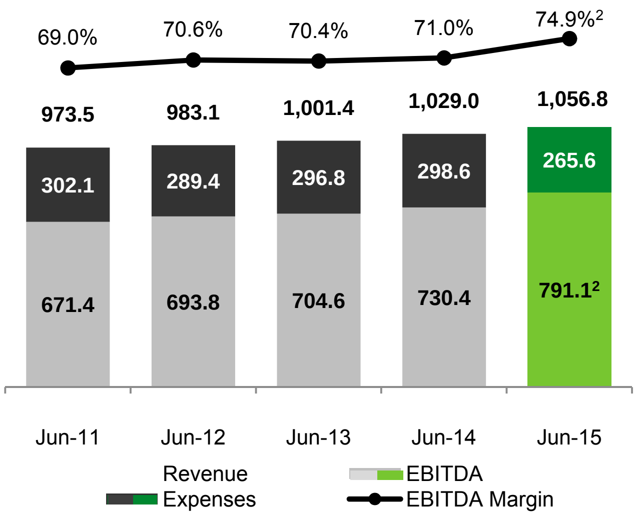


Figure 5 – APRR EBITDA and revenue (€m)[1]
6 months ended 30 June



1. Results represent performance of the APRR Group. On a consolidated APRR and Eiffarie/FE basis, 1H 2015 EBITDA was €790.4m. The difference results from €0.7m of operating expenses at the Eiffarie/FE level.
2. EBITDA increase includes ~€35m uplift due to an accounting change in the timing of expense recognition for land tax and other operating taxes (IFRIC 21). This timing difference will reverse in 2H 2015. EBITDA normalised for IFRIC 21 was €755.9m, an increase of 3.5% compared to pcp (EBITDA margin: 71.5%).

2.2.2 Financial performance

Table 7 – Revenue

	6 months ended 30 June				
€m	**2011**	**2012**	**2013**	**2014**	**2015**
Toll Revenue	945.8	950.9	968.4	998.1	1,024.8
Other Revenue	27.7	32.2	33.0	31.0	32.0
Total Revenue	**975.3**	**983.1**	**1,001.4**	**1,029.0**	**1,056.8**

Consolidated revenues totalled €1,056.8m for 1H 2015, up 2.7% from pcp. The increase in revenue was primarily due to higher toll revenues (up 2.7% compared to pcp), resulting from traffic growth and higher average tolls.

Table 8 – Operating expenses

	6 months ended 30 June				
€m	**2011**	**2012**	**2013**	**2014**	**2015**
Employment costs	(115.2)	(108.7)	(109.7)	(107.9)	(106.7)
Tax (other than income tax)	(124.2)	(123.8)	(125.4)	(139.9)	(107.9)[1]
Purchases, external charges and other (ex IFRIC 12)	(62.7)	(56.8)	(61.7)	(50.8)	(51.1)
APRR operating expenses[2]	**(302.1)**	**(289.4)**	**(296.8)**	**(298.6)**	**(265.6)**
Eiffarie/FE operating expenses	(1.4)	(1.3)	(0.6)	(0.6)	(0.7)

1. Includes impact of IFRIC 21 (implementation of new IFRS Interpretation).
2. Excludes provisions.

Employment costs were slightly lower than pcp due to lower headcount. Operational taxes were lower as a result of the adoption of IFRIC 21 which changes the timing of expense recognition. Purchases and external charges were broadly in line with pcp.

Table 9 – Interest, tax, depreciation and amortisation

	6 months ended 30 June				
€m	**2011**	**2012**	**2013**	**2014**	**2015**
APRR interest income[1]	3.8	8.8	7.9	10.9	7.3
APRR interest expense[1]	(181.4)	(199.3)	(174.6)	(180.8)	(152.0)
Eiffarie net interest	(76.0)	(81.7)	(100.8)	(118.3)	(92.8)
APRR current income tax expense	(102.7)	(113.5)	(128.7)	(132.5)	(158.9)
Tax grouping	76.0	76.2	90.4	96.1	108.1
Group current income tax payable	**(26.7)**	**(37.3)**	**(38.2)**	**(36.5)**	**(50.8)**
APRR depreciation and amortisation[1]	(187.0)	(191.5)	(194.0)	(199.4)	(208.9)

1. As per APRR published Financial Statements.

The lower interest income for the six months ended 30 June 2015 compared to pcp reflects the slightly lower average cash levels during the period, whereas the decrease in APRR interest expense for the period compared to pcp reflects the lower cost of debt as a result of the recent refinancings and current debt market conditions.

Eiffarie net interest reflects the benefit of the February 2015 refinancing.

Since 1 January 2011, FE and Eiffarie have been grouped with APRR for tax purposes. Current period deductions from FE/Eiffarie are offset against APRR taxable income in the period and carried forward losses may be used to offset up to 50% of the resultant net taxable income for the period.

Increases in depreciation and amortisation over time are due to additional capital works being completed under the management contracts. These additional assets are capitalised on APRR's balance sheet and subsequently depreciated in future periods.

2.2.3 Cash interest paid

APRR interest paid for the six months ended 30 June 2015 was €293.9m (net interest paid was €280.5m) compared to pcp of €293.5m (net interest paid was €287.9m).

