

**Submissions**  
**to RÁBA Automotive Holding Plc.'s**  
**(RÁBA Plc)**  
**Annual General Meeting**  
**to be held on April 23, 2009**

**The Agenda of the General Meeting**

- 1./ Report of the Board of Directors on the Company's operations in the previous business year;
- 2./ Report of the Board of Directors on the management, assets and business policy of the Company, about the annual financial statements and proposal for the approval of the normal and consolidated balance sheet as well as proposal for the allocation of the net result; and the submission of report on the Corporate Governance;
- 3./ Written report of the Supervisory Board and the Auditor on the annual financial statements, the report drawn up as per the Act on Accounting, and the allocation of the net result.
- 4./ Discussion of the financial statements (balance sheet, P&L), approval of the balance sheet, and resolution on the allocation of net result; and resolution on the acceptance of the report on the Corporate Governance;
- 5./ The authorization of the Board of Directors to acquire own shares;
- 6./ The amendment of the Articles of Association and setting the consolidated memorandum thereof;
- 7./ Election of Board Members;
- 8./ Election of Supervisory Board and Audit Committee Members;
- 9./ Election of the Auditor and setting their remuneration;
- 10./ Miscellaneous

**Item 1-2 on Agenda of General Meeting**

**Report of the Board of Directors on the Company's operations  
in the previous business year**

**Report of the Board of Directors on the management, assets and business policy of  
the Company, about the annual financial statements; proposal for the approval of the  
balance sheet and on the allocation of net result;  
and submission on the report on the Corporate Governance;**

**Financial Statements**  
**in accordance with the Hungarian Act on Accounting**  
**for the FY 2008**  
**of**  
**Rába Járműipari Holding Nyrt.**

Statistical number: 11120133-7010-114-08

Court registration number 08-10-001532

**RÁBA Nyrt.**

**9027 Győr Martin út 1.  
(96) 624-000**

**December 31, 2008**

Győr, March 27, 2009

Managing Director of the Company (Representative)

P.H.

Statistical number

11120133-7010-114-08

Court registration number:

08-10-001532

**BALANCE SHEET "A" Assets**

data in th HUF

a	Description	Prior year Dec. 31, 2007	Correction in prior year	Current year Dec 31, 2008
b	c			e
1	<b>A. Fixed assets</b>	<b>16 000 130</b>	<b>0</b>	<b>17 435 745</b>
2	I. INTANGIBLE ASSETS	170 800	0	145 088
3	Capitalized value of formation/reorganization expenses	0	0	0
4	Capitalized value of research and development	0	0	0
5	Concessions, licenses and similar rights	147 434	0	130 180
6	Trade-marks, patents and similar assets	23 366	0	15 808
7	Goodwill	0	0	0
8	Advances and prepayments on intangible assets	0	0	0
9	Adjusted value of intangible assets	0	0	0
10	II. TANGIBLE ASSETS	6 327 356	0	6 353 759
11	Land and buildings and rights to immovables	6 213 895	0	6 252 667
12	Plant and machinery, vehicles	93 043	0	75 356
13	Other equipment, fixtures and fittings, vehicles	17 168	0	21 391
14	Breeding stock	0	0	0
15	Assets in course of construction	3 250	0	4 345
16	Payments on account	0	0	0
17	Adjusted value of tangible assets	0	0	0
18	III. FINANCIAL INVESTMENTS	9 501 974	0	10 925 998
19	Long-term investments in affiliated undertakings	9 501 769	0	10 925 793
20	Long-term credit to affiliated undertakings	0	0	0
21	Other long-term investments	205	0	205
22	Long-term loan to independent undertakings	0	0	0
23	Other long-term loans	0	0	0
24	Securities signifying a long-term creditor relationship	0	0	0
25	Adjusted value of financial investments	0	0	0

Győr, March 27, 2009

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**BALANCE SHEET "A" Assets**

