

Report on the Results of Rába Plc. in Q1-Q4 of 2019

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

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Sector:	Machine industry
Period:	Q1-Q4 of 2019
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MANAGEMENT REPORT

MAIN RESULTS OF THE COMPANY

- The data pertaining to foreign markets in Q4 of 2019 duly represent the slow-down of the global economic scene in almost all principal segments. This is especially true for the European heavy vehicle market and for the segment of agricultural machinery, which experienced significant decline in the demand in the fourth quarter of the year. In terms of the full year of 2019, the principal markets of the Rába Group either stagnated or lost their impetus. In terms of production costs, further acceleration of the wage pressure, which has been manifest for years, together with the drastically increasing energy price level have put considerable strain on the operation, as well as on financial performance. As regards sales, Q4 of 2019 was characterised by a 14.9 per cent decline in turnover at group level, to which all business divisions contributed with a decline in sales, which in the case of the Axle Business Unit is 6.5 per cent, in the case of the Components Business Unit 11.3 per cent and 37.7 per cent in the case of the Vehicle Business Unit. The substantial decline in sales in the case of the Vehicle Business Unit is due primarily to the decline in domestic sales, caused by the lost sales to the Ministry of Defence. In terms of the Q1-Q4 cumulative period, group-level sales amounted to HUF 49.8 billion, an increase by 2.4 per cent, of HUF 1.1 billion. At the level of business units, in terms of the cumulative sales for the period, the Components and the Vehicle Units registered an increase of 9.4 per cent and 7.2 per cent respectively, whereas the Axle Business Unit, characterised by the greatest export exposure, suffered a 4.9 per cent decline in sales. In terms of the exchange rate environment, an increase was manifest in Q1-Q4 of 2019, in the exchange rates of both the USD representing a lesser portion in the company's foreign exchange turnover and in the EUR, representing a more substantial portion of FX sales. In the case of the USD, the average exchange rate increased by 7.5 per cent, while the EUR exchange rate increased by 2.0 per cent compared to the level of the base period of one year earlier.
- A factor with a significant impact on the business of the group is that the orders due in 2019 under the framework agreement concluded with the Ministry of Defence in 2018, have not materialised, thus the quarterly financial results of Rába Vehicle Ltd. and of the group cannot be compared.
- The gross margin in Q1-Q4 of 2019 declined by 2.6 percentage points to 18.7 per cent, resulting in a gross profit exceeding HUF 9.3 billion. The change is primarily due to the significant increase in wage costs and to the pressure of energy prices on our costs. In Q4, characterised by a substantial decline in export and domestic demand, gross profit reached 18.0 per cent, upon a decline of 3.5 percentage points, which corresponds to a gross profit of HUF 2,138 million.
- The balance of other revenues and expenditures amounted to HUF 158 million in losses during the review period, against the loss of HUF 662 million during the same period of the previous year.
- In spite of the shrinking market conditions and their consequences, all of Rába's business

units succeeded in generating profits at operating level, although operating profits remained below the level of the base period. The key elements of maintaining profitable operations were labour market pressures kept under control and eliminating the price pressure exerted by suppliers for similar reasons. At group level, the operating profit amounted to HUF 1,340 million, to which the Axle Business Unit contributed HUF 367 million, the Components Business Unit registered profits of HUF 664 million, whereas the Vehicle Business Unit contributed profits of HUF 460 million. The considerable loss of activities of the sales markets in Q4 of 2019, had a tangible impact on the operating profit of the last quarter, nevertheless, the group managed to generate operating profits of HUF 148 million. The Axle and the Components Business Units generated profits of HUF 34 and 192 million respectively, whereas the Vehicle Business Unit, affected by substantial decline in domestic sales had operating losses of HUF 44 million.

- In terms of cash generating efficiency, the Company generated a group-level EBITDA of HUF 3,455 million in 2019, with a 6.9 per cent efficiency ratio. The 1.0 percentage point decline in efficiency is due to the wage and energy costs exceeding the levels of the review period and to the decline in demand on the relevant markets of the company. The contribution to the group-level EBITDA profit of the Components Business Unit was a considerable increase in EBITDA over the base period, of HUF 1,174 million, whereas the Axle and the Vehicle Business Units generated profits of HUF 1,456 million and 737 million respectively, upon declining profits. All business units generated positive EBITDA-level results for Q4 of 2019, bringing the group-level EBITDA to HUF 709 million.
- The financial loss in Q1-Q4 of 2019 amounted to HUF 411 million, compared to the loss of HUF 109 million generated during the same period of the previous year. The financial performance was influenced by the realised exchange rate loss of HUF 319 million and the interest burden of HUF 77 million.
- The total aggregate income and profit for the current year decreased by 52.2 per cent in Q1-Q4 of 2019 resulting in a profit of HUF 572 million.
- The net loan portfolio in Q1-Q4 of 2019 shows an increase by HUF 503 million compared to the same period of last year, which corresponds to the path forecast by the Company. As a result of the profitable operation, the decreasing working capital and the financing of investments of strategic significance, the net loan portfolio amounted to HUF 7.9 billion. The revaluation, due to exchange rate fluctuation, of loans, worth HUF 232 million not involving cash movements, also contributed to the increase in net borrowing.
- As a result of the profitable operation, the shareholder's equity increased by 1.6 per cent compared to the same period of the previous year. The shareholder's equity per share reached HUF 1.573/share.

thousand HUF	2018. Q1-Q4	2019. Q1-Q4	Change	2018. Q4	2019. Q4	Change
Sales revenue	48 631 833	49 781 657	2.4%	13 942 807	11 859 184	-14.9%
Gross profit	10 370 115	9 319 044	-10.1%	3 001 558	2 137 785	-28.8%
<i>Gross margin</i>	21,3%	18,7%	-2.6%p	21,5%	18,0%	-3.5%p
EBITDA	3 846 085	3 455 084	-10.2%	1 222 564	708 526	-42.0%
<i>EBITDA</i>	7,9%	6,9%	-1%p	8,8%	6,0%	-2.8%p
Operating profit	1 806 575	1 340 082	-25.8%	711 368	147 907	-79.2%
Net financial profit/loss	-108 954	-411 354	-277.5%	30 747	70 154	128.2%
Profit after tax for the current year	1 196 927	571 872	-52.2%	564 675	146 512	74.1%
Total comprehensive income	1 196 927	571 872	-52.2%	564 675	146 512	74.1%

