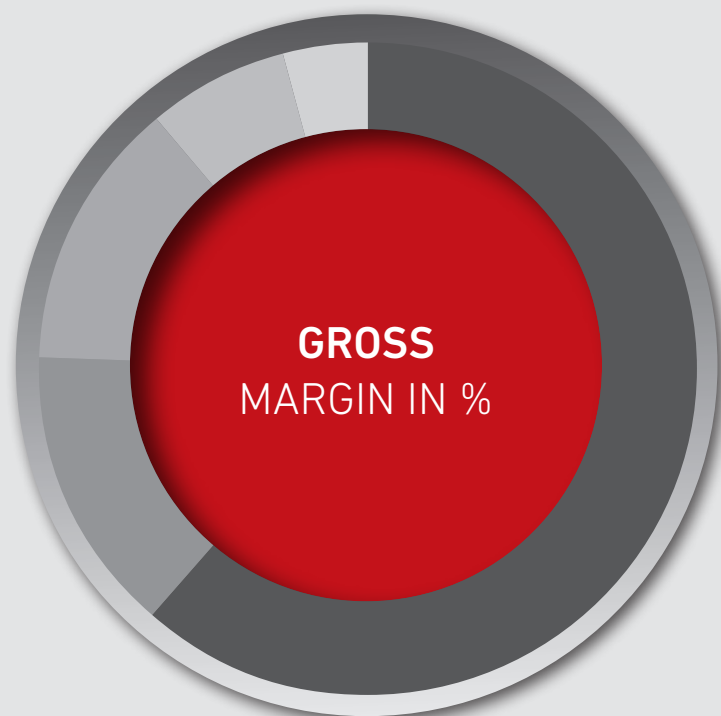




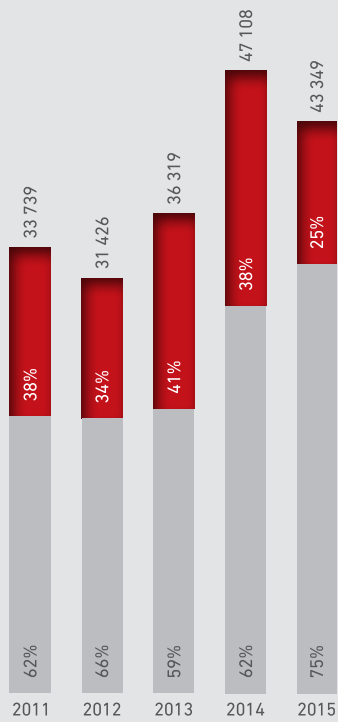
useful techno logies:

**ANNUAL REPORT
2015**

We bring you useful technologies
for more than 25 years

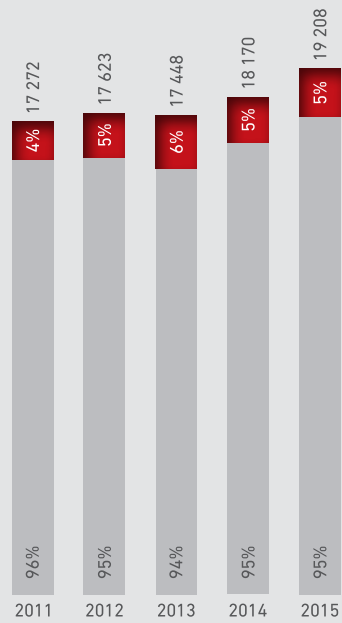


- **61** Public sector
- **14** Financial sector
- **13** Manufacturing and utilities
- **07** Telco & Media
- **04** Others



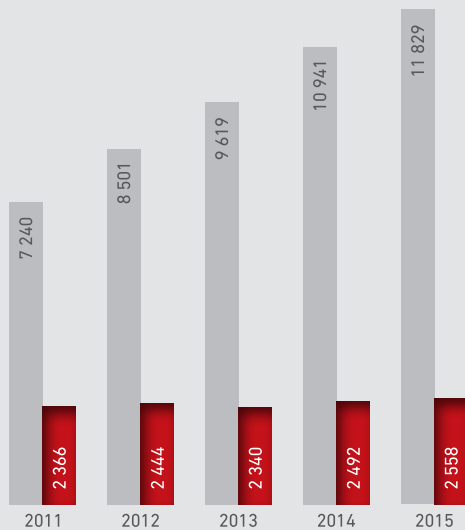
Goods and services revenue development in thousand EUR

● services ● goods



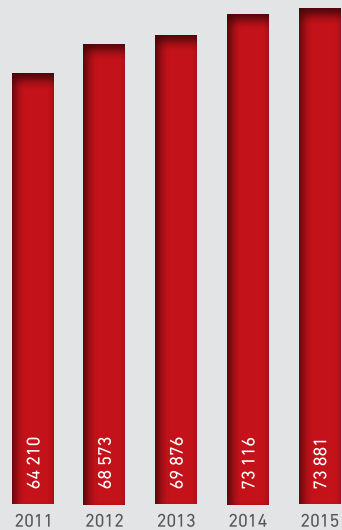
Development of gross margin from goods and services in thousand EUR

● services ● goods



Development of net income and equity in thousand EUR

● equity ● net income



Gross margin per employee in EUR

Gross margin definition: Gross margin represents revenues adjusted for externally subcontracted deliveries.

TOP EVENTS AND PROJECTS

January

NEW GENERATION OF MULTI-CHANNEL SALES SYSTEM IN ALLIANZ - SLOVENSKÁ POISŤOVŇA

Allianz - Slovenská poisťovňa starts using the new generation of the automated sales system Allegro Multi Channel (AMC) developed by PosAm. New software tools provide the customer with full sales support for its insurance products through multiple channels. The new technology and architecture of the system ensure greater flexibility and performance, while reducing operating costs. The AMC now boasts over 10 000 installations and hundreds of thousands of processed business cases a year.

March

POSAM BECOMES THIRD LARGEST PROVIDER OF MANAGED IT SERVICES IN SLOVAKIA

The third largest bank in Slovakia found a new administrator for its IT. Since March, PosAm has taken care of the support and operation of end devices like computers and printers, while providing user support at the head office of Tatra banka, all its branches and subsidiaries. In total this translates as 4 400 devices and 2 800 users at more than 120 branches. According to IDC, this success pushed PosAm into the number three spot on the market of outsourcing services in Slovakia.

April

DCOM RECEIVES EUROCLOUD SLOVAKIA AWARD 2015

The solution Data Centre of Towns and Villages (DCOM) from PosAm won the EuroCloud Slovakia Awards 2015 prize in the category of Best Cloud Service for Vertical Market, and so qualified for the European round of the competition EuroCloud Europe Awards 2015.

May

ELECTRONIC ARCHIVING OF DOCUMENTS PRESENTED AT THE CONFERENCE EARCHIVING

Participants at the conference eArchiving organised by PosAm received answers to a whole range of legislative, technical and process related questions on the establishment and management of a reliable electronic archive. PosAm deals comprehensively with the topic of paper-free processes and has solutions also for digital signing of documents or scanning data from identification documents.

May

RELOCATION OF TATRA BANKA PROCESSING CENTRE TO NEW PREMISES

Over the course of two weekends, PosAm relocated the processing centre of Tatra banka, with no disruption to operations. The data centre and end devices for 300 users were migrated with no negative impact on the provision of services to the bank's clients. PosAm, as the overseer of the whole project, confirmed its high standard of project management and quality implementation, praised also by top representatives of Raiffeisen Group for Slovakia and the Czech Republic.

June

FORBES BUSINESS LEADERS CLUB – 25 YEARS IN BUSINESS

Chief Executive Officer of PosAm Marian Marek, together with representatives of Tatra banka and bookseller Artforum, discussed how to survive and grow in 25 years of business at an event of Forbes magazine. (<http://bit.ly/1Knf3hX>)

July

PUPILS FROM ZVOLEN BECOME WORLD CHAMPIONS IN INTERNATIONAL ROBOTICS CONTEST IN CHINA

Pupils from the elementary school in Zvolen occupied first place in the Superteams competition at the world robotics championships RoboCup 2015 in Hefei, China. They qualified for China by winning the national round of the competition, on their first attempt. The young robot enthusiasts were supported exclusively by Slovak IT company PosAm.

July

YOUNG TALENTED PHYSICISTS SUCCEEDED AT THE INTERNATIONAL TOURNAMENT IN THAILAND

The Slovak team of young physicists took 4th place overall at the prestigious international tournament IYPT 2015, held this year in Thailand. This excellent success is to a large extent down to Miloš Hledík from the association Trojsten, which was responsible for the preparation of our team. Members of the Trojsten association, which functions also thanks to PosAm's support, are trying to encourage young people to be interested in mathematics, physics and programming in the form of lectures, competitions and special camps.

August

POSAM CELEBRATES 25 YEARS ON THE IT MARKET

A quarter of a century ago, a party of Apple enthusiasts established the company POSonium AMERICA. Today, PosAm belongs to the so-called "billion club" of IT companies with annual revenues exceeding in 2015 EUR 43 million. The company's forte is to produce useful technologies and understand the business of the customer, and the possibilities offered by information technologies. By combining these abilities, PosAm produces benefits for the customer that are far from trivial.

September

DCOM IS NOMINATED FOR THE EUROCLOUD EUROPE 2015 PRIZE

The project Data Centre of Towns and Villages (DCOM) was nominated for the prize of EuroCloud Awards 2015. The nomination confirms the uniqueness of the project on a European scale, raising the DCOM project as one of the best European cloud projects of 2015. In total, 40 of the best national projects from 11 countries battled for the nomination.

September

POSAM CONFIRMS IT'S UNIQUE COMPETENCE IN BUDGETING

Based on a contract concluded with the Ministry of Finance SR, PosAm will continue to arrange the development of the Budgetary Information System (BIS). The BIS has facilitated the budgetary management of the state for an impressive 20 years already and played a key role in the reform of public finances. It covers the entire budget cycle through all tiers of public administration and is now used by more than 5000 entities.

TOP EVENTS AND PROJECTS

September

NEW ERA OF SALES IN ZSE

In the third quarter, PosAm started the implementation of a new system for automated sales in ZSE. Thanks to quality application and technological support, the customer receives greater acquisition potential, better co-operation of sales channels, an exact overview and better management of sales staff, with reduced back office costs. The whole process of concluding a contract is paper-free. The sales person prepares an optimum contract for the customer based on online data and then has the contract signed directly at the client, thanks to a digitalised signature using a tablet.

September

MODERNISATION OF DATA STORE IN ZUNO BANK

When renewing its storage systems, internet bank ZUNO opted for Hitachi Unified Storage VM (HUS VM). The best possible technical parameters and lowest total cost over a 5-year horizon meant the solution from PosAm won in the face of international competition. The new system employs several modern technologies: Dynamic Tiering and Dynamic Provisioning for more effective use of disk capacity. Hitachi Accelerated flash offers 3 - 5 times greater performance than competitive SSD technology. The solution also caters for replication and secure deletion of data with 100% data protection guarantee.

September

POSAM ENTERS INTO PARTNERSHIP WITH NEXTHINK

With the use of Nexthink's solution for End-user IT Analytics, PosAm will be in a position to provide existing and future customers with even better proactive administration of end IT devices and extend infrastructure security up to end devices. PosAm is the first reseller and MSP partner of Nexthink in Central and Eastern Europe and covers the Slovak, Czech, Hungarian and Polish territories.

October

HEAD OFFICE OF DEUTSCHE TELEKOM PAN-NET LAUNCHES WITH IT INFRASTRUCTURE ON CLOUD

PosAm created and operates the IT environment for Deutsche Telekom Pan-Net. The newly established company will be responsible for the creation and management of the pan-European network of the DTAG group. PosAm utilised its experiences from setting up cloud solutions, and for the swift establishment of scalable and secure IT infrastructure it took advantage of the options offered by cloud, in this case TelekomCloud.

November

MIGRATION OF SAP FROM GERMANY TO CLOUD IN SLOVAKIA

PosAm won the order from pharmaceutical company Hameln rds to migrate the company SAP system from Germany to Slovakia, in co-operation with SAP Slovensko. SAP is located on TelekomCloud, where PosAm set up and centralised the whole IT infrastructure of the company Hameln rds, with subsequent management and support.

December

PRODUCTIVE OPERATION OF DATA CENTRE OF TOWNS AND VILLAGES

A consortium led by PosAm put into operation the solution for Data Centre of Towns and Villages (DCOM), implemented for the Data Centre of Electronisation of Local Government (DEUS). This was the largest project in the company's history. DCOM provides regional and local government with a comprehensive suite of IT services, which unburdens them from IT issues and lets them provide electronic services to citizens and businesses. Over 1500 towns and villages now have an interest in the services of DCOM, confirming the correctness and longevity of the whole idea.

December

INCREASING PERFORMANCE, AVAILABILITY AND SECURITY OF DATA IN TELEKOMCLOUD

The services of TelekomCloud have shifted to a new level in terms of availability, security and performance, after expansion of the data store to include the system Hitachi VSP G400. Customers have constant access to their data thanks to the new architecture and disaster recovery. Backing up the data as part of the 200TB disk space produced a radical increase in performance. Thanks to the solution, the standard of Telekom Cloud services was raised once again, setting the trend on the Slovak market of cloud services.

December

OUR BIGGEST CONTRACT FOR OUTSOURCING PRINTING SERVICES

At the close of the year, PosAm was successful in the tender for the outsourcing of printing services for the company Javys. The delivery, operation and care of 141 large-format printers represents our largest contract in the field of outsourcing printing services. The customer benefits not only from simplified operation and care, but also from a 30% reduction in costs.

December

IMPLEMENTATION OF ORACLE DB IN POLAND BASED ON THE SATISFACTION OF SLOVAK CUSTOMER

The high level of satisfaction of the customer Hanil E-HWA Automotive Slovakia with the implementation and operation of Oracle DB was the basis for PosAm's victory in the selection of a supplier for the same project at the customer Hanil E-HWA Automotive Poland. This success on the highly competitive Polish market is proof of the quality and professional level of PosAm specialists for Oracle DB.

