

Rába Nyrt. Flash Report for 2006

Unaudited, consolidated flash report in consideration of the assessment principles of the International Accounting Standards (IFRS)

Company:	RÁBA Járműipari Holding Nyilvánosan Működő Részvénytársaság
Company address:	H-9027 Győr, Martin u. 1.
Sector:	Machine industry
Period:	2006
Telephone:	36-96-624-460
Telefax:	36-96-624-006
E-mail:	adam.steszli@raba.hu
Investors' contact:	Ádám Steszli

Short summary

During 2006, the Rába Group generated consolidated sales in the amount of HUF 50.3 billion, an increase of 6.3% over the figure for 2005.

The positive operating profit of the group achieved in Q1-3 of 2006 further improved and thus the operating profit during 2006 was a profit of HUF 509 million, against the loss of HUF 1,976 million in 2005, so improvement amounted to nearly HUF 2.5 billion.

The operating profit shown in a quarterly breakdown is still positive for the fourth consecutive quarter now: in Q1 of 2006 HUF +22 million, Q2: HUF +283 million, Q3: HUF +127 million and Q4: HUF 77 million. The Q4 profit was reached while foreign exchange rates deteriorated and communal energy costs became lower as the site consolidation programme was completed.

The cash flow positions of the group have continued to improve, on the level of EBITDA the result of the Rába group amounted to HUF 1,604 million during H1 and to HUF 1,628 million in H2, so that annual EBITDA exceeded HUF 3.2 billion. The movement of exchange rates had a considerable positive impact on financial profit. In 2006, HUF 1,600 million of profit was realised on simple forward transactions.

The mandatory revaluation upon closing has resulted in a considerable effect on the net result of the company. Of this the effect of the revaluation of loans, accounts payable and accounts receivable was HUF +494 million, the reversal of the open forward deals of the previous year amounted to HUF +1,357 million and the effect of the open forward transaction was HUF +1,869 million.

As a result, the financial profit is HUF +4,347 million,

Sales revenue continued to increase and was over HUF 50 billion, and this was accompanied by an improvement in the efficiency of live labour. Compared to the base period, the head count of the group was 178 less, amounting to 2,859 persons at the end of the period.

In line with Rába's strategy, the removal of the Vehicle business to the airfield site was practically completed by the end of 2006, which freed up the site at Budai utca. By doing so, Rába terminated production activity at the site and satisfied its obligation assumed under the preliminary sale and purchase agreement concluded with the Engel group. Once the move was completed, the Company recorded the book value of the former site (HUF 1,751 million) among assets held for sale within current assets, because these assets did not serve the purpose of business activities in the long run. We note that the market value considerably exceeds the book value of real estate valued in 1990.

Rába Futómű Kft. (Axle Ltd)

The sales revenue of Rába Futómű Kft. during 2006 amounted to HUF 32.3 billion. This amounts to an increase of 7.4%.

Of the markets of strategic importance, the growth trend continued on the European (growth of +14 per cent) and the CIS (growth: +96 per cent) markets in line with the strategy adopted, which was a consequence of both the market size and the increase in Rába's market share. Sales on the US market (decline of 14 per cent) were fundamentally influenced by the temporary decline in the size of the market, which resulted from the introduction of new environmental protection standards.

As a result of the efficiency improvement measures implemented last year and this year, the profitability of the Futómű Kft. has improved substantially.

The result from operations amounted to -69 million during Q4, thus the operating profit (net of the result of the write-off of the loan of HUF 1,800 million due to capital settlement, made available by the shareholders) declined to a loss of HUF 661 million in 2006, compared to the loss of HUF 2,504 million during 2005.

On the level of EBITDA, the result of the Axle Business during 2006 is HUF +1,768 million.

Rába Járműipari Alkatrészgyártó Kft. (Component Ltd.)

The sales revenue of the Rába Járműipari Alkatrészgyártó Kft. amounted to HUF 12.5 billion during 2006.

The comparable sales revenue from the ordinary business shows an increase of 11% at annual level. As has been reported earlier, in accordance with the medium-term strategy of the company, the Győr plant was integrated into the Vehicle Business during the second half of 2005.

The result from operations during Q4 amounted to HUF 32 million, thus the operating profit (net of the result of the write-off of the loan of HUF 200 million due to capital settlement made available by the shareholders) was a profit of HUF 203 million in 2006 compared to the loss of HUF 226 million realised in 2005.