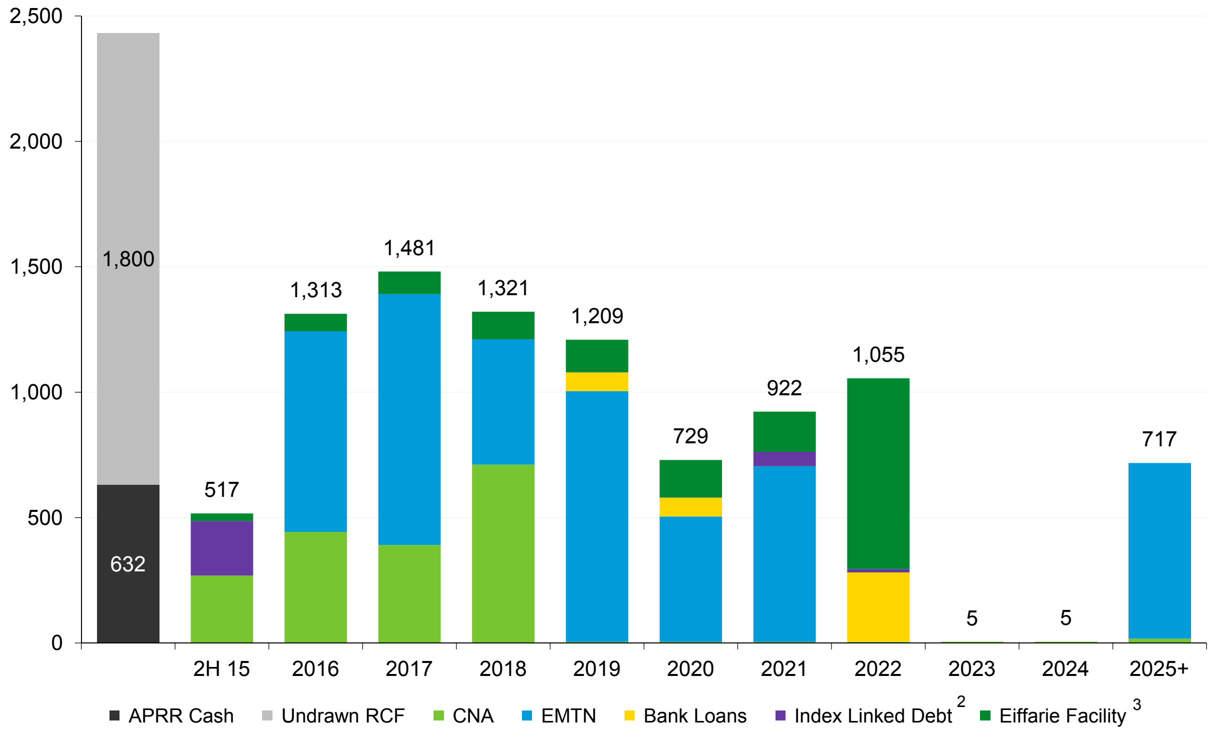
2.2.4 Operational initiatives

The number of active Liber-t badges managed by APRR/AREA increased by 7.3% over the last six months, with over 1.84 million active badges now in circulation. Electronic toll collection accounted for 55.2% of all transactions in the six months ended 30 June 2015 compared to 53.6% in the six months ended 30 June 2014. Automated transactions (comprising electronic and credit card transactions) made up 96.2% of all transactions in the six months ended 30 June 2015 (2014: 95.1%).

2.2.5 Financing and Debt

The chart below presents a pro forma debt maturity profile and liquidity position for the APRR/Eiffarie group.

Figure 6 – APRR/Eiffarie pro forma debt maturity profile at 30 June 2015 (€m)[1]



1. Excludes short term debt and mark to market on swaps.
2. Index linked debt includes €250m (excluding indexation) of index linked bonds issued under the EMTN programme.
3. Assumes 7yr maturity (5yr plus two 1yr extensions) for Eiffarie term loan.

APRR

As at 30 June 2015, APRR's liquidity consisted of €0.6m cash and a €1.8bn Revolving Credit Facility ("RCF") which was signed on 19 February 2015 replacing its undrawn €720m credit facility.

APRR has approximately €8.2bn of gross debt as at 30 June 2015 (including €0.4bn of short term debt, accrued interest and adjustments). The main debt facilities are as follows:

- €5.2bn of public bonds issued under APRR's EMTN programme of which €800m consists of floating rate notes;
- €250m index-linked bonds also issued under APRR's EMTN programme. APRR can continue to issue further bonds under this programme as required;
- €1.9bn provided by Caisse Nationale des Autoroutes (CNA). Prior to privatisation of APRR, the French Government used the CNA as the financing vehicle. The CNA raised funds by issuing government backed bonds and lent to the motorway companies on the same terms. APRR's outstanding CNA debt is predominantly fixed rate and will be materially amortised by 2018; and
- €420m from the European Investment Bank, of which €170m was drawn down in June 2015 from a new €275m facility.

Eiffarie

On 19 February 2015, Eiffarie signed a €1.5bn five-year term loan with a syndicate of 18 international banks. See below a summary of the key terms achieved.

Item	Terms
Facility Amount	€1.5bn
Maturity	February 2020, with two available extensions of one year each
Margin	100bps above Euribor
Debt Service Reserve	Nil
Upfront fees	1.05%

Proceeds of the new loan, together with the proceeds of a distribution from APRR, were applied towards the full repayment of Eiffarie's €2.5bn debt facility, which was due to mature in February 2017.

As at 30 June 2015, Eiffarie's cash balance totalled €282.1m.

2.2.6 Other

Following the in-principle agreement with the French State reached in April 2015 and announced by MQA on 10 April 2015, APRR and Autoroutes Rhône-Alpes (AREA) have formalised the agreement by way of amendments to their respective concession contracts on 23 August 2015.

