

Report on the Results of Rába Plc. in Q1-Q4 of 2018

Unaudited, consolidated quarterly report
according to the International Financial Reporting Standards (IFRS)

Company:	RÁBA Automotive Holding Plc.
Company address:	H-9027 Győr. Martin u. 1.
Sector:	Machine industry
Period:	Q1-Q4 of 2018.
Phone:	+36 96 624-460
Fax:	+36 96 624-006
E-mail:	adam.steszli@raba.hu
Investor's contact person:	Ádám Steszli

MANAGEMENT REPORT

MAIN RESULTS OF THE COMPANY

- In Q1-Q4 of 2018 all relevant markets of Rába were characterised by active demand, which provided a good basis for an outstanding sales result in 2018. However, the economic activity and the excess demand in the entire supply chain led to a significant increase in manufacturing costs. The increase in the purchase price of raw materials and energy, two largest cost elements, put considerable pressure on the manufacturing activity and through that also on the financial performance. In Q4 of 2018 all the business units of the Group managed to achieve a remarkable export performance, resulting in a 12.9 per cent increase in Rába Group's turnover. During the aggregated period, all of the business units realised a significant growth in turnover, the Axle and the Components business units increased sales to an outstanding extent, by 13.5 and 16.4 per cent respectively, while the Vehicle business unit increased its turnover by 0.7 per cent, with a 23.4 per cent growth in exports. Owing to the outstanding Q4 sales figures, the Q1-Q4 turnover performance also shows a significant increase compared to the same period of the previous year, while Group-level growth was 11.9 per cent, reaching HUF 48.6 billion in sales. In regard to the exchange rate environment a 1.5 per cent drop in exchange rates was observed in Q1-Q4 of 2018 for the USD, which represents a lower proportion of the company's foreign exchange turnover. In the case of the EUR, which has a more significant share in foreign exchange turnover, the exchange rate exceeded the base period values by 3.1 per cent.
- Despite drastically rising steel and energy purchase prices, gross profitability was raised both on a quarterly basis and for the entire year 2018: the increase of the gross profit level was 1.1 percentage points in Q4 of 2018, and 0.2 percentage points in the whole of 2018. Therefore, the Group-level gross margin reached 21.3 per cent.
- As a consequence of the increase in sales volumes and maintained profitability, the total gross margin increased by a significant amount, 11.9 per cent, which signifies a HUF 1,105 million increase in the margin. Furthermore, the total gross margin generated in Q1-Q4 of 2018 was HUF 10,370 million. In addition to the increase in purchase price pressure, the favourable sales portfolio and the increase in the efficiency and flexibility of the operation contributed to achieving a gross profit of more than HUF 10 billion.
- The balance of other revenues and expenditures amounted to HUF 745 million in losses during the review period, against the loss of HUF 61 million during the same period of the previous year.
- With direct cost items under control, as a result of the controlled management of sales, administration and management costs, all business lines produced profits at operating level during both the quarter and the aggregate period. Of the business units, the Components and the Vehicle business units were able to increase their operating profit by HUF 47 million and 15 million respectively, while the profits of the Axle business unit decreased by HUF 354 million. In total, the Group level operating profit amounted to HUF 1,751 million.

- The volatility of the economic environment and the increasing cost of manufacturing conditions have already had an impact on EBITDA-level performance: the EBITDA return on sales fell by 1.6 percentage points to 7.8 per cent during the Q1-Q4 of 2018 period. In consequence, EBITDA-level profits were 7.6 per cent, HUF 310 million lower than during the base period profit of the previous year. The realised EBITDA-level profit amounted to HUF 3,790 million. The Axle business unit contributed to the Group-level EBITDA growth with decreased profits, while the Vehicle and Components business units contributed with a growth in EBITDA profits. EBITDA growth of the Components business unit was 13.2 per cent, representing a surplus of HUF 132 million, while the EBITDA surplus of the Vehicle business unit increased by 2.2 per cent to HUF 20 million.
- The financial loss in Q1-Q4 of 2018 amounted to HUF 109 million, compared to the loss of HUF 101 million generated during the same period of the previous year. The financial performance was fundamentally influenced by the realised exchange rate loss and the interest expenses.
- The total aggregate income and profit for the current year fell behind the base period value by 23.7 per cent in Q1-Q4 of 2018, achieving a profit of HUF 1,197 million.
- The financial position of the RÁBA Group in Q1-Q4 of 2018 continued to be a stable liquidity position. Although the net loan portfolio shows an increase, this corresponds to the path forecast by the Company, with the Company continuously controlling the factors influencing growth. As a result of the profitable operation, the increasing working capital reflecting the expanding sales and the financing of investments of strategic significance, the net loan portfolio grew by HUF 4.1 billion compared to the same period last year, reaching HUF 7.4 billion. The revaluation, due to exchange rate fluctuation, of loans, worth HUF 105 million not involving cash movements, also contributed to the increase of net borrowing.
- As a result of the profitable and efficient operation, the shareholder's equity increased by 4.4 per cent compared to the same period of the previous year. The shareholder's equity per share reached HUF 1.549/share.

thousand HUF	2017 Q1-Q4	2018 Q1-Q4	Change	2017 Q4	2018 Q4	Change
Sales revenue	43 842 346	48 631 833	10.9%	13 012 349	13 942 807	7.2%
Gross profit	9 264 953	10 370 115	11.9%	2 657 733	3 001 558	12.9%
<i>Gross margin</i>	<i>21,1%</i>	<i>21,3%</i>	<i>0.2%p</i>	<i>20,4%</i>	<i>21,5%</i>	<i>1.1%p</i>
EBITDA	4 099 588	3 790 033	-7.6%	1 545 825	1 166 512	-24.5%
<i>EBITDA</i>	<i>9,4%</i>	<i>7,8%</i>	<i>-1.6%p</i>	<i>11,9%</i>	<i>8,4%</i>	<i>-3.5%p</i>
Operating profit	2 148 821	1 750 611	-18.5%	1 058 921	655 404	-38.1%
Net financial profit/loss	-100 908	-108 954	-8.0%	-7 258	30 747	523.6%
Profit after tax for the current year	1 568 758	1 196 910	-23.7%	852 879	564 658	-33.8%
Total comprehensive income	1 568 758	1 196 910	-23.7%	852 879	564 658	-33.8%

GOAL AND STRATEGY OF THE BUSINESS

"Rába's operation was supported by a significant market recovery in 2018, our company ended the last business year profitably with a revenue growth. However, we had to face the soaring costs of our manufacturing conditions, which were offset by flexible, efficient and customer driven production and stringent cost management." – said István Pintér, Chairman-CEO of Rába Automotive Holding Plc.

