ANY Security Printing Company PLC
Audited Consolidated Financial Statements
December 31, 2013

BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

# ANY Security Printing Company Public Limited Company by Shares

## Independent Auditors' Report and Consolidated Financial Statements

## for the year ended December 31, 2013

ANY BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

# ANY Security Printing Company Public Limited Company by Shares

## Audited Consolidated Financial Statements

## December 31, 2013

## Table of content

BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

## INDEPENDENT AUDITORS' REPORT

Deloitte Auditing and Consulting Ltd.
H-1068 Budapest, Dózsa György út 84/C, Hungary
H-1438 Budapest, P.O.Box 471, Hungary

Tel: +36 (1) 428-6800
Fax: +36 (1) 428-6801
www.deloitte.com/hungary

Registered by the Capital Court of Registration
Company Registration Number: 01-09-071057

*Translation of the Hungarian original.*

**INDEPENDENT AUDITORS' REPORT**

To the Shareholders ANY Biztonsági Nyomda Nyrt.

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of ANY Biztonsági Nyomda Nyrt. (the "Company") for the year 2013, which financial statements comprise the consolidated balance sheet as at December 31, 2013 - which shows total assets of 9,871,521 thHUF, - and the related consolidated statement of income and the statement of comprehensive income – which shows a profit for the year attributable to Shareholders of 712,361 thHUF -, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

*Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

ANY BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

*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 and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union.

**Other Reporting Obligation: Report on the Consolidated Business Report**

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

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

Our responsibility is to assess whether the accounting information in the consolidated business report is consistent with that contained in the consolidated financial statements prepared for the same business year. Our work with respect to the consolidated business report was limited to assessing the consistence of the consolidated business report with the consolidated 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 consolidated business report of ANY Biztonsági Nyomda Nyrt. for the year 2013. corresponds to the figures included in the consolidated financial statements of ANY Biztonsági Nyomda Nyrt. for the year 2013.

Budapest, February 28, 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

ANY BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

Deloitte.

Deloitte Könyvvizsgáló és Tanácsadó Kft.
1068 Budapest, Dózsa György út 84/C
Levélcím: 1438 Budapest, Pf. 471

Tel: +36 (1) 428-6800
Fax: +36 (1) 428-6801
www.deloitte.hu

Bejegyezve: Fővárosi Törvényszék Cégbíró
Cg.: 01-09-071057

## FÜGGETLEN KÖNYVVIZSGÁLÓI JELENTÉS

Az ANY Biztonsági Nyomda Nyrt. részvényesei részére

**A konszolidált pénzügyi kimutatásokról készült jelentés**

Elvégeztük az ANY Biztonsági Nyomda Nyrt. (a „Társaság") mellékelt konszolidált pénzügyi kimutatásainak a könyvvizsgálatát, amely pénzügyi kimutatások a 2013. december 31-i fordulónapra elkészített konszolidált mérlegből – melyben az eszközök és források egyező végösszege 9.871.521 eFt - , az ezen időponttal végződő évre vonatkozó konszolidált eredménykimutatásból és átfogó eredménykimutatásból – melyben a részvényesekre jutó tárgyévi átfogó eredmény 712.361 eFt nyereség –, konszolidált saját tőke változás kimutatásból és konszolidált cash flow-kimutatásból, valamint a jelentős számviteli politikák összefoglalásából és az egyéb magyarázó információkból állnak.

*A vezetés felelőssége a konszolidált pénzügyi kimutatásokért*

A vezetés felelős a konszolidált pénzügyi kimutatásoknak az Európai Unió által elfogadott Nemzetközi Pénzügyi Beszámolási Standardokkal 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 konszolidált pénzügyi kimutatások elkészítése.

*A könyvvizsgáló felelőssége*

A mi felelősségünk a konszolidált pénzügyi kimutatások 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 a konszolidált pénzügyi kimutatások mentesek-e a lényeges hibás állításoktól.

A könyvvizsgálat magában foglalja olyan eljárások végrehajtását, amelyek célja könyvvizsgálati bizonyítékot szerezni a konszolidált pénzügyi kimutatásokban szereplő összegekről és közzétételekről. A kiválasztott eljárások, beleértve a konszolidált pénzügyi kimutatások akár csalásból, akár hibából eredő, lényeges hibás állításai kockázatának felmérését is, a könyvvizsgáló megítélésétől függnek. A kockázatok ilyen felmérésekor a könyvvizsgáló a konszolidált pénzügyi kimutatások 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 a konszolidált pénzügyi kimutatások átfogó prezentálásának értékelését is.

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

BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

*Vélemény*

Véleményünk szerint a konszolidált pénzügyi kimutatások megbízható és valós képet adnak az ANY Biztonsági Nyomda Nyrt. 2013. december 31-én fennálló vagyoni és pénzügyi helyzetéről, valamint az ezen időponttal végződő évre vonatkozó jövedelmi helyzetéről és cash-flow-iról az Európai Unió által elfogadott Nemzetközi Pénzügyi Beszámolási Standardokban foglaltakkal összhangban.

**Egyéb jelentéstételi kötelezettség: A konszolidált üzleti jelentésről készült jelentés**

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

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

A mi felelősségünk a konszolidált üzleti jelentés és az ugyanazon üzleti évre vonatkozó konszolidált pénzügyi kimutatások összhangjának megítélése. A konszolidált üzleti jelentéssel kapcsolatos munkánk a konszolidált üzleti jelentés és a konszolidált pénzügyi kimutatások 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 konszolidált üzleti jelentése az ANY Biztonsági Nyomda Nyrt. 2013. évi konszolidált pénzügyi kimutatásainak adataival összhangban van.

Budapest, 2014. február 28.

| | |
|---|---|
| ........................................... | ........................................... |
| Horváth Tamás | Bodor Kornél |
| Deloitte Könyvvizsgáló és Tanácsadó Kft.<br>1068 Budapest Dózsa György út 84/C.<br>000083 | kamarai tag könyvvizsgáló<br>005343 |

BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

**All amounts in HUF thousands unless otherwise indicated.**

## Consolidated Statement of Financial Position as at December 31, 2013 and December 31, 2012

| In HUF thousands: | Notes | December 31, 2013 | December 31, 2012 |
|---|---|---|---|
| **Current assets** | | | |
| Cash and bank | 3 | 1,628,995 | 1,798,303 |
| Accounts receivable | 4 | 2,639,347 | 2,430,665 |
| Inventory | 5 | 1,725,799 | 1,377,807 |
| Other current assets and prepayments (without current tax receivable) | 6 | 455,541 | 263,376 |
| Current tax receivable | 6 | 104,048 | 98,588 |
| **Total current assets** | | **6,553,730** | **5,968,739** |
| | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 7 | 2,909,481 | 3,088,528 |
| Investments | 8 | - | - |
| Goodwill | 9 | 335,009 | 335,009 |
| Intangibles | 10 | 60,103 | 79,596 |
| Other assets | | 13,198 | 22,878 |
| **Total non-current assets** | | **3,317,791** | **3,526,011** |
| | | | |
| **Total assets** | | **9,871,521** | **9,494,750** |
| | | | |
| **Current liabilities** | | | |
| Trade accounts payables | 13 | 1,943,370 | 1,827,011 |
| Short term part of lease liabilities | 23 | 85,743 | 178,356 |
| Other payables and accruals (without current tax payables) | 11 | 830,654 | 568,414 |
| Current tax payables | 11 | 263,257 | 225,296 |
| Short term debt | 12 | 53,614 | 29,361 |
| **Total current liabilities** | | **3,176,638** | **2,828,438** |
| | | | |
| **Long term liabilities** | | | |
| Deferred tax liability | 20 | 248,377 | 244,313 |
| Long term part of lease liabilities | 23 | 1,901 | 89,671 |
| Long term debt | 12 | 4,441 | 7,647 |
| Other long term liabilities | | 12,855 | 26,222 |
| **Total long term liabilities** | | **267,574** | **367,853** |
| | | | |
| **Shareholders' equity** | | | |
| Share capital | 14 | 1,449,876 | 1,449,876 |
| Capital reserve | 16 | 250,686 | 250,686 |
| Retained earnings | 16 | 4,708,504 | 4,632,313 |
| Treasury shares | 15 | (455,048) | (453,565) |
| **Total owners' equity** | | **5,954,018** | **5,879,310** |
| Non controlling interest | 16 | 473,291 | 419,149 |
| **Total shareholders' equity** | | **6,427,309** | **6,298,459** |
| | | | |
| **Total liabilities and shareholders' equity** | | **9,871,521** | **9,494,750** |

**The Supplementary Notes are inseparable parts of the consolidated financial statements.**

BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

**All amounts in HUF thousands unless otherwise indicated.**

## Consolidated Statement of Comprehensive Income as at December 31, 2013 and December 31, 2012

| In HUF thousands: | Notes | FY 2013 | FY 2012 |
|---|---|---|---|
| | | | |
| Net sales | 17 | 18,021,153 | 16,780,927 |
| Cost of sales | 19 | (12,926,775) | (12,180,123) |
| | | | |
| **Gross profit** | | **5,094,378** | **4 600 804** |
| | | | |
| Selling general and administration | 19 | (3,877,330) | (3,603,884) |
| Gain on sale of fixed assets | | 9,397 | 26,631 |
| Foreign currency (loss) / gain | | (30,075) | (63,027) |
| Other expense | 18 | (330,194) | (281,465) |
| | | | |
| **Operating income** | | **866,176** | **679,059** |
| | | | |
| Interest income | | 42,851 | 57,189 |
| Interest expense | | (7,763) | (17,002) |
| | | | |
| **Profit before tax and non-controlling interest** | | **901,264** | **719,246** |
| | | | |
| Deferred tax (expense) / income | 20 | (4,064) | 2,399 |
| Income tax expense | 20 | (85,244) | (64,319) |
| | | | |
| **Profit after tax** | | **811,956** | **657,326** |
| | | | |
| Other comprehensive income for the year | 26 | (1,631) | 2,491 |
| | | | |
| **Total comprehensive income for the year** | | **810,325** | **659,817** |
| | | | |
| *Profit attributable to* | | | |
| ***Shareholders of the Company*** | | **712,361** | **544,504** |
| *Non controlling interests* | | *97,964* | *115,313* |
| | | | |
| **Earnings per share (EPS):** | | | |
| Basic (HUF per share) | 21 | **50** | **38** |
| Fully diluted (HUF per share) | 21 | **50** | **38** |
| | | | |
| Dividend per share paid (DPS) | | **44** | **44** |

The Supplementary Notes are inseparable parts of the consolidated financial statements.

BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

All amounts in HUF thousands unless otherwise indicated.

## Consolidated Statement of Changes in Shareholders' Equity as at December 31, 2013 and December 31, 2012

| | Issued Capital | Capital Reserve | Retained Earnings | Treasury Shares | Non controlling Interest | Total |
|---|---|---|---|---|---|---|
| | | | | | | |
| **January 1, 2012** | **1,449,876** | **250,686** | **4,723,979** | **(449,667)** | **346,687** | **6,321,561** |
| Dividend paid (after FY 2011) | - | - | (636,170) | - | - | (636,170) |
| Dividend paid to minority shareholders (after FY 2011 income) | - | - | - | - | (42,851) | (42,851) |
| Purchase of treasury share | - | - | - | (3,898) | - | (3,898) |
| Total comprehensive income attributable to non-controlling interests | - | - | - | - | 115,313 | 115,313 |
| Total comprehensive income attributable to owners of the Company | - | - | 544,504 | - | - | 544,504 |
| **December 31, 2012** | **1,449,876** | **250,686** | **4,632,313** | **(453,565)** | **419,149** | **6,298,459** |
| | | | | | | |
| Dividend paid (after FY 2012) | - | - | (636,170) | - | - | (636,170) |
| Dividend paid to minority shareholders (after FY 2012 income) | - | - | - | - | (29,192) | (29,192) |
| Additional ownership acquisition in subsidiary | - | - | - | - | (14,630) | (14,630) |
| Purchase of treasury share | - | - | - | (1,483) | - | (1,483) |
| Total comprehensive income attributable to non-controlling interests | - | - | - | - | 97,964 | 97,964 |
| Total comprehensive income attributable to owners of the Company | - | - | 712,361 | - | - | 712,361 |
| **December 31, 2013** | **1,449,876** | **250,686** | **4,708,504** | **-455,048** | **473,291** | **6,427,309** |

ANY BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

All amounts in HUF thousands unless otherwise indicated.

## Consolidated Statement of Cash-flow as at December 31, 2013 and December 31, 2012

| In HUF thousands: | Notes | FY 2013 | FY 2012 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Profit before tax and non-controlling interest | | 901,264 | 719,246 |
| *of which foreign currency (loss) / gain* | | *(30,075)* | *(63,027)* |
| Depreciation cost of fixed assets | 7 | 744,565 | 755,638 |
| Amortization cost of intangibles | 10 | 19,493 | 17,869 |
| Foreign exchange differences on the line of the other comprehensive income | | (1,631) | 2,491 |
| Changes in provisions | | 16,225 | 12,757 |
| Gain on sale of property, plant and equipment | | (9,397) | (26,631) |
| Non controlling interest changes | | (43,822) | (42,851) |
| *of which dividend paid to minority shareholders* | | *(29,192)* | *(42,851)* |
| Interest expense | | 7,763 | 17,002 |
| Interest income | | (42,851) | (57,189) |
| **Operating cash-flow before working capital changes:** | | **1,591,509** | **1,398,332** |
| Changes in accounts receivable and other current assets | 4,6 | (292,416) | 1,092,269 |
| Changes in inventories | 5 | (366,752) | 44,480 |
| Changes in accounts payables and accruals | 11;13 | 416,873 | 392,620 |
| **Cash provided by operations** | | **1,349,314** | **2,927,701** |
| Interest income | | 40,368 | 45,312 |
| Interest expense | | (8,076) | (16,802) |
| Taxes paid, net | | (61,115) | (66,025) |
| **Net cash provided by operating activities** | | **1,320,491** | **2,890,186** |
| **Cash flows from investing activities** | | | |
| Purchase of property, plant and equipment | | (711,768) | (654,564) |
| Proceeds on sale of property, plant and equipment | | 22,647 | 41,202 |
| Development costs | 10 | - | - |
| Purchase of investments | 8 | - | - |
| **Net cash flow used in investing activities** | | **(689,121)** | **(613,362)** |
| **Cash flows from financing activities** | | | |
| Changes in short term loans | 12 | 24,253 | (1,958) |
| Purchase of treasury shares | 15 | (1,483) | (3,898) |
| Changes in loans to employees | | 9,678 | (10,442) |
| Changes in long term debt | 12 | (16,573) | (5,558) |
| Changes of capital lease obligations | 23 | (180,383) | (208,931) |
| Dividend paid | | (636,170) | (636,170) |
| **Net cash flow used in financing activities** | | **(800,678)** | **(866,957)** |
| **Changes in cash and cash equivalents** | | **(169,308)** | **1,409,867** |
| **Cash and cash equivalents at beginning of period** | | **1,798,303** | **388,436** |
| **Cash and cash equivalents at end of the period** | **3** | **1,628,995** | **1,798,303** |

ANY BIZTONSÁGI NYOMDA SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

**All amounts in HUF thousands unless otherwise indicated.**

## Supplementary Notes to the Consolidated Financial Statements Dec. 31, 2013

### 1 General

ANY Security Printing Company Public Limited Company by Shares (ANY PLC or the Company) is a limited liability company incorporated under the laws of the Republic of Hungary. The Company operated as a State enterprise until 1992 when it was transformed into a limited liability company (Rt.). The Company's registered office is located at Halom u.5, Budapest, District 10.

As of December 31, 2013 – based on the Company's share book – the following owners have more than 5% voting right or the following groups of investors own the Company:

| Investor | Voting right (%) | Ownership (%) |
|---|---|---|
| ***Owners above 5% share*** | | |
| Dr. Ákos Erdős(*) | 11.91% | 11.55% |
| Tamás Erdős | 6.97% | 6.76% |
| Pershing LLC | 6.54% | 6.35% |
| ***Owners below 5% share*** | | |
| Domestic Institutional Investors | 34.73% | 33.68% |
| Foreign Institutional Investors | 11.91% | 11.55% |
| Foreign Individual Investors | 0.23% | 0.22% |
| Domestic Individual Investors | 11.72% | 11.36% |
| Management, employees | 7.00% | 6.79% |
| Treasury shares | 0.00% | 3.03% |
| State investors | 2.97% | 2.88% |
| Other | 6.02% | 5.83% |

* Dr. Ákos Erdős owns further 476.630 ANY shares through Fortunarum Kft.

ANY PLC produces security products and solutions (tax stamps. stickers with security elements), plastic and paper cards (document cards. bank and telephone cards. as well as commercial cards), personalized business and administration forms, as well as conventional printing products.

ANY BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

**All amounts in HUF thousands unless otherwise indicated.**

The consolidated subsidiaries of the Company at December 31, 2013 are as follows:

| Subsidiary | Principal Activity | Country of Incorporation | Ownership at December 31, 2013 | Ownership at December 31, 2012 |
|---|---|---|---|---|
| Specimen Zrt.(*) | Printing | Hungary | 100.00% | 90.00% |
| ANYPay Zrt.(**) | Other financial activities | Hungary | 100.00% | - |
| Gyomai Kner Nyomda Zrt. | Printing | Hungary | 98.98% | 98.98 % |
| Technoprogress Kft. | Sales | Hungary | 100.00% | 100.00% |
| TipoDirect SRL | Printing, Sales | Romania | 50.00% | 50.00% |
| TipoDirect SERV Moldova SRL (***) | Printing, Sales | Moldova | 50.00% | 50.00% |
| Zipper Data SRL (****) | Printing, Sales | Romania | 50.00% | 50.00% |
| Direct Services OOD | Printing, Sales | Bulgaria | 50.00% | 50.00% |
| Slovak Direct SRO | Sales | Slovakia | 100.00% | 100.00% |

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

** Subsidiary of Specimen Zrt has been consolidated since 21st November, 2013

*** Subsidiary of Tipo Direct SRL has been consolidated since 1st January, 2011

**** Zipper Data SRL has been consolidated since 1st February, 2011. The name of the company changed from GPV Mail Services SRL to Zipper Data SRL in October 2011.

The Company prepares consolidated financial statement for the whole group.

ANY BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

**All amounts in HUF thousands unless otherwise indicated.**

## 2 Significant accounting policies

### Basis of preparation

The accounting records of the companies comprising the Group are compiled according to accounting principles generally accepted in Hungary ("HAS"). These supplementary consolidated financial statements have been compiled primarily for the requirements of relevant sections of Hungarian Act on Accounting to companies listed on the Stock Exchange, and therefore contain reclassifications and alterations in order to they comply with the International Financial Reporting Standards ("IFRS").

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (the "EU"). IFRS as adopted by the EU do not currently differ from IFRS as issued by the International Accounting Standards Board (IASB), except for portfolio hedge accounting under IAS 39 which has not been approved by the EU. The Company does not have any transactions which would qualify as a portfolio hedge.

The reporting currency of the Group is the Hungarian Forint ("HUF").

The consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The principal accounting policies are set out below.

Financial Statements are prepared based on the assumption of going concern of the activity of the Group in the foreseeable future.

### Basis of consolidation

The consolidated financial statements include the financial statements of ANY PLC and its subsidiaries after elimination of all intercompany transactions and balances, including unrealized intercompany profits. Subsidiaries are those companies in which the Group, directly or indirectly, has an interest of more than one half of the voting rights or otherwise has power to exercise control over the operations.

