

# Report on the Results of Rába Nyrt. during H1 of 2013

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

Company:	RÁBA Járműipari Holding Nyilvánosan Működő Részvénytársaság
Company address:	H-9027 Győr, Martin u. 1.
Sector:	Machine industry
Period:	H1 of 2013.
Telephone	36-96-624-460
Telefax:	36-96-624-006
E-mail:	adam.steszli @ raba.hu
Company:	Ádám Steszli

## SUMMARY

- During the first 6 months of 2013, the Company at group level registered sales of HUF 23.7 billion, which is an increase of 11.8 per cent compared to the HUF 21.2 billion of H1 of 2012. Such increase is fundamentally a tribute to the substantial, 23.0 per cent increase of exports, in spite of the considerable decline in domestic sales by 16.6% and the more substantial decline on the global utility vehicle markets. The increase in sales was largely due to the fruition of the business and product development projects announced during previous periods. The increase is largely the result of the expansion by 20.4% of the Axle Business, the core activity of the group and of the Component Business by 12.1%, while the Vehicle Business declined by 18.2 per cent. Foreign currencies had no impact on the growth since quarterly averages in the relevant currencies were only slightly different from the levels of the previous year.
- The gross margin improved dramatically, by 5.6 percentage points during the first 6 months of 2013 compared to the first 6 months of 2012. The gross margin was improved besides a positive change in the product mix of the Axle business, by the increase in the ratio of products with a higher added value and by the impact of ongoing measures aimed at efficiency improvement, together with the increased volume and the controlled fixed costs.
- As the aggregate effect of the increase in sales revenue in HUF terms and of the improvement in the margin, during the first 6 months of 2013 the gross profit was more than HUF1,800 million, i.e. 44.3 per cent higher than the level during the previous year. In spite of the increase in sales revenues, administrative and sales costs increased to but a minor extent, 5.9 per cent compared to the first 6 months of 2012.
- Other revenues and expenditures contained just the usual items, the balance of which was a profit of HUF158 million during the review period, which is equal to the value of the same period of the previous year.
- The operating profit during the first 6 months of 2013 was HUF 2,007 million, HUF 1.6 billion higher than in the first 6 months of 2012. The company has never before during the last decade started the year with such good H1 results. Such improvement is largely a tribute to the outstanding result of the Axle Business, considered the group's core activity, which increased by HUF 1,642 million, nearly six-fold. The Component Business registered a doubled profit of HUF 165 million, whereas the Vehicle Business generated losses amounting to HUF 136 million during the first 6 months of 2013.
- EBITDA more than doubled compared to the same period of last year amounting to HUF 3,107 million.
- The financial profit during the first 6 months of 2013 amounted to HUF 318 million, against the loss of HUF 179 million generated during the first 6 months of 2012. The financial profit includes the profit generated through the sale of the business stake held

in Fehrer Automotive-Rába Kft, amounting to HUF 524 million.

- The profit was HUF 1,918 million during the first 6 months of 2013, in contrast to the profit of HUF 159 million of in the first 6 months of 2012. The net result of the cash-flow hedge transactions was a loss of HUF 64 million, thus the result as per the total aggregate income is a profit of HUF 1,854 million, against HUF 958 million during H1 of 2012, also a record.
- The net loan portfolio was HUF 10.4 billion, HUF 3.0 billion lower than at the end of 2012 and HUF 1.6 billion lower than during the first 6 months of 2012. The decline compared to the end of the year is due to the profitable operation and the decline in working capital by HUF 900 million and the proceeds of HUF 524 million from the sale of the business stake in the joint venture. It was offset by the revaluation of loans amounting to HUF 116 million, resulting from the changes in foreign exchange rates involving, however, no cash movements.

thousand HUF	2012 Q1-Q2	2013 Q1-Q2	Change	2012 Q2	2013 Q2	Change
Sales revenue	21 220 275	23 724 350	11,8%	11 392 837	12 290 274	7,9%
Gross profit	4 072 936	5 875 505	44,3%	2 156 614	3 182 778	47,6%
<i>Gross margin</i>	19,2%	24,8%	5,6%p	18,9%	25,9%	7%p
EBITDA	1 482 160	3 106 949	109,6%	833 720	1 815 018	117,7%
<i>EBITDA level</i>	7,0%	13,1%	6,1%p	7,3%	14,8%	7,5%p
Operating profit	400 838	2 007 046	400,7%	297 050	1 258 056	323,5%
Net financial income	-178 577	317 970	278,1%	-69 952	72 863	204,2%
Profit during current year	159 272	1 918 488	1104,5%	125 386	1 058 522	744,2%
Total aggregate income	958 436	1 854 204	93,5%	266 137	1 230 131	362,2%

'We are proud that among shrinking markets we still managed to improve our performance. Our innovation-driven, focused growth strategy led to organic growth on our most important markets. As a transparent listed company, with its decision-making centre located in Hungary, in line with the domestic strategic goals we are suitably integrated into the international automotive industry, earning, in a number of market segments, the "best-in-class" supplier position. Through our product development and improving financial performance we create increasingly higher value for our customers and shareholders. Rába's traditions and competence, proven in the global marketplace ensure that the company remains competitive and can strengthen its position', said István Pintér, Chairman-Chief Executive Officer of Rába Automotive Holding Nyrt.

## EXTERNAL ENVIRONMENT

- Market demand was weak in almost all geographical and product segments, growth trends showed little promise. The heavy vehicle sector of the North American market was characterised by an 11 per cent decline during the first 6 months of 2013, compared to the same period of last year. Based on expectations for 2013, the turnover of the North American market segment will remain at the level of 2012. The European heavy vehicle market was marked by a trend similar in size and direction. The decline in demand amounted to 11 per cent during the first three months of 2013. No major changes are expected compared to 2012 in Europe either in terms of the outlook for the entire year. Demand for Rába products was manifest on both the European and the American markets for agricultural axles. The Russian truck market, as well as the bus market were characterised by recession, the level of the decline was 4.6 per cent for trucks and 2.6 per cent for buses compared to the first 6 months of 2012. The decline in demand did not spare the passenger vehicle component market either: the decline in passenger vehicle registrations on the European market was 6.7 per cent during the first 6 months of 2013, whereas the registration of new vehicles decreased by 10.4 per cent at the largest Rába partner in the segment.

