

Report on the Results of Rába Nyrt. in Q1 of 2009

Unaudited, consolidated quarterly report in consideration of the International Financial Reporting Standards (IFRS)

Company:	Rába Járműipari Holding Nyilvánosan Működő Részvénytársaság
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Sector:	Machine industry
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SUMMARY

- In Q1 of 2009 the company registered a decline in sales of 42.6% compared to Q1 of 2008, thus the total revenue amounted to HUF 9.7 billion.
- The gross margin was 3.5% percentage points higher in Q1 of 2009 than during the same period of 2008. The increase is partly due to the more favourable foreign exchange rates and partly to the positive effects of the pass-on mechanisms agreed with our customers to offset the negative impacts of the previous quarters. As a contrary effect, the gross margin was significantly deteriorated by the drastically declining volume through the non-scalable, fix portion of direct costs.
- In Q1 of 2009 the gross profit was HUF 1,090 million lower than the level of last year's, due to the combined effect of the decline in volume and the improvement in the margin. This was offset by the savings of HUF 821 million achieved this quarter by the company in terms of indirect costs as a result of continued stringent cost management within the fields of administration and sales. Such savings in indirect costs was achieved through the termination of services or through the appropriate reduction and through the introduction of the 4-day working week for white-collar and management positions and of the appropriate wages.
- The result of the quarter improved due to minor property sales, generating proceeds of approximately HUF 100 million. Furthermore, other revenues were increased through the release of provisions set aside earlier for redundancies.
- The operating profit in Q1 of 2009 was by HUF 65 million slightly lower compared to the same period of last year, amounting to HUF 537 million. The activated hedge positions aimed at protecting the temporary fluctuation of foreign exchanges resulted in a loss of HUF 876 million compared to the profit of HUF 167 million of last year.
- The EBITDA declined by 4.9%, amounting to HUF 1,290 million, or HUF 414 million, including the activated hedge.
- The after-tax profit of the company amounted to HUF -2,183 million, compared to HUF 363 million of last year.
- Net borrowings amounted to HUF 14.6 billion, which is HUF 4.7 billion higher than during the same period of last year and is due to temporarily higher working capital, as well as to the revaluations due to exchange rates.
- During the quarter all three business divisions shut down parts of their production during periods agreed upon with the customers.

000 HUF	2008 Q1	2009 Q1	Index
Sales revenue	16 847 727	9 670 294	-42.6%
Gross profit	3 339 579	2 250 066	-32.6%
<i>Gross margin</i>	<i>19.8%</i>	<i>23.3%</i>	<i>3,5%p</i>
EBITBA	1 356 361	1 289 514	-4.9%
<i>EBITDA level</i>	<i>8.1%</i>	<i>13.3%</i>	<i>5,2%p</i>
Operating profit	602 269	537 062	-10.8%
Net financial profit	-115 313	-2 611 596	2164.8%
Net profit	362 802	-2 182 703	-701.6%

“Rába has managed to maintain stable operating profitability even under the drastically changed external circumstances, which enables us to increase our market share once the industrial environment returns to normal. – said István Pintér chairman-CEO of Rába, assessing the results. We continue to actively prepare for the revival of the market in the individual strategic areas and the modernization of the forging plant of the axle business has gained new impetus as well. Our goal is to be in a position once the environment is more favourable to expand our cooperation with the key customers retained even in the most difficult times in addition to acquiring further strategic customers.”

EXTERNAL ENVIRONMENT

- Because of the economic slow-down in the US, the American freight vehicle market has shrunk further, suffering a decline of approximately 34% compared to the level of last year. The European market of heavy vehicles during the first three months of the year showed a decline of 45 per cent, although starting from a higher level. The exception to the general trend was the market of agricultural vehicles. The Russian bus market showed no activities of substance, the trolleybus market of the CIS countries being the only one to perform at last year's level. The business of passenger car components declined substantially, in line with the European trends.
- The increase of raw material prices peaked during the third quarter of last year, since then prices have been declining and have further shrunk during Q1. The decline in Q1 of this year was 15.2 % compared to the same period of last year and 13.8 % compared to the last quarter. Thus prices have reached the level of the second half of 2006.
- Energy prices increased by 28.7% compared to the same period of last year and by 6.5% compared to the last quarter.
- Considerably, 30.6% higher USD exchange rate and 13.6% higher EUR exchange rate compared to the same period of last year, which represents an increase of 13.6% and 12.3% increase respectively compared to the last quarter. The end of the period was characterised by extremely strong exchange rates, which had a considerable impact on the revaluation of FX items.