December

TWO NEW HITACHI STORAGE SYSTEMS FOR TATRA BANKA

PosAm modernised and expanded the data stores in Tatra banka by two new Hitachi Data Systems G600. State-of-the-art technology from world leader Hitachi Data systems (HDS) provides the bank with new data capacity, but also more effective usage and the possibility of further scaling in future. PosAm linked this solution to the massive consolidation of the storage environment carried out in Tatra banka in 2012. With a 90% market share in the implementation of corporate storage solutions from HDS in Slovakia, PosAm is the clear market leader.

December

STARTING THE NEW QUARTER CENTURY WITH NEW PREMISES

In December, PosAm changed its head office address, moving to new modern premises on Bajkalska Street, in the Forum Business Center. A logical solution for a leading Slovak IT company that is part of the Slovak Telekom group.

A portrait of Marián Marek, Chief Executive Officer, sitting and looking directly at the camera. He is wearing a dark blue sweater over a light blue checkered shirt. His hands are clasped in front of him. The background is a dark, neutral gradient.

I AM PLEASED THAT WE
HAVE PASSED THE TEST
OF TIME IN ACHIEVING
OUR MISSION

Marián Marek
Chief Executive Officer

Dear Ladies and Gentlemen, I would like to share with you my view of PosAm's 25th anniversary year. I am proud that this once small startup company has grown into a respected organisation. I am pleased that in addition to long-term stable results, we supply the Slovak market with innovative solutions and are challengers in tenders where cost-effectiveness is primary focus. I am also pleased that we have passed the test of time in achieving our mission – to turn constant technological advancements into useful technologies in the hands of our clients.

The atmosphere of celebration of our anniversary is reinforced also by very good financial results. It pleases us most of all to see a record gross margin of EUR 19 208 thousand, maintaining the growth in the creation of EBITDA, as well as a very respectable total revenues.

Our path to achieving these results was far from easy. We put most of our effort into preparing 138 electronic services for residents of over 1500 Slovak municipalities as part of the national project DCOM. I am extremely glad that despite the shortened deadline for implementation and challenges we faced during integrations to external entities, we were able together with our partner in the consortium to provide to our customer DEUS (Datacentrum elektronizácie územnej samosprávy Slovenska) all contracted services. This means that

all prerequisites are in place for citizens to be able to arrange their affairs with local governments electronically, and also for us to help individual municipalities move to the automated processing of these submissions. We are also proud that this project was nominated for the best European projects in the international competition EuroCloud Europe Awards 2015 for its innovative and progressive solution.

Other completed projects I would like to mention include the takeover of end user services for a major Slovak bank, the consolidation of disk subsystems for our parent company, the handover of a new generation of sales support system for insurance company Allianz – Slovenská poisťovňa, or implementation of the system for collecting financial statements of municipalities and local government organisations. The bigger commercial successes of last year included the signing of a contract for support and expansion of the Budget Information System for the Ministry of Finance SR and victory in the tender for the sales support solution in ZSE.

We also managed to maintain and raise our position in key segments of our business. We are now number three provider of managed IT services. With the number of managed end user devices we passed the 60,000 threshold. We maintained the position of key partner of the company Hitachi Data Systems, when we accounted for two thirds of deliveries of the company's data storage systems on the Slovak market. We made progress also in the effectiveness of software application development by extending automated testing, greater use of agile methodologies of development, but also by the gradual transition to a modular, service-oriented architecture. We are pleased with our success in the market placement of our key software product Servio for management of work performance, not only in the IT field.

New elements in our portfolio include very interesting tool Nextthink, which we want to use for end-to-end tracking and evaluation of the

reliability and availability of IT services. This is especially valuable for monitoring the availability of services provided from a cloud. I would like to highlight also our first implementation and successful management of IT solution as a service for a pharmaceutical company, where we moved all applications and infrastructure of the customer to Telekom Cloud and took full responsibility for their operation. I am confident that there are many more customers at the market that will find this concept attractive.

Good results and successful technological development are much more valuable due to the fact that during this year we moved to the new premises. This move consumed significant amount of available work time. I am therefore very glad that it did not negatively impact our results, and also that we coped with the change without unplanned impacts on the provision of services. I believe that this move will be an impulse for boosting synergies with our parent company.

Alongside the relocation move, we managed to modernise our internal information system and confirm our quality certification. Mastering the stack of demanding customer projects and equally challenging changes in the operation of our own company testifies to the huge internal strength of our team. I would like to thank all my colleagues for this excellent approach.

In conclusion, I would like to thank all our customers for their long-term trust. We highly appreciate it and it acts as our motivation for hard work and constant search for new opportunities to improve the potential of modern information technologies.

**WE TURN CONSTANT
TECHNOLOGICAL ADVANCEMENTS
INTO USEFUL TECHNOLOGIES IN
THE HANDS OF OUR CLIENTS.**

A professional portrait of Miroslav Bielčík, Chief Financial Officer. He is a man with a beard and short hair, wearing a light blue button-down shirt. He is leaning forward with his hands clasped, looking directly at the camera against a dark background.

DEMANDING YEAR WITH
GOOD FINANCIAL RESULTS

Miroslav Bielčík
Chief Financial Officer

From a financial perspective, the year 2015 followed on the successful previous year, when we booked record figures ever in the income statements. We managed to increase profitability and the volume of generated gross margin, despite a drop in revenue. The results are very good in the context of positive development of revenue structure, implementation of the biggest projects in the company's history, while keeping investing into development. Funds invested in this way will boost our ability to attain strategic objectives through multiple sales of selected solutions, or to launch successfully the process of regional expansion.

In 2015, we generated total revenues of EUR 43,349 thousand, a drop of 8% over the previous year. Despite the drop in total revenues, their structure is developing positively. We have seen a decline in revenue from the sale of goods with low or minimal margin. On the contrary, sales revenue from services increased, although they had been strongly boosted already in the previous year. Services are the main source of the company's gross margin and also generate a far higher margin.

Even with a drop in revenues, we still generated a record gross margin of EUR 19,208 thousand, a healthy 6% growth over the previous year. Strongest growth in the gross margin was seen in services, but growth was also recorded nominally in the gross margin from sales of goods, despite lower revenues. Just as in the

previous year, the total gross margin was positively influenced by the project Data Centre of Towns and Villages for the client DEUS. Growth in gross margin came partly from the launch of end-user management outsourcing services for Tatra banka. With this business success in the face of tough competition, we also ranked ourselves among the largest providers of managed services on the market.

In 2015, we maintained profitability, a key indicator of our economic success, on a level comparable to the previous year, meaning at a record high in the company's 25-year history. Our EBITDA (earnings before interest, taxes, depreciation and amortisation) booked in at EUR 4,300 thousand, which is on a par with the year before. Profit before tax of EUR 3,367 thousand translates as 2% growth over the previous year and marks the second highest pre-tax profit we have produced to date. Net profit increased by 3% to a value of EUR 2,558 thousand.

Part of the profit from the growth in our gross margin was consumed for the creation of adequate provisions related to the completion of key projects. The growth in profitability was also purposefully sacrificed for implementation of our long-term strategy in product development, especially in the insurance sector. We believe that this will enable us to push forward with regional expansion, or in recurring sales of particular solutions. These strategic areas are the seeds of our future profit. Results were positively influenced by stabilisation of the economic performance of the Managed Services Division. Thanks to the acquisition of an important deal in the banking sector, we have expanded the volume of managed services provided. In addition to boosting performance through the acquisi-

**GROSS MARGIN
RECORD
EUR 19,208 THOUSAND**

**EBITDA
EUR 4,300 THOUSAND**

on of new services and clients, our goal in this area is still to raise the effectiveness of provided managed services. This direction in such a cost-sensitive field of our business is crucial to retaining our competitive advantage. Profitability was not negatively impacted even by relocation of the company headquarters, which will allow us to reduce related operating costs in the years to come.

We can take satisfaction from the results we attained on our 25th anniversary. It was an exceptional year, but in a way a typical one at the same time, in terms of the unique demands of the challenges we had to overcome. Typical in application of the principles on which our successful business is founded. The focus on usefulness for the customer continues to be our ultimate goal, requiring a comprehensive knowledge of our customers' business and IT technologies. Just as important is the ability to identify and adapt to the changing market environment, which is reflected in changes to the product portfolio, the scope of provided services or the updating of strategy. Consistent application of these principles, supported by conservative financial management, creates the conditions for further economic growth and the lasting satisfaction of customers, employees and, in the end, shareholders.

A professional portrait of René Kubiš, a man with short dark hair and a goatee, wearing a light blue button-down shirt. He is looking directly at the camera with a slight smile. The background is dark and out of focus.

A SUCCESSFUL YEAR
TO END A SUCCESSFUL
QUARTER-CENTUR

René Kubiš
Chief Sales & Marketing Officer

An important new customer in this segment is Deutsche Telekom Pan-Net – an entity responsible for the creation and operation of the pan-European network of the Deutsche Telekom group. We set-up and also operate central IT infrastructure in cloud for this client while also taking care of endpoints. We expect to cover more services for other countries not just in Slovakia in the near future.

We signed our biggest contract for printing services. Our delivery, operation and maintenance of 141 large-format printers results in simpler operation as well as 30% costs savings for this customer in the utilities sector.

While evaluating 2015, I have to say that even though it was a demanding year, it was definitely a year of success too. We managed to meet high ambitions and generated a record gross margin. We either held or improved our position with existing customers, while acquiring new ones. Our ability to beat the tough competition with our attractive and useful solutions is crucial to succeeding in the upcoming years.

Our success in 2015 was no accident. It's a result of long-term and consistent development of our key competences together with investments in our solutions and services. It is extremely important that we were successful in all sectors we operate in utilising our core competences to the maximum.

In the segment of Managed services we placed 3rd on the Slovak market according to IDC data. In 2015, we were successful with outsourcing IT services in the banking and telecommunications sectors which further improved our position.

Positive customer experience of Tatra banka related to PosAm's performance in End User Services outsourcing opened the door to another deal: relocation of the bank's processing centre to new premises. The data centre and end devices were relocated over two weekends without any outage to operation. Quality of project management and implementation was appreciated also by the top management of Raiffeisen Group for Slovakia and the Czech Republic.

A major player from the utilities sector chose us with the solution for paperless processes and sales support application. The new system for automation of sales will help ZSE to increase its potential for new acquisitions, improve co-operation of sales channels, and sales force management while reducing back office costs. The entire process of signing a contract with the end customer will be paperless. The importance of this project for the client is highlighted by the fact that it is the company's biggest IT investment of 2015 with a direct impact on its sales results. The whole system that technologically is based on our own solutions PosAm Servio and PosAm bSign, is provided as a service.

In the area of enterprise storage systems we have progressed during recent years to become a key player covering around a 25% market share in Slovakia. At the same time, we represent about 90% of the business with company's key partner Hitachi Data Systems (HDS) in Slovakia. Our successes in this area was noticed by Deutsche Telekom (DT) group too. DT intends to develop similar co-operation between HDS and local affiliates of DT in Central Europe.

The year of 2015 represents an important milestone for our presence in the ERP domain, specifically SAP. We migrated SAP from Germany to a Slovak cloud environment for a customer in pharmaceutical sector. We imple-

mented new functionalities in one of the major banks in Czech Republic, and also participated in projects for a Slovak oil refinery.

Finally, I have to mention success in our very important core competence - budgeting in public administration. Based on the contract with the Ministry of Finance SR, PosAm will continue to further develop the Budget Information System (BIS), which has been covering state's budget management for impressive 20 years already.

Looking back to 2015, we have to appreciate the effort of our implementation and project teams in the projects like implementation of

Data Centre of Towns and Villages (DCOM) for DEUS, implementation of a new generation of Allegro Multi Channel (AMC) for Allianz Slovenská poisťovňa, managed services in Tatra banka and so on. We were successful in delivering large and complex projects opening a potential for future co-operation with existing

as well as new customers.

The projects signed or implemented in 2015 confirm our ability to provide our customers with useful solutions that move their business forward. We have transformed the company over the last 25 years on the market from a simple hardware supplier into a provider of professional services. Nowadays, we own unique know-how and bring unparalleled solutions in various fields. It is this uniqueness and specialisation that we see as the key to further growth and also to our expansion abroad.

WE CONFIRMED OUR ABILITY TO PRODUCE UNIQUE SOLUTIONS, ACQUIRE INTERESTING PROJECTS AND STAND UP TO THE COMPETITION.

A professional portrait of Milan Drobny, a middle-aged man with short, graying hair, wearing a dark suit jacket over a light-colored, vertically striped button-down shirt. He is standing with his hands in his pockets against a dark, neutral background. The lighting is soft, highlighting his features and the texture of his clothing.

WE PERCEIVE EVERY CHANGE
AS AN OPPORTUNITY TO DO
THINGS BETTER

Milan Drobny
Chief Operations Officer

A key project, albeit an internal one, was the change of company head office. Demanding year-long preparations culminated at the end of the year in the smooth relocation of our headquarter and data centre, with no impact on performance in relation to customers, for which I would like to thank all involved sections. Relocation of the data centre meant we could also fundamentally redesign and modernise our own IT infrastructure. The objective was to achieve simpler and secure infrastructure and more modern voice communications.

The year 2015 was a year of changes and challenges in the area of organisation and management for PosAm. Most evident in this respect is the change of working premises. The relocation of the company head office meant we gained a higher standard of premises, satisfying ecological parameters according to BREEAM certification. The implementation of large infrastructure, software and managed services projects strongly influenced also the area of human resources. In addition to the largest intake of new people to date, we grew especially from the perspective of deepening the knowledge of our people.

The reinforcement of human resources at the Managed Services Division was due to the largest outsourcing project in recent years. By taking on a large number of the specialists from the original provider, we acquired a quality, motivated team and ensured continuity in terms of know-how. We grew in terms of capacity, but more importantly qualitatively, also in the software and infrastructure implementation divisions. Our specialists accumulated valuable knowledge from large implementations, but we did not neglect them even in terms of their development via training, especially when concerning JAVA and HTML5 technologies. We continued eliminating bottlenecks in the decision-making process in project management, shifting powers to lower tiers of the project management structure so decisions can be taken where most information is held.