- Steel raw material prices have been declining for the fourth consecutive quarter, thus the price level during Q2 months of 2013 was 8.9 per cent lower than during the same period of last year. During the first six months of 2013 steel prices were 6.6 per cent lower than during the same period of the previous year.
- Energy prices decreased during the first 6 months of 2013, by 6.5% on average compared to the first half of 2012. The average decline in energy prices compared to Q2 amounted to 7.6 per cent.
- During the first 6 months of 2013, the average USD exchange rate was 1.1% lower and the average EUR exchange rate was 0.2 per cent higher compared to the same period of 2012.<sup>1</sup> In terms of Q2 of 2013, the USD exchange rate was 1.4 per cent lower, the EUR exchange rate was 0.5 per cent higher on average than during the base period.

	2012 Q1-Q2	2013 Q1-Q2	Change	2012 Q2	2013 Q2	Change
HUFEUR - average	295.6	296.1	0.2%	294.3	295.7	0.5%
HUFEUR – end of period	288.2	295.2	2.4%	288.2	295.2	2.4%
HUFUSD - average	228.0	225.5	-1.1%	229.6	226.4	-1.4%
HUFUSD – end of period	229.1	226.2	-1.3%	229.1	226.2	-1.3%
Changes in raw material prices*	122%	114%	-6.6%	124%	113%	-8.9%
Changes in energy prices**	201%	188%	-6.5%	199%	183%	-7.6%

\* Rába indices – own calculations - base: 2006. Q1; closing values for the period

\*\* Rába indices- own calculation - base: Dec 2004; average values for the period

### Rába Futómű Kft. (Axle Ltd)

The sales revenue of Rába Futómű Kft. during the first 6 months of 2013 amounted to HUF 17.5 billion compared to HUF 14.5 billion achieved during the same period of 2012. This corresponds to an increase of 20.4%.

On the **American market**, the sales revenue during the first 6 months of 2013 was USD 32.1 million, against USD 23.2 million in the first 6 months of 2012. This means an increase of 38.4%.

On the **EU market** Rába's sales figures in HUF terms increased by 1.6%, amounting to HUF 7.8 billion, compared to HUF 7.7 billion during the base period.

**European exports** amounted to EUR 19.5 million during the first 6 months of 2013 compared to EUR 19.1 million during the same period of 2012. This is an increase of 2.5%.

**Domestic sales** before consolidation amounted to HUF 1,997 million which represents a decline of 2.8 per cent compared to the HUF 2,055 million of the base period.

On the **CIS and East-European markets** export sales revenues achieved by Rába Axle Ltd. increased by 114.9%, from EUR 3.5 million during the base period in 2012 to EUR 7.6 million during the first 6 months of 2013.

On the **other markets** the sales revenue during the first 6 months of 2013 amounted to EUR 0.7 million, against EUR 1.9 million of the previous year. Such decline by 65.7 per cent is due to the project-based sales during the base period.

The operating result of the company during the first 6 months of 2013 was a profit of HUF 2,003 million, compared to HUF 361 million during the same period of 2012.

At EBITDA level, the operating profit of the Axle business was HUF 2,712 million compared to HUF 1,072 million registered a year earlier.

<sup>1</sup> Average exchange rates are calculated on the basis of the official FX rates of the National Bank of Hungary. Source: <http://www.mnb.hu/arfolyam-lekerdezes>

million HUF	2012 Q1-Q2	2013 Q1-Q2	Change	2012 Q2	2013 Q2	Change
America	5 264	7 248	37.7%	2 982	3 785	26.9%
EU - export	5 604	5 788	3.3%	2 847	2 874	0.9%
EU - domestic	2 055	1 997	-2.8%	1 190	1 035	-13.0%
CIS and former Yugoslavia	1 041	2 254	116.5%	772	1 427	84.8%
Other	561	194	-65.4%	142	112	-21.1%
Total sales revenue	14 525	17 481	20.4%	7 933	9 232	16.4%
<b>EBITDA</b>	1 072	2 712	153.0%	607	1 615	166.1%
<b>Operating result</b>	361	2 003	454.8%	252	1 250	396.0%

### Rába Járműipari Alkatrészgyártó Kft. (Component Ltd.)

The sales revenue of the Component Ltd. amounted to HUF 5.8 billion during the first 6 months of 2013, which is an increase of 12.1% compared to the sales of HUF 5.1 billion of a year earlier.

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

**European exports** amounted to EUR 6.7 million during the first 6 months of 2013, against EUR 4.8 million during the base period. This corresponds to an increase of 37.9%.

**Domestic sales** before consolidation amounted to HUF 3,788 million during the first 6 months of 2013, which is an increase of 1.7% compared to the sales revenue of HUF 3,723 million during the first 6 months of 2012.

The company generated a profit of HUF 165 million at operating level during the first 6 months of 2013 compared to a profit of HUF 81 million during the same period of 2012.

On the level of EBITDA, the profit of the Component Ltd. increased to HUF 346 million during the period, from HUF 228 million of the previous year.

million HUF	2012 Q1-Q2	2013 Q1-Q2	Change	2012 Q2	2013 Q2	Change
EU - export	1 422	1 976	39.0%	647	1 040	60.7%
EU - domestic	3 723	3 788	1.7%	1 821	1 811	-0.5%
<b>Total sales revenue</b>	5 144	5 764	12.1%	2 468	2 851	15.5%
<b>EBITDA</b>	228	346	51.8%	113	170	50.4%
<b>Operating result</b>	81	165	103.7%	43	81	88.4%

### Rába Jármű Kft. (Vehicle Ltd.)

The sales revenue of Rába Jármű Kft. amounted to HUF 1,729 million during the first 6 months of 2013, which is a decline by 18.2 per cent compared to the HUF 2,113 million of the base period.

On the **EU market** Rába Vehicle's sales figures during the first 6 months of 2013 equalled the total sales revenue realised.