On the level of EBITDA, the result of the company during 2006 is HUF +662 million.

Rába Jármű Kft. (Vehicle Ltd.)

In line with the agreement signed earlier, during 2006 Rába Jármű Kft. delivered military vehicles including the related special fixtures to the Military Technology Supply Centre of the Ministry of Defence.

In addition to the family of military vehicles, the Company delivered bus and commercial vehicle chassis of different categories to its domestic and foreign partners.

The sales revenue of Rába Jármű Kft. during 2006 amounted to HUF 7.5 billion. The operating profit was HUF +380 million, which decreased by 6.7% due to the change in the composition of the product range compared to the base period. As a result of cleaning up the product portfolio and the continuous improvement in efficiency, operating profit was HUF +555 million. The improvement of efficiency arising out of the integration of the Győr facility of the component business also made a great contribution to achieving this profit.

On the level of EBITDA, in 2006 the Company registered a profit of HUF 733 million.

The Rába Group – other data and events pertaining to the business activity

Sales revenue by business divisions

Sales revenue (million HUF)	Axle	Components	Vehicle	Rába group consolidated
2005 Q1	7,227	2,797	964	10,572
2005 Q2	7,799	3,450	1,902	12,359
2005 Q3	7,126	2,427	1,246	10,353
2005 Q4	7,940	2,609	3,977	14,048
2006 Q1	7,823	2,820	1,762	11,941
2006 Q2	8,500	3,063	1,944	13,135
2006 Q3	7,669	2,804	1,489	11,523
2006 Q4	8,331	3,819	2,346	13,734

Breakdown of operating profit of group subsidiaries within the Rába flash report

	Operating profit									
	2005 Q1	2005 Q2	2005 Q3	2005 Q4	2005 annual	2006 Q1	2006 Q2	2006 Q3	2006 Q4	2006 annual
Axle	-830	-589	-599	-486	-2,504	-412	1,715	-95	-69	1,139
Axle*							-85			-661
Component	-172	25	-60	-19	-226	29	313	29	32	403
Component*							113			203
Vehicle	9	114	61	318	502	120	141	119	175	555
Other	10	-85	229	98	252	285	-1,886	74	-62	-1,588
Other*							114			412
Total	-983	-535	-369	-89	-1,976	22	283	127	76	509

* Without write-off of shareholders' loans

PK2. Companies involved in the consolidation

Company	Capital in HUF thousand	Participation (%)	Voting ratio ¹	Classification ²
RÁBA Futómű Kft.	9,762,800	100.00	100.00	L
RÁBA Járműipari Alkatrészgyártó Kft.	300,000	100.00	100.00	L
Rába Jármű Kft.	835,100	100.00	100.00	L
RÁBA Ipartecnika Szolgáltató Kft.	266,860	100.00	100.00	L
RÁBA Vagyonkezelő Kft.	11,000	100.00	100.00	L

¹ Voting right related to participation in the decision-making at the general meeting of the Company subject to consolidation.

² Subsidiary (S); Jointly controlled (J); Affiliated (A)

PK. 4. CONSOLIDATED PROFIT AND LOSS ACCOUNT ACCORDING TO IFRS

Data in HUF thousand

Item	2006	2005	Index	2006. Q4	2005. Q4	Index
Domestic sales revenues	19,091,907	18,035,099	105.9%	5,902,743	6,538,394	90.3%
Export sales revenues	31,241,138	29,310,889	106.6%	7,831,366	7,523,640	104.1%
Sales revenues	50,333,045	47,345,988	106.3%	13,734,109	14,062,034	97.7%
Direct cost of sales	38,796,266	38,104,626	101.8%	10,902,552	11,057,265	98.6%
Gross margin	11,536,779	9,241,362	124.8%	2,831,557	3,004,769	94.2%
Cost of sales	824,155	914,935	90.1%	204,415	231,090	88.5%
General and administration expenses	12,114,664	12,122,847	99.9%	3,247,586	3,579,246	90.7%
Other revenues	1,910,865	1,820,007	105.0%	697,297	716,135	97.4%
Other items related to business activities	-11,027,954	-11,217,775	98.3%	-2,754,704	-3,094,201	89.0%
Result of operation before interest payment and taxation	508,825	-1,976,413	125.7%	76,853	-89,432	185.9%
Net financial revenues/expenses	4,346,904	-3,128,873	238.9%	3,392,414	-1,559,380	317.5%
PROFIT BEFORE TAXATION	4,855,729	-5,105,286	195.1%	3,469,267	-1,648,812	310.4%
Corporate profit tax	1,615,788	-348,150	564.1%	1,352,619	-151,270	994.2%
PROFIT AFTER TAXATION	3,239,941	-4,757,136	168.1%	2,116,648	-1,497,542	241.3%
Profit share of minority shareholders						
NET PROFIT	3,239,941	-4,757,136	168.1%	2,116,648	-1,497,542	241.3%