EXTERNAL ENVIRONMENT

- In Q1-Q4 of 2018, the truck market within Europe continued to show a steady increase, with the number of new truck registrations exceeding the figure of the previous year by 3.4 per cent. Demand for shipping remained strong during the fourth quarter of the year, the utilisation of vehicle fleets and the level of shipping tariffs continue to provide a solid basis for the stabilisation of the market demand for heavy trucks at a high level. In North America, due to the continued strong economic environment, the demand for trucks was 27.1 per cent higher than in the pre-

vious year. Regarding the agricultural market, a significant expansion in the demand for Rába products can be observed in the US, as well as in the European market in Q1-Q4 of 2018. The combined increase in demand reached 19.8 per cent. In the Russian bus and truck market, the outstanding growth of over 20 per cent observed during H1 slowed down by the second half of the year, however, while sales in the bus market fell by a lesser extent, truck sales declined considerably in Q1-Q4. In 2018, the expansion of sales on the Russian bus market declined to 10.6 per cent that of the truck market declined to 2.7 per cent. The market of European passenger cars did not expand in 2018, new car registrations remained at the level of the previous year.

- The meagre supplier capacities generated significant price increases in the steel raw materials market. The price pressure of suppliers was not only demonstrated through the international mark-up, but also through the significant increase in the base prices of steel. As a result, the price level of steel rose significantly, by 22.1 per cent in Q1-Q4 of 2018. Such a drastic increase in the largest cost element had a negative impact on profitability.
- There was also a significant price increase in terms of energy costs in Q4 of 2018, amounting to 27.7 per cent. In 2018, the average energy prices exceeded the previous year's level by 13.8 per cent.
- In regard to the exchange rate environment a 1.5 per cent drop in exchange rates was observed in Q1-Q4 of 2018 for the USD, which represents a lower proportion of the company's foreign exchange turnover. In the case of the EUR the exchange rate fluctuation was reversed: in 2018 the EUR average exchange rate exceeded the base period by 3.1 per cent.¹

	2017 Q1-Q4	2018 Q1-Q4	Change	2017 Q4	2018 Q4	Change
HUF/EUR - average	309.2	318.9	3.1%	311.7	323.1	3.7%
HUF/EUR - end of period	310.1	321.5	3.7%	310.1	321.5	3.7%
HUF/USD - average	274.3	270.3	-1.5%	264.7	283.2	7.0%
HUF/USD - end of period	258.8	280.9	8.5%	258.8	280.9	8.5%
Changes in raw material prices*	104%	127%	22.1%	108%	125%	15.8%
Changes in energy prices**	159%	181%	13.8%	165%	211%	27.7%

*Rába indices – own calculation - base: Q1 2007; average values for the period

** Rába indices – own calculation - base: December 2004; average values for the period

SUMMARY OF RESULTS DURING THE CURRENT PERIOD

Rába Axle Ltd.

The sales revenue of Rába Axle Ltd. in Q1-Q4 of 2018 amounted to HUF 25.0 billion compared to HUF 22.0 billion achieved during the base period of 2017. This corresponds to an increase of 13.5 per cent.

On the **American market**, the sales revenue in the reporting period was USD 10.8 million, compared to the USD 9.5 million of Q1-Q4 of 2017. This corresponds to an increase of 14.5 per cent.

On the **EU market**, Rába Axle Ltd's sales figures in HUF terms increased by 14.2 per cent, amounting to HUF 18.4 billion, compared to HUF 16.1 billion during the base period.

European exports exceeded the level of the same period a year earlier by 10.3 per cent in Q1-Q4 of 2018 amounting to EUR 45.4 million, compared to HUF 41.2 million in Q1-Q4 of 2017.

Domestic sales before consolidation amounted to HUF 3,965 million, which represents an increase of 17.5 per cent compared to the HUF 3,375 billion of the base period.

On the **CIS and East-European** markets, the export sales revenues achieved by Rába Axle Ltd. in 2018 were 6.4 per cent higher than the base period in 2017, increasing from EUR 5.0 million to EUR 5.4 million.

¹ The average exchange rates were calculated based on the official FX exchange rates of the MNB.
Source: <http://www.mnb.hu/arfolyam-lekerdezes>

In the **other** markets, the sales revenue during the reporting period amounted to EUR 6.2 million, which exceeded the EUR 5.6 million turnover of the 2017 base period by 10.3 per cent.

The operating result of the Company in Q1-Q4 of 2018 was a profit of HUF 629 million, compared to HUF 983 million during the same period of the previous year.

At EBITDA level the operating profit of the Axle business unit was HUF 1,743 million compared to HUF 2,106 million registered a year earlier.

HUF million	2017 Q1-Q4	2018 Q1-Q4	Change	2017 Q4	2018 Q4	Change
America	2 604	2 928	12.4%	571	794	39.1%
EU - export	12 756	14 450	13.3%	3 304	3 679	11.3%
EU - domestic	3 375	3 965	17.5%	839	1 087	29.6%
CIS	1 561	1 706	9.3%	574	376	-34.5%
Other	1 744	1 977	13.4%	570	552	-3.2%
Total sales revenue	22 040	25 026	13.5%	5 857	6 488	10.8%
EBITDA	2 106	1 743	-17.2%	568	468	-17.6%
Operating profit	983	629	-36.0%	297	192	-35.4%

Rába Automotive Components Ltd.

The sales revenue of Rába Automotive Components Ltd. amounted to HUF 15.1 billion in Q1-Q4 of 2018, which is an increase of 16.4 per cent compared to the base period.

Rába Automotive Components Ltd. generates a considerable portion of its sales on the European market.

European exports during Q1-Q4 of 2018 amounted to EUR 20.1 million, which represents an increase of 11.8 per cent compared to the EUR 18.7 million of the base period of 2017.

Domestic sales before consolidation amounted to HUF 8,413 million during the reporting period, which is equivalent to a 17.9 per cent increase compared to the sales revenue of HUF 7,134 million during Q1-Q4 2017.

The Company generated a profit of HUF 653 million at operating level during the reporting period compared to a profit of HUF 606 million in Q1-Q4 2017.

On the level of EBITDA, the profit of the Components business unit increased to HUF 1,135 million during the period, from the HUF 1,003 million of the previous year.

