

Rába Nyrt. Flash Report for Q1 of 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 út 1.
Sector:	Machine industry
Period:	Q1 of 2006
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Short summary

During Q1 of 2006 the Rába Group continued the increased product sales characteristic for the period following the group-level portfolio streamlining, resulting in consolidated sales of HUF 111.9 billion, an increase of 12.9% over Q1 of 2005.

The operating result improved substantially, turning into a positive HUF 22 million for the first time following the losses of the past four years. The operating profit of the group has shown an improving trend in Q1 of 2005: HUF –983 million, Q2: HUF –535 million, Q3: HUF –369 million, Q4: HUF –89 million, to be followed by HUF 22 million of profit in Q1 of 2006. Q1 of 2006 of the Rába Group was significantly deteriorated by the financial result of HUF 123 million, thus the net profit of the company is a loss of HUF 181 million.

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 661 million during Q1 (Q1 of 2005: HUF –343 million, Q2: HUF 107 million, Q3: HUF 274 million, Q4: HUF 562 million).

The loss of HUF 123 million of financial profit contains a profit of HUF 111 million achieved through simple forward transactions. The mandatory revaluation upon closing has resulted in an instantaneous but considerable negative effect on the net result of the company. Of this the effect of the revaluation of loans, accounts payable and accounts receivable was HUF 506 million, the rewrite 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 -1,011 million.

The drastically increased sales revenue was achieved by RÁBA with a declining (by 270 people) headcount within the Rába Group, which at the end of the period was 2,997 thus contributing to substantial efficiency improvements in live labour.

Rába Futómű Kft. (Axle Ltd)

The sales revenue of Rába Futómű Kft. in Q1 of 2006 amounted to HUF 7.8 billion after HUF 7.2 billion achieved in Q1 of 2005. This amounts to an increase of 8.3%.

The principal driver of the sales revenue continues to be the fruition of the European axle partial unit and component projects prepared earlier and currently on the uptake. The demand of the American utility vehicle industry has declined over the past quarter.

The negative trend in the exchange rate of the USD has come to a halt over the past year, thus it is now 14% over the exchange rate prevalent during the base period.

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

The result from operations amounted to a loss of HUF 412 million, against the loss of HUF - 830 million in Q1 of 2005, Q2: HUF -589 million, Q3: -599 million, Q4: -486 million. The improvement over the base period is nearly 50%

On the level of EBITDA, the Axle Business has reached a positive result, generating a profit of HUF 167 million at a quarterly level.

Rába Járműipari Alkatrészgyártó Kft (Component Ltd.)

The sales revenue of the Component Business of Rába amounted to HUF 2.8 billion during Q1 of 2006, which is practically equal to the level of Q1 of 2005. The increase of the same level gains additional significance in consideration of the fact that the Component Business achieved it while in accordance with the medium-term strategy of the company, the Győr plant was integrated into the Vehicle Business during Q2 of 2005, thus the sales revenue of the Győr plant during the second half of the year was no longer manifest within the Component Business.

The result from operations during Q1 of 2006 amounted to a profit of HUF 29 million, against the loss of HUF 172 million in Q1 of 2005 (Q1, 2005: HUF -172 million, Q2: HUF +25 million, Q3: HUF -60 million, Q4: HUF -19 million). The improvement over the base period exceeds 116%. On the level of EBITDA, the Company achieved a profit of HUF 130 million during Q1.

Rába Jármű Kft. (Vehicle Ltd.)

In line with the agreement signed earlier, in Q1 of 2006 Rába Jármű Kft. delivered military vehicles including the related special fixtures to the Military Technology Supply Centre of the Ministry of Defence.

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

The sales revenue of Rába Jármű Kft. in Q1 of 2006 amounted to HUF 1.8 billion. The operating profit was HUF 120 million. During Q1 the sales revenue increased by 80% from the HUF 1 billion during the base period, while the operating profit increased from HUF 9 million to HUF 120 million. Such change is in line with the plans and the sales schedules of the Company.