GOAL, STRATEGY OF THE BUSINESS

"The volatility of the markets posed a challenge to our company. In a situation like this even more emphasis was, and is going to be, placed on our traditional strengths: flexibility, continuous modernization, market and product diversification, and efficiency improvement, which are greatly supported by the capacity and technology development program concluded last year. We trust that by

increasing our competitiveness we will remain reliable and innovative partners to the global automotive industry in the long run.” – said István Pintér, Chairman-CEO of Rába Automotive Holding Plc.

EXTERNAL ENVIRONMENT OF THE BUSINESS

- Market figures for Q4 are tangible proofs of the decline in the economic environment. In Europe, the registration figures of the heavy truck market in Q4 of 2019 show a 15.6 per cent decline, as a result of which the market demand, in year/year terms showed stagnation by 0.1 per cent. The declining economic activities and the relatively low average age of the European truck fleets resulted in 2020 market forecasts way below the demand for the previous years. In terms of the agricultural segment, the demand for the Rába products declined substantially in Q4 of 2019, resulting in a decline for the current year by 23.3 per cent. The Russian truck market is also characterised by a decline in demand, although market decline is more moderate, at 2.0 per cent annually. On the Russian bus market Q4 brought stagnation, whereas the demand during the entire year exceeded the level of a year earlier by 6.3 per cent. The European passenger vehicle market showed a slight increase during 2019, new vehicle registrations exceeded the values for the base period of a year earlier by 1.2 per cent.
- A factor with a significant impact on the business of the group is that the orders due in 2019 under the framework agreement concluded with the Ministry of Defence in 2018, have not materialised, thus the quarterly financial results of Rába Vehicle Ltd. and of the group cannot be compared.
- Steel prices in Q4 of 2019 were 11.0 per cent lower, influencing the production activities of Rába, hence the 5.1 per cent lower average price level during Q1-Q4 2019 than during the base period.
- The drastic increase in energy prices felt during Q1 of 2019 seemed to subside during the remainder of the year, still, energy price level during the review period was 4.2 per cent higher than a year earlier.
- With regard to the exchange rate environment, an increase occurred in the case of both the USD, representing a lesser proportion in the FX turnover of the company and the EUR, representing more substantial weight in the FX turnover in Q1-Q4 of 2019. In the case of the USD the exchange rate increased by 7.5 per cent, while the EUR exchange rate increased by 2.0 per cent compared to the base period.¹

	2018. Q1-Q4	2019. Q1-Q4	Change	2018. Q4	2019. Q4	Change
EURHUF – average	318.9	325.3	2.0%	323.1	332.2	2.8%
EURHUF – end of period	321.5	330.5	2.8%	321.5	330.5	2.8%
USDHUF – average	270.3	290.7	7.5%	283.2	300.1	6.0%
USDHUF – end of period	280.9	294.7	4.9%	280.9	294.7	4.9%
Changes in raw material prices*	127%	120%	-5.1%	125%	112%	-11.0%
Changes in energy prices**	181%	189%	4.2%	211%	199%	-5.4%

* 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 OF DURING THE CURRENT PERIOD

Rába Axle Ltd.

The sales revenue of Rába Axle Ltd. in Q1-Q4 of 2019 amounted to HUF 23.8 billion compared to HUF 25.0 billion achieved during the base period of 2018. This corresponds to a decrease of 4.9 per cent.

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

On the **American market**, the sales revenue in the reporting period was USD 12.1 million, compared to the USD 10.8 million in Q1-Q4 of 2018. This corresponds to an increase of 12.0 per cent.

On the **EU market** Rába Axle Ltd's sales figures in HUF terms decreased by 12.5 per cent, amounting to HUF 16.1 billion, compared to HUF 18.4 billion during the base period.

European exports remained below the level of the same period a year earlier by 15.6 per cent in Q1-Q4 of 2019, amounting to EUR 38.3 million, compared to HUF 45.4 million in Q1-Q4 of 2018.

Domestic sales before consolidation amounted to HUF 3,601 million which represents a decrease by 9.2 per cent compared to the HUF 3,965 million of the base period.

On the **CIS and East-European** markets the export sales revenues achieved by Rába Axle Ltd. in Q1-Q4 of 2019 were 31.5 per cent lower than the base period in 2018, decreasing from EUR 5.4 million to EUR 3.7 million.

In the **other** markets the sales revenue during the reporting period amounted to EUR 9.3 million, which exceeded the EUR 6.2 million turnover of the 2018 base period by 50.0 per cent.

The operating result of the Company in Q1-Q4 of 2019 was a profit of HUF 367 million, compared to HUF 654 million during the same period of the previous year.

At EBITDA level, the operating profit of the Axle business unit was HUF 1,456 million compared to HUF 1,767 million registered a year earlier.

Million HUF	2018. Q1-Q4	2019. Q1-Q4	Change	2018. Q4	2019. Q4	Change
America	2 928	3 495	19.4%	794	805	1.4%
EU - export	14 450	12 475	-13.7%	3 679	2 954	-19.7%
EU - domestic	3 965	3 601	-9.2%	1 087	732	-32.7%
CIS	1 706	1 192	-30.1%	376	578	53.7%
Other	1 977	3 027	53.1%	552	1 000	81.2%
Total sales revenue	25 026	23 789	-4.9%	6 488	6 069	-6.5%
EBITDA	1 767	1 456	-17.6%	492	307	-37.6%
Operating profit	654	367	-43.9%	217	34	84.3%

Rába Automotive Components Ltd.