**European exports** were lower than the level of the base period by 6.1%, thus declining from EUR 4.5 million to EUR 4.2 million.

**Domestic sales** before consolidation amounted to HUF 480 million during the first 6 months of 2013, a decline of 39.4 per cent compared to the HUF 792 million during the base period.

The operating result was a loss of HUF 136 million during the first 6 months of 2013, compared to the profit of HUF 14 million during the base period.

On the level of EBITDA, during the first 6 months of 2013 the Company registered a loss of HUF 25 million compared to HUF 130 million during the first 6 months of 2012.

million HUF	2012 Q1-Q2	2013 Q1-Q2	Change	2012 Q2	2013 Q2	Change
EU - export	1 321	1 250	-5.4%	658	678	3.0%
EU - domestic	792	480	-39.4%	648	152	-76.5%
<b>Total sales revenue</b>	<b>2 113</b>	<b>1 729</b>	<b>-18.2%</b>	<b>1 306</b>	<b>830</b>	<b>-36.4%</b>
<b>EBITDA</b>	<b>130</b>	<b>-25</b>	<b>-119.2%</b>	<b>65</b>	<b>15</b>	<b>-76.9%</b>
<b>Operating result</b>	<b>14</b>	<b>-136</b>	<b>-1071.4%</b>	<b>7</b>	<b>-39</b>	<b>-657.1%</b>

## The Rába Group

The consolidated sales revenue of the Rába group during the first 6 months of 2013 amounted to HUF 23.7 billion, which is an increase of 11.8% compared to the figure of HUF 21.2 billion for the same period of 2012.

The operating profit of the group during the first 6 months of 2013 amounted to HUF 2,007 million, compared to HUF 401 million during the same period of 2012.

During the first 6 months of 2013 the financial result was HUF 318 million, which includes, among others, a net interest payment of HUF 135 million, as well as an exchange rate loss of HUF 61 million.

Based on the above, the Rába group generated a net profit of HUF 1,918 million during the first 6 months of 2013, compared to HUF 159 million during the same period of 2012.

On the level of EBITDA, the group registered profits of HUF 3,107 million during the first 6 months of 2013, against last year's figure of HUF 1,482 million.

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

### Sales revenue by business division

Sales revenue (million HUF)	Axles	Components	Vehicles	Rába Group consolidated
2012 Q1	6 592	2 676	807	9 827
2012 Q2	7 933	2 468	1 306	11 393
2013 Q1	8 248	2 913	900	11 434
2013 Q2	9 232	2 851	830	12 290

### Breakdown of sales revenue during Q1-Q2 of 2013

million HUF	America	EU			CIS	Other	Total
		Total	export	domestic			
Axles	7 248	7 785	5 788	1 997	2 254	194	17 481
Components	0	5 764	1 976	3 788	0	0	5 764
Vehicles	0	1 729	1 250	480	0	0	1 729
<b>Consolidated</b>	<b>7 248</b>	<b>14 028</b>	<b>9 017</b>	<b>5 011</b>	<b>2 254</b>	<b>194</b>	<b>23 724</b>

### Breakdown of operating profit of group companies

	Operating result			
	2012		2013	
	Q1	Q2	Q1	Q2
Axles	109	252	753	1 250
Components	38	43	84	82
Vehicles	7	7	-97	-40
Others	-50	-5	10	-35
<b>Total</b>	<b>104</b>	<b>297</b>	<b>750</b>	<b>1 257</b>

### PK2. Companies involved in the consolidation

Company	Capital in HUF thousand	Ownership ratio (%)	Voting ratio <sup>1</sup>	Classification <sup>2</sup>
<b>RÁBA Axle Ltd. Co.</b>	<b>9,762,800</b>	<b>100.00</b>	<b>100.00</b>	<b>S</b>
<b>RÁBA Component Ltd. Co.</b>	<b>300,000</b>	<b>100.00</b>	<b>100.00</b>	<b>S</b>
<b>RÁBA Vehicle Ltd. Co.</b>	<b>835,100</b>	<b>100.00</b>	<b>100.00</b>	<b>S</b>

<sup>1</sup> Voting right securing participation in the decision-making at the general meeting of the company subject to consolidation.

<sup>2</sup> Subsidiary (S); Jointly controlled (J); Affiliated (A)

In February of 2013 Rába NyRt. sold its stake representing 30% of the votes and 0.1% of the company's equity of Fehrer Automotive-Rába Kft. to Fehrer Automotive GmbH, the majority owner of the enterprise.

