ANNUAL REPORT

2010

PROFI CREDIT Slovakia, s.r.o.

Basic economic facts of PROFI CREDIT Slovakia, s.r.o.

Poskytnuté pôžičky (produkcia)	**2010**	**2009**	**2008**	**Loans Provided (Production)**
Počet poskytnutých pôžičiek	18 328	15 455	19 853	Number of loans provided
Nominálna hodnota poskytnutých pôžičiek (v tis. Eur) *	38 191,06	28 164,54	33 412,63	Nominal value of loans provided (in EUR ths) *
Vyplatené celkom (v tis. Eur)	14 776,05	12 932,49	16 187,74	Disbursed in total (in EUR ths)
Úver pre zamestnaných – podiel na celkovej produkcii	98,90 %	97,77 %	96,38 %	Credit for employees – share in total production
Pôžičky pre podnikateľov – podiel na celkovej produkcii	1,10 %	2,23 %	3,62 %	Loans for businessmen – share in total production
Ľudské zdroje				**Human Resources**
Počet externých úverových pracovníkov	413	449	722	Number of external credit advisors
Počet externých inkasných pracovníkov	53	66	94	Number of external collection staff
Počet zamestnancov	104	107	100	Number of employees
Finančné ukazovatele (v tis. EUR)				**Financial Indicators (in EUR ths)**
Aktíva celkom	68 646,64	63 536,95	64 341,00	Total assets
Výnosy celkom	21 491,61	24 707,68	23 370,21	Total revenues
Náklady celkom	22 206,74	23 499,59	20 266,15	Total costs
VH pred zdanením	- 771,13	1 862,85	3 104,06	Profit/Loss before taxation
Daň z príjmu**	- 56,00	654,76	432,22	Income tax**
VH po zdanení	- 715,13	1 208,09	2 671,84	Profit/Loss after taxation

* nominal value of provided loan consists of disbursed amount and future interest revenue