HUF million	2017 Q1-Q4	2018 Q1-Q4	Change	2017 Q4	2018 Q4	Change
EU - export	5 786	6 647	14.9%	1 481	1 814	22.5%
EU - domestic	7 134	8 413	17.9%	1 876	2 411	28.5%
Other	22	0	-100.0%	0	0	0.0%
Total sales revenue	12 941	15 061	16.4%	3 357	4 225	25.9%
EBITDA	1 003	1 135	13.2%	324	340	4.9%
Operating profit	606	653	7.8%	222	216	-2.7%

Rába Vehicle Ltd.

The sales revenue of Rába Vehicle Ltd. in Q1-Q4 of 2018 was above the figure of the base period by 0.7 per cent and increased from HUF 10.3 billion to HUF 10.4 billion.

A significant portion of the sales revenue of Rába Vehicle Ltd. is generated on the European market.

European exports were 20.1 per cent higher than the level of the base period, thus increasing from EUR 13.3 million to EUR 16.0 million.

Domestic sales before consolidation amounted to HUF 5,285 million in Q1-Q4 of 2018, compared to HUF 6,175 million during the base period, representing a decline of 14.4 per cent.

The operating profit amounted to HUF 722 million during the reporting period, compared to the profit of HUF 707 million during the base period last year.

On the level of EBITDA, in the reporting period the Company registered a profit of HUF 950 million compared to the profit of HUF 930 million in Q1-Q4 of 2017.

HUF million	2017 Q1-Q4	2018 Q1-Q4	Change	2017 Q4	2018 Q4	Change
EU - export	4 131	5 096	23.4%	911	1 277	40.2%
EU - domestic	6 175	5 285	-14.4%	3 296	2 453	-25.6%
Other	3	0	-100.0%	0	0	
Total sales revenue	10 309	10 381	0.7%	4 207	3 730	-11.3%
EBITDA	930	950	2.2%	643	412	-35.9%
Operating profit	707	722	2.1%	585	355	-39.3%

Rába Group

The consolidated sales revenue of the Rába Group in Q1-Q4 of 2018 amounted to HUF 48.6 billion, which is an increase of 10.9 per cent compared to the figure of HUF 43.8 billion reported for the base period Q1-Q4 of 2017.

The operating profit of the group during the current period amounted to HUF 1.751 million, compared to HUF 2,149 million during the same period a year earlier.

During the reporting period the financial result was a loss of HUF 109 million, which includes, among others, a net interest payment of HUF 56 million, as well as an exchange rate loss of HUF 51 million.

Based on the above, the Rába Group generated a net profit of HUF 1,197 million in Q1-Q4 of 2018, compared to a profit of HUF 1,569 million during the same period of the previous year.

On the level of EBITDA, the group registered profits of HUF 3,790 million in Q1-Q4 of 2018, against last year's figure of HUF 4,100 million.

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

Sales revenue by business unit

Sales revenue (HUF million)	Axle	Components	Vehicles	Rába Group consolidated
2017 Q1	5 583	3 268	1 979	10 525
2017 Q2	5 984	3 501	2 051	11 104
2017 Q3	4 615	2 815	2 073	9 201
2017 Q4	5 857	3 357	4 207	13 012
2018 Q1	6 439	3 854	2 493	12 370
2018 Q2	6 800	3 950	1 824	12 107
2018 Q3	5 299	3 032	2 334	10 212
2018 Q4	6 488	4 225	3 730	13 943

Breakdown of the sales revenues for Q1-Q4 of 2018

HUF million	America	EU			CIS	Other	Total
		Total	export	domestic			
Axle	2 928	18 415	14 450	3 965	1 706	1 977	25 026
Components	0	15 061	6 647	8 413	0	0	15 061
Vehicle		10 381	5 096	5 285	0	0	10 381
Consolidated	2 928	42 020	26 193	15 827	1 706	1 977	48 632

Operating profit of group companies

	Operating profit									
	2017					2018				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Axle	163	482	41	297	983	154	315	-32	192	629
Components	127	217	40	222	606	197	230	10	216	653
Vehicle	10	55	57	585	707	223	9	135	355	722
Other	-36	-22	-47	-42	-147	-24	-60	-62	-107	-253
Total	264	732	91	1 062	2 149	550	494	51	656	1 751

PK2. Companies involved in the consolidation

Company	Share/Issue capital in HUF thousand	Ownership ratio (%)	Voting ratio ¹	Classification ²
Rába Axle Ltd.	9.762.800	100.00	100.00	L
Rába Automotive Components Ltd.	300.000	100.00	100.00	L
Rába Vehicle Ltd.	835.100	100.00	100.00	L

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

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

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	Q1-Q4 2017	Q1-Q4 2018	Index	Q4 2017	Q4 2018	Index
Domestic sales revenues	15 209 814	15 826 737	104.1%	5 591 948	5 450 510	97.5%
Export sales revenues	28 632 532	32 805 096	114.6%	7 420 401	8 492 297	114.4%
Revenues	43 842 346	48 631 833	110.9%	13 012 349	13 942 807	107.2%
Direct cost of sales	34 577 393	38 261 718	110.7%	10 354 616	10 941 249	105.7%
Gross profit	9 264 953	10 370 115	111.9%	2 657 733	3 001 558	112.9%
Cost of sales and marketing	571 314	814 449	142.6%	172 517	248 051	143.8%
General and administration expenses	6 483 927	7 059 570	108.9%	1 347 012	1 603 530	119.0%
Other revenues	612 555	369 264	60.3%	171 745	142 616	83.0%
Other expenditures	673 446	1 114 749	165.5%	251 028	637 189	253.8%
Total other operating expenses	-7 116 132	-8 619 504	121.1%	-1 598 812	-2 346 154	146.7%
Revenue from operations	2 148 821	1 750 611	81.5%	1 058 921	655 404	61.9%
Financial revenues	68 240	225 981	331.2%	-40 843	-157 085	384.6%
Financial expenditures	169 148	334 935	198.0%	-33 585	-187 832	559.3%
Net financial profit/loss	-100 908	-108 954	-108.0%	-7 258	30 747	-423.6%
PROFIT BEFORE TAXATION	2 047 913	1 641 657	80.2%	1 051 663	686 151	65.2%
Profit tax	479 155	444 731	92.8%	198 784	121 477	61.1%
After-tax profit in the current year	1 568 758	1 196 926	76.3%	852 879	564 674	66.2%
Basic value of profit per share (HUF)	117	90		0	0	
Diluted value of profit per share (HUF)	117	90		0	0	

1. EARNED REVENUES

During Q1-Q4 of 2018, Rába achieved HUF 48,632 million in sales revenue, compared to HUF 43,842 million during the same period of 2017, which is a change of 10.9 per cent. 67.5 per cent of the revenues in the reporting period came from exports, while the rest came from domestic sales.

