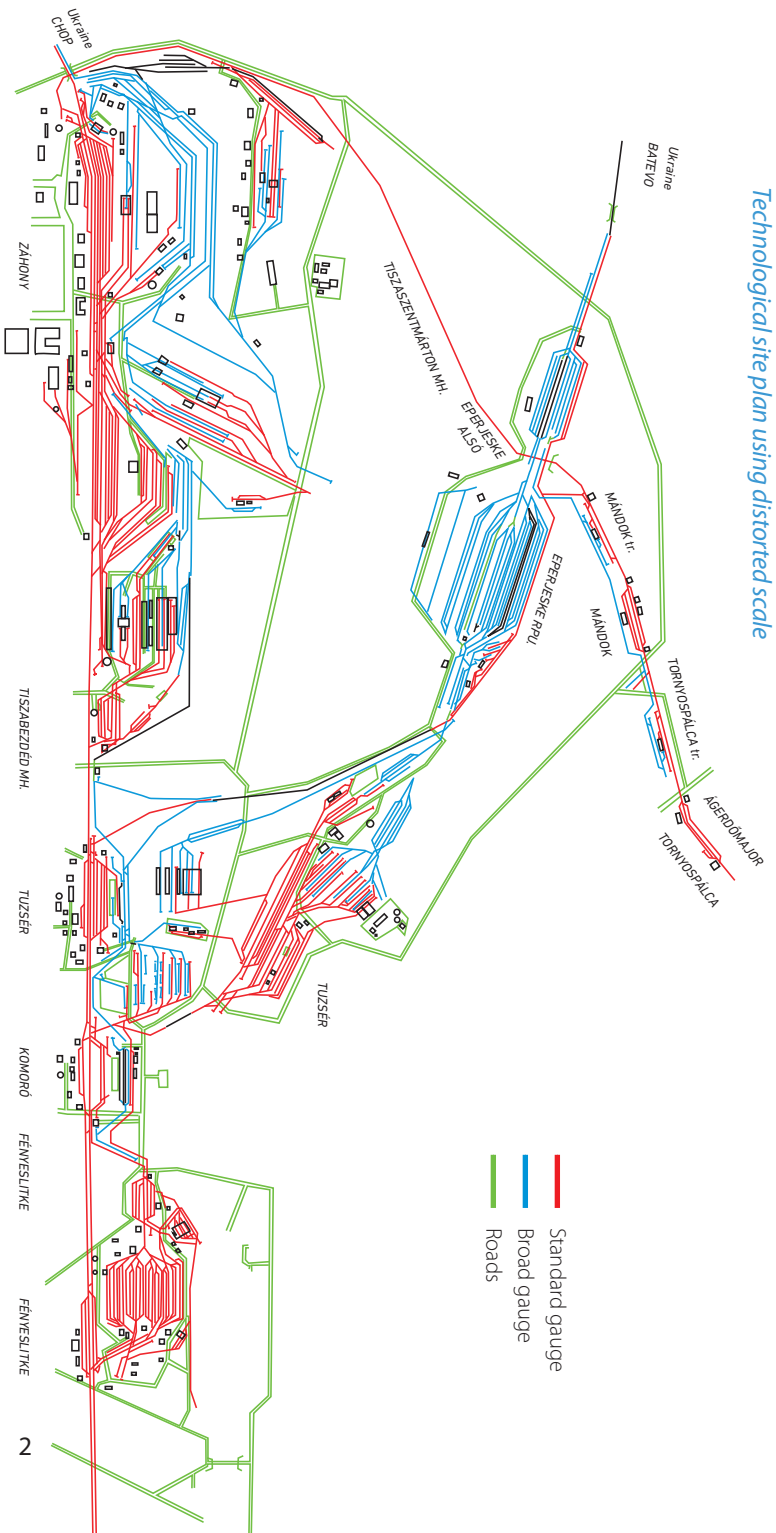
ZÁHONY

Junction of standard and broad gauge railway lines

Complex logistics and cargo-handling services

Záhony area

Technological site plan using distorted scale



Dear Reader,

Lászlóné Németh
Minister of National Development

Hungary is one of the strategic transport centres of Central Europe. Záhony is the Hungarian junction of broad and standard rail gauges on the eastern border. As a Gate of East, Záhony is a key commercial entrance point for fast-growing Asian countries towards the European Union.

