

## Portfolio Revision with Significant Cost Cutting

Budapest, 17<sup>th</sup> May, 2012 – **Net sales of State Printing House Plc. for Q1 2012 amounted to HUF 4.1 billion, and consolidated net income is HUF 153 million.**

Net sales of State Printing House Plc. for 2012 January-March amounted to HUF 4.1 billion, which is lower by 8.9% than in the previous year. Export sales was HUF 1.2 billion, representing a 30% export sales ratio. EBITDA is HUF 427 million, meaning a margin of 10.5%. Net income is HUF 153 million, which shows a decrease of 32% compared to the previous year's similar period, but an increase of 104% compared to Q4 2011.

The main reason of decrease of income is that the commercial and administrative clients still hold back their orders for higher value-added products in the adverse economic environment. Therefore the Board of Directors decided on portfolio revision and further cost cutting. According to the decision of the Board of Directors in cooperation with the interested parties the management of the Company started to move the operation from Pásztó to Budapest and at the same time it has been terminated in Pásztó. Such traditional printed products have been produced at the premises in Pásztó, which market has decreased, while their production needs a lot of handwork. The Management forecasts additional charges in an amount of HUF 80 million because of discharges with pecuniary compensation and the required technological movement but also expects a cost-cutting of HUF 151 million in 2013.

**Chief Executive Officer of State Printing House Plc., Gábor Zsámboki** commented:

*“Reacting to the unfavourable market tendencies and economic climate, we have decided to carry out further cost cutting. The termination of operation at Pásztó Plant does not risk the strategic product range of the Company, as the market of traditional products manufactured at this plant has significantly decreased and they do not increase the success of the Company. Due to close down of the plant sources will be discharged that can be devoted among others to mobile developments, which can anyhow effect the successfulness of the Company in the future.”*

## State Printing House Plc

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### Thinking in Systems

Állami Nyomda Nyrt. is one of the biggest security printing companies in Hungary and leading in the CEE region. Thanks to the portfolio developments during the last years the Company offers complex data logistic solutions in the field of personal identification, product identification and business form management. Through its developments focusing on document safety and mobile technology it offers products and solutions like e-ID or the most modern electronic purse, which has been being developed. Its international qualifications and certificates (*National “Top secret!” qualification, NATO “Secret!” qualification, EU “Secret!” qualification, license for EMV MASTERCARD and VISA bank card production and personalization, CWA 14641 High Security Printer certificate, MASTERCARD CQM certificate, AQAP 2110 certificate, ISO 9001, 14001 and 27001 certificates*) assure the highest security in the field of document and card production, personalization and bulk transactional printing. Shares of Állami Nyomda Nyrt. have been present in the Budapest Stock Exchange since December 2005 (ticker: ANY). As it is a public limited company, the financial data of Állami Nyomda are public and they can be downloaded from the webpages of the stock exchange ([www.bet.hu](http://www.bet.hu)) and the Company ([www.allaminyomda.com](http://www.allaminyomda.com)).