**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.

Description of item	2012. I. félév	2013. I. félév	Index	2012. II. negyedév	2013. II. negyedév	Index
Domestic sales revenues	6 008 198	5 011 095	83,4%	3 344 248	2 371 834	70,9%
Export sales revenues	15 212 077	18 713 255	123,0%	8 048 589	9 918 440	123,2%
<b>Net sales revenues</b>	<b>21 220 275</b>	<b>23 724 350</b>	<b>111,8%</b>	<b>11 392 837</b>	<b>12 290 274</b>	<b>107,9%</b>
Direct cost of sales	17 147 339	17 848 845	104,1%	9 236 223	9 107 496	98,6%
<b>Gross profit</b>	<b>4 072 936</b>	<b>5 875 505</b>	<b>144,3%</b>	<b>2 156 614</b>	<b>3 182 778</b>	<b>147,6%</b>
Cost of sales	401 935	404 925	100,7%	227 106	211 805	93,3%
General and administration expenses	3 399 255	3 621 382	106,5%	1 615 016	1 726 340	106,9%
Other revenues	352 817	425 606	120,6%	101 806	124 702	122,5%
Other expenditures	223 725	267 758	119,7%	119 248	111 279	93,3%
<b>Other items related to business activities</b>	<b>-3 672 098</b>	<b>-3 868 459</b>	<b>-105,3%</b>	<b>-1 859 564</b>	<b>-1 924 722</b>	<b>-103,5%</b>
<b>Operating profit before interest payment and taxation (EBIT)</b>	<b>400 838</b>	<b>2 007 046</b>	<b>500,7%</b>	<b>297 050</b>	<b>1 258 056</b>	<b>423,5%</b>
Financial revenues	1 445 579	1 531 647	106,0%	676 996	176 082	26,0%
Financial expenditures	1 624 156	1 213 677	74,7%	746 948	103 219	13,8%
<b>Net financial result</b>	<b>-178 577</b>	<b>317 970</b>	<b>378,1%</b>	<b>-69 952</b>	<b>72 863</b>	<b>204,2%</b>
<b>PROFIT BEFORE TAXATION</b>	<b>222 261</b>	<b>2 325 016</b>	<b>1046,1%</b>	<b>227 098</b>	<b>1 330 919</b>	<b>586,1%</b>
<b>Corporate profit tax</b>	<b>62 989</b>	<b>406 528</b>	<b>645,4%</b>	<b>101 712</b>	<b>272 397</b>	<b>267,8%</b>
<b>PROFIT AFTER TAXATION</b>	<b>159 272</b>	<b>1 918 488</b>	<b>1204,5%</b>	<b>125 386</b>	<b>1 058 522</b>	<b>844,2%</b>
<b>Other aggregate income</b>						
Profit from cash-flow hedge transaction	942 962	-76 528	-108,1%	165 089	204 297	123,7%
Deferred tax of cash-flow hedge transaction	143 798	-12 244	-108,5%	24 338	32 688	134,3%
<b>Other aggregate income</b>	<b>799 164</b>	<b>-64 284</b>	<b>-108,0%</b>	<b>140 751</b>	<b>171 609</b>	<b>121,9%</b>
<b>Total aggregate income</b>	<b>958 436</b>	<b>1 854 204</b>	<b>193,5%</b>	<b>266 137</b>	<b>1 230 131</b>	<b>462,2%</b>

**1. EARNED REVENUES**

During the first 6 months of 2013, Rába achieved HUF 23,724 million in sales revenue, compared to HUF 21,220 million during the same period of 2012, with a growth of 11.8%. 78.9 per cent of the revenues came from export, the rest came from domestic sales.

**2. COSTS AND OTHER REVENUES, EXPENDITURES****2.1. Direct costs**

During the first 6 months of 2013, the direct cost level of Rába was 75.2 per cent, compared to 80.8% of the base period. The amount of direct costs was HUF 17,849 million (in the first 6 months of 2012: HUF 17,147 million).

## **Gross Profit**

The gross profit changed from HUF 4,073 million to HUF 5,876 million, (HUF +1,802 million), which is due to the increase in sales revenue by HUF 2,504 million and to a lesser increase in direct expenses (HUF +702 million).

### **2.2. Cost of sales**

The cost of sales increased by 0.7 per cent and amounted to HUF 405 million during the first 6 months of 2013, compared to HUF 402 million during the first 6 months of 2012.

### **2.3. General overhead and administrative expenses**

Rába accounts its costs incurred in relation to the administration of the company and other general expenses under general overhead and administrative expenses (H1 of 2013: HUF 3,621 million, H1 of 2012: HUF 3,399 million), and adjusts them with the net value of the non-capitalised, according to international regulations, costs of technical development (HUF -7 million), and by restating certain bank charges to financial expenditures (HUF -5 million).

### **2.4. Other revenues**

Other revenues amounted to HUF 426 million during the first 6 months of 2013. This amount was HUF 73 million higher than that of the base period. The composition of the revenues is different during the two quarters, primarily due to the following items: during the first 6 months of 2013 the Company sold some of its idle property and accounted a larger amount of grants, whereas in the first 6 months of 2012, a significant amount of provisions – the portion of the liability unused during its term - set aside for guarantee costs was released once the liability ceased to exist.

### **2.5. Other expenditures**

The amount of other expenditures during the first 6 months of 2013 was HUF 268 million, which is HUF 44 million higher than the amount during the base period. The increase is due to the increase in the amount of taxes and subsidies given.

## **3. OPERATING PROFIT**

The operating profit of Rába during the first 6 months of 2013 was HUF 2,007 million (in the first 6 months of 2012: HUF 401 million). The increase in gross profit (HUF 1,802 million) was deteriorated by the combined change in sales and general overhead costs (HUF +225 million) and was improved by the changes in the balance of other revenues and expenditures (HUF +29 million). Profitability changed from 1.9% during the base period to 8.5%. The profitability of operating profit + depreciation was 13.1 per cent, against 7.0 per cent during the base period.

## **4. FINANCIAL REVENUES AND EXPENDITURES**

During the first 6 months of 2013, the net financial result was HUF 318 million, compared to HUF -179 million during the base period.

The net result of interest incomes and expenses was HUF -135 million during the first 6 months of 2013, against HUF -202 million during the base period. The net exchange rate difference of FX items was a loss of HUF 61 million during the first 6 months of 2013, the exchange rate gains amounted to HUF 43 million in the first 6 months of 2012.

The risk management strategy of the Rába Group views the mitigation of the uncertainties in the HUF value of FX based cash-flows resulting from sales contracts concluded in FX as its primary risk management objective. The uncertainty in the HUF value is determined by the strengthening/weakening of the HUF (as the accounting currency of the Company) compared to foreign exchanges. Therefore, in order to offset the adverse effect on the result of the Company of the strengthening of the HUF, part of the financing needs of the operation of the enterprise is met in FX (FX loans are used) and thus these are viewed as hedge transactions suitable for maintaining the value of FX revenues, to the extent of the expected exposure. The exchange rate difference of these cash-flow hedge transactions compared to 1 October 2011, the date



when these cash-flow transactions were classified as hedge transactions, was a loss of HUF 77 million on 30 June 2013 whereas on 30 June 2012 it was a profit of HUF 943 million, accounted as other aggregate income.

The company sold its participation, the proceeds from the sale amounted to HUF 524 million.