1. SALES AND MARKET POSITIONS**1.1. Earned revenues**

During 2006, Rába achieved HUF 50,333 million in sales revenue. 62.1 per cent of the revenues came from export (2005: 61.9 per cent), the rest came from domestic sales.

EXPORT:

The sales revenue achieved on the **US market** in 2006 amounted to USD 61.4 million (2005: USD 71.5 million). The decline (-14%) is the result of the decline in the size of the market.

On the European markets, Rába's sales went up by 15 per cent compared to the previous year which represents sales of EUR 62.0 million.

The revenues of the Axle business amounted to EUR 47 million, and those of the Component business represented EUR 13 million within total sales.

On the **West and South European markets** revenues have slightly declined from EUR 41 million during the base period to EUR 38.2 million. 68 per cent of the sales involved products of the Axle business and 28 per cent were related to the products of the Component business.

On the **CIS and Central East European** markets, during 2006 Rába doubled its export sales compared to the base period, exceeding EUR 23.8 million. 89% of this sales figure is made up from axle deliveries.

During 2006, **Asian** exports amounted to USD 3.9 million.

The domestic sales revenues of the group amounted to HUF 19.1 billion in 2006, an increase of 5.9% over 2005.

2. EXPENSES AND OTHER REVENUES

2.1. Direct costs

During 2006 the direct cost level of Rába was at 77.1 per cent, versus the 80.5 % cost level characteristic for 2005.

2.2. Gross profit

The gross profit changed from HUF 9,241 million to HUF 11,537 million, which is due to the increase in the sales revenue (+ HUF 2,987 million) and to the less significant increase in direct costs (+ HUF 692 million).

2.3. Cost of sales

The cost of sales declined by 9.9 per cent and amounted to HUF 824 million in 2006, compared to HUF 915 million during 2005.

2.4. General overhead and administrative expenses

Rába accounts its costs incurred in relation to the management of the company, as well as other general expenses (2006: HUF 9,736 million, 2005: HUF 10,180 million), and various expenditures outside the ordinary business operation (2006: HUF 2,217 million, 2005: HUF 1,933 million) and the accounting of technical development as capitalised expenditure (HUF 95 million) and the value of treasury share option made available to the managers within the Share Option Programme (HUF 67 million) in the P&L line of general and administrative expenditure. General overhead and administrative expenses include redundancy costs, costs not directly related to production, as well as the necessary provisioning.

2.5 Other revenues

Other revenues amounted to HUF 1,911 million in 2006. This amount was HUF 91 million (5 per cent) higher than that of the previous period. The change is due to the increase in the sale of tangible assets (HUF +147 million), to the decline in the release of provisions set aside for lay-offs and repairs under guarantee (HUF -260 million) and to the decline in the rewrite of receivables (HUF -166 million), to the increase in penalties and compensations (HUF +100 million) and to the increase in subsidies from the central budget (HUF +43 million), as well as the increase in extraordinary revenue (HUF +219 million).

3. ('OPERATING') PROFIT BEFORE INTEREST PAYMENT AND TAXATION

The profit of Rába before interest payment and taxation in 2006 was HUF +509 million (2005: HUF -1,977 million). The increase in the gross profit is HUF +2,295 million, which was further improved by the decrease in the cost of sales and administrative costs (HUF -99 million) and by the increase in other revenues as outlined in section 2.5 (HUF +91 million). Profitability changed from -4.2% during the base period to +1%. The profitability of operating profit + depreciation increased from +1.3 per cent to +6.4 per cent.

4. FINANCIAL REVENUES AND EXPENSES

4.1. Net financial result

In 2006, the net gain on hedging transactions amounted to HUF 1.6 billion; the gain during 2005 was HUF 662 million.

Within net financial revenues, a part of other items stem from exchange rate gains/losses of FX items, which due to the exchange rate fluctuations at the end of the period amounted to gains not realised (31 December 2006: HUF +3,737 million, 31 December 2005: HUF -2,501 million).