Significant measures include:

- Compensation for 2013 land tax increase via supplemental toll increases in 2016 to 2018;
- Compensation for 2015 toll freeze via supplemental toll increases in 2019 to 2023;
- Stimulus package and concession extensions:

Stimulus Package	– ~€720m capital investment plan
Concession extensions	– APRR: 2 years 1 months (to 31 Jan 2035) – AREA: 3 years 9 months (to 30 Sep 2036)

- Improvement of protection against future adverse changes to motorway-specific taxes (Article 32); and
- In the event of future material outperformance, revenue caps may apply.

In addition, the in-principle agreement also provided for APRR to contribute to French infrastructure investment an average of ~€15-16m annually (indexed), and to invest ~€50m into a green transportation fund.

2.3 Dulles Greenway – Virginia, US

2.3.1 Traffic

Table 10 – Dulles Greenway traffic performance

Average Daily Traffic	6 months ended 30 Jun 15	6 months ended 30 Jun 14	Change vs pcp
Average workday trips	58,023	55,641	4.3%
Weekends/public holidays	31,210	29,930	4.3%
All days	49,727	47,686	4.3%
Non-cash transactions	92.2%	91.6%	0.6%
Workdays in period	125	125	+0
Non-workdays in period	56	56	+0

Average daily traffic increased by 4.3% on pcp as a result of continued corridor development, higher utilisation rates and strong off-peak growth trends.

Traffic volumes on the adjoining Dulles Toll Road (“DTR”) increased by 1.0% on pcp.

2.3.2 Financial performance

Figure 7– Dulles Greenway quarterly traffic performance (ADT)

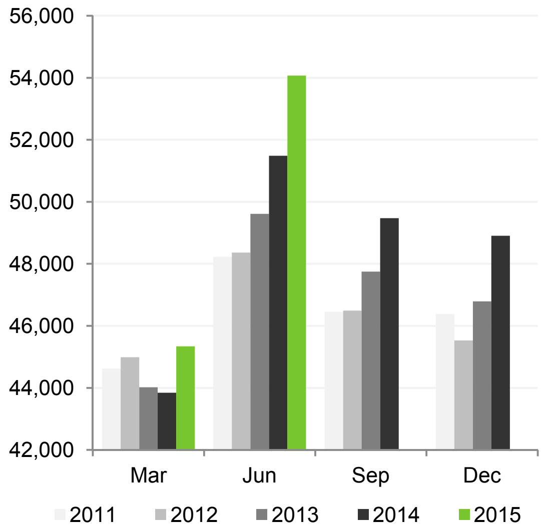
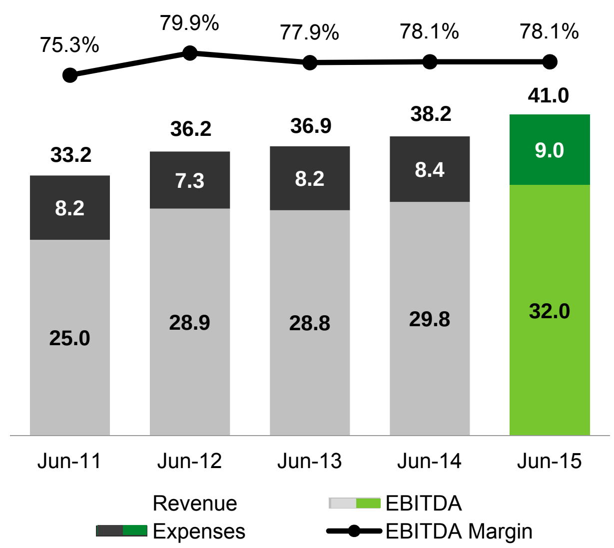


Figure 8 – Dulles Greenway EBITDA and revenue (US$m), 6 months ended 30 June



Revenue for the six months ended 30 June 2015 increased by 7.3% compared to pcp, reflecting higher traffic and the impact of toll increases. On 4 March 2015, tolls on the Greenway increased from US$5.10 to US$5.20 for peak period car tolls and from US$4.20 to US$4.30 for off peak car tolls.

Operating expenses increased by 7.3% compared to pcp, driven by a step-up in VDOT fees and higher property taxes.

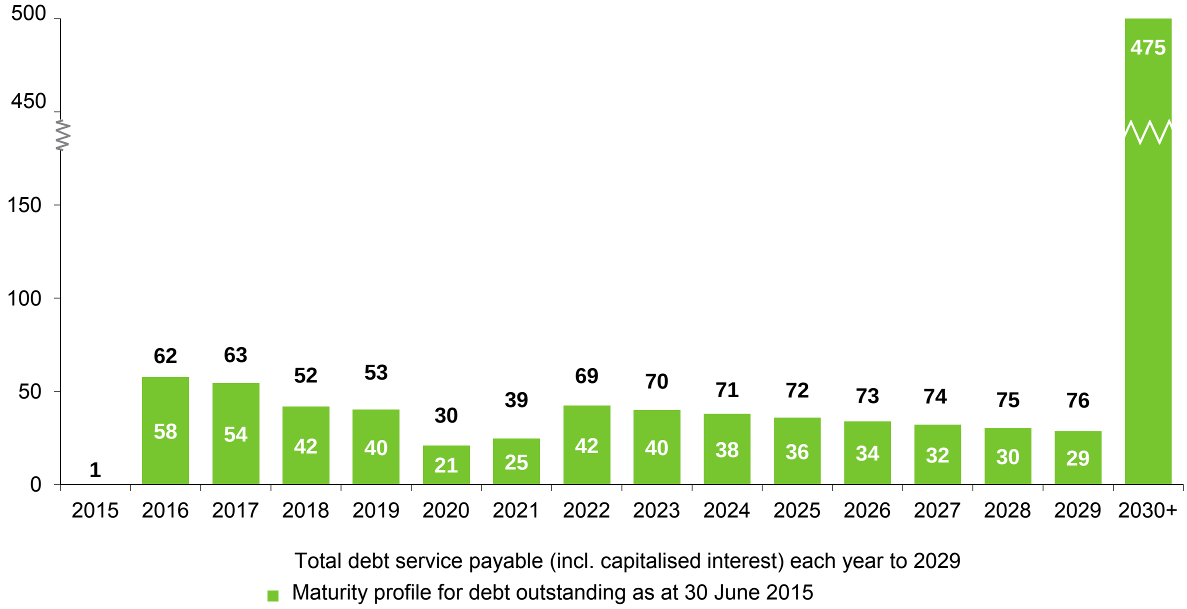
EBITDA for the six months ended 30 June 2015 increased by 7.3% compared to pcp.

