

**Annual report
for the year ended December 31, 2013**

ANY Security Printing Company PLC

Annual report

for the year ended December 31, 2013

Deloitte.

Deloitte Auditing and Consulting Ltd.
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Registered by the Capital Court of Registration
Company Registration Number: 01-09-071057

Translation of the Hungarian original

INDEPENDENT AUDITORS' REPORT

**on the financial statements submitted for the forthcoming General Meeting
of ANY Biztonsági Nyomda Nyrt.**

To the Shareholders of ANY Biztonsági Nyomda Nyrt.

Report on the Financial Statements

We have audited the accompanying financial statements of ANY Biztonsági Nyomda Nyrt. (the "Company") for the year 2013, which comprise the balance sheet as at December 31, 2013 - which shows total assets of 7,991,270 thHUF and a retained profit for the year of 711,182 thHUF-, and the related profit and loss account for the year then ended and the supplement comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Accounting Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Hungarian National Standards on Auditing and effective Hungarian laws and other regulations pertaining to audit. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit clause opinion.

Member of Deloitte Touche Tohmatsu Limited

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of ANY Biztonsági Nyomda Nyrt. as at December 31, 2013, and its financial performance for the year then ended in accordance with the Accounting Act.

Other Reporting Obligation: Report on the Business Report

We have examined the accompanying business report of ANY Biztonsági Nyomda Nyrt. for the year 2013.

Management is responsible for the preparation of this business report in accordance with the Accounting Act.

Our responsibility is to assess whether the accounting information in the business report is consistent with that contained in the financial statements prepared for the same business year. Our work with respect to the business report was limited to assessing the consistence of the business report with the financial statements, and did not include a review of any information other than that drawn from the audited accounting records of the Company.

In our opinion, the business report of ANY Biztonsági Nyomda Nyrt. for the year 2013 corresponds to the figures included in the financial statements of ANY Biztonsági Nyomda Nyrt. for the year 2013.

Budapest, February 20, 2014

The original Hungarian version has been signed.

Tamás Horváth
Deloitte Auditing and Consulting Ltd.
1068 Budapest, Dózsa György út 84/C.
000083

Kornél Bodor
registered statutory auditor
005343

Deloitte.

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Cg.: 01-09-071057

FÜGGETLEN KÖNYVVIZSGÁLÓI JELENTÉS

Az ANY Biztonsági Nyomda Nyrt. közgyűlése elé terjesztett éves beszámolóról

Az ANY Biztonsági Nyomda Nyrt. részvényeseinek

Az éves beszámolóról készült jelentés

Elvégeztük az ANY Biztonsági Nyomda Nyrt. (a „Társaság”) mellékelt 2013. évi éves beszámolójának a könyvvizsgálatát, amely éves beszámoló a 2013. december 31-i fordulónapra elkészített mérlegből – melyben az eszközök és források egyező végösszege 7.991.270 eFt, a mérleg szerinti eredmény 711.182 eFt nyereség, és az ezen időponttal végződő évre vonatkozó eredménykimutatásból, valamint a számviteli politika meghatározó elemeit és az egyéb magyarázó információkat tartalmazó kiegészítő mellékletből áll.

A vezetés felelőssége az éves beszámolóért

A vezetés felelős az éves beszámolónak a számviteli törvényben foglaltakkal összhangban történő elkészítéséért és valós bemutatásáért, valamint az olyan belső kontrollokért, amelyeket a vezetés szükségesnek tart ahhoz, hogy lehetővé váljon az akár csalásból, akár hibából eredő lényeges hibás állításoktól mentes éves beszámoló elkészítése.

A könyvvizsgáló felelőssége

A mi felelősségünk az éves beszámoló véleményezése könyvvizsgálatunk alapján. Könyvvizsgálatunkat a magyar Nemzeti Könyvvizsgálati Standardokkal és a könyvvizsgálatra vonatkozó – Magyarországon érvényes – törvényekkel és egyéb jogszabályokkal összhangban hajtottuk végre. Ezek a standardok megkövetelik, hogy megfeleljünk az etikai követelményeknek, valamint hogy a könyvvizsgálatot úgy tervezzük meg és hajtsuk végre, hogy kellő bizonyosságot szerezzünk arról, hogy az éves beszámoló mentes-e a lényeges hibás állításoktól.

A könyvvizsgálat magában foglalja olyan eljárások végrehajtását, amelyek célja könyvvizsgálati bizonyítékot szerezni az éves beszámolóban szereplő összegekről és közzétételekről. A kiválasztott eljárások, beleértve az éves beszámoló akár csalásból, akár hibából eredő, lényeges hibás állításai kockázatának felmérését is, a könyvvizsgáló megítélésétől függenek. A kockázatok ilyen felmérésekor a könyvvizsgáló az éves beszámoló gazdálkodó egység általi elkészítése és valós bemutatása szempontjából releváns belső kontrollt azért mérlegeli, hogy olyan könyvvizsgálati eljárásokat tervezzen meg, amelyek az adott körülmények között megfelelőek, de nem azért, hogy a gazdálkodó egység belső kontrolljának hatékonyságára vonatkozóan véleményt mondjon. A könyvvizsgálat magában foglalja továbbá az alkalmazott számviteli politikák megfelelőségének és a vezetés által készített számviteli becslések ésszerűségének, valamint az éves beszámoló átfogó prezentálásának értékelését is.

Meggyőződésünk, hogy a megszerzett könyvvizsgálati bizonyíték elegendő és megfelelő alapot nyújt könyvvizsgálói véleményünk megadásához.

Member of Deloitte Touche Tohmatsu Limited

Vélemény

Véleményünk szerint az éves beszámoló megbízható és valós képet ad az ANY Biztonsági Nyomda Nyrt. 2013. december 31-én fennálló vagyoni és pénzügyi helyzetéről, valamint az ezen időponttal végződő évre vonatkozó jövedelmi helyzetéről a számviteli törvényben foglaltakkal összhangban.

Egyéb jelentéstételi kötelezettség: Az üzleti jelentésről készült jelentés

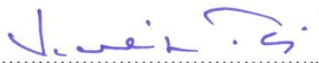
Elvégeztük az ANY Biztonsági Nyomda Nyrt. mellékelt 2013. évi üzleti jelentésének a vizsgálatát.

A vezetés felelős az üzleti jelentésnek a számviteli törvényben foglaltakkal összhangban történő elkészítéséért.

A mi felelősségünk az üzleti jelentés és az ugyanazon üzleti évre vonatkozó éves beszámoló összhangjának megítélése. Az üzleti jelentéssel kapcsolatos munkánk az üzleti jelentés és az éves beszámoló összhangjának megítélésére korlátozódott és nem tartalmazta egyéb, a Társaság nem auditált számviteli nyilvántartásaiból levezetett információk áttekintését.

Véleményünk szerint az ANY Biztonsági Nyomda Nyrt. 2013. évi üzleti jelentése az ANY Biztonsági Nyomda Nyrt. 2013. évi éves beszámolójának adataival összhangban van.

Budapest, 2014. február 20.



Horváth Tamás

Deloitte Könyvvizsgáló és Tanácsadó Kft.
1068 Budapest Dózsa György út 84/C.
000083



Bodor Kornél

kamarai tag könyvvizsgáló
005343

Balance Sheet for the year ended December 31, 2013

Balance Sheet (in HUF thousands)

	Description	December 31, 2012	December 31, 2013
A.	FIXED ASSETS	3,494,218	3,530,029
I.	INTANGIBLE ASSETS	679,092	805,969
1.	Capitalized start-up and restructuring costs	-	-
2.	Capitalized value of research and development	79,597	60,103
3.	Concessions, licenses and similar rights and assets	172,459	242,387
4.	Intellectual property	130,912	207,355
5.	Goodwill	296,124	296,124
6.	Advances and prepayments on intangible assets	-	-
7.	Adjusted value of intangible assets	-	-
II.	TANGIBLE ASSETS	2,073,734	1,965,127
1.	Land and buildings and rights to immovable	268,628	264,890
2.	Plant and machinery, vehicles	1,520,635	1,292,936
3.	Other equipment, fixtures and fittings, vehicles	275,529	270,273
4.	Breeding stock	-	-
5.	Assets in course of construction	1,800	4,028
6.	Payment on account	7,142	133,000
7.	Adjusted value of tangible assets	-	-
III.	FINANCIAL INVESTMENTS	741,392	758,933
1.	Long-term participations in affiliated undertakings	730,486	749,299
2.	Long-term loan to affiliated undertakings	-	-
3.	Other long-term participations	-	-
4.	Long-term loan to independent undertakings	-	-
5.	Other long-term loans	10,906	9,634
6.	Securities signifying a long-term creditor relationship	-	-
7.	Adjusted value of financial investments	-	-

Budapest, 7 February, 2014

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Chief Executive Officer

Balance Sheet for the year ended December 31, 2013

	Description	December 31, 2012	December 31, 2013
B.	CURRENT ASSETS	4,464,900	4,421,787
I.	INVENTORIES	1,232,424	1,575,534
1.	Raw materials and consumables	655,673	890,338
2.	Work in progress, intermediate and semi-finished products	229,175	336,392
3.	Animals for breeding and fattening, other livestock	-	-
4.	Finished products	285,372	287,620
5.	Goods for resale	62,204	50,379
6.	Advances and prepayments on inventories	-	10,805
II.	RECEIVABLES	1,775,775	1,777,367
1.	Accounts receivable (trade debtors)	1,467,865	1,505,889
2.	Receivables from affiliated undertakings	160,630	154,625
3.	Receivables from independent undertakings	-	-
4.	Bills of exchange receivable	-	-
5.	Other receivables	147,280	116,853
III.	SECURITIES	196,572	300,724
1.	Participations in affiliated undertakings	-	-
2.	Other participations	-	-
3.	Own shares and own partnership shares	196,572	300,724
4.	Securities signifying a creditor relation. for trading purposes	-	-
IV.	LIQUID ASSETS	1,260,129	768,162
1.	Cash in hand, checks	6,366	3,718
2.	Cash at bank	1,253,763	764,444
C.	PREPAYMENTS AND ACCRUED INCOME	43,909	39,454
1.	Accrued income	22,494	24,893
2.	Accrued costs, expenses	21,415	14,561
3.	Deferred expenses	-	-
	TOTAL ASSETS	8,003,027	7,991,270

