

**Annual report  
for the year ended December 31, 2015**

**ANY Security Printing Company PLC**

**Annual report**

**for the year ended December 31, 2015**

**Deloitte.**

Deloitte Auditing and Consulting Ltd.  
H-1056 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.hu

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

*Translation of the Hungarian original*

## INDEPENDENT AUDITORS' REPORT

To the Shareholders of ANY Biztonsági Nyomda Nyrt.

### Report on the Financial Statements

We have audited the accompanying financial statements of ANY Biztonsági Nyomda Nyrt. (the "Company") for the year 2015, which comprise the balance sheet as at December 31, 2015 - which shows total assets of 8,239,876 thHUF and a retained profit for the year of 0 thHUF-, and the related profit and loss account for the year then ended and the supplement comprising a summary of significant accounting policies and other explanatory information.

#### *Management's Responsibility for the Financial Statements*

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

#### *Auditor's Responsibility*

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

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

*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, 2015, and its financial performance for the year then ended in accordance with the Accounting Act.

*Other Matters*

We issued our auditors' report dated March 1, 2016 on the financial statements submitted for the General Meeting. The effects of subsequent events were examined until that date.

The financial statements were changed by the General Meeting held on April 4, 2016 with the amount of dividend. The approved dividend is 961,652 thHUF, and as a result of this, the result for the year has changed to 0 thHUF. Amount of retained earnings used for dividend was 195,599 thHUF. Our procedures regarding the subsequent events occurred after March 1, 2016 were limited to the General Meeting's decision on the dividend.

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

We have examined the accompanying business report of ANY Biztonsági Nyomda Nyrt. for the year 2015.

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

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

In our opinion, the business report of ANY Biztonsági Nyomda Nyrt. for the year 2015 corresponds to the figures included in the financial statements of ANY Biztonsági Nyomda Nyrt. for the year 2015.

Budapest, April 4, 2016

*The original Hungarian version has been signed.*

Nagyváradiné Szépfalvi Zsuzsanna  
Deloitte Auditing and Consulting Ltd.  
1068 Budapest, Dózsa György út 84/C.  
000083

Horváth Tamás  
registered statutory auditor  
003449

**Deloitte.**

Deloitte Könyvvizsgáló és Tanácsadó Kft.  
1068 Budapest, Dózsa György út 84/A  
Levél cím: 1438 Budapest, Pf. 471

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

Bejegyeztve: Fővárosi Törvényszék Cégbírósága  
Cg.: 01-09-071057

## FÜGGETLEN KÖNYVVIZSGÁLÓI JELENTÉS

Az ANY Biztonsági Nyomda Nyrt. részvényeseinek

Az éves beszámolóról készült jelentés

Elvégeztük az ANY Biztonsági Nyomda Nyrt. (a „Társaság”) mellékelt 2015. évi éves beszámolójának a könyvvizsgálatát, amely éves beszámoló a 2015. december 31-i fordulónapra elkészített mérlegből – melyben az eszközök és források egyező végösszege 8.239.876 eFt, a mérleg szerinti eredmény 0 eFt –, és az ezen időponttal végződő évre vonatkozó eredménykimutatásból, valamint a számviteli politika meghatározó elemeit és az egyéb magyarázó információkat tartalmazó kiegészítő mellékletből áll.

*A vezetés felelőssége az éves beszámolóért*

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

*A könyvvizsgáló felelőssége*

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

A könyvvizsgálat magában foglalja olyan eljárások végrehajtását, amelyek célja könyvvizsgálói bizonyítékot szerezni az éves beszámolóban szereplő összegekről és közzétételekről. A kiválasztott eljárások, beleértve az éves beszámoló akár csalásból, akár hibából eredő, lényeges hibás állításai kockázatának felmérését is, a könyvvizsgáló megítélésétől függenek. A kockázatok ilyen felmérésekor a könyvvizsgáló az éves beszámoló gazdálkodó egység általi elkészítése és valós bemutatása szempontjából releváns belső kontrollt azért mérlegeli, hogy olyan könyvvizsgálói 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 megfeleléségének és a vezetés által készített számviteli becslések ésszerűségének, valamint az éves beszámoló átfogó prezentálásának értékelését is.

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

#### Vélemény

Véleményünk szerint az éves beszámoló megbízható és valós képet ad az ANY Biztonsági Nyomda Nyrt. 2015. december 31-én fennálló vagyoni és pénzügyi helyzetéről, valamint az ezen időponttal végződő évre vonatkozó jövedelmi helyzetéről a számviteli törvényben foglaltakkal összhangban.

#### Egyéb kérdések

A közgyűlés elé terjesztett éves beszámólóról 2016. március 1-i dátummal könyvvizsgálói véleményt adtunk ki és a fordulónap utáni események hatásait ezen időpontig vizsgáltuk meg. Az éves beszámolót a 2016. április 4-én megtartott közgyűlés az osztalék fizetés mértékében megváltoztatta, a fizetendő osztalék 961.652 eFt, melynek hatására a mérleg szerinti eredmény 0 eFt-ra változott. Az osztalékfizetésre igénybevett eredménytartalék 195.599 eFt. A 2016. március 1-jét követően bekövetkezett fordulónap utáni eseményekre vonatkozó eljárásaink a közgyűlés osztalék fizetésre vonatkozó döntésére korlátozódtak.

#### Egyéb jelentéstételi kötelezettség: Az üzleti jelentésről készült jelentés

Elvégeztük az ANY Biztonsági Nyomda Nyrt. mellékelt 2015. évi üzleti jelentésének a vizsgálatát.

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

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

Véleményünk szerint az ANY Biztonsági Nyomda Nyrt. 2015. évi üzleti jelentése az ANY Biztonsági Nyomda Nyrt. 2015. évi éves beszámolójának adataival összhangban van.

Budapest, 2016. április 4.



Nagyváradiné Szépfalvi Zsuzsanna

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



Horváth Tamás

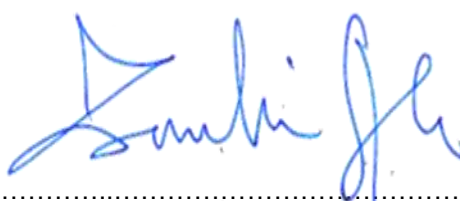
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003449

## Balance Sheet for the year ended December 31, 2015

### Balance Sheet (in HUF thousands)

	Description	December 31, 2014	December 31, 2015
<b>A.</b>	<b>FIXED ASSETS</b>	<b>3,640,052</b>	<b>3,774,988</b>
<b>I.</b>	<b>INTANGIBLE ASSETS</b>	<b>731,985</b>	<b>655,042</b>
1.	Capitalized start-up and restructuring costs	0	0
2.	Capitalized value of research and development	40,610	80,434
3.	Concessions, licenses and similar rights and assets	229,396	172,114
4.	Intellectual property	165,855	106,370
5.	Goodwill	296,124	296,124
6.	Advances and prepayments on intangible assets	0	0
7.	Adjusted value of intangible assets	0	0
<b>II.</b>	<b>TANGIBLE ASSETS</b>	<b>2,134,103</b>	<b>2,352,121</b>
1.	Land and buildings and rights to immovable	307,626	304,187
2.	Plant and machinery, vehicles	1,446,460	1,437,461
3.	Other equipment, fixtures and fittings, vehicles	347,280	295,407
4.	Breeding stock	0	0
5.	Assets in course of construction	6,762	279,679
6.	Payment on account	25,975	35,387
7.	Adjusted value of tangible assets	0	0
<b>III.</b>	<b>FINANCIAL INVESTMENTS</b>	<b>773,964</b>	<b>767,825</b>
1.	Long-term participations in affiliated undertakings	763,460	761,919
2.	Long-term loan to affiliated undertakings	0	0
3.	Other long-term participations	0	0
4.	Long-term loan to independent undertakings	0	0
5.	Other long-term loans	10,504	5,906
6.	Securities signifying a long-term creditor relationship	0	0
7.	Adjusted value of financial investments	0	0