2.3.3 Cash interest paid

Interest paid (reflecting interest on current pay bonds and the element of interest accrued in maturing zero coupon bonds) for the six months ended 30 June 2015 was US$18.0m compared to pcp of US$16.2m.

2.3.4 Financing and debt

Figure 9 – Dulles Greenway debt maturity profile at 30 June 2015 (US$m)



All of Dulles Greenway's debt is in the form of fixed-interest rate senior bonds, with US$35.0m of current interest bonds and US$961.7m of zero-coupon bonds with various maturities extending to 2056.

Dulles Greenway continues to operate on a positive cash flow basis and is well capitalised, with US$129.7m of cash and reserves as at 30 June 2015.

Net debt as at 30 June 2015 was US$867.0m. Please refer to Section 3 for further information.

The chart above presents the maturity profile for the debt outstanding at 30 June 2015. It also provides the total debt service (incl. current/capitalised interest) payable each year to 2030. This amount is net of the bonds that were repurchased and cancelled (maturing 2018-2021) during late 2011 and early 2012. Note, for the distribution tests detailed below, the debt service requirement is based on the original maturity profile.

In 2011, the TRIP II Trustee authorised the use of locked-up cash to repurchase outstanding TRIP II bonds. TRIP II used US$34.3m of locked-up cash to repurchase bonds due to mature between 2018 and 2021 at an average yield to maturity of 7.8%. No further bond repurchases have been made since February 2012.

Distribution tests

The Dulles Greenway has two distribution tests:

- **Minimum Coverage Ratio ("DSCR")** – 1.25x (failure to meet results in 12 month distribution lock-up); and
- **Additional Coverage Ratio ("ADSCR")** – 1.15x (failure to meet results in 36 month distribution lock-up).

In December 2014, the DSCR was 1.09x and the ADSCR was 1.04x, triggering distribution lock-up under its senior debt indentures through to at least December 2017. The distribution ratios are tested annually. The detailed calculation is set out in Section 3.4.

2.3.5 Other

Dulles Greenway has undergone an extensive regulatory hearing process with the State Corporation Commission ("SCC") since 2013 with respect to the current toll rate structure and rate levels charged on the road. The SCC is expected to conclude its process during 2015.

2.4 Chicago Skyway – Chicago, US

2.4.1 Traffic

Table 11 – Chicago Skyway traffic performance

Average Daily Traffic	6 months ended 30 Jun 15	6 months ended 30 Jun 14	Change vs pcp
Average workday trips	37,904	37,688	0.6%
Weekends/public holidays	37,952	37,903	0.1%
All days	37,919	37,755	0.4%
Non-cash transactions	66.8%	66.1%	0.7%
Workdays in period	125	125	+0
Non-workdays in period	56	56	+0

Traffic for the six months ended 30 June 2015 was impacted by moderate elasticity to toll increases and single lane closures on ramps connecting Dan Ryan Expressway, offset by a milder winter.

2.4.2 Financial performance

Figure 10 – Chicago Skyway quarterly traffic performance (ADT)

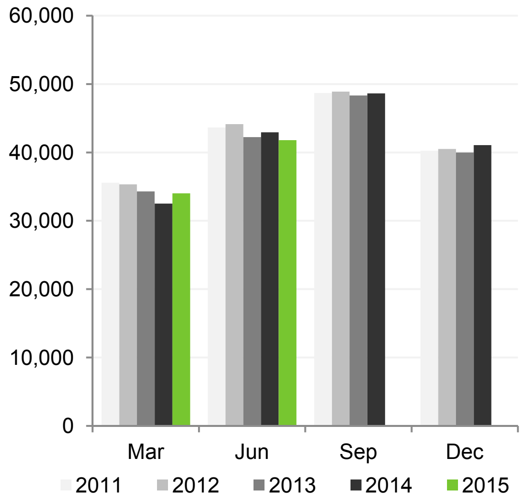
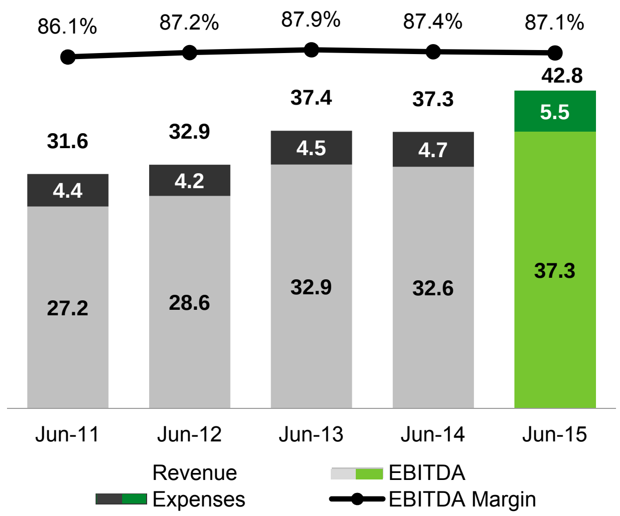


Figure 11 – Chicago Skyway EBITDA and revenue (US$m), 6 months ended 30 June



Revenue for the six months ended 30 June 2015 increased by 14.9% compared to pcp, as a result of the toll increase implemented on 1 January 2015. Tolls for light vehicles increased from US$4.00 to US$4.50 and off-peak tolls for heavy vehicles increased from US$3.00 to US$3.60 per axle. Operating expenses were 17.6% higher than pcp, driven mainly by higher police service charges, increased credit card fees, new regulatory bridge inspections requirements, and higher salt consumption in the first quarter.