The sales revenue of Rába Automotive Components Ltd. amounted to HUF 16.5 billion in Q1-Q4 of 2019, which is an increase of 9.4 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 2019 amounted to EUR 23.8 million, which represents an increase of 13.9 per cent compared to the EUR 20.9 million of the base period of 2018.

Domestic sales before consolidation amounted to HUF 8,737 million during the reporting period, which corresponds to an increase by 3.9 per cent compared to the sales revenue of HUF 8,413 million during Q1-Q4 of 2018.

The Business Unit generated profits of HUF 664 million at operating level during the reporting period compared to a profit of HUF 671 million in Q1-Q4 of 2018.

On the level of EBITDA, the profit of the Automotive Components business unit was HUF 1,174 million during the period, compared to HUF 1,152 million of the previous year.

Million HUF	2018. Q1-Q4	2019. Q1-Q4	Change	2018. Q4	2019. Q4	Change
EU - export	6 647	7 738	16.4%	1 814	1 933	6.6%
EU - domestic	8 413	8 737	3.9%	2 411	1 813	-24.8%
Total sales revenue	15 061	16 474	9.4%	4 225	3 746	-11.3%
EBITDA	1 152	1 174	1.9%	358	329	-8.1%
Operating profit	671	664	-1.0%	234	192	-17.9%

Rába Vehicle Ltd.

The sales revenue of Rába Vehicle Ltd. in Q1-Q4 of 2019 was above the figure of the base period by 7.2 per cent and increased from HUF 10.4 billion to HUF 11.1 billion.

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

European exports were 7.5 per cent higher than the level of the base period, thus increasing from EUR 16.0 million to EUR 17.2 million.

Domestic sales before consolidation amounted to HUF 5,528 million in Q1-Q4 of 2019, compared to HUF 5,285 million during the base period, representing an increase by 4.6 per cent.

The operating profit amounted to HUF 460 million during the reporting period compared to the profit of HUF 733 million during the base period last year.

On the level of EBITDA, in the reporting period the Company registered a profit of HUF 737 million compared to the profit of HUF 962 million in Q1-Q4 of 2018.

Million HUF	2018. Q1-Q4	2019. Q1-Q4	Change	2018. Q4	2019. Q4	Change
EU - export	5 096	5 599	9,9%	1 277	1 121	-12,2%
EU - domestic	5 285	5 528	4,6%	2 453	1 202	-51,0%
Total sales revenue	10 381	11 126	7,2%	3 730	2 323	-37,7%
EBITDA	962	737	-23,4%	424	33	-92,2%
Operating profit	733	460	-37,2%	366	-44	-112,0%

The Rába Group

The consolidated sales revenue of the Rába Group in Q1-Q4 of 2019 amounted to HUF 49.8 billion, which is an increase of 2.4 per cent compared to the figure of HUF 48.6 billion reported for the base period Q1-Q4 of 2018.

The operating profit of the group during the current period amounted to HUF 1,340 million, compared to HUF 1,807 million during the same period a year earlier.

During the reporting period, the financial result was a loss of HUF 411 million, which includes, among others, a net interest payment of HUF 77 million, as well as exchange rate losses of HUF 319 million.

Profits from the purchase of investment amounted to HUF 75.7 million during the reporting year, which includes the impact of the difference in real value of Diagonal Valor Ltd. and the adjustment for the share in Re kard by 24.9 per cent.

Based on the above, the Rába Group generated a net profit of HUF 572 million in Q1-Q4 of 2019, compared to a profit of HUF 1,197 million during the same period of the previous year.

On the level of EBITDA, the Rába Group registered profits of HUF 3,455 million in Q1-Q4 of 2019, against last year's figure of HUF 3,846 million.

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

Sales revenue by business unit

Sales revenue (HUF million)	Axle	Components	Vehicle	Rába Group consolidated
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
2019 Q1	6 510	4 670	4 115	14 725
2019 Q2	6 004	4 632	2 706	12 914
2019 Q3	5 206	3 427	1 983	10 284
2019 Q4	6 069	3 746	2 323	11 859

Breakdown of the sales revenues for Q1-Q4 of 2019

HUF million	America	EU			CIS	Other	Total
		Total	export	domestic			
Axle	3 495	16 076	12 475	3 601	1 192	3 027	23 789
Components	0	16 474	7 738	8 737	0	0	16 474
Vehicle	0	11 126	5 599	5 528	0	0	11 126
Consolidated	3 495	42 068	25 812	16 257	1 192	3 027	49 782

Operating profit of group companies

	Operating profit									
	2018.					2019.				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Axle	154	315	-32	217	654	220	20	93	34	367
Components	197	230	10	234	671	178	185	109	192	664
Vehicle	223	9	135	366	733	540	93	-129	-44	460
Other	-24	-60	-62	-105	-251	-8	1	-110	-34	-151
Total	550	494	51	712	1 807	930	299	-37	148	1 340