data in th HUF

		Description	Prior year Dec. 31, 2007	Correction in prior year	Current year Dec 31, 2008
a		b	c		e
26	B.	<b>Current assets</b>	<b>7 254 990</b>	<b>0</b>	<b>5 017 592</b>
27	I.	<b>INVENTORIES</b>	350 189	0	352 676
28		Raw materials and consumables	11 390	0	13 245
29		Work in progress, intermediate and semi-finished products	0	0	0
30		Young, fattened and other animals	0	0	0
31		Finished products	0	0	0
32		Goods	338 217	0	338 217
33		Advances and prepayments	582	0	1 214
34	II.	<b>LIABILITIES</b>	<b>5 264 766</b>	<b>0</b>	<b>2 533 726</b>
35		Trade debtors	573 964	0	94 819
36		Receivables from affiliated undertakings	3 056 643	0	2 346 279
37		Receivables from independent undertakings	0	0	0
38		Bills receivable	0	0	0
39		Other receivables	1 634 159	0	92 628
40	III.	<b>SECURITIES</b>	<b>577 249</b>	<b>0</b>	<b>877 134</b>
41		Participations in affiliated undertakings	0	0	0
42		Other participations	0	0	0
43		Own shares and own partnership shares	577 249	0	877 134
44		Securities signifying a creditor relationship for trading purposes	0	0	0
45	IV.	<b>LIQUID ASSETS</b>	<b>1 062 786</b>	<b>0</b>	<b>1 254 056</b>
46		Cash, cheques	333	0	170
47		Bank deposits	1 062 453	0	1 253 886
48	C.	<b>Accrued and deferred assets</b>	<b>161 145</b>	<b>0</b>	<b>92 287</b>
49		Accrued income	159 285	0	91 331
50		Accrued expenses	1 860	0	956
51		Deferred expenses	0	0	0
52		<b>Total assets</b>	<b>23 416 265</b>	<b>0</b>	<b>22 545 624</b>

Győr, March 27, 2009

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**BALANCE SHEET "A" Liabilities**

data in th HUF

	Description	Prior year Dec. 31, 2007	Correction in prior year	Current year Dec 31, 2008
a	b	c		e
53	<b>D. Shareholders' Equity</b>	<b>14 752 493</b>	<b>0</b>	<b>14 586 900</b>
54	I. ISSUED CAPITAL	13 473 446	0	13 473 446
55	including: ownership shares repurchased at face value	577 249	0	845 410
56	II. ISSUED CAPITAL UNPAID (-)	0	0	0
57	III. CAPITAL RESERVE	11 040 016	-2 412 362	127 654
58	IV. RETAINED EARNINGS	-10 722 913	2 412 362	1 109 359
59	V. TIED-UP RESERVE	577 249	0	877 134
60	VI. REVALUATION RESERVE	0	0	0
61	VI. BALANCE SHEET PROFIT	384 695	0	-1 000 693
62	<b>E. Provisions</b>	<b>348 920</b>	<b>0</b>	<b>392 959</b>
63	Provisions for forward liabilities	348 920	0	392 959
64	Provisions for forward expenses	0	0	0
65	Other provisions	0	0	0
66	<b>F. LIABILITIES</b>	<b>8 188 550</b>	<b>0</b>	<b>7 389 877</b>
67	I. SUBORDINATED LIABILITIES	0	0	0
68	Subordinated liabilities to affiliated undertakings	0	0	0
69	Subordinated liabilities to independent undertakings	0	0	0
70	Subordinated liabilities to other economic entities	0	0	0
71	II. LONG-TERM LIABILITIES	0	0	0
72	Long-term loans	0	0	0
73	Convertible bonds	0	0	0
74	Debts on issue of bonds	0	0	0
75	Investment and development credits	0	0	0
76	Other long-term credits	0	0	0
77	Long-term liabilities to affiliated undertakings	0	0	0
78	Long-term liabilities to independent undertakings	0	0	0
79	Other long-term liabilities	0	0	0

Győr, March 27, 2009

P.H.



Statistical number 11120133-7010-114-08

Court registration number: 08-10-001532

**BALANCE SHEET "A" Liabilities**

data in th HUF

		Description	Prior year Dec. 31, 2007	Correction in prior year	Current year Dec 31, 2008
a		b	c		e
80	III.	<b>SHORT-TERM LIABILITIES</b>	8 188 550	0	7 389 877
81		Short-term bank loans	0	0	0
82		- including: convertible bonds	0	0	0
83		Other short-term loans	0	0	1 800 504
84		Advances received from customers	17 917	0	17 917
85		Accounts payable	434 531	0	187 798
86		Bills payable	0	0	0
87		Short-term liabilities to affiliated undertakings	7 554 774	0	5 333 978
88		Short-term liabilities to independent undertakings	0	0	0
89		Other short-term liabilities	181 278	0	49 680
90	G.	<b>Accrued and deferred income</b>	<b>125 332</b>	<b>0</b>	<b>175 888</b>
91		Deferred income	4 853	0	11 972
92		Deferred expenses	120 449	0	163 916
93		Accrued income	0	0	0
94		<b>Total liabilities</b>	<b>23 416 235</b>	<b>0</b>	<b>22 545 624</b>

Győr, March 27, 2009

P.H.