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

During Q1-Q4 of 2018, the direct cost level of Rába was 78.7 per cent. compared to 78.9 % of the base period. The amount of direct costs was HUF 38,262 million. 10.7 per cent more than during the base period (Q1-Q4 of 2017: HUF 34,577 million).

Gross profit

The gross profit changed from HUF 9,265 million in the base period to HUF 10,370 million. (HUF 1,105 million), which is due to the increase in sales revenue by HUF 4,789 million and by 3,684 million in direct expenses.

2.2. Cost of sales

The cost of sales increased by 42.6 per cent and amounted to HUF 814 million during Q1-Q4 of 2018, compared to HUF 571 million in Q1-Q4 of 2017.

2.3. General overhead and administrative expenses

Rába accounts its costs incurred in relation to the administration of the company (Q1-Q4 of 2018: HUF 3,167 million) and other general costs (Q1-Q4 of 2018: HUF 3,935 million) under general overhead and administrative expenses (Q1-Q4 of 2018: HUF 7,060 million. Q1-Q4 of 2017: 6,484 million). These are adjusted with the release of provisions related to costs incurred as per international regulations and by restating certain bank charges to financial expenditures.

2.4. Other revenues and expenditures

Other revenues amounted to a loss of HUF 745.5 million in Q1-Q4 of 2018. compared to HUF 60.9 million in losses during the same period of last year.

3. OPERATING PROFIT

The operating profit of the Company during Q1-Q4 of 2018 was HUF 1.751 million (Q1-Q4 of 2017: HUF 2,149 million). The increase in gross profit (HUF 1,105 million) was deteriorated by the combined change in sales and general overhead costs (HUF 819 million) and the change in the balance of other revenues and expenditures (HUF 685 million). Profitability changed from 4.9% during the base period to 3.6%. The profitability of operating profit + depreciation changed from 9.4 per cent during the base period to 7.8 per cent.

4. FINANCIAL REVENUES AND EXPENDITURES

During Q1-Q4 of 2018, the net financial result was a loss of HUF 109 million, compared to the loss of HUF 101 million during the base period.

The net result of interest incomes and expenses was HUF -56 million during Q1-Q4 of 2018 (against HUF -47 million during the base period).

The net exchange rate difference of FX items during Q1-Q4 of 2018 was HUF -51 million (HUF -49 million in the base period).

Financial revenues and expenditures consisted of the following principal items:

in HUF thousand

	Q1-Q4 2017	Q1-Q4 2018
Interest income	7 611	7 628
Exchange rate gains	60 629	213.517
Other financial revenues	0	4 836
Financial revenues	68 240	225 981
Interest payable	48 072	63 175
Exchange rate loss	109 593	264 470
Other financial expenditures	11 483	7 291
Financial expenditures	169 148	334 936

5. PROFIT IN THE CURRENT YEAR

The earnings before taxation during Q1-Q4 of 2018 amounted to HUF 1,197 million, which, because of the factors outlined in sections 1-4 is HUF 372 million less than the figure for Q1-Q4 of 2017. The profitability ratio represents a 3.38 per cent return on sales on the basis of profit before taxation, against the level of 4.67 per cent during the base period.

The Group has HUF 445 million in tax liability. Within that, the corporate income tax liability was HUF 88 million. the local business tax liability was HUF 322 million and the deferred tax liability in the reporting period was HUF 35 million.

PK. 3. STATEMENT OF CONSOLIDATED FINANCES ACCORDING TO IFRS (BALANCE SHEET ACCORDING TO IFRS)

Currency*	HUF	X	EUR	
Unit*	1.000	X	1.000.000	

*Indicate with X.

Description of item	31.12.2017	31.12.2018	Index
Real estate. machines. equipment	15 818 383	19 144 676	121.0%
Intangible assets	282 418	182 826	64.7%
Other long-term assets	397 320	332 616	83.7%
Property for investment purposes	338 217	338 217	100.0%
Other investments	205	205	100.0%
Deferred tax receivables	39 424	22 065	56.0%
Total invested assets	16 875 967	20 020 605	118.6%
Inventories	7 007 620	9 071 591	129.5%
Trade receivables and other receivables	9 864 423	12 263 906	124.3%
Profit tax receivable	51 515	35 170	68.3%
Liquid assets. bank account	2 638 342	683 530	25.9%
Total current assets	19 561 900	22 054 197	112.7%
Total assets	36 437 867	42 074 802	115.5%
Registered capital	13 473 446	13 473 446	100.0%
Treasury shares	-108 952	-108 952	100.0%
Retained earnings	6 613 450	7 500 457	113.4%
Total equity and reserves	19 977 944	20 864 951	104.4%
Long-term credits and loans	4 372 974	5 915 784	135.3%
Provisions	162 712	245 477	150.9%
Deferred tax liability	83 392	101 029	121.1%
Total long-term liabilities	4 619 078	6 262 290	135.6%
Provisions	119 194	272 267	228.4%
Short-term portion of loans and credits	1 581 719	2 186 268	138.2%
Trade liabilities and other payables	10 139 932	12 489 026	123.2%
Total short-term liabilities	11 840 845	14 947 561	126.2%
Total equity and liabilities	36 437 867	42 074 802	115.5%

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 15.818 million on 31 December, 2017 to HUF 19,145 million. This represents an increase by 21.0 per cent. The depreciation of tangible assets was HUF 1,912 million in Q1-Q4 of 2018.

1.2. Intangible assets

The net value of intangible assets changed from HUF 282 million to HUF 183 million. This represents a decline by 35.3 per cent. The amount of depreciation accounted during the period was HUF 127 million.

1.3. Other long-term assets

This balance sheet line shows other long-term loans given HUF 3 million (31 December, 2017: HUF 4 million), receivables from the sale of assets amounting to HUF 130 million (31 December 2017: HUF 130 million), as well as long-term advance payments in the amount of HUF 200 million (31 December 2017: HUF 263 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 the year, the amount of long term receivables declined by HUF 63 million during the period.

1.4. Property for investment purposes

The book value of real estate for investment purposes did not change during the period. It amounted to HUF 338 million on 31 December, 2018.

1.5. Other investments

The amount of other investments remained unchanged during the reporting period at HUF 205 thousand.