EBITDA for the six months ended 30 June 2015 increased by 14.5%, resulting in an EBITDA margin of 87.1%. Non-cash transactions for the year were 66.8% compared to 66.1% for pcp.

2.4.3 Cash interest paid

Interest paid (reflecting interest on current pay bonds and the element of interest accrued in maturing zero coupon bonds) for the six months ended 30 June 2015 was US$30.1m compared to US$29.2m for pcp.

2.4.4 Financing and debt

As at 30 June 2015, Chicago Skyway had approximately US$2.1bn of debt outstanding, with US$1.5bn of Capital Accretion Bonds, US$439.0m of Current Interest Bonds and US$190.6m of subordinated debt. Chicago Skyway is in distribution lock-up as it did not meet its senior debt equity distribution test in December 2014.

Net debt as at 30 June 2015 was US$2.0bn. Please refer to Section 3 for further information.

2.5 Warnow Tunnel – Rostock, Germany

2.5.1 Traffic

Table 12 – Warnow traffic performance

Average Daily Traffic	6 months ended 30 Jun 15	6 months ended 30 Jun 14	Change vs pcp
Average workday trips	12,371	11,922	3.8%
Weekends/Public holidays	7,558	7,597	(0.5%)
All days	10,828	10,536	2.8%
Workdays in period	123	123	+0
Non-workdays in period	58	58	+0

Average daily traffic for the six months ended 30 June 2015 increased by 2.8% on pcp, primarily due to increased tourist usage and improved weather conditions.

2.5.2 Financial performance

Figure 12 – Warnow quarterly traffic performance (ADT)

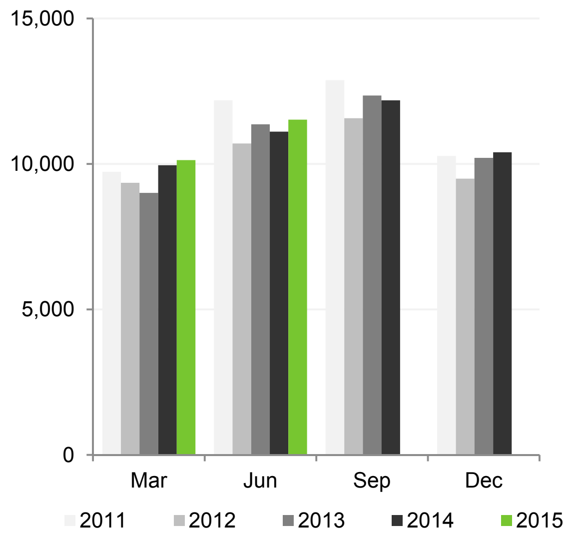
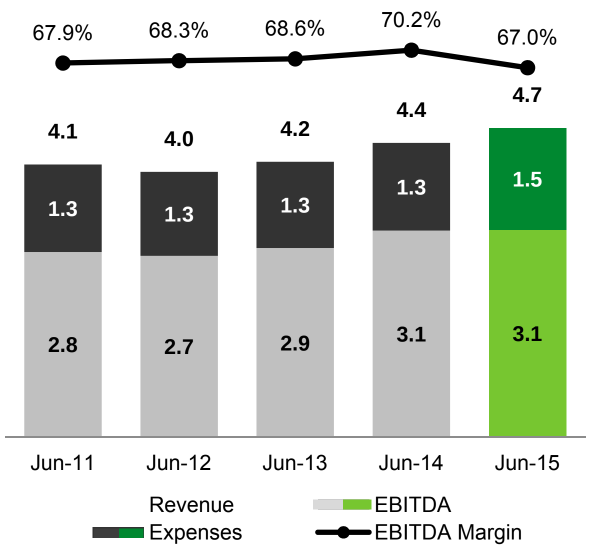


Figure 13 – Warnow EBITDA and revenue (€m), 6 months ended 30 June



Revenue for the six months ended 30 June 2015 was 5.1% above pcp reflecting growth in traffic and toll increases that were introduced over the last twelve months.

2.5.3 Cash interest paid

Interest paid for the six months ended 30 June 2015 was €1.6m compared to €1.7m for pcp.

2.5.4 Financing and debt

As at 30 June 2015, Warnow Tunnel had long term amortising bank debt of €166.1m and letters of credit of €2.0m.

Net debt as at 30 June 2015 was €163.4m. Please refer to Section 3 for further information.