As a company certified to the ISO 27001 standard, we treat the information security of our customers, business partners and employees highly seriously, not just on paper, but also by applying strict rules and investing in the kind of infrastructure that makes it all possible. We mapped and eliminated so-called Single Points of Failure (SPOF), namely those elements of infrastructure that are mostly the result of errors in the design. They are easily overlooked, making the damage they can cause even greater. The resulting attributes of the new solution naturally include security, but also greater speed and reliability of the whole infrastructure. Modernisation of the telephone exchange greatly raised the standard of handling calls.

In the area of information security, last year we implemented also a new information security standard ISO 27001. For us, this was not

just a formality, but meant the actual redesign of processes. We successfully coped with the requirements of the new edition of the standard and migrated to it. We always approach ISO certifications with great responsibility and with a desire to improve otherwise established processes. After nine full audits in five areas of the integrated management system, we can monitor and evaluate the long-term growth of solution quality in managing operational services, ITIL and ISO 20000-1, in the secure processing of information as per the rules of SECURITY and ISO 27001 standards, but also in respect of basic software development processes and the organisation of back-office processes as per the standard ISO9001.

The challenges that we faced in 2015 tested our abilities to the maximum. The reserves that we identified, however, helped us optimise our activities so that we can be best prepared for similar or even greater challenges in future. This never-ending process of continual improvement is what pushes our evolution ever forward and lets us set ourselves ever higher goals.

**NEVER-ENDING
IMPROVEMENT PROCESS
CONSTANTLY MOVES US
FORWARD AND ALLOWS
US TO GIVE A STILL
MORE AMBITIOUS
TARGETS.**

A professional portrait of Peter Hladký, a man with short, graying hair and blue eyes, wearing a light-colored, vertically striped dress shirt. He is looking directly at the camera with a slight smile, his hands clasped in front of him. He is wearing a black watch on his left wrist. The background is a dark, neutral color.

SUCCESS OF 2015 PROJECTS
THANKS MOSTLY TO OUR
25 YEARS OF EXPERIENCE

Peter Hladký
Chief of Software Development

The year 2015 proved once again that extensive experience, continuity of co-operation with the customer and the right selection of technologies, combined to produce the optimum mix on which our useful technologies are founded. With the rising complexity of projects, knowledge of technologies is an essential condition, but alone it is not enough. Customers need the supplier to understand their situation, help specify requirements, inspire and move the business forward. We are able to give this to the customer thanks mostly to our culture of building up and developing long-term partnerships.

The year 2015 was marked by the completion of two of the most complex software (Java) and infrastructure projects we've dealt with in recent years – Data Centre of Towns and Villages (DCOM) and Allegro Multi Channel (AMC). The solutions to both were founded predominantly on continual development of knowledge and long-term partnerships with customers, together with the adoption and management of new technologies.

In the technological area, we concentrated on developing competences in the establishment of web applications on HTML5 rich client and the design of systems that are founded on service-oriented architecture. The aim is

to supply the customer with a highly flexible and modularised solution. We have already successfully implemented these technologies in the project DCOM. They are also the basis for a generational technological overhaul of the AMC solution for Allianz - Slovenská poisťovňa and the Budgetary Information System (BIS) for the Ministry of Finance SR (MF SR). When designing the new architectures for AMC and BIS, a perfect knowledge of the customers' processes was fundamental to success, supported by ongoing long-term co-operation.

We are also proud of the technological support solution for deployment and administration of thousands of end points in the DCOM project. We built on the experiences from the project for the Data Centre of the Ministry of Finance SR and prepared a concept founded on greater automation and flexibility. The resulting solution greatly reduces the work of technicians, cuts operating costs and makes it possible for call centre staff to connect remotely to PCs. This was made possible thanks also to the targeted selection and use of suitable open source technologies. Here we can mention, for instance, the remote deployment and management of Mikrotik routers on the open source platform NetXMS, using Git configurations.

For us, verification of the concept for consolidation of systems in the transition to cloud was also of major importance. A huge barrier to shifting the legacy systems to cloud was the obsolete architecture, which is not capable of absorbing new shared services available on the company SOA buses and so connect the legacy systems to integrated processes. We resolved this problem with the help of an integration gateway that is able to provide these services to legacy application, while preserving the security of individual tenants. We believe that the replicability of this approach will prove of interest also to other customers when consolidating and migrating their IT infrastructure to cloud.

CONTINUITY IS A BASIC REQUISITE TO SUCCESS IN RESOLVING COMPLEX PROBLEMS.

Regarding secure publication of web applications, we implemented on an F5 platform a security concept of service-oriented, multitenant architecture on a base of identity management and STS tokens.

We coped with the new challenges also thanks to the new capacity and expertise welcomed to our teams. Lotus Notes specialists underwent retraining on the Java platform. We strengthened the area of service-oriented analysis, the design of processes in BPMN notation, adoption of HTML5/AngularJS, while not forgetting to build up the soft skills of team leaders. In terms of methodology, we continued with the consistent expansion of an agile approach to other development teams.

The size and demands of concurrent complex projects helped us identify reserves in our work organisation and in the setup of company processes. We adapted these to the new challenges and requirements. Based on these and other experiences, we launched the development of a new generation of IT support for internal processes on Oracle ADF and Lotus Domino platforms. The processes, technological solutions and blueprints from these projects will be utilised by us to increase effectiveness also in the years to come.

A professional portrait of a man with short, graying hair and light-colored eyes, wearing a light blue button-down shirt and brown trousers. He is sitting and looking directly at the camera with a slight smile. The background is a dark, solid color.

STRONGEST GROWTH OF MANAGED
SERVICES IN THE COMPANY'S
25-YEAR HISTORY

Ladislav Bogdány
Chief Services Officer

The quantity, size and significance of the projects we carried out, combined with a boost to our staff numbers, saw the company enjoy its greatest ever growth in the Managed Services Division. Organisational changes and process innovation contributed to well-balanced economic results. The standard of our work was appreciated by customers on the highest level. We occupied the number 3 spot on the Slovak market of outsourced IT Services and account for around 20% of the company's total revenue. The year 2015 can therefore be regarded as a breakthrough year.

The beginning of 2015 saw us with our nose to the grindstone. We were preparing for the takeover of the IT outsourcing in Tatra banka from the original provider. The provided services covered support and management of roughly 4 400 end IT devices for around 3,500 users at the head office of Tatra banka, and at more than 170 branches throughout Slovakia, and other members of the Tatra banka group. Even though the takeover of IT services was started in the demanding year-end period, we still managed it in record time. The transition went so smoothly that neither employees nor clients felt the change in any way. This was made possible also as we took on the experienced team of technicians who had administered the IT requirements in Tatra banka with the original

supplier. The correct setup of the services is crucial to the provision of quality services, while achieving high efficiency at the same time. In this case, the biggest innovation was the introduction of automated handling of customer service reports. The role of the dispatcher was replaced by an automated workflow, which distributes incoming reports directly to the pertinent group. The result is fewer administrative steps, speedier incident resolution and cost savings.

The successful and problem-free takeover of services for the administration and support of end devices in Tatra banka helped greatly in us receiving another project from the bank – relocation of its processing centre. The specification was to relocate the data centre and end devices for roughly 300 users with no outages, over the course of just two weekends. PosAm, as the overseer of the project, proved once again its strong standard of project management and quality implementation, which was appreciated also by top management of Raiffeisen Group for Slovakia and the Czech Republic at the opening ceremony of the new centre. A project that in terms of provided managed services will soon rank among the biggest we have implemented is administration of the Data Centre of Towns and Villages. The system went live in November 2015 and by the end of 2016 will be used by several thousand users in approximately 1500 towns and villages in Slovakia.

Although smaller in size, our cloud projects were just as significant in terms of their objective. We successfully moved the IT infrastructure of the customer Hameln rds to cloud, and created a new IT infrastructure in cloud for Deutsche Telekom Pan-Net. In both cases, we take care of subsequent management of the complete infrastructure. We made use of our experience also when relocating our own head office, which meant also relocation of the data centre and IT equipment.

The quality of our work and processes was confirmed this year not just by our customers, but also by an independent audit. Not only did we confirm certification of ISO 20000 with ease, but we also received much praise from the auditors for innovation of the provided IT services. I am confident that we will be escorted also in future by creative thought and further success.

NON-STANDARD APPROACHES TO RESOLVING STANDARD SERVICES ATTESTED TO OUR INNOVATIVE POTENTIAL

Alongside quality, another important indicator of the success of our work is our own effectiveness. The long-term concentrated efforts to consolidate the Managed Services Division resulted in the division's best financial results to date, symbolically in the

year we celebrate the company's 25th anniversary. It is the ninety or so professionals who work in the largest implementation division who can be proud of these successes, handling the processing of around 12,000 work orders a month.

We here at the Managed Services Division can definitely class 2015 as a breakthrough year. We coped with demanding projects, became more effective and are the fastest growing unit in the company. Considering the trends in the field of outsourcing of managed services, we see this as a good launching pad for further success in the years ahead.

NUMBER OF EMPLOYEES

total year end: **268**

year 2015 average: **260**

STRUCTURE OF EDUCATION IN %

secondary school: **32**

bachelors: **3**

university: **64**

postgraduate: **1**

RATIO BETWEEN MEN AND WOMEN IN %

men: **80**

women: **20**

BASIC STRUCTURE OF EMPLOYEES IN %

SW development and services: **73**

Sales & marketing: **18**

Admin & management: **9**

STRUCTURE OF EMPLOYEES BY AGE IN %

30 years and younger: **17**

31-35 years: **16**

36-40 years: **21**

41-45 years: **28**

46-50 years: **9**

50 years and older: **9**

LOCATION OVERVIEW IN %

Bratislava: **69**

Banská Bystrica: **9**

Košice: **9**

Žilina: **7**

Levice: **6**

DIRECT INVESTMENTS INTO TRAININGS IN EUR

direct cost per employee: **550**

total cost per employee: **834**

Product Management Division	Sales Division	SW Development Division Domino / Lotus Notes
	Sales Group Public & Healthcare	
	Sales Group Manufacturing & Utilities	
	Sales Group Allianz	
	Sales Group Banking & Insurance	
	Sales Group Telco & Media	
	International Sales	
	Business Development	
	Managed Services	
	Project Management Pool	
	Marketing Communication	

**SW Development
Division**
Java / Oracle

**Systems Integration
Division**

**ERP
Division**

**Managed Services
Division**

**Finance
Division**

**Organisation
and Management
Division**

Service
Management

Controlling

Internal Information
System

Remote
Support

Accounting, Taxes
and Treasury

Facility
Management

Service
Desk

Human
Resources

On-site
Support

Integrated
Management System

Sales
Department

COMPANY FACTS

POSAM, SPOL S R.O.

Name: PosAm, spol. s r. o.

Foundation date: 22. 8. 1990

Company ID: 313 650 78

Tax ID: 2020315440

VAT ID: SK 2020315440

Registered seat: Bajkalská 28, 821 09 Bratislava

Registered at the commercial register of the district court Bratislava I, section: Sro, insert: 6342/B

Branches:

Banská Bystrica

Košice

Levice

Žilina

Partners:

Slovak Telekom, a. s.

Ing. Marian Marek

Ing. Peter Hladký

Ing. Peter Kolesár

Ing. Milan Drobny

Ing. Juraj Poláčik

Peter Mihalovič

Ing. Ronald Fleischman

Ing. Ladislav Bogdány

Ing. Katarína Petříková

Ing. Mark Slavický

Executives:

Ing. Marian Marek

Ing. Miroslav Majoroš

Ing. Ladislav Petényi

Proxy:

Ing. Milan Drobny

Ing. Miroslav Bielčík

Registered capital since 2.7.2011:

EUR 170,000

The company PosAm s.r.o. (corp. reg. no. 00683 272) was incorporated on 22.8.1990. On the basis of a decision of its general meeting (21.12.1993) the company on 3.1.1994 was split into two companies: PosAm Bratislava spol. s r.o. and ASSET Management Slovakia spol. s r.o. The company PosAm Bratislava spol. s r.o. (corp. reg. no. 313 650 78) took over from PosAm all its business activities, liabilities and receivables and continued in these business activities, with the exception of property management, which passed to the other company. PosAm Bratislava spol. s r.o. thus became the successor to PosAm s.r.o., which as at 3.1.1994 was deleted from the commercial register. In 2003 the company PosAm Bratislava spol. s r.o. changed its trade name to PosAm spol. s r.o.

INTEGRATED MANAGEMENT SYSTEM

ISO 9001:2008

Quality

IT related sale, services and maintenance. Software development, production, sale and implementation. Customer support.

ISO/IEC 20000-1:2011

ITIL®

The IT Service Management System that covers the provision of IT infrastructure and application services to internal organisation and its contracted customers within the technical and organizational boundaries of PosAm. This is in accordance with the PosAm service catalogue.

ISO/IEC 27001:2013

Information Security

IT related sale, services and maintenance. Software development, production, sale and implementation. Customer support. This all in accordance with current statement of applicability.

OHSAS 18001:2007

Occupational Health & Safety

IT related sale, services and maintenance. Software development, production, sale and implementation. Customer support.

ISO 14001:2004

Environment



IT related sale, services and maintenance. Software development, production, sale and implementation. Customer support.