Budapest, 4. April, 2016



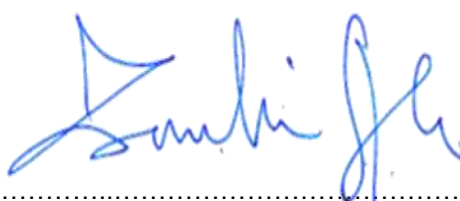
Chief Executive Officer

The Supplementary Notes are inseparable parts of the financial statements

# Balance Sheet for the year ended December 31, 2015

	Description	December 31, 2014	December 31, 2015
<b>B.</b>	<b>CURRENT ASSETS</b>	<b>4,271,020</b>	<b>4,385,256</b>
<b>I.</b>	<b>INVENTORIES</b>	<b>1,412,465</b>	<b>1,890,446</b>
1.	Raw materials and consumables	748,536	1,036,045
2.	Work in progress, intermediate and semi-finished products	285,399	496,700
3.	Animals for breeding and fattening, other livestock	0	0
4.	Finished products	334,376	332,866
5.	Goods for resale	43,080	19,154
6.	Advances and prepayments on inventories	1,074	5,681
<b>II.</b>	<b>RECEIVABLES</b>	<b>1,621,786</b>	<b>1,861,411</b>
1.	Accounts receivable (trade debtors)	1,329,319	1,563,327
2.	Receivables from affiliated undertakings	188,224	69,112
3.	Receivables from independent undertakings	0	0
4.	Bills of exchange receivable	0	0
5.	Other receivables	104,243	228,972
<b>III.</b>	<b>SECURITIES</b>	<b>391,839</b>	<b>457,819</b>
1.	Participations in affiliated undertakings	0	0
2.	Other participations	0	0
3.	Own shares and own partnership shares	391,839	457,819
4.	Securities signifying a creditor relation. for trading purposes	0	0
<b>IV.</b>	<b>LIQUID ASSETS</b>	<b>844,930</b>	<b>175,580</b>
1.	Cash in hand, checks	3,362	2,194
2.	Cash at bank	841,568	173,386
<b>C.</b>	<b>PREPAYMENTS AND ACCRUED INCOME</b>	<b>60,261</b>	<b>79,632</b>
1.	Accrued income	24,403	30,709
2.	Accrued costs, expenses	35,858	48,923
3.	Deferred expenses	0	0
	<b>TOTAL ASSETS</b>	<b>7,971,333</b>	<b>8,239,876</b>

Budapest, 4. April, 2016



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Chief Executive Officer

The Supplementary Notes are inseparable parts of the financial statements

# Balance Sheet for the year ended December 31, 2015

	Description	December 31, 2014	December 31, 2015
<b>D.</b>	<b>SHAREHOLDERS' EQUITY</b>	<b>4,846,499</b>	<b>4,650,900</b>
I.	SHARE CAPITAL	1,449,876	1,449,876
	including: ownership shares repurchased at face value	43,987	0
II.	SHARE CAPITAL UNPAID	0	0
III.	CAPITAL RESERVE	250,686	250,686
IV.	ACCUMULATED PROFIT RESERVE	2,170,860	1,860,578
V.	TIED-UP RESERVE	975,077	1,089,760
VI.	REVALUATION RESERVE	0	0
VII.	PROFIT OR LOSS FOR THE YEAR	0	0
<b>E.</b>	<b>PROVISIONS</b>	<b>0</b>	<b>0</b>
1.	Provisions for expected liabilities	0	0
2.	Provisions for future expenses	0	0
3.	Other provisions	0	0
<b>F.</b>	<b>LIABILITIES</b>	<b>2,740,788</b>	<b>3,312,452</b>
<b>I.</b>	<b>SUBORDINATED LIABILITIES</b>	<b>0</b>	<b>0</b>
1.	Subordinated liabilities to affiliated undertakings	0	0
2.	Subordinated liabilities to independent undertakings	0	0
3.	Subordinated liabilities to other economic entities	0	0
<b>II.</b>	<b>LONG-TERM LIABILITIES</b>	<b>0</b>	<b>178,838</b>
1.	Long-term loans	0	0
2.	Convertible bonds	0	0
3.	Debts on issue of bonds	0	0
4.	Investment and development credits	0	0
5.	Other long-term credits	0	0
6.	Long-term liabilities to affiliated undertakings	0	0
7.	Long-term liabilities to independent undertakings	0	0
8.	Other long-term liabilities	0	178,838
<b>III.</b>	<b>CURRENT LIABILITIES</b>	<b>2,740,788</b>	<b>3,133,614</b>
1.	Short-term loans	0	0
	including: convertible bonds	0	0
2.	Other short-term credits	0	0
3.	Advances received from customers	18,178	8,381
4.	Accounts payable (trade creditors)	1,188,336	1,599,166
5.	Bills of exchange payable	0	0
6.	Short-term liabilities to affiliated undertakings	166,362	82,940
7.	Short-term liabilities to independent undertakings	0	0
8.	Other short-term liabilities	1,367,912	1,443,127
<b>G.</b>	<b>ACCRUALS AND DEFERRED INCOME</b>	<b>384,046</b>	<b>276,524</b>
1.	Deferred income	955	1,209
2.	Deferred costs, expenses	378,749	273,457
3.	Accrued income	4,342	1,858
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>7,971,333</b>	<b>8,239,876</b>

Budapest, 4. April, 2016

  
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Chief Executive Officer

The Supplementary Notes are inseparable parts of the financial statements



# Profit and Loss Statement for the year ended December, 2015

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

	Description	FY 2014	FY 2015
01.	Net domestic sales	13,298,455	11,478,960
02.	Net external sales	1,156,094	1,191,167
<b>I.</b>	<b>NET SALES REVENUE</b>	<b>14,454,549</b>	<b>12,670,127</b>
03.	Change in goods and work in progress	-4,237	209,791
04.	Own work capitalized	62,038	69,827
<b>II.</b>	<b>OWN PERFORMANCE CAPITALIZED</b>	<b>57,801</b>	<b>279,618</b>
<b>III.</b>	<b>OTHER INCOME</b>	<b>106,627</b>	<b>475,531</b>
	including: loss in value marked back	26,843	102,721
05.	Cost of raw materials and consumables	4,356,283	4,076,493
06.	Cost of services	1,430,617	1,355,986
07.	Cost of other service activities	76,122	64,468
08.	Cost of goods sold	917,106	678,391
09.	Cost of services sold (intermediated)	2,059,484	1,627,958
<b>IV.</b>	<b>MATERIAL COSTS</b>	<b>8,839,612</b>	<b>7,803,296</b>
10.	Wages and salaries	2,784,174	2,657,683
11.	Other employee benefits	261,994	275,273
12.	Contributions on wages and salaries	801,376	767,909
<b>V.</b>	<b>PERSONAL TYPE EXPENDITURES</b>	<b>3,847,544</b>	<b>3,700,865</b>
<b>VI.</b>	<b>DEPRECIATION</b>	<b>715,445</b>	<b>726,477</b>
<b>VII.</b>	<b>OTHER OPERATING CHARGES</b>	<b>437,510</b>	<b>659,531</b>
	including: loss in value	85,695	77,109
<b>A.</b>	<b>OPERATING (TRADING) PROFIT</b>	<b>778,866</b>	<b>535,107</b>
13.	Dividends and profit-sharing (received or due)	251,360	313,775
	including: from affiliated undertakings	251,360	313,775
14.	Capital gains on investments	0	0
	including: from affiliated undertakings	0	0
15.	Interest and capital gains on financial investments	0	0
	including: from affiliated undertakings	0	0
16.	Other interest and similar income (received or due)	9,397	6,937
	including: from affiliated undertakings	785	696
17.	Other income from financial transactions	59,046	30,341
<b>VIII.</b>	<b>Income from financial transactions</b>	<b>319,803</b>	<b>351,053</b>
18.	Losses on financial investments	0	0
	including: to affiliated undertakings	0	0
19.	Interest payable and similar charges	12,939	16,164
	including: to affiliated undertakings	7,925	5,456
20.	Losses on shares, securities and bank deposits	-91,115	-65,980
21.	Other expenses on financial transactions	50,336	40,911
<b>IX.</b>	<b>Expenses on financial transactions</b>	<b>-27,840</b>	<b>-8,905</b>
<b>B.</b>	<b>PROFIT OR LOSS ON FINANCIAL TRANSACTIONS</b>	<b>347,643</b>	<b>359,958</b>
<b>C.</b>	<b>PROFIT OR LOSS ON ORDINARY ACTIVITIES</b>	<b>1,126,509</b>	<b>895,065</b>
X.	Extraordinary income	2,484	2,484
XI.	Extraordinary expenses	63,777	82,060
<b>D.</b>	<b>EXTRAORDINARY PROFIT OR LOSS</b>	<b>-61,293</b>	<b>-79,576</b>
<b>E.</b>	<b>PROFIT BEFORE TAX</b>	<b>1,065,216</b>	<b>815,489</b>
XII.	Tax payable	75,762	49,436
<b>F.</b>	<b>PROFIT AFTER TAX</b>	<b>989,454</b>	<b>766,053</b>
22.	Profit reserves used for dividends and profit-sharing	90,555	195,599
23.	Dividends and profit-sharing paid (approved)	1,080,009	961,652
<b>G.</b>	<b>PROFIT OR LOSS FOR THE YEAR</b>	<b>0</b>	<b>0</b>

Budapest, 4. April, 2016

  
Chief Executive Officer

The Supplementary Notes are inseparable parts of the financial statements.