	2008 Q1	2009 Q1	Index
EURHUF - average	259.3	294.6	13.6%
EURHUF - end of period	259.4	309.2	19.2%
USDHUF - average	173.2	226.4	30.7%
USDHUF - end of period	163.9	233.0	42.2%
Changes in raw material prices*	132%	112%	-15.2%
Changes in energy prices**	171%	220%	28.7%

*Rába indices - own calculation - base: 2006 Q1

**Rába indices - own calculation - base: 2004. Dec.

Rába Futómű Kft. (Axle Ltd)

The sales revenue of Rába Futómű Kft. in Q1 of 2009 amounted to HUF 6.1 billion compared to HUF 10.8 billion achieved during Q1 of 2008. This corresponds to a decline of 43.5%.

On the **American market**, the sales revenue in Q1 of 2009 was USD 13.2 million, against USD 30.6 million during the same period of 2008. This means a decline of 56.9%.

On the **EU market** Rába's sales figures in HUF terms declined by 41.7%, amounting to HUF 2.1 billion, compared to HUF 3.6 billion of last year.

European exports amounted to EUR 5.7 million during Q1 of 2009 compared to EUR 8.8 million during the same period of last year. This is a decline of 35.2%

Domestic sales before consolidation amounted to HUF 395 million during Q1 of 2009, a decline of 69.9% compared to HUF 1,312 million in Q1 of 2008.

On the **CIS and East-European markets** export sales revenues achieved by Rába declined by 74.6% from EUR 6.7 million during the base period to EUR 1.7 million during Q1 of 2009.

On the **other markets** the sales revenue in Q1 of 2009 amounted to USD 2.2 million, against USD 1.2 million of last year. This corresponds to an increase of 83.3%, which is due to the relaunch of a sale earlier managed on a project basis.

The operating result of the company during Q1 of 2009 was a profit of HUF 393 million, compared to the profit of HUF 272 million of the same period of last year.

On the level of EBITDA, the operating result of the Axle Business during the period increased to HUF 922 million, compared to HUF 790 million of last year.

Million HUF	2008 Q1	2009 Q1	Index
America	5 270	2 958	-43.9%
EU - export	2 289	1 713	-25.2%
EU - domestic	1 312	395	-69.9%
CIS and former Yugoslavia	1 732	498	-71.2%
Other	213	504	136.2%
Total sales	10 816	6 068	-43.9%
EBITDA	790	922	16.7%
Operating profit	272	393	44.4%

Rába Járműipari Alkatrészgyártó Kft. (Component Ltd.)

The sales revenue of the Component Ltd. declined by 34.1% during Q1 of 2009 to HUF 2.9 billion, from HUF 4.4 billion in the same period of 2008.

Rába Component Ltd. is selling on the European market only.

European exports amounted to EUR 2.0 million in Q1 of 2009, compared to EUR 4.8 million during the same period of last year. This corresponds to a decline of 58.3%

Domestic sales generated HUF 2.3 million during the first three months of 2009, which is a decline by 28.1% compared to the HUF 3.2 billion of 2008.

The company generated HUF 129 million in profits at operating level during Q1 of 2009 compared to HUF 231 million during the same period of 2008.

On the level of EBITDA, the profit of the Component Ltd. changed to HUF 257 million during the period, from HUF 385 million of last year.

Rába Jármű Kft. (Vehicle Ltd.)

The sales revenue of Rába Jármű Kft. amounted to HUF 942 million in Q1 of 2009, which is a decline of 59.9% compared to HUF 2,347million of the base period.

On the **EU market** Rába's sales figures in HUF terms declined by 41.7%, amounting to HUF 942 million, compared to HUF 2,347 million of last year.

European exports amounted to EUR 0.3 million during Q1 of 2009 compared to EUR 1.0 million during the same period of last year. This is a decline of 70.0%.

Domestic sales before consolidation amounted to HUF 866 million during Q1 of 2009, a decline of 58.7% compared to HUF 2,096 million in Q1 of 2008.

On the **CIS and East-European** markets Rába Vehicle Ltd. Had minimal export sales only amounting to HUF 0.2 million. During the same period of 2008 the company had no sales in this market segment.

The operating profit was HUF 44 million in Q1 of 2009, compared to HUF 280 million during the same period of last year.

On the level of EBITDA, during Q1 of 2009 the Company registered a profit of HUF 103 million compared to HUF 325 million in Q1 of 2008.

Million HUF	2008 Q1	2009 Q1	Index
EU - export	251	77	-69.4%
EU - domestic	2 096	866	-58.7%
CIS and former Yugoslavia	0	0	
Total sales	2 347	942	-59.8%
EBITDA	325	103	-68.5%
Operating profit	280	44	-84.3%

The Rába Group

The consolidated sales revenue of the Rába group in Q1 of 2009 amounted to HUF 9.7 billion, which is a decline of 42.6% over the figure for the same period of 2008.