3

Asset Debt Information

3. Asset Debt Information

3.1 Asset Debt Metrics

Table 13 – Asset debt metrics[1]

Assets	Local	Gross debt	Cash	Net debt	Net debt/ EBITDA	EBITDA/ Interest	DSCR	Lock-up	Hedging
APRR/Eiffarie[2]	€m	9,654.9	914.3	8,740.6	5.53x	n/a	n/a	n/a	103.7%
- APRR	€m	8,154.9	632.2	7,522.7	4.87x	5.29x	n/a	n/a	n/a
- Eiffarie	€m	1,500.0	282.1	1,217.9	n/a	n/a	n/a	n/a	n/a
Dulles Greenway	US$m	996.7	129.7	867.0	13.31x	1.90x	1.06x[3]	1.25x	100.0%
Chicago Skyway	US$m	2,123.6	120.7	2,003.0	26.32x	1.26x[4]	1.31x	1.60x	91.0%
Warnow Tunnel	€m	166.1	2.7	163.4	25.82x	1.92x	2.35x	1.05x	30.2%

1. Using cash/debt balances as at 30 June 2015; hedging % reflects the proportion of debt outstanding as at 30 June 2015 that is fixed or has been hedged and does not take into account future maturities/issues; EBITDA and interest payable for the 12 months to 30 June 2015; DSCRs calculated on a pro forma basis as at 30 June 2015, the values do not necessarily correspond to a calculation date under the relevant debt documents.
2. Gross debt, cash and net debt amounts are presented on a 100% consolidated APRR, AREA and Eiffarie basis. Eiffarie gross debt excludes swaps mark to market of €439.4m; calculations as per debt documents.
3. Excludes interest income from "Net Toll Revenues" and includes both principal and interest on outstanding bonds payable in "Total Debt Service" as per the bond indenture.
4. Interest includes senior debt service and wrap fees only.

3.2 Debt Rating of Assets

Table 14 – Debt ratings of assets

Asset	Rating	Rating Agency	Rating since
APRR[1]	BBB+	Standard and Poor's	November 2014
	BBB+	Fitch	October 2012
Dulles Greenway[2]	BBB-	Standard and Poor's	September 2009
	Ba2	Moody's	December 2013
	BB+	Fitch	April 2013
Chicago Skyway[3]	AA	Standard and Poor's	March 2014
	A2	Moody's	January 2013

1. Reflects corporate rating.
2. Reflects corporate rating. The Dulles Greenway bonds have been insured by National Public Finance Guarantee Corporation (NPFGC), formerly named MBIA, and were rated AAA, Aaa and AAA on issue by S&P, Moody's and Fitch respectively. The current rating of NPFGC is AA- and A3 by S&P and Moody's respectively. Changes to the debt rating of NPFGC do not affect the cost of Dulles Greenway debt.
3. Reflects credit insurer rating. These are the latest ratings for Assured Guaranty Municipal Corp, which has insured Skyway's senior bonds.

The debt of Warnow Tunnel is not rated.

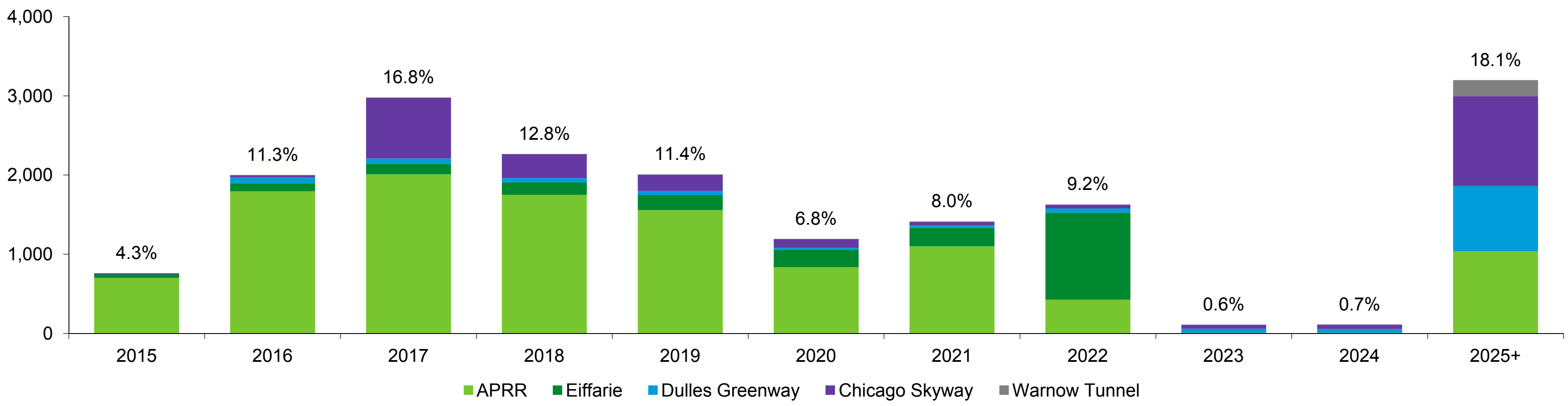
3.3 Debt Maturity Profile of Assets

Table 15 – Debt maturity profile of assets[1]

Assets	Currency	2H 2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025+
APRR/Eiffarie	€m	516.6	1,312.8	1,481.0	1,321.0	1,209.2	729.4	922.4	1,055.2	5.0	5.3	717.5
Dulles Greenway	US$m	-	57.6	54.4	41.8	40.1	21.0	24.7	42.3	40.1	37.9	636.4
Chicago Skyway	US$m	10.8	21.5	591.0	233.3	159.1	84.7	35.0	35.0	37.5	40.0	875.7
Warnow Tunnel	€m	1.0	1.6	1.8	1.5	2.9	3.0	3.1	3.5	3.3	4.9	139.4

1. The debt maturity profile reflects 100% of the debt balances of road assets as at 30 June 2015 (excluding short term debt, future capitalised interest, embedded accretion and mark to market on step-up swaps) based on the legal maturity of each tranche. The proportionate net debt level of the road assets is ~A$3.9bn.

Figure 14 – Debt maturity profile at 30 June 2015 (100% debt at each asset) (A$m)



The debt maturity profile reflects 100% of the debt balances of road assets as at 30 June 2015 (excluding future capitalised interest). MQA has no corporate level debt. The chart shows the legal maturity of each debt tranche in accordance with the relevant loan agreement.