** payable, deferred

CONTENTS

1. THE PROFIREAL GROUP

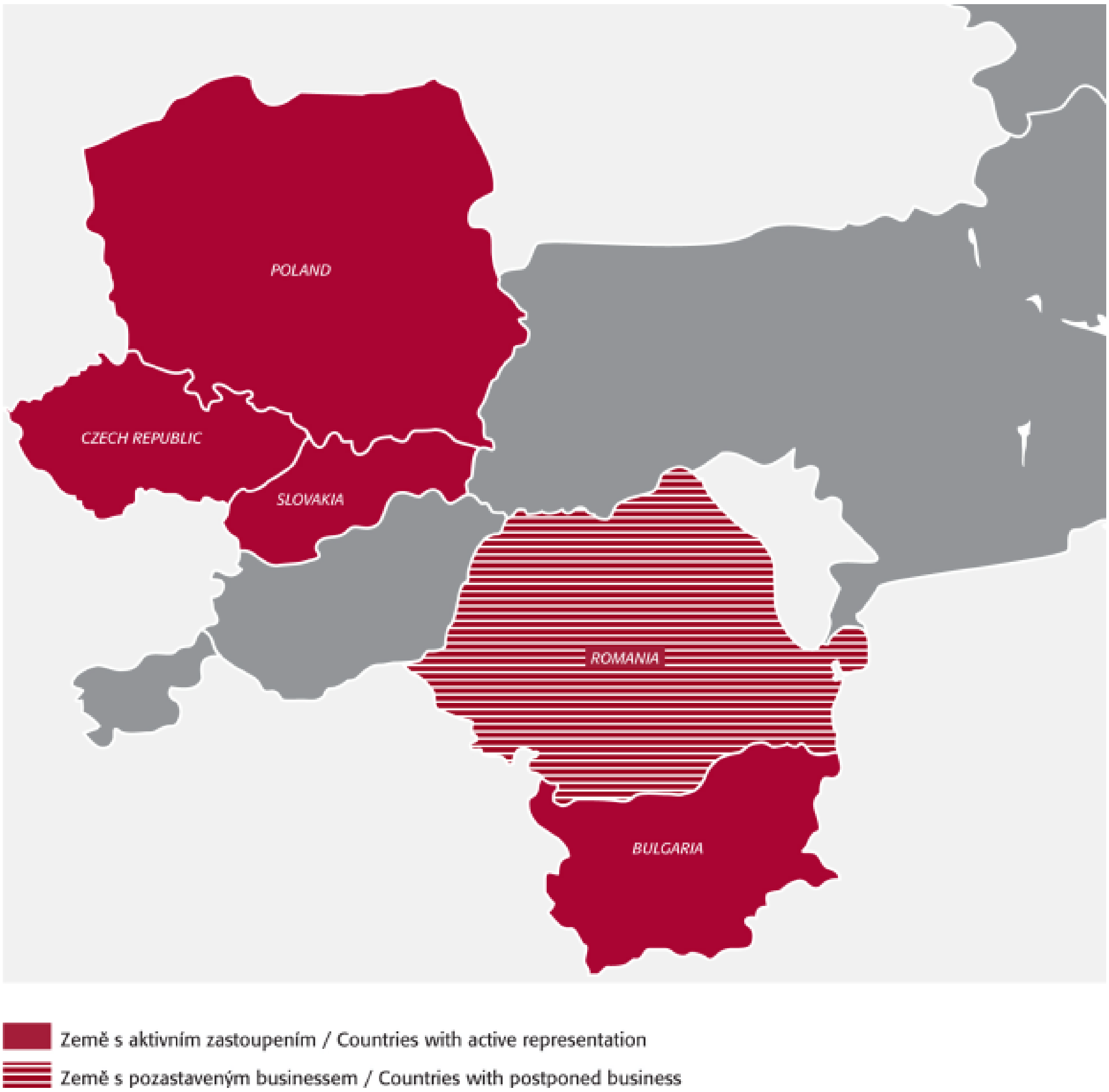
The Profireal Group is a transnational financial group which operates on the financial markets of Central and Eastern Europe. It is one of the most prominent providers of loans and credits in the Czech Republic, Slovakia, Poland, and Bulgaria. The PROFIREAL Group consists of two divisions. The companies belonging in the PROFI CREDIT division operate in the area of financial loans and credits, while the companies falling under the PROFIDEBT Division deal with the purchase and recovery of receivables.

PROFIREAL Group SE with registered office in the Netherlands is the parent company of the group. The group has been providing financial loans and credits since the year 2000, when it started this project in the Czech Republic and Slovakia. It has been dealing with claim recovery and purchase of receivables since the year 2005, when, again, the Czech Republic and Slovakia were the first countries to see the start of the new division.

Throughout it’s time in business, PROFI CREDIT has succeeded in providing almost 500 000 loans and credits. The strongest position belongs to the division in the Czech Republic, which also achieves the highest profitability. The share of the Czech Republic of the total volume of provided loans and credits is 57 %.

From the perspective of the global economy and the business conditions following from it, year 2010 was more favourable than previous period. Global economy is successively balancing with impacts of economic crises and almost all industries realized moderate growth. The time of decrease in consumer finance in Central and Eastern Europe ended and the market expects gradual progress. Preserving the quality of the client’s portfolio has become a priority for all companies on the market. The same applies for the PROFIREAL Group companies. The group operationally reacts to economic states in particular countries and adapts its business, mainly risk management to actual situation.

PROFIREAL Group focuses on countries of Central and Eastern Europe.