The operating profit of the group during Q1 of 2009 amounted to HUF 537 million, compared to the profit of HUF 602 million during the same period of 2008.

In Q1 of 2009 the financial profit contains the activated loss of HUF 876 million from derivative transactions, as well as net interest payment of HUF 144 million in addition to the HUF 120 million of exchange rate gains and HUF 1,630 million in losses from the revaluation of derivative transactions and HUF 20 million in losses from other items. As a result, the net financial profit is HUF -2,551 million.

Based on the above, the Rába group generated a net loss of HUF 2.183 billion in Q1 of 2009, compared to the profit of HUF 363 million in the same period of last year.

On the level of EBITDA, the group registered profits of HUF 1,290 million in Q1 of 2009, against last year's figure of HUF 1,356 million (the EBITDA in Q1 of 2009, including the activated hedge was HUF 414 million).

The Rába Group – other data and events pertaining to the business activity**Sales revenue by business divisions**

Sales revenue (million HUF)	Axles	Components	Vehicles	Rába group consolidated
Q1 2008	10 816	4 407	2 347	16 848
Q2 2008	10 394	4 618	1 878	16 071
Q3 2008	8 261	3 890	710	12 329
Q4 2008	7 205	3 384	3 175	13 436
Q1 2009	6068	2900	942	9670

Due to the changes in IFRS accounting, shipping in FX is not shown as an item reducing the sales revenue but under cost of sales.

Breakdown of sales revenue during Q1 of 2009

Million HUF	America	EU			CIS	Other	Total
		Total	export	domestic			
Axle	2 958	2 108	1 713	395	498	504	6 068
Component	0	2 900	584	2 316	0	0	2 900
Vehicle	0	942	77	866	0	0	942
Consolidated	2 958	5 710	2 373	3 337	499	504	9 670

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

	Operating profit					
	2008.					2009.
	Q1	Q2	Q3	Q4	Year	Q1
Axles	272	47	-181	381	518	393
Components	231	151	105	-70	417	129
Vehicles	280	98	-123	594	849	44
Other	-181	-152	-139	-204	-676	-29
Total	602	144	-339	701	1 109	537

PK2. Companies involved in the consolidation

Company	Capital in HUF thousand	Ownership ratio (%)	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 Vagyonkezelő Kft.	11,000	100.00	100.00	S
Busch-Rába Kft.	4,510,000	25.50	25.50	A

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)

In line with Rába's strategy, the foundry, which earlier formed part of the axle business, has since 1 January, 2008 been operating as a joint venture. The purpose of the restructuring was to allow a significant capacity expansion and technological upgrade of the Foundry. The partner is M. BUSCH GmbH & Co. KG., a member of the BPW group. Rába holds a 25.5%

RÁBA Nyrt.'s consolidated report in accordance with the IFRS for Q1 of 2009
stake in the new company.

As from 30 November 2008, Rába Vagyonkezelő Kft. (Asset Management Kft.) is no longer active and as from 1 January, 2009, the company is being wound up.

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

Currency*	HUF	X	EUR	
Unit*	1 000	X	1 000 000	

*Indicate with an X.

Item	Q1 2008	Q1 2009	Index
Domestic sales revenues	5 854 118	3 337 262	57,0%
Export sales revenues	10 993 609	6 333 032	57,6%
Net sales revenues	16 847 727	9 670 294	57,4%
Direct cost of sales	13 508 148	7 420 228	54,9%
Gross profit	3 339 579	2 250 066	67,4%
Cost of sales	325 679	169 904	52,2%
General and administration expenses	2 424 306	1 758 928	72,6%
Other revenues	176 193	295 021	167,4%
Other expenditures	163 518	79 193	48,4%
Other items related to business activities	-2 737 310	-1 713 004	137,4%
Operating profit before interest payment and taxation (EBIT)	602 269	537 062	89,2%
Financial revenues	1 056 721	1 832 605	173,4%
Financial expenditures	1 149 482	4 383 228	381,3%
Dividend from affiliated companies	-22 552	-60 973	
Net financial result*	-115 313	-2 611 596	2264,8%
PROFIT BEFORE TAXATION	486 956	-2 074 534	-426,0%
Corporate profit tax	124 154	108 169	87,1%
PROFIT AFTER TAXATION	362 802	-2 182 703	-601,6%
Profit share of minority shareholders			
NET INCOME	362 802	-2 182 703	-601,6%
Other aggregate income netted by profit tax	0	0	
Total aggregate income (attributable in full to shareholders in the company)	362 802	-2 182 703	

*In order to allow fair assessment of the fundamental values of the company, due to the extremely volatile exchange rate movements, the interest spread opened due to the crisis and to the extreme closing exchange rates, in consideration of the guidelines of IAS 34 (Interim reports) it is noted that our quarterly report does not include the (cash-flow neutral) revaluation of hedge transactions as per IAS 39 (Financial instruments) open on the closing day and does not include the rewrite of earlier accounted revaluations either. In the annual report these evaluation principles will not be ignored, regardless of the market conditions prevailing at the time. The above adjustment is allowed pursuant to reference 1.17 of the IAS.