Budapest, 7 February, 2014

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Chief Executive Officer

Balance Sheet for the year ended December 31, 2013

	Description	December 31, 2012	December 31, 2013
D.	SHAREHOLDERS' EQUITY	5,039,578	5,750,760
I.	SHARE CAPITAL	1,449,876	1,449,876
	including: ownership shares repurchased at face value	43,683	43,987
II.	SHARE CAPITAL UNPAID	-	-
III.	CAPITAL RESERVE	250,686	250,686
IV.	ACCUMULATED PROFIT RESERVE	2,382,876	2,203,267
V.	TIED-UP RESERVE	956,140	1,135,749
VI.	REVALUATION RESERVE	-	-
VII.	PROFIT OR LOSS FOR THE YEAR	-	711,182
E.	PROVISIONS	-	-
1.	Provisions for expected liabilities	-	-
2.	Provisions for future expenses	-	-
3.	Other provisions	-	-
F.	LIABILITIES	2,881,006	1,991,430
I.	SUBORDINATED LIABILITIES	-	-
1.	Subordinated liabilities to affiliated undertakings	-	-
2.	Subordinated liabilities to independent undertakings	-	-
3.	Subordinated liabilities to other economic entities	-	-
II.	LONG-TERM LIABILITIES	55,525	-
1.	Long-term loans	-	-
2.	Convertible bonds	-	-
3.	Debts on issue of bonds	-	-
4.	Investment and development credits	-	-
5.	Other long-term credits	-	-
6.	Long-term liabilities to affiliated undertakings	-	-
7.	Long-term liabilities to independent undertakings	-	-
8.	Other long-term liabilities	55,525	-
III.	CURRENT LIABILITIES	2,825,481	1,991,430
1.	Short-term loans	-	-
	including: convertible bonds	-	-
2.	Other short-term credits	-	-
3.	Advances received from customers	25,845	9,387
4.	Accounts payable (trade creditors)	1,294,866	1,228,078
5.	Bills of exchange payable	-	-
6.	Short-term liabilities to affiliated undertakings	220,130	302,063
7.	Short-term liabilities to independent undertakings	-	-
8.	Other short-term liabilities	1,284,640	451,902
G.	ACCRUALS AND DEFERRED INCOME	82,443	249,080
1.	Deferred income	23,613	-
2.	Deferred costs, expenses	49,520	242,254
3.	Accrued income	9,310	6,826
	TOTAL EQUITY AND LIABILITIES	8,003,027	7,991,270

Budapest, 7 February, 2014

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Chief Executive Officer

Profit and Loss Statement for the year ended December 31, 2013

Profit or Loss Statement (total cost method, in HUF thousands)

	Description	FY 2012	FY 2013
01.	Net domestic sales	11,042,100	10,900,735
02.	Net external sales	873,971	1,064,065
I.	NET SALES REVENUE	11,916,071	11,964,800
03.	Change in stocks of finished goods and work in progress	153,970	109,465
04.	Own work capitalized	52,109	151,587
II.	OWN PERFORMANCE CAPITALIZED	206,079	261,052
III.	OTHER INCOME	28,424	67,122
	including: loss in value marked back	11,460	24,152
05.	Cost of raw materials and consumables	4,291,249	4,099,391
06.	Cost of services	1,214,367	1,124,826
07.	Cost of other service activities	42,629	57,206
08.	Cost of goods sold	446,535	572,975
09.	Cost of services sold (intermediated)	1,886,938	1,752,167
IV.	MATERIAL COSTS	7,881,718	7,606,565
10.	Wages and salaries	2,241,354	2,360,729
11.	Other employee benefits	195,841	251,243
12.	Contributions on wages and salaries	661,586	680,552
V.	PERSONAL TYPE EXPENDITURES	3,098,781	3,292,524
VI.	DEPRECIATION	622,508	618,223
VII.	OTHER OPERATING CHARGES	206,935	273,696
	including: loss in value	31,003	52,607
A.	OPERATING (TRADING) PROFIT	340,632	501,966
13.	Dividends and profit-sharing (received or due)	141,884	205,662
	including: from affiliated undertakings	141,884	205,662
14.	Capital gains on investments	-	-
	including: from affiliated undertakings	-	-
15.	Interest and capital gains on financial investments	-	-
	including: from affiliated undertakings	-	-
16.	Other interest and similar income (received or due)	45,281	32,987
	including: from affiliated undertakings	1,938	1,874
17.	Other income from financial transactions	60,291	36,008
VIII.	Income from financial transactions	247,456	274,657
18.	Losses on financial investments	-	-
	including: to affiliated undertakings	-	-
19.	Interest payable and similar charges	26,545	19,827
	including: to affiliated undertakings	16,010	16,494
20.	Losses on shares, securities and bank deposits	68,762	(102,669)
21.	Other expenses on financial transactions	105,202	62,540
IX.	Expenses on financial transactions	200,509	(20,302)
B.	PROFIT OR LOSS ON FINANCIAL TRANSACTIONS	46,947	294,959
C.	PROFIT OR LOSS ON ORDINARY ACTIVITIES	387,579	796,925
X.	Extraordinary income	4,327	2,484
XI.	EXTRAORDINARY EXPENSES	38,222	54,865
D.	EXTRAORDINARY PROFIT OR LOSS	(33,895)	(52,381)
E.	PROFIT BEFORE TAX	353,684	744,544
XII.	TAX PAYABLE	23,059	33,362
F.	PROFIT AFTER TAX	330,625	711,182
22.	Profit reserves used for dividends and profit-sharing	305,545	-
23.	Dividends and profit-sharing paid (approved)	636,170	-
G.	PROFIT OR LOSS FOR THE YEAR	-	711,182

Budapest, 7 February, 2014

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Chief Executive Officer

Profit and Loss Statement for the year ended December 31, 2013

Profit or Loss Statement (turnover cost method, in HUF thousands)

	Description	FY 2012	FY 2013
01.	Net domestic sales	11,042,100	10,900,735
02.	Net external sales	873,971	1,064,065
I.	TOTAL SALES (REVENUES)	11,916,071	11,964,800
03.	Prime cost of sales accounted	6,163,987	5,837,279
04.	Original cost of goods sold	446,535	572,975
05.	Value of services sold (intermediated)	1,886,938	1,752,167
II.	DIRECT COSTS OF SALES	8,497,460	8,162,421
III.	GROSS INCOME FROM SALES	3,418,611	3,802,379
06.	Sales and marketing costs	316,841	300,555
07.	Administration costs	2,477,884	2,661,286
08.	Other general overhead	104,743	131,998
IV.	INDIRECT COST OF SALES	2,899,468	3,093,839
V.	OTHER INCOME	28,424	67,122
	including: loss in value marked back	11,460	24,152
VI.	OTHER OPERATING CHARGES	206,935	273,696
	including: loss in value	31,003	52,607
A.	INCOME FROM OPERATIONS	340,632	501,966
13.	Dividends and profit-sharing (received or due)	141,884	205,662
	including: from affiliated undertakings	141,884	205,662
14.	Capital gains on investments	-	-
	including: from affiliated undertakings	-	-
15.	Interest and capital gains on financial investments	-	-
	including: from affiliated undertakings	-	-
16.	Other interest and similar income (received or due)	45,281	32,987
	including: from affiliated undertakings	1,938	1,874
17.	Other income from financial transactions	60,291	36,008
IX.	Income from financial transactions	247,456	274,657
18.	Losses on financial investments	-	-
	including: to affiliated undertakings	-	-
19.	Interest payable and similar charges	26,545	19,827
	including: to affiliated undertakings	16,010	16,494
20.	Losses on shares, securities and bank deposits	68,762	-102,669
21.	Other expenses on financial transactions	105,202	62,540
X.	Expenses on financial transactions	200,509	-20,302
B.	PROFIT OR LOSS ON FINANCIAL TRANSACTIONS	46,947	294,959
C.	PROFIT OR LOSS ON ORDINARY ACTIVITIES	387,579	796,925
XI.	Extraordinary income	4,327	2,484
XII.	EXTRAORDINARY EXPENSES	38,222	54,865
D.	EXTRAORDINARY PROFIT OR LOSS	-33,895	-52,381
E.	PROFIT BEFORE TAX	353,684	744,544
XIII.	TAX PAYABLE	23,059	33,362
F.	PROFIT AFTER TAX	330,625	711,182
22.	Profit reserves used for dividends and profit-sharing	305,545	-
23.	Dividends and profit-sharing paid (approved)	636,170	-
G.	PROFIT OR LOSS FOR THE YEAR	-	711,182

ANY Security Printing company PLC

Supplementary Notes

for the year ended December 31, 2013

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All amounts in HUF thousands unless if otherwise indicated.

2 General information

2.1 General information on the Company

Company name: ANY Security Printing Company Limited by Shares
Abbreviate company name: ANY Plc.