Following the Eiffarie refinancing in February 2015, average debt maturity at 30 June 2015 is 5.6 years (31 December 2014: 5.0 years).

3.4 DSCR Calculation Methodology

Dulles Greenway

Minimum Coverage Ratio is calculated as Net Toll Revenues (Toll Revenues - Operating Expenses) / Total Debt Service

- Toll Revenues = all amounts received including all receivables, revenues and income generated from toll booths, plazas and collection systems.
- Operating Expenses = current expenses for operation and maintenance.
- Total Debt Service = the sum of all principal of and interest on outstanding bonds payable during such period plus scheduled early redemption amount.

Additional Coverage Ratio is calculated as (Net Toll Revenues - Improvement Fund Drawdowns - Operating Reserve Drawdowns) / Total Debt Service

- Improvement Fund Requirement = 100% of the amount in the most recent approved budget for capital expenditure.
- Operating Reserve Requirement = 50% of the amount in the most recently approved budget for all current expenses.

Both ratios are tested annually at 31 December.

Table 16 – Dulles Greenway Distribution tests worked example as at year ended December

US$	Actual 2014	Actual 2013
Toll Revenues	78,467,069	74,559,680
Operating Expenses	(15,893,842)	(16,069,001)
Net Toll Revenues (Minimum Coverage Ratio)	**62,573,227**	**58,490,679**
Improvement Fund Drawdowns	2,719,261	1,587,012
Operating Reserve Drawdowns	103,327	167,785
Net Toll Revenues (Additional Coverage Ratio)	**59,750,639**	**56,735,882**
1999A	2,493,750	2,493,750
1999B	32,900,000	31,000,000
2005A	22,100,000	20,200,000
2005B/2005C	-	-
Total Debt Service[1]	**57,493,750**	**53,693,750**
Minimum Coverage Ratio – 1.25x	**1.09**	**1.09**
Additional Coverage Ratio – 1.15x	**1.04**	**1.06**

1. Debt Service = the sum of (a) Debt Service on all Series 1999 Bonds outstanding for such Fiscal Year, (b) Debt Service on all Series 2005 Bonds outstanding for such Fiscal Year and (c) scheduled early redemption amounts for such Fiscal Year as set forth in the Early Redemption Schedule for the 2005 Bonds.

Appendices

Appendix 1 – Summary of Significant Policies

The significant policies which have been adopted by the MQA boards and used in the preparation of Sections 1, 2 and 3 of this Report, are stated to assist in a general understanding of this Report. Unless stated otherwise, these policies have been consistently applied to all periods presented in this Report.

Proportionate EBITDA

Current and prior period Proportionate EBITDA information contained in this Report involves the aggregation of the financial results of the Group's relevant assets in the relevant proportions that the Group holds Beneficial Interests. It is calculated as operating assets' revenues less operating assets' expenses.

Proportionate EBITDA information for pcp is also disclosed under a pro forma approach. The pro forma information is derived by restating the prior period results with the operating assets ownership percentages and foreign currency exchange rates from the current period ("Pro forma Results"). Pro forma Results are produced to allow comparisons of the operational performance of road assets between periods, as it removes the impact of changes in ownership interests and foreign currency exchange rates. The term 'underlying' refers to movements under the pro forma approach.

The principal policies adopted in the preparation of Proportionate EBITDA contained in this Report include:

Beneficial Interest

MQA's Beneficial Interest in an asset reflects its economic interest in the results of that assets' ongoing operations. When MQA changes its ownership in an asset (i.e. sold/bought), it is calculated according to the number of days in the reporting period during which the Group held a Beneficial Interest.

The Beneficial Interests of the Group in the roads used in the calculation of Proportionate EBITDA for the six months ended 30 June 2015 and the six months ended 30 June 2014 are as set out below.

Table 17 – Beneficial Interest

Beneficial Interest for:	6 months ended 30 Jun 15	6 months ended 30 Jun 14
APRR	20.14%	19.44%
Dulles Greenway[1]	50.00%	50.00%
Chicago Skyway	22.50%	22.50%
Warnow Tunnel	70.00%	70.00%

1. Reflects estimated economic interest.

Foreign exchange rates

All Proportionate EBITDA information contained in this Report is disclosed in Australian dollars unless stated otherwise. In deriving Australia Dollar income for the purpose of proportionate EBITDA, the Group applies quarterly average exchange rates to all foreign income and expenses in the relevant quarter. Under the pro forma approach, pcp results are restated using quarterly average exchange rates from the current period to remove the impact of changes in foreign currency exchange rates.

Table 18 – Spot and average foreign exchange rates

	Spot foreign exchange rates[1]	Quarter ended average foreign exchange rates	
	As at 30 Jun 15	31 Mar 15	30 Jun 15
Euro	0.6921	0.6984	0.7029
Pound Sterling	0.4910	0.5192	0.5074
United States Dollar	0.7715	0.7864	0.7779

1. The spot exchange rates in this table are the exchange rates that have been applied to the translations of proportionate net debt as at 30 June 2015.

Operating revenue

Asset revenue is calculated by aggregating the product of the Beneficial Interest and the total revenue of each road asset. Revenue is recognised under the local Generally Accepted Accounting Principles ("GAAP") applicable to each asset.

Operating expenses

Asset operating expenses are calculated by aggregating the product of the Beneficial Interest and the total operating expenses of each road asset. Operating expenses are recognised under the local GAAP applicable to each road asset.

Corporate net interest income

Corporate net interest income is the aggregation of net interest income incurred/received by:

- either of the stapled entities; and
- entities interposed between either of the stapled entities and the operator companies which earn interest income.