The quality services in Záhony area, provided by national railway undertaking of Hungary and its subsidiaries, support the expansion of cost-effective and safe rail freight transport, as well as the formation of more prosperous commercial connections.

Fostering the widespread use of these services, the realization of the cross-border and transit trade on environment friendly railway to the largest proportion is mutual intention of the Hungarian Cabinet, the Ministry and the national railway undertaking, in accordance with sustainable mobility goals determined in the New Széchenyi Plan and European Commission Transport White Paper 2011.

With this in mind, I highly recommend this brochure to your attention for contributing to the extension of commercial relations.

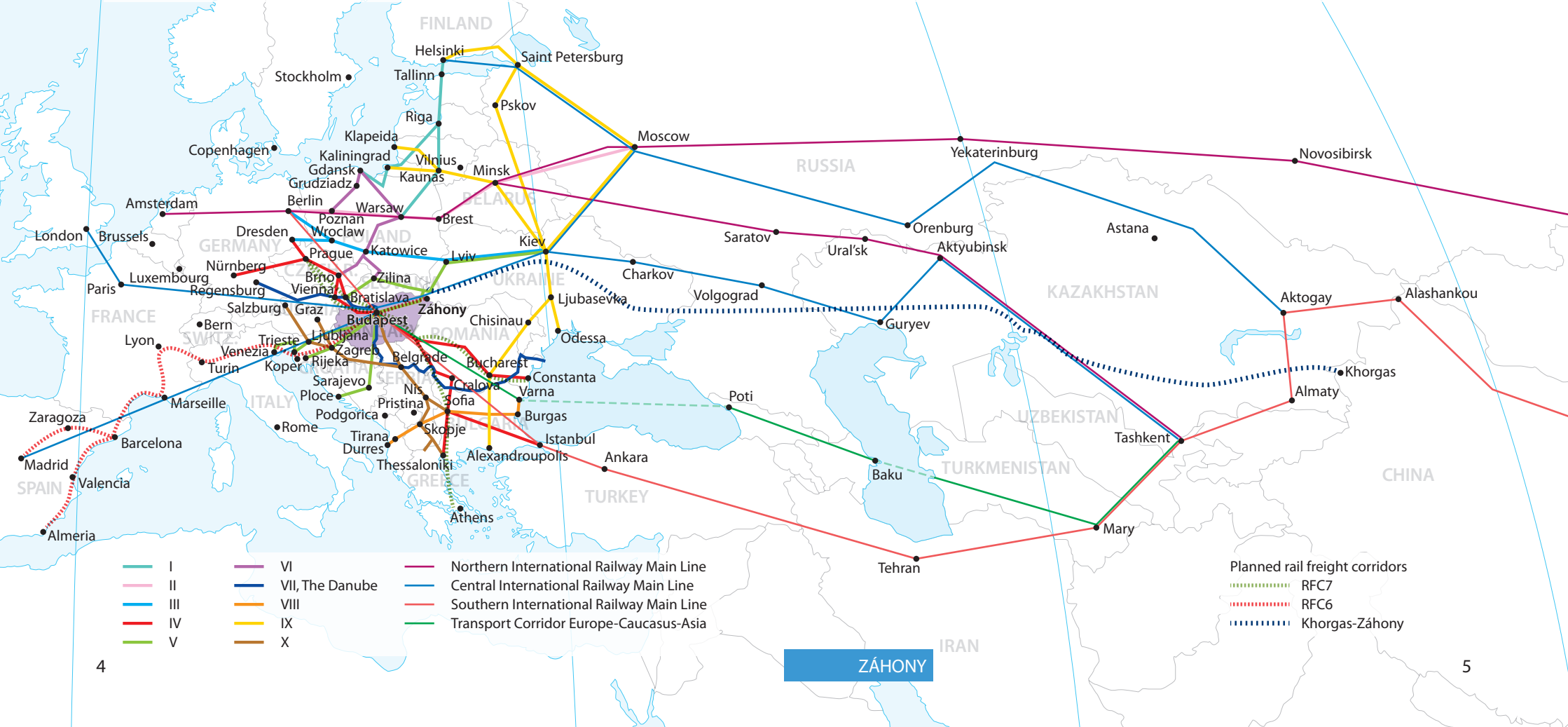
Europe – Asia – Hungary - Záhony

Several lines of the Pan-European Transport Corridors, comprising Europe's most important railway corridors, are running through Hungary both in a north-south and in an east-west direction. On certain transport routes Hungary can hardly be passed by, which awards the country a position of strategic importance regarding rail transport. Hungary's favourable geopolitical position is further improved by the potential of receiving goods from Eastern Europe and Asia at its north-eastern border station, as Záhony is the junction of broad and standard gauge railway lines. Corridors IV, V, VII and X are running through Hungary, out of which Corridor V (Venice - Trieste/Koper - Ljubljana - Maribor - Budapest - Uzhhorod - Lviv - Kiev) reaches Záhony, with a suitable connection towards all important directions.