Seat: 1102 Budapest, Halom u. 5.
Premises of the Company: 1106 Budapest, Fátyolka utca 1-3.
3060 Pásztó, Fő utca 141.

Tax registration number: 10793509-2-44
Company registration number: 01-10-042030
Central Statistical Office reg.No:10793509-1812-114-01
Date of Foundation: 3rd October 1992
Share capital of the Company: The Company's share capital is HUF 1,449,875,700, of which HUF 350,000,000 is cash contribution, while HUF 1,099,875,700 is non-cash contribution

Place of publishing the announcements:

The Company publishes its announcements on its website www.any.hu, in the cases as set forth in the regulations, such announcements will be published in the Companies Bulletin. In addition while the registered shares of the Company are traded on the Budapest Stock Exchange (hereinafter: BSE), the Company meets its disclosure requirements in the way as set forth in the regulations of the Budapest Stock Exchange (hereinafter: BSE).

Members of the Board of Directors of the Company:

Dr. Ákos Erdős (chairman)
György Gyergyák (vice-chairman)
Tamás Doffek
Péter Kadocsa
Dr. György Karády
Gábor Zsámboki

All amounts in HUF thousands unless if otherwise indicated.

Members of the Supervisory Board of the Company:

Dr. Tamás Sárközy (chairman)
Dr. Istvánné Gömöri (vice-chairman)
Ferenc Berkesi
Dr. Imre Repa
Dr. János Stumpf
Dr. Erzsébet Novotny

Auditor of the Company: Deloitte Könyvvizsgáló és Tanácsadó Kft. (seat: 1068 Budapest, Dózsa György út 84/c) MKVK registration No.: 000083); registered statutory auditor: Kornél Bodor (MKVK registration number: 005343)

ISIN code of the share series involved in the Stock Exchange Listing of the Company:

Common shares of series "A": HU 0000093257

Name and address of the persons authorized to represent the Company, and to sign the annual report:

Gábor Zsámboki, Chief Executive Officer,
1028 Budapest, Csokonai utca 22.

Name and address of the person responsible for the accounting services:

Tamás Karakó, Chief Financial Officer,
3956 Viss, Ady Endre u. 7.

2.2 The activities and the history of the Company

2.2.1 The activities of the Company

The activities of ANY Security Printing Company are organized around five product groups.

Security forms and solutions include tax stamps, securities, documents of value (food/meal vouchers, other vouchers), stamps, paper-based documents, and the products and security solutions developed by the Document Security Laboratory.

The card production and personalization product group comprises the production and personalization of plastic and paper-based cards, including various card-based documents such as student ID cards, identity cards, driver's licenses, vehicle registration cards, health insurance cards and other card documents as well as bankcards, phone cards, access cards, transportation cards and commercial cards.

All amounts in HUF thousands unless if otherwise indicated.

The business and administrative forms product group is made up of the production of forms and related personalization and data processing works. This category includes business forms, personalized forms, administrative forms, continuous stationery-based products, lottery forms and election forms as well as electronic document management and data processing tasks, such as bulk electronic archiving and contract storage.

The category of traditional printing products consists of the production and sale of hardcover and paperback books, magazines, textbooks, notes, calendars and agendas as well as the manufacturing of information and packaging materials.

The other commercial activities category includes the sale of every product or service that is not related to the core activities of ANY Security Printing Company and cannot be classified into any of the four categories mentioned above. Revenues from transportation services and the sale of (raw) materials are also posted here.

2.2.2 The history of the Company

The predecessor of ANY Security Printing Company, a subsidiary of Vienna-based Staatsdruckerei, was established in Temesvár (currently Timisoara, Romania) in 1851.

ANY Security Printing Company was privatised in 1993, when 70% of its shares were acquired by Láng Kiadó és Holding Rt., and 15.9% was purchased by the Company's employees under an Employee Stock Ownership Plan (ESOP). The remainder of the shares were given to municipalities where the Company's sites were located.

After the sale of the building complex in the Buda Castle District in 1994, the new printing plant – financed by the Company itself – was opened at Halom utca 5. in Budapest's 10th district on 4 October 1994. In the same year ANY Security Printing Company leased the machinery of SZÜV Leporello Nyomda and took over its clients and most of its employees. In the year following the takeover the Company's production portfolio was made up of the dominant business forms, security documents and lottery forms.

In 1997, the shareholders and management of ANY Security Printing Company set a new direction for further development: content provision, information technology and the production of plastic cards. In December 1997, Baring Central European Investments BV carried out a HUF 1.2 billion capital increase in the Company, acquiring a 43% ownership interest. The emergence of the new investor allowed the creation of a completely new business line, the production and personalisation of plastic cards. The capital investment, designed to ensure advanced technology for the new operations, was

All amounts in HUF thousands unless if otherwise indicated.

implemented in the following year at the Company's new premises at Fátyolka street 1-3. in Budapest's 10th district.

ANY Security Printing Company carried out additional developments at its Fátyolka street plant in 2000, creating the conditions for manufacturing chip cards. In 2004 the Company won a HUF 150 million non-refundable grant – in part funded by the European Union – to further improve its chip card production. In 2002 ANY Security Printing also launched its electronic archiving services as a security company that has appropriate data protection, secure processing and safekeeping to offer complex services for partners that place a great emphasis on security.

ANY Security Printing Company and Tipoholding of Romania established a Romania joint venture, Tipo Direct s.r.o. in September 2004. In Bulgaria the Company teamed up with local company Power Solution o.o.d. to set up a joint venture, Direct Services o.o.d. in February 2005. In order to strengthen its regional presence, in April 2005, ANY Security Printing Company took steps to form another two companies: Slovak Direct s.r.o. in Slovakia and Állami Nyomda o.o.o. in Russia which activities were broken up in 2011. ANY Security Printing Company in 20 of January 2011 has purchased the 50 per cent share of ZIPPER Data SRL increasing their market segment in Romania.

ANY Security Printing Company obtained an ISO 9001 quality management certificate in 1997 and an ISO 14001 environmental management certificate in 2001. Since 1999 it has been licensed to produce and personalize Visa and MasterCard bankcards, and since 2006 it has certification to produce EMV bank cards. In 2002 the Company became a certified supplier to NATO. Since 2003 it has been operating in compliance with one of the most comprehensive information protection standards, ISO/IEC 27001.

The ordinary shares of ANY Security Printing Company were listed in Category "A" of the Budapest Stock Exchange (BSE) on 8 December 2005.

All amounts in HUF thousands unless if otherwise indicated.

1. Table: Structure of the Shareholders

Shareholders	Total equity					
	Beginning of period (1 January 2013)			End of period (31 December 2013)		
	% ¹	% ²	Shares	% ¹	% ²	Shares
Domestic institutions	27.79%	28.64%	4,111,120	33.69%	34.73%	4,982,652
Foreign institutions	41.72%	43.02%	6,172,530	17.89%	18.45%	2,647,088
Domestic private individuals	10.77%	11.11%	1,593,820	29.67%	30.60%	4,390,073
Foreign private individuals	0.19%	0.20%	28,649	0.22%	0.23%	33,064
Employees, managing officials	6.84%	7.06%	1,012,623	6.79%	7.00%	1,004,224
Shareholders as part of the state budget	2.88%	2.97%	425,520	2.88%	2.97%	425,520
Other	6.80%	7.00%	1,004,646	5.83%	6.02%	863,187
Own shares	3.01%	0.00%	445,742	3.03%	0.00%	448,842
TOTAL:	100.0%	100.0%	14,794,650	100.0%	100.0%	14,794,650

¹ Ownership interest

² Voting rights that entitle the holder to participate in decision making at the general meeting of the issuer.

According to the share register the voting right of the shareholders listed below is over 5%, and the following groups of investors form the structure of shareholders as at December 31, 2013.

2. Table: Structure of shareholders over 5% share

Name	Voting right (%)	Ownership interest (%)
<i>Shareholders over 5% share</i>		
Dr. Erdős Ákos(*)	11.55%	11.91%
Erdős Tamás	6.76%	6.97%
Pershing LLC	6.35%	6.54%
<i>Other shareholders below 5% share</i>		
Domestic institutions	33.68%	34.73%
Foreign institutions	11.55%	11.91%
Domestic private individuals	11.36%	11.72%
Employees, managing officials	6.79%	7.00%
Other	5.83%	6.02%
Treasury shares	3.03%	0.00%
State investors	2.88%	2.97%
Foreign private individuals	0.22%	0.23%

(*) Dr. Ákos Erdős owns ANY shares directly and indirectly through Fortunarum Kft.

The shares issued by the company are made up of the following:

Series 'A' shares: 14,794,650 pieces of registered, dematerialized ordinary shares with a nominal value of HUF 98 each.

All amounts in HUF thousands unless if otherwise indicated.

AEGON Magyarország Befektetési Alapkezelő Zrt., as portfolio manager authorized with voting right has control all over the ordinary shares of ANY Security Printing Company Plc. owned in the AEGON Group. Therefore AEGON Magyarország Befektetési Alapkezelő Zrt. has cumulated voting right of 19.98%.

According to the decision of the Board of Directors of State Printing Company, Registry Court changed the name of State Printing Company PLC to ANY Security Printing Company PLC with effect from 1st of February, 2013.

2.3 Main parts of the accounting policy

According to the Act of Accounting Section no. 12, paragraph no. 3, ANY Security Printing Company Plc. prepares double-entry bookkeeping. ANY Security Printing Company Plc. meets its reporting obligation by preparing the annual report. The cut-off date of the annual report is December 31, 2013. Balance sheet preparation date is January 15, 2014.