Financial revenues and expenditures consisted of the following principal items:

	<b>2012 H1</b>	<b>2013 H1</b>
Revenue from dividends	0	1 011
Exchange rate gains of participation sold	0	523 531
Interest income	21 326	17 284
Exchange rate gains	1 422 402	989 120
Other financial revenues	1 851	701
<b>Financial revenues</b>	<b>1 445 579</b>	<b>1 531 647</b>
Interest payable	223 635	151 891
Exchange rate loss	1 378 907	1 050 280
Other financial expenditures	21 614	11 506
<b>Financial expenditures</b>	<b>1 624 156</b>	<b>1 213 677</b>

## **5. EARNINGS DURING THE YEAR**

The earnings before taxation amounted to HUF 2,325 million during the first 6 months of 2013, which, because of the factors outlined in sections 1-4 is HUF 2,103 million more than the figure for the first 6 months of 2012. The profitability ratio represents a 9.8 per cent return on sales on the basis of profit before taxation, compared to 1.05 per cent during the base period.

At group level the tax liability amounted to HUF 407 million, of this corporate tax liability represented HUF 39 million, the trade tax liability is HUF 175 million, the deferred tax liability for the current period is HUF 181 million, whereas the deferred tax liability accounted in the equity is HUF 12 million.

## **6. OTHER AGGREGATE INCOME**

In line with the risk management strategy of the Company, in 2011, the fluctuation of the FX exchange rate risks resulting from the sales contracts ("Basic Transaction") was hedged through the conclusion of FX loan deals. The FX deals among the financial liabilities of the Group were designated as hedge transactions. During the first 6 months of 2013, the net amount of the cash-flow hedge transaction is HUF -64 million, which is accounted under other aggregate income and also reflects the effect of the corporate income tax (in the first 6 months of 2012: HUF 799 million).

## **7. IFRS-HAS DIFFERENCE**

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 in part and of foundation and reorganisation expenses in full, capitalised according to HAS;
- accounting of the share options made available to the managers within the Share Option Programme;
- the reclassification into profit tax of the business 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;
- any rebate accounted as other expenditure according to the HAS requirements must be accounted as an item reducing the sales revenues according to the IFRS requirements;
- restatement of certain bank charges accounted as indirect expenditure under the Hungarian Accounting Regulations into financial expenditure;

- accounting of cash-flow hedge transaction (according to IAS 39.88) in other aggregate income.

**PK. 3. CONSOLIDATED BALANCE SHEET ACCORDING TO IFRS**

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

\* Indicate with X.

Item	31 Dec 2012	30 June 2013	Index
Properties, machines, equipment	13 777 744	13 791 625	100,1%
Intangible assets	1 046 740	964 244	92,1%
Long-term receivables	642 079	611 371	95,2%
Property for investment purposes	338 217	338 217	100,0%
Investments accounted through the capital method	205	205	100,0%
Receivables from sale of assets	194 043	194 043	100,0%
Deferred tax receivables	508 470	327 304	64,4%
<b>Total invested assets</b>	<b>16 507 498</b>	<b>16 227 009</b>	<b>98,3%</b>
Inventories	8 424 298	8 787 576	104,3%
Receivables	9 683 334	8 851 428	91,4%
Derivative financial instruments		25 680	
Corporate tax receivables	112 298	146 694	130,6%
Liquid assets, bank account	176 525	260 484	147,6%
<b>Total current assets</b>	<b>18 396 455</b>	<b>18 071 862</b>	<b>98,2%</b>
<b>Total ASSETS</b>	<b>34 903 953</b>	<b>34 298 871</b>	<b>98,3%</b>
Share capital	12 921 066	12 921 066	100,0%
Other aggregate income	-19 843	-84 126	-424,0%
Capital reserve	85 004	85 004	100,0%
Share option reserve	165 057	165 057	100,0%
Retained earnings	-1 767 906	150 582	108,5%
<b>Total equity and reserves</b>	<b>11 383 378</b>	<b>13 237 583</b>	<b>116,3%</b>
Long-term liabilities	3 286 679	3 891 175	118,4%
Provisions	406 620	356 169	87,6%
<b>Total long-term liabilities</b>	<b>3 693 299</b>	<b>4 247 344</b>	<b>115,0%</b>
Short term loans and credits	10 294 062	6 734 706	65,4%
Short-term liabilities	9 533 214	10 079 238	105,7%
<b>Short-term liabilities total</b>	<b>19 827 276</b>	<b>16 813 944</b>	<b>84,8%</b>
<b>Total LIABILITIES (equity and liabilities)</b>	<b>34 903 953</b>	<b>34 298 871</b>	<b>98,3%</b>

**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 13,778 million on 31 December of 2012 to HUF 13,792 million, the change was an increase of 0.1%. The depreciation of fixed assets during the first 6 months of 2013 was HUF 984 million.

**1.2. Intangible assets**

The net value of intangible assets changed from HUF 1,047 million to HUF 964 million. This represents a decline of 7.9 per cent. The amount of depreciation accounted during the period was HUF 116 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 of Rába. Long-term advance payments in the amount of HUF 621 million are also shown here, as this is the consequence of the partial payment of a long-term liability upon favourable conditions, to be recorded annually in the indirect cost line. In consequence of the discharge of liabilities during Q1, the amount of long term receivables declined by HUF 35 million during the period.

	<b>31 Dec 2012</b>	<b>30 June 2013</b>
Opening	4 392	642 079
Increase	638 235	5 000
Repayment	(548)	(250)
Impairment		(35 457)
Effect of discounting		
<b>Closing</b>	<b>642 079</b>	<b>611 371</b>

**1.4. Real estate for investment purposes**

The value of real estate for investment purposes – amounting to HUF 338 million on 30 June 2013 at book value – remained unchanged.

**1.5. Investments accounted using the equity method**

In 2009, Rába Nyrt and F.S. Fehrer Automotive GmbH. established Fehrer Automotive-Rába Kft. Rába's stake in the joint venture was 30%. The participation was sold and deleted from the books by Rába in February of 2013.

**1.6. Deferred tax receivable**

It amounted to HUF 327 million on 30 June 2013, which is HUF 181 million less than the amount on 31 December 2012. The decline in the receivable is most significantly due to the deferred tax liability due to the creation of a development reserve, and to the release of the deferred tax liability set aside for the accrued negative tax base.

**1.7. Receivables from the sale of assets**

On 30 June 2013, the value of the receivable was HUF 194 million, equal to the 31<sup>st</sup> December 2012 amount.