Statistical number

11120133-7010-114-08

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**PROFIT AND LOSS STATEMENT "A"**  
(total cost method)

data: in th HUF

		Description	Prior year Dec. 31, 2007	Correction in prior year	Current year Dec 31, 2008
a		b	c		e
1	1	Net domestic sales	1 511 944		1 167 098
2	2	Net external sales	714		128
3	I.	<b>Net sales revenue (01+02)</b>	<b>1 512 658</b>	<b>0</b>	<b>1 167 226</b>
4	3	Changes in self-manufactured stocks ±	0		0
5	4	Capitalized value of self-construction	0		0
6	II.	<b>Capitalized value of production (±03+04)</b>	<b>0</b>	<b>0</b>	<b>0</b>
7	III.	<b>Other income</b>	<b>1 122 762</b>		<b>202 734</b>
8		including: reversed loss in value	511 917		21
9	5	Material costs	36 761		27 090
10	6	Contracted services	661 588		740 413
11	7	Other services	52 069		53 249
12	8	Cost of goods sold	1 331		3 047
13	9	Value of services sold	570 996		232 371
14	IV.	<b>Material cost (05+06+07+08+09)</b>	<b>1 322 745</b>	<b>0</b>	<b>1 056 170</b>
15	10	Wages and salaries	215 038		274 084
16	11	Other employee benefits	57 670		78 513
17	12	Contributions on wages and salaries	102 040		115 820
18	V.	<b>Staff costs (10+11+12)</b>	<b>374 748</b>	<b>0</b>	<b>468 417</b>
19	VI.	<b>Depreciation</b>	<b>279 205</b>		<b>216 865</b>
20	VII.	<b>Other expenditures</b>	<b>877 735</b>	<b>0</b>	<b>408 247</b>
21		including: loss in value	5 112		49 066
22	A.	<b>PROFIT FROM OPERATING ACTIVITIES (±II+III-IV-V-VI-VII)</b>	<b>-219 013</b>	<b>0</b>	<b>-779 739</b>

Győr, March 27, 2009

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Statistical number

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**PROFIT AND LOSS STATEMENT "A"**

(total cost method)

data in th HUF

Sor- szám		Description	Prior year Dec. 31, 2007	Correction in prior year	Current year Dec 31, 2008
a		b	c		e
23	13	Dividends received (receivable)	614 995		4 163
24		including: from affiliated undertakings	610 000		0
25	14	Profit from investment sales	3 683		0
26		including: from affiliated undertakings	0		0
27	15	Interest and capital gains on financial investments	0		0
28		including: from affiliated undertakings	0		0
29	16	Other interest and similar income (received or due)	95 756		201 641
30		including: from affiliated undertakings	91 743		341
31	17	Other income from financial transactions	860 422		459 298
32		<b>VIII. Income from financial transactions (13+14+15+16+17)</b>	<b>1 574 856</b>	<b>0</b>	<b>665 102</b>
33	18	Losses on financial investments	0		0
34		including: to affiliated undertakings	0		0
35	19	Interest payable and similar charges	328 817		466 200
36		including: to affiliated undertakings	4 700		0
37	20	Losses on shares, securities and bank deposits	1 265		271 068
38	21	Other expenses on financial transactions	50 570		145 618
39		<b>IX. Expenses of financial transactions (18+19+20+21)</b>	<b>380 652</b>	<b>0</b>	<b>882 886</b>
40		<b>B. PROFIT FROM FINANCIAL TRANSACTIONS (VIII-IX)</b>	<b>1 194 204</b>	<b>0</b>	<b>-217 784</b>
41		<b>C. PROFIT OF ORDINARY ACTIVITIES (±A±B)</b>	<b>975 191</b>	<b>0</b>	<b>-997 523</b>
42		<b>X. Extraordinary income</b>	<b>1 154 008</b>		<b>0</b>
43		<b>XI. Extraordinary expenses</b>	<b>1 744 386</b>		<b>22 198</b>
44		<b>D. EXTRAORDINARY PROFIT (X-XI)</b>	<b>-590 378</b>	<b>0</b>	<b>-22 198</b>
45		<b>E. PROFIT BEFORE TAXES (±C±D)</b>	<b>384 813</b>	<b>0</b>	<b>-1 019 721</b>
46		<b>XII. Tax payable</b>	<b>119</b>		<b>-19 028</b>
47		<b>F. PROFIT AFTER TAXES (±E-XII)</b>	<b>384 695</b>	<b>0</b>	<b>-1 000 693</b>
48	22	Retained earnings used for dividends	0		0
49	23	Dividends payable	0		0
50		<b>G. BALANCE SHEET PROFIT (±F+22-23)</b>	<b>384 695</b>	<b>0</b>	<b>-1 000 693</b>

Győr, March 27, 2009

P.H.