Accounting principle instructions

2% of balance sheet total qualifies as major error for the period. 20% of equity disclosed in the annual report of the last financial year qualifies as error corrupting true and fair view. The principal of prudence and true and fair view dominate the accounting at the Company, these are applied beside the going concern principle, taking into consideration other accounting principles as well.

Revenue recognise

Revenue is recognized at the time goods are dispatched and services rendered by the Group, as this is the point at which the significant risks and rewards of ownership of the goods and services are transferred to the customer.

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Depreciation method

The applied depreciation method is gross value based linear method, calculated from the date of put into use during the useful life of the asset. Depreciation is posted monthly. Useful life is the period under which the Company depreciates the assets on a time basis. Residual value is the expected realizable value of the asset at the end of the useful life based on the existing information at the time of capitalizing the asset.

Applicable useful lives of the Company are:

- Capitalized start-up and restructuring costs 5 years
- Capitalized value of research and development 5 years

All amounts in HUF thousands unless if otherwise indicated.

- Concessions, licenses and similar rights and assets contractual period in case of a limited term contract or 6 years in case of an unlimited term contract
- Intellectual property 3 years
- Land and buildings and rights to immovable 20 years (in case of a building to rent) or 50, 100 years based on the classification of the building
- Plant and machineries, vehicles 2-10 years based on classification
 - o printing machines 6-10 years (based on expected useful life)
 - o computer hardwares 3 years
 - o computer networks 5 years
 - o capitalization on a rented asset based on rental contract
- Other equipment, fixtures and fittings, vehicles 2-7 years based on classification
 - o computer hardwares 3 years
 - o computer networks 5 years
 - o capitalization on a rented asset based on rental contract

By taking advantage of the Act of Accounting Section no. 80, paragraph no. 2, ANY Security Printing Company Plc. records concessions, licenses, similar rights, intellectual properties and tangible assets under purchase value of HUF 100,000 in one amount as depreciation cost at the time of put into use.

Goodwill

Goodwill is accounted in case of an acquisition as the difference between contribution paid for the expected future benefits and the fair value of assets less liabilities if contribution paid is the higher one.

Inventory valuation

Inventories are valued according to the Act of Accounting (paragraph no. 47-51.), decreased by the accounted loss in value and increased by the reversed loss in value. Purchased inventories are disclosed at real purchase price. Self-manufactured stocks are evaluated on direct cost basis supported by prime cost calculation

Write-off receivables / inventories

Write-off on receivables is raised, if - based on the assessment of the information about the debtor at the time of preparing the financial statement – the expected recovering amount of the receivable that is not paid until the day of preparing the financial statement is lower than the book value.

If purchase value or book value of an inventory is constantly and significantly higher than net realizable value at the time of preparing the financial statement, then it is presented at net realizable value (market value) in the financial statement.

All amounts in HUF thousands unless if otherwise indicated.

If historical cost of finished or semi-finished goods is constantly and significantly higher than its expected sales price at the time of preparing the financial statements, then it is also presented at net realizable value (market value) in the financial statements. Value of inventory is decreased by posting write-off on inventories.

Foreign exchange rate applied

In case of revaluation of assets and liabilities denominated in foreign currency, the Company applies uniformly the exchange rate published by the National Bank of Hungary.

Consolidation

Due to the changes in shareholders' structure, ANY Security Printing Company Plc. is obliged to prepare a consolidated annual report of the Group since 2005. When preparing the consolidated annual report, Gyomai Kner Nyomda Zrt., Specimen Zrt., ANYpay Payment Solutions Private Company Limited by Shares 100 per cent owned by Specimen, Technoprogress Kft, Slovak Direct S.R.O., Tipó Direct S.R.L. (Romanian), TipóDirect Serv S.R.L (Moldavian) 100 per cent owned by Romanian TipóDirect, Zipper Data S.R.L. (Romanian, old name was GPV Mail Services S.R.L.) and Direct Services O.O.D. (Bulgarian) and are considered to be subsidiaries, while The consolidated annual report is prepared according to the International Financial Reporting Standards.

2.4 Significant achievements, events in 2013

Net sales revenue amounted to HUF 11,965 million in 2013, out of which export sales totalled HUF 1,064 million. Operating income came to HUF 502 million, an increase of HUF 161 million (47.4%) compared to the previous year. Income before tax was HUF 745 million. Net income after financial operations, extraordinary profit and taxation was HUF 711 million.

Gross profit totalled HUF 3,802 million, which means a 31.8% gross margin. General (SG&A) expenses amounted to HUF 3,094 million in 2013, which equals 25.9% of net sales. Material expenses decreased by 3.5% (HUF 275 million) in 2013, mainly as a result of the products with lower material proportion, and due to the company saving programs.

Personnel expenses totalled HUF 3,293 million, which means a 6.3% growth compared to the base period. The growth of pay raise is due to the wage increases and the performance-related wage increases.

In 2013 dividends received from subsidiaries increase by HUF 64 million, and result of reversal of impairment amount of HUF 103 million, Financial transaction result amounted to HUF 295 million in 2013, indicated an increase of HUF 248 million compared to the last year.

All amounts in HUF thousands unless if otherwise indicated.

Extraordinary loss in 2013 totalled HUF 52 million, because of the amount of donation given caused the increase HUF 18 million.

Income tax expense amounted to HUF 33 million in 2013, which means a raise of HUF 10 million.

Profit after tax came to HUF 711 million, HUF 381 million higher compared to the prior year.

According to the decision of the Board of Directors of State Printing Company, Registry Court changed the name of State Printing Company PLC to ANY Security Printing Company PLC with effect from 1st of February, 2013.

All amounts in HUF thousands unless if otherwise indicated.

2.5 Main information on the investments of the company

3. Table: Subsidiaries and joint ventures based on the financial data of the last known year (in HUF thousands)

Investment	Seat	Year	Owner-ship interest %	Voting right %	Registered capital	Reserves	Profit for 2013	Total Equity	Qualification based on HAL
Gyomai Kner Nyomda Zrt.	Gyomaendrőd	2013	98.98%	98.98%	200,000	413,322	206,505	819,827	Subsidiary
Specimen Papír és Nyomdaipari Zrt.	Budapest	2013	100.00%	100.00%	100,000	43,260	396	143,656	Subsidiary
Technoprogress Kft	Budapest	2013	100.00%	100.00%	5,000	10,372	227	15,599	Subsidiary
Slovak Direct Kft.	Bratislava	2013	100.00%	100.00%	19,000	15,285	20,555	54,840	Subsidiary
Tipo Direct Kft.	Budapest	2013	50.00%	50.00%	31,555	143,836	43,271	218,662	Subsidiary
Zipper Data S.r.l.	Cluj-Napoca	2013	50.00%	50.00%	104,971	163,256	38,720	306,947	Subsidiary
Direct Services Kft.	Sofia	2013	50.00%	50.00%	86,498	205,863	103,935	396,296	Subsidiary
ANYPay Zrt.(*)	Budapest	2013	100.00%	100.00%	50,000	-	211	50,211	Subsidiary

* Specimen Zrt. has been consolidated as 100% subsidiary since 1st June, 2013

According to the co-operational agreements, ANY Security Printing Company PLC, governs and controls the joint-ventures (TipoDirect S.R.L. and Direct Services O.O.D.) from 1st January 2009 in the consolidation as 100% subsidiaries hereafter.

ANY Security Printing Company PLC purchased a 50 per cent share in Romanian Zipper Data S.R.L. in January 20, 2011.

Based on the agreement with the co-partners, it has been consolidated as a 100 per cent subsidiary in the Consolidation of the Group.

ANYPay Payment Solutions Plc has been founded with HUF 50 million registered capital, owned 100 per cent by Specimen Zrt in November 21, 2013. The company has been consolidated since the foundation.

All amounts in HUF thousands unless if otherwise indicated.

3 Explanations for the balance sheet items

3.1 Intangible assets

4. Table: Movement table of intangible assets

Description	January 1, 2013	Increase	Capitalization	Decrease	December 31, 2013
Capitalized start-up and restructuring costs	54,053	-	-	-	54,053
Capitalized value of research and development	209,843	-	-	-	209,843
Not capitalized value of research and development	-	-	-	-	-
Concessions, licenses and similar rights and assets	396,203	-	108,145	-	504,348
Not capitalized concessions, licenses and similar rights and assets	-	12,329	-	-	12,329
Intellectual property	522,026	-	122,237	322	643,941
Not capitalized intellectual property	314	122,096	(122,237)	-	173
Goodwill	296,124	-	-	-	296,124
GROSS VALUE	1,478,563	134,425	108,145	322	1,720,811
Capitalized start-up and restructuring costs	54,053	-	-	-	54,053
Capitalized value of research and development	130,246	19,494	-	-	149,740
Concessions, licenses and similar rights and assets	223,744	50,546	-	-	274,290
Intellectual property	391,428	45,653	-	322	436,759
ACCUMULATED DEPRECIATION	799,471	115,693	-	322	914,842
NET VALUE	679,092	18,732	108,145	-	805,969

In the business year ANY Security Printing Company capitalised software acquisition context in chipcard personalization, and software development in field of mobil payment solutions.

In 2013 impairment loss has not been accounted on intangible assets.

All amounts in HUF thousands unless if otherwise indicated.