**2. CURRENT ASSETS****2.1. Stocks**

On 30 June 2013, the closing value of stocks was HUF 8,788 million (31<sup>st</sup> December 2012: HUF 8,424 million). The change is +4.3%, due to the decline in materials and goods by HUF 68 million and to the increase in unfinished, semi-finished and finished goods by HUF 431 million.

**2.2. Receivables**

The closing figure of receivables as at 30 June 2013 was HUF 8,851 million, a decline of HUF 832 million compared to the 31<sup>st</sup> December figure (closing figure for 31 December 2012: HUF 9,683 million). The most significant changes occurred in the accounts receivable (HUF -1,293 million). Other accounts receivable increased by HUF 471 million, active accruals by HUF +9 million and advances paid changed by HUF +16 million.

**2.3. Derivative financial instruments**

This line of the balance sheet contains the FX forward transaction intended to hedge the exchange rate risk of export sales revenues (sale of EUR 2 million for HUF).

**2.4. Liquid assets**

The closing figure of liquid assets on 30 June 2013 was HUF 260 million, HUF 84 million more than on 31 December 2012 (HUF 177 million).

**3. EQUITY AND RESERVES**

The change occurred as follows:

	Registered capital	Capital reserve	Share based payments reserve	Retained earnings	Other aggregate income	Total shareholders' equity
<b>Balance as at 1 Jan 2012</b>	<b>12 921 066</b>	<b>85 004</b>	<b>165 198</b>	<b>-2 375 451</b>	<b>-804 416</b>	<b>9 991 401</b>
Profit of current year				159 272		159 272
Other aggregate loss					799 164	799 164
<b>Balance as at 30 June 2012</b>	<b>12 921 066</b>	<b>85 004</b>	<b>165 198</b>	<b>-2 216 179</b>	<b>-5 252</b>	<b>10 949 837</b>
Profit of current year				409 736		409 736
Other aggregate profit					-14 591	-14 591
Share based expenditure made in equity instrument			63 438			63 438
Deferred tax of share based expenditure made in equity instrument			-8 881			-8 881
Ceaseure of share-based payments			-63 602	38 537		-25 065
Deferred tax of ceaseure of share-based payments			8 904			8 904
<b>Balance as at 31 Dec 2012</b>	<b>12 921 066</b>	<b>85 004</b>	<b>165 057</b>	<b>-1 767 906</b>	<b>-19 843</b>	<b>11 383 378</b>
Profit of current year				1 918 488		1 918 488
Other aggregate profit					-64 283	-64 283
<b>Balance as at 30 June 2013</b>	<b>12 921 066</b>	<b>85 004</b>	<b>165 057</b>	<b>150 582</b>	<b>-84 126</b>	<b>13 237 583</b>

**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 30 June 2013, the share capital of the company was HUF 12,921 million.

On 7<sup>th</sup> November of 2011, the Hungarian State Holding Company Ltd. made a public takeover bid for the purchase of all of the shares issued by the Company. The bid was approved by the Hungarian State Financial Supervision on 8<sup>th</sup> November 2011. For the public takeover bid the Bidder initiated the procedure of the European Commission for the uniform competition law licensing of the transaction (encompassing the territory of the entire EU). The approval was granted on 18<sup>th</sup> April 2012, thus the Hungarian State Holding Company acquired 9,925,829 shares, representing a 73.67 per cent stake in the Company.

**3.2. Other aggregate result**

In accordance with its risk management strategy, the Company designated the USD and EUR foreign exchange loan transactions under financial liabilities in order to hedge the USD/HUF and EUR/HUF foreign exchange risks stemming from its sales contracts ("Basic transaction"). The transactions with an effective hedge relation are cash-flow hedge transactions, the profit

during the period minus the deferred tax of which, in the amount of HUF -64 million net is accounted for under other aggregate profit, the closing value as at 30 June 2013 was HUF -84 million.

### **3.3. Capital reserve**

On 30 June 2013, the capital reserve was HUF 85 million, equal to the difference between the cost and the face value of the repurchased Rába treasury shares, the amount of which remained unchanged.

### **3.4. Share option reserve**

To foster shared interests between the shareholders of Rába and the management of the Rába Group, as well as to further increase the value of the company, in 2006 the Board of Directors of Rába launched 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 programme consists of three separate draw-down tranches, each of which is implemented separately, subject to unrelated conditions. The programme originally planned for five years was extended in 2010 until 31<sup>st</sup> December, 2014.

The conditions of the first and the second tranches were met and could thus be drawn. The conditions of opening the third tranche launched 1 January, 2012 with the approval of the general meeting of shareholders of 2010 were not fulfilled, since the weighted average price of the Rába shares during the first half of 2012 remained under two thousand forints on any twenty consecutive stock trading day.

The participants of the option programme availed themselves of the opportunity to draw down the first tranche and thus the shares of the first tranche were fully drawn before the end of in the first 6 months of 2012.

There were no changes in the share option reserve during the current period.

### **3.5. Retained earnings**

The retained earnings (HUF 151 million) changed by HUF +1,918 million (amount of net profit during H1) compared to the closing balance of the previous year (HUF -1,768 million).

## **4. LONG-TERM LIABILITIES**

### **4.1 Long-term liabilities**

Long-term liabilities contain the amount of long-term loans and credits. The closing value of long-term liabilities as at 30 June 2013 amounted to HUF 3,891 million, which was 18.4 per cent higher than the opening balance of the period (on 31<sup>st</sup> December 2012, the closing figure was HUF 3,287 million). According to the situation as at the end of 2012, due to the partial non-delivery of the financial side obligations assumed in some long-term loan agreements, the entire loans were shown as liabilities within a year. Once these side obligations were met during the current period, the loans were reclassified among long-term liabilities.

### **4.2. Provisions**

The closing value of provisions as at 30 June 2013 was HUF 356 million, which is HUF 50 million less than the closing value for last year.

The principal reason for the change was the release of provisions set aside for guarantee obligations.