Statistical number

11120133-7010-114-08

Court registration number:

08-10-001532

**PROFIT AND LOSS STATEMENT "A"**  
(turnover cost method)

data in HUF

	Description	Prior year Dec. 31, 2007	Correction in prior year	Current year Dec 31, 2008
a	b	c		e
1	1 Net domestic sales	1 511 944	0	1 157 093
2	2 Net external sales	714	0	123
3	<b>I. Net sales revenue (01+02)</b>	<b>1 512 658</b>	<b>0</b>	<b>1 157 223</b>
4	3 Cost of sales	584	0	73
5	4 Cost of goods sold	1 331	0	3 047
6	5 Value of services sold	570 996	0	232 371
7	<b>II. Direct cost of sales (03+04+05)</b>	<b>572 911</b>	<b>0</b>	<b>235 493</b>
8	<b>III. Gross profit (I-II)</b>	<b>939 747</b>	<b>0</b>	<b>931 730</b>
9	6 Sales and marketing costs	0	0	22 693
10	7 Administration costs	1 385 620	0	1 472 550
11	8 Other general overhead	18 167	0	10 703
12	<b>IV. Indirect cost of sales (06+07+08)</b>	<b>1 403 787</b>	<b>0</b>	<b>1 505 953</b>
13	<b>V. Other income</b>	<b>1 122 762</b>	<b>0</b>	<b>202 734</b>
14	including: reversed loss in value	511 917	0	21
15	<b>VI. Other expenditures</b>	<b>877 735</b>	<b>0</b>	<b>408 247</b>
16	including: loss in value	5 112	0	49 063
17	<b>A. PROFIT FROM OPERATING ACTIVITIES (±III-IV-V-VI)</b>	<b>-219 013</b>	<b>0</b>	<b>-779 733</b>

Győr, March 27, 2009

P.H.

Statistical number

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**PROFIT AND LOSS STATEMENT "A"**  
(turnover cost method)

data in th HUF

		Description	Prior year Dec. 31, 2007	Correction in prior year	Current year Dec 31, 2008
a		b	c		e
18	9	Dividends received from associated undertakings	614 995	0	4 163
19		Dividends received from independent undertakings	610 000	0	0
20	10	Profit from investment sales	3 683	0	0
21		including: from affiliated undertakings	0	0	0
22	11	Interest and capital gains on financial investments	0	0	0
23		including: from affiliated undertakings	0	0	0
24	12	Other interest and similar income (received or due)	95 756	0	201 641
25		including: from affiliated undertakings	91 743	0	341
26	13	Other income from financial transactions	860 422	0	459 298
27	VIII.	<b>Income from financial transactions (09+10+11+12+13)</b>	<b>1 574 856</b>	<b>0</b>	<b>665 102</b>
28	14	Losses on financial investments	0	0	0
29		including: to affiliated undertakings	0	0	0
30	15	Interest payable and similar charges	328 817	0	466 200
31		including: to affiliated undertakings	4 700	0	0
32	16	Losses on shares, securities and bank deposits	1 265	0	271 068
33	17	Other expenses on financial transactions	50 570	0	145 618
34	IX.	<b>Expenses of financial transactions (14+15+16+17)</b>	<b>380 652</b>	<b>0</b>	<b>882 886</b>
35	B.	<b>PROFIT FROM FINANCIAL TRANSACTIONS (VIII-IX)</b>	<b>1 194 204</b>	<b>0</b>	<b>-217 784</b>
36	C.	<b>PROFIT OF ORDINARY ACTIVITIES (±A±B)</b>	<b>975 191</b>	<b>0</b>	<b>-997 523</b>
37	X.	<b>Extraordinary income</b>	<b>1 154 008</b>	<b>0</b>	<b>0</b>
38	XI.	<b>Extraordinary expenses</b>	<b>1 744 386</b>	<b>0</b>	<b>22 198</b>
39	D.	<b>EXTRAORDINARY PROFIT (X-XI)</b>	<b>-590 378</b>	<b>0</b>	<b>-22 198</b>
40	E.	<b>PROFIT BEFORE TAXES (±C±D)</b>	<b>384 813</b>	<b>0</b>	<b>-1 019 721</b>
41	XII.	<b>Tax payable</b>	<b>118</b>	<b>0</b>	<b>-19 028</b>
42	F.	<b>PROFIT AFTER TAXES (±E-XII)</b>	<b>384 695</b>	<b>0</b>	<b>-1 000 693</b>
43	18	Retained earnings used for dividends	0	0	0
44	19	Dividends payable	0	0	0
45	G.	<b>BALANCE SHEET PROFIT (±F+18-19)</b>	<b>384 695</b>	<b>0</b>	<b>-1 000 693</b>

Győr, March 27, 2009

P.H.