PARTNERSHIPS

ARH Value Added Reseller
AssureTec Value Added Reseller
Brocade Alliance Partner Network
Cisco Select Certified Partner
Citrix Citrix Solution Advisor SILVER
Dell Authorized Service Partner
Desko Value Added Reseller
ELCOM Business & Technology Partner
ESET Gold Partner
F5 Unity Program Partner
Fortinet Authorized
HANVON Business & Technology Partner
Hitachi Data Systems Platinum / TrueNorth Partner Program
HP Enterprise HP Silver Server Specialist
HP Enterprise HPE Silver Partner
HP HP Computing Services Specialist
HP HP Gold partner Computing
HP HP Gold partner Printing
HP HP Partner First Gold
HP HP Printing Services Specialist
HP HP Services Specialist
Huawei Authorized Partner
IBM IBM Business Partner, Service partner
IBM Premier Business Partner
Konica-Minolta Authorized Service Partner
Kyocera Authorized Service Partner
Lenovo Service Partner
McAfee Reseller - Associate
Microsoft MPN - Microsoft Partner Network
Namirial Spa Value Added Reseller
OKI Authorized Service Partner
Oracle Gold Partner
RedHat Ready - Solution Provider
SAP Service Partner
SEFIRA Business & Technology Partner
Symantec Symantec Registered Partner
TECHNISERV IT Business & Technology Partner
Thales Business & Technology Partner
Veeam Reseller
VMware Solution Provider - Enterprise
Wacom Value Added Reseller

FINANCIAL STATEMENTS OF THE
COMPANY POSAM SPOL. S R.O.
AND INDEPENDENT AUDITOR'S
REPORT FOR THE YEAR ENDED
31 DECEMBER 2015

FINANCIAL STATEMENTS at 31.12.2015 (in whole euros)

<p>Numerical data is aligned right, other data is aligned left. Unfilled rows are left empty. Data is filled out using block letters (based on this sample), typewriter or a printer, in black or dark blue colour ĀABĀDEFĀGHĀJKLMNĀOPQRĀŠTĀUVXĀÝĀ 0123456789</p>		
Tax Identification Number 2020315440 Company's ID No 31365078 SK NACE 62.01.0	Financial statements – Accounting unit <input checked="" type="checkbox"/> ordinary <input type="checkbox"/> small <input type="checkbox"/> extraordinary <input type="checkbox"/> large <input type="checkbox"/> interim (to be indicated with x)	For the period of Month Year from 01 2015 to 12 2015 Immediately preceding period from 01 2014 to 12 2014
Financial Statements include following components <input checked="" type="checkbox"/> Balance Sheet (in whole euros) <input checked="" type="checkbox"/> Income statement (in whole euros) <input checked="" type="checkbox"/> Notes (in whole euros)		
Business name (Title) of the accounting entity POSAM, SPOL. S.R.O.		
Accounting entity's registered office		
Street BAJKALSKÁ Postal Code 821 09 Phone Number 02 / 49239111	Number 28 Municipality BRATISLAVA Fax Number 02 / 49239888	
Prepared On: 29. 02. 2016	Signature of a member of the statutory body of the accounting entity or natural person that is an accounting entity:  	
Approved on: 16. 03. 2016		

BALANCE SHEET

Line	ASSETS	Line	Current period			Previous period
			Gross	Correction	Net	
			EUR	EUR	EUR	EUR
	TOTAL ASSETS (line 02 + line 33 + line 74)	01	26,091,064	5,032,258	21,058,806	19,640,758
A.	Non-current assets (line 03 + line 11 + line 21)	02	7,767,016	4,838,153	2,928,863	2,137,610
A.I.	Non-current intangible assets - total (lines 04 to 10)	03	2,565,341	1,264,734	1,300,607	1,139,325
A.I.1	Capitalized development costs (012) - /072, 091A/	04				
2	Software (013)-/073, 091A/	05	2,468,214	1,243,102	1,225,112	1,123,156
3	Valuable rights (014)-/074, 091A/	06	30,893	21,632	9,261	6,169
4	Goodwill (015) - /075, 091A/	07				
5	"Other non-current intangible assets (019, 01X) - /079, 07X, 091A/"	08				
6	Acquisition of non-current intangible assets (041) - /093/	09	66,234		66,234	10,000
7	Advance payments for non-current intangible assets (051) - /095A/	10				
A.II.	Property, plant and equipment - total (lines 12 to 20)	11	5,201,675	3 573,419	1,628 256	998,285
A.II.1	Land (031) - /092A/	12				
2	Buildings and structures (021) - /081, 092A/	13	168,660	4,455	164,205	3,455
3	Individual movable assets and sets of movable assets (022) - /082, 092A/	14	4,795,105	3,568,964	1,226,141	988,413
4	Perennial crops (025) - /085, 092A/	15				
5	Breeding and draught animals (026) - /086, 092A/	16				
6	Other property, plant and equipment (029, 02X, 032) - /089, 08X, 092A/	17				
7	"Acquisition of property, plant and equipment (042) - /094/"	18	237,910		237,910	6,417
8	Advance payments for property, plant and equipment (052) - /095A/	19				
9	Valuation allowance for acquired assets (+/- 097) +/- 098	20				
A.III.	Non-current financial assets - total (lines 22 to 32)	21				
A.III.1	Shares and ownership interests in affiliated undertakings (061A, 062A, 063A) - /096A/	22				
2	Shares and ownership interests in undertakings in which the company has a participating interest, except for shares and ownership interests in affiliated undertakings (062A) - /096A/	23				
3	Other realizable securities and ownership interests (063A) - /096A/	24				
4	Loans to affiliated undertakings (066A) - /096A/	25				
5	Loans to undertakings in which the company has a participating interest, except for loans to affiliated undertakings (066A) - /096A/	26				
6	Other loans (067A) - /096A/	27				
7	Debt securities and other non-current financial assets (065A, 069A, 06XA) - /096A/	28				
8	Loans and other non-current financial assets with time remaining to maturity of no more than one year (066A, 067A, 069A, 06XA) - /096A/	29				
9	Bank accounts with a notice period of more than one year (22XA)	30				
10	Acquisition of non-current financial assets (043) - /096A/	31				
11	Advance payments for non-current financial assets (053) - /095A/	32				
B.	Current assets (line 34 + line 41 + line 53 + line 66 + line 71)	33	17,548,084	194,105	17,353,979	16,954,345
B.I.	Inventories - total (lines 35 to 40)	34	231,749	26,597	205,152	48,151
B.I.1	Material (112, 119, 11X) - /191, 19X/	35	357		357	390
2	"Work in progress and semi-finished products (121, 122, 12X) - /192, 193, 19X/"	36				
3	Finished goods (123) - /194/	37				
4	Animals (124) - /195/	38				
5	Merchandise (132, 133, 13X, 139) - /196, 19X/	39	231,392	26,597	204,795	47,761
6	Advance payments for inventories (314A) - /391A/	40				

BALANCE SHEET

Line	ASSETS	Line	Current period			Previous period
			Gross	Correction	Net	
			EUR	EUR	EUR	EUR
B.II.	Non-current receivables - total (line 42 + lines 46 to 52)	41	398,510		398,510	206,369
B.II.1	Trade receivables - total (lines 43 to 45)	42				
1.a	Trade receivables from affiliated undertakings (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/	43				
1.b	Trade receivables from undertakings in which the company has a participating interest, except for receivables from affiliated undertakings (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/	44				
1.c	Other trade receivables (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/	45				
2	Net value of a contract (316A)	46				
3	Other receivables from affiliated undertakings (351A) - /391A/	47				
4	Other receivables from undertakings in which the company has a participating interest, except for receivables from affiliated undertakings (351A) - /391A/	48				
5	Receivables from partners, members, and the association (354A, 355A, 358A, 35XA) - /391A/	49				
6	Receivables related to derivative transactions (373A, 376A)	50				
7	Other receivables (335A, 336A, 33XA, 371A, 374A, 375A, 378A) - /391A/	51				
8	Deferred tax asset (481A)	52	398,510		398,510	206,369
B.III.	Current receivables - total (line 54 + lines 58 to 65)	53	6,309,962	167,508	6,142,454	8,492,623
B.III.1	Trade receivables - total (lines 55 to 57)	54	5,939,021	167,508	5,771,513	7,583,761
1.a	Trade receivables from affiliated undertakings (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/	55	2,122,858		2,122,858	3,266,372
1.b	Trade receivables from undertakings in which the company has a participating interest, except for receivables from affiliated undertakings (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/	56				
1.c	Other trade receivables (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/	57	3,816,163	167,508	3,648,655	4,317,389
2	Net value of a contract (316A)	58	330,073		330,073	876,831
3	Other receivables from affiliated undertakings (351A) - /391A/	59				
4	Other receivables from undertakings in which the company has a participating interest, except for receivables from affiliated undertakings (351A) - /391A/	60				
5	Receivables from partners, members, and the association (354A, 355A, 358A, 35XA, 398A) - /391A/	61				
6	Social security (336A) - /391A/	62				
7	Tax assets and subsidies (341, 342, 343, 345, 346, 347) - /391A/	63	2,827		2,827	19,819
8	Receivables related to derivative transactions (373A, 376A)	64				
9	Other receivables (335A, 33XA, 371A, 374A, 375A, 378A) - /391A/	65	38,041		38,041	12,212
B.IV.	Current financial assets - total (lines 67 to 70)	66				
B.IV.1	Current financial assets in affiliated undertakings (251A, 253A, 256A, 257A, 25XA) - /291A, 29XA/	67				
2	Current financial assets other than those in affiliated undertakings (251A, 253A, 256A, 257A, 25XA) - /291A, 29XA/	68				
3	Own shares and ownership interests (252)	69				
4	"Acquisition of current financial assets (259, 314A)- /291A/"	70				
B.V.	Financial accounts (line 72 + line 73)	71	10,607,863		10,607,863	8,207,202
B.V.1	Cash (211, 213, 21X)	72	12,326		12,326	12,493
2	Bank accounts (221A, 22X, +/- 261)	73	10,595,537		10,595,537	8,194,709
C.	Accruals/deferrals - total (lines 75 to 78)	74	775,964		775,964	548,803
C.1	Deferred expenses - long-term (381A, 382A)	75	151,800		151,800	114,090
2	Deferred expenses - short-term (381A, 382A)	76	624,164		624,164	434,713
3	Accrued income - long-term (385A)	77				
4	Accrued income - short-term (385A)	78				

BALANCE SHEET

Line	LIABILITIES AND EQUITY	line	Current accounting period	Previous accounting period
			EUR	EUR
	TOTAL EQUITY AND LIABILITIES (line 80 + line 101 + line 141)	79	21,058,806	19,640,758
A.	Equity (line 81 + line 85 + line 86 + line 87 + line 90 + line 93 + line 97 + line 100)	80	11,829,010	10,941,011
A.I.	Share capital - total (lines 82 to 84)	81	170,000	170,000
A.I.1	Share capital (411 or +/- 491)	82	170,000	170,000
2	Change in share capital +/- 419	83		
3	Receivables from subscribed share capital (-/353)	84		
A.II.	Share premium (412)	85		
A.III.	Other capital funds (413)	86		
A.IV.	Legal reserves (line 88 + line 89)	87	17,000	17,000
A.IV.1	Legal reserve fund and non-distributable reserve (417A, 418, 421A, 422)	88	17,000	17,000
2	Reserve for own shares and ownership interests (417A, 421A)	89		
A.V.	Other profit reserves (line 91 + line 92)	90		
A.V.1	Statutory reserves (423, 42X)	91		
2	Other reserves (427, 42X)	92		
A.VI.	Valuation variances from revaluation - total (lines 94 to 96)	93		
A.VI.1	Valuation variances from the revaluation of assets and liabilities (+/- 414)	94		
2	Valuation variances from equity investments (+/- 415)	95		
3	Valuation variances from the revaluation in case of mergers, fusions, or demergers (+/- 416)	96		
A.VII.	Profit/(loss) of previous years (line 98 + line 99)	97	9,084,464	8,262,150
A.VII.1	Retained earnings (428)	98	9,084,464	8,262,150
2	Loss carried forward (-/429)	99		
A.VIII.	Profit/(loss) for the accounting period after taxes +/- line 01 - (line 81 + line 85 + line 86 + line 87 + line 90 + line 93 + line 97 + line 101 + line 141)	100	2,557,546	2,491,861
B.	Liabilities (line 102 + line 118 + line 121 + line 122 + line 136 + line 139 + line 140)	101	8,318,843	7,960,082
B.I.	Non-current liabilities - total (line 103 + lines 107 to 117)	102	24,173	18,317
B.I.1	Non-current trade liabilities - total (lines 104 to 106)	103		
1.a	Trade liabilities to affiliated undertakings (321A, 475A, 476A)	104		
1.b	Trade liabilities to undertakings in which the company has a participating interest, except for liabilities to affiliated undertakings (321A, 475A, 476A)	105		
1.c	Other trade liabilities (321A, 475A, 476A)	106		
2	Net value of a contract (316A)	107		
3	Other liabilities to affiliated undertakings (471A, 47XA)	108		
4	Other liabilities to undertakings in which the company has a participating interest, except for liabilities to affiliated undertakings (471A, 47XA)	109		
5	Other non-current liabilities(479A, 47XA)	110		
6	Long-term advance payments received (475A)	111		
7	Long-term bills of exchange to be paid (478A)	112		
8	Bonds issued (473A/-/255A)	113		
9	Liabilities related to the social fund (472)	114	24,173	18,317
10	Other non-current liabilities (336A, 372A, 474A, 47XA)	115		
11	Non-current liabilities from derivative transactions (373A, 377A)	116		
12	Deferred tax liability (481A)	117		
B.II.	Long-term provisions (line 119 + line 120)	118	62,402	77,261
B.II.1	Legal provisions (451A)	119		
2	Other provisions (459A, 45XA)	120	62,402	77,261