# Profit and Loss Statement for the year ended December, 2015

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

	Description	FY 2014	FY 2015
01.	Net domestic sales	13,298,455	11,478,960
02.	Net external sales	1,156,094	1,191,167
<b>I.</b>	<b>TOTAL SALES (REVENUES)</b>	<b>14,454,549</b>	<b>12,670,127</b>
03.	Prime cost of sales accounted	6,828,459	6,026,129
04.	Original cost of goods sold	917,106	678,391
05.	Value of services sold (intermediated)	2,059,484	1,627,958
<b>II.</b>	<b>DIRECT COSTS OF SALES</b>	<b>9,805,049</b>	<b>8,332,478</b>
<b>III.</b>	<b>GROSS INCOME FROM SALES</b>	<b>4,649,500</b>	<b>4,337,649</b>
06.	Sales and marketing costs	331,447	345,907
07.	Administration costs	3,084,312	3,151,816
08.	Other general overhead	123,992	120,819
<b>IV.</b>	<b>INDIRECT COST OF SALES</b>	<b>3,539,751</b>	<b>3,618,542</b>
<b>V.</b>	<b>OTHER INCOME</b>	<b>106,627</b>	<b>475,531</b>
	including: loss in value marked back	26,843	102,721
<b>VI.</b>	<b>OTHER OPERATING CHARGES</b>	<b>437,510</b>	<b>659,531</b>
	including: loss in value	85,695	77,109
<b>A.</b>	<b>INCOME FROM OPERATIONS</b>	<b>778,866</b>	<b>535,107</b>
13.	Dividends and profit-sharing (received or due)	251,360	313,775
	including: from affiliated undertakings	251,360	313,775
14.	Capital gains on investments	0	0
	including: from affiliated undertakings	0	0
15.	Interest and capital gains on financial investments	0	0
	including: from affiliated undertakings	0	0
16.	Other interest and similar income (received or due)	9,397	6,937
	including: from affiliated undertakings	785	696
17.	Other income from financial transactions	59,046	30,341
<b>IX.</b>	<b>Income from financial transactions</b>	<b>319,803</b>	<b>351,053</b>
18.	Losses on financial investments	0	0
	including: to affiliated undertakings	0	0
19.	Interest payable and similar charges	12,939	16,164
	including: to affiliated undertakings	7,925	5,456
20.	Losses on shares, securities and bank deposits	-91,115	-65,980
21.	Other expenses on financial transactions	50,336	40,911
<b>X.</b>	<b>Expenses on financial transactions</b>	<b>-27,840</b>	<b>-8,905</b>
<b>B.</b>	<b>PROFIT OR LOSS ON FINANCIAL TRANSACTIONS</b>	<b>347,643</b>	<b>359,958</b>
<b>C.</b>	<b>PROFIT OR LOSS ON ORDINARY ACTIVITIES</b>	<b>1,126,509</b>	<b>895,065</b>
XI.	Extraordinary income	2,484	2,484
XII.	Extraordinary expenses	63,777	82,060
<b>D.</b>	<b>EXTRAORDINARY PROFIT OR LOSS</b>	<b>-61,293</b>	<b>-79,576</b>
<b>E.</b>	<b>PROFIT BEFORE TAX</b>	<b>1,065,216</b>	<b>815,489</b>
XIII.	Tax payable	75,762	49,436
<b>F.</b>	<b>PROFIT AFTER TAX</b>	<b>989,454</b>	<b>766,053</b>
22.	Profit reserves used for dividends and profit-sharing	90,555	195,599
23.	Dividends and profit-sharing paid (approved)	1,080,009	961,652
<b>G.</b>	<b>PROFIT OR LOSS FOR THE YEAR</b>	<b>0</b>	<b>0</b>

Budapest, 4. April, 2016

  
Chief Executive Officer

The Supplementary Notes are inseparable parts of the financial statements

**ANY Security Printing company PLC**

## **Supplementary Notes**

**for the year ended December 31, 2015**

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All amounts in HUF thousands unless if otherwise indicated.

## 2 General information

### 2.1 General information on the Company

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

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

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

Place of publishing the announcements:

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

Members of the Board of Directors of the Company:

Dr. Ákos Erdős chairman  
Gábor Zsámboki vice-chairman  
György Gyergyák  
Tamás Erdős  
Péter Kadocsa  
Erwin Fidelis Reisch

All amounts in HUF thousands unless if otherwise indicated.

Members of the Supervisory Board of the Company:

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

Auditor of the Company: Deloitte Könyvvizsgáló és Tanácsadó Kft. (seat: 1068 Budapest, Dózsa György út 84/c) MKVK registration No.: 000083); registered statutory auditor: Tamás Horváth (MKVK registration number: 003449)

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

Common shares of series "A": HU 0000093257

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

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

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

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

## 2.2 The activities and the history of the Company

### 2.2.1 The activities of the Company

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

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

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

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

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

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

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

### 2.2.2 The history of the Company

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

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

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

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

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

implemented in the following year at the Company's new premises at Fátyolka street 1-5. in Budapest's 10<sup>th</sup> district.

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

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

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

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



All amounts in HUF thousands unless if otherwise indicated.

1. Table: Structure of the Shareholders

Shareholders	Total equity					
	Beginning of period (1 January 2015)			End of period (31 December 2015)		
	% <sup>1</sup>	% <sup>2</sup>	Shares	% <sup>1</sup>	% <sup>2</sup>	Shares
Foreign institutions	33.24%	34.28%	4,917,373	37.00%	38.15%	5,473,499
Domestic institutions	36.84%	38.00%	5,450,900	32.95%	33.98%	4,874,521
Domestic private individuals	14.37%	14.82%	2,126,391	18.47%	19.05%	2,732,957
Other	9.06%	9.34%	1,339,974	5.08%	5.24%	752,301
Employees, managing officials	3.23%	3.32%	477,066	3.20%	3.30%	473,085
Treasury stock	3.03%	0.00%	448,842	3.03%	0.00%	448,842
Foreign private individuals	0.23%	0.24%	34,104	0.27%	0.28%	39,445
Shareholders as part of the state budget	0.00%	0.00%	0	0.00%	0.00%	0
<b>TOTAL:</b>	<b>100.0%</b>	<b>100.0%</b>	<b>14,794,650</b>	<b>100.0%</b>	<b>100.0%</b>	<b>14,794,650</b>

<sup>1</sup> Ownership interest

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

According to the share register the voting right of the shareholders listed below is over 5%, and the following groups of investors form the structure of shareholders as at 31, December 2015.

2. Table: Structure of shareholders over 5% share

Name	Ownership interest (%)	Voting right (%)
<b>Shareholders over 5% share</b>		
EG Capital LLC (*)	11.55%	11.91%
Digital Forest LLC (**)	6.76%	6.97%
Aegon Alfa Származtatott Alap	6.88%	7.09%
<b>Other shareholders below 5% share</b>		
Domestic institutions	26.07%	26.89%
Domestic private individuals	18.47%	19.05%
Other	5.08%	5.24%
Foreign institutions	18.69%	19.27%
Employees, managing officials	3.20%	3.30%
Repurchased treasury shares	3.03%	0.00%
Foreign private individuals	0.27%	0.28%

(\*) The Chairman of the Board of Directors of ANY Security Printing Company PLC as owner of EG Capital LLC has a further 3.22% indirect ownership through Fortunarum Kft.

(\*\*) Based on the AGM of March 31, 2014 the Tamás Erdős has been elected as a member of the Board of Directors of ANY Security Printing Company PLC has indirect ownership

All amounts in HUF thousands unless if otherwise indicated.

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

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

AEGON Magyarország Befektetési Alapkezelő Zrt., as portfolio manager authorized with voting right has control all over the ordinary shares of ANY Security Printing Company Plc. owned in the AEGON Group. Therefore AEGON Magyarország Befektetési Alapkezelő Zrt. has cumulated voting right of 14,99%.

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

### 2.3 Main parts of the accounting policy

According to the Act of Accounting Section no. 12, paragraph no. 3, ANY Security Printing Company Plc. prepares double-entry bookkeeping. ANY Security Printing Company Plc. meets its reporting obligation by preparing the annual report. The cut-off date of the annual report is 31, December 2015. Balance sheet preparation date is 15<sup>th</sup> of January, 2016.

#### Accounting principle instructions

2% of balance sheet total qualifies as major error for the period. The principal of prudence and true and fair view dominate the accounting at the Company, these are applied beside the going concern principle, taking into consideration other accounting principles as well.

#### Revenue recognise

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

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

#### Depreciation method

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

All amounts in HUF thousands unless if otherwise indicated.

Applicable useful lives of the Company are:

- Capitalized start-up and restructuring costs (RV not significant.) 5 years
- Capitalized value of research and development (RV not significant.) 5 years
- Concessions, licenses and similar rights and assets (RV is individually measured at recognition) contractual period in case of a limited term contract or 6 years in case of an unlimited term contract
- Intellectual property (RV is not significant, but in case of software systems it is individually measured at recognition) 3 years
- Land and buildings and rights to immovable (RV is in case of real estates between 25 and 50% of capitalization, under 25% in Budapest, and/or individually measured at recognition in the countryside) 20 years (in case of a building to rent) or 50, 100 years based on the classification of the building
- Plant and machineries, vehicles (RV is generally not significant, but in case of higher capitalization value than HUF 1 million or in case of vehicles it is individually measured at recognition based on technological assessment and on expected useful life)  
2-10 years based on classification
  - o printing machines 6-10 years (based on expected useful life)
  - o computer hardwares 3 years
  - o computer networks 5 years
  - o capitalization on a rented asset based on rental contract
- Other equipment, fixtures and fittings, vehicles (RV does generally not exist, but in case of higher capitalization value than HUF 1 million or in case of vehicles it is individually measured at recognition based on technological assessment and on expected useful life) 2-7 years based on classification
  - o computer hardwares 3 years
  - o computer networks 5 years
  - o capitalization on a rented asset based on rental contract

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

### Goodwill

Goodwill is accounted in case of an acquisition as the difference between contribution paid for the expected future benefits and the fair value of assets less liabilities if contribution paid is the higher one. In case of the book value of goodwill - in consequence of changes in the circumstances having an influence relating to expectations concerning future economic benefits - remains permanently and

All amounts in HUF thousands unless if otherwise indicated.

substantially higher than its market value (the amount of the expected reimbursement) impairment loss is accounted. The valuation of investments has been recalculated yearly, and the amortisation has not been accounted by the Company.