3.2 Tangible assets

5. Table: Movement table of tangible assets

Description	January 1, 2013	Capitalization	Increase	Decrease	December 31, 2013
Land and buildings and rights to immovable	339,297	17,000	-	-	356,297
Plant and machinery, vehicles	6,765,985	155,268	1,398	173,022	6,749,629
Other equipment, fixtures and fittings, vehicles	1,180,289	97,983	-	10,064	1,268,208
Assets in course of construction	1,800	(270,251)	272,479	-	4,028
Payment on account	7,142	-	326,854	200,996	133,000
GROSS VALUE	8,294,513	-	600,731	384,082	8,511,162
Land and buildings and rights to immovable	70,669	-	20,738	-	91,407
Plant and machinery, vehicles	5,245,350	-	380,267	168,924	5,456,693
Other equipment, fixtures and fittings, vehicles	904,760	-	101,534	8,359	997,935
ACCUMULATED DEPRECIATION	6,220,779	-	502,539	177,283	6,546,035
NET VALUE	2,073,734	-	98,192	206,799	1,965,127

Gross value of fixed assets increased by 2.6%, while net value decreased by HUF 108,607 thousand because the depreciation was higher than purchases.

Increase of gross value derives mainly from upgrading the card manufacturing plant equipments.

HUF 9 thousand was directly sold from assets in course of construction, without any capitalisation.

3.3 Financial assets

6. Table: Movement table of financial assets

Description	January 1, 2013	Increase	Decrease	December 31, 2013
Long-term participations in affiliated undertakings	759,814	18,813	0	778,627
Other long-term loans	10,906	0	1,272	9,634
GROSS VALUE	770,720	18,813	1,272	788,261
Long-term participations in affiliated undertakings	29,328	-	-	29,328
LOSS IN VALUE	29,328	-	-	29,328
NET VALUE	741,392	18,813	1,272	758,933

Foreign exchange gain of the investments denominated in foreign currency is amounted to HUF 4,274 thousand.

All amounts in HUF thousands unless if otherwise indicated.

The amount of investments increased by HUF 14,539 thousands due to the signed agreement (22nd May, 2013) based on which ANY Security Printing Company Plc has become the only shareholder in Specimen Zrt.

Long term flat-loans given to employees are represented on the line of other long term loans.

7. Table: Differences in purchase and nominal value of investments

Description	December 31, 2013	Investments'	
	net book value	purchase value	nominal value
Gyomai Kner Nyomda Zrt.	359,596	359,596	197,950
Specimen Zrt.	151,052	180,380	100,000
Slovak Direct S.r.o. (Slovakian)	18,992	12,569	12,569
Tipo Direct S.r.l. (Romanian)	15,784	14,725	14,725
Direct Services O.o.d. (Bulgarian)	43,266	37,521	37,521
Technoprogress Kft	4,491	25,000	5,000
Zipper Data S.r.l. (Romanian)	156,118	420,234	144,619
Total:	749,299	1,050,025	512,384

According to the equity valuation of the investments, the net book value of the investments is not higher than the fair market value of them, so the company did not account any loss in value in 2013 on the investments.

The difference between net book value and purchase value derives from the year end revaluation of investments denominated in foreign currency beside loss in value posted in the previous years. Goodwill connected to purchase of Zipper Data S.R.L. amounted to HUF 275,615 thousand.

3.4 Inventories

8. Table: Inventories

Description	December 31, 2012	December 31, 2013	Change	Change %
Raw materials and consumables	655,673	890,338	234,665	35.79%
Work in progress, intermediate and semi-finished products	229,175	336,392	107,217	46.78%
Finished products	285,372	287,620	2,248	0.79%
Goods for resale	62,204	50,379	(11,825)	-19.01%
Advances and prepayments on inventories	-	10,805	10,805	-
Total:	1,232,424	1,575,534	343,110	27.84%

Inventories amounted to HUF 1,576 million, which increased of HUF 343 million (27.84%) compared to the 31 December 2012 figure.

All amounts in HUF thousands unless if otherwise indicated.

In the inventories the amount of raw materials and consumables increased by HUF 235 million (35.79%) compared to the prior period. It was caused by the parent company's material needs of running projects, which material needs have been purchased before balance sheet date. Further increase was in the amount of work in progress, within this the amount of semi-finished product because of the security products.

9. Table: Loss in value for inventories

Description	December 31, 2012	Increase	Decrease	December 31, 2013
Raw materials and consumables	76,979	-	11,115	65,864
Finished products	1,959	50,456	1,960	50,455
Goods for resale	2,802	-	1,784	1,018
Total:	81,740	50,456	14,859	117,337

The loss in value of inventories increased by HUF 35,597 million compared to the previous period in total (HUF 14,859 thousand loss in value was expensed, while HUF 50,456 thousand was reversed).

3.5 Receivables

10. Table: Receivables

Description	December 31, 2012	December 31, 2013	Change	Change %
Receivables (trade debtors)	1,467,865	1,505,889	38,024	2.59%
- domestic debtors	1,400,894	1,118,195	(282,699)	-20.18%
- foreign debtors	91,625	405,197	313,572	342.23%
- write-off receivables	(24,654)	(17,503)	7,151	-29.01%
Receivables from affiliated undertakings	160,630	154,625	(6,005)	-3.74%
- subsidiary with direct control	160,630	154,625	(6,005)	-3.74%
Other receivables	147,280	116,853	(30,427)	-20.66%
Tax receivables	36,433	18,255	(18,178)	-49.89%
Receivables from employees	9,872	7,015	(2,857)	-28.94%
Advances given to services	-	5,815	5,815	-
Money given for short term period	96,666	80,623	(16,043)	-16.60%
Debit balance creditors	302	-	(302)	-100.00%
Other	4,007	5,145	1,138	28.40%
Total:	1,775,775	1,777,367	1,592	0.09%

The change in other receivables year-on-year was mainly caused by the drop in tax receivables and the increase in money given for short term period.

All amounts in HUF thousands unless if otherwise indicated.

11. Table: Loss in value for receivables

Description	December 31, 2012	Increase	Decrease	December 31, 2013
Loss in value for receivables	24,654	2,142	9,293	17,503

3.6 Securities

12. Table: Securities

Description	January 1, 2013	Increase	Decrease	December 31, 2013
Own shares and own partnership shares	453,565	1,483	-	455,048
GROSS VALUE	453,565	1,483	-	455,048
Own shares and own partnership shares	256,993	-	102,669	154,324
LOSS IN VALUE	256,993	-	102,669	154,324
Own shares and own partnership shares	196,572	1,483	(102,669)	300,724
NET VALUE	196,572	1,483	(102,669)	300,724

ANY Security Printing Company Plc. states its repurchased treasury shares at a value which equals to the stock exchange rate at the date of making the balance sheet. It was resulted that amount of HUF 102,669 thousand reserved impairment. The HUF 154,324 thousand depreciation of treasury shares purchased over one year is justified by the lasting difference between the booked value and the market price.

13. Table: Repurchased treasury shares

Description	Shares	Nominal value	Purchase value
December 31, 2012	445,742	43,683	453,565
Purchase on Budapest Stock Exchange	3,100	304	1,483
December 31, 2013	448,842	43,987	455,048

3.7 Prepayments and accrued income

14. Table: Prepayments and accrued income

Description	December 31, 2012	December 31, 2013	Change	Change %
Accrued income	22,494	24,893	2,399	10.67%
- Interest	22,351	24,893	2,542	11.37%
- Other	143	-	(143)	-
Accrued costs, expenses	21,415	14,561	(6,854)	-32.01%
- Licence fee of software's	3,110	4,425	1,315	42.28%
- Accrued expense of printing plate	10,679	4,576	(6,103)	-57.15%
- Other	7,626	5,560	(2,066)	-27.09%
Deferred expenses	-	-	-	-
Total	43,909	39,454	(4,455)	-10.15%

All amounts in HUF thousands unless if otherwise indicated.

The drop in prepayments and accrued income in the current year is caused by the decrease in accrued cost of printing plate.

3.8 Equity

15. Table: Equity movement table

Description	Share capital	Capital reserve	Accumulated profit reserve	Tied-up reserve	Profit or loss for the year
Value as at December 31, 2012	1,449,876	250,686	2,382,876	956,140	0
Increase	-	-	224,543	404,152	711,182
- reversal of development reserve	-	-	-	300,000	-
- creating development reserve	-	-	205,049	-	-
- loss in value on purchase of treasury shares	-	-	-	104,152	-
- raised for research and development costs	-	-	19,494	-	-
- current year profit	-	-	-	-	711,182
Decrease	-	-	404,152	224,543	-
- creating development reserve	-	-	300,000	0	-
- reversal of development reserve	-	-	-	205,049	-
- profit reserves used for dividends	-	-	-	19,494	-
- loss in value on purchase of treasury shares	-	-	104,152	-	-
Value as at December 31, 2013	1,449,876	250,686	2,203,267	1,135,749	711,182

16. Table: Changes in tied-up reserve

Description	December 31, 2012	December 31, 2013	Change	Change %
Net capitalized value of research and development	79,597	60,103	(19,494)	-24.5%
Repurchased treasury shares	196,572	300,724	104,152	53.0%
Development reserve	679,971	774,922	94,951	14.0%
Total tied-up reserve:	956,140	1,135,749	179,609	18.8%

Due to the changes in the value of research and development and the accounted depreciation, reserve was decreased by HUF 19 million. The Company took the opportunity ensured by the Corporate Tax Law and made HUF 300 million development reserve in the current year. Amounts equal to the change of purchased treasury shares and write-off accounted in the current year were reversed from restricted reserve, which increased by HUF 104 million compared to December 31, 2012.

All amounts in HUF thousands unless if otherwise indicated.

3.9 Provisions

The Company has no provision.

3.10 Subordinated liabilities

The Company has no subordinated liabilities.