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
Diagonal Valor Ltd.	3.000	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	2018. Q1-Q4	2019. Q1-Q4	Index	Q4 2018	Q4 2019	Index
Domestic sales revenues	15 826 737	16 256 530	102.7%	5 450 510	3 466 376	63.6%
Export sales revenues	32 805 096	33 525 127	102.2%	8 492 297	8 392 806	98.8%
Revenues	48 631 833	49 781 657	102.4%	13 942 807	11 859 183	85.1%
Direct cost of sales	38 261 718	40 462 613	105.8%	10 941 249	9 721 398	88.9%
Gross profit	10 370 115	9 319 044	89.9%	3 001 558	2 137 785	71.2%
Cost of sales and marketing	814 449	886 163	108.8%	248 051	268 423	108.2%
General and administration expenses	7 087 370	6 934 625	97.8%	1 631 329	1 624 453	99.6%
Other revenues	369 264	685 247	185.6%	142 616	247 551	173.6%
Other expenditures*	1 030 986	843 421	81.8%	553 426	344 554	62.3%
Total other operating expenses	-8 563 541	-7 978 962	93.2%	-2 290 190	-1 989 878	86.9%
Revenue from operations	1 806 574	1 340 082	74.2%	711 368	147 907	20.8%
Financial revenues	179 091	125 866	70.3%	-203 975	-74 274	364%
Financial expenditures	288 045	537 220	186.5%	-234 723	-144 427	61,5%
Net financial profit/loss	-108 954	-411 354	-377.5%	30 748	70 153	228.2%
Profit from the purchase of subsidiary company	0	105 623			105 623	
Profit from the purchase of affiliated company	0	-29 878			-29 878	
PROFIT FROM THE PURCHASE OF INVESTMENT	0	75 745			75 745	
PROFIT BEFORE TAXATION	1 697 620	1 004 473	59.2%	742 116	293 805	39.6%
Profit tax	500 695	432 601	86.4%	177 441	147 293	83.0%
After-tax profit in the current year	1 196 925	571 872	47.8%	564 675	146 512	25.9%
Basic value of profit per share (HUF)	89	42				
Diluted value of profit per share (HUF)	89	42				

* In 2018, innovation supplement was recorded under other expenditures, which after adjustment was reclassified as profit tax.

1. EARNED REVENUES

During Q1-Q4 of 2019, Rába generated HUF 49,782 million in sales revenue, compared to HUF 48,632 million during the same period of the previous year, which is a change of 2.4 per cent. 67.3 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 2019, the direct cost level of Rába was 82.0 per cent compared to 78.5 per cent of the base period. The amount of direct costs was HUF 40,463 million, 5.8 per cent more than during the base period (Q1-Q4 of 2018: HUF 38,262 million).

Gross profit

The gross profit changed from HUF 10,370 million in the base period to HUF 9,319 million (HUF -1,051 million), which is due to the increase in sales revenue by HUF 1,150 million and by 2,201 million in direct expenses.

2.2. Cost of sales

The cost of sales increased by 8.8 per cent and amounted to HUF 886 million during Q1-Q4 of 2019, compared to HUF 814 million in Q1-Q4 of 2018.

2.3. General overhead and administrative expenses

Rába accounts for its costs incurred in relation to the administration of the company (Q1-Q4 of 2019: HUF 2,902 million) and other general costs (Q1-Q4 of 2019: HUF 4,032 million) under general overhead and administrative expenses (Q1-Q4 of 2019: HUF 6,935 million, Q1-Q4 of 2018: 7,087 million).

2.4. Other revenues and expenditures

Other revenues amounted to a loss of HUF 158 million in Q1-Q4 of 2019, compared to HUF 662 million in losses during the same period of last year.

3. OPERATING PROFIT

The operating profit of the Company during Q1-Q4 of 2019 was HUF 1,340 million (Q1-Q4 of 2018: HUF 1,807 million). The decrease in gross profit (HUF 1,051 million) was offset by the combined change in sales and general overhead costs (HUF 81 million) and was improved by the change in the balance of other revenues and expenditures (HUF 503 million). Profitability changed from 3.7 per cent during the base period to 2.7 per cent. The profitability of operating profit + depreciation changed from 7.9 per cent during the base period to 6.9 per cent.

4. FINANCIAL REVENUES AND EXPENDITURES

During Q1-Q4 of 2019, the net financial result was a loss of HUF 411 million, compared to the loss of HUF 109 million during the base period.

The net result of interest incomes and expenses was HUF -77 million during Q1-Q4 of 2019 (against HUF -63 million during the base period).

The net exchange rate difference of FX items during Q1-Q4 of 2019 was HUF -319 million (HUF -45 million in the base period).

Financial revenues and expenditures consisted of the following principal items:

in HUF thousand

	Q1-Q4 of 2018	Q1-Q4 of 2019
Capital gains of participations sold	-1 594	0
Interest income	317	10 731
Exchange rate gains	173 057	104 917
Other financial revenues	7 311	10 219
Financial revenues	179 091	125 868
Interest payable	63 175	87 627
Exchange rate loss	217 580	423 715
Other financial expenditures	7 290	25 880
Financial expenditures	288 045	537 221

5. PROFIT IN THE CURRENT YEAR

The earnings before taxation during Q1-Q4 of 2019 amounted to HUF 1,004 million, which, because of the factors outlined in sections 1-4, is HUF 693 million less than the figure for Q1-Q4 of 2018. The profitability ratio represents a 2.0 per cent return on sales on the basis of profit before taxation, against the level of 3.5 per cent during the base period.

The Group has HUF 433 million in tax liability during the review period. Within that, the corporate tax liability was HUF 23 million, the local business tax liability was HUF 333 million, the innovation supplement amounted to HUF 57 million, and the deferred tax liability in the reporting period was HUF 20 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	

*Currency and unit indicated with X.

Description of item	31.12.2018	31.12.2019	Index
Real estate, machines, equipment	19 144 678	25 394 003	132.6%
Intangible assets	182 827	147 709	80.8%
Other long-term assets	332 616	148 859	44.8%
Property for investment purposes	338 217	815 632	241.2%
Other investments	205	45 027	21964.6%
Deferred tax receivables	22 063	12 012	54.4%
Total invested assets	20 020 606	26 563 242	132.7%
Inventories	9 071 589	7 651 242	84.3%
Trade receivables and other receivables	12 265 856	6 487 674	52.9%
Profit tax receivable*	35 987	62 489	173.6%
Liquid assets, bank account	683 530	804 510	117.7%
Total current assets	22 056 962	15 005 915	68.0%
Total assets	42 077 568	41 569 157	98.8%
Registered capital	13 473 446	13 473 446	100.0%
Treasury shares	-108 952	-108 952	100.0%
Retained earnings	7 500 457	7 832 514	104.4%
Total equity and reserves	20 864 951	21 197 008	101.6%
Long-term credits and loans	5 915 784	4 164 552	70.4%
Provisions	245 476	237 208	96.6%
Deferred tax liability	103 531	113 276	109.4%
Leasing liabilities	0	195 480	
Total long-term liabilities	6 264 791	4 710 516	75.2%
Provisions	244 467	171 367	70.1%
Leasing liabilities	0	82 575	
Short-term portion of loans and credits	2 186 268	4 561 176	208.6%
Trade liabilities and other payables	12 517 091	10 846 515	86.7%
Total short-term liabilities	14 947 826	15 661 633	104.8%
Total equity and liabilities	42 077 568	41 569 157	98.8%

* In the 2018 report, the innovation supplement was shown under trade and other liabilities, following the modification it is now reclassified under profit tax receivables (as an item reducing profit tax).