The components of this are as follows:

The unrealised gain on the revaluation of derivatives transactions as at 31 December 2006 was HUF 1,869 million, against the loss of HUF 1,357 million during the base period. The unrealised gain of the derivatives transactions of 31 December 2005 was released during 2006, which had a positive effect of HUF 1,357 million on the financial result (the same value resulted in a loss of HUF 1,402 million during 2005).

Based on the above, the net financial result was HUF +4,347 million during 2006 (2005: HUF - 3,129 million). The net financial revenues consisted of the following principal items:

	31 December 2006 million HUF	31 December 2005 million HUF
Dividends received	5	
Net interest	-637	-562
Net other items	4,979	-2,566
Net financial revenues	4,347	-3,129

4.2. Profit from external companies

The IFRS-based consolidated profit and loss statement of Rába contains no profit from external companies.

5. PROFIT BEFORE TAXATION AND NET PROFIT

The result before taxation was a profit of HUF 4,856 million in 2006 which, as a result of the factors outlined in sections 2.1-4.2, is HUF 9,961 million higher than the level of 2005. The profitability index represents a +9.6 per cent return on sales on the basis of profit before taxation, compared to -10.8 per cent during the base period.

At group level the tax liability amounts to HUF 1,616 million, which is partly the tax liability calculated on the unrealised gains on derivatives. In addition, the Company released the deferred tax liability on Axle Ltd.'s loss generated earlier, thus the consolidated after-tax profit amounts to HUF 3,240 million.

6. IFRS-HAS DIFFERENCES

In the case of Rába, the differences between the profit and loss accounts prepared according to the Hungarian Accounting Standards (HAS) and the International Accounting Standards (IFRS) are predominantly due to the following factors:

- revaluation of derivatives transactions and reversal of the revaluation of the previous year,
- accounting under IFRS as costs of technical development, foundation and reorganisation expenses capitalised according to HAS,
- treatment as financial leasing of production equipment purchased as operating leasing within the group,
- accounting of the treasury shares purchased by the managers of the company on a monthly basis,
- value of the share option made available to the managers within the Share Option Programme.

PK. 3. CONSOLIDATED BALANCE SHEET ACCORDING TO IFRS

Data in HUF thousand

Item	30 December 2006	30 December 2005	Index
Properties, machines, equipment	16,303,029	17,484,407	93.2%
Intangible assets	84,204	175,244	48.0%
Long-term participations	0	0	
Other participations	3,952	3,952	100.0%
Other investments	2,834	6,262	45.3%
Long-term receivables	510,200	376,668	
Deferred tax	423,619	1,966,508	21.5%
Total invested assets	17,327,838	20,013,041	86.6%
Securities	80,000	80,000	100.0%
Stocks	8,650,426	8,628,222	100.3%
Stocks held for sale	1,750,621		
Receivables related to tax	989,976	913,951	108.3%
Receivables	11,082,193	7,396,220	149.8%
Liquid assets, bank account	577,424	888,218	65.0%
Total current assets	23,130,640	17,906,611	129.2%
Total ASSETS	40,458,478	37,919,652	106.7%
Share capital	12,841,080	12,780,552	100.5%
Capital reserve	6,787,904	6,832,404	99.3%
Retained earnings	-3,814,595	-7,035,292	145.8%
Total capital and reserves	15,814,389	12,577,664	125.7%
Long-term liabilities	7,326,481	7,200,115	101.8%
Total long-term liabilities	7,326,481	7,200,115	101.8%
Short-term credits and loans	5,729,827	6,249,835	91.7%
Short-term liabilities	11,587,781	11,892,038	97.4%
Short-term liabilities total	17,317,608	18,141,873	95.5%
Total LIABILITIES (equity and liabilities)	40,458,478	37,919,652	106.7%

I. Analysis of principal balance sheet items and their changes**1. INVESTED ASSETS****1.1. Properties, machines and equipment**

The consolidated net value of properties, machines and equipment changed from the closing value of HUF 17,484 million of the previous year to HUF 16,303 million. The main reason for the change was that the Company recorded the book value of the Rolling Stock site to be sold to the Engel Group (HUF 1,751 million) as assets kept for sale within current assets because in our opinion, these assets do not serve the activities of the business in the long run. The Company plans and intends to sell these assets (the land and buildings) so that they are classified in the category of assets kept for sale. The revenue expected on the transaction exceeds the book value of the real estate.