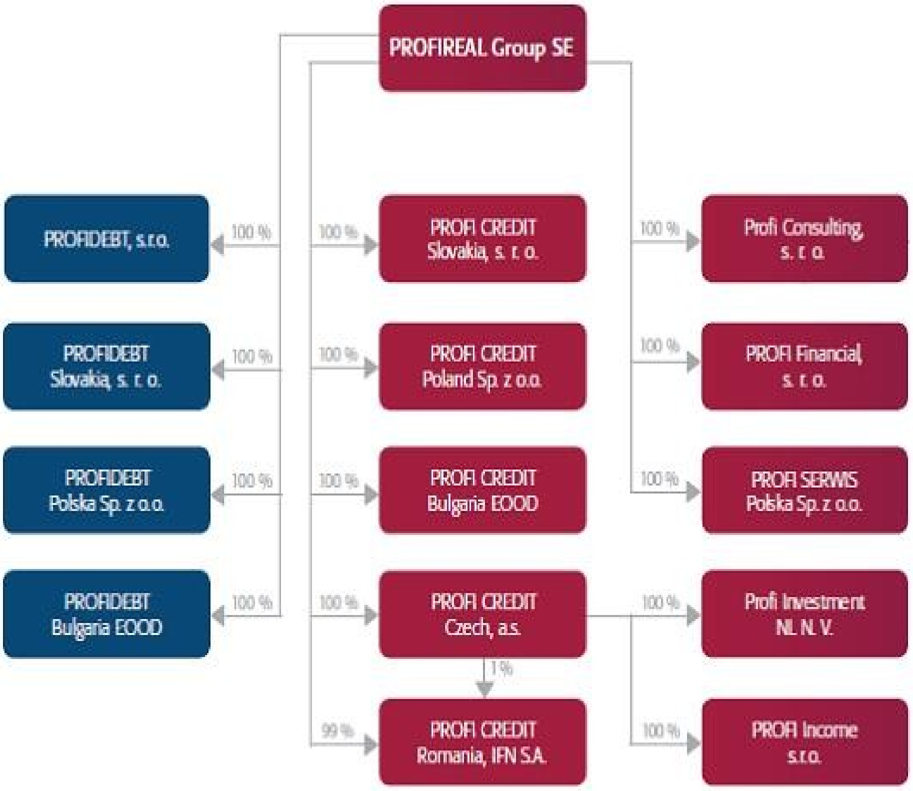


Year 2010 was successful for division PROFI CREDIT that overfilled plan of provided loans and credits by 8%. It was mainly caused by production growth in PROFI CREDIT Slovakia overlapping 35% and PROFI CREDIT Bulgaria reaching 65%.

Division PROFIDEBT took its chance in time of recovering economy and increased the amount of purchased debts to level exceeding 1,5 billion CZK. Banks and financial institutions which represent the target client group, increasingly often use the services of external specialists and entrust them with the recovery of their claims. The sale of the claims has also become a standard instrument. Therefore, it is probable that, in an intraannual comparison, the growth of this sector will be within several tenths of percents for the next few years.

The goal of PROFIREAL Group is to stabilize the current activities and permanently adjust them to the economic situation in the individual countries. The main emphasis will be placed on quality risk management, on the optimization of all processes inside the individual group companies, cost savings, and maintaining the shares in the market segment.

PROFIREAL Group Structure



2. LETTER FROM THE CHIEF EXECUTIVE OFFICER

Dear ladies and gentlemen, dear business partners,

Let me present to you the 2010 Annual Report of the company PROFI CREDIT Slovakia, s.r.o. and at the same time to acquaint you briefly with the facts stated on the following pages and events encountered by the Company in the course of the year 2010.

The beginning of the year 2010 was marked by a significant change. Effective January 1st, 2010, we started a business network transformation that follows from new legislation that took effect then. In addition to a new name for external co-workers – bound financial agents (BFAs), the new legislation contributed above all to the enhancement of the whole business network.

In April 2010, we recorded another significant change, which this time concerned the corporate management. Besides the appointment of two new Company Executives, there was also a change on the post of the Chief Executive Officer.

The company PROFI CREDIT has operated in the Slovak market already for ten years and in the course of this period, it was just in 2010 that we managed to cross the magic threshold of 100,000 clients, with the total nominal value of provided loans and credits exceeding
the amount of EUR 202 mil..