1.6. Deferred tax receivables

The amount of receivable was HUF 22 million on 31 December, 2018, which is HUF 17 million less than the amount on 31 December 2017. The largest element of the reduction in receivables is the deferred tax of the accrued loss released during the year.

2. CURRENT ASSETS

2.1. Inventories

On 31 December, 2018, the closing value of stocks was HUF 9,072 million (31 December, 2017: HUF 7,008 million). The change is an increase by HUF 2,064 million. Components of the change are: an increase in materials and goods by HUF 1,428 million and an increase in unfinished, semi-finished and finished goods by HUF 636 million.

2.2. Trade receivables and other receivables

The closing figure of receivables as at 31 December, 2018, was HUF 12,264 million, an increase by HUF 2,400 million compared to the 31 December, 2017 figure (closing figure for 31 December, 2017: HUF 9,864 million). Accounts receivable increased by HUF 1,158 million, advances made for investment and inventories increased by HUF 1,124 million and other receivables increased by HUF 118 million.

2.3. Profit tax receivables

On 31 December, 2018, profit tax receivables amounted to HUF 35 million, of which the corporate tax receivable is HUF 27 million and local trade tax receivable is HUF 8 million.

On 31 December, 2017, the Group had a HUF 52 million profit tax receivable, within which the corporate tax receivable amounts to HUF 37 million and the local trade tax receivable is HUF 15 million.

2.4. Liquid assets

The closing figure of liquid assets on 31 December, 2018 was HUF 684 million, HUF 1,954 million less than on 31 December, 2017 (HUF 2,638 million).

3. EQUITY AND RESERVES

The change occurred as follows:

in HUF thousand

	Share capital	Treasury shares	Reserve from share-based payments	Retained earnings	Other aggregate income	Total shareholders' equity
Balance as at 01 January, 2017	13 473 446	-108 952	0	5 314 151	-	18 678 645
Profit for current year				1 568 758		1 568 758
Dividend payment				-269 458		-269 458
Balance as at 31 December 2017	13 473 446	-108 952	0	6 613 450	-	19 977 944
Profit of current year				1 196 926		1 196 926
Dividend payment				-309 918		-309 918
Balance as at 31 December 2018	13 473 446	-108 952	0	7 500 457	0	20 864 951

3.1. Registered capital

RÁBA Plc.'s share capital consists of common shares with a nominal value of HUF 1.000 each entitling the shareholders to the dividend announced in a particular period. and providing one vote at the General Meeting of the Company. On 31 December, 2018, the share capital of the Company was HUF 13,473 million.

3.2. Treasury shares

On 31 December, 2018, the value of treasury shares was HUF 108,952 thousand (120,681 shares), with no changes since 31 December, 2017. All rights related to the shares of the Company owned by the Group ("treasury shares") are suspended until the renewed issue of the shares in question.

3.3. Retained earnings

The retained earnings (HUF 7,500 million) changed by HUF 1,197 million. i.e. the profit for the reporting year and by HUF 310 million in dividends approved for the shareholders after the profits generated in 2017, compared to the closing value for the previous year (HUF 6,613 million).

4. LONG-TERM LIABILITIES**4.1. Long-term credits and loans**

The closing value of long-term credits and loans as at 31 December, 2018 amounted to HUF 5,916 million, which was 35.3 per cent higher than the opening balance of the period (on 31 December, 2017, the closing figure was HUF 4,373 million).

4.2. Provisions

The closing value of provisions as at 31 December, 2018 was HUF 518 million, of which HUF 245 million is long-term, the rest is the amount set aside for the liabilities expected during the reporting period. The amount of long-term provisions increased by HUF 83 million compared to 31 December 2017.

4.3. Deferred tax liability

On 31 December, 2018, the Company had deferred tax liabilities in the amount of HUF 101 million, which is HUF 18 million more than the amount on 31 December, 2017.

5. SHORT-TERM LIABILITIES**5.1. Short-term credits and loans**

The total amount of short-term credits and loans of HUF 2,186 million increased by 38.2 per cent compared to the closing value at the end of December 2017 (HUF 1.582 million).

The net borrowing of the Rába Group was HUF 7,419 million on 31 December, 2018, an increase by HUF 4,102 million compared to the level as at 31 December, 2017.

5.2. Provisions

The short-term portion of provisions amounted to HUF 272 million on 31 December, 2018, which is HUF 153 million higher than the amount on 31 December, 2017.

5.3. Profit tax liability

At the end of the six-month period, the Group had profit tax receivables, similar to 31 December of the previous year.

5.4. Accounts payable and other short-term liabilities

On 31 December, 2018, the amount of accounts payable and other short-term liabilities was HUF 12,489 million, which is 23.2 per cent more than the closing value as at the end of December 2017 (HUF 10,140 million). Accounts payable increased by HUF 1,788 million, other liabilities increased by HUF 217 million, whereas passive accruals increased by HUF 344 million.

PK 5. CONSOLIDATED CASH-FLOW STATEMENT

Data in HUF thousand

	Q1-Q3 2017	Q1-Q4 2018
Cash-flows from operating activities		
Profit before taxation	2 047 913	1 641 657
<i>Adjustment items related to items with no cash movement:</i>		
<i>Interest income</i>	-6 920	-7 311
Interest expenditure	10 550	10 197
Depreciation and amortisation	1 950 767	2 039 510
Impairment of intangible assets. properties. machines and equipment	24 439	38 393
Write-off of intangible assets and fixed assets	16 180	26 126
Impairment of bad and doubtful receivables and of long term receivables	664	5 047
Impairment of stocks kept at net realisable value	182 800	266 174
Scrapping of stocks	55 839	175 396
Provisions / (release)	42 193	235 838
Result from the sale of real estate. machinery and fixtures and intangible assets	-26 924	-4 599
Revaluation of loans and credits at end of period	-16 896	105 510
<i>Changes in working capital:</i>		
Changes in trade and other receivables	209 502	-2 404 530
Changes in stocks	-1 518 202	-2 505 541
Changes in accounts payable and other liabilities	-1 496 725	2 178 632
Taxes paid	-474 894	-393 390
Interests paid	-37 521	-52 979
Net cash flows from operating activity	962 766	1 354 130
Cash-flows from investment activities		
Revenues, expenditures from long-term receivables	0	0
Purchase of real estate machinery and fixtures as well as of intangibles	-2 972 941	-5 046 784
Revenues from the sale of investments accounted through the capital method	0	0
Revenues from the sale of real estate. machinery and fixtures as well as intangible assets	31 392	5 594
Interests received	692	317
Net cash flows used for investment activities	-2 940 857	-5 040 873
Cash flows from financing activities		
Revenues from the sale/(purchase) of treasury shares	0	0
Reserves	0	0
Loans and credits received	4 652 899	7 073 073
Loans and credits repaid	-1 667 102	-5 031 224
Dividend paid	-269 459	-309 918
Net cash flows from financing activities	2 716 338	1 731 931
Net increase/decrease of cash and cash equivalents	738 247	-1 954 812