1.2. Intangible assets

The net value of intangible assets was HUF 84 million, HUF 91 million less than that of the base period. Rába NyRt. has only licences among intangible assets. The decline corresponds to the depreciation between the two periods.

1.3. Long-term participations

This balance sheet line shows the proportion of an associate enterprise relating to the parent company. On 31 December 2006, it amounted to HUF 0, i.e. it was identical with the base period.

1.4. Other participations

Some of the other participations include subsidiaries not involved in the consolidation, and the rest are other participations, in the case of which Rába's stake is less than 25 per cent. Their closing figure as at 31 December 2006 was HUF 4 million, the same as in the base period.

1.5. Other investments

The closing value of other investments was HUF 3 million, which was HUF 3 million below the previous year's figure.

1.6. Long-term receivables

This balance sheet line shows long-term receivables on a discounted value among invested assets in the balance sheet. Long-term receivables include the following items:

Description	Original value	Effect of discounting	Discounted value
Engel+IPT manager	387,592	32,288	355,304
OOOJUNITELS	25,358	3,994	21,364
VOCATIONAL ACADEMY	158,500	24,968	133,532
Total	571,450	61,250	510,200

1.7. Deferred tax

On 31 December 2006, the deferred tax amounted to HUF 424 million, HUF 1.5 billion less than the value as at 31 December 2005. The change is due to the change in tax liabilities as detailed under section 5.

2. CURRENT ASSETS

2.1. Stocks

On 31 December 2006, the closing value of stocks was HUF 8,650 million (31 December 2005: HUF 8,628 million). The variation is not significant (+0.3 per cent). The components are: the increase in materials (of HUF +284 million) and the decline in finished goods (by HUF -582 million) and the increase by HUF 320 million in the value of work in progress, which influenced the closing stock of stocks on 31 December 2006.

2.2. Assets held for sale

The increase in assets of HUF 1,751 million is the transfer of the Rolling Stock site detailed in section 1.1.

2.3. Tax receivables

Tax receivables (HUF 990 million) originate largely from the reclaimed VAT in relation to export activities (31 December 2005: HUF 914 million).

2.4. Receivables

The closing figure of receivables as at the end of 2006 was HUF 11,082 million, an increase of HUF 3.6 billion over the base period (closing figure for 2005: HUF 7,396 million). The change is due to the increase in accounts receivable as well as the unrealised profit on the revaluation of derivatives.

2.5. Liquid assets

The closing figure of liquid assets on 31 December 2006 was HUF 577 million (31 December 2005: HUF 888 million). The company operates a cash pool system, which allows the optimization of the cash available for the company, as a result of which the difference between the deposit and credit interests related to the cash and loan portfolios of the companies involved in the system can be saved.

3. EQUITY AND RESERVES**3.1. Share capital**

Rába Nyrt.'s share capital consists of common shares with a nominal value of HUF 1,000 each, entitling the shareholders to the dividend announced in a particular period, and providing one vote at the General Meeting of the Company. On 31 December 2006, the share capital of the company was HUF 12,841 million, which is HUF 61 million higher than the figure prevailing on 31 December 2005. The change is due to the Rába incentive share programme launched on 3 February 2006, within which the management purchases Rába shares. The aim of the programme is to strengthen the spirit of ownership within the company and to thus increase the market value of the company. The programme is open to any employee of the company and has resulted in the sale of 60,528 treasury shares.

3.2. Capital reserve

On 31 December 2006, the capital reserve was HUF 6,788 million, HUF 45 million less than that on 31 December 2005. The difference between the actual value and the nominal value of the treasury shares as described under section 3.1 is accounted for under this item.

3.3. Retained earnings

The retained earnings (HUF -3,815 million) changed compared to the previous year (HUF -7,035 million) in line with the result realized between the two periods and the audit finding of the Tax Authority concerning the profits/losses of previous years.

	Share capital	Capital reserve	Profit reserve	Total
Balance as at 31 December 2004	12,688	6,855	-2,497	17,046
Adjustment	0	0	219	219
Adjusted balance as at 1 January 2005	12,688	6,855	-2,278	17,265
Net profit	-	-	-4,757	-4,757
Sale of treasury shares	93	-22	0	71
Balance as at 31 December 2005	12,781	6,833	-7,035	12,579
Balance as at 1 January 2006	12,781	6,833	-7,035	12,579
Adjustment of previous years	0	0	-21	-21
Balance sheet profit/loss	-	-	3,241	3,241
Sale of treasury shares	60	-45	-	15
Balance as at 31 December 2006	12,841	6,788	-3,815	15,814

4. LONG-TERM LIABILITIES

The closing value of long-term liabilities as at 31 December 2006 amounted to HUF 7,326 million (on 31 December 2005, the closing figure was HUF 7,200 million), which no longer included the repayment liabilities of medium-term loans due within one year. The change of 1.8% is not significant.