Owing to the measures implemented last year, when the Company reacted flexibly to the situation at that time and respectable work, we achieved solid business results – over EUR 38 mil. nominal value with over 18,300 new clients.

The first decade of the existence of the company PROFI CREDIT in the Slovak market is over. In the course of this period, we successfully built a respected and competitive company thanks to our common effort and teamwork. My personal aspiration will be not only to maintain the Company's position as one of the most serious market players operating in the Slovak financial market of non-banking companies, but also its further progress.

To conclude, I would like to thank all workers of the Company, who considerably contributed to the overall positive results by their dutiful approach to their responsibilities and fulfillment of individual tasks. I believe that we shall be able to provide high-quality financial services also in the following period thanks to our common effort.

Mgr. Martin J. Mlynár

Chief Executive Officer and Company Executive

3. CHARACTERISTIC OF PROFI CREDIT SLOVAKIA, s.r.o.

3.1. Company Bodies

Ing. Petr Vrba

Company Executive

After completing university studies at the Faculty of Transport with majors in management, marketing and logistics, he joined PROFI CREDIT Czech, a.s. as a Junior Manager. Later he became a Member of the Board and since April 2006, he has been the General Director of Division PROFI CREDIT. In this position, he is fully responsible for the coordination of activities of all companies of Division PROFI CREDIT.

Ing. Vladimír Michniewicz

Company Executive

He attended the Faculty of Commerce at the University of Economics in Bratislava. After working in the banking and financial sector for several years, he started to work for the company PROFI CREDIT Slovakia, s.r.o. as the Chief Executive Officer in the year 2003. Since December 2004, he has been also the Company Executive of this Company. Based on his experience acquired in the company PROFI CREDIT Slovakia, s.r.o., he holds the position of Chief Executive Officer of the sister company PROFI CREDIT Poland Sp. z o. o.

Mgr. Martin Jakub Mlynár
Company Executive

He completed university studies at the Faculty of Political Sciences of the University of Trenčín. Until 2007, he worked in several companies mostly as a Sales Manager. In the same year, he joined the company PROFIDEBT Slovakia, s.r.o., where he held the positions of Head of the Sales Department and later Chief Executive Officer and Company Executive. In April 2010, he transferred to the sister company PROFI CREDIT Slovakia, s.r.o. to hold the position of Chief Executive Officer and at the same time was appointed to the position of Company Executive.

Ing. Miroslav Jurenka
Company Executive

He graduated from the Military Technical College in Liptovský Mikuláš with majors in information and communication systems. His work experience was later connected with military service, where he held various specialist and management posts in the field of information and communication systems. After his military career, he worked in the private and public sectors for three years. In 2006, he joined the company PROFI CREDIT Slovakia, s.r.o and held the position of Development Manager. At present, he holds the position of Sales Manager and since April 2010 also the position of Company Executive

Members of management PROFI CREDIT Slovakia, s.r.o.

Ing. Andrea Urbanová – Head of Financial Department

Ing. Miroslav Jurenka – Head of Sales Department

Mgr. Erik Lörinc – Head of HR Department

Mgr. Martin Koštial – Head of IT Department

Richard Lörinz – Head of Marketing Department

Ing. Zuzana Matejovičová – Head of Operations Department

Ing. Mária Chrenková – Head of Product Department

Ing. Andrej Grach – Head of Collections Department

Bc. Andrej Turňa – Head of Sales Development Department

Balance at 31.12.2010

3.2 Company Profile

The company PROFI CREDIT Slovakia, s.r.o. was founded in the year 2000, when it was entered in the Commercial Register under the original name PROFIREAL SLOVAKIA, spol. s r.o.. The business name was changed in the middle of February 2008. The Company was founded for the purpose of conducting business in the field of providing financial loans and credits to clients. The Company has adopted knowledge and know-how from the parent company Profireal, a.s., which have been adjusted to the Slovak market conditions. The Company provided first loans to natural persons at the end of the year 2000.