3.11 Long term liabilities

17. Table: Long term liabilities

Description	Value
	In HUF thousands
Long term liabilities as at December 31, 2012	55,525
Payment of leasing liabilities	-55,525
Long term liabilities as at December 31, 2013	-

The Company modernized its production equipment partly in leasing construction; this balance sheet line includes that part of the liability which is due after a year. The Company had HUF 55,5 million leasing liabilities at the end of 2013. The long and short term part of leasing liabilities was reclassified.

3.12 Short term liabilities

18. Table: Short term liabilities

Description	December 31, 2012	December 31, 2013	Change	Change %
Short-term loans	-	-	-	-
Other short-term credits	-	-	-	-
Advances received from customers	25,845	9,387	(16,458)	-63.68%
Accounts payable (trade creditors)	1,294,866	1,228,078	(66,788)	-5.16%
- domestic creditors	996,414	1,011,186	14,772	1.48%
- foreign creditors	298,452	216,892	(81,560)	-27.33%
Short-term liabilities to affiliated undertakings	220,130	302,063	81,933	37.22%
- Subsidiary with majority control	220,130	302,063	81,933	37.22%
Other short-term liabilities	1,284,640	451,902	(832,738)	-64.82%
- tax liability	318,243	262,982	(55,261)	-17.36%
- liability against employees	159,792	110,763	(49,029)	-30.68%
- other receivables reclassified	92	33	(59)	-64.13%
- short term part of leasing liability	159,398	55,525	(103,873)	-65.17%
- dividend approved	643,690	-	(643,690)	-100.00%
- VAT on next year	-	17,463	17,463	-
- other liabilities	3,425	5,136	1,711	49.96%
Total:	2,825,481	1,991,430	(834,051)	-29.52%

All amounts in HUF thousands unless if otherwise indicated.

According to the agreements with account holder banks, the Company from HUF 3,000 million credit limit has not been called down.

Accounts payable totalled HUF 1,228 million, a decrease of 5.16% compared to the end of 2012.

Other short term liabilities decreased by HUF 833 million because of the payment of the dividend for year of 2012 and the decreasing in leasing liabilities.

3.13 Accruals and deferred income

19. Table: Accruals and deferred income

Description	December 31, 2012	December 31, 2013	Change	Change %
Deferred income	23,613	-	(23,613)	-
- deferred income, based on contractual obligation	23,613	-	(23,613)	-
Deferred costs, expenses	49,520	242,254	192,734	389.20%
- Commission and its contributions	12,182	226,112	213,930	1756.12%
- Bank interests	4,536	6,275	1,739	38.34%
- Trade creditors' invoices	32,802	9,867	(22,935)	-69.92%
Accrued income	9,310	6,826	(2,484)	-26.68%
- R&D subsidy	9,310	6,826	(2,484)	-26.68%
Total:	82,443	249,080	166,637	202.12%

The Company won HUF 67 million research and development subsidy in 2009, which accounting settlement finished in December 31, 2010, financial settlement in December 31, 2011. The accruals will be released in the ratio of depreciation charged.

The release of accrued income is in proportion with the depreciation.

The significant increase of the accruals is mainly due to the premium, the commission and the amount of contributions.

All amounts in HUF thousands unless if otherwise indicated.

4 Explanations to the profit or loss statement

4.1 Ordinary revenues

20. Table: Sales of different segments

Description	FY 2012	FY 2013
Security forms and solutions	6,298,707	5,976,535
Card production and personalization	3,673,853	3,846,937
Business and administrative forms, personalization, data processing	1,335,430	1,358,541
Traditional printing products	70,796	70,807
Other	537,285	711,980
Total:	11,916,071	11,964,800

21. Table: Sales revenue from related parties

Description	FY 2012	FY 2013	Change	Change %
Related party				
Gyomai Kner Nyomda Zrt	26,628	35,848	9,220	34.63%
Specimen Zrt.	14,935	20,145	5,210	34.88%
Tipo Direct S.R.L.	11,216	11,212	-4	-0.04%
Slovak Direct S.R.O.	160,683	148,419	-12,264	-7.63%
Technoprogress Kft	68,213	80,752	12,539	18.38%
Direct Services O.O.D.	47,814	52,742	4,928	10.31%
Tipo Direct Moldova S.R.L.	1,840	0	-1,840	-100.00%
Zipper Data S.R.L.	957	476	-481	-50.26%
ANYPay Zrt	0	161	161	-
Total:	332,286	349,755	17,469	5.26%

The Company increased its sales revenue to the related parties by 5.26%. Other significant financial or extraordinary revenue was not posted against these companies.

Costs and expenses against related parties amounted to HUF 350 million altogether.

All amounts in HUF thousands unless if otherwise indicated.

22. Table: Sales of different regional markets

Description	Value in HUF thousands 2012	Value in HUF thousands 2013
Domestic sales	11,042,100	10,900,735
Sales within the EU	669,557	856,581
Romania	238,480	321,171
Bulgaria	86,195	177,503
Slovakia	166,510	173,042
Czech Republic	117,399	115,091
Germany	7,028	28,608
Austria	15,857	16,525
Poland	8,868	15,302
Slovenia	4,911	7,954
Italy	608	803
Luxemburg	0	565
Spain	0	17
Belgium	23,649	0
Portugal	52	0
Export outside the EU	204,414	207,484
Africa	46,848	122,160
Albania	54,570	72,207
Island	0	8,149
Mexico	0	2,269
Switzerland	4,092	2,006
Serbia	628	693
Israel	95,957	0
Moldova	1,411	0
Croatia	761	0
Jersey-islands	80	0
USA	67	0
Total:	11,916,071	11,964,800

All amounts in HUF thousands unless if otherwise indicated.

23. Table: Other income

Description	FY 2012	FY 2013	Change	Change %
Other income:				
- reversed loss in value - inventories	4,928	14,859	9,931	201.52%
- prior years dividend differences	-	11,747	11,747	-
- revenue from sales of fixed assets	9,831	10,930	1,099	11.18%
- reversed loss in value - trade receivables	6,532	9,293	2,761	42.27%
- stock take differences	-	7,504	7,504	-
- rebate received	2,235	6,083	3,848	172.17%
- other not classified	2,731	4,346	1,615	59.14%
- default interest received	1,718	2,298	580	33.76%
- income from settlement of damages	449	62	(387)	-86.19%
Total:	28,424	67,122	38,698	136.15%

Increase in other revenues is mainly driven by the reversal of impairment and the dividend payment.

24. Table: Cost of services sold

Description	FY 2012	FY 2013	Change	Change %
- delivery cost	66,031	48,640	-17,391	-26.34%
- rental fee	366,547	356,569	(9,978)	-2.72%
- repair, maintenance cost	252,935	200,357	(52,578)	-20.79%
- telecommunication cost	70,140	62,893	(7,247)	-10.33%
- audit, legal and other security cost	103,481	121,940	18,459	17.84%
- marketing and other consulting , services	148,480	135,641	(12,839)	-8.65%
- utilities	49,134	48,312	(822)	-1.67%
- other	157,619	150,474	(7,145)	-4.53%
Total	1,214,367	1,124,826	(89,541)	-7.37%

4.2 Ordinary costs

25. Table: Other expenditures

Description	FY 2012	FY 2013	Change	Change %
Other expenditures:				
- local operational tax	125,269	127,189	1,920	1.53%
- inventory scrap, loss in value	37,909	97,876	59,967	158.19%
- taxes (without local operational tax)	23,899	27,142	3,243	13.57%
- late payment interest	2,357	12,454	10,097	428.38%
- book value of assets sold	5,791	4,405	(1,386)	-23.93%
- write-off bad debts	600	2,474	1,874	312.33%
- write-off receivables	8,604	2,142	(6,462)	-75.09%
-impairment loss	1,662	9	(1,653)	-99.46%
- other	844	5	(839)	-99.41%
Total:	206,935	273,696	66,761	32.26%

All amounts in HUF thousands unless if otherwise indicated.

Other expenditures increased by HUF 67 million, mainly due to the change in the amount of inventory waste and impairment.

4.3 Extraordinary profit

26. Table: Extraordinary profit

Description	FY 2012	FY 2013	Change	Change %
Extraordinary income:				
- subsidy for development	2,484	2,484	-	0.00%
- elapsed liability	625	-	(625)	
- government subsidy for human resources	1,218	-	(1,218)	-
Total:	4,327	2,484	(1,843)	-42.59%
Extraordinary expenditure:				
- donation given	38,181	53,546	15,365	40.24%
- other	41	1,319	1,278	3117.07%
Total:	38,222	54,865	16,643	43.54%
Extraordinary profit or (loss)	(33,895)	(52,381)	(18,486)	54.54%

The accrued income of EU subsidy (for development purposes) is reversed in proportion of the depreciation charged on the assets as extraordinary revenue.

All amounts in HUF thousands unless if otherwise indicated.

4.4 Corporate income tax

27. Table: Corporate tax base modifying items

Description	FY 2012	FY 2013
Profit before tax:	353,684	744,544
depreciation according to accounting law	622,508	618,223
loss in value for receivables	-	2,142
non certificated part of donation given	30,000	30,316
write off assets according to accountig law	5,790	4,405
other	460	1,149
Tax base increasing items total:	658,758	656,235
depreciation according to tax law	408,222	353,793
creation of development reserve	175,000	300,000
dividend received	141,884	205,662
subsidies received without repayment obligation	2,464	2,484
write-off receivables, decrease according to accounting law	5,592	9,293
current year costs of research and development	40,106	48,463
other	8,584	7,008
Tax base decreasing items total:	781,852	926,703
Tax base:	230,590	474,076
- calculated tax	23,059	47,408
- corporate tax allowances	-	(15,000)
- correction related to previous years	-	954
Profit after tax:	330,625	711,182
Dividend paid from accumulated profit reserve	305,545	-
Approved dividend	636,170	-
Profit or (loss) for the year:	0	711,182

All amounts in HUF thousands unless if otherwise indicated.