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 19,145 million on 31 December, 2018 to HUF 25,394 million. This represents an increase by 32.6 per cent. The depreciation of tangible assets was HUF 1,942 million in Q1-Q4 of 2019.

In line with the provisions of the IFRS 16 Standard effective from 1 January, 2019, the Company identified assets, forklifts and passenger vehicles in the amount of HUF 189 million, where the lessor let use of the assets to Rába. (HUF 175 million on 1 January, 2019, with purchases during the reporting period of HUF 181 million). During the reporting period, the depreciation of these assets amounted to HUF 82 million. According to the decision adopted within the accounting policy, the Company applied the modified retrospective method as from 1 January, 2019, for the contracts still in effect on 1 January, 2019 and deemed operating leasing as per the provisions of the earlier IAS 17 regulations: based on the rules of IFRS 16, the contract was recalculated as if IFRS 16 had always been used, i.e. in the case of leases earlier deemed operating leasing as per the IAS 17,

the value of the usage right is set identical with the leasing liability.

For leases expiring within less than 12 months of the transition, earlier deemed operating leasing as per IAS 17, the Company used the possibility of exemption and continues to account for fees paid as per the contract under expenses until the end of the lease term.

1.2. Intangible assets

The net value of intangible assets changed from HUF 183 million to HUF 148 million. This represents a decline by 19.2 per cent. The amount of depreciation accounted during the period was HUF 167 million.

1.3. Other long-term assets

This balance sheet line shows other long-term loans given HUF 15 million (31 December, 2018: HUF 3 million), receivables from the sale of assets (31 December 2018: HUF 130 million), as well as long-term advance payments in the amount of HUF 134 million (31 December 2018: HUF 200 million) are also shown here. The long-term advance payment 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 advance receivables declined by HUF 184 million during the period.

1.4. Property for investment purposes

The book value of real estate for investment purposes at 31 December, 2019 changed to HUF 816 million from HUF 338 million during the base period due to the properties of Diagonal Valor Ltd. leased to third parties.

1.5. Investments

During the current year, the Company acquired Diagonal Valor Ltd. The definitive identification and valuation as per IFRS of the assets acquired have been completed, thus the purchase of 100 per cent of the business stake is shown under investments. During the reporting period, Rába Plc. purchased a 24.9 per cent stake in Re kard Hajtómű és Gépgyártó Kft., shown under the balance sheet line "other investments".

1.6. Deferred tax receivables

The amount of receivable was HUF 12 million on 31 December, 2019, which is HUF 10 million less than the amount on 31 December 2018.

2. CURRENT ASSETS

2.1. Inventories

On 31 December, 2019, the closing value of stocks was HUF 7,651 million (31 December, 2018: HUF 9,072 million). The change is an increase by HUF 1,421 million. The components of the change are: a decline in materials and goods by HUF 1,603 million and an increase in unfinished, semi-finished and finished goods by HUF 182 million.

2.2. Trade receivables and other receivables

The closing figure of receivables as at 31 December, 2019 was HUF 6,488 million, a decline by HUF 5,778 million compared to the 31 December, 2018 figure (closing figure for 31 December, 2018: HUF 12,266 million). Accounts receivable decreased by HUF 2,242 million, advances made for investment and inventories decreased by HUF 3,502 million and other receivables increased by HUF 34 million.

2.3. Profit tax receivables

At the end of the quarter, the Group had profit tax receivables.

On 31 December, 2019, the Group had a HUF 62 million profit tax receivable, within which the corporate tax receivable amounts to HUF 72 million and the local trade tax receivable is HUF 8 million and the innovation supplement was a liability of HUF 18 million.

On 31 December, 2018, there was a profit tax receivable of HUF 36 million, within which corporate tax receivables amounted to HUF 30 million, the local trade tax receivables amounted to HUF 8 million and the innovation supplement was a liability of HUF 2 million.

2.4. Liquid assets

The closing figure of liquid assets on 31 December, 2019 was HUF 805 million, HUF 121 million less than on 31 December, 2018 (HUF 684 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, 2018	13 473 446	-108 952	0	6 613 450	0	19 977 944
Profit for current year				1 196 927		1 196 927
Dividend payment				-309 919		-309 919
Balance as at 01 January 2019	13 473 446	-108 952	0	7 500 458	0	20 864 951
Profit of the current year				571 872		571 872
Dividend payment				-239 815		-239 815
Balance as at 31 December 2019	13 473 446	-108 952	0	7 832 514	0	21 197 008

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, 2019, the share capital of the Company was HUF 13.473 million.

3.2. Treasury shares

On 31 December, 2019, the value of treasury shares was HUF 108.952 thousand (120.681 shares), with no changes since 31 December, 2018. 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 7,833 million) changed by HUF 572 million, i.e. the profit for the reporting year and HUF 239 million paid in dividends, compared to the closing value for the previous year (HUF 7,500 million).

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

The closing value of long-term credits and loans and leasing liabilities as at 31 December, 2019 amounted to HUF 4,360 million, which was 26.3 per cent lower than the opening balance of the period (on 31 December, 2018, the closing figure was HUF 5,916 million).

