

APPENDIX 4D

Half Year Report

Name of entity: **Macquarie Atlas Roads (“MQA”)**

1. Details of the reporting period

Current Period: 1 January 2015 – 30 June 2015

Previous Corresponding Period: 1 January 2014 – 30 June 2014

2. Results for announcement to the market

	\$A'000		
2.1 Revenue from operations	Up	72.1%	to 1,685
2.2 Profit from ordinary activities after tax for the period	Up (Increase in profit)	nm*	to 40,284
2.3 Profit for the period attributable to MQA stapled security holders	Up (Increase in profit)	nm*	to 40,284
<p>*nm stands for “not meaningful”.</p> <p>MQA’s statutory profit from operations after income tax for the period of \$40.3 million (June 2014: loss of \$67.9 million) includes operating expenses of \$13.5 million (June 2014: \$70.8 million) and MQA’s share of net profits of investments accounted for using the equity method of \$68.3 million (June 2014: \$1.9 million).</p> <p>The profit after tax for the period represents 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 3.4% to \$347.0 million and proportionate EBITDA increased by 8.3% to \$261.5 million. Revenue weighted average traffic for the six months ended 30 June 2015 increased 2.3% on the prior corresponding period. For a reconciliation of the statutory result to the proportionate result please refer to MQA’s Management Information Report.</p>			
2.4 Dividends (distributions)	Amount per security (in cents)	Franked amount per security (in cents)*	
2015:			
Final dividend / distribution	N/A	N/A	
Interim dividend / distribution	6.0	N/A	
2014:			
Final dividend / distribution	8.2	N/A	
Interim dividend / distribution	5.0	N/A	
<p>* All distributions were paid by Macquarie Atlas Roads International Limited (a Bermudian company), foreign dividends cannot be franked.</p>			

2.5 Record date for determining entitlements to the dividend / distribution	N/A	
<p data-bbox="199 309 1310 367">2.6 <i>Provide a brief explanation of any of the figures reported above necessary to enable the figures to be understood:</i></p> <p data-bbox="199 400 1394 459">MQA's profit after tax for the half year ended 30 June 2015 was \$40.3 million (2014: loss of \$67.9 million). The movement in results for the half year reflects the following significant items:</p> <ul data-bbox="244 474 1394 969" style="list-style-type: none"> <li data-bbox="244 474 1394 589">- Operating expenses of \$13.5 million (2014: \$70.8 million) have decreased mainly due to no new performance fees being payable in respect of the 12 months ended 30 June 2015. At 30 June 2014, MQA recognised the full 30 June 2014 performance fee (\$58.2 million), including instalments that were expected to become payable in future periods; <li data-bbox="244 607 1394 898">- Share of net profit of investments accounted for using the equity method of \$68.3 million (2014: profit of \$1.9 million), comprising: <ul style="list-style-type: none"> <li data-bbox="300 663 1394 748">(i) Autoroutes Paris-Rhin-Rhône ("APRR") profit of \$44.2 million (2014: profit of \$15.2 million), including APRR's fair value gain on interest rate swaps for the half year ended 30 June 2015 of \$12.6 million (2014: loss of \$3.4 million); <li data-bbox="300 752 1394 779">(ii) Dulles Greenway loss of \$8.1 million (2014: loss of \$8.2 million); <li data-bbox="300 784 1394 835">(iii) Distribution proceeds of \$32.3 million (2014: \$nil) relating to the sale of ITR Concession Company Holdings LLC ("ITRCCH"); and <li data-bbox="300 840 1394 898">(i) No further Chicago Skyway losses being brought to account as the investment has been held at \$nil since 30 June 2014 (2014: loss of \$5.1 million). <li data-bbox="244 916 1394 969">- A preliminary estimated tax of \$16.2 million (2014: \$nil) on the distribution proceeds relating to the sale of ITRCCH. <p data-bbox="199 987 1394 1046">For further explanation of the results please refer to the accompanying announcement, including the Interim Financial Report for the half year ended 30 June 2015.</p>		

3. Net asset backing per stapled security

	Current period (As at 30 June 2015)	Previous corresponding Period (As at 30 June 2014)
Net tangible asset backing per stapled security *	\$1.60	\$1.51

* Under the listing rules net tangible assets 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.