On 1 March 2005, a HUF 6 billion investment and development loan agreement was signed for working capital financing with Magyar Fejlesztési Bank (Hungarian Development Bank), aimed at the development of the forging and finishing facility for axle products. Of this loan HUF 3,529 million was disbursed until 31 December 2006, HUF 2,230 million as capex loan and HUF 1,299 million as working capital finance.

5. SHORT-TERM LIABILITIES

5.1. Short-term credits and loans

The amount (HUF 5,730 million) of short-term credits and loans declined by 8.2% compared to the previous period (HUF 6,250 million).

5.2. Short-term liabilities

The amount of short-term liabilities (closing figure on 31 December 2006: HUF 11,588 million) declined by 2.6% compared to the base period (of HUF 12,892 million).

PK 5. CONSOLIDATED CASH-FLOW STATEMENT FOR 2006**Figures in HUF thousand**

2006

Cash-flow of ordinary operation:

Profit before taxation net of profit shares from associate companies	3,312,841
Revenues and expenses not affecting the cash flow of ordinary operation	-1,560,459

Changes in assets and liabilities related to ordinary activities	-326,672
Of which: customers	-2,364,821
Suppliers	350,358
Taxes paid during current year	-72,900
	1,352,810

Changes in financial assets due to financial transactions

Sale of treasury shares	16,028
Purchase of treasury shares	0
Net reduction / increase of securities	0
Net increase / decrease of credits and loans	115,902
Dividend paid	0
	131,930

Changes in cash-flow of investment activity

Revenues from the sale of invested assets	0
Sale of tangible assets	955,918
Purchase of invested assets	-2,751,452
	-1,795,534

Changes in liquid assets **-310,794****Revenues and expenses not affecting the cash flow of ordinary activities**

Depreciation	2,723,857
Revaluation	-3,720,047
- of which: unrealized exchange rate gains/loss of forward transactions	-3,225,952
- of which: revaluation of customer, supplier loans	-494,095
Loss (gain) on the sale of tangible assets	-564,269
Result of the sale of participation	0
Write-off of invested assets	0
	-1,560,459

Changes in assets and liabilities related to ordinary activities

Reduction / increase of stocks	-22,204
Changes in receivables / liabilities	-304.468
	-326.672

PK6. Major off-balance sheet items

Description	Value (HUF)
According to a separate list*	

Forward FX deals serving as collateral for the exchange rate risk of export sales revenues: sale of EUR 30 million in exchange for HUF.

The bank loans of the Rába Group amount to HUF 12,915 million, of which the loans secured with liens and mortgages on movable assets and real property amount to HUF 12,394 million.

The amount of bank guarantees issued on behalf of the Rába Group is HUF 636 million.

III. DESCRIPTION OF MAJOR FACTORS AND CHANGES
RS1. Ownership structure, ratio of participation

Description of ownership	Total equity						Series listed ¹			
	Beginning of current year (1 January)			At the end of the period (31 December)			Beginn ing of term		End of term	
	% ²	% ³	No. of pcs.	% ²	% ³	No. of pcs.	%	Pcs	%	Pcs
Domestic institutional/corporate	17.53	18.47	2,361,952	29.61	31.06	3,988,881				
Foreign institutional/corporate	24.41	25.72	3,288,279	21.56	22.62	2,905,506				
Foreign private individual	0.03	0.03	4,163	0.24	0.25	32,657				
Domestic private individual	33.62	35.43	4,530,272	25.40	26.64	3,421,906				
Employees, managing executives				0.36	0.38	48,985				
Treasury shares	5.11		688,674	4.67		629,625				
Shareholder forming part of general government	8.44	8.90	1,137,660	7.30	7.66	983,440				
International Development Institutions	10.85	11.44	1,462,446	10.85	11.39	1,462,446				
Other	0.00	0.00	0	0.00	0.00	0				
TOTAL	100.00	100.00	13,473,446	100.00	100.00	13,473,446				

¹ If the series listed equals the total equity, it need not be filled in if so indicated. If more than one series are listed on the Stock Exchange, the ownership structure should be specified for each series.