On 1 January, 2019, the Company had leasing liabilities of HUF 176 million in the context of the leasing contracts identified in line with the provisions of the new IFRS 16 leasing standard, the amount of which increased by an additional HUF 181 million during the current year and declined by HUF 80 million through repayment.

4.2. Provisions

The closing value of provisions as at 31 December, 2019 was HUF 409 million, of which HUF 237 million is long-term.

4.3. Deferred tax liability

On 31 December, 2019, the Company had deferred tax liabilities in the amount of HUF 113 million, which is HUF 10 million more than the amount on 31 December, 2018.

5. SHORT-TERM LIABILITIES

5.1. Short-term credits and loans

The total amount of short-term credits and loans of HUF 4,561 million increased by 108.6 per cent compared to the closing value at the end of December 2018 (HUF 2,186 million).

The net borrowing of the Rába group was HUF 7,921 million on 31 December, 2019, an increase by HUF 503 million compared to the level as at 31 December, 2018.

5.2. Provisions

The short-term portion of provisions amounted to HUF 171 million on 31 December, 2019, which is HUF 73 million higher than the amount on 31 December, 2018.

5.3. Profit tax liability

At the end of the quarter, the Group had profit tax receivables.

5.4. Accounts payable and other short-term liabilities

On 31 December, 2019, the amount of accounts payable and other short-term liabilities was HUF 10,847 million, which is 13.3 per cent less than the closing value as at the end of December 2018 (HUF 12,517 million). Accounts payable declined by HUF 3,337 million, other liabilities declined by HUF 115 million, whereas passive accruals increased by HUF 1,782 million.

PK 5. CONSOLIDATED CASH-FLOW STATEMENT

Data in HUF thousand

	31.12.2018	31.12.2019
Cash-flows from operating activities		
Profit before taxation	1 697 620	1 004 070
<i>Adjustment items related to items with no cash movement:</i>		
Interest income	0	0
Interest expenditure	2 886	17 461
Depreciation and amortisation	2 039 511	2 115 003
Write-off of intangible assets and fixed assets	26 127	11 184
Impairment of intangible assets, properties, machines and equipment	38 393	9 049
Impairment of bad and doubtful receivables and of long term receivables	5 047	96 404
Impairment of stocks kept at net realisable value	266 175	233 094
Scrapping of stocks	175 396	155 341
Change of Provisions	208 037	-81 368
Result from the sale of real estate, machinery and fixtures and intangible assets	-4 599	-117 178
Result realised on investments	0	-52 598
Revaluation of loans and credits at end of period	105 511	232 892
<i>Changes in working capital:</i>		
Changes in trade and other receivables	-2 406 305	5 757 482
Changes in stocks	-2 505 540	1 187 253
Changes in accounts payable and other liabilities	2 206 428	261 942
Taxes paid	-447 578	-381 911
Interests paid	-52 979	-69 023
Net cash flows from operating activity	1 354 130	10 379 097
Cash flows from investment activities		
Purchase of real estate, machinery and fixtures, as well as of intangibles	-5 046 784	-8 360 548
Revenues from the sale of real estate, machinery and fixtures as well as intangible assets	5 594	128 282
Increasing of investments	0	-474 700
Interests received	317	10 732
Net cash flows from investment activities	-5 040 873	-8 696 234
Cash flows from financing activities		
Loans and credits received	7 073 073	4 230 790
Loans and credits repayment	-5 031 224	-3 840 006
Dividend paid	-309 918	-239 815
Net cash flows from financing activities	1 731 931	150 969
Net increase/decrease of cash and cash equivalents	-1 954 812	1 833 832

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, 2018, 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, 2018 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, 2018 is based on audited figures and the auditor issued an unqualified opinion.

Upon preparing the financial statement, apart from the application of the IAS 17 leasing standard, the Group followed the same accounting policy as in the last financial statement for 2018. The Company has been using the new leasing IFRS 16 standard since 1 January, 2019, which has not

modified the Group's consolidated financial report to any large extent.

PK6. Major off-balance sheet items

Description	Value (HUF)
According to a separate list*	

* The bank loans of the Rába Group amount to HUF 8,726 million, of which the loans secured with liens and mortgages on movable assets and real property amount to HUF 8,726 million.

The amount of bank guarantees issued on behalf of the Rába Group is HUF 3,537 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	7.89	7.96	1 063 082	7.05	7.11	949 288				
Foreign institutional/corporate	2.24	2.26	302 409	2.15	2.17	289 697				
Foreign private individual	0.08	0.08	10 805	0.07	0.07	9 804				
Domestic private individual	14.41	14.54	1 941 856	15.25	15.39	2 054 773				
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	74.46	75.13	10 032 129				
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				

¹ If 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	depository (yes/no)	Quantity (pcs)	Share (%)
Magyar Nemzeti Vagyonkezelő Zrt. (Hungarian State Holding Co. Ltd.)	no	10 015 829	74.34
Total		10 015 829	74.34

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

	1 January		31 March		30 June		30 September		31 December	
	pcs	%	pcs	%	pcs	%	pcs	%	pcs	%
At corporate level	120 681	0.9	120 681	0.9	120 681	0.9	120 681	0.9	120 681	0.9
Subsidiaries ¹	-	-	-	-	-	-	-	-	-	-
Grand total	120 681	0.9	120 681	0.9	120 681	0.9	120 681	0.9	120 681	0.9

¹ Consolidated companies

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	15	15	17
At group level	1 417	1 417	1 325