### **Inventory valuation**

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

### **Write-off receivables / inventories**

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

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

### **Foreign exchange rate applied**

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

### **Consolidation**

Due to the changes in shareholders' structure, ANY Security Printing Company Plc. is obliged to prepare a consolidated annual report of the Group since 2005. Preparing the consolidated annual report each company have been consolidated as subsidiaries. Table no. 3 includes the consolidated companies.

## **2.4 Significant achievements, events in 2015**

Net sales revenue amounted to HUF 12,670 million in 2015, out of which export sales totaled HUF 1,191 million. Operating income came to HUF 535 million, an decrease of HUF 244 million (31.3%) compared to the previous year. Income before tax was HUF 815 million. Net income after financial operations, extraordinary profit and taxation was HUF 766 million.

Gross profit totaled HUF 4,338 million, which means a 34.2% gross margin. General (SG&A) expenses amounted to HUF 3,619 million in 2015, which equals 28.6% of net sales. Material expenses decreased by 11.7% (HUF 1,036 million) in 2015.

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

Personnel expenses totaled HUF 3,701 million, which means a 3.8% decrease compared to the base period. The growth of pay raise is due to the wage increases and changes in turnover.

In 2015 dividends received from subsidiaries increase by HUF 62 million, and result of reversal of impairment amount of HUF 63 million. Financial transaction result amounted to HUF 360 million in 2015, indicated an increase of HUF 12 million compared to the last year.

Extraordinary loss in 2015 totaled HUF -80 million, because of the amount of financial subsidy given to subsidiaries.

Income tax expense amounted to HUF 49 million in 2015, which means a decreased of HUF 26 million.

Profit after tax came to HUF 766 million, HUF 223 million lower compared before dividend payment of the prior year.

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

All amounts in HUF thousands unless if otherwise indicated.

## 2.5 Main information on the investments of the company

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

Investment	Seat	Year	Ownership %	Voting right % <sup>1</sup>	Registered capital	Reserves	Profit for 2015	Total Equity	Qualification based on HAL <sup>2</sup>
Gyomai Kner Nyomda Zrt.	Gyomaendrőd	2015	98.98%	98.98%	200,000	413,322	172,722	786,044	L
Specimen Zrt. ****	Budapest	2015	100.00%	100.00%	100,000	44,095	1,074	145,169	L
Techno - Progress Kft	Budapest	2015	100.00%	100.00%	5,000	10,932	1,333	17,265	L
Slovak Direct S.r.o.	Bratislava	2015	100.00%	100.00%	20,212	17,248	1,356	38,816	L
Zipper Services S.r.l.*****	Cluj-Napoca	2015	50.00%	50.00%	33,194	432,373	465,294	930,861	L*
Zipper Data S.r.l.**	Cluj-Napoca	2015	50.00%	50.00%	110,422	218,031	68,575	397,028	L*
Direct Services Ltd.	Sofia	2015	50.00%	50.00%	91,263	191,270	129,642	412,175	L*
ANYPay Zrt.*****	Budapest	2015	100.00%	100.00%	50,000	1,010	3,300	54,310	L
Tipo Direct Serv***	Chişinău	2015	50.00%	50.00%	442	6,522	2,553	9,517	L

<sup>1</sup> Voting rights that entitle the holder to participate in decision making at the general meeting of the company included in consolidation.

<sup>2</sup> Fully controlled subsidiaries (L); Joint ventures (K); Associated undertakings (T)

(\*) Classification as subsidiary is the result of the co-operational agreement signed by the co-owner of the Company.

(\*\*) Zipper Data SRL is the member of consolidation circle since 1st February, 2011. The name of the company changed from GPV Mail Services SRL to Zipper Data SRL in October 2011.

(\*\*\*) 100 per cent subsidiary of Zipper Services SRL, it has been consolidated since 1st January, 2011,

(\*\*\*\*) Specimen Zrt. has been 100% owned subsidiary of ANY Security Printing Company Plc. since 1st June 2013.

(\*\*\*\*\*) 100 per cent subsidiary of Specimen Zrt, it has been consolidated since 21th November, 2013

(\*\*\*\*\*\*) The name of the company changed from Tipo Direct SRL to Zipper Services SRL in 17th June, 2014

According to the co-operational agreements, ANY Security Printing Company PLC, governs and controls the joint-ventures Zipper Services S.r.l. (earlier Tipo Direct S.r.l.) and Direct Services OOD from 1st of January, 2009 in the consolidation as 100% subsidiaries hereafter.

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

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

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

All amounts in HUF thousands unless if otherwise indicated.

### 3 Explanations for the balance sheet items

#### 3.1 Intangible assets

4. Table: Movement table of intangible assets

Description	1, January 2015	Increase	Capitalization	Decrease	31, December 2015
Capitalized start-up and restructuring costs	54,053	0	0	0	54,053
Capitalized value of research and development	209,843	0	0	0	209,843
Not capitalized value of research and development	0	59,317	0	0	59,317
Concessions, licenses and similar rights and assets	588,668	0	45,165	0	633,833
Not capitalized concessions, licenses and similar rights and assets	0	48,477	(45,165)	0	3,312
Intellectual property	669,804	0	10,807	0	680,611
Not capitalized intellectual property	173	11,039	(10,807)	0	405
Goodwill	296,124	0	0	0	296,124
<b>GROSS VALUE</b>	<b>1,818,665</b>	<b>118,833</b>	<b>0</b>	<b>0</b>	<b>1,937,498</b>
Capitalized start-up and restructuring costs	54,053	0	0	0	54,053
Capitalized value of research and development	169,233	19,493	0	0	188,726
Concessions, licenses and similar rights and assets	359,272	105,759	0	0	465,031
Intellectual property	504,122	70,524	0	0	574,646
<b>ACCUMULATED DEPRECIATION</b>	<b>1,086,680</b>	<b>195,776</b>	<b>0</b>	<b>0</b>	<b>1,282,456</b>
<b>NET VALUE</b>	<b>731,985</b>	<b>(76,943)</b>	<b>0</b>	<b>0</b>	<b>655,042</b>

During the current year software have been capitalized in connection with operation and business development.

ANY Group did not account impairment loss on intangible assets in this business year.

All amounts in HUF thousands unless if otherwise indicated.

### 3.2 Tangible assets

5. Table: Movement table of tangible assets

Description	1, January 2015	Capitalization	Increase	Decrease	31, December 2015
Land and buildings and rights to immovable	420,484	23,123	0	0	443,607
Plant and machinery, vehicles	7,105,185	416,368	0	256,113	7,265,440
Other equipment, fixtures and fittings, vehicles	1,442,628	66,109	0	6,644	1,502,093
Assets in course of construction	6,762	(505,600)	778,517	0	279,679
Payment on account	25,975	0	837,933	828,521	35,387
<b>GROSS VALUE</b>	<b>9,001,034</b>	<b>0</b>	<b>1,616,450</b>	<b>1,091,278</b>	<b>9,526,206</b>
Land and buildings and rights to immovable	112,858	0	26,562	0	139,420
Plant and machinery, vehicles	5,658,725	0	386,345	217,091	5,827,979
Other equipment, fixtures and fittings, vehicles	1,095,348	0	117,794	6,456	1,206,686
<b>ACCUMULATED DEPRECIATION</b>	<b>6,866,931</b>	<b>0</b>	<b>530,701</b>	<b>223,547</b>	<b>7,174,085</b>
<b>NET VALUE</b>	<b>2,134,103</b>	<b>0</b>	<b>1,085,749</b>	<b>867,731</b>	<b>2,352,121</b>

Gross value of fixed assets increased by 5.8 %, while net value increased by HUF 218,018 thousand due to the developments carried out at the Company.

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

ANY Group account HUF 1,800 thousand impairment loss on tangible assets in this business year.

### 3.3 Financial assets

6. Table: Movement table of financial assets

Description	1, January 2015	Increase	Decrease	31, December 2015
Long-term participations in affiliated undertakings	792,788	0	1,541	791,247
Other long-term loans	10,504	0	4,598	5,906
<b>GROSS VALUE</b>	<b>803,292</b>	<b>0</b>	<b>6,139</b>	<b>797,153</b>
Long-term participations in affiliated undertakings	29,328	0	0	29,328
<b>LOSS IN VALUE</b>	<b>29,328</b>	<b>0</b>	<b>0</b>	<b>29,328</b>
<b>NET VALUE</b>	<b>773,964</b>	<b>0</b>	<b>6,139</b>	<b>767,825</b>

Foreign exchange gain of the investments denominated in foreign currency is amounted to HUF 1,541 thousand.