## **5. SHORT-TERM LIABILITIES**

### **5.1. Short-term credits and loans**

The total amount of short-term credits and loans (HUF 6,735 million) decreased by 34.6% compared to the closing balance of December 2012 (HUF 10,294 million), due to repayments and reclassification of long-term liabilities.

**5.3. Short-term liabilities**

The total short-term liabilities (closing balance on 30 June 2013: HUF 10,079 million) increased by 5.7% compared to the closing value of December 2012 (HUF 9,533 million). The most significant change took place in accounts payable (HUF -30 million), passive accruals (HUF +591 million).

**PK 5. CONSOLIDATED CASH-FLOW STATEMENT FOR THE FIRST HALF OF 2013**

	Data in HUF thousand	
	<u>H1 2012</u>	<u>H1 2013</u>
<b><u>Cash flows of operating activities</u></b>		
Profit before taxation	222 258	2 325 016
<i>Adjustment items related to items with no cash movement:</i>		
Interest income/expenditure	37 906	22 397
Depreciation and amortisation	1 081 323	1 099 904
Impairment of properties, machinery and equipment	2 460	12 577
Impairment of bad and doubtful receivables and of long term receivables	945	-40 862
Impairment of stocks kept at net realisable value	75 813	32 079
Inventory reject	30 809	76 012
Provisions	-146 932	-50 451
Changes in real value of derivative financial assets and receivables	0	-25 680
Result of sale and in-kind contribution of real assets, machinery and fixtures and intangible assets	-8 269	-107 197
Proceeds from sale of investments accounted through the equity method	0	-523 530
Participation in profit of affiliated companies	0	0
Revaluation of loans and credits at end of period	135 530	39 517
<i>Changes in working capital:</i>		
Changes in trade and other receivables	2 689 638	923 896
Changes in stocks	-343 683	-469 872
Changes in accounts payable and other liabilities	-1 153 687	458 487
Profit tax paid	-192 577	-151 420
Interests paid	-223 094	-145 382
<b>Net cash flows from operating activity</b>	<b>2 208 440</b>	<b>3 475 491</b>
<b><u>Cash flows from investment activities</u></b>		
Revenues, expenditures from long-term receivables	0	30 708
Purchase of real estate, machinery and fixtures, as well as of intangibles	-1 205 446	-1 001 423
Revenues from the sale of real estate, machinery and fixtures	12 461	125 546
Proceeds from the sale of investments accounted through the equity method		523 530
Interests received, dividend	0	1 011
<b>Net cash flows used for investment activities</b>	<b>-1 192 985</b>	<b>-320 628</b>
<b><u>Cash flows from financing activities</u></b>		
Borrowing	7 595 765	4 621 188
Repayment of loans and credits	-7 822 590	-7 692 092
<b>Net cash flows from financing activities</b>	<b>-226 825</b>	<b>-3 070 904</b>
<b>Net increase/decline of financial instruments and equivalents</b>	<b>788 630</b>	<b>83 959</b>

**PK6. Major off-balance sheet items**

Description	Value (HUF)
According to a separate list*	

\* The bank loans of the Rába Group amount to HUF 10,317 million, of which the loans secured with liens and mortgages on movable assets and real property amount to HUF 9,730 million. The amount of bank guarantees issued on behalf of the Rába Group is HUF 967 million.

**RS1. Ownership structure, ratio of participation**

Description of ownership	Total equity						Series listed <sup>1</sup>			
	At beginning of current year (1st January)			At end of term (30 June)			At beginning of term		At end of term	
	% <sup>2</sup>	% <sup>3</sup>	% <sup>2</sup>	% <sup>3</sup>	% <sup>2</sup>	% <sup>3</sup>	%	Pcs	%	Pcs
Domestic institutional/corporate	1.40	1.46	188,700	2,47	2,58	333 304				
Foreign institutional/corporate	1.01	1.06	136,632	1,03	1,07	138 199				
Foreign private individual	0.29	0.30	39,078	0,29	0,30	39 160				
Domestic private individual	19.43	20.25	2,617,651	18,31	19,08	2 466 678				
Employees, managing executives	0.12	0.12	15,686	0,15	0,16	20 406				
Treasury shares	4.07		548,160	4,07		548 160				
Shareholder forming part of general government <sup>4</sup>	73.68	76.81	9,927,539	73,68	76,81	9 927 539				
International Development Institutions <sup>5</sup>	0.00	0.00	0	0,00	0,00	0				
Other	0.00	0.00	0	0,00	0,00	0				
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>	<b>13,473,446</b>	<b>100,00</b>	<b>100,00</b>	<b>13 473 446</b>				

<sup>1</sup> 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.

<sup>2</sup> Ownership ratio

<sup>3</sup> Voting right ensuring participation during 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!

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

<sup>5</sup> E.g.: EBRD, EIB, etc.

**RS3. List and introduction of shareholders with a stake exceeding 5% (as at 30<sup>th</sup> Sept 2012)**

Name	Nationality <sup>1</sup>	Activity <sup>2</sup>	Quantity (pcs)	Ownership stake (%) <sup>3</sup>	Voting right (%) <sup>3,4</sup>	Comment <sup>5</sup>
Hungarian State Holding Company Ltd. (MNV Zrt)	D	G	9 925 829	73.67	76.79	

<sup>1</sup> Domestic (D), Foreign (F)

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

<sup>3</sup> Should be rounded to two decimal figures

<sup>4</sup> Voting right ensuring participation during the decision making process at the general meeting of shareholders of the issuer.

<sup>5</sup> E.g.: strategic investor, financial investor, etc.

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

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

	1 Jan	31 March	30 June
At corporate level	548 160	548 160	548 160
Subsidiaries			
Total	548 160	548 160	548 160

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

	End of base period	Beginning Of Current Year	End of current period
Company level	16	16	14
Group level	1 937	1 920	1 950

The consolidated closing headcount as at 30 June 2013 was 1,950, which represented an increase of 0.7% compared to the end of the base period.