**Consolidated Financial Statements**  
**in accordance with the International Accounting Standards**  
**for the year ended 31 December 2008**  
**of**  
**Rába Járműipari Holding Nyrt.**

**RÁBA Jár műipari Holding Nyrt.**  
*Consolidated Balance Sheet*  
as at 31 December 2008

		31 December 2007	31 December 2008
<b>Assets</b>			
Property, plant and equipment	7	15 976 027	16 173 131
Intangible assets	8	487 736	589 351
Investment property	9	338 217	338 217
Investments in equity accounted investees	10	1 294 019	1 048 483
Long term receivables	11	147 099	73 064
Available for sale financial instruments		263 811	255 055
Deferred tax assets	27	852 941	1 489 254
<b>Total non-current assets</b>		<b>19 359 850</b>	<b>19 966 555</b>
Inventories	12	9 321 700	10 101 383
Trade and other receivables	13	10 965 163	9 184 711
Derivative assets	14	936 776	-
Current income tax asset		130 952	213 916
Financial investments		80 000	80 000
Cash and cash equivalents	15	1 711 118	1 498 759
<b>Total current assets</b>		<b>23 145 709</b>	<b>21 078 769</b>
<b>Total assets</b>		<b>42 505 559</b>	<b>41 045 324</b>
<b>Equity and liabilities</b>			
Share capital	16	12 891 977	12 623 816
Capital reserves	16	6 852 528	-
Share based payment reserve	17	49 779	63 502
Retained earnings	16	(2 898 056)	(1 187 358)
<b>Total equity, all attributable to equity holders of the Company</b>		<b>16 896 228</b>	<b>11 499 960</b>
Provisions	18	861 906	1 366 997
Non-current loans and borrowings	19	7 493 240	6 270 505
Deferred tax liabilities	27	251 791	104 161
<b>Total non-current liabilities</b>		<b>8 606 937</b>	<b>7 741 663</b>
Derivative liabilities	14	-	5 078 664
Current portion of loans and borrowings	19	3 936 087	5 838 671
Trade and other payables	20	13 066 307	10 886 366
<b>Total current liabilities</b>		<b>17 002 394</b>	<b>21 803 701</b>
<b>Total equity and liabilities</b>		<b>42 505 559</b>	<b>41 045 324</b>

**RÁBA JárMűipari Holding Nyrt.**  
*Consolidated Income Statement*  
for the year ended 31 December 2008

		<b>31 December 2007</b>	<b>31 December 2008</b>
Revenue	22	58 217 569	58 682 966
Direct cost of sales	23	(46 027 961)	(46 940 590)
<b>Gross profit</b>		<b>12 189 608</b>	<b>11 742 376</b>
Sales and marketing expenses	23	(1 316 869)	(1 164 398)
General and administrative costs	23	(9 603 276)	(8 817 292)
Other income	25	1 101 059	740 206
Other expenses	25	(969 834)	(1 392 108)
Total other operational expenses		(10 788 920)	(10 633 592)
<b>Results from operating activities</b>		<b>1 400 688</b>	<b>1 108 784</b>
Finance income	26	2 669 706	4 419 062
Finance expenses	26	(2 151 142)	(10 706 861)
Share of profit or (loss) of associate			(243 857)
<b>Profit/(loss) before income tax</b>		<b>1 919 252</b>	<b>(5 422 872)</b>
Income tax expense	27	(505 463)	324 645
<b>Profit/(loss) for the year, all attributable to equity holders of the Company</b>		<b>1 413 789</b>	<b>(5 098 227)</b>
Basic earnings per share (HUF/share)	30	110	(397)
Diluted earnings per share (HUF/share)	30	104	(383)



**Responsible Corporate Governance Report**

**Responsible Corporate Governance Declaration  
on Compliance with the Corporate Governance Recommendations**

Annex as enclosure

**Item 3 on Agenda of General Meeting**

**Written report of the Supervisory Board and the Auditor on the annual financial statements, the report drawn up as per the Act on Accounting, and the allocation of the net result**

**Report  
of the Supervisory Board of Rába Automotive Holding plc  
to the Annual General Meeting**

**Subject:** Report on FY 2008, annual financial statements and a proposal for the allocation of the net result

On the meetings held quarterly in the financial year, the Supervisory Board (SB) discussed and approved the report of the Board of Directors on the quarterly activity of the Company, on its financial management as well as on the most significant events.

The SB continuously followed the operation of the internal audit organizational unit, had its leader report and discussed the reports on internal as well as on follow-up revisions. The SB set the audit plan for the year, and in some cases gave instructions with regard to further monitoring considerations and fields to be monitored.

The SB has been in contact with the Company's auditor and together they discussed the reports of the Board of Directors to be submitted to the Annual General Meeting.