BASIS FOR THE INTERIM FINANCIAL REPORT

The summary consolidated interim financial report prepared in accordance with IAS 34 Directive (on Interim Financial Reporting) should be read in conjunction with the financial report for the year ended 31 December, 2017, prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Body ("IASB") and adopted by the European Union. The consolidated interim financial report is unaudited. Rába Plc. published its statutory accounts for the year ended 31 December, 2017 on the official electronic portal of the Budapest Stock Exchange and on the information system operated by the National Bank of Hungary for stock market publications. This report for 31 December, 2017 is based on audited figures and the auditor issued an unqualified opinion.

In preparing the financial statements, the Group uses the same Accounting Policy as in the financial statements for 2017, disregarding the application of IFRS 15 and IFRS 9 standards. The application of the new standards and their modifications did not modify the Group's consolidated financial statements significantly.

PK6. Major off-balance sheet items

Description	Value (HUF)
According to a separate list*	

* The bank loans of the Rába Group amount to HUF 8,102 million, of which the loans secured with liens and mortgages on movable assets and real property amount to HUF 8,102 million.

The amount of bank guarantees issued on behalf of the Rába Group is HUF 766 million.

RS1. Ownership structure. ratio of participation

Description of ownership	Total equity						Series listed ¹			
	Beginning of current year (01 January)			At end of term (31 December)			At beginning of period		At end of term	
	% ²	% ³	pcs	% ²	% ³	pcs	%	pcs	%	pcs
Domestic institutional/corporate	7.76	7.83	1 045 635	7.89	7.96	1 063 082				
Foreign institutional/corporate	2.25	2.27	303 443	2.24	2.26	302 409				
Foreign private individual	0.04	0.04	5 432	0.08	0.08	10 805				
Domestic private individual	14.57	14.71	1 963 642	14.41	14.54	1 941 856				
Employees. leading officials	0.13	0.13	17 074	0.13	0.13	17 074				
Treasury shares	0.90		120 681	0.90		120 681				
Shareholder forming part of general government ⁴	74.35	75.02	10 017 539	74.35	75.02	10 017 539				
International Development Institutions ⁵	0.00	0.00	0	0.00	0.00	0				
Other ⁶	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 listed series equals the total share capital and it is indicated, there is no need to fill it in. If more than one series are listed at the Stock Exchange, the ownership structure must be specified for each series.

² Ownership ratio

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

⁴ E.g.: MNV Zrt., 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%

Name	Nationality ¹	Activity ²	Quantity (pcs)	Share (%) ³	Voting right (%) ^{3,4}	Comment ⁵
Hungarian State Holding Company Ltd. (MNV Zrt.)	D	G	10 015 829	74.34	75.01	

¹ Domestic (D). Foreign (F)

² Custodian (C). General government (G). International Development Institution (IFI). Institutional (I). Business entity (B) Private (P). Employee. leading official (D)

³ Should be rounded to two decimal figures

⁴ Voting right ensuring participation during the decision-making process at the general meeting of shareholders of the issuer

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

RS2. Changes in the number of treasury shares during the current year (pcs)

	1 January	31 March	30 June	30 September	31 December
At corporate level	120 681	120 681	120 681	120 681	120 681
Subsidiaries					
Grand total	120 681	120 681	120 681	120 681	120 681

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

TSZ1. Headcount of full-time employees (people)

	End of base period	Beginning of current year	End of current period
At corporate level	17	17	15
At group level	1 485	1 485	1 417

The consolidated closing headcount as at 31 December, 2018 was 1,417. The decline in headcount is 4.6 per cent compared to the end of the base period.

TSZ2. Managing executives. strategic employees

Type ¹	Company	Position	Beginning of mandate	End/ termination of mandate	Number of shares owned (pcs)
BD	István Pintér	Chairman of the BD	2005		7 082
BD	Ákos Csókay	Board member	2017		0
BD	Dr. János Géza Fördös	Board member	2016		0
BD	Dr. Péter Hartmann	Board member	2016		0
BD	Dr. Róbert Homolya	Board member	2016	2017	
BD	Dr. Miklós Rátky	Board member	2014		0
BD	Dr. Norbert Szivek	Board member	2016	2017	
BD	György Wáberer	Board member	2012		0
BD	Andor Nándor Tóth	Board member	2018		0
SB	Dr. Gábor Czepek	Chairman of the SB	2016	2018	0
SB	Dr. Zoltán Lajos Pafféri	Chairman of the SB	2018		
SB	Dr. Mónika Bartha	SB member	2015	2017	
SB	Dr. Zsolt Harmath	SB member	2016		0
SB	Dr. Tünde Kanta	SB member	2017		0
SP	István Pintér	Chief Executive Officer	2003	indefinite	7 082
SP	Béla Balog	Deputy Chief Executive Officer	2004	indefinite	3 332
SP	Ádám Steszli	HR and Controlling Director	2014	indefinite	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):					17 074

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

As from 1 January 2017, Rába Plc's individual financial accounts are also drawn up in accordance with the provisions of the IFRS.