The achievement of the sales revenue targets was partly due to the integration of the Győr plant of the Rába Component Ltd. involved primarily in the production of chassis into Rába Vehicle Ltd concluded by the beginning of July.

On the level of EBITDA, during Q1 the Company registered a profit of HUF 163 million, the highest during that past year.

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

Sales revenue by business divisions

Sales revenue (HUF million)	Axle	Component	Vehicle	Rába group consolidated
Q12005	7.227	2.797	964	10.572
Q22005	7.799	3.450	1.902	12.359
Q32005	7.126	2.427	1.246	10.353
Q42005	7.940	2.609	3.977	14.048

Q12006	7.823	2.820	1.762	11.941
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Breakdown of operating profit of group subsidiaries within the Rába flash report

	Operating profit					
	2005. Q1	2005. Q2	2005. Q3	2005. Q4	2005. Year	2006. Q1
Axle	-830	-589	-599	-486	-2.504	-412
Component	-172	25	-60	-19	-226	29
Vehicle	9	114	61	318	502	120
Other	10	-85	229	98	252	285
Total	-983	-535	-369	-89	-1.976	22

PK2. Companies involved in the consolidation

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

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)

The following factors need to be taken into account for the comparison of the consolidated figures of the two periods:

Due to its sale, BPW-Rába Axle Kft. was released from consolidation in Q1 of 2005. This does not, however, have an impact on the comparability of data, since the consolidation of the Kft. occurred as a capital consolidation only.

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

data in HUF thousand

Item	Jan-March 2006	Jan-March 2005	Index
Domestic sales revenues	4.280.017	3.312.114	129,2%
Export sales revenues	7.660.890	7.259.787	105,5%
Sales revenues	11.940.907	10.571.901	112,9%
Direct cost of sales	9.258.302	8.764.334	105,6%
Gross margin	2.682.605	1.807.567	148,4%
Cost of sales	195.234	210.005	93,0%
General and administration expenses	2.877.413	2.926.346	98,3%
Other revenues	412.516	345.998	119,2%
Other items related to business activities	-2.660.131	-2.790.353	104,7%
Result of operation before interest payment and taxation	22.474	-982.786	202,3%
Net financial revenues/expenses	-122.868	-631.322	80,5%
PROFIT BEFORE TAXATION	-100.394	-1.614.108	93,8%
Corporate profit tax	81.057	-90.585	289,5%
PROFIT AFTER TAXATION	-181.451	-1.523.523	88,1%
Profit share of minority shareholders			
NET PROFIT	-181.451	-1.523.523	88,1%

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

In Q1 of 2006, Rába achieved HUF 11.9 million in sales revenue. 64.2 per cent of the revenues came from export (Q1 of 2005: 68.7 per cent), the rest came from domestic sales.

EXPORT:

The sales revenue achieved on the **US market** in Q1 of 2006 amounted to USD 15.4 million (Q1 of 2005: USD 19.8 million). The decline amounts to 22%.

On the European markets, Rába's sales went up by 14.6 per cent compared to the previous year which represents sales of EUR 14.7 million.

The revenues of the Axle business amounted to EUR 11.1 million, and those of Components represented EUR 3.2 million of total sales.

On the *West and South European markets* revenues basically remained on the same level as that of the base period, declining from EUR 10.6 million during the base period to EUR 10.5 million. 72 per cent of the sales involved products of the Axle business and 24 per cent were related to the products of the Component business.

On the *Eastern and Central European markets*, in Q1 of 2006 Rába generated export sales in excess of EUR 4.1 million which compared to the base period represents an increase of 84%. 86% of this sales figure is made up from axle deliveries.

In Q1 of 2006, **Asian** exports amounted to USD 1.1 million.

The domestic sales revenues of the group amounted to HUF 4.2 billion, an increase of 29.2% over Q1 of 2005.

2. EXPENSES AND OTHER REVENUES

2.1. Direct expenditure

In Q1 of 2006 the direct expenditure of Rába was at 77.5 per cent, versus the 82.9 % cost level characteristic for Q1 of 2005.