Key Financial Figures of the Company in the Annual Reports in accordance with the Hungarian and International Accounting Standards:

Description	2007		2008	
	individual	consolidated IFRS	individual	consolidated IFRS
Sales revenue	1 512 658	58 217 569	1 167 226	58 682 966
In which export	714	35 264 607	128	37 122 414
Operating profit	-219 013	* 1 400 688	-779 739	1 108 784
Profit before tax	384 813	* 1 919 252	-1 019 721	-5 422 872
Registered capital	13 473 446	12 891 977	13 473 446	12 623 816
Own equity	14 752 493	16 896 228	14 586 900	11 499 960
Balance sheet total	23 416 265	42 505 559	22 545 624	41 045 324
Average headcount	19	2818	21	2582

\* It is different from the report of the FY 2007 by HUF 406,823 th because of the change of the Accounting policy.

The SB determines that though the Company's sales revenue on group levels did not decrease in the financial year of 2008 compared to the revenue in the last year on fast deteriorating international economic conditions, operational profitability is stable, its profit before tax shows significant loss on revaluation (**not affecting cash-flow**) because of the unusual rearrangement of the FX positions. The Company's reaction to the effect of the increasing recession and the strong decrease of the customers' order-book was the reduction in the working force and the introduction of the four day work week. Correspond to its reports in the previous years the Supervisory Board would draw the attention even now that the Company is still overtly exposed to forex-based, in particular to USD-based transactions, therefore the Company ended with a deficit which resulted in decreased shareholders' equity.

In view of the SB the Company has bases stable enough and still sufficient order-book in this year in consequence of the successful internal structural transformation in the previous years, more particularly the operational efficiency improvement of the Axle and Components Business Units, therefore the Company has a good chance to keep the operational profitabil-

**Annual General Meeting of Rába Plc.  
April 23, 2009**

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ity in the case of the recession's moderation and to compensate the unrealized exchange losses in the foreseeable future in the event of the rates' stabilization.

The SB determined that the report gives an appropriate account of the Company's financial state.

The SB proposes to the General Meeting to approve the non-consolidated and consolidated balance sheets and profit and loss statements of the company for the FY 2008 as well as the proposal of the Board of Directors for the allocation of the net result and the Responsible Corporate Governance Report.

Győr, April 02, 2009

On behalf of the Supervisory Board of Rába plc.

Benedek, János Dr.  
Chairman



**KPMG Hungária Kft.**  
Váci út 89.  
H-1139 Budapest  
Hungary

Telefon: +36 (1) 887 71 00  
+36 (1) 270 71 00  
Telefax: +36 (1) 887 71 01  
+36 (1) 270 71 01  
e-mail: info@kpmg.hu  
Internet: www.kpmg.hu

*This is an English translation of the Independent Auditor's Report on the 2008 statutory Annual Report of Rába Járműipari Holding Nyrt. issued in Hungarian. If there are any differences, the Hungarian language original prevails. This translation has been prepared solely for the information of the Board members of Rába Járműipari Holding Nyrt. and must not be distributed to any other party.*

### **Independent Auditor's Report**

To the shareholders of Rába Járműipari Holding Nyrt.

We have audited the accompanying 2008 annual report of Rába Járműipari Holding Nyrt. (hereinafter referred to as "the Company"), which comprises the balance sheet as at 31 December 2008, which shows total assets of THUF 22,545,624 and retained loss for the year of THUF 1,000,693, and the income statement for the year then ended, and the supplementary notes.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of the annual report in accordance with the provisions of the Act on Accounting and accounting principles generally accepted in Hungary. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of 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*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 principles used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. Our work with respect to the business report was limited to the assessment of the consistency of the business report with the annual report, and did not include a review of any information other than that drawn from the audited accounting records of the Company.

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

#### *Opinion*

We have audited the annual report of Rába Járműipari Holding Nyrt, its components and elements and their accounting and documentary support in accordance with Hungarian National Standards on Auditing and gained sufficient and appropriate evidence that the annual report has been prepared in accordance with the provisions of the Act on Accounting and accounting principles generally accepted in Hungary. In our opinion, the annual report gives a true and fair view of the financial position of Rába Járműipari Holding Nyrt. as of 31 December 2008, and of its financial performance and of the result of its operations for the year then ended. The business report is consistent with the disclosures in the annual report.





*Emphasis of Matter*

Without further qualifying our opinion, we draw the attention that the Company derecognized unrealized liability amounted to THUF 484,363 in 1993 and THUF 1,927,999 in 1994. Since the original liability was not recognized against the Retained earnings, the Company derecognized the unrealized liability against the Capital reserve, to be consistent with the original accounting entry. The Act XVIII of 1991 on Accounting does not require that the liability should be recognized against the Capital reserve, therefore the Company corrected this in the current balance sheet and reclassified THUF 2,412,362 from Capital reserve to Retained earnings.