On acquisition, the assets and liabilities of a subsidiary are measured in the consolidated statements at their fair values at the date of acquisition. The interest of minority shareholders is stated at the minority's proportion of the fair values of the assets and liabilities recognized. Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable net assets of a subsidiary, associate or jointly controlled entity at the date of acquisition. Goodwill is included as intangible in the balance sheet, to which impairment loss is calculated, if necessary. For the purpose of impairment test, the value of goodwill is allocated to those Cash Generating Units (hereinafter: CGU) of the Group that probably will have positive effects from the synergies. Those CGU-s, to which goodwill is allocated are subject to goodwill impairment test annually or more often if circumstances indicate any loss in the value of the Unit. If the book value of the goodwill is higher than the fair value of the CGU, impairment loss is accounted on the goodwill. The impairment loss decreases mainly the value of the goodwill allocated on the CGU, then the remaining amount decreases the net book value of the CGU's other assets, in proportion of the book value of the assets. The goodwill impairment loss once accounted cannot be reversed in the future. On disposal of a subsidiary, associate or jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss on disposal. The goodwill impairment calculation is based upon companies' budgets containing more financial years. Present value of net sales and EBITDA is calculated to the date of year end, using the companies' expected EBITDA margin as a discount factor. Thus enterprise values are calculated by using EV/SALES and EV/EBITDA ratio of ANY Security Printing Company Plc as a listed

BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu



company operating in the same sector, which are assessed by the Group in proportion of the ownership regarding the proportional equity and accounted goodwill of the given subsidiary.

The results of subsidiaries acquired or disposed during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

The transactions between the associated enterprises, including unrealized gains and losses as well as realized intra-group gains, were eliminated during consolidation.

The equity and net income attributable to minority interests are shown as separate items in the consolidated financial statements.

**Cash and cash equivalents**

Cash and cash equivalents include cash at bank in hand, balances of bank accounts and short-term deposits with an original maturity of three months or less.

**Statement of cash flows**

For the cash flow statement the Cash and cash equivalents include cash and the value of bank deposits, as well as other short term (a term of three months or less at the time of their purchase) liquid investments, which may be immediately exchanged for the amount indicated on them, and their conversion does not come with the risk of a change in their value. Statement of cash-flow is prepared based upon the indirect cash-flow method.

**Inventory**

Inventory is stated at the lower of cost or net realizable value after making loss-in-value for any obsolete or slow moving items. Cost is determined at standard cost adjusted to actual purchase price at period end. For purchased inventories cost comprises purchase price, possible additional customs, delivery costs, non-refundable taxes and any other costs related to acquiring the inventory. For finished goods and work in progress, cost comprises direct materials, direct labour and an appropriate allocation of manufacturing fixed and variable overheads.

**Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation. Freehold land is not depreciated. Depreciation is provided using the straight-line method at rates calculated to write off the cost of the asset over its expected economic useful life. The rates used are as follows:

| | |
|---|---|
| Buildings | 2% to 3% |
| Leasehold improvements | 6% |
| Machinery and equipment | 14.5 to 33% |

At each balance sheet date, the Group reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication in accordance with internal or external information that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the amount of such an impairment loss (if any). If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognized as an expense immediately.
An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss

BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu



arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.
Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets.

**Intangible assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with infinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Amortization is provided at rates between 16.7% and 33% per year.
An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of intangible asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

**Financial instruments**

All financial assets are recognised and derecognised on trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value. plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets ‘at fair value through profit or loss’ (FVTPL), ‘held-to-maturity’ investments, ‘available-for-sale’ (AFS) financial assets and ‘loans and receivables’. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

***Fair value of financial instruments***

The fair values of financial instruments, consisting of cash, receivables, payables, and obligations under debt instruments, are approximated to their carrying values. The fair values of the Group’s existing investments are not readily determinable as the underlying shares are not frequently traded in a well-established and organized market.

***Impairment of financial assets***

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.
For listed and unlisted equity investments classified as AFS, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.
For all other financial assets, including redeemable notes classified as AFS and finance lease receivables, objective evidence of impairment could include:
- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu



For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.
For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.
The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.
When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.
With the exception of AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised. the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.
In respect of AFS equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income.

**Derecognition of financial assets**

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

**Investments**

The Group shows in the investments the amount of parent company's investments in their subsidiaries which has been eliminated in the process of capital consolidation. Other investments different from previous ones are carried at cost, less provision for any permanent diminution in value.

**Taxation**

The amount of company tax is based on the taxation obligation defined according to the law on corporate income tax and dividend taxes, which is modified by the deferred tax.

Deferred taxes are calculated using the balance sheet liability method. Deferred taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Deferred tax assets and liabilities are measured using the tax rates expected to apply to taxable income in the years in

ANY BIZTONSÁGI NYOMDA SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

**All amounts in HUF thousands unless otherwise indicated.**

which those temporary differences are expected to be realized or settled. The measurement of deferred tax liabilities and deferred tax assets reflects the tax consequences that would follow from the manner in which the Group expects, at the balance sheet date, to realize or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognized only if it is probable that sufficient taxable profits will be available against which the deferred tax assets can be utilized. At each balance sheet date, the Group re-assesses unrecognized deferred tax assets and the carrying amount of deferred tax assets. The Group recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. The Group conversely reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized.

**Treasury shares**

Shares repurchased are included in shareholders' equity.  Premiums and discounts arising on sale of treasury shares, and differences on repurchase, are credited or debited to retained earnings.

**Revenue recognition**

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.
Revenue is separated into five different product segment by the Group. The management considers these product segments strategically important. These segments are monitored and these are the basis of evaluating the performance. However, classification of turnover by product segments do not mean that these products can be produced in a clearly separable way in terms of assets and liabilities. According to this preparation of segment reporting under IFRS 8 is not possible.

**Dividend and interest revenue**

Dividend revenue from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably). (Dividend realized within the Group will be eliminated during consolidation.)

Interest revenue is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**Leasing**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

The Group as lessee

Assets held under finance leases are initially recognised as assets of the Group (with similar rights and liabilities as the assets owned by the Group) at their fair value at the inception of the lease, and they are amortised during their economic useful life. The present value of the minimum lease

ANY BIZTONSÁGI NYOMDA SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu



payment is lower than their fair value they are recognized at that.
The principal is accounted as decrease of liability from the lease contract, while interest is accounted as an expense, so that the lease liability decreases at a constant rate during the term of the lease contract.
Operating lease payments are recognised as an expense on a straight-line basis over the lease term. In case when operative lease contract is cancelled before the contractual term is over, all the amounts paid to the lessor as a charge for cancelling the contract are recognised as an expense in the relevant period. Fixed assets mean the cover in Group's leasing transactions.

**Provisions**

The Group is involved in a low number of ongoing legal disputes. Based upon historical experience and expert reports, the Group assesses the developments in these cases, and the likelihood and the amount of potential financial losses which are appropriately provided for.

**Contingent liabilities acquired in a business combination**

Contingent liabilities acquired in a business combination are initially measured at fair value at the acquisition date. At the end of subsequent reporting periods, such contingent liabilities are measured at the higher of the amount that would be recognised in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* and the amount initially recognised less cumulative amortisation recognised in accordance with IAS 18 *Revenue*.

**Government grants**

The Group applies for government grants in order to purchase assets or to finance R+D activities. In both cases government grants are accounted and accrued as other revenue, then accrued revenue is reversed in proportion of the accounted depreciation of the asset purchased or of the R+D capitalised.

**Earnings per share**

Basic earnings per share data is calculated based on the weighted average number of shares outstanding during the period excluding treasury held by the Company and employee shares. Fully diluted earnings per share is calculated based on the weighted average number of shares outstanding as calculated for basic earnings per share and as adjusted for giving effect to the assumed issuance of all potentially dilutive securities. Net income is adjusted in the fully diluted earnings per share calculation for any income or expense associated with the potentially dilutive securities.

**Foreign currencies**

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date. Exchange differences are recognised in profit or loss in the period in which they arise.
For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in Currency Units using exchange rates prevailing at the balance sheet date. Income and expense items are translated at the average exchange rates for the period. From the foreign subsidiaries of the Group TipoDirect S.R.L. and Zipper Data S.R.L.

BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu



keep their books in Romanian Lei, Tipo Direct SERV S.R.L. in Moldavian Lei, Direct Services O.O.D. in Bulgarian Leva, while Slovak Direct S.R.O. keeps its books in EURO. The balances of foreign currency assets and liabilities of the foreign subsidiaries of the Group are retranslated at the relevant MNB (National Bank of Hungary) foreign exchange rate in the consolidated financial statements in the parent company's functional currency (HUF). The details of the conversion have been presented in table 26 Risk Management.

**The new and revised Standards and Interpretations effective from 1st January 2013**

The following standards, amendments to the existing standards and interpretations issued by the International Accounting Standards Board (IASB) and adopted by the EU are effective for the current period:

- **IFRS 13 "Fair Value Measurement"**, adopted by the EU on 11 December 2012 (effective for annual periods beginning on or after 1 January 2013),

- **Amendments to IFRS 1 "First-time Adoption of IFRS"** – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters, adopted by the EU on 11 December 2012 (effective for annual periods beginning on or after 1 January 2013),

- **Amendments to IFRS 1 "First-time Adoption of IFRS"** – Government Loans, adopted by the EU on 4 March 2013 (effective for annual periods beginning on or after 1 January 2013),

- **Amendments to IFRS 7 "Financial Instruments: Disclosures"** - Offsetting Financial Assets and Financial Liabilities, adopted by the EU on 13 December 2012 (effective for annual periods beginning on or after 1 January 2013),

- **Amendments to IAS 1 "Presentation of financial statements"** – Presentation of Items of Other Comprehensive Income, adopted by the EU on 5 June 2012 (effective for annual periods beginning on or after 1 July 2012),

- **Amendments to IAS 12 "Income Taxes"** – Deferred Tax: Recovery of Underlying Assets, adopted by the EU on 11 December 2012 (effective for annual periods beginning on or after 1 January 2013),

- **Amendments to IAS 19 "Employee Benefits"** – Improvements to the Accounting for Post-employment Benefits, adopted by the EU on 5 June 2012 (effective for annual periods beginning on or after 1 January 2013),

- **Amendments to various standards "Improvements to IFRSs (cycle 2009-2011)"** resulting from the annual improvement project of IFRS (IFRS 1, IAS 1, IAS 16, IAS 32, IAS 34) primarily with a view to removing inconsistencies and clarifying wording, adopted by the EU on 27 March 2013 (amendments are to be applied for annual periods beginning on or after 1 January 2013),

- **IFRIC 20 "Stripping Costs in the Production Phase of a Surface Mine"**, adopted by the EU on 11 December 2012 (effective for annual periods beginning on or after 1 January 2013).

Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu



**The new and revised Standards and Interpretations issued by IASB and adopted by the EU but not yet effective**

- **IFRS 10 "Consolidated Financial Statements"**, adopted by the EU on 11 December 2012 (effective for annual periods beginning on or after 1 January 2014),
- **IFRS 11 "Joint Arrangements"**, adopted by the EU on 11 December 2012 (effective for annual periods beginning on or after 1 January 2014),
- **IFRS 12 "Disclosures of Interests in Other Entities"**, adopted by the EU on 11 December 2012 (effective for annual periods beginning on or after 1 January 2014),
- **IAS 27 (revised in 2011) "Separate Financial Statements"**, adopted by the EU on 11 December 2012 (effective for annual periods beginning on or after 1 January 2014),
- **IAS 28 (revised in 2011) "Investments in Associates and Joint Ventures"**, adopted by the EU on 11 December 2012 (effective for annual periods beginning on or after 1 January 2014),
- **Amendments to IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements" and IFRS 12 "Disclosures of Interests in Other Entities"** – Transition Guidance, adopted by the EU on 4 April 2013 (effective for annual periods beginning on or after 1 January 2014),
- **Amendments to IFRS 10 "Consolidated Financial Statements", IFRS 12 "Disclosures of Interests in Other Entities" and IAS 27 (revised in 2011) "Separate Financial Statements"** – Investment Entities, adopted by the EU on 20 November 2013 (effective for annual periods beginning on or after 1 January 2014),
- **Amendments to IAS 32 "Financial instruments: presentation"** – Offsetting Financial Assets and Financial Liabilities, adopted by the EU on 13 December 2012 (effective for annual periods beginning on or after 1 January 2014),
- **Amendments to IAS 36 "Impairment of assets"** - Recoverable Amount Disclosures for Non-Financial Assets, adopted by the EU on 19 December 2013 (effective for annual periods beginning on or after 1 January 2014),
- **Amendments to IAS 39 "Financial Instruments: Recognition and Measurement"** – Novation of Derivatives and Continuation of Hedge Accounting, adopted by the EU on 19 December 2013 (effective for annual periods beginning on or after 1 January 2014).

The adoption of the above presented new and amended Standards and Interpretations would have no significant impact on the financial statements.

**Critical accounting judgements and estimates by applying the accounting policy**

The process of preparing financial statements in accordance with International Financial Reporting Standards requires the use of estimates and assumptions regarding the carrying amounts of assets and liabilities presented in the consolidated financial statements and the Notes.

BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu



### Critical assumptions by applying the accounting policy

The Management of the Group had certain assumptions when applying the accounting policy, that can influence the carrying amounts of assets and liabilities presented in the consolidated financial statements (apart from the impact of the estimates. presented at the next point). These assumptions are presented in details in the Notes, but the most important ones are the following:

- The temporary differences calculated with deferred tax liabilities will reverse in the foreseeable future, and the corporate tax rate will remain 19%, which is effective from 1st January 2010.
- The outcome of certain contingent liabilities.

### Uncertainties in the estimates

The process of preparing consolidated financial statements in accordance with International Financial Reporting Standards requires the use of estimates and assumptions regarding the carrying amounts of assets and liabilities presented in the consolidated financial statements and the Notes. These estimates are based on the best knowledge of the Management, in spite of this actual results may differ from estimated amounts. These estimates are presented in details in the Notes, but the most important ones are the following:

- Determining the fair value of Financial Instruments
- Determining the economic useful life of fixed assets
- Calculating the impairment loss on fixed assets and goodwill
- Calculating provisions

ANY BIZTONSÁGI NYOMDA SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

**All amounts in HUF thousands unless otherwise indicated.**

### 3 Cash and cash equivalents

| | December 31, 2013 | December 31, 2012 |
|---|---|---|
| | | |
| Cash and cash equivalents | 1,628,995 | 1 798 303 |
| **Total cash and cash equivalents netted by bank overdrafts:** | **1 628 995** | **1 798 303** |

Group Companies has no overdraft at the end of the current year.

### 4 Accounts receivables

| | December 31, 2013 | December 31, 2012 |
|---|---|---|
| | | |
| Trade receivables | 2,712,046 | 2,505,900 |
| *Allowance for doubtful debts* | (72,699) | (75,235) |
| **Total:** | **2,693,347** | **2,430,665** |

The carrying value of trade receivables approximates fair value. Balance of trade debtors is HUF 2,693 million, which is HUF 208 million (9%) higher than at the end of 2012. The main reason for this change is the parent company's one-off high value hologram sale. The Company holds no receivables pledged.

Movement of the allowance in doubtful debts is broken down below:

| | December 31, 2013 | December 31, 2012 |
|---|---|---|
| | | |
| **Balance at the beginning of the year** | **75,235** | **65,780** |
| Impairment losses recognised on receivables | 18,775 | 20,930 |
| Impairment losses reversed | (12,331) | (11,475) |
| Impairment decrease | (8,980) | - |
| **Balance at the end of the year** | **72,699** | **75,235** |

BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

**All amounts in HUF thousands unless otherwise indicated.**

## 5 Inventories

| | December 31, 2013 | December 31, 2012 |
|---|---|---|
| | | |
| Raw materials | 1,076,035 | 830,378 |
| Goods | 85,363 | 68,552 |
| Work in progress | 358,168 | 253,027 |
| Finished goods | 291,759 | 292,616 |
| *Cumulated loss in value for inventories* | (85,526) | (66,766) |
| **Total:** | **1,725,799** | **1,377,807** |

The total amount of inventories is HUF 1,726 million, which increased by HUF 348 million (25%) compared to 31 December 2012. The amount of raw materials and consumables increased by HUF 246 million (30%) compared to the prior period. It was caused by the parent company's raw material needs for its running projects, which raw materials have been purchased before balance sheet date. Further increase was in the amount of work in progress especially in semi-finished products due to the ongoing production of security products.

## 6 Other current assets and prepayments

| | December 31, 2013 | December 31, 2012 |
|---|---|---|
| | | |
| VAT receivable | 80,896 | 47,765 |
| Corporate income tax receivable | 13,688 | 37,816 |
| Other taxes receivable | 9,464 | 13,007 |
| **Total current tax receivables** | **104,048** | **98,588** |
| Advances paid | 152,937 | 12,037 |
| *From this: advances paid for PP&E* | *133,000* | *7,142* |
| *From this: other advances paid* | *19,937* | *4,895* |
| Prepayments | 133,119 | 72,875 |
| Employee loans | 80,623 | 96,666 |
| Other receivables from employees | 9,470 | 15,372 |
| Other receivables | 79,392 | 66,426 |
| **Total:** | **455,541** | **263,376** |

Changes in the value added tax receivables and liabilities at the balance sheet date depend on the balances of customer and supplier invoices at year end. Difference in the amount of VAT is caused by the change in the receivables and liabilities during the year.
The significant increase in the amount of prepayments is caused by not invoiced items until preparation of balance sheet at the Romanian subsidiaries. Interest in employees loans are the same for each employee, Hungarian prime rate + 5%. In 31 December, 2013 total balance of employee loans were HUF 82,607 thousand, of which short term part was HUF 80,623 thousand has been presented in row of Other receivables, while the remaining balance was HUF 1,984 thousand, due within four years has been presented in row Other assets.

ANY BIZTONSÁGI NYOMDA SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

All amounts in HUF thousands unless otherwise indicated.

## 7 Property, Plant and Equipment (PP&E)

| | Land and buildings | Machinery and equipment | Property rights | Vehicles and other equipments | Capital projects | Total |
|---|---|---|---|---|---|---|
| ***Cost:*** | | | | | | |
| **January 1, 2012** | **578,058** | **9,336,549** | **10,767** | **1,195,867** | **10,809** | **11,132,050** |
| Capitalization | 38,824 | 465,553 | - | 159,196 | (663,573) | - |
| Additions | - | - | - | - | 654,564 | **654,564** |
| Disposals and transfers | (17,117) | (234,958) | - | (12,185) | - | **(264,260)** |
| **December 31, 2012** | **599,765** | **9,567,144** | **10,767** | **1,342,878** | **1,800** | **11,522,354** |
| **January 1, 2013** | **599,765** | **9,567,144** | **10,767** | **1,342,878** | **1,800** | **11,522,354** |
| Capitalization | 20,450 | 457,911 | - | 101,835 | (580,196) | - |
| Additions | - | - | - | - | 585,159 | 585,159 |
| Disposals and transfers | - | (235,483) | - | (15,744) | - | **(251,227)** |
| **December 31, 2013** | **620,215** | **9,789,572** | **10,767** | **1,428,969** | **6,763** | **11,856,286** |
| ***Accumulated depreciation:*** | | | | | | |
| **January 1, 2012** | **164,093** | **6,791,443** | **10,767** | **952,852** | **-** | **7,919,155** |
| Charge for year | 26,965 | 637,682 | - | 90,991 | - | **755,638** |
| Disposals | (10,337) | (221,048) | - | (9,582) | - | **(240,967)** |
| **December 31, 2013** | **180,721** | **7,208,077** | **10,767** | **1,034,261** | **-** | **8,433,826** |
| **January 1, 2013** | **180,721** | **7,208,077** | **10,767** | **1,034,261** | **-** | **8,433,826** |
| Charge for year | 26,091 | 609,927 | - | 108,547 | - | **744,565** |
| Disposals | - | (218,254) | - | (13,332) | - | **(231,586)** |
| **December 31, 2013** | **206,812** | **7,599,750** | **10,767** | **1,129,476** | **-** | **8,946,805** |
| ***Net book value:*** | | | | | | |
| **January 1, 2012** | **413,965** | **2,545,106** | **-** | **243,015** | **10,809** | **3,212,895** |
| **December 31, 2012** | **419,044** | **2,359,067** | **-** | **308,617** | **1,800** | **3,088,528** |
| **December 31, 2013** | **413,403** | **2,189,822** | **-** | **299,493** | **6,763** | **2,909,481** |

Fair value of the PP&E exceeds book value, therefore no impairment loss was calculated. The Company holds no PP&E pledged.

All amounts in HUF thousands unless otherwise indicated.