BALANCE SHEET

Line	LIABILITIES AND EQUITY	line	Current accounting period	Previous accounting period
			EUR	EUR
B.III.	Long-term bank loans (461A, 46XA)	121		
B.IV.	Current liabilities - total (line 123 + lines 127 to 135)	122	6,310,572	6,596,854
B.IV.1	Trade liabilities - total (lines 124 to 126)	123	4,376,772	5,100,515
1.a	Trade liabilities to affiliated undertakings (321A, 322A, 324A, 325A, 326A, 32XA, 475A, 476A, 478A, 47XA)	124	97,403	26,183
1.b	Trade liabilities to undertakings in which the company has a participating interest, except for liabilities to affiliated undertakings (321A, 322A, 324A, 325A, 326A, 32XA, 475A, 476A, 478A, 47XA)	125		
1.c	Other trade liabilities (321A, 322A, 324A, 325A, 326A, 32XA, 475A, 476A, 478A, 47XA)	126	4,279,369	5,074,332
2	Net value of a contract (316A)	127		
3	Other liabilities to affiliated undertakings (361A, 36XA, 471A, 47XA)	128		
4	Other liabilities to undertakings in which the company has a participating interest, except for liabilities to affiliated undertakings (361A, 36XA, 471A, 47XA)	129		
5	Liabilities to partners and the association (364, 365, 366, 367, 368, 398A, 478A, 479A)	130		
6	Liabilities to employees (331, 333, 33X, 479A)	131	655,547	568,204
7	Liabilities from social insurance (336A)	132	351,140	325,281
8	Tax liabilities and subsidies (341, 342, 343, 345, 346, 347, 34X)	133	924,643	602,788
9	Liabilities from derivative transactions (373A, 377A)	134		
10	Other liabilities (372A, 379A, 474A, 475A, 479A, 47XA)	135	2,470	66
B.V.	Short-term provisions (line 137 + line 138)	136	1,908,052	1,258,276
B.V.1	Legal provisions (323A, 451A)	137	167,743	207,953
2	Other provisions (323A, 32X, 459A, 45XA)	138	1,740,309	1,050,323
B.VI.	Current bank loans (221A, 231, 232, 23X, 461A, 46XA)	139	13,644	9,374
B.VII.	"Short-term financial assistance (241, 249, 24X, 473A /-/255A)"	140		
C.	Accruals/deferrals - total (lines 142 to 145)	141	910,953	739,665
C.1	Accrued expenses - long-term (383A)	142		
2	Accrued expenses - short-term (383A)	143		
3	Deferred income - long-term (384A)	144	184,358	114,452
4	Deferred income - short-term (384A)	145	726,595	625,213

INCOME STATEMENT

Line	TEXT	Line	Current period	Previous period
			EUR	EUR
*	Net turnover (part of account class 6 according to the Act)	01	43,514,400	47,257,463
**	Operating income - total (lines 03 to 09)	02	43,998,163	47,696,208
I	Revenue from the sale of goods (604, 607)	03	10,648,296	17,920,736
II	Revenue from the sale of own products (601)	04		
III	Revenue from the sale of services (602, 606)	05	32,700,420	29,187,283
IV	Changes in internal inventories (+/-) (account group 61)	06		
V	Own work capitalized (account group 62)	07	403,840	436,974
VI	Revenue from the sale of non-current intangible assets, property, plant and equipment, and material (641, 642)	08	79,923	11,329
VII	Other operating income(644, 645, 646, 648, 655, 657)	09	165,684	139,886
**	Operating expenses - total (line 11 + line 12 + line 13 + line 14 + line 15 + line 20 + line 21 + line 24 + line 25 + line 26)	10	40,642,395	44,410,183
A	Cost of goods sold (504, 507)	11	9,725,751	17,020,959
B	Consumption of materials, energy, and other non-storable supplies (501, 502, 503)	12	596,150	542,919
C	Valuation allowances for inventories (+/-) (505)	13	3,926	5,842
D	Services (account group 51)	14	17,471,527	14,904,728
E	Personnel expenses - total (lines 16 to 19)	15	11,055,495	10,843,300
E.1	Wages and salaries (521, 522)	16	8,338,769	8,159,703
2	Remuneration of members of the company's bodies or members of a cooperative (523)	17		
3	Social security expenses (524, 525, 526)	18	2,566,170	2,523,452
4	Social expenses (527, 528)	19	150,556	160,145
F	Taxes and fees (account group 53)	20	24,567	33,354
G	Amortization and valuation allowances for non-current intangible assets, and depreciation and valuation allowances for property, plant and equipment (line 22 + line 23)	21	943,964	1,008,273
G.1	Amortization of non-current intangible assets and depreciation of property, plant and equipment (551)	22	927,225	923,904
2	Valuation allowances for non-current intangible assets and for property, plant and equipment (+/-) (553)	23	16,739	84,369
H	Residual value of non-current assets and material sold (541, 542)	24	23,874	2,796
I	Valuation allowances for receivables (+/-) (547)	25	24,194	5,755
J	"Other operating expenses (543, 544, 545, 546, 548, 549, 555, 557)"	26	772,947	42,257
***	Profit/(loss) from operations (+/-) (line 02 - line 10)	27	3,355,768	3,286,025
*	Added value (line 03 + line 04 + line 05 + line 06 + line 07) - (line 11 + line 12 + line 13 + line 14)	28	15,955,202	15,070,545
**	Income from financing activities - total (line 30 + line 31 + line 35 + line 39 + line 42 + line 43 + line 44)	29	24,307	15,751
VIII	Revenue from the sale of securities and shares (661)	30		
IX	"Income from non-current financial assets (lines 32 to 34)"	31		
IX.1	Yields on securities and ownership interests in affiliated undertakings (665A)	32		
2	Yields on securities and ownership interests in undertakings in which the company has a participating interest, except for yields of affiliated undertakings (665A)	33		
3	Other yields on securities and ownership interests (665A)	34		
X	Income from current financial assets - total (lines 36 to 38)	35		
X.1	Income from current financial assets in affiliated undertakings (666A)	36		

INCOME STATEMENT

Line	TEXT	Line	Current period	Previous period
			EUR	EUR
2	Income from current financial assets in undertakings in which the company has a participating interest, except for income of affiliated undertakings (666A)	37		
3	Other income from current financial assets (666A)	38		
XI.	Interest income (line 40 + line 41)	39	19,456	9,558
XI.1	Interest income from affiliated undertakings (662A)	40		
2	Other interest income (662A)	41	19,456	9,558
XII.	Foreign exchange gains (663)	42	4,851	6,189
XIII.	Gains on the revaluation of securities and income from derivative transactions (664, 667)	43		
XIV.	Other income from financing activities (668)	44		4
**	Expenses for financing activities - total (line 46 + line 47 + line 48 + line 49 + line 52 + line 53 + line 54)	45	13,223	11,841
K	Securities and shares sold (561)	46		
L	Expenses for current financial assets (566)	47		
M	Valuation allowances for financial assets (+/-) (565)	48		
N	Interest expense (line 50 + line 51)	49		57
N.1	Interest expense for affiliated undertakings (562A)	50		
2	Other interest expense (562A)	51		57
O	Foreign exchange losses (563)	52	7,483	5,056
P	Expenses for the revaluation of securities and expenses for derivative transactions (564, 567)	53		
Q	Other expenses for financing activities (568, 569)	54	5,740	6,728
***	"Profit/(loss) from financing activities (+/-) (line 29 - line 45)"	55	11,084	3,910
****	Profit/(loss) for the accounting period before taxes (+/-) (line 27 + line 55)	56	3,366,852	3,289,935
R	Income tax (line 58 + line 59)	57	809,306	798,074
R.1	Income tax - current (591, 595)	58	1,001,447	783,355
2	Income tax - deferred (+/-) (592)	59	(192,141)	14,719
S	Transfer of the share in the net profit/(loss) to shareholders (+/-596)	60		
****	Profit/(loss) for the accounting period after taxes (+/-) (line 56 - line 57 - line 60)	61	2,557,546	2,491,861

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2015

A. GENERAL

1. Business name and address

PosAm, spol. s r. o.
Bajkalská 28
821 09 Bratislava

PosAm spol. s r. o. ("the Company") is a limited liability company established on 21 December 1993 on the basis of a Memorandum of Association, and incorporated on 3 January 1994 with the Commercial Register of the District Court Bratislava I, Section s.r.o., Insert No.: 6342/B. The Company is located at Bajkalská 28, Bratislava (to 31. december 2015 Odborárska 21), the Slovak Republic. Its business registration number is 31 365 078.

2. Core business activities of the Company

- development and sale of internally developed software
- provision of IT services
- sale of hardware and software licenses

3. Unlimited liability

The Company is not a shareholder with unlimited liability in other legal entities.

4. Number of staff

As at 31 December 2015 the Company had 268 of active employees (as at 31 December 2014: 248) out of which 48 were management (2014: 48).

Item	31 December 2015	31 December 2014
Average number of staff	260	249
Number of staff at balance sheet date of which:	268	248
Management	48	48

5. Legal reason for preparing the financial statements

The Company's financial statements at 31 December 2015 have been prepared as ordinary financial statements under § 17 Sec. 6 of the Slovak Accounting Act (Act No. 431/2002 Coll. on Accounting, as amended) for the accounting period from 1 January 2015 to 31 December 2015.

6. Date of approving the financial statements for the previous accounting period

The General Meeting approved the Company's financial statements for the previous accounting period on 26 March 2015.

7. Date of approval of the Company's auditor

On 4 August 2011, the General Meeting approved PricewaterhouseCoopers Slovensko, s.r.o. as auditor of the Company's financial statements for financial year 2015.

B. THE CONSOLIDATED GROUP

The Company is included in the consolidated financial statements of Slovak Telekom, a. s., Bajkalská 28, 817 62, Bratislava, the Slovak Republic which are part of the consolidated financial statements of Deutsche Telekom Group. The consolidated financial statements of the Deutsche Telekom Group are prepared by Deutsche Telekom AG, Friedrich Ebert Alle 140, 53113 Bonn, Germany. These consolidated financial statements are available at the registered addresses of the companies stated above.

C. ACCOUNTING METHODS AND GENERAL ACCOUNTING PRINCIPLES

a) Basis of preparation

The Company's financial statements have been prepared in accordance with the Slovak Accounting Act and related accounting procedures, on a going concern basis.

The Company keeps its books on the accrual basis of accounting which means that all revenues and costs are recognized when generated or incurred (and not when cash is received or paid), and they are recorded in the books and reported in the financial statements of the periods to which they relate.

All monetary amounts in the financial statements are stated in whole Euros, unless stated otherwise.

The Company consistently applied the accounting methods and the general accounting principles.

b) Non-current intangible and tangible assets

Non-current intangible assets

Acquired non-current intangible assets are stated at cost, which includes the acquisition price and the related acquisition costs.

Internally generated, non-current assets are stated at their own cost, which includes all direct costs spent on production, mainly personal costs, as well as indirect costs related to production.

Non-current assets acquired free of charge are stated at fair value.

Costs related to technical improvement of non-current intangible assets increase the acquisition costs and are recognised in the year of realisation, while repairs and maintenance are expensed as incurred.

The amortisation plan of non-current intangible assets has been prepared on the basis of their expected economic useful lives relating to the recovery of future economic benefits from these assets.

Depreciation begins as of the first day of the month in which the asset was first put into use.

The expected economic useful life, the depreciation method and the annual depreciation rate for non-current intangible assets are shown in the following table:

	Expected economic useful life in years	Depreciation method	Annual depreciation rate in %
Website	3	Straight-line	33,33
Software	4	Straight-line	25,00
Internally generated software (AMC, bSign)	4	Straight-line	25,00
Internally generated software (dScan)	5	Straight-line	20,00
Internally generated software (SERVIO NG)	8	Straight-line	12,50
Valuable rights (licences)	10	Straight-line	10,00

In the case of a diminution in the value-in-use of non-current intangible assets a valuation allowance is set up as the difference between the value-in-use and the carrying amount of the asset.

Non-current tangible assets

Acquired non-current tangible assets are stated at cost, which includes the acquisition price and the related acquisition costs.

Costs related to technical improvement of non-current tangible assets increase the acquisition costs and are recognised in the year of realisation, while repairs and maintenance are expensed as incurred.

	Expected economic useful life in years	Depreciation method	Annual depreciation rate in %
Machinery and equipment	4	Straight-line	25,00
Machinery and equipment (service equipment)	7	Straight-line	14,29
Kitchen industrial furniture	6	Straight-line	16,66
EZS security system	10	Straight-line	10,00
Vehicles	4	Straight-line	25,00
Furniture and Fixtures	6	Straight-line	16,66
Mobile phones	2	Straight-line	50,00
Other non-current tangible assets (safe deposits, air conditions)	12	Straight-line	8,33
Technical improvement of leased spaces	5	Straight-line	20,00
Technical improvement of leased spaces – FBC Bajkalská	10	Straight-line	10,00

In the case of a diminution in the value-in-use of a non-current tangible asset a valuation allowance is set up as the difference between the value-in-use and the carrying amount of the asset.

c) Inventories

Acquired inventories are stated at cost, which includes the acquisition price and the related acquisition costs less discounts. A discount granted to inventories already sold or used is accounted for as the reduction of costs of inventories sold or used. The Company used method A for the accounting treatment of inventories. For stock withdrawal, the FIFO-method is used. (FIFO - the first price for the valuation of additions of inventories is used as the first price for the valuation of stock disposal)

If the acquisition or production cost of inventories is higher than their net realizable value at the balance sheet date, a valuation allowance for inventories is set up in the amount of the difference between their book value and their net realizable value. For slow-moving stock, recorded on the stock for more than one year and for more than two years, the Company creates an allowance of 50 % and 100 % of their value, respectively. For spare parts inventory, an allowance is created at 100% of their value, provided that the Company records this inventory as being in stock for more than four years.

d) Contract manufacturing

The Company uses construction contracts accounting policy in respect of the internally developed software solutions. If the result of construction contracts can be reliably estimated and one can reasonably expect that the contract will not be unprofitable, the revenues and income related to the accounting period are accounted for using the percentage-of-completion method, while the extent to which the contract is completed is determined in aggregate at the balance-sheet date by reviewing work already performed.

Contract manufacturing costs are recognized when incurred. Costs incurred in the current year but relating to future contract activities are not included in calculating the extent to which the contract is completed.

The depreciation plan of non-current tangible assets has been prepared on the basis of their expected economic useful lives relating to the recovery of future economic benefits from these assets. Depreciation begins as of the first day of the month in which the asset was first put into use.