The Company’s activities were successfully developed as early as in the first year of its operation, especially thanks to a strong demand in the Slovak market, poor availability of bank products and, above all, unique conditions under which the loans were provided by the Company. Last but not least, the work of business network has also contributed to this. First area directorates were established and seated in the three largest towns, corresponding to the initial division of the Slovak Republic into three regions.

During the first year of its operation in the market, the Company acquired 10,000 clients. In the year 2002, some system changes were adopted, which led to the overall stabilization in the year 2003. Business results improved, which is evidenced by the year-on-year production growth by 23 %. This increase in the production was also due to the introduction of loans for natural persons with a maturity period longer than 2 years – specifically 30 and 36 months. In the year 2003, the Company launched also a loan for business entities. Thus, its product range suits both private and business clientele.

The ever-increasing number of competing businesses in the years 2004 and 2005 resulted in the introduction of new products. The first of these was the inclusion loan, later followed by the Bonus Loan, favored loan, and Credit 6000 (Úver 6000). The expansion of the product portfolio manifested itself in an enlargement of the target client group.

PROFIT CREDIT Slovakia, s.r.o. focuses on clients who prefer a personal approach. It sells its products via a network of external co-workers – bound financial agents. This quality business network is behind the success of the entire Company. Within the Slovak Republic, the clients have currently at their disposal over 400 bound financial agents, who choose the most suitable product together with credit applicants.

In the year 2010, the company PROFI CREDIT Slovakia, s.r.o. provided its clients with more than 18,300 credits with an average amount of over EUR 2,000.00. The total volume of the provided credits exceeded EUR 38 million.

The company PROFI CREDIT Slovakia, s.r.o. is a part of Profireal Group, a supranational financial group which, besides the Slovak Republic, is active in other three countries in central and eastern Europe – the Czech Republic, Poland and Bulgaria.

3.3 Product Offer

The company PROFI CREDIT Slovakia, s.r.o. has been providing loans and credits to its clients already since the year 2000. Since that time, the product portfolio has been gradually changing and developing. The following products belong among the basic products the Company provides to its clients: Employee Loan (Zamestnanecký úver) – designed for employees and retired people, Trade Loan (Živnostenská pôžička) and Business Loan (Podnikateľská pôžička) – designed for entrepreneurs. In all cases, the funds are paid non-cash to the client's account. The clients repay the credit in the same way.

Employee Loan belongs to the fundamental company products.

This type of product is designed for natural persons who are employed and have a regular income. The loan is designed also for retired people receiving retirement pensions (old-age, disability, service pensions). It is a non-cash loan repaid by the clients in regular monthly installments. This consumer loan is provided for a purpose stated by the debtor or possibly without purpose specification.

Trade Loan is designed especially for small entrepreneurs and traders who have regular income from their businesses and need a fast, short-term loan.

Business Loan is designed for entrepreneurs (natural persons and legal entities) who need a higher amount. It is conditioned by a security in the form of property.

All applications for providing a Trade Loan or Business Loan are evaluated individually. A free evaluation of each application is a matter of course, regardless of the fact whether it is application for an Employee loan, Trade Loan or Business Loan.

The loans are repaid in the form of regular monthly installments by means of a standing order from the bank account or by payroll deductions. The loan maturity ranges from 12 to 48 months.

We continued to adapt our contractual arrangements and forms to maintain their conformity with the currently valid laws also in the course of the year 2010.

In February 2010, we launched the **"ON-LINE Credit"** project first as a pilot for one BFA and we gradually co-opted other BFAs for the project. Since September 2010, this project was launched in the entire business network.

In May 2010, we launched the "**Automatic Scoring**" project. This project is supposed to speed up and facilitate the work related to the evaluation of loan applications.

Products in the Year 2011

In the year 2011, we shall keep working on the "ON-LINE Credit" project, expanding the existing model. In the "Automatic Scoring" project, we shall focus on the assessment of its operation and regular revisions, so that we can to react promptly to the development of our portfolio. Our objective for the year 2011 remains sustaining availability and speed as the advantages of loans by the company PROFI CREDIT Slovakia, s.r.o..