The consolidated closing headcount as at 31 December, 2019 was 1,325. The decline in headcount is 6.5 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	Number of shares owned (pcs)
BD	István Pintér	Chairman of the BD	2005		7 082
BD	Dr. Ibolya Virág Csernák Bánóczy	Board member	2019		
BD	János Major	Board member	2019		
BD	Ákos Mátyás Pálvölgyi	Board member	2019		
BD	Roland Sebők	Board member	2019		
BD	Dr. Tamás Tóth	Board member	2019		
BD	György Wáberer	Board member	2012		
BD	Ákos Csókay	Board member	2017	2019	
BD	Dr. János Géza Fördös	Board member	2016	2019	
BD	Dr. Péter Hartmann	Board member	2016	2019	
BD	Dr. Miklós Rátky	Board member	2014	2019	
BD	Andor Nándor Tóth	Board member	2018	2019	
SB	Dr. Zoltán Lajos Pafféri	Chairman of the SB	2018		
SB	Dr. Gábor Czepek	Chairman of the SB	2016	2018	
SB	Dr. Zsolt Harmath	SB member	2016		
SB	Dr. Tünde Kanta	SB member	2017		
SP	István Pintér	Chief Executive Officer	2003	indefinite	7 082
SP	Béla Balog	Chief Financial Officer	2004	indefinite	3 332
SP	Ádám Steszli	HR and Controlling Director	2014	Indefinite	1 664
SP	Attila Deák	Director, Strategic Purchasing and Business Development	2019	indefinite	
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 held (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 December, 2018	31 December, 2019	Index
Property, machinery, equipment	6 065 657	6 003 693	98.98%
Intangible assets	12 809	13 294	103.79%
Other long-term assets	1 503 882	1 414 417	94.05%
Real estate for investment	338 217	392 912	116.17%
Subsidiary investments	11 918 571	12 318 571	103.36%
Other investments	205	45 027	21964.39%
Deferred tax receivable	4 975	12 012	241.45%
Total invested assets	19 844 316	20 199 926	101.79%
Inventories	8 028	8 103	100.93%
Trade and other receivables	2 311 343	2 938 341	127.13%
Profit tax receivable	17 122	10 600	61.91%
Cash and cash equivalents	449 688	443 860	98.70%
Total current assets	2 786 181	3 400 904	122.06%
TOTAL ASSETS	22 630 497	23 600 830	104.29%
Registered capital	13 473 446	13 473 446	100.00%
Treasury shares	-108 952	-108 952	100.00%
Retained earnings	3 655 891	3 392 668	92.80%
Total equity and reserves	17 020 385	16 757 162	98.45%
Provisions	95 700	95 700	100.00%
Long term credits and loans		367	
Total long-term liabilities	95 700	96 067	100.38%
Provisions	71 766	17 362	24.19%
Short-term portion of loans and credits	0	1 983 119	
Accounts payable and other liabilities	5 442 646	4 747 120	87.22%
Total short-term liabilities	5 514 412	6 747 601	122.36%
TOTAL EQUITY AND LIABILITIES	22 630 497	23 600 830	104.29%

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

Data in HUF thousand

Description	2018. Q1-Q4	2019. Q1-Q4	Index	2018. Q4	2019. Q4	Index
Sales revenues	1 495 835	1 567 889	104,8%	406 049	374 974	92,3%
Direct costs of sales	376 123	393 844	104,7%	100 854	107 203	106,3%
Gross profit	1 119 712	1 174 045	104,9%	305 195	267 771	87,7%
Sales and marketing costs	45 392	30 374	66,9%	6 256	4 054	64,8%
General overhead costs	1 056 350	1 127 644	106,7%	306 807	311 872	101,7%
Other revenues	642 618	221 064	34,4%	380 324	4 334	1,1%
Other expenditures	273 137	199 624	73,1%	100 947	12 434	12,3%
Other operating expenditures total	-732 261	-1 136 578	155,2%	-33 686	-324 026	961,9%
Operating profit	387 451	37 468	9,7%	271 509	-56 255	-20,7%
Financial income	95 940	76 666	79,9%	92 633	40 760	44,0%
Financial expenditures	83 510	93 162	111,6%	-504	-14 174	2812,3%
Net financial income	12 430	-16 497	-132,7%	93 137	54 934	59,0%
Revenue from the purchase of affiliated company		-29 878			-29 878	
PROFIT BEFORE TAXATION	399 881	-8 906	-2,2%	364 646	-1 321	-0,4%
Profit Tax	17 415	14 502	83,3%	9 690	5 533	57,1%
PROFIT OF CURRENT YEAR	382 466	-23 408	-6,1%	354 956	-6 854	-1,9%
TOTAL AGGREGATE PROFIT/LOSS OF CURRENT YEAR	382 466	-23 408	-6,1%	354 956	-6 854	-1,9%
EBITDA	603 515	263 482	43,7%	325 445	2 306	0,7%

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 given segment. General overhead 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.

	2018.						Q4 of 2018 / 30.09.2018					
	Axle IFRS	Vehicle IFRS	Components IFRS	General overhead	Inter-segment filters	Consolidated	Axle IFRS	Vehicle IFRS	Components IFRS	General overhead	Inter-segment filters	Consolidated
Revenues	24 168 384	10 078 031	14 153 237	232 181		48 631 833	6 204 558	3 656 657	4 017 152	64 440	0	13 942 807
Inter-segment revenues	858 112	302 964	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	-10 941 247
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	3 001 559
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	-1 230 723	-1 964 926	-1 056 350	806 170	-7 087 370	-740 574	-318 184	-515 391	-306 807	249 625	-1 631 330
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	-328 374	-212 756	-229 356	-273 137	12 637	-1 030 986	-175 465	-171 616	-153 693	-103 302	11 068	-593 009
TOTAL OTHER OPERATING EXPENDITURES	-4 239 919	-1 669 045	-2 094 618	-732 261	172 302	-8 563 541	-999 576	-578 165	-594 016	-36 042	-121 975	-2 329 774
REVENUE FROM OPERATIONS	652 892	733 140	670 175	387 452	-637 085	1 806 574	198 354	358 708	220 578	269 153	-375 008	671 785
Interest income	9 734	17 992	1 383	81 003	-102 483	7 629	6 393	5 399	545	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	-189 221	-124 342	-169 717	-17 415	0	-500 695	-40 823	-49 611	-40 089	-7 335	0	-137 858
Assets												
Real estate, machinery and equipment	8 110 796	1 519 310	3 438 234	6 076 338	0	19 144 678	6 839 942	1 555 088	3 507 944	6 022 056	11 182	17 936 211
Intangible assets	96 191	46 579	27 248	12 809	0	182 827	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	6 101 128	1 299 433	1 696 780	8 028	-33 780	9 071 589	6 544 965	855 893	1 947 473	8 611	-30 273	9 326 668
Receivables	8 990 260	6 718 299	1 723 044	2 311 343	-7 477 090	12 265 856	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	231 197	41 280	167 466	0	489 943	20 149	178 737	0	121 013	3	319 901
Financial liabilities	7 919 336	3 462 526	3 169 583	5 442 736	-7 477 090	12 517 091	8 419 203	1 754 802	3 495 498	3 915 436	-6 695 282	10 889 657
Liabilities	0	0	0	-81 065	81 065	0	0	0	0	35 932	-35 932	0
Capital expenditures	4 053 569	182 985	603 391	217 598	0	5 057 543	2 691 615	92 541	537 074	113 795	0	3 435 025
Depreciation	1 113 826	228 459	481 453	216 064	-291	2 039 511	838 261	171 018	357 101	162 128	-192	1 528 316