Budapest, 27 March 2009

KPMG Hungária Kft.  
Chamber registration number: 000202

*Marcin Ciesielski*  
Marcin Ciesielski  
Partner

*Dr. Eperjesi Ferenc*  
Dr. Eperjesi Ferenc  
Registered Auditor  
Identification number: 003161





KPMG Hungária Kft.  
Váci út 99.  
H-1139 Budapest  
Hungary

Telefon: +36 (1) 867 71 00  
+36 (1) 270 71 00  
Telefax: +36 (1) 867 71 01  
+36 (1) 270 71 01  
e-mail: [info@kpmg.hu](mailto:info@kpmg.hu)  
Internet: [www.kpmg.hu](http://www.kpmg.hu)

*This is an English translation of the Independent Auditor's Report on the 2008 consolidated financial statements of Rába Járműipari Holding Nyrt. issued in Hungarian. If there are any differences, the Hungarian language original prevails. This report should be read in conjunction with the complete consolidated financial statements it refers to.*

### Independent Auditor's Report

To the shareholders of Rába Járműipari Holding Nyrt.

We have audited the accompanying 2008 consolidated financial statements of Rába Járműipari Holding Nyrt. (hereinafter referred to as "the Company"), which comprise the consolidated balance sheet as at 31 December 2008, which shows total assets of THUF 41,045,324 and retained loss for the year of THUF 5,098,227, and the consolidated income statement, consolidated statement of changes in equity and cash flow statement for the year then ended, and the consolidated supplementary notes including a summary of significant accounting policies and other explanatory notes.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the EU. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of 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*

Our responsibility is to express an opinion on the 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 the Hungarian National Standards on Auditing and applicable laws and regulations in Hungary. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 principles used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. Our work with respect to the consolidated business report was limited to the assessment of the consistency of the consolidated business report with the consolidated financial statements, and did not include a review of any information other than that drawn from the audited accounting records of the Company.

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





*Opinion*

We have audited the consolidated financial statements of Rába Járműipari Holding Nyrt., its components and elements and their documentary support in accordance with Hungarian National Standards on Auditing and gained sufficient and appropriate evidence that the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU. In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of Rába Járműipari Holding Nyrt. and its consolidated subsidiaries as of 31 December 2008, and of their consolidated financial performance and of the consolidated result of their operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU. The consolidated business report is consistent with the disclosures in the consolidated annual financial statements.

Budapest, 27 March 2009

KPMG Hungária Kft.  
Chamber registration number: 000202

*Marcin Ciesielski*  
Marcin Ciesielski  
Partner

*Dr. Eperjesi Ferenc*  
Dr. Eperjesi Ferenc  
Registered Auditor  
Identification number: 003161





**Item 4 on Agenda of General Meeting**

**Discussion of the financial statements (balance sheet, P&L), approval of the balance sheet, and resolution on the allocation of net result;  
and resolution on the acceptance of the report on the Corporate Governance;**

**(Draft) resolution 1/2009.04.23 of the AGM:**

The Board proposes to the General Meeting to approve the report of the Board of Directors on the results of the 2008 operations and financial position of Rába Plc. as in the proposal.

**(Draft) resolution 2/2009.04.23 of the AGM:**

Based on the review by the Supervisory Board, the report of the auditor and the figures in the 2008 annual report, the General Meeting approves the individual and consolidated balance sheet of Rába Nyrt. for 2008 as set forth in the proposal and as follows:

A./

The AGM approves the individual balance sheet, drawn up as per **the Hungarian Act on Accounting**, with a corresponding balance-sheet total of assets and liabilities that is HUF 22,545,624 thousand, and a profit after taxation of HUF -1,000,693 thousand.

B./

The AGM approves the consolidated balance sheet, drawn up as per **the International Financial Reporting Standards**, with a corresponding balance-sheet total of assets and liabilities that is HUF 41,045,324 thousand, and a profit after taxation of HUF -5,098,227 thousand.

**(Draft) resolution 3/2009.04.23 of the AGM:**

Based on the proposal of the Board of Directors, the General Meeting resolves that the Company does not pay dividend, and places the profit after taxation into profit reserves.

**(Draft) resolution 4/2009.04.23 of the AGM:**

With regard to the preliminary approval by the Supervisory Board, the General Meeting approves the Report on Corporate Governance as per the proposal.

**Item 5 on Agenda of General Meeting**

**The authorization of the Board of Directors to acquire own shares**

**(Draft) resolution 5/2009.04.23 of the AGM**

The General Meeting resolves to cancel its resolution No. 6/2008.04.24. and authorize the Board of Directors to acquire own shares, through stock market transactions, with a face value of HUF 1000 each registered dematerialized ordinary shares, from the Company's assets above the share capital, in accordance with paragraphs 223 and 224 of the Company Act in order to safeguard the share price and facilitate the achievement of the strategic objectives of the Company and/or to ensure the quantity of shares necessary for the MSOIP.