The expected economic useful life, the depreciation method and the annual depreciation rate for non-current intangible assets are shown in the following table:

At the balance-sheet date, the aggregate difference between payments requested so far for performing the contract manufacturing, and the contract manufacturing value determined by using the percentage-of-completion method shall be reported on the balance sheet as the net contract value with the corresponding credit to revenues.

The amounts requested by the contractor for work performed during contract manufacturing are recognized as trade receivables with a corresponding credit to contract revenues. Advance payments which the contractor has received before the respective work was completed are recognized either as advance payments received, or as long-term advance payments received.

If it is expected at the balance-sheet date that costs will be higher than revenues, a loss from construction contracts is recognized immediately. The amount of the expected loss is determined regardless of whether or not the work on contract manufacturing has started, regardless of the extent to which the contract is completed, or the amount of profits which are expected to be made from other contracts which are not considered to be manufacturing under one contract.

An expected loss from contract manufacturing is recognized as other operating expenses. In the accounting period in which either a loss from contract manufacturing is no more probable or a reduction or offset of a loss from contract manufacturing can be expected, the reduction of other operating expenses is recognized.

e) Receivables

When initially recognized, receivables are stated at their nominal value. Assigned receivables and receivables resulting from a contribution to share capital are stated at cost. A valuation allowance is set up for bad and doubtful debts. For receivables due more than 90 days and of the individual value lower than 1,000 EUR the Company creates allowance of 100% of a receivable's value. For receivables due more than 30 days and of the individual value higher than 1,000 EUR an allowance is created as a difference between the nominal and the present value of a receivable, taking into consideration assessment of an individual receivable and risk of non-collection of receivable.

f) Financial accounts

Financial accounts consist of cash, bank account balances, and vouchers.

g) Prepaid expenses and accrued income

Prepaid expenses and accrued income are recognized at the amount reflecting the accrual principle (matching income and expense within the same accounting period).

h) Valuation allowances

Valuation allowances are recorded based on the accounting principle of prudence, if one can justifiably assume that the value of an asset has been impaired when compared to its value in the books. A valuation allowance is recognized in the amount of a justified assumption for an impairment of an asset when compared to its value in the books.

i) Provisions

Provisions are liabilities representing the Company's present obligation resulting from past events, if it is probable that its settlement will reduce the Company's resources in the future. Provisions are liabilities of uncertain timing or amount, and are stated at the expected amount of the existing liability at the balance-sheet date.

The set-up of a provision is posted to the respective expense account or asset account to which the liability relates. The use of a provision is debited to the respective provision account, with a corresponding credit to the respective liability account. The release of an unnecessary provision, or a part of it, is accounted for using an accounting entry inverse to the recognition of the set-up of the provision.

j) Liabilities

When initially recognized, liabilities are stated at their nominal value. Assumed liabilities are stated at cost. If reconciliation procedures reveal that the actual amount of liabilities differs from the amount shown in the books, these liabilities will be shown in the books and the financial statements at this actual amount.

k) Employee benefits

Wages, salaries, contributions to the Slovak state pension and social insurance plans, paid annual leave and paid sick leave, bonuses and other non-monetary benefits (such as medical care) are recognized in the accounting period when incurred.

l) Income tax due

The corporate income tax is expensed in the period when the tax liability arises. In the accompanying income statement, tax expense is calculated on the basis of the profit/(loss) before taxes that has been adjusted for tax-deductible and tax non-deductible items due to permanent and temporary adjustments to the tax base and any tax losses carried forward. The tax liability is stated net of corporate income tax advances that the Company paid during the year. As corporate income tax advances paid during the year are lower than the tax liability for the period, the Company records an income tax payable.

m) Deferred income tax

Deferred income tax arises from temporary differences between the carrying amount of assets and liabilities shown in the balance sheet and their tax base.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

To determine deferred income tax, tax rates expected to apply at the date on which the deferred tax is settled are used, i.e. 22%.

n) Deferred revenues and accrued expenses

Deferred revenues and accrued expenses are stated at their nominal value, while presented at the amount reflecting the accrual principle (matching income and expenses within the same accounting period).

o) Leasing (the Company is a lessee)**Operating lease**

Lease costs of assets under operating lease contracts are expensed as incurred over the period of the lease.

p) Foreign currency

Transactions in foreign currency are converted to Euros using the reference exchange rate set and published by the European Central Bank or the National Bank of Slovakia on the day preceding the day of the accounting event, or on the balance-sheet date. The resulting foreign exchange differences are recorded to the income statement.

Assets and liabilities in foreign currency are translated to Euros using the exchange rate set and valid on the balance-sheet date. The resulting foreign exchange gains and losses are recognized in the income statement.

Purchases and sales of foreign currency are converted to EUR using the exchange rate at which these amounts were purchased or sold.

q) Revenue recognition

Sales revenues are shown net of VAT, discounts and deductions (such as rebates, bonuses, and credit notes). Sales are accounted at the date of delivery or provision of the service.

Revenue from the sale of hardware equipment and software licences (merchandise) are accounted for at the moment of risk and ownership transfer, usually upon delivery in accordance with specific delivery terms.

Revenue from the sale of software licences (services) are accounted for in line with accrual principle.

Revenue from the sale of services and internally developed software solutions are accounted for in the accounting period when provided, in accordance with the level of completion. The level of completion is calculated as the ratio of actually provided services to total contracted services.

D. ASSETS

1. Non-current intangible assets

An overview of changes in non-current intangible assets for current and prior periods is presented in the table below:

Non-current intangible assets	Capitalised development costs	Software	Valuable rights	Goodwill	Other non-current intangible assets	Non-current assets in the process of acquisition	Advances paid for non-current intangible assets	Total
Acquisition cost								
1 January 2015	-	2,645,497	25,034	-	-	94,369	-	2,764,900
Additions	-	-	-	-	-	485,094	-	485,094
Disposals	-	(590,284)	-	-	-	(94,369)	-	(684,653)
Transfers	-	413,001	5,859	-	-	(418,860)	-	-
31 December 2015	-	2,468,214	30,893	-	-	66,234	-	2,565,341
Accumulated depreciation								
1 January 2015	-	1,522,341	18,865	-	-	-	-	1,541,206
Additions	-	311,045	2,767	-	-	-	-	313,812
Disposals	-	(590,284)	-	-	-	-	-	(590,284)
Transfers	-	-	-	-	-	-	-	-
31 December 2015	-	1,243,102	21,632	-	-	-	-	1,264,734
Valuation allowances								
1 January 2015	-	-	-	-	-	84,369	-	84,369
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	(84,369)	-	(84,369)
Transfers	-	-	-	-	-	-	-	-
31 December 2015	-	-	-	-	-	-	-	-
Net book value								
1 January 2015	-	1,123,156	6,169	-	-	10,000	-	1,139,325
31 December 2015	-	1,225,112	9,261	-	-	66,234	-	1,300,607

The Company internally developed software and activated related costs of EUR 403,840 in 2015 (in 2014: EUR 436,974), out of which 394,106 EUR has been put in use in 2015 (in 2014: 764,556 EUR). This software is used for internal purposes and for services of the Company's customers.

Information for prior period is presented in the following table:

Non-current intangible assets	Capitalised development costs	Software	Valuable rights	Goodwill	Other non-current intangible assets	Non-current assets in the process of acquisition	Advances paid for non-current intangible assets	Total
Acquisition cost								
1 January 2014	-	1,861,734	24,744	-	-	421,951	-	2,308,429
Additions	-	-	-	-	-	456,471	-	456,471
Disposals	-	-	-	-	-	-	-	-
Transfers	-	783,763	290	-	-	(784,053)	-	-
31 December 2014	-	2,645,497	25,034	-	-	94,369	-	2,764,900
Accumulated depreciation								
1 January 2014	-	1,277,226	16,339	-	-	-	-	1,293,565
Additions	-	245,115	2,526	-	-	-	-	247,641
Disposals	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
31 December 2014	-	1,522,341	18,865	-	-	-	-	1,541,206
Valuation allowances								
1 January 2014	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	84,369	-	84,369
Disposals	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
31 December 2014	-	-	-	-	-	84,369	-	84,369
Net book value								
1 January 2014	-	584,508	8,405	-	-	421,951	-	1,014,864
31 December 2014	-	1,123,156	6,169	-	-	10,000	-	1,139,325

2. Non-current tangible assets

An overview of changes in non-current tangible assets for current and prior period is presented in the table below:

Non-current tangible assets	Land	Buildings	Individual movable assets and sets of movable items	Perennial crops	Breeding & draught animals	Other non-current tangible assets	Assets under construction	Advances paid for non-current tangible assets	Total
Acquisition cost									
1 January 2015	-	5,457	5,143,352	-	-	-	6,417	-	5,155,226
Additions	-	-	-	-	-	-	1,274,613	-	1,274,613
Disposals	-	-	(1,228,164)	-	-	-	-	-	(1,228,164)
Transfers	-	163,203	879,917	-	-	-	(1,043,120)	-	-
31 December 2015	-	168,660	4,795,105	-	-	-	237,910	-	5,201,675
Accumulated depreciation									
1 January 2015	-	2,002	4,154,939	-	-	-	-	-	4,156,941
Additions	-	2,453	642,188	-	-	-	-	-	644,641
Disposals	-	-	(1,228,163)	-	-	-	-	-	(1,228,163)
Transfers	-	-	-	-	-	-	-	-	-
31 December 2015	-	4,455	3,568,964	-	-	-	-	-	3,573,419
Valuation allowances									
1 January 2015	-	-	-	-	-	-	-	-	-
Additions	-	-	18,135	-	-	-	-	-	18,135
Disposals	-	-	(18,135)	-	-	-	-	-	(18,135)
Transfers	-	-	-	-	-	-	-	-	-
31 December 2015	-	-	-	-	-	-	-	-	-
Net book value									
1 January 2015	-	3,455	988,413	-	-	-	6,417	-	998,285
31 December 2015	-	164,205	1,226,141	-	-	-	237,910	-	1,628,256

Non-current tangible assets are insured against damages caused by theft, natural disaster and act of vandalism up to EUR 996,009 (2014: EUR 1,035,085).

Non-current tangible assets	Land	Buildings	Individual movable assets and sets of movable items	Perennial crops	Breeding & draught animals	Other non-current tangible assets	Assets under construction	Advances paid for non-current tangible assets	Total
Acquisition cost									
1 January 2014	-	5,457	5,108,587	-	-	-	4,848	-	5,118,892
Additions	-	-	-	-	-	-	386,678	-	386,678
Disposals	-	-	(350,344)	-	-	-	-	-	(350,344)
Transfers	-	-	385,109	-	-	-	(385,109)	-	-
31 December 2014	-	5,457	5,143,352	-	-	-	6,417	-	5,155,226
Accumulated depreciation									
1 January 2014	-	910	3,827,027	-	-	-	-	-	3,827,937
Additions	-	1,092	678,256	-	-	-	-	-	679,348
Disposals	-	-	(350,344)	-	-	-	-	-	(350,344)
Transfers	-	-	-	-	-	-	-	-	-
31 December 2014	-	2,002	4,154,939	-	-	-	-	-	4,156,941
Valuation allowances									
1 January 2014	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
31 December 2014	-	-	-	-	-	-	-	-	-
Net book value									
1 January 2014	-	4,547	1,281,560	-	-	-	4,848	-	1,290,955
31 December 2014	-	3,455	988,413	-	-	-	6,417	-	998,285

3. Inventories

Movements in the valuation allowance ("VA") for inventories during the accounting period are shown in the following table:

Inventories	1 January 2015	Set-up of VA	Release of VA due to extinction of title	Release of VA due to derecognition of assets	31 December 2015
Material	-	-	-	-	-
Work in progress and semi-finished products	-	-	-	-	-
Finished goods	-	-	-	-	-
Animals	-	-	-	-	-
Merchandise	22,671	7,544	-	(3,618)	26,597
Real estate for sale	-	-	-	-	-
Advances provided for inventories	-	-	-	-	-
Total inventories	22,671	7,544	-	(3,618)	26 597

A valuation allowance was set up to reflect the decrease in the net realizable value of inventories. The net realizable value of inventories was impaired mainly as a result of reduced material costs compared to its present book value and reduced selling prices.

4. Construction contracts

Revenues from construction contracts amounted to EUR 20,303,411 (2014: EUR 16,156,098)..

Further information about open construction contracts as at the balance sheet date is provided in the following tables:

Item	31 December 2015	31 December 2014	Cumulative amount from beginning of construction contract until 31 december 2015
Revenues from construction contract	330,073	876,831	330,073
Costs of construction contract	161,786	512,498	161,786
Gross profit / loss	168,287	364,333	168,287

Amount of construction contract	31 December 2015	Cumulative amount from beginning of construction contract until 31 December 2015
Amounts invoiced for work performed on the construction contract	-	-
Adjustments of invoiced amounts according to percentage of completion or using the zero profit method	330,073	330,073
Amount of advances received	-	-
Amount of withheld payment	-	-

Costs and revenues of construction contract were calculated using the percentage-of-completion method, by assesment as at the balance sheet date of the number of hours delivered.