RÁBA PLC. (INDIVIDUAL) BALANCE SHEET (IFRS)

Data in HUF thousand

Description of item	31.12.2017	31.12.2018	Index
Property, machinery, equipment	6 066 626	6 065 657	99.98%
Intangible assets	15 171	12 809	84.43%
Other long-term assets	1 465 240	1 503 882	102.64%
Real estate for investment	338 217	338 217	100.00%
Subsidiary investments	11 592 703	11 918 571	102.81%
Other investments	205	205	100.00%
Deferred tax receivable	0	4 975	
Total invested assets	19 478 162	19 844 316	101.88%
Inventories	8 617	8 028	93.16%
Accounts receivable and other receivables	548 148	2 311 343	421.66%
Profit tax receivable	11 574	17 167	148.32%
Cash and cash equivalents	2 270 233	449 688	19.81%
Total current assets	2 838 572	2 786 226	98.16%
TOTAL ASSETS	22 316 734	22 630 542	101.41%
Registered capital	13 473 446	13 473 446	100.00%
Treasury shares	-108 952	-108 952	100.00%
Retained earnings	3 583 343	3 655 891	102.02%
Total equity and reserves	16 947 837	17 020 385	100.43%
Long-term credits and loans	45 133	0	0.00%
Provisions	40 513	95 700	236.22%
Deferred tax liability	5 184	0	0.00%
Total long-term liabilities	90 830	95 700	105.36%
Provisions	26 688	71 766	268.91%
Short-term financial liabilities	35 932	0	0.00%
Accounts payable and other liabilities	5 215 447	5 442 691	104.36%
Total short-term liabilities	5 278 067	5 514 457	104.48%
TOTAL EQUITY AND LIABILITIES	22 316 734	22 630 542	101.41%

RÁBA PLC. (INDIVIDUAL) PROFIT AND LOSS STATEMENT (IFRS)

Data in HUF thousand

Description of item	Q1-Q4 2017 *	Q1-Q4 2018 *	Index	Q4 2017	Q4 2018	Index
Sales revenues	1 623 881	1 495 835	92.1%	403 879	406 049	100.5%
Direct costs of sales	366 192	376 123	102.7%	104 641	100 854	96.4%
Gross profit	1 257 689	1 119 712	89.0%	299 238	305 195	102.0%
Sales and marketing costs	43 618	45 392	104.1%	4 692	6 256	133.3%
General overhead costs	953 308	1 056 350	110.8%	213 923	306 807	143.4%
Other revenues	5 010	642 618	12826.7%	4 680	380 324	8126.6%
Other expenditures	228 953	276 369	120.7%	114 278	104 179	91.2%
Other operating expenditures total	-1 220 869	-735 493	60.2%	-328 213	-36 918	11.2%
Operating profit	36 820	384 219	1043.5%	-28 975	268 277	-925.9%
Financial income	74 488	95 940	128.8%	69 758	92 633	132.8%
Financial expenditures	17 020	83 510	490.7%	2 913	-504	-17.3%
Net financial income	57 468	12 430	21.6%	66 845	93 137	139.3%
PROFIT BEFORE TAXATION	94 288	396 649	420.7%	37 870	361 414	954.4%
Profit Tax	13 093	14 183	108.3%	-303	6 458	-2131.4%
PROFIT OF CURRENT YEAR	81 195	382 466	471.0%	38 173	354 956	929.9%
TOTAL AGGREGATE PROFIT/LOSS OF CURRENT YEAR	81 195	382 466	471.0%	38 173	354 956	929.9%
EBITDA	245 159	600 283	244.9%	23 866	322 213	1350.1%

*The method for accounting the dividend has changed: the dividend received forms part of other revenues in Q1-Q4 of 2018 (HUF 266 million), whereas in Q1-Q4 of 2017, it is under sales revenue (HUF 175 million).

SEGMENT INFORMATION

From a business perspective, the Group can be split into three main segments: Axle, Vehicle and Automotive Components. It is on the basis of these business segments that the Group prepares segment information for the management. Management is responsible for assigning resources to the segments, as well as for holding the segments accountable for their performance.

The Axle Segment encompasses the production and sale of axles, axle parts and axle components, the Vehicle Segment is responsible for the manufacturing of truck and bus chassis and the related components, as well as for the assembly and sale of vehicles, while the Automotive Components Segment is responsible for the production of vehicle components, seat frames, pressed structures, as well as truck chassis and for the sewing of seat covers and for the sale of these products.

Segment results, segment assets and segment liabilities include items that can be directly attributed to the segment. Undivided items include the revenues, expenditures, assets and liabilities of the holding headquarters.

Capital expenditures of the segment include the total expenditures during the period expended upon real estate, machinery and equipment, as well as intangible assets.

	Year 2017						Q4 2017 / 30 September, 2017					
	Axle IFRS	Vehicle IFRS	Components IFRS	Undivided	Inter-segment filtering	Consolidated	Axle IFRS	Vehicle IFRS	Components IFRS	Undivided	Inter-segment filtering	Consolidated
Revenues	21 326 138	10 038 845	12 251 022	226 341	0	43 842 346	5 618 472	4 132 607	3 201 459	59 811	0	13 012 349
Inter-segment revenues	7 13 535	270 349	690 228	1 397 540	-3 071 652	0	238 842	74 434	155 666	340 987	-809 929	0
Total revenue from sales	22 039 674	10 309 194	12 941 250	1 623 881	-3 071 652	43 842 346	5 857 314	4 207 041	3 357 125	400 798	-809 929	13 012 349
Direct cost of sales	-17 209 814	-8 170 261	-10 668 853	-366 192	1 837 727	-34 577 393	-4 719 617	-3 189 551	-2 804 806	-104 641	464 000	-10 354 616
GROSS PROFIT	4 829 860	2 138 933	2 272 397	1 257 689	-1 233 925	9 264 953	1 137 697	1 017 489	552 319	296 157	-345 929	2 657 733
Sales and marketing costs	-393 391	-105 607	-28 698	-43 618	0	-571 314	-135 744	-24 993	-7 087	-4 692	0	-172 517
General overhead costs	-3 556 632	-1 314 427	-1 708 830	-953 308	1 049 270	-6 483 927	-670 243	-390 875	-404 207	-213 922	332 235	-1 347 012
Other revenues	387 148	72 292	149 049	5 010	-944	612 555	60 634	30 578	76 149	4 680	-295	171 745
Other expenditures	-283 561	-84 440	-77 436	-228 953	944	-673 446	-94 699	-47 155	4 809	-114 279	295	-251 028
TOTAL OTHER OPERATING EXPENDITURES	-3 846 436	-1 432 182	-1 665 915	-1 220 869	1 049 270	-7 116 132	-840 051	-432 445	-330 335	-328 214	332 235	-1 598 812
REVENUE FROM OPERATIONS	983 423	706 751	606 482	36 820	-184 655	2 148 821	297 645	585 044	221 984	-32 057	-13 694	1 058 921
Interest income	19 942	18 714	930	77 011	-108 986	7 611	5 809	5 144	352	71 098	-75 257	7 145
Interest expenditure	-34 722	-13 019	-20 679	-23 559	43 907	-48 072	-8 312	-9 159	-5 850	-6 067	10 178	-19 210
Profit tax expenditure	-208 532	-114 899	-142 631	-13 093	0	-479 155	-68 530	-88 928	-41 628	303	-4	-198 786
Assets												
Real estate, machinery and equipment	4 831 156	1 630 238	3 278 108	6 078 883	0	15 818 385	4 658 615	1 640 713	2 713 394	6 025 782	12 221	15 050 726
Intangible assets	153 200	46 427	67 620	15 171	0	282 417	187 769	53 401	76 709	16 405	0	334 285
Real estate for investment	0	0	0	338 217	0	338 217	0	0	0	338 217	0	338 217
Other long-term assets	230 314	20 808	14 699	1 465 240	-1 333 741	397 320	244 200	21 977	15 525	1 431 696	-1 295 156	418 243
Inventories	4 701 787	957 046	1 370 444	8 617	-30 273	7 007 621	4 710 686	1 709 663	1 500 019	20 294	-16 544	7 924 118
Receivables	8 227 068	5 178 035	1 414 194	548 148	-5 503 022	9 864 423	8 293 213	3 788 413	1 748 488	2 452 513	-6 583 820	9 698 807
Cash and cash equivalent	362 374	2 272	3 464	2 270 233	0	2 638 343	190 500	2 290	2 156	212 864	-1	407 810
Liabilities												
Provisions	56 826	157 876	0	67 201	0	281 903	6 800	117 829	0	24 513	1	149 143
Financial liabilities	0	0	0	81 065	-81 065	0	0	0	0	81 065	-81 065	0
Liabilities	5 667 976	2 158 635	2 600 894	5 215 447	-5 503 024	10 139 928	5 154 539	2 107 440	4 597 358	4 566 424	-6 583 821	9 841 940
Capital expenditures	1 279 936	134 452	1 324 682	257 108	-1 000	2 995 178	807 028	111 599	494 109	149 697		1 562 433
Depreciation	1 122 297	223 719	396 557	208 267	-73	1 950 767	270 676	57 922	102 420	52 842	-36	483 824