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



All amounts in HUF thousands unless if otherwise indicated.

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

Description	31, December 2015	Investments'	
	net book value	purchase value	nominal value
Gyomai Kner Nyomda Zrt.	359,596	359,596	197,950
Zipper Data S.r.l. (Romanian)	164,642	420,234	144,619
Specimen Zrt.	151,052	180,380	100,000
Direct Services O.o.d. (Bulgarian)	45,628	37,521	37,521
Slovak Direct S.r.o. (Slovakian)	20,029	12,569	12,569
Zipper Services S.r.l. / Tipo Direct S.r.l. (Romanian)	16,481	14,725	14,725
Techno-Progress Kft	4,491	25,000	5,000
<b>Total:</b>	<b>761,919</b>	<b>1,050,025</b>	<b>512,384</b>

According to the equity valuation of the investments, the net book value of the investments is not higher than the fair market value of them, so the company did not account any loss in value in 2015 on the investments.

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

### 3.4 Inventories

8. Table: Inventories

Description	31, December 2014	31, December 2015	Change	Change %
Raw materials and consumables	748,536	1,036,045	287,509	38.41%
Work in progress, intermediate and semi-finished products	285,399	496,700	211,301	74.04%
Finished products	334,376	332,866	(1,510)	-0.45%
Goods for resale	43,080	19,154	(23,926)	-55.54%
Advances and prepayments on inventories	1,074	5,681	4,607	0
<b>Total:</b>	<b>1,412,465</b>	<b>1,890,446</b>	<b>477,981</b>	<b>33.84%</b>

Inventories amounted to HUF 1,890 million, which increased of HUF 478 million (33.8%) compared to the 31 December 2014 figure.

In the inventories the amount of raw materials and consumables increased by HUF 288 million (38.4%), work in progress compared increased by HUF 211 million (74.0%) to the prior period due to the current assets management.

All amounts in HUF thousands unless if otherwise indicated.

9. Table: Loss in value for inventories

Description	31, December 2014	Increase	Decrease	31, December 2015
Raw materials and consumables	109,849	14,853	43,457	75,099
Finished products	71,172	50,186	53,957	74,568
Goods for resale	1,018	9,348	0	9,348
<b>Total:</b>	<b>182,042</b>	<b>74,387</b>	<b>97,414</b>	<b>159,015</b>

The loss in value of inventories increased by HUF 23,027 thousand compared to the previous period in total (HUF 74,387 thousand loss in value was expensed, while HUF 97,414 thousand was reversed).

### 3.5 Receivables

10. Table: Receivables

Description	31, December 2014	31, December 2015	Change	Change %
<b>Receivables (trade debtors)</b>	<b>1,329,319</b>	<b>1,563,327</b>	<b>234,008</b>	<b>17.60%</b>
- domestic debtors	1,230,010	1,533,728	303,718	24.69%
- foreign debtors	110,962	36,867	(74,095)	-66.78%
- write-off receivables	(11,653)	(7,268)	4,385	-37.63%
<b>Receivables from affiliated undertakings</b>	<b>188,224</b>	<b>69,112</b>	<b>(119,112)</b>	<b>-63.28%</b>
- subsidiary with direct control	188,224	69,112	(119,112)	-63.28%
<b>Other receivables</b>	<b>104,243</b>	<b>228,972</b>	<b>124,729</b>	<b>119.65%</b>
VAT of lease fee	0	107,276	107,276	0
Money given for short period	66,530	53,780	(12,750)	-19.16%
Tax receivables	19,761	35,470	15,709	79.49%
Advances given to services	3,700	4,688	988	26.70%
Receivables from employees	2,415	2,692	277	11.47%
Debit balance creditors	3,983	0	(3,983)	-100.00%
Other	7,854	25,066	17,212	219.15%
<b>Total:</b>	<b>1,621,786</b>	<b>1,861,411</b>	<b>239,625</b>	<b>14.78%</b>

The change in other receivables year-on-year was mainly caused by the financial settlement of VAT connected to financial lease liability.

All amounts in HUF thousands unless if otherwise indicated.

11. Table: Loss in value for receivables

Description	31, December 2014	Increase	Decrease	31, December 2015
Loss in value for receivables	11,653	922	5,307	7,268

### 3.6 Securities

12. Table: Securities

Description	1, January 2015	Increase	Decrease	31, December 2015
Own shares and own partnership shares	455,048	2,771	0	457,819
<b>GROSS VALUE</b>	<b>455,048</b>	<b>2,771</b>	<b>0</b>	<b>457,819</b>
Own shares and own partnership shares	63,209	0	63,209	0
<b>LOSS IN VALUE</b>	<b>63,209</b>	<b>0</b>	<b>63,209</b>	<b>0</b>
Own shares and own partnership shares	391,839	2,771	(63,209)	457,819
<b>NET VALUE</b>	<b>391,839</b>	<b>2,771</b>	<b>(63,209)</b>	<b>457,819</b>

ANY Security Printing Company Plc. discloses its treasury shares at market value based on the stock exchange rate on the date of preparing the balance sheet and in result of this full amount of write-off was reversed in 2015.

13. Table: Repurchased treasury shares

Description	Shares	Nominal value	Purchase value
01, January 2015	448,842	43,987	455,048
31, December 2015	448,842	43,987	445,048

All amounts in HUF thousands unless if otherwise indicated.

### 3.7 Prepayments and accrued income

14. Table: Prepayments and accrued income

Description	31, December 2014	31, December 2015	Change	Change %
<b>Accrued income</b>	<b>24,403</b>	<b>30,709</b>	<b>6,306</b>	<b>25.84%</b>
- Interest	24,403	27,600	3,197	13.10%
- Other	0	3,109	3,109	0
<b>Accrued costs, expenses</b>	<b>35,858</b>	<b>48,923</b>	<b>13,065</b>	<b>36.44%</b>
- License fee of software's	23,645	23,644	(1)	0.00%
- Other	12,213	25,279	13,066	106.98%
<b>Deferred expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>60,261</b>	<b>79,632</b>	<b>19,371</b>	<b>32.15%</b>

The change in prepayments and accrued income in the current year is caused by the increase in accrued expenses connected to services.

### 3.8 Equity

15. Table: Equity movement table

Description	Share capital	Capital reserve	Accumulated profit reserve	Tied-up reserve	Profit or loss for the year
<b>Value as at 31, December 2014</b>	<b>1,449,876</b>	<b>250,686</b>	<b>2,170,860</b>	<b>975,077</b>	<b>0</b>
<b>Increase</b>	<b>0</b>	<b>0</b>	<b>391,121</b>	<b>505,804</b>	<b>0</b>
- creating development reserve	0	0	0	400,000	0
- reversal of development reserve	0	0	391,121	0	0
- purchase of treasury shares	0	0	0	65,980	0
- current year reversed amount of research and development costs	0	0	0	39,824	0
- profit for the year	0	0	0	0	0
<b>Decrease</b>	<b>0</b>	<b>0</b>	<b>701,403</b>	<b>391,121</b>	<b>0</b>
- creating development reserve	0	0	400,000	0	0
- reversal of development reserve	0	0	0	391,121	0
- profit reserves used for dividend	0	0	195,599	0	0
- current year reversed amount of research and development costs	0	0	39,824	0	0
- purchase of treasury shares	0	0	65,980	0	0
<b>Value as at December 31, 2015</b>	<b>1,449,876</b>	<b>250,686</b>	<b>1,860,578</b>	<b>1,089,760</b>	<b>0</b>

All amounts in HUF thousands unless if otherwise indicated.

16. Table: Changes in tied-up reserve

Description	31, December 2014	31, December 2015	Change	Change %
Net capitalized value of research and development	40,610	80,434	39,824	98.1%
Repurchased treasury shares	391,839	457,819	65,980	16.8%
Development reserve	542,628	551,507	8,879	1.6%
<b>Total tied-up reserve:</b>	<b>975,077</b>	<b>1,089,760</b>	<b>114,683</b>	<b>11.8%</b>

Due to the changes in the value of research and development and the accounted depreciation, reserve was increased by HUF 40 million. The Company took the opportunity ensured by the Corporate Tax Law and made HUF 400 million development reserve in the current year.

Due to the share purchase price increase of treasury shares further HUF 66 million was allocated to tied-up reserve.

### 3.9 Provisions

The Company has no provision.

### 3.10 Subordinated liabilities

The Company has no subordinated liabilities.

### 3.11 Long term liabilities

The Company has HUF 179 million long term part of leasing liability at the end of 2015.