5. Receivables

Movements in the valuation allowance ("VA") for receivables during the accounting period are shown in the following table:

Receivables	1 January 2015	Set-up of valuation allowance	Release of valuation allowance due to cease of justification	Release of VA due to derecognition of the assets	31 December 2015
Current trade receivables, of which:	140,912	30,866	4,270	-	167,508
Trade receivables from affiliated undertakings	-	-	-	-	-
Trade receivables from participating interests, except for receivables from affiliates	-	-	-	-	-
Other trade receivables	140,912	30,866	4,270	-	167,508
Other current receivables	-	-	-	-	-
Current receivables total	140,912	30,866	4,270	-	167,508

Prior period information is presented in the following table:

Receivables	1 January 2014	Set-up of valuation allowance	Release of valuation allowance due to cease of justification	Release of VA due to derecognition of the assets	31 December 2014
Current trade receivables, of which:	132,661	14,154	5,903	-	140,912
Trade receivables from affiliated undertakings	-	-	-	-	-
Trade receivables from participating interests, except for receivables from affiliates	-	-	-	-	-
Other trade receivables	132,661	14,154	5,903	-	140,912
Other current receivables	-	-	-	-	-
Current receivables total	132,661	14,154	5,903	-	140,912

Long-term receivables of the Company are within the due period. The ageing structure of non-current and current receivables at 31 December 2015 is presented in the table below:

Item	Within due period	Overdue	Total receivables
Current trade receivables of which:	5,613,422	325,599	5,939,021
Trade receivables from affiliated undertakings	2,032,944	89,914	2,122,858
Trade receivables from participating interests, except for receivables from affiliates	-	-	-
Other trade receivables	3,580,478	235,685	3,816,163
Other current receivables, of which:	368,501	2,440	370,941
Net value of a contract	330,073	-	330,073
Other receivables from affiliated undertakings	-	-	-
Other receivables from participating interests, except for receivables from affiliates	-	-	-
Receivables from partners, members, and the association	-	-	-
Social security	-	-	-
Tax assets and subsidies	2,827	-	2,827
Receivables from derivative transactions	-	-	-
Other receivables	35,601	2,440	38,041
Current receivables total	5,981,923	328,039	6,309,962

Prior period information is presented in the following table:

Item	Within due period	Overdue	Total receivables
Current trade receivables of which:	7,469,895	254,778	7,724,673
Trade receivables from affiliated undertakings	3,194,446	71,926	3,266,372
Trade receivables from participating interests, except for receivables from affiliates	-	-	-
Other trade receivables	4,275,449	182,852	4,458,301
Other current receivables, of which:	906,422	2,440	908,862
Net value of a contract	876,831	-	876,831
Other receivables from affiliated undertakings	-	-	-
Other receivables from participating interests, except for receivables from affiliates	-	-	-
Receivables from partners, members, and the association	-	-	-
Social security	-	-	-
Tax assets and subsidies	19,819	-	19,819
Receivables from derivative transactions	-	-	-
Other receivables	9,772	2,440	12,212
Current receivables total	8,376,317	257,218	8,633,535

In 2015 the Company set-up an allowance for overdue receivables of EUR 30,866 (2014: EUR 14,154). In 2015 the Company has released allowances set-up in previous years which were no longer legitimate of EUR 4,270.

6. Financial accounts

Financial accounts consist of cash in hand, bank accounts, and vouchers. Bank accounts are fully available for the Company's use.

7. Prepaid expenses and accrued income

The structure of prepaid expenses and accrued income is presented in the table below:

Item	31 December 2015	31 December 2014
Prepaid expenses - long-term of which:	151,800	114,090
Prepaid expenses - short-term of which:	624,164	434,713
Accrued income - long-term of which:	-	-
Accrued income - short-term of which:	-	-
Total	775,964	548,803

The balance of prepaid expenses in the year 2015 has increased compared to 2014 by EUR 227,161 mainly due to prepaid expense related to IT services.

8. Deferred tax asset

The calculation of deferred tax asset is shown in the following table:

Item	31 December 2014	Recognized in equity	Recognized in the income statement	31 December 2015
Non-current assets	(218,008)	-	110,880	(107,128)
Valuation allowance to inventories	22,671	-	3,926	26,597
Valuation allowance to receivables	5,793	-	21,730	27,523
Provisions	1,127,584	-	675,128	1,802,712
Tax loss carried forward	-	-	-	-
Unused tax deductions	-	-	-	-
Other	-	-	61,707	61,707
Total	938,040	-	873,371	1,811,411
Tax rate (in %) *	22		22	22
Deferred tax asset calculated	206,369	-	192,141	398,510
Deferred tax asset recognized	206,369	-	192,141	398,510
Deferred tax liability	-	-	-	-

E. EQUITY AND LIABILITIES

1. Equity

Movements in equity during the accounting period are shown in the following table:

Item	1 January 2015	Additions	Disposals	Transfers	31 December 2015
Share capital	170,000	-	-	-	170,000
Changes in share capital	-	-	-	-	-
Receivables from subscribed equity	-	-	-	-	-
Share premium	-	-	-	-	-
Other capital reserves	-	-	-	-	-
Legal reserve fund and non-distributable reserve	17,000	-	-	-	17,000
Reserve for own shares and ownership interests	-	-	-	-	-
Statutory reserves	-	-	-	-	-
Other reserves	-	-	-	-	-
Valuation adjustments from revaluation of assets and liabilities	-	-	-	-	-
Valuation adjustments from equity investments	-	-	-	-	-
Valuation adjustments from revaluation in case of mergers, fusions or demergers	-	-	-	-	-
Retained earnings	8,262,150	-	-	822,314	9,084,464
Loss carried forward	-	-	-	-	-
Profit for current accounting period	2,491,861	2,557,546	(1,669,547)	(822,314)	2,557,546
Total equity	10,941,011	2,557,546	(1,669,547)	-	11,829,010

Item	1 January 2014	Additions	Disposals	Transfers	31 December 2014
Share capital	170,000	-	-	-	170,000
Changes in share capital	-	-	-	-	-
Receivables from subscribed equity	-	-	-	-	-
Share premium	-	-	-	-	-
Other capital reserves	-	-	-	-	-
Legal reserve fund and non-distributable reserve	17,000	-	-	-	17,000
Reserve for own shares and ownership interests	-	-	-	-	-
Statutory reserves	-	-	-	-	-
Other reserves	-	-	-	-	-
Valuation adjustments from revaluation of assets and liabilities	-	-	-	-	-
Valuation adjustments from equity investments	-	-	-	-	-
Valuation adjustments from revaluation in case of mergers, fusions or demergers	-	-	-	-	-
Retained earnings	7,092,324	-	-	1,169,826	8,262,150
Loss carried forward	-	-	-	-	-
Profit/loss for current accounting period	2,339,652	2,491,861	(1,169,826)	(1,169,826)	2,491,861
Total equity	9,618,976	2,491,861	(1,169,826)	-	10,941,011

The 2014 accounting profit of EUR 2,491,861 was distributed as follows:

Item	2014
Contribution to legal reserve fund	-
Contribution to statutory and other reserves	-
Contribution to the social fund	-
Contribution to the share capital	-
Settlement of the loss carried forward	-
Transfer to retained earnings	822,314
Profit distribution to shareholders/members	1,669,547
Other	-
Total	2,491,861

The statutory body will propose to distribute the 2015 profit together with the approval of these financial statements.

2. Provisions

An overview of provisions is presented in the table below:

Item	1 January 2015	Set-up	Use	Release	31 December 2015
Long-term provisions of which:	77,261	14,937	(29,796)	-	62,402
Legal long-term provisions of which:	-	-	-	-	-
Other long-term provisions of which:	77,261	14,937	(29,796)	-	62,402
Provision for warranty repairs and guarantee	77,261	14,937	(29,796)	-	62,402
Short-term provisions of which:	1,258,276	1,908,052	(1,210,130)	(48,146)	1,908,052
Legal short-term provisions of which:	207,953	167,743	(203,146)	(4,807)	167,743
Holiday provision	169,995	167,743	(169,995)	-	167,743
Provision for the annual report and audit	37,668	-	(33,068)	(4,600)	-
Provision for the unbilled supplies	290	-	(83)	(207)	-
Other short-term provisions of which:	1,050,323	1,740,309	(1,006,984)	(43,339)	1,740,309
Provision for warranty repairs and guarantee	154,455	725,913	(143,697)	(10,758)	725,913
Provision for bonuses	895,868	977,163	(863,287)	(32,581)	977,163
Provision for the annual report and audit	-	31,370	-	-	31,370
Provision for the unbilled supplies	-	5,863	-	-	5,863
Total provisions	1,335,537	1,922,989	(1,239,926)	(48,146)	1,970,454

Provision for guarantee and warranty repairs reflects the commitment of the Company to its customers due to warranty repairs, eliminating possible faults of supplied parts and due to the performance related to the provision of enhanced guarantee. Usage of this provision is expected till year 2020.

Provision for holiday reflects the Company's commitment to its employees in respect untaken holiday in year 2015.

Provision for bonuses reflects the Company's commitment to its employees in connection with the bonuses recognized for year 2015.

Prior period information is presented in the following table:

Item	1 January 2014	Set-up	Use	Release	31 December 2014
Long-term provisions of which:	173,805	-	(49,325)	(47,219)	77,261
Legal long-term provisions of which:	-	-	-	-	-
Other long-term provisions of which:	173,805	-	(49,325)	(47,219)	77,261
Provision for warranty repairs and guarantee	173,805	-	(49,325)	(47,219)	77,261
Short-term provisions of which:	1,498,428	1,258,276	(1,430,838)	(67,590)	1,258,276
Legal short-term provisions of which:	217,935	207,953	(211,932)	(6,003)	207,953
Holiday provision	169,127	169,995	(169,127)	-	169,995
Provision for the annual report and audit	36,944	37,668	(33,262)	(3,682)	37,668
Provision for the unbilled supplies	11,864	290	(9,543)	(2,321)	290
Other short-term provisions of which:	1,280,493	1,050,323	(1,218,906)	(61,587)	1,050,323
Provision for warranty repairs and guarantee	251,109	154,455	(229,034)	(22,075)	154,455
Provision for bonuses	1,029,384	895,868	(989,872)	(39,512)	895,868
Total provisions	1,672,233	1,258,276	(1,480,163)	(114,809)	1,335,537

3. Liabilities

The structure of liabilities (except for bank loans) by remaining time to maturity at 31 December 2015 is shown in the following table:

Item	LIABILITIES				Total liabilities
	More than five years	from one to five years	Due within one year	Overdue liabilities	
Non-current trade liabilities	-	-	-	-	-
Other non-current liabilities, of which:	-	24,173	-	-	24,173
Net value of a contract	-	-	-	-	-
Liabilities to affiliated undertakings	-	-	-	-	-
Trade liabilities to participating interests, except for liabilities to affiliates	-	-	-	-	-
Other non-current liabilities	-	-	-	-	-
Long-term advance payments received	-	-	-	-	-
Long-term bills of exchange to be paid	-	-	-	-	-
Bonds issued	-	-	-	-	-
Social fund payables	-	24,173	-	-	24,173
Other non-current liabilities	-	-	-	-	-
Non-current liabilities from derivative transactions	-	-	-	-	-
Deferred tax liability	-	-	-	-	-
Non-current liabilities total	-	24,173	-	-	24,173
Current trade liabilities of which:	-	-	3,969,967	406,805	4,376,772
Trade liabilities to affiliated undertakings	-	-	84,562	12,841	97,403
Trade liabilities to undertakings in which the company has a participating interest, except for liabilities to affiliated undertakings	-	-	-	-	-
Other trade liabilities	-	-	3,885,405	393,964	4,279,369
Other current liabilities of which:	-	-	1,933,800	-	1,933,800
Net value of a contract	-	-	-	-	-
Other liabilities to affiliated undertakings	-	-	-	-	-
Trade liabilities to participating interests, except for liabilities to affiliated undertakings	-	-	-	-	-
Liabilities to partners and the association	-	-	-	-	-
Liabilities to employees	-	-	655,547	-	655,547
Liabilities from social insurance	-	-	351,140	-	351,140
Tax liabilities and subsidies	-	-	924,643	-	924,643
Liabilities from derivative transactions	-	-	-	-	-
Other liabilities	-	-	2,470	-	2,470
Current liabilities total	-	-	5,903,767	406,805	6,310,572

Prior period information is presented in the following table:

Item	LIABILITIES				Total liabilities
	More than five years	from one to five years	Due within one year	Overdue liabilities	
Non-current trade liabilities	-	-	-	-	-
Other non-current liabilities, of which:	-	18,317	-	-	18,317
Net value of a contract	-	-	-	-	-
Liabilities to affiliated undertakings	-	-	-	-	-
Trade liabilities to participating interests, except for liabilities to affiliates	-	-	-	-	-
Other non-current liabilities	-	-	-	-	-
Long-term advance payments received	-	-	-	-	-
Long-term bills of exchange to be paid	-	-	-	-	-
Bonds issued	-	-	-	-	-
Social fund payables	-	18,317	-	-	18,317
Other non-current liabilities	-	-	-	-	-
Non-current liabilities from derivative transactions	-	-	-	-	-
Deferred tax liability	-	-	-	-	-
Non-current liabilities - total	-	18,317	-	-	18,317
Current trade liabilities of which:	-	-	4,788,265	312,250	5,100,515
Trade liabilities to affiliated undertakings	-	-	24,309	1,874	26,183
Trade liabilities to undertakings in which the company has a participating interest, except for liabilities to affiliated undertakings	-	-	-	-	-
Other trade liabilities	-	-	4,763,956	310,376	5,074,332
Other current liabilities of which:	-	-	1,496,339	-	1,496,339
Net value of a contract	-	-	-	-	-
Other liabilities to affiliated undertakings	-	-	-	-	-
Trade liabilities to participating interests, except for liabilities to affiliated undertakings	-	-	-	-	-
Liabilities to partners and the association	-	-	-	-	-
Liabilities to employees	-	-	568,204	-	568,204
Liabilities from social insurance	-	-	325,281	-	325,281
Tax liabilities and subsidies	-	-	602,788	-	602,788
Liabilities from derivative transactions	-	-	-	-	-
Other liabilities	-	-	66	-	66
Current liabilities - total	-	-	6,284,604	312,250	6,596,854

4. Social fund

Contributions to and withdrawals from the social fund during the accounting period are shown in the following table:

Item	2015	2014
Opening balance	18,317	11,592
Contributions charged to costs	44,195	44,309
Contributions from profit	-	-
Other set-up	-	-
Total social fund set-up	44,195	44,309
Use	(38,339)	(37,584)
Closing balance	24,173	18,317

5. Accrued expenses and deferred income

The structure of accrued expenses and deferred income is shown in the following table:

Item	31 December 2015	31 December 2014
Long-term accrued expenses of which:	-	-
Short-term accrued expenses of which:	-	-
Long-term deferred income of which:	184,358	114,452
Short-term deferred income of which:	726,595	625,213
Total	910,953	739,665

In comparison to 2014 there has been an increase in deferred income of EUR 171,288, related to IT services.