	Year 2018						Q4 2018 / 30 September, 2018					
	Axle IFRS	Vehicle IFRS	Components IFRS	Undivided	Inter-segment filtering	Consolidated	Axle IFRS	Vehicle IFRS	Components IFRS	Undivided	Inter-segment filtering	Consolidated
Revenues	24 168 384	10 078 031	14 153 237	232 181	0	48 631 833	6 204 558	3 656 657	4 017 152	64 440	0	13 942 807
Inter-segment revenues	858 112	302 984	907 472	1 263 655	-3 332 203	0	283 627	73 406	207 774	341 609	-906 416	0
Total revenue from sales	25 026 496	10 380 995	15 060 709	1 495 836	-3 332 203	48 631 833	6 488 185	3 730 063	4 224 927	406 049	-906 416	13 942 807
Direct cost of sales	-20 133 685	-7 978 810	-12 295 916	-376 123	2 522 816	-38 261 718	-5 290 255	-2 793 190	-3 410 332	-100 853	653 383	-10 941 249
GROSS PROFIT	4 892 811	2 402 185	2 764 793	1 119 713	-809 387	10 370 115	1 197 930	936 873	814 595	305 195	-253 034	3 001 558
Sales and marketing costs	-468 879	-280 273	-19 905	-45 392	0	-814 449	-132 184	-104 653	-4 958	-6 256	0	-248 051
General overhead costs	-3 641 541	-1 202 923	-1 964 926	-1 056 350	806 170	-7 059 570	-740 574	-290 384	-515 391	-306 807	249 625	-1 603 530
Other revenues	198 875	54 707	119 569	642 618	-646 505	369 264	48 648	16 287	80 026	380 323	-382 668	142 616
Other expenditures	-352 482	-251 813	-246 722	-276 369	12 637	-1 114 749	-182 031	-203 133	-158 915	-104 178	11 068	-637 189
TOTAL OTHER OPERATING EXPENDITURES	-4 264 027	-1 680 302	-2 111 984	-735 493	172 302	-8 619 504	-1 006 142	-581 882	-599 238	-36 918	-121 975	-2 346 154
REVENUE FROM OPERATIONS	628 784	721 883	652 809	384 220	-637 085	1 750 611	191 788	354 991	215 357	268 277	-375 008	655 404
Interest income	9 734	17 992	1 383	81 003	-102 483	7 629	6 393	5 399	645	77 663	-82 674	7 326
Interest expenditure	-35 222	-17 436	-18 971	-18 354	26 808	-63 175	-11 977	-4 274	-4 824	-5 815	6 999	-19 891
Profit tax expenditure	-165 112	-113 084	-152 351	-14 183	0	-444 731	-34 257	-45 894	-34 868	-6 459	0	-121 477
Assets												
Real estate, machinery and equipment	8 110 795	1 519 309	3 438 234	6 076 338	0	19 144 676	6 839 942	1 555 088	3 507 944	6 022 056	11 182	17 936 211
Intangible assets	96 191	46 578	27 248	12 809	0	182 826	107 918	48 763	33 923	13 261	0	203 865
Real estate for investment	0	0	0	338 217	0	338 217	0	0	0	338 217	0	338 217
Other long-term assets	175 296	15 774	11 147	1 503 882	-1 373 483	332 616	184 308	16 599	11 728	1 464 640	-1 333 741	343 533
Inventories	6 101 129	1 299 434	1 696 780	8 028	-33 781	9 071 591	6 544 965	855 893	1 947 473	8 611	-30 273	9 325 668
Receivables	8 990 260	6 718 298	1 721 094	2 311 343	-7 477 089	12 263 906	7 674 812	5 026 003	1 690 207	3 024 445	-6 695 284	10 720 183
Cash and cash equivalent	227 602	2 314	3 927	449 687	0	683 530	134 115	2 338	2 904	843 247	-1	982 603
Liabilities												
Provisions	50 000	258 997	41 280	167 466	0	517 743	0	124 517	0	40 513	1	165 031
Financial liabilities	0	0	0	-81 065	81 065	0	0	0	0	-81 065	81 065	0
Liabilities	7 919 254	3 436 606	3 167 562	5 442 691	-7 477 088	12 489 026	8 419 203	1 754 802	3 495 498	3 915 436	-6 695 282	10 889 657
Capital expenditures	4 053 569	182 985	603 391	217 598	0	5 057 543	2 691 614	92 542	536 829	113 795		3 434 780
Depreciation	1 113 826	228 459	481 453	216 064	-291	2 039 511	275 565	57 441	124 352	53 936	-99	511 195

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

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, as well as of 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.

Győr, 20 February, 2019

István Pintér
Chairman - CEO

Béla Balog
Chief Financial Officer