Rába achieved the 6.5 per cent improvement in direct cost level compared to the level of the previous year in spite of the 14% increase in the exchange rate of the US dollar.

2.2. Gross Profit

The gross profit changed from HUF 1,807.6 million to HUF 2,682.6 million, which is due to the increase in the sales revenue (+ HUF 1,368 million) and to the lesser increase in direct costs (+ HUF 494 million)

2.3. Cost of sales

The cost of sales declined by 6 per cent and amounted to HUF 195 million in Q1 of 2006, compared to HUF 210 million during in Q1 of 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 (Q1 of 2006: HUF 2,588 million, Q1 of 2005: HUF 2,722 million), and various expenditures outside the ordinary business operation (Q1 of 2006: HUF 286 million, Q1 of 2005: HUF 192 million) in the P&L line of general and administrative expenditure. General overhead and administrative costs declined by nearly 5%. 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 413 million in Q1 of 2006. This amount was HUF 67 million (19.2 per cent) higher than that of the previous period. The change is due to the increase in the sale of tangible assets (HUF +336 million), to the decline in the release of provisions (HUF -16 million) set aside for lay-offs and repairs under guarantee and to the decline in the rewrite of receivables (HUF -273 million)

3. (“OPERATING”) PROFIT BEFORE INTEREST PAYMENT AND TAXATION

The profit of Rába before interest payment and taxation in Q1 of 2006 was a positive HUF 22 million for the first time following the losses of the previous period (Q1 of 2005: HUF -983 million). The positive effect of the growth due to the gross margin (HUF +875 million) was further improved by the decline in the general overhead expenses (HUF -64 million) and by the increase in other revenues (HUF 66 million) as described in section 2.5. Profitability changed from -9.3% during the base period to +0.2%. The profitability of operating profit + depreciation increased from -3.3 per cent to +5.5 per cent.

4. FINANCIAL REVENUES AND EXPENSES

4.1. Net financial result

The net financial result was a loss of HUF -123 million in Q1 of 2006. (Q1 of 2005: HUF -631 million). The net financial revenues consisted of the following principal items:

	March 31 st 2006	March 31 st Q1 of 2005
	million HUF	million HUF
Net interest	-125	-102
Net other items	2	-529
Net financial revenues	-123	-631

Within net financial revenues, the majority of other items involved exchange rate gains/exchange rate losses on FX items, the related risks of which Rába reduced through

hedging transactions. In Q1 of 2006, the net gain on hedging transactions amounted to HUF 111 million, the gain during Q1 of 2005 was HUF 316 million. The unrealised gain on the revaluation of forward transactions as at March 31st 2005 was a loss of HUF 1,011 million, against the loss of HUF 709 million during the base period. The unrealized gain of the forward transactions of December 31st Q1 of 2005 was released during Q1 of 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 Q1 of 2005. The financial result does not include the mid-year revaluation of complex option deals.

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 loss of HUF 95 million in Q1 of 2006, which as a result of the factors outlined in sections 2.1-4.2 is HUF 1,519 million higher than the level of Q1 of 2005. The profitability index represents a –0.8 per cent return on sales on the basis of profit before taxation, compared to –15.3 per cent during the base period.

At group level the tax liability amounts to HUF 81 million, which is the tax liability due exclusively on the basis of the unrealized profit of the forward transactions, thus the consolidated after-tax profit amounts to a loss of HUF 181 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 forward transactions and reversal of revaluations 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 shares purchased by the managers of the company on a monthly basis.