The value of activated hedge and the revaluations of other FX items are present in the accounts.

1. EARNED REVENUES

In Q1 of 2009, Rába achieved HUF 9,670 million in sales revenue, compared to HUF 16,848 million during the same period of last year. 65.5 per cent of the revenues came from export; the rest came from domestic sales. The sales revenue is 42.6% lower than that of the base period.

2. COSTS AND OTHER REVENUES, EXPENDITURES

2.1 Direct costs

In Q1 of 2009 the direct cost level of Rába was at 76.7 per cent, compared to 80.2% of the base period.

Gross Profit

The gross profit changed from HUF 3,340 million to HUF 2,250 million, (-1,090) which is due to the decline in the sales revenue (HUF -7,177 million) and to the more substantial decline in direct costs (HUF -6,088 million).

2.2 Cost of sales

The cost of sales declined by 47.8 per cent and amounted to HUF 170 million in Q1 of 2009, compared to HUF 326 million during the same period of 2008.

2.3. General overhead and administrative expenses

Rába accounts its costs incurred in relation to the administration of the company, other general expenses (Q1 2009: HUF 1,781 million, Q1 2008: HUF 2,355 million), and the IFRS adjustment due to the technical development costs (HUF -22 million) under general overhead and administrative expenses.

2.4. Other revenues

Other revenues amounted to HUF 295 million in Q1 of 2009. This amount was HUF 119 million higher than that of the base period. The change is due to the following factors: increase in net income from the sale of fixed assets (HUF 34 million), increase due to the release of provisions HUF 130 million), increase in compensation, penalty received (HUF +15 million) and decline in other items (HUF -60 million).

2.5 Other expenditures

The amount of other expenditures in Q1 of 2009 amounted to HUF 79 million. During the current period, HUF 10 million less provisions had to be set aside. Write-off of inventories declined by HUF 47 million and so did other items (HUF -28 million)

3. OPERATING PROFIT

The operating profit of Rába in Q1 of 2009 was HUF 537 million (Q1 of 2008: HUF 602 million). The decline in gross profit (HUF -1,090 million) was improved by the decline in sales and overhead costs (HUF -821 million) and by the increase in other revenues (HUF 118 million) and by the decline in other expenditures (HUF -84 million). Profitability increased from 3.6% during the base period to 5.6%. The profitability of operating profit + depreciation is 13.3 per cent, against 8.1% during the base period.

4. FINANCIAL REVENUES AND EXPENSES

In Q1 of 2009, the net financial profit was HUF -2,551 million, compared to the same period of 2008, when it was HUF -93 million. The activated profit of derivative transactions during Q1 of 2009 was a loss of HUF 876 million, compared to a profit of HUF 167 million in Q1 of 2008.

The net profit of interest incomes and expenses was HUF -144 million during Q1 of 2009, compared to HUF -159 million during the base period. The exchange rate gains/losses of FX items on 31 March 2009 was HUF -1,510 million, compared to HUF -104 million on 31 March 2008.

Financial revenues and expenditures consisted of the following principal items:

	Q1 2008.	Q1 2009.
Revenue from dividends	0	0
Interest income	124 384	82 748
Realised gains of derivative transactions	170 606	81 573
Exchange rate gains	754 929	1 485 308
Other financial revenues	6 803	1 170
Financial revenues	1 056 722	1 650 799
Interest payable	283 139	226 962
Realised loss of derivative transactions	3 250	957 806
Exchange rate losses	858 833	2 995 294
Other financial expenditures	4 260	21 359
Financial expenditures	1 149 482	4 201 421

5. Profit from external companies

The profit from external companies in Q1 of 2009 amounted to HUF -61 million, which amount represents the portion the parent company is entitled to from the net profit of Busch-Rába Kft.

6. PROFIT BEFORE TAXATION AND NET PROFIT

The earnings before taxation amounted to a loss of HUF -2,075 million in Q1 of 2009, which because of the factors outlined in sections 1-5. is HUF 2,561 million less than the figure for Q1 of 2008. The losses resulted entirely on the financial line. The profitability ratio represents a - 21.5 per cent return on sales on the basis of profit before taxation, compared to 2.9 per cent during the base period.