### 3.12 Short term liabilities

17. Table: Short term liabilities

Description	31, December 2014	31, December 2015	Change	Change %
<b>Short-term loans</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>
<b>Other short-term credits</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>
<b>Advances received from customers</b>	<b>18,178</b>	<b>8,381</b>	<b>-9,797</b>	<b>-53.89%</b>
<b>Accounts payable (trade creditors)</b>	<b>1,188,336</b>	<b>1,599,166</b>	<b>410,830</b>	<b>34.57%</b>
- domestic creditors	854,938	1,211,536	356,598	41.71%
- foreign creditors	333,399	387,630	54,231	16.27%
<b>Short-term liabilities to affiliated undertakings</b>	<b>166,362</b>	<b>82,940</b>	<b>(83,422)</b>	<b>-50.14%</b>
- Subsidiary with majority control	166,362	82,940	(83,422)	-50.14%
<b>Short-term liabilities to independent undertakings</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>

All amounts in HUF thousands unless if otherwise indicated.

Description	31, December 2014	31, December 2015	Change	Change %
<b>Other short-term liabilities</b>	<b>1,367,912</b>	<b>1,443,127</b>	<b>75,215</b>	<b>5.50%</b>
- tax liability	217,691	306,688	<b>88,997</b>	<b>40.88%</b>
- short term part of leasing liability	0	89,186	<b>89,186</b>	-
- liability against employees	62,756	74,688	<b>11,932</b>	<b>19.01%</b>
- other receivables reclassified	1,742	6,021	<b>4,279</b>	<b>245.64%</b>
- dividend approved	1,080,636	966,064	<b>-114,572</b>	<b>-10.60%</b>
- other liabilities	5,087	480	<b>-4,607</b>	<b>-90.56%</b>
<b>Total:</b>	<b>2,740,788</b>	<b>3,133,614</b>	<b>392,826</b>	<b>14.33%</b>

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

Accounts payable totalled HUF 1,599 million, a decrease of 34,6% compared to the end of 2014.

Other short term liabilities increased by HUF 393 million due to the payment of dividend in 2015 and increasing in leasing and tax liabilities.

### 3.13 Accruals and deferred income

18. Table: Accruals and deferred income

Description	31, December 2014	31, December 2015	Change	Change %
<b>Deferred income</b>	<b>955</b>	<b>1,209</b>	<b>254</b>	<b>26.60%</b>
- deferred income	955	1,209	254	26.60%
<b>Deferred costs, expenses</b>	<b>378,749</b>	<b>273,457</b>	<b>(105,292)</b>	<b>-27.80%</b>
- Bonus and it's contributions	353,034	239,304	(113,730)	-32.22%
- Bank interests	270	893	623	230.74%
- Trade creditors' invoices	25,445	33,260	7,815	30.71%
<b>Accrued income</b>	<b>4,342</b>	<b>1,858</b>	<b>(2,484)</b>	<b>-57.21%</b>
- R&D subsidy	4,342	1,858	(2,484)	-57.21%
<b>Total:</b>	<b>384,046</b>	<b>276,524</b>	<b>(107,522)</b>	<b>-28.00%</b>

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

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

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

All amounts in HUF thousands unless if otherwise indicated.

## 4 Explanations to the profit or loss statement

### 4.1 Ordinary revenues

19. Table: Sales by categories

Description	FY 2014	FY 2015
Security forms and solutions	8,234,874	6,268,276
Card production and personalization	4,214,617	3,976,769
Business and administrative forms, personalization, data processing	1,635,127	1,980,696
Traditional printing products	96,416	104,876
Other	273,515	339,510
<b>Total:</b>	<b>14,454,549</b>	<b>12,670,127</b>

20. Table: Sales revenue from related parties

Description	FY 2014	FY 2015	Change	Change %
<b>Related party</b>	38,896	42,888	3,992	10.26%
Gyomai Kner Nyomda Zrt	18,331	18,539	208	1.13%
Specimen Zrt.	8,441	5,948	(2,493)	-29.53%
Zipper Services S.r.l.	139,681	111,220	(28,461)	-20.38%
Slovak Direct S.r.o..	131,509	59,807	(71,702)	-54.52%
Techno-progress Kft	101,224	88,895	(12,329)	-12.18%
Direct Services o.o.d.	0	0	-	-
Zipper Data S.r.l.	0	0	-	-
ANYPay Zrt	1,349	1,469	120	-
<b>Total:</b>	<b>439,431</b>	<b>328,766</b>	<b>(110,665)</b>	<b>-25.18%</b>

The Company decreased its sales revenue to the related parties by 25.18%. Other significant financial or extraordinary revenue was not posted against these companies.

Costs and expenses against related parties amounted to HUF 329 million altogether.

All amounts in HUF thousands unless if otherwise indicated.

21. Table: Sales of different regional markets

Description	Value in HUF thousands 2014	Value in HUF thousands 2015
<b>Domestic sales</b>	<b>13,298,455</b>	<b>11,478,960</b>
<b>Sales within the EU</b>	<b>956,819</b>	<b>689,527</b>
Romania	275,348	203,636
Slovakia	218,649	170,063
Czech Republic	128,360	153,693
Bulgaria	262,187	112,743
Germany	31,435	18,918
United Kingdom	6,323	13,547
Italy	6,036	8,694
Poland	3,602	4,138
Finland	671	1,983
Netherlands	1,090	1,554
Austria	23,112	331
Slovenia	0	227
Luxemburg	6	0
<b>Export outside the EU</b>	<b>199,275</b>	<b>501,640</b>
Africa	167,609	396,905
Albania	9,820	83,857
Island	17,255	17,679
Switzerland	3,185	2,033
Russia	722	997
Kuwait	0	138
Mexico	684	31
<b>Total:</b>	<b>14,454,549</b>	<b>12,670,127</b>

22. Table: Other income

Description	FY 2014	FY 2015	Change	Change %
<b>Other income:</b>				
- revenue from sales of tangible assets	44,671	333,319	288,648	646.16%
- reversed loss in value - inventories	18,827	97,414	78,587	417.42%
- rebate received	17,012	20,279	3,267	19.20%
- revenue from sales of assets	8,780	6,033	-2,747	-31.29%
- income from settlement of damages	0	5,542	5,542	-
- write-off released - trade receivables	8,016	5,307	-2,709	-33.79%
- default interest received	7,719	1,591	-6,128	-79.39%
- other not classified	1,602	6,046	4,444	277.40%
<b>Total:</b>	<b>106,627</b>	<b>475,531</b>	<b>368,904</b>	<b>345.98%</b>

The growth of the other income caused by the higher sales in fixed assets (technical lease), by the use or scrap of impaired inventories and by the increase of the rebate received.



All amounts in HUF thousands unless if otherwise indicated.

23. Table: Cost of services sold

Description	FY 2014	FY 2015	Change	Change %
- rental fee	400,148	380,069	-20,079	-5.02%
- repair, maintenance cost	319,771	314,473	-5,298	-1.66%
- audit, legal and other security cost	10,957	9,500	-1,457	-13.30%
- legal cost	18,927	13,703	-5,224	-27.60%
- security cost	97,232	105,135	7,903	8.13%
- marketing and other consulting , services	148,267	138,810	-9,457	-6.38%
- delivery cost	99,876	103,846	3,970	3.97%
- telecommunication cost	59,414	53,817	-5,597	-9.42%
- utilities	46,700	48,183	1,483	3.18%
- other	212,266	169,269	-42,997	-20.26%
Other security costs	17,059	19,181	2,122	12.44%
<b>Total</b>	<b>1,430,617</b>	<b>1,355,986</b>	<b>-74,631</b>	<b>-5.22%</b>

The cost of services sold decreased by 5.2% compared to the previous year due to the higher turnover.

## 4.2 Ordinary costs

24. Table: Other expenditures

Description	FY 2014	FY 2015	Change	Change %
- book value of tangible assets sold	39,359	324,487	285,128	724.43%
- local operational tax	167,877	143,012	-24,865	-14.81%
- inventory scrap, loss in value,	183,850	123,933	-59,917	-32.59%
- taxes (without local operational tax)	26,091	47,719	21,628	82.89%
- late payment interest	6,720	10,316	3,596	53.51%
- write-off bad debts	7,405	4,472	-2,933	-39.61%
- impairment loss	0	1,800	1,800	-
- write-off receivables	2,166	922	-1,244	-57.48%
- other	4,042	2,870	-1,172	-29.00%
<b>Total:</b>	<b>437,510</b>	<b>659,531</b>	<b>222,021</b>	<b>50.75%</b>

Other expenditures increased by HUF 222 million, mainly due to the change in the amount of sales in fixed assets (technical lease). Amount of inventory scrap and loss in value of inventories decreased other expenditures by HUF 60 million in the current year.

## 4.3 Extraordinary profit

25. Table: Extraordinary profit

Description	FY 2014	FY 2015	Change	Change %
<b>Extraordinary income:</b>				
- subsidy for development	2,484	2,484	0	0.00%
<b>Total:</b>	<b>2,484</b>	<b>2,484</b>	<b>0</b>	<b>0.00%</b>
<b>Extraordinary expenditure:</b>				
- donation given	63,050	81,966	18,916	30.00%
- other	727	94	-633	-87.07%
<b>Total:</b>	<b>63,777</b>	<b>82,060</b>	<b>18,283</b>	<b>28.67%</b>
<b>Extraordinary profit or (loss)</b>	<b>-61,293</b>	<b>-79,576</b>	<b>-18,283</b>	<b>29.83%</b>

All amounts in HUF thousands unless if otherwise indicated.