PK. 3. CONSOLIDATED BALANCE SHEET ACCORDING TO IFRS

Data in HUF thousand

Item	31 March 2006	31 March 2005	Index
Properties, machines, equipment	17.664.759	17.769.248	99,4%
Intangible assets	152.474	243.567	62,6%
Long-term participations	0	0	
Other participations	3.952	83.952	4,7%
Other investments	6.262	19.251	32,5%
Deferred tax	376.668	0	
Total invested assets	1.885.451	1.708.939	110,3%
Securities	80.000	354.386	22,6%
Stocks	8.965.995	8.917.347	100,5%
Receivables related to tax	972.184	1.204.643	80,7%
Receivables	7.856.908	9.229.543	85,1%
Liquid assets, bank account	1.007.070	175.178	574,9%
Total current assets	18.882.157	19.881.097	95,0%
Total ASSETS	38.971.723	39.706.054	98,2%
Share capital	12.799.232	12.687.766	100,9%
Capital reserve	6.820.567	6.854.765	99,5%
Retained earnings	-7.216.742	-4.020.277	20,5%
Total capital and reserves	12.403.057	15.522.254	79,9%
Long-term liabilities	8.136.390	5.670.389	143,5%
Total long-term liabilities	8.136.390	5.670.389	143,5%
Short-term credits and loans	6.411.804	6.792.148	94,4%
Short-term liabilities	12.020.472	11.721.263	102,6%
Short-term liabilities total	18.432.276	18.513.411	99,6%
Total LIABILITIES (equity and liabilities)	38.971.723	39.706.054	98,2%
Description	2006.03.31	2005.03.31	Index
Real estate, machinery, equipment	17.664.759	17.769.248	99,4%
Intangible assets	152.474	243.567	62,6%
Long-term participations	0	0	
Other participations	3.952	83.952	4,7%
Other investments	6.262	19.251	32,5%
Long-term receivables	376.668	0	
Deferred tax	1.885.451	1.708.939	110,3%
Total assets invested	20.089.566	19.824.957	101,3%
Securities	80.000	354.386	22,6%
Inventories	8.965.995	8.917.347	100,5%
Receivables due to taxes	972.184	1.204.643	80,7%
Receivables	7.856.908	9.229.543	85,1%
Cash, bank account	1.007.070	175.178	574,9%
Total current assets	18.882.157	19.881.097	95,0%
Total ASSETS	38.971.723	39.706.054	98,2%
Share capital	12.799.232	12.687.766	100,9%
Reserve equity	6.820.567	6.854.765	99,5%
Retained earnings	-7.216.742	-4.020.277	20,5%
Total equity and reserves	12.403.057	15.522.254	79,9%
Long-term liabilities	8.136.390	5.670.389	143,5%
Total long-term liabilities (liabilities)	8.136.390	5.670.389	143,5%
Short-term loans and credits	6.411.804	6.792.148	94,4%

Short-term liabilities	12.020.472	11.721.263	102,6%
Total short-term liabilities	18.432.276	18.513.411	99,6%
LIABILITIES total (equity and liabilities)	38.971.723	39.706.054	98,2%

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 dropped from the closing value of HUF 17769 million of the previous year to HUF 17,655 million, which represents a minor change of -0.6%.

1.2. Intangible assets

The net value of intangible assets was HUF 152 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 31st March 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 31st March 2006 was HUF 4 million. The participation in AUTOKUT Rt. shown in this line in Q1 of 2005 (HUF 80 million), was reclassified to securities at the end of 2005.

1.5. Other investments

The closing value of other investments was HUF 6 million, which was HUF 13 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
OOJUNITELS	25.358	3.994	21.364
Total	412.950	36.282	376.668

1.7. Deferred tax

On 31st March 2006, the deferred tax amounted to HUF 1,885 million, HUF 177 million more than the value as at 31st March 2005. The change is due to the change in tax liabilities as detailed under section 5.

2. CURRENT ASSETS

2.1. Stocks

On 31st March 2006, the closing value of stocks was HUF 8,966 million (31st March 2005: HUF 8,917 million). The increase in stocks of HUF 48 million is due to the increase in materials (of HUF 258 million) and the decline in finished goods (of HUF +468 million) and the increase by

HUF 254 million of work in progress.

2.2. Tax receivables

Tax receivables (HUF 972 million) originate mainly from the reclaimed VAT in relation to export activities (31st March 2005: HUF 1,205 million).