3.4 Business Results

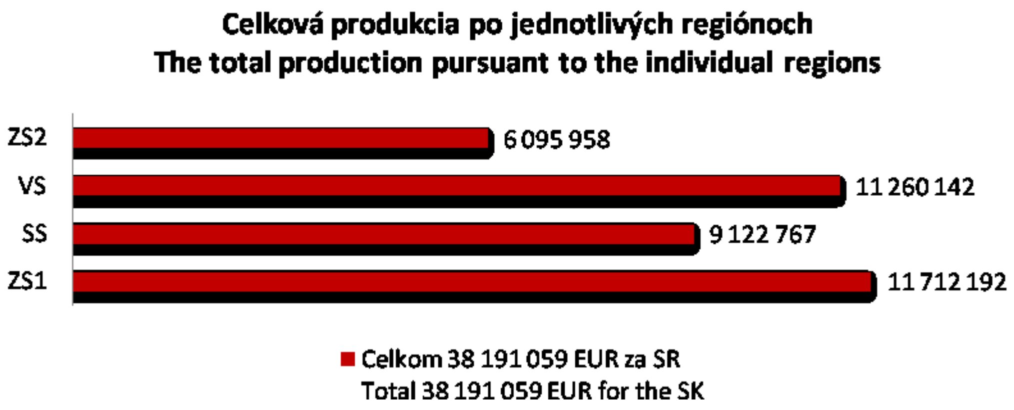
In the year 2010, the company PROFI CREDIT Slovakia, s.r.o., provided loans and credits in the total amount of €38.19 mil.

In the year 2010, the loans were provided to more than 18,300 clients. The most frequently provided product was Employee Loan (Zamestnanecký úver), representing 99% of the entire portfolio of the Company's products.

In the year 2010, the best results were achieved by the Bratislava area, which covers the Bratislava and Trnava regions, with the total production amounting to €11.71 mil.. The Košice area, which covers the Prešov and Košice regions, ranked second with the total production amounting to €11.26 mil. PROFI CREDIT Slovakia, s.r.o., is also active in three other two areas – Nitra a Banská Bystrica.

December 2010 was a record month, when the company PROFI CREDIT Slovakia, s.r.o. provided loans and credits, including revolving ones, in the total amount of €5.69 mil.. December 2010 was a record month also in terms of the areas, with the Košice area providing loans and credits, including revolving ones, in the amount exceeding €1.78 mil..

In the course of the whole period of the Company's operation in the Slovak financial market, PROFI CREDIT Slovakia, s.r.o., provided loans and credits in the total nominal value of almost €202.82 mil. and the total historical production, including revolvings, in the nominal value exceeding €244.61 mil..



Region ZS 2 presents region Nitra, region VS presents Košice, region SS covers Banská Bystrica and region ZS 1 covers region Bratislava.

3.5 Business Network

The success of the entire Company is based on having a high quality network of credit advisers. The products of the company PROFI CREDIT Slovakia, s.r.o. are provided in the form of direct sale via the network of external co-workers – bound financial agents, which significantly increases their availability and speed. The quality business network of bound financial agents, who personally represent the company and its products to clients, is a base for the success of the entire company. We attach high importance to the development of the business network, which has been continuously built since the year 2000, that is since the time when PROFI CREDIT started providing first loans and credits, which is evidenced by continuously ongoing processes aimed at the enhancement of the business network operation and training processes, which lead to the continuously increasing quality of the business network.

The first contact of clients with our Company’s offer of products is ensured just via the network of bound financial agents, who subsequently choose the most suitable option of loan according to the needs and situation of the clients and then draft all documents necessary for the purpose of paying the loan to the clients. The business network care for the clients continues also during the entire period of the loan, until it is paid off. They oversee the clients’ payment balances and in case of necessity help the clients to solve problems with their repaying of the loan.