² Ownership ratio

³ Voting right ensuring participation in the decision making process at the issuing general meeting of shareholders. If the ownership ratio and the voting right are the same, only the column regarding the ownership ratio needs to be filled in/published while stating such fact!

⁴ E.g.: ÁPV Rt., Social Security, Local Government, 100% state-owned companies, etc.

⁵ E.g.: EBRD, EIB, etc.

RS3. Listing, introduction of shareholders with a stake exceeding 5% (as at 31

December 2006)

Name	Nationality ¹	Activity ²	Quantity (pcs)	Ownership stake (%) ³	Voting right (%) ^{3,4}	Comment ⁵
EBRD	F	IFI	1,462,446	10.85	11.39	
DRB Hicom Group	F	B	1,462,446	10.85	11.39	
Municipality of Győr County Town	D	G	968,850	7.19	7.54	

¹ Domestic (D), Foreign (F)

² Asset manager (A). General government (G). International Development Institution (IFI). Institutional (I). Business entity (B) Private (P). Employee. Managing executive (E)

³ Should be rounded to two decimal figures

⁴ Voting right ensuring participation in the decision making process at the issuing general meeting of shareholders.

⁵ E.g.: strategic investor, financial investor, etc.

RS2. Changes in the number of treasury shares during the current year (No. of pcs.)

	1 January	31 March	30 June	31 December	31 December
Company level	688.674	669.994	652.559	638,202	628.146
Subsidiaries					
Total	688.674	669.994	652.559	638,202	628.146

All of the shares repurchased are treasury shares directly owned by the parent company.

TSZ2. Headcount of full-time employees (No. of people)

	End of base period	Beginning of current year	End of current period
Company level	20	20	19
Group level	3,149	3,037	2,859

The consolidated closing headcount as at 31 December 2006 was 2,859 people, which represented a decline of 5.9% compared to the end of the base period.

TSZ3. Managing executives, strategic employees

Type ¹	Name	Position	Beginning of mandate	End/ termination of mandate	Shares held (pcs)
BD	Péter Jancsó	Chairman of the BD	1998	2005	
BD	István Pintér	Chairman of the BD	2005		19,429
BD	Abbas Mehad	Board member	1998		555
BD	Antal Apró	Board member	1998	2006	
BD	Gordon Bajnai	Board member	2003	2005	
BD	Péter Küllői	Board member	2003	2005	
BD	Olivér Martin	Board member	2003		555
BD	Róbert Hrabovszky	Board member	2005		555
SB	Dr. János Benedek	Chairman of the SB	2004		0

SB	Lajos Horváth	Supervisory Board member	2003		0
SB	Péter Budaházy	Supervisory Board member	2004	2006	
SB	István Préda	Supervisory Board member	2004	2006	
SB	Zoltán Varga	Supervisory Board member	2006		0
SP	István Pintér	CEO	2003,	Definite	19,429
SP	Béla Balog	Deputy CEO	2004	Indefinite	5,821
SP	Ferenc Vissi	HR Director	2001	Indefinite	7,797
SP	József Szabó	Purchasing and Asset Mgmt. Director	2001	Indefinite	8,211
SP	István Simon	Managing Director	2003	2005	
SP	László Urbányi	Managing Director	2005	Indefinite	4,412
SP	Csaba Kovács	Managing Director	2002	2005	
SP	János Torma	Managing Director	2005	Indefinite	1,650
TOTAL No. of shares held (pcs):					42,397

[†] Employee in strategic position (SP), Member of the Board of Directors (BD), Member of the Supervisory Board (SB)

Changes in employment

As from 1 May 2005, the managing director of Rába Jármű (Vehicle) Kft. is János Torma. His predecessor, Csaba Kovács left the company upon mutual consent upon the expiry of his mandate (on 30 April 2005).

The position of managing director of the Component Business is filled by László Urbányi as from 18 July 2005. His predecessor, István Simon is now the controlling director of Futómű Kft. The composition of the new Board of Directors elected by the Extraordinary General Meeting of Shareholders held 20 October 2005 is as follows: István Pintér, Chairman-CEO, Antal Apró, Róbert Hrabovszky, Olivér Martin, Abbas Mehad.