The own shares may be acquired within 18 months from the date of resolution.

The minimum purchase price shall be no less than the stock exchange average price - 10% before the day of the acquisition while the maximum purchase price shall be no more than the stock exchange closing price +10% before the day of the acquisition

**Item 6 on Agenda of General Meeting**

**The amendment of the Articles of Association and setting the consolidated memorandum thereof;**

Pursuant to the effective provisions of Act CXX of 2001 on Capital Market (Tpt.), the Board of Directors proposes the following **amendments to Article 10 of the Articles of Association** (titled "The Rules for the takeover of the Company"):

**Amendment of the *Chapter title* standing above Article 10**

<b>Wording in effect:</b>	<b>Proposed Amendment:</b>
Rules for the takeover of the Company	„Rules for the acquisition of influencing interest and the takeover of the Company”

**Amendment to Article 10**

<b>Wording in effect:</b>	<b>Proposed amendment:</b>
10. Share purchase through public purchase offer	The acquisition of influencing interest and the takeover of the Company shall be governed by the ever prevailing provisions of the Act on Capital Market.
10.1 As long as the Company is publicly listed, the direct or indirect acquisition of its voting shares in excess of the extent set forth in Act CXX of 2001 (Tpt.) via share transfer requires a public purchase offer to be made for all voting shares of the Company to all shareholders with a voting right in the Company.	Article 10.1 deleted
10.2 In the purchase offer, the price of the shares to be purchased may not be lower than the highest amount of the following: (i) the weighted stock exchange average price of the share during the 180 days preceding the filing of the purchase offer with the State Supervision of Financial Organisations (PSZÁF), (ii) the highest price of the transfer agreement concluded by the bidder and the related persons in exchange for a consideration for the shares of the Company within 180 days preceding the filing of the purchase offer, (iii) or upon enforcement of the purchase, repurchase right, the sum of the drawdown price and the fee of the contract;	Article 10.2 deleted
10.3 The takeover of the Company will otherwise be governed by the provisions of the Tpt.	Article 10.3 deleted

The Board of Directors proposes to the AGM to accept the technical amendments proposed and to set the consolidated form of the Articles of Association.

**(Draft) resolution 6/2009.04.23 of the AGM on the amendment of Articles of Association**

In accordance with the proposal, the general meeting resolves about the amendment of the Articles of Association as shown in the Appendix to the Minutes of the Annual General Meeting.

**(Draft) resolution 7/2009.04.23 of the AGM**

The General Meeting resolves to integrate the amendments to the Articles of Association of RÁBA Plc which were accepted under resolution 7/2009.04.23 and approves the consolidated version thereof. The General Meeting authorizes the Company's attorney at law to set the consolidated memorandum and countersign it as an attorney at law.

**Item 7 on Agenda of the General Meeting**

**Election of Board Members**

The appointment of three Members of the seven-member Board of Directors shall expire on the day of the AGM.

**The Board of Directors proposes** to the shareholders **to re-elect** at the AGM **Mr. Khalid Abdol Rahman, Mr. Martin Olivér Imre** and **Mr. Alan Frederick Spencer**, who are currently the independent members of the Board as well, to the Board of Directors for a specific time-period.

**(Draft) resolutions 8-9-10/2009.04.23 of the AGM:**

The General Meeting re-elects the above mentioned persons as members of the Board of Directors for the period ending with the annual general meeting closing the 2013 business year, until April 30, 2014, the latest.

**Item 8 on Agenda of the General Meeting**

**Election of Supervisory Board and Audit Committee Members**

The appointment of three-member Supervisory Board (which is simultaneously the Audit Committee) shall expire on the day of the AGM.

**The Board of Directors proposes** to the shareholders **to re-elect** at the AGM **Mr. dr. János Benedek, Mr. Lovas-Romváry András** and **Mr. Zoltán Varga**, who are currently the independent members of the Board and Committee as well, to the Supervisory Board and Audit Committee for a specific time-period.

**(Draft) resolutions 11-12-13/2009.04.23 of the AGM:**

The General Meeting re-elects the above mentioned persons as members of the Supervisory Board and simultaneously the Audit Committee pursuant to the regulation No. 23.4/a of the Articles of Association for the period ending with the annual general meeting closing the 2013 business year, until April 30, 2014, the latest.

**Item 9 on Agenda of General Meeting**

**Election of the Auditor and setting their remuneration**

The appointment of the auditor of the company expires at the AGM. The proposal for the auditor will be submitted on the General Meeting.

**Item 10 on Agenda of General Meeting**

**Miscellaneous**