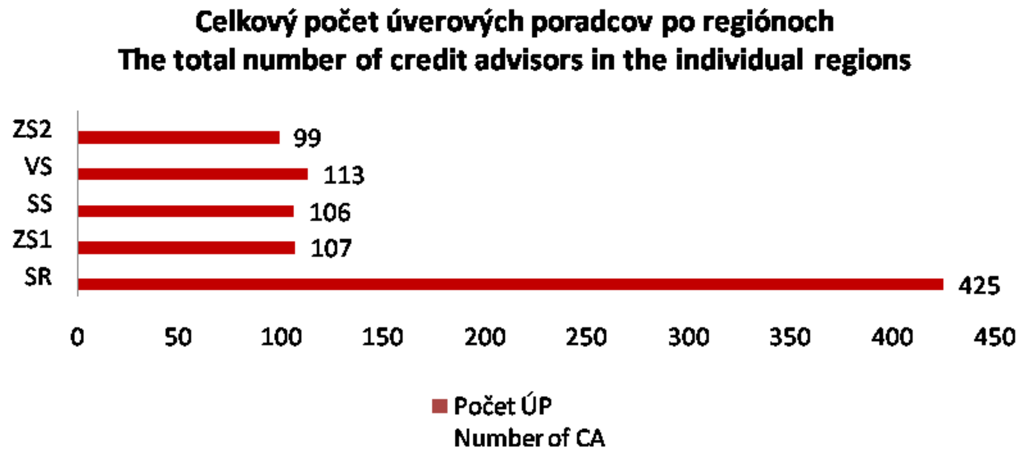
The bound financial agents cooperate with the company PROFI CREDIT Slovakia, s.r.o. based on a financial brokerage contract. The most important motivational element for them is the commission which they get for the brokered loans. The company PROFI CREDIT has an above-standard commission system, which was improved and launched on July 1st, 2010. When determining the amount of commission, this system takes into account the quality of client portfolio of a given bound financial agent. The higher the quality of portfolio, the higher the commission.

Business Network Structure

In the year 2010, more than 380 bound financial agents worked for PROFI CREDIT Slovakia, s.r.o., which is less compared to previous years, but this condition is a consequence of a special focus on the quality of the bound financial agents and the entire business network. The Company's business network is divided into four areas – Bratislava, Nitra, Banská Bystrica and Košice – which are created based on the optimum availability of clients, bound financial agents as well as mutual competitiveness.

Each area has its own area directorate, which serves as an administrative background for the bound financial agents. Area directors and managers of the business network are responsible for the quality and quantity of the production as well as the recruitment of new bound financial agents.

Each area consists of smaller teams – manager groups. The managers of these groups participate in operative managing of the bound financial agents, on planning, managing and evaluating marketing activities, and the business results of manager groups. In October 2010, two manager groups that were until then operating simultaneously were combined. This combination was connected with a restructuring of management network. The new management system comprises of 2 levels; on each, there are management remuneration brackets. This creates room for their development and growth within a given level according to the brackets. The Company is highly interested in supporting the business network, which is also manifested in the rewarding motivational contests for the business network as well as in cooperation with HR partners in trainings and support.



Region ZS 2 presents region Nitra, region VS presents Košice, region SS covers Banská Bystrica and region ZS 1 covers region Bratislava.

3.6 Employees

Human resources are an important pillar of the company PROFI CREDIT Slovakia, s.r.o. and their knowledge and skills decide about the Company's success.

As of December 31st 2010, 104 employees worked for the Company as permanent employees, of which ten were women on maternity leave. Of the total number of employees, the proportion of women was 69% and the proportion of men was 31%. We are a young company with an average age of 34 years.