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

#### 4.4 Corporate income tax

26. Table: Corporate tax base modifying items

Description	FY 2014	FY 2015
<b>Profit before tax:</b>	<b>1,065,216</b>	<b>815,489</b>
depreciation according to accounting law	715,445	726,477
loss in value for receivables	2,166	922
non certificated part of donation given	55,020	67,893
write off assets according to accounting law	39,358	39,211
other	756	2,675
<b>Tax base increasing items total:</b>	<b>812,745</b>	<b>837,178</b>
depreciation according to tax law	393,038	367,495
creation of development reserve	500,000	400,000
dividend received	251,360	313,775
write-off receivables, decrease according to accounting law	8,016	5,307
current year costs of research and development	53,080	55,122
other	38,934	17,110
<b>Tax base decreasing items total:</b>	<b>1,244,428</b>	<b>1,158,809</b>
Tax base:	633,533	493,858
- calculated tax	75,371	49,386
- corporate tax allowances	0	0
- correction related to previous years	391	50
<b>Profit after tax:</b>	<b>989,454</b>	<b>766,053</b>
Dividend paid from accumulated profit reserve	90,555	195,599
Approved dividend	1,080,009	961,652
Profit or (loss) for the year:	<b>0</b>	<b>0</b>

All amounts in HUF thousands unless if otherwise indicated.

## 5 Supplementary information

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

### 5.1 Research and development

The company has two significant R&D areas:

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

The applied research and research and development incurred in the current year amounted to is HUF 55,122 thousands in the current year.

### 5.2 Environment protection

The company has ISO 14001:2004 Environmental Control System certificate audited by Det-Norske Veritas. The expiry date of the certification is September 15, 2018. The environmental certificate covers the following fields: printed products, security products, documents, development, production and personalization of plastic cards and bankcards. Research and development and production of security materials. Electronic reprocessing and delivering of printed forms. Chip embedding and encoding at smart cards. Research and development of traditional/general and mobile information technology solutions, operation and support of connected services. Electronic archiving of data, data processing, database management, setting up archives, storing of documents for fee.

Dangerous waste is continuously eliminated after leaving the Company's sites. In 2015, 23,451 kgs dangerous waste was transported and eliminated.

### 5.3 Personal type of expenditures and headcounts

27. Table: Average statistical number of full time employees

Number of employees	FY 2014	FY 2015
Physical employees	312	327
Intellectual employees	168	172
<b>Total number of employees:</b>	<b>480</b>	<b>499</b>

All amounts in HUF thousands unless if otherwise indicated.

28. Table: Payroll costs

Description	FY 2014	FY 2015
Wages and salaries of physical employees	1,092,005	1,073,250
Wages and salaries of non-physical employees	1,568,178	1,462,352
Other wages and salaries	123,991	122,081
<b>Total salaries and wages</b>	<b>2,784,174</b>	<b>2,657,683</b>

29. Table: Other personal type expenditures, contributions

Description	FY 2014	FY 2015
- cost reimbursement	163,116	102,166
- motivational	20,425	85,739
- other	42,194	43,958
- social	36,259	43,410
<b>Total other personally expenditures</b>	<b>261,994</b>	<b>275,273</b>
Social security contributions	737,463	706,235
<i>Other contributions:</i>		
-vocational contribution	41,922	40,262
-rehabilitation contribution	21,913	21,412
-START(Entrants')contribution	78	0
<b>Total contributions:</b>	<b>801,376</b>	<b>767,909</b>

30. Table: Fees paid related to managing the Company

Description	FY2014	FY2015
Fees paid to the Members of the Board of Directors	3,740	5,270
Fees paid to the Members of Supervisory Board	9,912	9,912

The audit fee paid for the audit of the 2015 financial statements amounted to HUF 8,200 thousands while the auditing fee of the consolidation of our Romanian subsidiary was EURO 4,100.

#### 5.4 Liabilities due over 5 years

The Company has no liabilities due over 5 years.

All amounts in HUF thousands unless if otherwise indicated.

## 5.5 Details of listed shares

31. Table: Structure of shares

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

The Company's total equity was HUF 1,449,876 thousands on 31 December 2015, which consists of 14,794,650 pieces of series 'A' registered, dematerialized ordinary shares with a nominal value of HUF 98 each.

32. Table: Voting rights

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

## 5.6 Out of balance sheet items

33. Table: Out of balance sheet items

Description		Value
Bevándorlási és Állampolgársági Hivatal	HUF	190,800,000
Nemzeti Választási Iroda	HUF	42,378,315
Magyar Posta Zrt.	HUF	4,000,000
Magyar Posta Zrt.	HUF	1,343,000
Magyar Posta Zrt.	HUF	800,000
Národné centrum zdravotníckých informácií	EUR	500,000
<b>Guarantee in HUF</b>	<b>HUF</b>	<b>239,321,315</b>
<b>Guarantee in EUR</b>	<b>EUR</b>	<b>500,000</b>

## 5.7 Significant events after the reporting period

Based on the decision made by the Board of Directors, on 29 February 2016 ANY Security Printing Company PLC (hereinafter: ANY) concluded a Sales Contract with UNIVERSALE International Realitäten GmbH on the purchase of the 100-percent quota of HBV-Leasing Hamlet Ingatlanhasznosító Kft. (hereinafter: HVB) owning the real estates leased by ANY. HBV owns and manages the following three sites that are used and leased by ANY, the parent company: 1102

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

Budapest, Halom u. 5.; 1108 Budapest, Fátyolka u. 1-3.; 3060 Pásztó, Fő utca 143.. At these sites the total plot size is 72,227 m<sup>2</sup> and the total building size is 18,819 m<sup>2</sup>.

Purchase price of the 100-percent HVB's quota is 8.1 million EUR, from which 1.6 million EUR will be financed by ANY from its own sources, and 6.5 million EUR will be financed by ANY through a long-term 10-year HUF loan at a fixed interest rate, which is provided by Unicredit Bank Hungary Zrt. Closing of the transaction will take place during the first week of March 2016, whereupon the Company owning real estates will continue its operation as ANY Ingatlanhasznosító Kft.

All amounts in HUF thousands unless if otherwise indicated.

## 5.8 Cash-flow

34. Table: Cash-flow

	In HUF thousands	FY2014	FY2015	Change%
	Profit before tax	1,065,216	815,489	-23.40%
	- Dividend	-251,360	-313,775	-24.80%
	- Other income of development reserve	-4,342	-1,858	57.20%
	- Exchange rate difference	-14,160	-1,541	89.10%
1.	Adjusted profit before tax	795,354	498,315	-37.30%
2.	Accounted depreciation	715,445	726,477	1.50%
3.	Accounted loss in value	-32,261	-42,967	-33.20%
4.	Difference between formation and utilization of provisions	0	0	-
5.	Fixed assets sold	-5,312	-8,832	-66.30%
6.	Variation in accounts payable (trade creditors)	-39,742	410,830	1133.70%
7.	Variation in other short-term liabilities	-155,210	181,981	217.20%
8.	Variation in accrued and deferred liabilities	139,308	-105,664	-175.80%
9.	Variation in trade debtors	148,820	-110,511	-174.30%
10.	Variation in current assets (w/o trade debtors and liquid	110,977	-620,828	-659.40%
11.	Variation in accrued and deferred assets	-20,807	-19,371	6.90%
12.	Tax paid or payable (on profit)	-75,762	-49,436	34.70%
13.	Dividend paid or payable	-813,706	-1,080,009	-32.70%
<b>I.</b>	<b>OPERATION CASH-FLOW:</b>	<b>767,104</b>	<b>-220,015</b>	<b>-128.70%</b>
14.	Purchase of fixed assets	-850,666	-1,193,639	-40.30%
15.	Sale of fixed assets	44,671	333,319	646.20%
16.	Dividend received	251,360	313,775	24.80%
<b>II.</b>	<b>INVESTMENT CASH-FLOW:</b>	<b>-554,635</b>	<b>-546,545</b>	<b>1.50%</b>
17.	Receipts from shares issue (capital influx)	0	0	-
18.	Receipts from the issue of bonds and securities signifying	0	0	-
19.	Loans and credits taken	-135,701	-74,500	45.10%
20.	Repayment, termination or redemption of long-term loans	0	0	-
21.	Non-repayable assets received	0	0	-
22.	Purchase of treasury shares	0	0	-
23.	Redeemed bonds and securities signifying a creditor	0	0	-
24.	Loan instalment payments	0	0	-
25.	Long-term loans and bank deposits	0	0	-
26.	Non-repayable assets transferred	0	0	-
27.	Variation in liabilities due to founders and in other long-	0	0	-
28.	Cash paid for leasing liability	0	171,710	-
<b>III.</b>	<b>FINANCIAL CASH-FLOW:</b>	<b>-135,701</b>	<b>97,210</b>	<b>171.60%</b>
<b>IV</b>	<b>VARIATION OF FINANCIAL ASSETS:</b>	<b>76,768</b>	<b>-669,350</b>	<b>-971.90%</b>
	<b>Cash and equivalents at the beginning of the period</b>	<b>768,162</b>	<b>844,930</b>	<b>10.00%</b>
	<b>Cash and equivalents at the end of the period</b>	<b>844,930</b>	<b>175,580</b>	<b>-79.20%</b>

All amounts in HUF thousands unless if otherwise indicated.