ANY BIZTONSÁGI NYOMDA SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu



## 8 Investments

From 1st June, 2013 ANY Security Printing Company Plc (90% owner before 1st June, 2013) consolidates Specimen Zrt. 100%, as the remaining 10% of non-controlling interest was acquired The amount of investment is eliminated during the capital consolidation process. From 1st June, 2013 the Group does not calculate non-controlling interest on Specimen Zrt.

ANYPay Fiezetési Megoldások Zrt. has been consolidated since 21st November, 2013 the date of its foundation, as Specimen Zrt. has founded it with HUF 50,000 thousand issued capital. The amount of investment is eliminated during the capital consolidation process in this case as well.

## 9 Goodwill

| | December 31, 2013 | December 31, 2012 |
|---|---|---|
| Cost | 335,009 | 335,009 |
| **Goodwill** | **335,009** | **335,009** |

**Cost**

| | December 31, 2013 | December 31, 2012 |
|---|---|---|
| Balance at beginning of year | 335,009 | 335,009 |
| Additional amount recognised from business combinations occurring during the year | - | - |
| **Balance at end of year** | **335,009** | **335,009** |

**Accumulated impairment losses**

At the end of the year the Group examined goodwill's remunerative value and recognized that there was no need to account impairment losses on the goodwill. The goodwill impairment calculation is based upon companies' budgets containing more financial years. Present value of net sales and EBITDA is calculated to the date of year end, using the companies' expected EBITDA margin as a discount factor. Thus enterprise values are calculated by using EV/SALES and EV/EBITDA ratio of ANY Security Printing Company Plc as a listed company operating in the same sector, which are assessed by the Group in proportion of the ownership regarding the proportional equity and accounted goodwill of the given subsidiary.

ANY BIZTONSÁGI NYOMDA SECURITY PRINTING COMPANY FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

All amounts in HUF thousands unless otherwise indicated.

## 10 Intangible assets

| | Capitalised research and development costs | Total |
|---|---|---|
| ***Cost:*** | | |
| **January 1, 2012** | **209,844** | **209,844** |
| Additions | - | - |
| Disposals and transfers | - | - |
| **December 31, 2013** | **209,844** | **209,844** |
| | | |
| **January 1, 2013** | **209,844** | **209,844** |
| Additions | - | - |
| Disposals and transfers | - | - |
| **December 31, 2013** | **209,844** | **209,844** |
| | | |
| ***Accumulated depreciation:*** | | |
| **January 1, 2012** | **112,379** | **112,379** |
| Charge for year | 17,869 | 17,869 |
| Disposals | - | - |
| **December 31, 2013** | **130,248** | **130,248** |
| | | |
| **January 1, 2012** | **130,248** | **130,248** |
| Charge for year | 19,493 | 19,493 |
| Disposals | 0 | 0 |
| **December 31, 2013** | **149,741** | **149,741** |
| | | |
| ***Net book value:*** | | |
| **January 1, 2012** | **97,465** | **97,465** |
| **December 31, 2012** | **79,596** | **79,596** |
| **December 31, 2013** | **60,103** | **60,103** |

ANY BIZTONSÁGI NYOMDA SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

All amounts in HUF thousands unless otherwise indicated.

## 11 Other payables and accruals

| | December 31, 2013 | December 31, 2012 |
|---|---|---|
| VAT | 176,754 | 128,126 |
| Personal income tax | 56,646 | 73,444 |
| Other taxes | 29,857 | 23,726 |
| **Total current tax liabilities** | **263,257** | **225,296** |
| | | |
| Accrued management bonuses | 230,370 | 5,320 |
| Other accruals | 218,384 | 125,888 |
| Wages | 164,378 | 201,332 |
| Social security | 103,686 | 154,356 |
| Other short term liabilities | 79,178 | 36,646 |
| Advance payments from customers | 27,833 | 35,562 |
| Accruals of research and development subsidy | 6,825 | 9,310 |
| **Other payables and accruals** | **830,654** | **568,414** |
| | | |
| **Total current tax liabilities, other payables and accruals** | **1,093,911** | **793,710** |

Total current tax liabilities, other payables and accruals amounts to HUF 831 million, which is increased by HUF 262 million (46%) compared to December 31, 2012, because of the management bonuses.

## 12 Loans and borrowings

| | December 31, 2013 | December 31, 2012 |
|---|---|---|
| | | |
| Other short term loans of subsidiaries | 53,614 | 29,361 |
| **Total short term loans** | **53,614** | **29,361** |
| | | |
| Long term loan of subsidiary | 4,441 | 7,647 |
| **Total investment loans and borrowings** | **4,441** | **7,647** |
| | | |
| **Total loans and borrowings:** | **58,055** | **37,008** |

The carrying value of loans approximates fair value. Group Companies has no overdraft at the end of the current year.

In the short term loans there are the amount of given loan from Tipoholding S.A to Zipper Data S.R.L with EUR 80,000, and given loan from Tipoholding S.A to Tipo Direct S.R.L with EUR 100,000. Both loan will be due in the next year and the basis of the interest rate is uniformly 3 month EURIBOR.

## 13 Trade accounts payables

| | December 31, 2013 | December 31, 2012 |
|---|---|---|
| Trade payables | 1,943,370 | 1,827,011 |
| **Total trade accounts payables** | **1,943,370** | **1 827 011** |

ANY BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

**All amounts in HUF thousands unless otherwise indicated.**

## 14 Issued Share Capital

Share capital (at par value, in HUF thousands) authorized, issued and outstanding at year-end:

| | December 31, 2013 | | December 31, 2012 | |
|---|---|---|---|---|
| | Issued | Treasury | Issued | Treasury |
| **Registered shares** | 1,449,876 | 43,987 | 1,449,876 | 43,683 |
| **Total** | **1,449,876** | **43,987** | **1,449,876** | **43,683** |

The number of shares issued by the Company is 14,794,650 of which par value is HUF 98 per share.

## 15 Treasury shares

Number of treasury shares held by the Company on 31st December 2013 is 448,842 which were purchased at an average price of HUF 1,014 per share. In 2009, in 2010, in 2011 and in 2012 the Company calculated impairment on treasury shares in the statutory financial statement of the parent company prepared according to the Hungarian Accounting Law due to the long term significant share price decrease on the Budapest Stock Exchange in value of HUF 56,002 thousands in 2009, HUF 62,483 thousands in 2010, HUF 69,746 thousands in 2011 and HUF 68,762 thousands in 2012 therefore the accumulated impairment value is HUF 256,993 thousands.
In 2013, the accumulated impairment has been reduced by HUF 102.669 thousands because of increase in share price. Due to this increase in share price the amount of accumulated impairment is HUF 154,324 thousands.
Book value of the treasury shares in the financial statement of the parent company is HUF 670 per share, which was the current share price of the Stock Exchange at the date of preparing the statement of financial position. Impairment of treasury shares did not influence the consolidated profit of the Group according to the International Financial Reporting Standards, as the impairment with all of its tax effect was eliminated during consolidation.

## 16 Retained earnings, non-controlling interest

Retained earnings available for distribution are based on the unconsolidated financial statements of the Company prepared in accordance with Hungarian accounting law as opposed to these accounts prepared under IFRS. On December 31st 2013 the financial statements of ANY PLC not consolidated, prepared in accordance with Hungarian accounting standards indicated total retained earnings of HUF 2,203,267 thousands.

Restricted reserve is not available for distribution based on the Hungarian Accounting Standards. In 2013 the Company transferred HUF 1,135,749 thousands to restricted reserve representing the value of reorganization, research and development, an amount representing development reserve (refer to Note 16) and the amount used for repurchasing treasury shares, in line with Hungarian Accounting Standards.

Non-controlling interest is a part of the Shareholders' equity, which belongs to the owners of the subsidiaries other than the parent Company in the proportion of their ownership.

ANY BIZTONSÁGI NYOMDA SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

All amounts in HUF thousands unless otherwise indicated.

## 17 Net sales

| Sales segments (in HUF millions) | December 31, 2013 | December 31, 2012 |
|---|---|---|
| Security products and solutions | 6,350 | 6,478 |
| Card production and personalization | 4,234 | 4,067 |
| Form production and personalization. data processing | 5,998 | 5,015 |
| Traditional printing products | 976 | 824 |
| Other | 463 | 397 |
| **Total net sales** | **18,021** | **16,781** |

**Total revenue in 2013 by countries:**

| Revenue by Countries (in HUF thousand) | 2013 (th HUF) | Share % |
|---|---|---|
| Hungary | 12,551,128 | 69.647% |
| Romania | 3,494,416 | 19.391% |
| Bulgaria | 1,244,969 | 6.908% |
| Slovakia | 278,453 | 1.545% |
| Africa | 126,569 | 0.702% |
| Czech Republic | 114,082 | 0.633% |
| Albania | 75,318 | 0.418% |
| Moldavia | 45,404 | 0.252% |
| Germany | 33,686 | 0.187% |
| Austria | 16,680 | 0.093% |
| Poland | 15,168 | 0.084% |
| Iceland | 8,443 | 0.047% |
| Slovenia | 7,884 | 0.044% |
| Mexico | 2,351 | 0.013% |
| Greece | 2,298 | 0.013% |
| Switzerland | 2,078 | 0.012% |
| Italy | 796 | 0.004% |
| Serbia | 718 | 0.004% |
| Luxembourg | 560 | 0.003% |
| Cyprus | 133 | 0.001% |
| Spain | 19 | 0.000% |
| **Total net sales** | **18,021,153** | **100.00%** |

ANY BIZTONSÁGI NYOMDA SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

**All amounts in HUF thousands unless otherwise indicated.**

## 18 Other incomes and expenditures

| Other incomes and expenditures | December 31, 2013 | December 31, 2012 |
|---|---|---|
| Reversed loss in value for inventories | 14,859 | 4,929 |
| Reversed loss in value for trade receivables | 12,331 | 11,476 |
| Allowances received | 7,292 | 4,217 |
| EU subsidy dissolved | 3,000 | 2,484 |
| Other | 33,861 | 12,887 |
| ***Total other incomes*** | ***71,343*** | ***35,993*** |
| Local operational tax | 148,074 | 144,936 |
| Loss in value for inventories | 93,401 | 34,217 |
| Environmental fee | 26,229 | 23,391 |
| Loss in value for trade receivables | 18,775 | 20,362 |
| Other | 115,058 | 94,552 |
| ***Total other expenditures*** | ***401,537*** | ***317,458*** |
| **Total** | **(330,194)** | **(281, 465)** |

The customers' and inventories' impairment haven't been occurred in one company so the presentation of current years' impairment and impairment reversal on a net basis is not possible.