4. Control gained or lost over entities during the period

4.1 Name of entity (or group of entities) over which control was gained	None
4.2 Date control was gained	N/A
4.3 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
4.1 (b) Name of entity (or group of entities) over which control was lost	None
4.2 (b) Date control was lost	N/A
4.3 (b) 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	N/A

5. Details of dividends/distributions

A distribution of 6.0 cents (2014: 5.0 cents) per stapled security was declared on 17 March 2015 and paid on 31 March 2015 (2014: declared on 21 March 2014 and paid on 4 April 2014).

6. Details of dividend/distribution reinvestment plan

There was no dividend/distribution reinvestment plan in operation during the period.

7. Details of associates and joint arrangements

	Current period (As at 30 June 2015)	Previous corresponding Period (As at 30 June 2014)
Name of associates and joint arrangements¹	MQA's economic interest (%)	
Macquarie Autoroutes de France 2 SA	40.3	38.9
Dulles Greenway Partnership ²	50.0	50.0
Chicago Skyway Partnership	50.0	50.0
Warnowquerung GmbH & Co. KG (WKG) (limited partnership) ³	70.0	70.0
Indiana Toll Road Partnership ⁴	0.0	49.0
Peregrine Motorways Limited ⁵	0.0	0.0

1 Except for Macquarie Autoroutes de France 2 SA, all associates and joint arrangements are in "lockup" under their debt documents, meaning that they are currently unable to make distributions to MQA and the Macquarie Atlas Roads Limited (MARL) Group. Dulles Greenway Partnership cannot come out of lockup before 2017 and is not expected to make a distribution to MQA before 2019.

2 The MARL Group holds a 6.7% equity interest in Toll Road Investors Partnership II LP (TRIP II), the concessionaire for Dulles Greenway, through Dulles Greenway Partnership (DGP). Along with Macquarie Atlas Roads International Limited's (MARIL) interest bearing financial assets, MQA's estimated overall economic interest in TRIP II is 50%. Dulles Greenway Partnership holds a 100% interest in the General Partner, Shenandoah Greenway Corporation.

3 A subsidiary of MARIL, European Transport Investments (UK) Limited, beneficially owns 70% of both the WQG Limited partnership ("WQG") and the General Partner of the partnership which have contracted to build, own and operate a tolled tunnel in Rostock, Germany. The balance of 30% is held by Bouygues Travaux Publics SA. Per the agreement, any decisions made with regard to the relevant activities require 75% of the voting members to proceed meaning both partners have to agree. As a result, MQA's investment in WQG is classified as a Joint Venture.

4 In October 2014, the operator of Indiana Toll Road, received approval for its debt restructuring plan which permitted the sale of the business. MQA continued to legally own a 49% equity interest in Indiana Toll Road Partnership ("ITRP"), the holding vehicle of ITRCCH but was no longer exposed to any variable returns from the ongoing operations of the investment. Accordingly, MQA's economic interest in the ongoing operations of ITRP was nil at 31 December 2014. On 27 May 2015, financial close was reached on the sale of ITRCCH and subsequently MQA received US\$25 million (A\$32.3 million) in distribution proceeds. MQA's legal and economic interest is nil.

5 On 4 June 2013, MQA deconsolidated Macquarie Motorways Group Limited ("MMG") (the previous holding company for the M6 Toll) and commenced equity accounting for its interest as an investment in an associate. A new entity, Peregrine Motorways Limited ("PML"), was incorporated on 2 August 2013 and inserted as the 100% owner of MMG. MQA legally owns a 100% ordinary equity interest in PML but is not expected to be exposed to any significant variable returns from the ongoing operations of this investment. As a result, at 30 June 2015 MQA's economic interest in PML is nil. However, MQA's representation and participation at Board level leads to significant influence over the asset and as such it is accounted for as an associate.

For further explanation on results of these entities, please refer to the accompanying announcement, including the Interim Financial Report for the half year ended 30 June 2015.

8. Accounting standards used by foreign entities

All foreign entities have been adjusted to conform with Australian Accounting Standards where necessary.

9. 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):

<input type="checkbox"/>	The accounts have been audited. (refer attached financial statements)	<input checked="" type="checkbox"/>	The accounts have been subject to review. (refer attached financial statements)
<input type="checkbox"/>	The accounts are in the process of being audited or subject to review.	<input type="checkbox"/>	The accounts have <i>not</i> yet been audited or reviewed.

There is no audit dispute or qualification. Refer attached Interim Financial Report for the review report.