	2019.						Q4 of 2019 / 30.09.2019					
	Axle IFRS	Vehicle IFRS	Components IFRS	General overhead	Inter-segment filters	Consolidated	Axle IFRS	Vehicle IFRS	Components IFRS	General overhead	Inter-segment filters	Consolidated
Revenues	23 091 565	10 766 125	15 608 042	315 925		49 781 657	5 943 803	2 220 827	3 570 446	74 446	0	11 809 522
Inter-segment revenues	697 691	360 048	866 129	1 301 625	-3 225 493	0	125 653	102 281	175 505	300 528	-703 966	0
Total revenue from sales	23 789 256	11 126 173	16 474 171	1 617 550	-3 225 493	49 781 657	6 069 455	2 323 108	3 745 951	374 974	-703 966	11 809 522
Direct cost of sales	-19 608 724	-9 058 274	-13 815 312	-395 418	2 415 115	-40 462 613	-5 051 716	-1 969 135	-3 101 248	-107 203	509 479	-9 719 822
GROSS PROFIT	4 180 532	2 067 899	2 658 859	1 222 132	-810 378	9 319 044	1 017 739	353 974	644 703	267 771	-194 487	2 089 700
Sales and marketing costs	-319 741	-504 828	-31 219	-30 375	0	-886 163	-87 586	-122 988	-6 296	-4 054	0	-220 924
General overhead costs	-3 583 559	-1 044 576	-1 969 882	-1 137 469	800 861	-6 934 625	-895 224	-175 935	-463 706	-311 871	184 612	-1 662 125
Other revenues	460 622	131 146	87 602	221 065	-215 188	685 247	164 143	54 965	25 498	4 331	-1 392	247 549
Other expenditures	-370 505	-189 169	-81 193	-206 713	4 159	-843 421	-181 761	-161 723	-22 030	-15 062	1 392	-379 185
TOTAL OTHER OPERATING EXPENDITURES	-3 813 183	-1 607 427	-1 994 692	-1 153 492	589 832	-7 978 962	-1 000 428	-405 681	-466 535	-326 653	184 612	-2 014 685
REVENUE FROM OPERATIONS	367 349	460 472	664 167	68 640	-220 546	1 340 082	17 312	-51 707	178 168	-58 882	-9 875	75 015
Interest income	6 152	15 048	1 193	54 998	-66 660	10 731	5 414	4 299	503	43 487	-47 790	5 912
Interest expenditure	-49 471	-21 112	-16 266	-25 360	25 726	-86 483	-11 571	-5 111	-4 247	-7 079	6 856	-21 152
Profit tax expenditure	-155 258	-78 457	-179 634	-19 252	0	-432 601	-48 365	-11 826	-37 725	-2 904	0	-100 820
Assets												
Real estate, machinery and equipment	13 598 571	2 231 607	3 549 948	6 185 702	-171 825	25 394 003	13 446 724	2 053 569	3 468 181	6 009 868	10 010	24 988 351
Intangible assets	79 648	38 452	16 315	13 294	0	147 709	80 638	41 428	17 872	14 701	0	154 639
Real estate for investment	0	0	0	392 912	422 720	815 632	0	0	0	338 217	0	338 217
Other long-term assets	118 318	10 630	7 516	1 426 812	-1 414 417	148 859	128 541	11 565	8 175	1 503 882	-1 373 483	278 680
Inventories	4 919 226	1 069 345	1 690 099	8 103	-35 531	7 651 242	6 101 142	1 761 862	2 116 213	9 242	-33 781	9 954 679
Receivables	4 719 937	4 562 629	1 539 469	2 986 150	-7 320 511	6 487 674	4 781 495	4 734 190	1 800 791	3 392 460	-7 118 197	7 590 740
Cash and cash equivalent	247 640	2 989	4 899	548 982	0	804 510	266 959	3 111	3 156	11 737	-1	284 962
Liabilities												
Provisions	71 393	215 518	8 598	113 066	0	408 575	33 398	155 889	30 254	223 489	3	443 033
Financial liabilities	8 871 150	1 634 139	2 941 615	4 751 317	-7 269 131	10 929 090	13 446 724	2 053 569	3 468 181	6 009 868	-7 118 196	10 943 109
Liabilities	7 110 099	998 269	766 532	248 070	0	9 122 970	6 449 075	553 938	464 132	107 563	0	7 574 708
Capital expenditures	1 088 168	276 513	509 629	232 925	7 768	2 115 003	814 988	199 548	372 756	167 453	-199	1 554 387
Depreciation	23 091 565	10 766 125	15 608 042	315 925		49 781 657	5 943 803	2 220 827	3 570 446	74 446	0	11 809 522

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, 19 February, 2020

István Pintér
Chairman - Chief Executive Officer

Béla Balog
Chief Financial Officer