## 19 Direct and indirect cost of sales

Breakdown of cost of sales and selling general and administration cost is the following:

| | Note | 2013. (th HUF) | 2012. (th HUF) |
|---|---|---|---|
| | | | |
| Material type expenditures | | 12,148,779 | 11,290,084 |
| Personal type expenditures | | 4,155,652 | 3,916,925 |
| Depreciation and amortization | | 764,058 | 773,507 |
| Changes in inventory and own performance | | (264,384) | (196,509) |
| **Total cost and expenditures** | | **16,804,105** | **15,784,007** |
| | | | |
| Cost of sales | | 12,926,775 | 12,180,123 |
| Selling general and administration | | 3,877,330 | 3,603,884 |
| **Total direct and indirect cost of sales** | | **16,804,105** | **15,784,007** |

The average number of employees of the Group during the year was 744 (2012: 799).

ANY BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

All amounts in HUF thousands unless otherwise indicated.

## 20 Taxation

| | December 31, 2013 | December 31, 2012 |
|---|---|---|
| Current year corporate income tax | 85,244 | 64,319 |
| Deferred tax expense | 4,064 | (2,399) |
| **Total tax expense** | **89,308** | **61,920** |

| | December 31, 2013 | December 31, 2012 |
|---|---|---|
| | | |
| Opening deferred tax liability | **251,780** | **253,290** |
| Deferred tax liability due to development reserve | 8,153 | (5,806) |
| Deferred tax on accounting and tax depreciation difference of assets not connected to development reserve | 6,038 | (4,031) |
| Deferred tax arising from treasury shares valuation | (10,267) | 6,876 |
| Deferred tax on residual value of financial lease assets | - | 1,451 |
| **Closing deferred tax liability** | **255,704** | **251,780** |
| | **December 31, 2013** | **December 31, 2012** |
| | | |
| Opening deferred tax assets | **7,467** | **6,578** |
| Deferred tax asset on write-off for bad debts | (140) | 889 |
| Deferred tax asset on provisions | - | - |
| **Closing deferred tax assets** | **7,327** | **7,467** |
| | **December 31, 2013** | **December 31, 2012** |
| | | |
| **Opening deferred tax liability net** | **244,313** | **246,712** |
| **Closing deferred tax liability net** | **248,377** | **244,313** |

Based on the decision of the Hungarian Parliament, dual corporate tax rate has to be applied for the companies from the calendar year of 2011. 10% corporate tax rate has to be applied below HUF 500 million tax base and 19% tax rate over it. As the adjusted profit before tax will expectedly be not higher than HUF 500 million at the domestic entities, we applied the new 10% corporate tax rate when calculating deferred tax. The tax liability of the foreign companies of the Group is taken into consideration with the effective tax legislation of their country of incorporation.

Under the tax legislation the Company is allowed to establish a tax-deductible development reserve. Assets acquired using this reserve then does not qualify for tax depreciation up to the value of the reserve. Therefore this is effectively a form of accelerated depreciation. Development reserves have been established based on the Company’s current year and previous years pre tax profit and a deferred tax liability has been recognized on the deferred tax effect of the accounting and tax depreciation difference of assets not connected to development reserve. The Company decreased its deferred tax liabilities by the valuation difference for treasury shares based on the Hungarian Accounting Standards.

Tax losses can be carried forward up to the next years offset future taxable profits (until its 50%).

ANY BIZTONSÁGI NYOMDA SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

**All amounts in HUF thousands unless otherwise indicated.**

Deferred tax assets relating to tax losses are netted off against deferred tax liabilities. The company raised deferred tax asset on write-off for bad debts in 2013.

ANY PLC and its subsidiaries are subject to periodic audits by the Hungarian Tax Authority (NAV). Since the application of tax laws and regulations may be susceptible to varying interpretations, amounts reported in the financial statements could be changed at a later date upon final determination by the tax authorities. The Parent Company was not audited by the Tax Authority in 2013.

The effective income tax rate defers from the statutory income tax rate due to the following items:

| | December 31, 2013 | December 31, 2012 |
|---|---|---|
| **Profit before tax and non-controlling interest** | **901,264** | **719,246** |
| | | |
| Tax at statutory rate of 10%(*) | 90,126 | 71,925 |
| Other permanent differences (net) | (818) | (10 005) |
| | | |
| **Corporate income tax expense** | **89,308** | **61,920** |

* The foreign tax rules were not considered in this calculation. The differences from that method can be find in row of Other permanent differences (net). In this calculation 10% tax rate has been applied because the tax base is under HUF 500 million.

## 21 Earnings per share

Weighted average shares outstanding, net income used in the calculation of earnings per share and calculated earning per share details are set out below: (number of weighted average shares and net income is the same both at 'Basic' and 'Fully diluted' EPS calculation)

| | December 31, 2013 | December 31, 2012 |
|---|---|---|
| | | |
| Weighted average shares outstanding for: | 14,347,388 | 14,350,249 |
| Net income used in the calculation | 712,361 | 544,504 |
| | | |
| Basic and diluted earnings per share: | | |
| Basic (HUF per share) | 50 | 38 |
| Fully diluted (HUF per share) | 50 | 38 |

BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

**All amounts in HUF thousands unless otherwise indicated.**

## 22 Contingent liabilities

The Company has arranged bank guarantees. The guarantees largely relate to commitments under Government and corporate tenders. Guarantees are provided up to a maximum limit of HUF 750 million.

The Company reclassified HUF 775 million to the restricted reserves in 2011, in 2012 and in 2013 to finance future capital expenditures, which has not been utilised yet. Corporate tax base was decreased by this amount in line with the relevant Hungarian regulations under the condition, that this amount will be spent for capital expenditures in the following six years, otherwise the deducted corporate tax has to be repaid to the Hungarian Tax Authority grossed up with its fines and interests.

The Company leases and rents various facilities and properties under non-cancellable arrangements expiring in 2025. These contracts contain indexation clauses based on a percentage of inflation in Hungary. Future lease and rental payments under these non-cancellable operating agreements as of December 31. 2013 are as follows:

| **Periods** | **Amounts in EUR** |
|---|---|
| | |
| 2014 | 818,656 |
| 2015 | 835,030 |
| 2016 | 851,730 |
| 2017 | 868,765 |
| 2018 | 886,140 |
| Later years | 6,719,573 |
| Total minimum payments | 10,979,894 |

BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

**All amounts in HUF thousands unless otherwise indicated.**

## 23 Financial lease

The Group purchased more machines connected to card production and printing that are partly leased from BAWAG Leasing Zrt. The capitalized value of the machineries was HUF 510,190 thousands, while net book value at December 31. 2013 was HUF 329,753 thousands. (Last year the capitalized value was HUF 1,319,744 thousands, net book value was HUF 700,081 thousands.) Short term and long term financial lease principal liabilities are as follows:

| **Financial lease liabilities (in HUF thousands)** | **31 December, 2013** | **31 December, 2012** |
|---|---|---|
| | | |
| Short term part | 85,743 | 178,356 |
| Long term part | 1,901 | 89,671 |
| **Total** | **87,644** | **268,027** |

The fair value of the leased assets approximates book value. Fixed assets mean the cover in Group's leasing transactions.

## 24 Related party transactions

| **Related party transactions** | **FY 2013 in HUF thousands** | **FY 2012 in HUF thousands** |
|---|---|---|
| Balance of intercompany receivables eliminated | 555,793 | 506,173 |
| Balance of intercompany liabilities eliminated | 552,322 | 506,032 |
| Balance of intercompany revenues eliminated | 1,000,936 | 934,400 |
| Balance of intercompany expenditures eliminated | 999,492 | 934,261 |

Related party transactions were made on terms equivalent to those that prevail in arm's length transactions. Through related party transactions mainly ANY Security Printing Company PLC (the Company) sells finished goods to the other members of the Group, who resell them to third party companies. Related party transactions also consist of short term intercompany loans and rental fee for machineries.

All the intercompany balances were eliminated during the consolidation process.

At the balance sheet date the disbursed loans by the Parent company to its subsidiaries were:
Direct Servcies O.O.D: EUR 122 855, interest rate is based on 3 months EURIBOR
Tipo Direct S.R.L: EUR 100 000, interest rate is based on 3 months EURIBOR
Zipper Data S.R.L: EUR 80 000, interest rate is based on 3 months EURIBOR

Other intercompany loans at the balance sheet date:
Tipo Direct S.R.L to Tipo Direct Serv S.R.L: EUR 50 000, interest rate is based on 3 months EURIBOR

ANY BIZTONSÁGI NYOMDA SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

**All amounts in HUF thousands unless otherwise indicated.**

The following table presents the beginning and the end of the assignment of the members of the Board of Directors, the members of the Supervisory Board and the senior officers. The number of shares hold in ANY Security Printing Company PLC is also presented as at 31 December 2013.