The General Meeting of Shareholders held 25 April 2006 elected Alan Spencer to the Board of Directors. Simultaneously the board membership of Antal Apró was terminated. Zoltán Varga was elected to the Supervisory Board, while the Supervisory Board membership of Péter Budaházy and István Préda was terminated.

Events following the closing day

The conditions set for the first tranche of the share option provided to Rába's management as an incentive in July 2006 were fulfilled by 30 January 2007. In line with the programme announced, the management will have the opportunity to draw down shares following approval by the Board of Directors.

ST1. Extraordinary communications published during the current period

Date	Place of publication	Subject, brief summary
03-01-2006	No. 2. MATÖKE	Extraordinary communication of Rába Nyrt. regarding the option granted for treasury shares
06-02-2006	No. 26. MATÖKE	Announcement of Rába Járműipari Holding Nyrt regarding treasury share transactions
14-02-2006	No. 32. MATÖKE	Flash report of Rába NyRt
06-03-2006	No. 46. MATÖKE	Announcement of Rába Nyrt. regarding share purchase by the management

24-03-2006	No. 59. MATÖKE	Invitation to the general meeting of shareholders by RÁBA Jár múipari Holding Nyrt.
06-04-2006	No. 68. MATÖKE	Rába Jár múipari Holding Nyrt. sold treasury shares to its managing executives
10-04-2006	No. 70. MATÖKE	Supplementary information to the invitation to the AGM of Rába Nyrt.
26-04-2006	No. 81. MATÖKE	Resolutions adopted at the AGM of Rába Nyrt. held 25 April 2006.
28-04-2006	No. 83. MATÖKE	2005 Stock Exchange Report of Rába Nyrt.
05-05-2006	No. 87. MATÖKE	Purchase of treasury shares by managing executives of Rába Jár múipari Holding Nyrt
10-05-2006	No. 90. MATÖKE	Announcement of Rába Nyrt. about the venue for the viewing of its flash report. Summary report of Rába Nyrt. - Extraordinary information released during the current year - Report of insider managers of Rába Nyrt. and its subsidiaries regarding the treasury share transactions. - Other information released during the current period.
07-06-2006	No. 109. MATÖKE	Report of Rába Jár múipari Holding Nyrt. about a treasury share transaction
01-08-2006	No. 148. MATÖKE	Announcement of Rába Nyrt. about the share option offering. Report of the insider managers of Rába Nyrt. and its subsidiaries about the conclusion of a Rába share option transaction
04-08-2006	No. 151. MATÖKE	Announcement of Rába Jár múipari Holding Nyrt. about the treasury share transaction
14-08-2006	No. 157. MATÖKE	Flash report of Rába Nyrt. for the first 6 months of 2006
06-09-2006	No. 174 MATÖKE	Announcement of Rába Jár múipari Holding Nyrt. about treasury share transaction
05-10-2006	No. 195 MATÖKE	Announcement of Rába Jár múipari Holding Nyrt. about treasury share transaction
07-11-2006	No. 216 MATÖKE	Announcement of Rába Jár múipari Holding Nyrt. about treasury share transaction
09-11-2006	No. 218 MATÖKE	Announcement of Rába Nyrt. on the publication of its flash report
15-11-2006	No. 222 MATÖKE	Flash report of Rába Nyrt. for Q1-3 2006
06-12-2006	No. 237 MATÖKE	Announcement of Rába Jár múipari Holding Nyrt. about treasury share transaction

PK1. General information pertaining to the financial data:

	Yes	No		
Audited	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Consolidated	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Accounting principles	Hungarian	<input type="checkbox"/>	IFRS	<input checked="" type="checkbox"/>
Other:			Other	<input type="checkbox"/>

Declaration of liability

RÁBA NyRt hereby declares that the flash report contains data and statements that are true and valid and that no fact that is relevant to the assessment of the situation of the Company was hidden.

In the context of the flash report, Rába Nyrt wishes to emphasize the following:

- The figures shown in the flash report are unaudited but have been compiled from the available data relying on the best efforts of the management.
- Rába has prepared its flash report in a form in compliance with the requirements of the Stock Exchange Regulations, in consideration of the International Financial Reporting Standards (balance sheet and profit and loss statement). This does not, however, mean the entire publication of the accounts as per the IFRS.

There have been no changes in the accounting policy of the group companies; the accounting policies of the companies involved in the consolidation are consistent with each other.

Győr, 13 February 2007

István Pintér
Chairman-CEO

Béla Balog
Deputy CEO