Planned rail freight corridors

Záhony is supposed to be the destination station of RFC 6 (Almeria - Valencia/Madrid - Zaragoza/ Barcelona - Marseille - Lyon - Turin - Milan - Verona - Padua/Venice - Trieste/Koper - Ljubljana - Budapest - Záhony) that is one of the rail freight corridors to be established based on Regulation (EU) No. 913/2010 of the European Parliament and of the Council concerning a European rail network for competitive freight. Latest date of implementation: November 10, 2013.

The expansion of Eastern relations has contributed to the establishment of a new rail freight corridor, which will connect Záhony with Khorgas, China's prominently developed, industrial and logistics centre, with Ukrainian, Kasah and Russian connections. High-level intergovernmental negotiations took place in favour of establishing this corridor in 2011.



ZÁHONY

Záhony Transshipping Area

The Transshipping Area of Záhony is one of Europe's largest mainland harbours. As a junction of standard gauge (1435 mm) and broad gauge (1520 mm) railway lines Záhony is an important railway station between the East and the West.

The Transshipping Area of Záhony covers a territory of 84 km^2 and consists of Záhony and 10 other settlements. Its standard gauge railway lines are 260 km, while its broad gauge railway lines amount to 140 km. It has a capacity of 140 000 m^2 outdoor and 7500 m^2 indoor bonded warehouses for the warehousing, storing and forwarding of goods to the destination station flowing from non-EU countries on customers' demand. The technology available makes it possible to warehouse, store and process half-made products, raw materials during transshipment. The axle load is 250 kN on broad gauge and 225 kN on standard gauge. The annual transshipment capacity of Záhony area is 18 million tons.

The transshipping area is fully covered with wire and mobile telecommunications infrastructure, in addition, a modern inner telephone system has been established between the transshipping stations. Broadband optical backbone runs above all along the railway lines. Furthermore, fast flow of information is provided with wired or radio network services from the centre of Záhony via the internet towards any part of the world.

Reconstruction of the old main road No. 4 in the Záhony Transshipping Area; an overpass over the railway line No. 100 in order to make transportation safer; extension of motorway M3 to Záhony area; plans for water routes are to be drawn up for the river Tisza and for rapid railway services; the nearest airport access within a 120 km – all of these factors promote the area to become an intermodal centre.

Most important premises:

- Záhony 500 Loading Area (exchange of axles, bonded store)
- Záhony Chemical Transshipment Terminal
- Eperjeske Marshalling Yard
- Eperjeske Transshipment Facility
- Komoró Oil Terminal
- Komoró Customs Warehouse
- Fényeslitke

Unique Selling Points of Záhony

Záhony area has some unique technical potentials, which can only be found here in the surroundings providing excellent opportunities to our partners.

Eperjeske Transshipment Facility - Slide

Bulk goods from open hopper wagons and special open high-sided wagons are unloaded in a fast way by gravity. Spillage is helped by vibrating, spooned and broomed hidraulic-arm-equipment.

120 tons lifting capacity

The technology available makes it possible to move 120-ton good in one piece with one lift.

Chemical transshipment terminal

Closed transshipping systems ensure that goods are handled in a safe way and without being lost or intermingled, and that consignment from tank wagons is transshipped in an environmentally friendly way.

ZÁHONY

The activities of MÁV Co. Infrastructure Business Unit in the Záhony area

MÁV Co. is subject to fulfil tasks regarding rail transport at the Hungarian-Ukrainian border-crossing, to provide a non-discriminatory access to equipment promoting interoperability between the different gauge systems and to operate these pieces of equipment.

Legal framework of the operation of the Záhony area is based on the Ukrainian-Hungarian intergovernmental agreement and the Agreement on the Use of Freight Wagons in International Traffic (PGV), a member of which is MÁV Co.