| Type [1] | Name | Position | Assignment started | Assignment ends | Treasury stock owned (no.)** |
|---|---|---|---|---|---|
| BD | Dr. Ákos Erdős (*) | Chairman of Board of Directors | 1993 | May 31, 2014 | 1,708,932 |
| BD | György Gyergyák | Deputy chairman of Board of Directors | 1994 | May 31, 2014 | 395,624 |
| BD | Tamás Doffek | Member of Board of Directors | May 31, 2009 | May 31, 2014 | 7,500 |
| BD | Péter Kadocsa | Member of Board of Directors | April 30, 2010 | May 31, 2014 | - |
| BD | Gábor Zsámboki | Member of Board of Directors | August 11, 2005 | May 31, 2014 | 107,990 |
| BD | Dr. György Karády | Member of Board of Directors | April 19, 2011 | May 31, 2014 | - |
| SB | Dr. Tamás Sárközy | Chairman of Supervisory Board | March 30, 2007 | May 31, 2014 | - |
| SB | Dr. Istvánné Gömöri (**) | Deputy chairman of Supervisory Board | August 11, 2005 | May 31, 2014 | 536,703 |
| SB | Ferenc Berkesi | Member of Supervisory Board | August 11, 2005 | May 31, 2014 | - |
| SB | Dr. Erzsébet Novotny | Member of Supervisory Board | April 30, 2010 | May 31, 2014 | 5,320 |
| SB | Dr. Imre Repa | Member of Supervisory Board | March 30, 2007 | May 31, 2014 | - |
| SB | Dr. János Stumpf | Member of Supervisory Board | April 19, 2011 | May 31, 2014 | - |
| SP | Gábor Zsámboki | Chief Executive Officer | May 1, 2008 | indefinite | *** |
| SP | László Balla | Deputy Chief Executive Officer | May 1, 2008 | indefinite | 30,190 |
| SP | Ferenc Berkesi | Chief Security Officer | 2001 | indefinite | *** |
| SP | Gábor Péter | Chief Information Officer | Dec 1, 2009 | indefinite | 16,194 |
| SP | Dr. Lajos Székelyhídi | Chief Research and Development Officer | 1999 | indefinite | 6,900 |
| SP | Zoltán Tóth | Chief Technical and Production Officer | July 1, 2008 | indefinite | - |
| **Number of shares hold, TOTAL:** | | | | | **2,815,353** |

[1] Employee in a strategic position (SP), Board of Directors member (BD), Supervisory Board member (SB)
* Dr. Ákos Erdős owns further 476.630 ANY shares through Fortunarum Kft.
** Dr. Istvanné Gömöri controls ANY shares indirectly through BELU S.A.R.L.
*** Number of shares shown above

## 25 Remuneration of the members of the Supervisory Board and the Board of Directors

HUF 9,912 thousands remuneration was paid to the Supervisory Board, while HUF 8,160 thousands to the Board of Directors in 2013, which equals to prior year remuneration.

ANY BIZTONSÁGI NYOMDA SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu



## 26 Risk management

Foreign currency risk

Among foreign currency transactions of the Group 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 within the Group, therefore the foreign currency risk of the Group is not significant.

| ANY Group | Currency | December 31, 2013 | December 31, 2012 |
|---|---|---|---|
| | | | |
| **Foreign currency receivables** | EUR | 1,875,480 | 666,091 |
| | USD | 7,825 | - |
| | GBP | 1,505 | - |
| | BGN | 1,422,507 | 1,109,084 |
| | RON | 9,364,888 | 6,455,542 |
| | MDL | 324,601 | 279,404 |
| | DKK | 63,826 | 27,496 |
| | SEK | 14,198 | 7,649 |
| **Total (in HUF thousands)** | | **1,404,208** | **789,812** |
| | | | |
| **Foreign currency cash** | EUR | 395,950 | 632,156 |
| | USD | 4,765 | 480 |
| | GBP | 114 | 216 |
| | BGN | 1,524,241 | 1,245,052 |
| | RON | 4,440,482 | 2,220,872 |
| | MDL | 376,540 | 594,426 |
| **Total (in HUF thousands)** | | **650,611** | **526,498** |
| | | | |
| **Foreign currency liabilities** | EUR | 2,703,919 | 1,701,119 |
| | USD | 23,634 | 4,062 |
| | CHF | 80,900 | 2,067 |
| | BGN | 542,705 | 77,046 |
| | RON | 5,990,455 | 4,374,292 |
| | MDL | 127,787 | 177,674 |
| **Total (in HUF thousands)** | | **1,309,116** | **799,056** |
| | | | |
| **Impact of a possible 10% foreign exchange rate decrease in each foreign currency (in HUF thousands)** | | **December 31, 2013** | **December 31, 2012** |
| **Impact on foreign currency assets** | | **205,482** | **131,631** |
| **Impact on foreign currency liabilities** | | **(130,912)** | **(79,906)** |
| **Total impact of possible foreign exchange rate change** | | **74,570** | **51,725** |

BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

**All amounts in HUF thousands unless otherwise indicated.**

The fair value of the financial instruments approximates the book value. The Group holds no financial assets held to maturity or available for sale.

From the foreign subsidiaries and joint ventures of the Group TipoDirect S.R.L. and Zipper Data S.R.L. keep their books in Romanian Lei, TipoDirect SERV S.R.L. in Moldavian Lei, Direct Services O.O.D. in Bulgarian Leva, while Slovak Direct S.R.O. keeps its books in EURO. The balances of foreign currency assets and liabilities of the foreign subsidiaries of the Group are retranslated at the relevant national bank foreign exchange rates in the consolidated financial statements. In line with the regulation of IFRS the items of Statement of Financial Position were calculated at year end rate while items of Total Comprehensive Income were calculated at yearly average rate. The difference resulted from using different rates is disclosed in line of other comprehensive income.

Interest rate risk

Due to the low balance of debts in the Group. potential interest rate changes would not influence significantly the amount of interests to be paid by the Group. Based on the balance of Credits of the Group. a potential interest rate increase of 100 basis points relevant to our credits would increase our interest expenses by approximately HUF 581 thousands in the year 2012. (This was HUF 370 thousands in the year 2012.)

Liquidity risk

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecasts and actual cash-flows and by matching the maturity profiles of financial assets and liabilities.
Liquidity risk of the Group, due to the high balance of net working capital, is low. The maturity of trade payables, lease liabilities and credits is shown in the next table:

| **ANY Group FY 2013** | **In 1 month** | **1 - 3 months** | **3 months - 1 year** | **1 - 5 years** | **Over 5 years** | **Total:** |
|---|---|---|---|---|---|---|
| Trade payables | 1,726,111 | 207,760 | 9,499 | - | - | **1,943,370** |
| Lease liabilities | 2,495 | 32,765 | 50,483 | 1,901 | - | **87,644** |
| Credits | 10,816 | - | 42,798 | 4,441 | - | **58,055** |
| Other liabilities and accruals (without taxes) | 798,534 | 24,268 | 7,852 | - | - | **830,654** |
| Current tax liabilities | 256,315 | 6,685 | 257 | - | - | **263,257** |
| **Total** | **2,794,271** | **271,478** | **110,889** | **6,342** | **-** | **3,182,980** |

| **ANY Group FY 2012** | **In 1 month** | **1 - 3 months** | **3 months - 1 year** | **1 - 5 years** | **Over 5 years** | **Total:** |
|---|---|---|---|---|---|---|
| Trade payables | 1,582,368 | 239,235 | 5,349 | 59 | - | **1,827,011** |
| Lease liabilities | 15,553 | 30,704 | 132,099 | 89,671 | - | **268,027** |
| Credits | - | - | 29,361 | 7,647 | - | **37,008** |
| Other liabilities and accruals (without taxes) | 554,022 | 14,311 | 81 | - | - | **568,414** |
| Current tax liabilities | 225,296 | - | - | - | - | **225,296** |
| **Total** | **2,377,239** | **284,250** | **166,890** | **97,377** | **-** | **2,925,756** |

BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

**All amounts in HUF thousands unless otherwise indicated.**

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties, and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Trade receivables consist of a large number of costumers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.
The financial discipline of the debtors of the Group 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: 2.68%. (This was 3% in 2012.)

## 27 Significant events after the reporting period

There was not any significant event in the Group after the reporting period.
The Consolidated Financial Statements were accepted by the Board of Directors of ANY Nyrt. on 28th February, 2014.

ANY BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

**All amounts in HUF thousands unless otherwise indicated.**

## 28 Indices

| Indicators (% or HUF thousands) | | 2013 | 2012 | Change | Change % |
|---|---|---|---|---|---|
| A | Current assets | 6,553,730 | 5,968,739 | 584,991 | 9.80% |
| B | Inventories | 1,725,799 | 1,377,807 | 347,992 | 25.26% |
| C | Owners' equity | 6,427,309 | 6,298,459 | 128,850 | 2.05% |
| D | Short term debts | 3,176,638 | 2,828,438 | 348,200 | 12.31% |
| E | Total Assets / Liabilities | 9,871,521 | 9,494,750 | 376,771 | 3.97% |
| F | Sales revenues | 18,021,153 | 16,780,927 | 1,240,226 | 7.39% |
| G | Interest expense | 7,763 | 17,002 | (9,239) | -54.33% |
| H | Operating Income | 866,176 | 679,059 | 187,117 | 27.56% |
| I | Profit attributable to owners of the Company | 712,361 | 544,504 | 167,857 | 30.83% |
| | | | | | |
| **Liquidity ratios:** | | | | | |
| Liquidity ratio: ( A / D ) | | 2.06 | 2.11 | (0.05) | |
| Quick ratio: ( (A - B) / D ) | | 1.52 | 1.62 | (0.10) | |
| | | | | | |
| **Gearing ratios:** | | | | | |
| Debts over Equity ratio ((E - C) / E) | | 34.89% | 33.66% | 1.23% | |
| Interest cover (H / G) | | 111.58 | 39.94 | 71.64 | |
| | | | | | |
| **Profitability ratios:** | | | | | |
| Return on Sales: ROS ( I / F ) | | 3.95% | 3.24% | 0.71% | |
| Return on Equity: ROE ( I / C ) | | 11.08% | 8.65% | 2.43% | |
| Return on Assets: ROA ( I / E ) | | 7.22% | 5.73% | 1.49% | |

**Budapest, 28th February 2014** ..........................................................................

**Chief Executive Officer**

ANY BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

## ANY Security Printing Company Public Limited Company by Shares

# Consolidated business report

## for the year ended 31 December, 2013

ANY BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

## Analysis of the Company's performance in FY 2013

Net sales of ANY PLC for 2013 amounted to HUF 18 billion which is higher by HUF 1.2 billion (7.4%) than in the same period of previous year. Changes in case of strategic product segments were as follows: sales of security products, solutions exceeded to HUF 6.4 billion, which is less by HUF 0.1 billion (2%) compared to the basis year; sales of card production, personalisation exceeded to HUF 4.2 billion, which shows an increase by HUF 0.2 billion (4%) compared to last year, whilst sales of segment of form production, personalisation, data processing were HUF 6 billion, which shows an increase of HUF 1 billion (20%) compared to year 2012. Ratio of strategic products segments in total net sales was 92% in 2013.