2.3. Receivables

The closing figure of receivables as at the end of Q1 of 2006 was HUF 7,857 million (closing figure Q1 of 2005: HUF 9,230 million) which represents a decline of 14.9%. The decline is the result of the 4.3% decline in accounts receivable and of the 10.5% decline in other short-term liabilities

2.4. Liquid assets

The closing figure of liquid assets on 31st March 2006 was HUF 1.007 million (31st March 2005: HUF 175 million). One of our customers paid his substantial debt towards the end of the period, which Rába then used to repay borrowings. 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 31st March 2006, the share capital of the company was HUF 12,799 million, which is HUF 111 million higher than the figure prevailing on 31st March 2005. The change is due to the incentive share programme provided by the Company to its executives, via 92,786 treasury shares on 31st August 2005. On 3rd February 2006, the Rába incentive share program was launched, within which the management purchases Rába shares. The aim of the program is to strengthen ownership spirit within the company and to thus increase the market value of the company. Every employee of the company may join the program, which has resulted in the sale of an additional 18,680 treasury shares.

3.2. Capital reserve

On 31st March 2006, the capital reserve was HUF 6,832 million, HUF 34 million less than that on 31st March 2005. The difference between the actual value and the nominal value of the shares as described under section 3.1 is accounted for under this item.

3.3. Retained earnings

The retained earnings (HUF -7,215 million) changed compared to the previous year (HUF -4,020 million) in line with the result realized between the two periods.

	Share capital	Capital reserve	Profit reserve	Total
Balance as at 31st December 2004	12,688	6,855	-2,497	17,046
Adjustment	0	0	219	219
Adjusted balance as at st January 2005	12,688	6,855	-2,278	17,265
Net profit	-	-	-1,524	-1,524
Sale of treasury shares	93	-22	0	71
Balance as at 31st March 2005	12,781	6,833	-3,802	15,812
Balance as at 1st April 2005.	12,781	6,833	-3,802	15,812
Net profit	-	-	-3,234	-3,234
Balance as at 31st December 2005	12,781	6,833	-7,036	12,578
Balance as at 1st January 2006	12,781	6,833	-7,036	12,578
Net profit	-	-	-181	-181
Sale of treasury shares	18	-12	-	6
Balance as at 31st March 2006	12,799	6,821	-7,217	12,403

4. LONG-TERM LIABILITIES

The closing value of long-term liabilities as at 31st March 2006 amounted to HUF 8,136 million (on 31st March 2005, the closing figure was HUF 5,670 million), which no longer included the repayment liabilities of medium-term loans due within one year. The increase is HUF 2,466 million, resulting from the increase in long-term and investment loans at the subsidiaries. On 1st March 2005 a HUF 6 billion investment and development loan agreement was signed with Magyar Fejlesztési Bank, aimed at the development of the forging and machining facility for axle products. Of this loan HUF 3,115 million was disbursed until 31st March 2006.

5. SHORT-TERM LIABILITIES

5.1. Short-term credits and loans

The amount (HUF 6,42 million) of short-term credits and loans declined by 5.6% compared to the previous period (HUF 6,792 million).

5.2. Short-term liabilities

- The amount of short-term liabilities (closing figure on 31st March 2006: HUF 12,020 million) increased by 2.6% compared to the base period (of HUF 11,721 million). The change is due to the slight increase in both other short-term liabilities (+4.5%) and accounts payable (+1.7%).

PK 5. CONSOLIDATED CASH-FLOW STATEMENT FOR Q1 OF 2006

Figures in HUF thousand

Q1 of 2006

Cash-flow of ordinary operation:

Profit before taxation net of profit shares from associate companies	-181.451
Revenues and expenses not affecting the cash flow of ordinary operation	484.616
Changes in assets and liabilities related to ordinary activities	-720.226
Of which: customers	-555.285