At group level the tax liability amounts to HUF 108 million, of which the deferred tax for the current period is HUF 25 million and the trade tax is HUF 84 million.

7. 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:

- 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 share options made available to the managers within the Share Option Programme,
- the reclassification into profit tax of the trade tax accounted under HAS as other expenditures,
- accounting under IFRS among indirect costs of the FX shipping costs reducing the sales revenues under the Hungarian accounting rules,
- the difference between the book value and the actual value of the Railway Vehicle site to be sold to Engel is under IFRS accounted as profit during the current year,

PK. 3. CONSOLIDATED BALANCE SHEET ACCORDING TO IFRS

Currency*	HUF	X	EUR	
Unit*	1 000	X	1 000 000	

*Indicate with X.

Item	31 March 2008.	31 Dec 2008.	31 March 2009.	Index
Properties, machines, equipment	16 141 037	16 173 131	15 783 246	97,8%
Intangible assets	437 553	589 351	549 927	125,7%
Long-term receivables	147 099	73 064	73 064	49,7%
Property for investment purposes	338 217	338 217	338 217	100,0%
Other investments accounted through the capital method	1 269 357	1 048 483	987 104	77,8%
Marketable financial assets	263 811	255 055	255 055	96,7%
Deferred tax receivables	834 224	1 489 254	1 464 563	175,6%
Total invested assets	19 431 298	19 966 555	19 451 176	100,1%
Securities	80 000	80 000	329 999	412,5%
Inventories	9 647 308	10 101 383	9 787 194	101,5%
Receivables	12 055 977	9 184 711	8 129 689	67,4%
Derivative instruments	936 776		0	0,0%
Corporate tax receivables	131 153	213 916	213 871	163,1%
Liquid assets, bank account	1 306 327	1 498 759	597 968	45,8%
Total current assets	24 157 541	21 078 769	19 058 721	78,9%
Total ASSETS	43 588 839	41 045 324	38 509 897	88,3%
Share capital	12 895 495	12 623 816	12 541 639	97,3%
Capital reserve	6 852 528	0	26 278	0,4%
Share option reserve	61 605	63 502	63 502	103,1%
Retained earnings*	-2 535 253	-1 187 358	-3 370 060	-132,9%
Total equity and reserves	17 274 375	11 499 960	9 261 359	53,6%
Long-term liabilities	6 621 372	6 270 505	7 478 690	112,9%
Provisions	875 416	1 366 997	1 240 624	141,7%
Deferred tax liability	239 644	104 162	104 161	43,5%
Total long-term liabilities	7 736 432	7 741 664	8 823 475	114,1%
Derivative financial liabilities		5 078 664	5 078 664	
Short-term credits and loans	4 550 764	5 838 671	7 728 756	169,8%
Short-term liabilities	14 027 268	10 886 365	7 617 643	54,3%
Short-term liabilities total	18 578 032	21 803 700	20 425 063	109,9%
Total LIABILITIES (equity and liabilities)	43 588 839	41 045 324	38 509 897	88,3%

*In order to allow fair assessment of the fundamental values of the company, due to the extremely volatile exchange rate movements, the interest spread opened due to the crisis and to the extreme closing exchange rates, in consideration of the guidelines of IAS 34 (Interim reports) it is noted that our quarterly report does not include the (cash-flow neutral) revaluation of hedge transactions as per IAS 39 (Financial instruments) open on the closing day and does not include the rewrite of earlier accounted revaluations either. In the annual report these evaluation principles will not be ignored, regardless of the market conditions prevailing at the time. The above adjustment is allowed pursuant to reference 1.17 of the IAS.

The value of activated hedge and the revaluations of other FX items are present in the accounts.

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 16,141 million of the previous year to HUF 15,783 million.

1.2. Intangible assets

The net value of intangible assets increased from HUF 438 million to HUF 549 million. In Q4 of 2008 Rába capitalised experimental developments worth HUF 114 million

1.3 Long-term receivables

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

	31 March 2008	31 March 2009
Opening	147 099	147 099
Increase		3 339
Repayment		(36 811)
Impairment		(52 740)
Effect of discounting		12 177
Closing 31 March	147 099	73 064

1.4 Real estate for investment purposes

The value of real estate for investment purposes amounted to HUF 338 million on 31 March 2009.

1.5 Investments accounted using the capital method

The closing stock of investments as at 31 March 2009 was HUF 987 million. The Company participated in the establishment of a joint venture, Busch-Rába Öntöde Kft., charged with the management of the foundry division. Rába's stake in the venture is 25.5%. The Busch-Rába Foundry Kft. was established on 8 November 2007.