5 Supplementary information

For the sake of a more complete valuation of the annual report we give the following supplement:

5.1 Research and development

The company has two significant R&D areas:

1. R&D projects realised in the Document Security Laboratory. Among these projects, nanotechnology research is of key importance which technology when used is security inks will contribute to drawing back to counterfeiting and the fight against black economy.
2. The development of different products has a significant role related to new tenders.

The applied research and research and development incurred in the current year amounted to is HUF 48,463 thousands in the current year.

5.2 Environment protection

The company has ISO 14001:2004 Environmental Control System certificate audited by Det-Norske Veritas. The expiry date of the certification is January 11, 2016. The environmental certificate covers the following fields: printed products, security products, documents, development, production and personalization of plastic cards and bankcards. Research and development and production of security materials. Electronic reprocessing and delivering of printed forms. Chip embedding and encoding at smart cards. Research and development of traditional/general and mobile information technology solutions, operation and support of connected services. Electronic archiving of data, data processing, database management, setting up archives, storing of documents for fee.

Dangerous waste is continuously eliminated after leaving the company sites. In 2013, 29,031 kg dangerous waste was transported and eliminated.

5.3 Personal type of expenditures and headcounts

28. Table: Average statistical number of full time employees

Number of employees	FY 2012	FY 2013
Physical employees	334	303
Intellectual employees	157	161
Total number of employees:	491	464

All amounts in HUF thousands unless if otherwise indicated.

29. Table: Payroll costs

Description	FY 2012	FY 2013
Wages and salaries of non-physical employees	1,129,724	1,337,336
Wages and salaries of physical employees	959,243	917,151
Other wages and salaries	152,387	106,242
Total salaries and wages	2,241,354	2,360,729

30. Table: Other personal type expenditures, contributions

Description	FY 2012	FY 2013
- cost reimbursement	99,266	160,140
- other	49,876	42,846
- social	28,572	29,143
- motivational	18,127	19,114
Total other personal type expenditures	195,841	251,243
Social security contributions	606,282	623,089
<i>Other contributions:</i>		
- vocational contribution	20,667	35,912
- rehabilitation contribution	34,170	21,026
- START (Entrants') contribution	467	525
Total contributions:	661,586	680,552

31. Table: Fees paid related to managing the Company

Description	FY 2012	FY 2013
Fees paid to the Members of the Board of Directors	8,160	8,160
Fees paid to the Members of Supervisory Board	9,912	9,912

The audit fee paid for the audit of the 2013 financial statements amounted to HUF 8,000 thousands while the auditing fee of the consolidation of our Romanian subsidiaries was EURO 8,000.

5.4 Liabilities due over 5 years

The Company has no liabilities due over 5 years.

All amounts in HUF thousands unless if otherwise indicated.

5.5 Details of listed shares

32. Table: Structure of shares

Number Mark	Description	Number of shares	Nominal value (HUF)	Amount (in HUF thousands)
A	Shares traded on the Budapest Stock Exchange	14,794,650	98	1,449,876
TOTAL		14,794,650		1,449,876

The Company's total equity was HUF 1,449,876 thousands on 31 December 2013 which consists of 14,794,650 pieces of series 'A' registered, dematerialized ordinary shares with a nominal value of HUF 98 each.

33. Table: Voting rights

Share series	No. of issued pieces	No. of treasury shares	Shares with voting rights	Voting right per share	Total voting rights
Series 'A'	14,794,650	448,842	14,345,808	1	14,345,808
Total	14,794,650	448,842	14,345,808	1	14,345,808

5.6 Out of balance sheet items

34. Table: Out of balance sheet items

Description		Value
Nemzeti Adó- és Vámhivatal Központi Hivatala (*)	HUF	1,157,168,682
Nemzeti Választási Iroda (**)	HUF	683,335,180
Közigazgatási és Elektronikus Közszolgáltatások Központi Hiv.	HUF	10,725,750
Nemzeti Adó- és Vámhivatal	HUF	6,456,000
NISZ Nemzeti Infokommunikációs Szolgáltató	HUF	5,000,000
Magyar Posta Zrt.	HUF	4,742,000
Bevándorlási és Állampolgársági Hivatal	HUF	3,189,870
Bevándorlási és Állampolgársági Hivatal	HUF	2,027,700
Bevándorlási és Állampolgársági Hivatal	HUF	1,828,170
Bevándorlási és Állampolgársági Hivatal	HUF	1,263,600
Bevándorlási és Állampolgársági Hivatal	HUF	477,540
Bevándorlási és Állampolgársági Hivatal	HUF	184,059
Ministerstvo Vnútra Slovenskej Republiky	EUR	200,000
Financné riaditeľ' stvo Slovenskej republiky	EUR	30,000
Guarantee in HUF	HUF	1,876,398,551
Guarantee in EUR	EUR	230,000

(*) Force from 1 January, 2014.

(**) Force from 3 January, 2014.

All amounts in HUF thousands unless if otherwise indicated.

5.7 Cash-flow

35. Table: Cash-flow

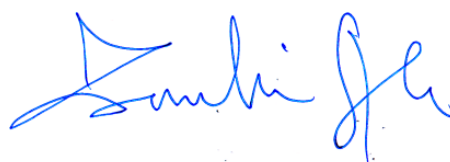
	In HUF thousands	FY 2012	FY 2013	Change %
	Profit before tax	353,684	744,544	110.50%
	- Dividend	(141,884)	-205,662	-45.00%
	- Acquiring / transmitting assets with no refund	-	0	-
	- Other income of development reserve	(9,310)	-6,826	26.70%
	- Exchange rate difference	16,102	-4,274	-126.50%
1.	Adjusted profit before tax	218,592	527,782	141.40%
2.	Accounted depreciation	622,508	618,223	-0.70%
3.	Accounted loss in value	88,305	-74,214	-184.00%
4.	Difference between formation and utilization of provisions	-	0	-
5.	Fixed assets sold	(4,040)	-6,525	-61.50%
6.	Variation in accounts payable (trade creditors)	138,435	-66,788	-148.20%
7.	Variation in other short-term liabilities	164,746	-748,390	-554.30%
8.	Variation in accrued and deferred liabilities	48,074	173,463	260.80%
9.	Variation in trade debtors	1,078,853	-24,868	-102.30%
10.	Variation in current assets (w/o trade debtors and liquid	(51,661)	-348,491	-574.60%
11.	Variation in accrued and deferred assets	26,583	4,455	-83.20%
12.	Tax paid or payable (on profit)	(23,059)	-33,362	-44.70%
13.	Dividend paid or payable	(631,878)	0	-
I.	OPERATION CASH-FLOW:	1,675,458	21,285	-98.70%
14.	Purchase of fixed assets	(528,067)	(655,446)	-24.10%
15.	Sale of fixed assets	9,831	10,930	11.20%
16.	Dividend received	141,884	205,662	45.00%
II.	INVESTMENT CASH-FLOW:	(376,352)	(438,854)	-16.60%
17.	Receipts from shares issue (capital influx)	-	-	-
18.	Receipts from the issue of bonds and securities signifying	-	-	-
19.	Loans and credits taken	65,000	85,000	30.80%
20.	Repayment, termination or redemption of long-term loans	-	-	-
21.	Non-repayable assets received	-	-	-
22.	Purchase of treasury shares	-	-	-
23.	Redeemed bonds and securities signifying a creditor	-	-	-
24.	Loan instalment payments	-	-	-
25.	Long-term loans and bank deposits	(244)	-	100.00%
26.	Non-repayable assets transferred	-	-	-
27.	Variation in liabilities due to founders and in other long-	-	-	-
28.	Cash paid for leasing liability	(164,518)	(159,398)	3.10%
III.	FINANCIAL CASH-FLOW:	(99,762)	(74,398)	25.40%
IV	VARIATION OF FINANCIAL ASSETS:	1,199,344	-491,967	-141.00%
	Cash and equivalents at the beginning of the period	60,785	1,260,129	1973.10%
	Cash and equivalents at the end of the period	1,260,129	768,162	-39.00%

All amounts in HUF thousands unless if otherwise indicated.

5.8 Financial indices

36. Table: Liquidity, financial and other efficiency indices

Description		FY 2012	FY 2013	Change %
A	Current assets	4,464,900	4,421,787	-0.97%
B	Inventories	1,232,424	1,575,534	27.84%
C	Trade receivables	1,467,865	1,505,889	2.59%
D	Cash and equivalents	1,260,129	768,162	-39.04%
E	Equity	5,039,578	5,750,760	14.11%
F	Short term liabilities	2,825,481	1,991,430	-29.52%
G	Trade creditors	1,294,866	1,228,078	-5.16%
H	Total equity and liabilities	8,003,027	7,991,270	-0.15%
I	Net sales	11,916,071	11,964,800	0.41%
J	Material type expenditures	7,881,718	7,606,565	-3.49%
K	Operating (trading) profit	340,632	501,966	47.36%
L	Average statistical number of employees	491	464	-5.50%
Liquidity indices:				
Short term liquidity I.: (A / F)		1.58	2.22	40.51%
Short term liquidity II.: ((A – B) / F)		1.14	1.43	25.44%
Quick ratio: (D / F)		0.45	0.39	-13.33%
Dynamic liquidity: (K / F)		0.12	0.25	108.33%
Financial indices:				
Debtors day: ((C _{Current} + C _{Prior}) / 2 * (365 / I))		62	45	-27.42%
Creditors day: ((G _{Current} + G _{Prior}) / 2 * (365 / J))		57	61	7.02%
Other efficiency indices:				
Return on net sales: (K / I)		2.86%	4.20%	46.85%
Return on equity (K / E)		6.76%	8.73%	29.14%
Net sales headcount ratio (in HUF '000/person): (I / L)		24,269	25,786	6.25%



Budapest, 7 February, 2013

.....
Chief Executive Officer

ANY Security Printing Company PLC

Business report

for the year ended December 31, 2013

Analysis of the FY 2013 achievement of the Company

Net sales revenue of ANY Security Printing Company Plc amounted to HUF 11,965 million in 2013, of which export sales totalled HUF 1,064 million. Operating income came to HUF 502 million, an increase of HUF 161 million (47.4%) compared to the previous year. Income before tax was HUF 745 million while EBITDA amounted to HUF 1,120 million. Net income after financial operations, extraordinary profit and taxation was HUF 711 million.