## 5.9 Financial indices

35. Table: Liquidity, financial and other efficiency indices

Description		FY2014	FY2015	Change%
A	Current assets	4,271,020	4,385,256	2.67%
B	Inventories	1,412,465	1,890,446	33.84%
C	Trade receivables	1,329,319	1,563,327	17.60%
D	Cash and equivalents	844,930	175,580	-79.22%
E	Equity	4,846,499	4,650,900	-4.04%
F	Short term liabilities	2,740,788	3,133,614	14.33%
G	Trade creditors	1,188,336	1,599,166	34.57%
H	Total equity and liabilities	7,971,333	8,239,876	3.37%
I	Net sales	14,454,549	12,670,127	-12.35%
J	Material type expenditures	8,839,612	7,803,296	-11.72%
K	Operating (trading) profit	778,866	535,107	-31.30%
L	Average statistical number of employees	480	499	3.96%
<b>Liquidity indices:</b>				
Short term liquidity I.: ( A / F )		1.56	1.40	-10.26%
Short term liquidity II.: (( A – B ) / F )		1.04	0.80	-23.08%
Quick ratio: ( D / F )		0.31	0.06	-80.65%
Dynamic liquidity: ( K / F )		0.28	0.17	-39.29%
<b>Financial indices:</b>				
Debtors day: (( C <sub>Current</sub> + C <sub>Prior</sub> ) / 2 * (365 / I ))		36	42	18.92%
Creditors day: (( G <sub>Current</sub> + G <sub>Prior</sub> ) / 2 * (365 / J ))		50	65	26.79%
<b>Other efficiency indices:</b>				
Return on net sales: ( K / I )		5.39%	4.22%	-21.71%
Return on equity ( K / E )		16.07%	11.51%	-28.38%
Net sales headcount ratio (in HUF '000/person): ( I / L )		30,114	25,391	-15.68%

Budapest 4. April, 2016



Chief Executive Officer



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

**ANY Security Printing Company PLC**

**Business report**

**for the year ended December 31, 2015**

All amounts in HUF thousands unless if otherwise indicated.

## Analysis of the FY 2015 achievement of the Company

Net sales revenue of ANY Security Printing Company Plc amounted to HUF 12,670 million in 2015, of which export sales totalled HUF 1,191 million. Operating income came to HUF 535 million, a decrease of HUF 244 million (31.3%) compared to the previous year. Income before tax was HUF 815 million while EBITDA amounted to HUF 1,262 million. Net income after financial operations, extraordinary profit and taxation was HUF 766 million.

### Analysis of profit and loss statement

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

**Table 1: Net sales by categories**

Sales categories	FY 2014 in HUF millions	FY 2015 in HUF millions	Change in HUF millions	Change %
Security products and solutions	8,235	6,268	-1,967	-23.89%
Card production and personalization	4,215	3,977	-238	-5.65%
Form production and personalization, data processing	1,635	1,981	346	21.16%
Traditional printing products	96	105	9	9.38%
Other	274	340	65	23.72%
<b>Total net sales</b>	<b>14,455</b>	<b>12,670</b>	<b>-1,785</b>	<b>-12.35%</b>

Security Printing Company Plc. had net sales of HUF 12,670 million in 2015, decrease of 12.4% (HUF 1,784 million) compared to prior year figure.

Sales of security products and solutions income is HUF 6,268 million in 2015 which means a year-on-year decrease HUF 1,967 million (23.9%). Change is mainly due to the one-off items of election forms with security features.

The Company's revenues from card production and personalization totalled HUF 3,977 million in 2015, a HUF 238 million (5.6%) decrease compared to the previous year. The year-on-year decrease was mainly result of the decrease of sales in card higher value added card products.

The Company's revenues from form production, personalization and data processing came to HUF 1,981 million in 2015, a HUF 346 million (21.1%) increase compared to 2014.

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

Sales of traditional printing products amounted to HUF 105 million in 2015, which higher with HUF 8 million (8.8%) compared the previous year.

Other sales totalled HUF 340 million in 2015, which increased by HUF 66 million (24.1%) year-on-year.

Operating income came to HUF 535 million, lower with HUF 244 million (31.3%) compared to the previous year.

Gross profit totalled HUF 4,338 million, which means a 34.2% gross margin. General (SG&A) expenses amounted to HUF 3,619 million in 2015, which equals 28.6% of net sales.

Material type expenditures decreased by 11.7% (HUF 1,036 million) in 2015.

Personnel expenses totalled HUF 3,701 million, which means a 3.8% decreased compared to the base period, due to the personal expenses related to the lower net sales.

Headcount of full time employees in ANY Security Printing Company Plc. was 499 people at the end of 2015, while it amounted to 480 persons at the end of 2014, which means a 19 person (4.0%) increase compared to the previous year.

EBITDA amounted to HUF 1,262 million due to decrease of profit financial transactions and income from operations, which means an decrease of HUF 233 million (15.6%) compared to 2014. According to this EBITDA margin amounts to 16%.

In 2015 dividends received from subsidiaries increase by HUF 62 million, and result of reversal of impairment amount of HUF 63 million.

Financial transaction result amounted to HUF 360 million in 2015, indicated an increase of HUF 12 million compared to the last year.

Extraordinary result in 2015 amounted to HUF -80 million, which is HUF 18 million lower compared to the previous year because of the amount of financial subsidy given to the subsidiaries.

Corporate tax came to HUF 49 million in 2015, which HUF 26 million less than last year.

Profit after tax was HUF 766 million, which means an decrease of HUF 223 million (22.6%) compared to 2014.

All amounts in HUF thousands unless if otherwise indicated.

## Balance sheet analysis

The Company had total assets of HUF 8,240 million at the end of 2015, which means a decrease of 3.4% (HUF 269 million) compared to a year ago. The reason for this change was mainly the increase in amount of inventories with HUF 478 million, receivables with HUF 240 million and the value of fixed assets with HUF 135 million, and decrease in amount of cash with HUF 669 million.

Fixed assets totalled HUF 3,775 million at the end of 2015, which is higher than the prior year figure by HUF 135 million (3.7%). The change was mainly caused by tangible assets increased HUF 218 million and intangible decreased HUF 77 million HUF.

Current assets amounted to 4,385 million at the end of December 2015, an increase of HUF 114 million (2.7%) compared to the corresponding period of last year.

Shareholder's equity was HUF 4,651 million, it changed by the profit reserves used for dividend (HUF 196 million).

The company has HUF 179 million long term liabilities.

Short term liabilities amounted to HUF 3,134 million which increased HUF 393 million mainly due to accounts payable.

## Strategic plans of the Company

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

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

All amounts in HUF thousands unless if otherwise indicated.

## The Company's employment policy

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

## Risk management

### Foreign currency risk

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

### Interest rate risk

Due to the debts in the ANY Security Printing Company Plc, potential interest rate changes would not influence significantly the amount of interests to be paid by the Company. The Company had no overdraft at the end of 2015.

### Liquidity risk

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

### Credit risk

The financial discipline of the debtors of the ANY Security Printing Company Plc 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.

All amounts in HUF thousands unless if otherwise indicated.

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

### Off balance sheet date events

There were no significant event after year end date.

### Environment protection

The company has ISO 14001:2004 Environmental Control System certificate audited by Det-Norske Veritas. The expiry date of the certification is September 15, 2018. The environmental certificate covers the following fields: printed products, security products, documents, development, production and personalization of plastic cards and bankcards. Research and development and production of security materials. Electronic reprocessing and delivering of printed forms. Chip embedding and encoding at smart cards. Research and development of traditional/general and mobile information technology solutions, operation and support of connected services. Electronic archiving of data, data processing, database management, setting up archives, storing of documents for fee.

Dangerous waste is continuously eliminated after leaving the company sites. In 2015, 23,451 kg dangerous waste was transported and eliminated.

### Research and development

The company has two significant R&D areas:

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

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

The direct cost of basic research, applied research and experimental development incurred in the current year is HUF 55 million.

### Premises of the Company:

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

All amounts in HUF thousands unless if otherwise indicated.

## Treasury shares in the year 2015:

Table 2: Repurchased treasury shares

Description	Number of shares	Nominal value (HUF thousands)	Purchase value (HUF thousands)
Opening balance January 1, 2015	448,842	43,987	455,048
Closing balance December 31, 2015	448,842	43,987	455,048

ANY Security Printing Company Plc. discloses its treasury shares at market value based on the stock exchange rate on the date of preparing the balance sheet. and in result of this full amount of write-off was reversed in 2015.

The Company's share capital amounted to HUF 1,449,876 thousands on 31 December 2015 which consisted of 14,794,650 pieces of registered, dematerialized ordinary shares Series 'A' with a nominal value of HUF 98 each.

Budapest, 4 April, 2016



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Chief Executive Officer