**TSZ2. Managing executives, strategic employees**

Type <sup>1</sup>	Name	Position	Beginning of mandate	End/ termination of mandate	Shares held (pcs)
BD	István Pintér	Chairman of the BD	2005		7 082
BD	Alan Spencer	Board member	2006		0
BD	Dr. Zoltán Borbíró	Board member	2012	2013	0
BD	Dr. Tibor Zoltán Hajdú	Board member	2012		0
BD	Dr. Péter Székács	Board member	2012		0
BD	György Wáberer	Board member	2012		0
SB	Dr. Csaba Polacsek	Chairman of the SB	2012		0
FB	Dr. Mirjána Markovics	SB member	2012		0
FB	Dr. János Kerégyártó	SB member	2012		0
SP	István Pintér	Chief Executive	2003	Definite	7 082
SP	Béla Balog	Deputy CEO	2004	Indefinite	3 332
SP	Ferenc Vissi	HR Director	2001	Indefinite	3 332
SP	József Szabó	Strategic Purchasing and Asset Mgmt. Director	2001	2013	n.a.
SP	Ákos Farkas	Strategic Purchasing and Asset Mgmt. Director	2013		1 664
SP	István Pintér	Managing Director	2004	Indefinite	7 082
SP	László Urbányi	Managing Director	2005	Indefinite	3 332
SP	János Torma	Managing Director	2005	Indefinite	1 664
Total number of shares owned (pcs):					20 406

<sup>1</sup> Employee in strategic position (SP), Member of the Board of Directors (BD), Member of the Supervisory Board (SB), Member of the Board (ITT)



**RÁBA NYRT. (INDIVIDUAL) BALANCE SHEET (HAS)**

Data in HUF thousand

No	Description of item	31 Dec 2012	30 June 2013	Index
<b>A.</b>	<b>Invested assets</b>	<b>16 607 193</b>	<b>16 204 560</b>	<b>97,58%</b>
I.	Intangible assets	48 634	38 180	78,50%
II.	Fixed assets	5 835 907	5 848 941	100,22%
III.	Financial assets invested	10 722 652	10 317 439	96,22%
<b>B.</b>	<b>Current assets</b>	<b>4 607 185</b>	<b>3 888 480</b>	<b>84,40%</b>
I.	Stocks	351 012	350 232	99,78%
II.	Receivables	3 726 307	3 030 544	81,33%
III.	Securities	489 421	489 421	100,00%
IV.	Liquid assets	40 445	18 283	45,20%
<b>C.</b>	<b>Active accruals</b>	<b>19 638</b>	<b>51 624</b>	<b>262,89%</b>
	<b>TOTAL ASSETS</b>	<b>21 234 016</b>	<b>20 144 664</b>	<b>94,87%</b>
<b>D.</b>	<b>Shareholders' equity</b>	<b>13 862 717</b>	<b>15 265 708</b>	<b>110,12%</b>
I.	Registered capital	13 473 446	13 473 446	100,00%
	Of which: ownership stake repurchased at face value	548 160	548 160	100,00%
III.	Capital reserve	127 654	127 654	100,00%
IV.	Retained earnings	-1 005 506	772 195	175,19%
V.	Fixed reserves	567 996	589 421	100,00%
VII.	Net profit	699 127	302 992	56,66%
<b>E.</b>	<b>Provisions</b>	<b>19 420</b>	<b>20 220</b>	<b>104,12%</b>
<b>F.</b>	<b>Liabilities</b>	<b>7 255 418</b>	<b>4 769 333</b>	<b>65,73%</b>
III.	Short-term liabilities	7 255 418	4 769 333	65,73%
<b>G.</b>	<b>Passive accruals</b>	<b>96 461</b>	<b>89 403</b>	<b>92,68%</b>
	<b>TOTAL LIABILITIES</b>	<b>21 234 016</b>	<b>20 144 664</b>	<b>94,87%</b>

**RÁBA NYRT. (INDIVIDUAL) PROFIT AND LOSS STATEMENT (HAS)**

Data in thousand HUF

No	Description of item	2012 H1	2013 H1	Index
I.	Net sales revenue	632 643	593 225	93,77%
II.	Direct costs of sales	112 367	107 536	95,70%
<b>III.</b>	<b>Gross sales revenue</b>	<b>520 276</b>	<b>485 689</b>	<b>93,35%</b>
IV.	Indirect sales costs	497 267	521 010	104,77%
V.	Other revenues	7 819	110 068	1407,70%
VI.	Other expenditures	77 107	114 335	148,28%
<b>A.</b>	<b>OPERATING PROFIT</b>	<b>-46 279</b>	<b>-39 588</b>	<b>85,54%</b>
VIII.	Revenues from financial transactions	932 188	472 145	50,65%
IX.	Expenditures of financial transactions	107 552	127 809	118,83%
B.	Profit of financial transactions	<b>824 636</b>	<b>344 336</b>	<b>41,76%</b>
<b>C.</b>	<b>ORDINARY BUSINESS PROFIT</b>	<b>778 357</b>	<b>304 748</b>	<b>39,15%</b>
D.	EXTRAORDINARY PROFIT	-2 160	-351	16,25%
<b>E.</b>	<b>PROFIT BEFORE TAXATION</b>	<b>776 197</b>	<b>304 397</b>	<b>39,22%</b>
XII.	TAX LIABILITY	9 044	1 405	15,54%
<b>F.</b>	<b>AFTER-TAX PROFIT</b>	<b>767 153</b>	<b>302 992</b>	<b>39,50%</b>
<b>G.</b>	<b>NET PROFIT</b>	<b>767 153</b>	<b>302 992</b>	<b>39,50%</b>

**PK1. General information pertaining to the financial data**

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

**Declaration of liability**

We, the undersigned, authorised signatories of the Company, hereby declare that the data and statements contained in the quarterly report are true and accurate. The report reflects the true and fair value of the Company's assets, liabilities, financial position, profit and loss, the situation, development and performance of the business and also describes the main risks and factors of uncertainty. The Company does not conceal any fact that is important for assessing its financial and economic position.

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

- The figures shown in the 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 compliance with the requirements of the Stock Exchange Regulations and in consideration of the IAS 34 Standard (interim financial statement).

Győr, 06. August 2013.

**István Pintér**  
Chairman-CEO

**Béla Balog**  
CFO