The definition of net interest income includes all contractual interest expense, borrowing expenses and interest income payable to, or receivable from, third parties except:

- Interest and borrowing expenses or interest income in respect of shareholder loans or similar agreements; and
- Interest and borrowing costs that are capitalised and/or amortised.

Corporate expenses

Corporate expenses reflect the aggregation of:

- all expenses paid by the Group, including base management fees and performance fee instalments which became payable in the period;
- the Group's share of expenses from entities interposed between any of the MQA stapled entities and the operator companies not included in the assets' operating expenses; and
- current tax expense at the corporate level.

Aggregated Cash Flow Statement

The Aggregated Cash Flow Statement represents the aggregation of the cash flows attributable to security holders. This includes the cash flows of each of the stapled entities and their wholly owned subsidiaries, excluding entities that form part of the road operator company groups. The Aggregated Cash Flow Statement shows all cash received by the Group from its asset portfolio as well as corporate level cash flows. All information in the Aggregated Cash Flow Statement is disclosed in Australian dollars using foreign currency exchange rates applicable to the relevant transactions.

Net Debt

Net debt is calculated at each road asset by subtracting total cash on hand (including restricted cash holdings) from total debt at the end of the six months ended 30 June. Where the profile of a debt instrument is either amortising or accretive, no adjustment is made to the principal balance presented at reporting dates which fall between specified interest capitalisation or debt amortisation dates. Therefore, net debt represents principal amounts inclusive of capitalised interest only unless otherwise stated below. Where interest rate swaps are structured to mirror a series of capital accretion bonds (e.g. Chicago Skyway), a calculation of the notional principal outstanding on these bonds is undertaken. This notional principal is incorporated in net debt consistent with the treatment above.

Where interest rate swaps have been structured to better match the payment of interest with increasing revenue, an effective interest rate for the swap is calculated (representing the fixed rate that would have applied if the swap had no step-up). An interest accrual is included within net debt, reflecting the difference between the cumulative interest charge using this effective interest rate and the fixed payments made to date under the interest rate swap.

Appendix 2 – Reconciliation To Statutory Accounts

Table 19 – Overview

The table below summarises the key differences between the basis of preparation of this Report and the MQA Interim Financial Report which is prepared in accordance with Australian Accounting Standards.

Statutory result for the period	Proportionally consolidated financial performance
Non-controlled toll road assets results included in share of profits/losses from associates adjusted for: • purchase price allocations which results in additional toll concession authorisation; and • fair value movements on asset level interest rate swaps which must be taken through the income statement, even though they may be taken through reserves (accounted for as effective cash flow hedges) at the non-controlled asset level. Profits/losses of associates are brought to account only to the extent that the investment carrying value is above $nil.	Aggregation of operating results of proportionate interests in toll road assets.

Table 20 – Reconciliation – Statutory Results to Proportionate EBITDA

A$m	6 months ended 30 Jun 2015	6 months ended 30 Jun 2014
Profit/(loss) attributable to MQA security holders	**40.3**	**(67.9)**
Non-controlled investment adjustments:		
Share of net gain of associates	(68.3)	(1.9)
Proportionate EBITDA from non-controlled assets	261.5	259.5
MQA corporate level adjustments:		
Performance fees	-	58.2
Manager's and Adviser's base fees	12.0	11.4
Revenue	(1.7)	(1.0)
Estimated tax expense	16.2	-
Corporate net expenses	1.5	1.2
EBITDA from road assets	**261.5**	**259.5**

Table 21 – Reconciliation – Statutory to MIR operating cash flows

A$m	6 months ended 30 Jun 2015	6 months ended 30 Jun 2014
Net statutory operating cash flows	**(28.2)**	**(12.6)**
Preferred equity return from APRR	39.8	39.6
Distribution proceeds from sale of ITR	32.3	-
Net operating cash flows (per MIR)	**43.9**	**27.0**

Appendix 3 – Traffic and Toll Revenue Performance

Table 22 – Traffic and Toll Revenue performance vs pcp

Asset	6 months ended to 30 Jun 2015	6 months ended to 30 Jun 2014	Change vs pcp	Quarter vs pcp			
				Sep 14	Dec 14	Mar 15	Jun 15
APRR							
Light Vehicle VKT (millions)	8,773	8,578	2.3%	0.6%	2.6%	1.8%	2.7%
Heavy Vehicle VKT (millions)	1,672	1,639	2.0%	1.2%	0.4%	1.9%	2.0%
Total VKT (millions)	10,445	10,217	2.2%	0.7%	2.2%	1.8%	2.6%
Toll Revenue (€m)	1,025	998	2.7%	1.8%	2.7%	2.5%	2.9%
Dulles Greenway							
Av All Day Traffic	49,727	47,686	4.3%	3.6%	4.5%	3.4%	5.0%
Av Daily Toll Rev (US$)	225,238	209,801	7.4%	6.6%	7.6%	7.2%	7.4%
Chicago Skyway							
Av All Day Traffic	37,919	37,755	0.4%	0.6%	2.7%	4.6%	(2.7%)
Av Daily Toll Rev (US$)	235,712	205,073	14.9%	2.3%	2.3%	19.0%	11.7%
Warnow Tunnel							
Av All Day Traffic	10,828	10,536	2.8%	(1.3%)	1.9%	1.8%	3.7%
Av Daily Toll Rev (€)	25,612	24,387	5.0%	1.2%	4.3%	3.9%	6.0%
Portfolio Average[1]							
Weighted Av Traffic			2.3%	0.8%	2.4%	2.0%	2.6%
Weighted Av Toll Revenue			3.4%	2.1%	3.0%	3.3%	3.6%

1. Excludes ITR.