Suppliers	-255.160
Taxes paid during current year	0
	-417.060
Changes in financial assets due to financial transactions	
Sale of treasury shares	6.844
Purchase of treasury shares	0
Net reduction / increase of securities	0
Net increase / decrease of credits and loans	624.867
Dividend paid	0
	631.710
Changes in cash-flow of investment activity	
Revenues from the sale of invested assets	0
Sale of tangible assets	350.208
Purchase of invested assets	-446.006
	-95.798
Changes in liquid assets	118.852
Revenues and expenses not affecting the cash flow of ordinary activities	
Depreciation	638.203
Revaluation	160.127
- of which: unrealized exchange rate gains/loss of forward transactions	-345.383
- of which: revaluation of customer, supplier loans	505.510
Loss (gain) on the sale of tangible assets	-313.714
Result of the sale of participation	0
Write-off of invested assets	0
	484.616
Changes in assets and liabilities related to ordinary activities	
Reduction / increase of stocks	-337.773
Changes in receivables / liabilities	-382.453
	-720.226

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 74 million in exchange for HUF, sale of USD 128 million in exchange for HUF, as well as purchase of EUR 40 million for USD.

The bank loans of the Rába Group amount to HUF 14,183 million, of which the loans secured with liens and mortgages on movable assets and real property amount to HUF 13,029 million. The amount of bank guarantees issued on behalf of the Rába Group is HUF 987 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 st March)			Beginni ng 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	19,77	20,80	2.663.725				
Foreign institutional/corporate	24,41	25,72	3.288.279	21,79	22,93	2.935.569				
Foreign private individual	0,03	0,03	4.163	0,23	0,24	30.913				
Domestic private individual	33,62	35,43	4.530.272	33,74	35,51	4.546.498				
Employees, managing executives				0,20	0,21	26.641				
Treasury shares	5,11		688.674	4,97		669.994				
Shareholder forming part of general government	8,44	8,90	1.137.660	8,44	8,89	1.137.660				
International Development Institutions	10,85	11,44	1.462.446	10,85	11,42	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 31st March 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	11.44	
DRB Hicom Group	F	B	1,462,446	10.85	11.44	
Municipality of Győr County Town	D	G	968,850	7.19	7.58	

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	30 September	31 December
Company level	688.674	669.994			
Subsidiaries					
Total	688.674	669.994			

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	12	20	20
Group level	3,267	3,037	2,997

The consolidated closing headcount as at 31st March 2006 was 2,997 people, which represented a decline of 8.3% 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		
BD	Abbas Mehad	Board member	1998.		117
BD	Antal Apró	Board member	1998.		117
BD	Gordon Bajnai	Board member	2003.	2005	
BD	Péter Küllői	Board member	2003.	2005	
BD	Olivér Martin	Board member	2003.		117
BD	Róbert Hrabovszky	Board member	2005		117
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		0
SB	István Préda	Supervisory Board member	2004		0
SP	István Pintér	CEO	2003.	Definite	14,034
SP	Béla Balog	Deputy CEO	Q1 of 2005	Indefinite	2,166
SP	Ferenc Vissi	HR Director	2001.	Indefinite	4,142
SP	József Szabó	Purchasing and Asset Mgmt. Director	2001.	Indefinite	4,556
SP	István Simon	Managing Director	2003.	2005	
SP	László Urbányi	Managing Director	2005	Indefinite	933
SP	Csaba Kovács	Managing Director	2002.	2005	
SP	János Torma	Managing Director	2005	Indefinite	342
TOTAL No. of shares held (pcs):					26,641

¹ Employee in strategic position (SP). Member of the Board of Directors (BD). Member of the Supervisory Board (SB)

Changes in employment

As from 1st 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 30th April 2005).

The position of managing director of the Component Business is filled by László Urbányi as from 18th 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 20th October 2005 is as follows: István Pintér, chairman-CEO, Antal Apró, Róbert Hrabovszki, Olivér Martin, Abbas Mehad.

Events following the closing day

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

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 fo 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 Járműipari Holding Nyrt.

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	<input type="checkbox"/>
Other:				

Declaration of liability

RÁBA Nyrt. hereby declares that the flash report contains data and statements that are true and valid and that it does not hide any fact that would have relevance for the assessment of the situation of the Company.

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 (balance sheet and profit and loss statement), in consideration of the International Financial Reporting Standards. 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, 10th May 2006.

István Pintér
Chairman-CEO

Béla Balog
Deputy CEO