Services provided by the Infrastructure Manager in the Záhony area

Services announced in the Network Statement

- Ensuring of staff for shunting
- Ensuring of traction unit for shunting
- Ensuring of staff by IM for weighing
- Ensuring access to railway weighbridges
- Exchange of axles
- Use of bogies
- Outdoor train acceptance

Terms and conditions of the open access railway network of Hungary are included in the Network Statement published by the Rail Capacity Allocation Office: http://www2.vpe.hu/en/network-statement

Other services provided by the IM

- Technical transferring of freight wagons in border-crossing transport within the framework of PGV
- Transferring of goods in border-crossing transport within the framework of PGV
- Other services connected to traction in border-crossing transport within the framework of PGV

(For access of the other services a separate contract is required to conclude with MÁV Co.)

ZÁHONY-PORT Co.

ZÁHONY-PORT Co. has an experience of several decades in logistics services. Its main scope of activity is the transshipment of goods from broad gauge wagons arriving from the CIS countries crossing the boarder stations Chop (Záhony) and Batevo (Eperjeske) to normal gauge wagons. The company, which is 100% MÁV property, has the largest transhipping capacity in the area.

Transshipment and loading services:

- Transshipment of mass goods
- Transshipment of bulk goods
- Mechanical moving of goods by cranes
- Transshipment of tanked goods
- Small-machine loading and unloading
- Transshipment of logs and timber products

Other important services:

- Storing
- Warehousing
- Customs warehousing
- Vehicular moving of broad gauge wagons
- Customs agency activities

Due to the ongoing development projects, ZÁHONY-PORT Co. had a capacity of transshipping 16 million tons of goods, forwarding 1.5 million wagons, 16 gantry cranes on 4-comb-system crane-runway, mobile loaders and 20 tank wagons in 2011. Its containerization capacity is 1300 TEU, which provides non-stop services both for railway and road transport.

Capacity of ZÁHONY-PORT Co's premises 2012

Záhony Chemical Transshipment Terminal	**7 200 tons/day**
Záhony 500 Loading Area	**2 900 tons/day**
Eperjeske Transshipment Facility	
Bulk goods in open wagons	**18 000 tons/day**
Bulk goods in closed wagons	**1 800 tons/day**
Crane (un)loading	**7 000 tons/day, 500 TEU/day**
Komoró Oil Terminal	**7 200 tons/day**

Services and charges

The charges of main services provided by MÁV Co. Infrastructure Business Unit in the Záhony area for the timetable year 2011/2012

Services	*HUF*	*EUR*
Charge for ensuring staff for shunting (HUF/person/hour)	3 597	12.0
Charge for ensuring traction unit (HUF/loco/hour)	19 500	65.0
Charge of staff of IM ensured to weighing (HUF/vehicle)	732	2.4
Charge for exchanging of axles (HUF/vehicle)	50 000	166.7
Charge for use of bogie (HUF/hour/bogie)	30	0.1
Charge for ensuring access to wagon weighbridges (HUF/wagon)	2 340	7.8
Charge for staff for train acceptance (HUF/person/hour)	3 323	11.1

Calculation is based on the following exchange rate: 1EUR = 300 HUF

Charges for transshipment carried out by ZÁHONY-PORT Co. differentiate depending on the characteristics of the goods, the way of packaging, the necessary transshipping technology, as well as the amount and cadence of goods. Request for quotations are to be submitted directly to the contacts of ZÁHONY-PORT Co. available in this brochure.

Model calculation for the most important routes

The following model calculation shows informative data regarding the train run time and track access charges* for the most important routes crossing Záhony area for an average train set based on the charges for the timetable year 2011/2012.

Route	*Charge (€)*	*Time*	*Kms*
Eperjeske - Hegyeshalom	1 550	6:45	499
Eperjeske - Bajánsenye	1 780	13:20	589
Eperjeske - Kelebia	1 490	9:30	476
Eperjeske - Lőkösháza	1 140	5:15	350

Model Train

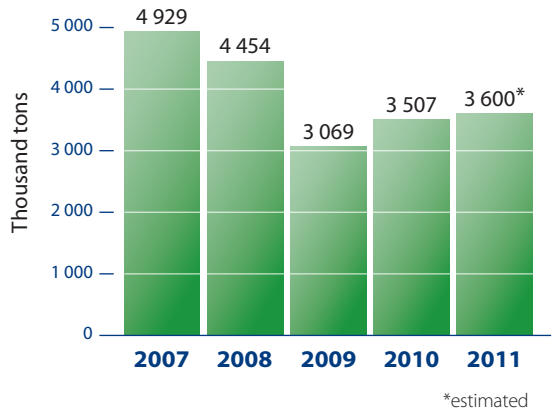
Gross weight	1 600 tons
Lenght	450 m
Number of wagons	20 pcs
Services provided	• Ensuring of train path, running of trains • Use of origin/destination stations • Shunting on the origin/destination stations • Use of intermediate station (30 min) • Use of catenary

*Without charges for electric traction current and transshipment.