Export sales of the Company exceeded HUF 5.5 billion in 2013, which shows a HUF 1.2 billion (27%) increase compared to the previous year representing a 30% export sales ratio.

Consolidated EBITDA is HUF 1.630 million, an increase of HUF 177 million (12%) compared to 2012 base period mostly due to the higher turnover and the one-off costs incurred by rearrangement.

Consolidated operating income is HUF 866 million, which is HUF 187 million (28%) higher than the profit for the base period. Consolidated net income after interest income, taxation and non-controlling interest is HUF 712 million, which shows an increase of HUF 167 million (31%) compared to the previous year.

Earnings per share are HUF 50 in 2013, which shows a 32% increase compared to the HUF 38 in 2012.

### Income statement analysis

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

1. Table: Net sales by segments

| Sales segments | FY 2012 in HUF millions | FY 2013 in HUF millions | Change | Change % |
|---|---|---|---|---|
| Security products and solutions | 6,478 | 6,350 | (128) | -1.98% |
| Card production and personalization | 4,067 | 4,234 | 167 | 4.11% |
| Form production and personalization, data processing | 5,015 | 5,998 | 983 | 19.60% |
| Traditional printing products | 824 | 976 | 152 | 18.45% |
| Other | 397 | 463 | 66 | 16.62% |
| **Total net sales** | **16,781** | **18,021** | **1,240** | **7.39%** |

ANY PLC had consolidated net sales of HUF 18,021 million in 2013, which is HUF 1,240 million higher than the sales for the base period.

Sales of **security products and solutions** came to HUF 6,350 million in 2013 which means a decrease of HUF 128 million (2%). The significantly decreasing revenue from tax stamps have been compensated by increasing revenue from paper documents (passport).

ANY BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

The Company's revenues from **card production and personalisation** totalled HUF 4,234 million in the period of reference, a HUF 167 million (4%) increase compared to 2012. The growth of the segment was caused mainly by the higher turnover of card production and personalisation.

The Company's revenues from **form production, personalisation and data processing** came to HUF 5,998 million in 2013, a HUF 983 million (20%) higher than the sales for the base period. The change is mainly due to the rise of export sales of form production, personalisation and data processing, and its logistical services.

Sales of **traditional printing products** amounted to HUF 976 million in 2013, which means a HUF 152 million (19%) increase compared to the previous year's similar period.

**Other sales** totalled HUF 463 million in 2013, which is an increase of HUF 66 million (17%). This segment mainly comprises revenues from the sale of commercial materials and goods.

Operating income came to HUF 866 million, an increase of HUF 187 million (28%) compared to the previous year. The Company's profitability was adversely affected by settlements of one-off, and the higher turnover.

Gross profit totalled HUF 5,094 million, which means a 28% gross margin. General (SG&A) expenses amounted to HUF 3,877 million in 2013, which equals 22% of net sales. Material expenses increased by HUF 859 million (8%) in the reference year.

The capitalized value of own performance line shows the capitalized value of assets produced and the change in inventories manufactured. These figures were driven mainly by the change in inventories in both periods presented; the most significant of these is the value of unfinished production connected with security and card products.

Personnel expenses totalled HUF 4,156 million, which means a 6% growth compared to the base period.

EBITDA amounted to HUF 1,630 million due to the change in operating income and depreciation, which represents an increase of HUF 177 million (12%). Therefore, the EBITDA margin amounts to 9.1%.

Net interest income amounted to 35 million HUF in 2013. Net income – after financial operations, taxation and minority interest – came to HUF 712 million in 2013, a rise of 31% compared to the previous year.

ANY BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

### Balance sheet analysis

The Company had total assets of HUF 9,827 million on 31 December, 2013, which means an increase of HUF 377 million (4%) compared to the previous year-end.

Receivables amounted to HUF 2,639 million which represents a HUF 209 million (9%) increase compared to the 2012 year-end figure. Cash and bank totalled HUF 1,629 million which represents a HUF 169 million decreases compared to the 2012 year-end figure due to an increase of cash flows from operating activities. Inventories totalled HUF 1,726 million, which is a HUF 348 million (25%) increase compared to the 31 December 2012 figure. Raw materials and consumables increased by HUF 246 million (30%) compared to the prior period. It was caused by the parent company's raw material needs for its running projects, which raw materials have been purchased before balance sheet date. Further increase was in the amount of work in progress especially in semi-finished products due to the ongoing production of security products. Other current assets and prepayments amounted to HUF 560 million, which is a HUF 198 million rise, compared to the prior year-end figure. The balance of property, plant and equipment at the end of December 2013 was HUF 2,909 million, a decrease of 6% compared to the end of 2012, due to an investment lower than the accounted depreciation.

Goodwill amounted to HUF 335 million that is the same amount as at the end of previous year.
Accounts payable totalled HUF 1,943 million, HUF 116 million (6%) higher compared to the end of December 2012. Other payables and accruals amounted to HUF 1,094 million, which increased by HUF 300 million (38%) compared to the end of 2012 due to the accrued amount of premiums.
Short term loans amounted to HUF 54 million on 31 December 2013. The balance of long and short term part of lease liabilities at the end of the current period amounted to HUF 88 million, which is a HUF 180 million decreases compared to the end of previous year, due to paying off.

## Risk management

*Foreign currency risk*

Among foreign currency transactions of the Group 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 within the Group, therefore the foreign currency risk of the Group is not significant.

ANY BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

*Interest rate risk*

Due to the low balance of debts in the Group. potential interest rate changes would not influence significantly the amount of interests to be paid by the Group. Based on the balance of Credits of the Group. a potential interest rate increase of 100 basis points relevant to our credits would increase our interest expenses by approximately HUF 581 thousands in the year 2013. (This was HUF 370 thousands in the year 2012.)

*Liquidity risk*

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecasts and actual cash-flows and by matching the maturity profiles of financial assets and liabilities.
Liquidity risk of the Group, due to the high balance of net working capital, is low.

*Credit risk*

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties, and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Trade receivables consist of a large number of costumers, spread across divers industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.
The financial discipline of the debtors of the Group 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: 2.68%. (This was 3% in 2012.)

ANY BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

# Supplementary information for the business report of ANY Security Printing House PLC

## Significant events after the reporting period

There was not any significant event in the Group after the reporting period.

## Treasury shares in FY2013

2. Table: Treasury shares

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

Number of treasury shares held by the Company on 31st December 2013 is 448,842 which were purchased at an average price of HUF 1,014 per share. In 2009, in 2010, in 2011 and in 2012 the Company calculated impairment on treasury shares in the statutory financial statement of the parent company prepared according to the Hungarian Accounting Law due to the long term significant share price decrease on the Budapest Stock Exchange in value of HUF 56,002 thousands in 2009, HUF 62,483 thousands in 2010, HUF 69,746 thousands in 2011 HUF 68,762 thousands in 2012. In 2013, the accumulated impairment has been reduced by HUF 102.669 thousands because of increase in share price. Due to this share price increase the accumulated amount of impairment is HUF 154,324 thousands.

Book value of the treasury shares in the financial statement of the parent company is HUF 670 per share, which was the current share price of the Stock Exchange at the date of preparing the statement of financial position. Impairment of treasury shares did not influence the consolidated profit of the Group according to the International Financial Reporting Standards, as the impairment with all of its tax effect was eliminated during consolidation.

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.

ANY BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

### Competence, election and removal of corporate officers

Statutes effective from 1st February 2013 of ANY Security Printing Company PLC point 10.10 prescribes the competence of the General Meeting, of which point 'd' regulates the election (simple majority of the votes of the shareholders present) and the removal (three-quarters of the votes of the shareholders present) of the corporate officers (Members of the Board of Directors, Members of the Supervisory Board or Members of the Audit Committee).

Competence and operation is regulated in point 12 of the Statutes for the Board of Directors is, while point 14 for the Supervisory Board and point 15 for the Audit Committee.

Purchase of treasury shares is regulated by point 9.3 of Statutes, according to which General Meeting authorises the Board of Directors for purchasing treasury shares of the Company by simple majority of the votes of the shareholders present. The Board of Directors authorises the management for purchasing treasury shares of the Company by simple majority of the votes of the Board members present. The regulation effective at present in connection with purchasing treasury shares is the General Meeting Resolution No 11/2013 (10th April).

Statutes effective of the ANY Security Printing Company PLC can be found on the website of the Company under the link of Investors.

(http://www.any.hu/wp-content/files_mf/1360162879ANYStatutes01.02.2013.pdf)

### Modification of the Statutes

Statutes effective from 1st February 2013 of ANY Security Printing Company PLC point 10.10 prescribes the competence of the General Meeting, of which point 'a' regulates the modification of the Statutes, which is connected to three-quarters of the votes of the shareholders present.

Statutes effective of the ANY Security Printing Company PLC can be found on the website of the Company under the link of Investors.

(http://www.any.hu/wp-content/files_mf/1360162879ANYStatutes01.02.2013.pdf)

ANY BIZTONSÁGI NYOMDA
SECURITY PRINTING COMPANY
FORMER STATE PRINTING COMPANY
Halom utca 5, 1102 Budapest, Hungary | www.any.hu
Phone: +36 1 431 1200 | info@any.hu

## Structure of shareholders over 5% share

3. Table: Structure of shareholders

| Investor | Voting right (%) | Ownership (%) |
|---|---|---|
| ***Owners above 5% share*** | | |
| Dr. Ákos Erdős(*) | 11.91% | 11.55% |
| Erdős Tamás | 6.97% | 6.76% |
| PERSHING LLC | 6.54% | 6.35% |
| ***Owners below 5% share*** | | |
| Domestic Institutional Investors | 34.73% | 33.68% |
| Foreign Institutional Investors | 11.91% | 11.55% |
| Foreign Individual Investors | 0.23% | 0.22% |
| Domestic Individual Investors | 11.72% | 11.36% |
| Management, employees | 7.00% | 6.79% |
| Treasury shares | 0.00% | 3.03% |
| State investors | 2.97% | 2.88% |
| Other | 6.02% | 5.83% |

* Dr. Ákos Erdős owns further 476.630 ANY shares through Fortunarum Kft.

**Budapest, 28th February 2014** ..........................................................................

**Chief Executive Officer**