1.5 Deferred tax receivable

On 31 March 2009, the deferred tax amounted to HUF 3,512 million, HUF 630 million over the level of 31 March 2008. The majority of this sum is the deferred tax receivable for the derivative financial instruments.

2. CURRENT ASSETS

2.1. Stocks

On 31 March 2009, the closing value of stocks was HUF 9,787 million (31 March 2008: HUF 9,647 million). The change is +1.5%.

2.2. Receivables

The closing figure of receivables as at the end of Q1 of 2009 was HUF 8,130 million, a decline of HUF 3,927 million compared to the base period (closing figure for Q1 of 2008: HUF 12,056 million). The change is due to the following factors:

- Decline in accounts receivable (HUF -3,644 million),
- Increase in active accrual of revenues (HUF +108 million)
- decline in other short-term receivables (HUF -470 million).

2.3. Liquid assets

The closing figure of liquid assets on 31 March 2009 was HUF 598 million (31 March 2008: HUF 1,306 million).

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 March 2009, the share capital of the company was HUF 12,542 million, which is HUF 354 million less than the figure prevailing on 31 March 2008.

The change is due to the following factors:

On 1 July, 2006 the Management Share Option Incentive Programme was launched and the first draw-down phase was opened on 27 February 2007. The participants of the scheme agreed not to exercise their option until the second draw-down opportunity would be opened. Based on the performance of the Rába shares in Q1 of 2008, the second draw-down phase was opened on 4 March 2008. 6 people exercised their option drawing down a total of 32,191 treasury shares using the options of the first tranche. In order to further increase share value, the participants of the programme agreed not to exercise their draw-down option in the second phase until the opening of the third option draw-down phase but no later than until the general meeting concluding the year 2008.

Also, based on the authorization granted by the Board of Directors, the Company purchased 386,047 treasury shares .

3.2. Capital reserve

On 31 March 2009, the capital reserve was HUF 26 million, HUF 6,826 million less than that on 31 March 2008. The decline is due to the difference between the cost and the nominal value of the treasury shares repurchased on the one hand and partly to the fact that HUF 6,821 million were regrouped from capital reserve to retained earnings to as an adjustment for the previous years and to offset the negative retained earnings resulting from the losses.

3.3. Share option reserve

To foster common interests between the shareholders of Rába and the management of the Rába Group, as well as to further increase the value of the company, the Board of Directors of Rába decided to launch a five-year management share option programme, entitled Management Share Option Incentive Programme for the senior and middle management of the Company. The program is for the Rába shares. The options are offered on 1 July, 2006 and the closing date of the programme is 30 June 2011, which is the last date for option draw-down. All options are offered upon the same terms.

Within the five-year term of the programme three separate draw-down tranches are defined, each of which is implemented separately, subject to unrelated conditions.

The options were priced using the Black-Scholes option pricing model for American options, the share option reserve changed subject to the draw-downs.

3.4 Retained earnings

The retained earnings (HUF -3,370 million) changed compared to the previous year (HUF -2,535 million) by HUF -835 million, as follows:

	Registered capital	Capital reserve	Share option capital reserve	Retained earnings	Total shareholder equity
Balance as at 1 January, 2008	12 891 977	6 852 528	49 779	-2 898 056	16 896 228
After-tax profit				362 802	362 802
Share-based payments drawn	3 518		14 782		18 300
Deferred tax of share-based payments			-2 956		-2 956
Balance as at 31 March 2008	12 895 495	6 852 528	61 605	-2 535 254	17 274 374
After-tax profit				-5 461 029	-5 461 029
Share-based payments drawn	32 191		2 372	-11 879	22 684
Deferred tax of share-based payment			-475		-475
Purchase of treasury shares	-303 870	-31 724			-335 594
Regrouping from capital reserve to retained earnings		-6 820 804		6 820 804	0
Balance as at 31 December, 2008	12 623 816	0	63 502	-1 187 358	11 499 960
After-tax profit				-2 182 702	-2 182 702
Purchase of treasury shares	-82 177	26 278			-55 899
Balance as at 31 March 2009	12 541 639	26 278	63 502	-3 370 060	9 261 359

4. LONG-TERM LIABILITIES

The closing value of long-term liabilities as at 31 March 2009 amounted to HUF 8,823 million (on 31 March 2008, the closing figure was HUF 7,810 million). Of this, HUF 7,479 million was the amount of investment and long-term loans at the end of the period, which no longer included the repayment liabilities of medium-term loans due within one year. The increase is HUF 857 million.

Deferred tax liability

Amounted to HUF 104 million on 31 March 2009, which is HUF 135 million less than the value at 31. March 2008.

5. SHORT-TERM LIABILITIES

5.1. Short-term credits and loans

The amount (HUF 7,729 million) of short-term credits and loans increased by 69.8% compared to the previous period (HUF 4,551 million).