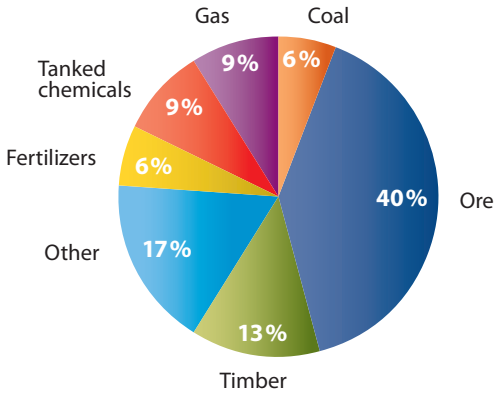
Characteristics of the present Záhony traffic

Volume magnitude of transshipping and handling of goods in the Záhony area depends on the amount of goods arriving in broad gauge wagons. After a considerable decrease in 2009, tendency showed a slight rise. The inside composition of the traffic iron ore has played a dominant role.

Amount of goods entering on broad gauge



Composition of goods entering on broad gauge in 2010



Developments in the Záhony Area

The Hungarian government is investing 32 billion HUF (107 million €) – mainly EU funds – in the Záhony area, in the framework of which the backbone network is entirely reconstructed. New public roads are to be built in order to release the surrounding settlements from the expected increase in traffic. Greenfield industrial and logistics park is to be established crossed by both broad and standard gauge railway lines, along with enhancing the capacity of energetic systems, as well as banking and financial infrastructure. Skills and knowledge of global trading and logistics are to be acquired at secondary-level and higher education in order to provide customers with services available at any part of the world.

Property development potentials of Záhony Transshipping Area

Several nodes of Záhony trasshipping area have considerable free property capacity, respectively there is more property capacity, which can be freed with modernization of the established technology.

The most important investment target areas:

Eperjeske

An area of 122 149 m^2, partly with buildings without function and partly unbuilt, can be rented or bought for development. Facilities: internal road network; development possibility of water, electric and gas public utilities; standard and broad gauge, as well as public road connection requiring modernization and enlargement.

Záhony

There is a ~ 435 000 m^2 development area on Záhony station, where public utilities, standard and broad gauge connection for industrial exploitation are available. Creation of public road connection is possible. The area can be rented or bought. There are offices, warehouses and halls near the area, which can be purchased.

Fényeslitke

The building available for development was used as a locomotive repair yard, which is 2 640 m^2, yard shed and social buildings are 707 m^2 within. Facilities: standard gauge connection; water, electric and gas public utilities are available through MÁV's network. An industrial park is being built near the area, which will be available both on standard and broad gauge. The public road connection of the area is ensured by service roads.

Tuzsér

The development area on the border of Tuzsér and Komoró is 13 195 m^2. Earlier it operated as an oil terminal. It does not have gauge connection, however, it can be approached from public road through service path. Water, electric and sewer public utilities are available.

Availabilities of Some Important Organizations

MÁV Co. Infrastructure Business Unit

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Telephone:	+36 1 511 3354, +36 1 511 7245
E-mail:	infrastructure@mav.hu
Website:	www.mav.hu

ZÁHONY-PORT Co.

Address:	H-4625 Záhony, Európa tér 12.
Telephone:	+36 1 513-3010
E-mail:	info@zahony-port.hu
Website:	www.zahony-port.hu

National Transport Authority

Address:	H-1066 Budapest, Teréz krt. 38.
Telephone:	+36 1 373 1442
E-mail:	office@nkh.gov.hu
Website:	www.nkh.gov.hu

Rail Capacity Allocation Office

Address:	H-1066 Budapest, Bajzsy-Zsilinszky út 48.
Telephone:	+36 1 301-9925; +36 1 301-9926
E-mail:	oss@vpe.hu
Website:	www.vpe.hu


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