F. REVENUES

1. Net turnover

Information about the structure of net turnover of the Company is presented in the table below:

Item	2015	2014
Sale of own work and goods of which:	43,348,716	47,108,019
Sale of own products	-	-
Sale of services	12,397,009	13,031,185
Sale of goods	10,648,296	17,920,736
Revenues from construction contracts	20,303,411	16,156,098
Revenues from real estate	-	-
Other income relating to ordinary activities	165,684	149,444
Total net turnover	43,514,400	47,257,463

2. Revenues from the sale of own work and goods

Revenues from the sale of the Company's own work and goods by individual segments, i.e. by type of good, product, service, other activities and by geographic territories are presented in the following table:

Country	Revenues from services provided		Revenues from sales of HW		Revenues from sales of own SW solutions	
	2015	2014	2015	2014	2015	2014
Revenues	12,397,009	13,031,185	10,648,296	17,920,736	20,303,411	16,156,098
Total	12,397,009	13,031,185	10,648,296	17,920,736	20,303,411	16,156,098

3. Other income from operating and financing activities

Information about income from the capitalisation of costs and income from operating and financing activities is presented in the table below:

Item	2015	2014
Capitalisation of costs – material items of which:	403,840	436,974
Non-current intangible assets capitalised from own work	403,840	436,974
Other material items of other operating income of which:	245,607	151,215
Revenues from sale of tangible and intangible assets	79,923	11,329
Other	165,684	139,886
Financial income of which:	24,307	15,751
Foreign exchange gains of which:	4,851	6,189
Foreign exchange gains at balance sheet date	2,579	4,480
Other material financial income of which:	19,456	9,562
Interest rates	19,456	9,558

G. EXPENSES

Costs of operating and financial activities

An overview of costs of operating and financial activities, except for personnel costs is presented in the table below:

Item	2015	2014
Costs of services received of which:	17,471,528	14,904,728
From an Auditor or audit firm of which:	33,826	30,580
Audit of the financial statements	30,528	29,668
Other assurance services	-	-
Related audit services	-	-
Tax consultancy	-	-
Other non-audit services	3,298	912
Other material items of costs of services received of which:	17,437,702	14,874,148
Licences	-	-
Transport	-	-
Leasing	-	-
Rent	-	-
Legal, economical and other consulting	-	-
Advertisement and marketing costs	990,354	1,012,966
External product processing	-	-
IT costs	-	-
Telecommunication costs	151,199	181,923
Management fees paid to the Group	-	-
Rental of temporary staff	-	-
Resale services (subcontracted)	13,460,833	11,005,117
Rental of premises	768,461	783,210
Other	2,066,855	1,890,932
Other material items of Income from operations of which:	2,385,696	1,635,354
Sale of material	-	-
Shortages and damages	-	-
Net book value of sold tangible and intangible assets	-	-
Receivables written off	-	-
Set-up and use/release of valuation allowance for receivables	24,194	5,755
Depreciation and allowance for non-current assets	943,964	1,008,273
Consumption of material, energy and other non-inventory supplies	596,150	542,919
Other	821,388	78,407
Financing costs of which:	13,223	11,841
Foreign exchange losses of which:	7,483	5,056
Foreign exchange losses at balance sheet date	2,653	2,837
Other material items of financial costs of which:	5,740	6,785
Interest and other financial costs	5,740	6,785

Personnel costs

An overview of personnel costs is presented in the following table:

Item	2015	2014
Personnel cost, of which:	11,055,495	10,843,300
Salaries	8,338,769	8,159,703
Other employment costs	-	-
Social insurance	1,852,375	1,808,755
Health insurance	697,502	681,654
Social security	166,849	193,188

Social insurance costs include social insurance and other social insurance costs.

H. INCOME TAXES

The reconciliation of expected to reported income tax is shown in the following table:

Item	2015			2014		
	Tax base	Tax	Tax in %	Tax base	Tax	Tax in %
Profit before taxes of which:	3,366,852			3,289,935		
Expected tax		740,707	22%		723,786	22%
Tax non-deductible expenses	314,466	69,183		339,115	74,605	
Non-taxable income	-	-		-	-	
Impact of unrecognised deferred tax asset	-	-		-	-	
Tax loss carried forward	-	-		-	-	
Change in tax rate	-	-		-	-	
Other	-	(584)		-	(317)	
Total	3,681,318	809,306		3,629,050	798,074	
Current income tax		1,001,447			783,355	
Deferred income tax		(192,141)			14,719	
Total income tax		809,306			798,074	

I. OFF-BALANCE SHEET ACCOUNTS

Property rented to other parties

During the year 2015 the Company rented assets to mTrust TSM, a.s. and mTrust, s.r.o. companies as follows:

Item	Annual rent	Rental period
Rented assets to other parties, out of which:	82,014	-
IT equipment (servers, PC, notebooks ...)	60,822	4
Server room	21,192	4

J. ECONOMIC RELATIONS BETWEEN THE COMPANY AND ITS RELATED PARTIES

1. Transactions between the Company and related parties

The Company had transactions with following related parties: Slovak Telekom Group and with other related parties mTrust, mTrust TSM, mReal, PosAm IT, VIAMO and Ing. Marián Marek.

Company	Address
Slovak Telekom, a.s.	Bajkalská 28, 817 62, Bratislava, Slovak Republic
Zoznam, s.r.o.	Viedenská cesta 3-7, 851 01, Bratislava, Slovak Republic
DIGI SLOVAKIA, s.r.o.	Röntgenova 26, 851 01, Bratislava, Slovak Republic
mTrust, s.r.o.	Odborárska 21, 831 02, Bratislava, Slovak Republic
mTrust TSM, a.s.	Odborárska 21, 831 02, Bratislava, Slovak Republic
mReal, s.r.o.	Odborárska 21, 831 02, Bratislava, Slovak Republic
PosAm IT, s.r.o.	Ke Štvanici 656/3, 186 00, Praha 8, Czech Republic
Ing. Marián Marek	Pod Bôrikom 7138/3, 811 02, Bratislava, Slovak Republic
VIAMO, a.s.	Odborárska 21, 831 02, Bratislava, Slovak Republic

Transactions with subsidiaries are shown in the following table:

Transaction	Related party	Amounts	
		2015	2014
Purchase of assets	Parent company	60,724	6,964
	Subsidiary	-	-
	Participating interests	-	-
	Joint venture	-	-
	Associates	-	-
	Key management	-	-
	Other related parties	5,000	-
	Sale of assets	-	-
Sale of inventories	Parent company	-	-
	Subsidiary	-	-
	Participating interests	-	-
	Joint venture	-	-
	Associates	-	-
	Key management	-	-
	Other related parties	13,571	229
Purchase of services	Parent company	2,924,898	2,528,004
	Other related parties	154	3,117
Sale of services	Parent company	264,355	160,328
	Other related parties	630,338	678,022
Trade liabilities	Parent company	2,239,053	2,994,260
	Other related parties	513,612	696,460
Trade receivables	Parent company	97,403	26,183
	Other related parties	-	-
Prepaid expenses	Parent company	2,122,858	3,266,372
	Other related parties	87,715	167,312
Accrued income	Parent company	7,229	6,620
	Other related parties	-	-
	Parent company	186,197	107,080
	Other related parties	23,175	23,730

K. POST-BALANCE SHEET EVENTS

After 31 December 2015, no significant events have occurred that would require recognition or disclosure in the 2015 financial statements.

L. CASH FLOWS STATEMENT

The following expressions have the following meanings as regards information in the cash flow statement:

- Cash: cash on hand, cash equivalents, cash in bank or branches of foreign banks, bank overdrafts and cash in transit relating to a transfer between a current account and cash on hand or between two current accounts,
- Cash equivalents: cash equivalents, financial assets exchangeable for a fixed amount of cash where, at the balance sheet date, there is no risk of a significant change in value in the next three months, i.e. term bank deposits with a notice period not exceeding three months, liquid securities designated for trading, priority shares acquired by the accounting entity and payable within three months of the balance sheet date.

Item	2015	2014
Net profit before deducting tax	3,366,852	3,289,935
Adjustments for non-cash transactions:		
Depreciation of non-current assets	943,964	923,904
Inventories write-off	-	-
Receivables write-off	-	-
Change in provisions for non-current assets	(84,369)	84,369
Change in provisions for receivables	26,596	8,251
Change in provisions for inventories	3,926	5,842
Change in provisions	634,917	(336,696)
Interest costs net	(19,456)	(9,501)
Loss / (gain) from the sale of non-current assets	(55,432)	(8,533)
Yields from long-term financial assets	-	-
Other items	84,369	-
Profit from operating activities before changes in working capital	4,901,367	3,957,571
Changes in working capital:		
Decrease (increase) of trade and other receivables and prepayments	2,076,593	8,836,248
Decrease (increase) of inventories	(160,927)	364,727
(Decrease) increase of payables and accruals	(919,881)	(8,227,259)
Other	-	-
Operating cash flows	5,897,152	4,931,287
Cash flows from operating activities		
Operating cash flows	5,897,152	4,931,287
Interest paid	-	(57)
Interest received	19,456	9,558
Corporate income tax paid	(765,446)	(758,834)
Dividends paid	(1,669,547)	(1,169,826)
Receipts from extraordinary items	-	-
Other items not included in operating activities	-	-
Net cash from operating activities	3,481,615	3,012,128
Cash flows from investing activities		
Purchase of non-current assets	(1,165,147)	(836,245)
Receipts from the sale of non-current assets	79,923	11,329
Acquisition of investments	-	-
Long term loans granted	-	-
Dividends received	-	-
Net cash from investing activities	(1,085,224)	(824,916)
Cash flows from financing activities		
Receipts from the increase of share capital	-	-
Receipts / repayments of bank loans	4,270	399
Receipts / repayments of borrowings from Group companies	-	-
Repayments of long-term liabilities	-	-
Net cash from financing activities	4,270	399
Foreign exchange differences of cash and cash equivalents	-	-
Increase (decrease) of cash and cash equivalents	2,400,661	2,187,611
Cash and cash equivalents at the beginning of the accounting period	8,207,202	6,019,591
Cash and cash equivalents at the end of the accounting period	10,607,863	8,207,202

INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Executives of PosAm, spol. s r.o.:

We have audited the accompanying financial statements of PosAm, spol. s r.o., which comprise the balance sheet as at 31 December 2015, the income statement for the year then ended, and notes, 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 Slovak 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 International Standards on Auditing. 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 present fairly, in all material respects, the financial position of PosAm, spol. s r.o. as at 31 December 2015, and its financial performance for the year then ended in accordance with the Slovak Accounting Act.


PricewaterhouseCoopers Slovensko, s.r.o.
SKAU licence No.: 161




Ing. Štefan Čupil, FCCA
UDVA licence No.: 1088

Bratislava, 29 February 2016

Our report has been prepared in the Slovak and in the English language. In all matters of interpretation of information, views or opinions, the Slovak language version of our report takes precedence over the English language version.

PricewaterhouseCoopers Slovensko, s.r.o., Karadžičova 2, Bratislava - mestská časť Staré Mesto 815 32, Slovak Republic

T: +421 (0) 2 59350 111, F: +421 (0) 2 59350 222, www.pwc.com/sk

The company's ID (IČO) No. 35739347.

Tax Identification No. of PricewaterhouseCoopers Slovensko, s.r.o. (DIČ) 2020270021.

VAT Reg. No. of PricewaterhouseCoopers Slovensko, s.r.o. (IČ DPH) SK2020270021.

Spoločnosť je zapísaná v Obchodnom registri Okresného súdu Bratislava 1, pod vložkou č. 16611/B, oddiel: Sro.

The company is registered in the Commercial Register of Bratislava 1 District Court, ref. No. 16611/B, Section: Sro.



**Report on Verifying Consistency of the Annual Report with the Financial Statements,
as required by § 23 of Act No. 540/2007 Coll.
(Addendum to the Auditor's Report)**

To the shareholders and Executives of PosAm, spol. s r.o.:

We have audited the financial statements of PosAm, spol. s r.o. ("the Company") at 31 December 2015, on which we issued Independent Auditor's Report on 29 February 2016 and on which we expressed an unqualified audit opinion as follows:

"Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of PosAm, spol. s r.o. as at 31 December 2015, and its financial performance for the year then ended in accordance with the Slovak Accounting Act."

In accordance with the Act No. 431/2002 Coll. on Accounting, as amended, we also verified whether accounting information included in the Company's annual report at 31 December 2015 is consistent with the audited financial statements referred to above.

Management's Responsibility for the Annual Report

The Company's management is responsible for the preparation, accuracy, and completeness of the annual report in accordance with the Slovak Accounting Act.

Auditor's Responsibility for Verifying Consistency of the Annual Report with the Financial Statements

Our responsibility is to express an opinion on whether the accounting information presented in the annual report is consistent, in all material respects, with the Company's audited financial statements. We conducted the verification in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements, and plan and perform the verification to obtain reasonable assurance whether the accounting information presented in the annual report is consistent, in all material respects, with the Company's audited financial statements.

The scope of work includes performing procedures to verify that the accounting information presented in the annual report is consistent with the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the annual report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the annual report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. We did not verify those data and information in the annual report that were not derived from the financial statements.

We believe that the verification performed provides sufficient and appropriate basis for our opinion.

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The company is registered in the Commercial Register of Bratislava 1 District Court, ref. No. 16611/B, Section: Sro.



Opinion

In our opinion, the accounting information presented in the Company's annual report prepared for the year ended on 31 December 2015 is consistent, in all material respects, with the audited financial statements referred to above.

PricewaterhouseCoopers Slovensko, s.r.o.

PricewaterhouseCoopers Slovensko, s.r.o.
SKAU licence No. 161



Ing. Štefan Čupil

Ing. Štefan Čupil, FCCA
UDVA licence No. 1088

Bratislava, 9 March 2016

Our report has been prepared in Slovak and in English languages. In all matters of interpretation of information, views or opinions, the Slovak language version of our report takes precedence over the English language version.

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