5.2. Short-term liabilities

The amount of short-term liabilities (closing figure on 31 March 2009: HUF 7,618 million) decreased by 45.7% compared to the base period (of HUF 14,027 million). The most significant decline took place in the accounts payable (HUF -5,056 million).

PK 5. CONSOLIDATED CASH-FLOW STATEMENT FOR Q1 OF 2009

Figures in HUF thousand

31 March 2008**31 March 2009****Cash flow of operating activity**

Profit before taxation	486 957	-2 074 534
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Adjustment items related to items with no cash movement:

Interest income/expenditure	158 755	143 600
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Depreciation and amortisation	754 091	752 452
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Impairment of real estate, machinery, and fixtures	0	0
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Impairment of bad and doubtful receivables	7 831	3 328
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Impairment of stocks recorded at net realisable value	635	0
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Inventory reject		0
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Provisions	13 510	-126 373
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Share-based payments made in capital instruments	14 782	0
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Changes in real value of derivative financial assets	0	0
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Result of sale and in-kind contribution of real assets, machinery and fixtures	-22 555	-56 654
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Result of sale of financial investments	0	0
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Participation in profit of affiliated companies	24 662	61 379
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Revaluation of loans and credits at end of period	-67 032	1 997 657
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Changes in working capital:

Trade and other receivables, changes in corporate tax	-974 261	1 134 441
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Changes in stocks	-326 243	314 189
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Changes in accounts payable and other liabilities	516 997	-3 463 059
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Share-based payment made in liquid assets		0
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Profit tax paid	-120 742	-83 433
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Interests paid	0	0
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Net cash-flows from operating activities	467 387	-1 397 006
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Cash flows from investment activities

Purchase of investments accounted through the capital method	0	
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Purchase of real estate, machinery and intangibles	-720 292	-403 631
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Revenue from the sale of investments accounted through the capital method		0
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Revenues from the sale of real estate, machinery and fixtures, as well as of intangibles	34 753	105 132
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Income, expenditure from the sale and purchase of securities		-249 999
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Interests received	0	0
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Net cash flows used for investment activities	-685 539	-548 499
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Cash flow from financing activities

Revenues/expenditures from the sale/purchase of treasury shares	3 518	-55 900
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Reserves	0	0
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Receipt and repayment of loans and credits and repayment	-190 159	1 100 613
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Net cash flows from financing activities	-186 641	1 044 713
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PK6. Major off-balance sheet items

Description	Value (HUF)
According to a separate list*	

*Forward FX deals to cover the exchange rate risk of export sales revenues: sale of USD 61 million in exchange for HUF (of which USD 5 million represents option deals), sale of USD 33 million for EUR (option deals) and sale of EUR 152 million for HUF (of which EUR 38 million represents option transactions).

The balance of the revaluation at closing of derivative instruments is HUF -10,238 million (In view of the tax impact, this figure cannot be added to the net profit line shown.)

The bank loans of the Rába Group amount to HUF 15,082 million, of which the loans secured with liens and mortgages on movable assets and real property amount to HUF 14,467 million.

The amount of bank guarantees issued on behalf of the Rába Group is HUF 2,949 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 March)			Beginni ng of term		End of term	
	% ²	% ³	No. of pcs.	% ²	% ³	No. of pcs.	%	Pcs	%	Pcs
Domestic institutional/corporate	25,34	26,48	5 362 319	33,17	35,62	4 468 615				
Foreign institutional/corporate	33,28	34,77	2 872 678	18,07	19,41	2 434 538				
Foreign private individual	0,43	0,45	38 700	0,26	0,28	35 065				
Domestic private individual	36,29	37,91	4 298 761	41,21	44,25	5 552 063				
Employees, managing executives	0,36	0,38	53 868	0,40	0,43	53 868				
Treasury shares	4,28		845 410	6,88		927 587				
Shareholder forming part of general government	0,01	0,01	1 710	0,01	0,01	1 710				
International Development Institutions	0,00	0,00	0	0,00	0,00	0				
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				

¹If 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. List and introduction of shareholders with a stake exceeding 5% (as at 31 December 2009)

Name	Nationality ¹	Activity ²	Quantity (pcs)	Ownership stake (%) ³	Voting right (%) ^{3,4}	Comment ⁵
DRB Hicom Group	F	B	1,462,446	10.85	11.66	
Treasury Shares	D	B	927,587	6.88		

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.

* Based on an announcement made on 29 January 2009, the number of treasury shares held by Rába Járműipari Holding Nyrt. increased to 927,587.