Analysis of profit and loss statement

The breakdown of net sales by segment is presented in the table below:

Table 1: Net sales by segments

Sales segments	FY 2012 in HUF millions	FY 2013 in HUF millions	Change in HUF millions	Change %
Security products and solutions	6,299	5,976	(323)	-5.13%
Card production and personalization	3,674	3,847	173	4.71%
Form production and personalization, data processing	1,335	1,359	24	1.80%
Traditional printing products	71	71	-	0.00%
Other	537	712	175	32.59%
Total net sales	11,916	11,965	49	0.41%

Security Printing Company Plc. had net sales of HUF 11,965 million in 2013, increase of 0.41% (HUF 49 million) compared to prior year figure.

Sales of security products and solutions income is HUF 5,976 million in 2013 which means a year-on-year decrease HUF 323 million (5.13%). The reason for this change was mainly due to the decrease of sales revenue from tax stamps.

The Company's revenues from card production and personalization totalled HUF 3,847 million in 2013, a HUF 173 million (4.71%) increase compared to the previous year. The year-on-year increase was mainly result of the increase of sales in card higher value added card products.

The Company's revenues from form production, personalization and data processing came to HUF 1,359 million in 2013, a HUF 24 million (1.80%) increase compared to 2012.

Sales of traditional printing products amounted to HUF 71 million in 2013, which as the same value as the basic.

Other sales totalled HUF 712 million in 2013, which increased by HUF 175 million (32.59%) year-on-year. This segment mainly comprises revenues from the sale of commercial materials and goods.

Operating income came to HUF 502 million, higher with HUF 161 million (47.4%) compared to the previous year.

Gross profit totalled HUF 3,802 million, which means a 31.8% gross margin. General (SG&A) expenses amounted to HUF 3,094 million in 2013, which equals 25.9% of net sales.

Material type expenditures decreased by 3.5% (HUF 275 million) in 2013 due to the lower turnover of material intensive products and to the effect of the cost saving programme.

Personnel expenses totalled HUF 3,293 million, which means a 6.3% growth compared to the base period. The growth of pay raise is due to the wage increases and the performance-related wage increases.

Headcount of full time employees in ANY Security Printing Company Plc. was 464 people at the end of 2013, while it amounted to 491 persons at the end of 2012, which means a 27 person (5.5%) decrease compared to the previous year.

EBITDA amounted to HUF 1,120 million due to increase of profit financial transactions and income from operations, which means an increase of HUF 157 million (16.3%) compared to 2012. According to this EBITDA margin amounts to 9.4%.

In 2013 dividends received from subsidiaries increase by HUF 64 million, and result of reversal of impairment amount of HUF 103 million, Financial transaction result amounted to HUF 295 million in 2013, indicated an increase of HUF 248 million compared to the last year.

Extraordinary result in 2013 amounted to HUF -52 million, because of the amount of donation given caused the increase HUF 18 million.

Corporate tax came to HUF 33 million in 2013, which means a raise of HUF 10 million.

Profit after tax was HUF 711 million, which means an increase of HUF 381 million (115.1%) compared to 2012.

Balance sheet analysis

The Company had total assets of HUF 7,991million at the end of 2013, which means an increase of 0.2% (HUF 12 million) compared to a year ago. The reason for this change was mainly the increase in amount of inventories with HUF 343 million, and value of securities with HUF 104 million, and decrease in amount of cash with HUF 492 million.

Fixed assets totalled HUF 5,530 million at the end of 2013, which is higher than the prior year figure by HUF 36 million (1.0%). The change was mainly caused by tangible assets decreased HUF 109 million and intangible increased HUF 127 million HUF.

Current assets amounted to 4,422 million at the end of December 2013, a decrease of HUF 43 million (0.1%) compared to the corresponding period of last year.

Shareholder's equity was HUF 5,751 million, it changed by the current year profit (HUF 711 million).

Long term liabilities came to HUF 0 million, because of the purchased leasing obligation for fixed assets balance contains only short term part. The remaining HUF 55.5 million balances from this leasing obligation are in the short term liabilities.

Short term liabilities amounted to HUF 1,991 million which less HUF 835 million mainly due to the payment of previous year's dividend.

Strategic plans of the Company

The strategic goal of the Company is to become a dominant security printing company of the region, playing a determining role on both domestic and regional markets of security printing, with a significant market share of business forms (more specifically, outsourcing personalisation, including data management and direct mail), and of various plastic cards, relying on the Company's research and development activities ensuring a competitive advantage over the less innovative security printers and also relying on the fact that rather than delivering single products, the Company provides comprehensive security solutions.

The Company aims to achieve its strategic goals focusing on three dominant product areas, which include security document solutions related to the document reforms taking place in Central and Eastern Europe, plastic cards and related services (personalisation and archiving of forms), and security elements and products for cards and document security in the broader sense.

The Company's employment policy

Security Printing Company Plc. places high priority on keeping labour law, labour safety, employment, tax and social insurance regulations connected to working. The Company considers the employees' continuous training and education as of strategic importance in order to ensure the renewal of professional knowledge within the Company and the adaptability of employees. Security Printing Company Plc. gives wide scale of social benefits to its employees, helping to create the balance between private life and the workplace. The principles of benefits and wages are set out in the Collective Agreement. Besides keeping the regulations, the Company is trying to create a workplace with proper working relations, taking the family obligations into consideration which increases the Company's profitability on the long term as well.

Risk management

Foreign currency risk

Among foreign currency transactions of the Állami Nyomda EURO based transactions are the most important ones. Foreign currency liabilities mainly occur from raw material purchases, which are hedged by the receivables from the export sales in foreign currency as a natural hedge. The balance of foreign currency receivables and liabilities are almost the same, therefore the foreign currency risk of the Company is not significant.

Interest rate risk

Due to the debts in the Állami Nyomda, potential interest rate changes would not influence significantly the amount of interests to be paid by the Company. The Company had no overdraft at the end of 2013.

Liquidity risk

Liquidity risk of the Company, due to the high balance of net working capital, is also low.

Credit risk

The financial discipline of the debtors of the Állami Nyomda is really good, which is also represented by the low portion of cumulated provision on trade receivables compared to the gross amount of trade receivables.

Supplementary information to the Business report of Security Printing Company Plc.

Off balance sheet date events

There were no significant event after year end date.

Environment protection

The company has ISO 14001:2004 Environmental Control System certificate audited by Det-Norske Veritas. The expiry date of the certification is January 11, 2016. The environmental certificate covers the following fields: printed products, security products, documents, development, production and personalization of plastic cards and bankcards. Research and development and production of security materials. Electronic reprocessing and delivering of printed forms. Chip embedding and encoding at smart cards. Research and development of traditional/general and mobile information technology solutions, operation and support of connected services. Electronic archiving of data, data processing, database management, setting up archives, storing of documents for fee.

Dangerous waste is continuously eliminated after leaving the company sites. In 2013, 29,031 kg dangerous waste was transported and eliminated.

Research and development

The company has two significant R&D areas:

1, R&D projects included in the activity of the Document Security Laboratory. The nanotechnology project has a key importance in this area. Using nanotechnology in security inks may contribute to drawing back forgeries and the fight against black economy.

2, The development of products has a significant role related to new tenders.

The direct cost of basic research, applied research and experimental development incurred in the current year is HUF 48.5 million.

Premises of the Company:

Registered seat: H-1102 Budapest, Halom utca. 5.
Premises: H-1106 Budapest, Fátyolka utca 1-5.
H-3060 Pásztó, Fő utca 141.

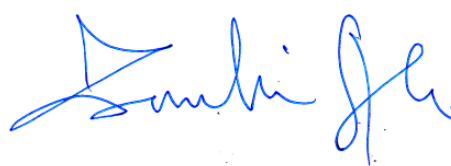
Treasury shares in the year 2013:

Table 2: Repurchased treasury shares

Description	Number of shares	Nominal value (HUF thousands)	Purchase value (HUF thousands)
Opening balance January 1, 2013	445,742	43,683	453,565
Closing balance December 31, 2013	448,842	43,987	455,048

ANY Security Printing Company Plc. discloses its treasury shares at market value based on the stock exchange rate on the date of preparing the balance sheet. Continuous exchange rate increasing resulted in HUF 103 million reversed impairment, thus cumulated impairment amounted to HUF 154 million at the end of the period.

The Company's share capital amounted to HUF 1,449,876 thousands on 31 December 2013 which consisted of 14,794,650 pieces of registered, dematerialized ordinary shares Series 'A' with a nominal value of HUF 98 each.



Budapest, 7 February 2013

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Chief Executive Officer