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	845 410	927 587			
Subsidiaries	-	-	-	-	-
Total	845 410	927 587	0	0	0

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

TSZ1. Headcount of full-time employees (No. of people)

	End of base period	Beginning of current year	End of current period
Company level	20	29	30
Group level	2,712	2,415	2,286

The consolidated closing headcount as at 31 March 2009 was 2,286, which represented a decline of 15.7% 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	István Pintér	Chairman of the BD	2005		19,429
BD	Olivér Martin	Board member	2003		555
BD	Róbert Hrabovszky	Board member	2005		555
BD	Alan Spencer	Board member	2006		0
BD	Khalid Abdol Rahman	Board member	2007		0
BD	Dr. Ádám Fintha-Nagy	Board member	2008		5,350
BD	Gábor Földvári	Board member	2008		0
SB	Dr. János Benedek	Chairman of the SB	2004		0

RÁBA Nyrt.'s consolidated report in accordance with the IFRS for Q1 of 2009

SB	Zoltán Varga	Supervisory Board member	2006		0
SB	András Lovas-Romváry*	Supervisory Board member	2008		88
SP	István Pintér	Chairman-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 Pintér	Managing Director	2004	indefinite	19,429
SP	László Urbányi	Managing Director	2005	Indefinite	4,412
SP	János Torma	Managing Director	2005	Indefinite	1,650
TOTAL No. of treasury shares owned (pcs):					53,868

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

Rába Nyrt. (individual) balance sheet (HAS)

Figures in thousand HUF

No.	Description of item	31 March 2008	31 March 2009	Index
A.	Invested assets	17 298 805	17 390 533	100,53%
I.	Intangible assets	155 083	139 457	89,92%
II.	Fixed assets	6 345 583	6 325 078	99,68%
III.	Financial assets invested	10 798 139	10 925 998	101,18%
B.	Current assets	4 756 767	5 179 788	108,89%
I.	Stocks	354 792	352 729	99,42%
II.	Receivables	3 498 520	3 871 350	110,66%
III.	Securities	573 731	933 034	162,63%
IV.	Liquid assets	329 725	22 675	6,88%
C.	Active accruals	225 804	138 793	61,47%
	TOTAL ASSETS	22 281 377	22 709 114	101,92%
D.	Shareholders' equity	15 276 917	14 213 588	93,04%
I.	Registered capital	13 473 446	13 473 446	100,00%
	Of which: ownership stake repurchased at face value	573 731	0	0,00%
III.	Capital reserve	11 040 016	127 654	1,16%
IV.	Retained earnings	-9 499 600	52 766	100,56%
V.	Fixed reserves	573 731	933 034	162,63%
VII.	Net profit	-310 676	-373 311	-20,16%
E.	Provisions	438 774	392 959	89,56%
F.	Liabilities	6 439 035	8 002 126	124,28%
I.	Subordinated liabilities	0	0	
II.	Long-term liabilities	0	0	
III.	Short-term liabilities	6 439 035	8 002 126	124,28%
G.	Passive accruals	126 651	100 442	79,31%
	TOTAL LIABILITIES	22 281 377	22 709 114	101,92%

Rába Nyrt. (individual) profit and loss statement (HAS)

Figures in thousand HUF

No.	Description	Q1 of 2008	Q1 of 2009	Index
I.	Net sales revenue	265 723	234 765	88,35%
II.	Direct costs of sales	40 758	46 927	115,14%
III.	Gross sales revenue	224 966	187 838	83,50%
IV.	Indirect sales costs	340 802	238 253	69,91%
V.	Other revenues	32 597	105 009	322,14%
VI.	Other expenditures	171 300	90 476	52,82%
A.	OPERATING PROFIT	-254 539	-35 882	185,9%
VIII.	Revenues from financial transactions	42 166	45 625	108,20%
IX.	Expenditures of financial transactions	93 928	382 402	407,12%
B.	Profit of financial transactions	-51 762	-336 777	-550,63%
C.	ORDINARY BUSINESS PROFIT	-306 301	-372 659	-21,7%
D.	EXTRAORDINARY PROFIT	-4 375	-653	85,08%
E.	PROFIT BEFORE TAXATION	-310 676	-373 311	-20,2%
XII.	TAX LIABILITY	0	0	
F.	AFTER-TAX PROFIT	-310 676	-373 311	-20,2%
G.	NET PROFIT	-310 676	-373 311	-20,2%

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 quarterly report contains data and statements that are true and valid and that no fact relevant to the assessment of the situation of the Company was hidden.

In the context of the quarterly 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 quarterly report in a form in compliance with the requirements of the Stock Exchange Regulations and in consideration of the IAS 34 Standard (interim financial statement).

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, 12 May 2009

István Pintér
Chairman-CEO

Béla Balog
CFO