The priority in the field of HR for the year 2010 was to combine the HR Department with the Education Department and the implementation of the HR Partnership project. The HR Partnership is based on one of the key trends in the current personnel management, which is the HR Business Partner concept. This means to establish HR as an equal partner of the management. The objective is to be a professional, self-confident and indispensable consultant and adviser, manager of changes, internal communication and relations expert, specialist in employee issues, guarantor of ethics and non-discriminatory practices or representative of the department capable not only of the preparation of administrative aspects of necessary unpopular measures, but also of their implementation and explaining reasons behind these, purpose and benefits for both the Company and individuals.

The concept in based on the key HR objective, that it to be a real support unit that isresponsible for the comprehensive support in all HR areas from recruitment and selection, through the preparation of documents concerning labor relations, pay policy, benefits, measurable employee assessment, further development and training to employee retention.

Since the change in HR role is based on the business concept, it means, above all, understanding the business and influencing it. The essential difference between the initial approach, when the HR Department offered services to a couple of specialists, and the HR Partnership is in the fact that the HR Partnership is customer oriented. The main motto is to provide customers with a **SINGLE CONTACT POINT**, in other words, everything at one place and from one person. In our Company, this is represented by the so-called HR Partner.

By implementing a systematic approach in these areas, we achieved the following:

- Reduction of overall fluctuation in the course of a floating period of 12 months to 9.71%;
- Reduction of trial period fluctuation in the course of a floating period of 12 months by to 13.33%;
- Improvement of employee retention (permanent employees for over a year) to 83.87%;
- Improvement of Company’s climate;
- Gradual penetration of HR into business;
- Improvement of HRD credit to HQ – closer contact with people, problem solving, “open door” strategy;
- Building trust, not solving issues “from the table”;
- Standard of leading meetings by managers in terms of soft skills;
- Systemizing the system of adaptation, employee care during adaptation period;
- Participation in strategic changes in the business network – creation, AC organization, communication of the HR Partner with the network in change management;
- Penetration of HR processes into the network – help with recruitment (online career centers, recruitment support also for external positions and quality of info meetings).

In the year 2010, we continued to offer benefits to our employees. The employees could use advantages such as sick days – free days for health purposes or the alternative home office working regime. The Company performs a regular biannual evaluation of the work performance of employees. The output is a report on work results for the evaluated period, identification of development needs and determination of goals for the following period. A general socialization benefit – teambuilding for the headquarters employees took place in September and the loyalty of individual departments and teams was built through the CAFE bonus benefit in the autumn. We made the season before Christmas pleasant for our employees by a visit from Santa Claus and his retinues, Christmas party and competition for the most beautiful office.

Education

In the year 2010, we continued to successfully develop our employees in the internal education system PROFI ACADEMY.

Profi Academy involves a comprehensive approach to education and development from the identification of needs, through the preparation and implementation of education and development programs to the efficiency assessment. It is a supra-national system which reflects the specifics of the Profi Credit division business network in all countries and it is designed to support the business network and the staff and contribute to their development and efficiency.

3.7 Sponsoring

In the field of sponsoring, the Company PROF CREDIT Slovakia, s.r.o. is a sponsor of the Foster Home in Liptovský Hrádok for over 5 years. On the occasion of holding the All-Slovak conference in February 2010, the Foster Home director received from the hands of the Company Executives a financial donation – check with a value of EUR 1,660.00.

The Foster Home in Liptovský Hrádok operates four foster homes – in Liptovský Mikuláš, Liptovský Hrádok, Kráľova Lehota, and Liptovská Porúbka. All the foster homes are the family type – in the form of groups – and are a home for children between 3 to 20 years of age.

4. REPORT OF THE EXECUTIVES

This report is submitted to the General Meeting by the Company Executives of PROFI CREDIT Slovakia, s.r.o. with Registered Office at Mliekarenská 10, 824 96 Bratislava, ID no. (IČO): 35792752, registered in the Commercial Register kept by the Regional Court Bratislava I., in Section “Sro”, file no. 22160/B. The main activity in 2010 was providing loans and credit from the company’s own resources.

The total assets of the company achieved in the 2010 accounting period was 68 647 thousand Euro compared to 63 537 thousand Euro in 2009. The amount of short-term assets compared to the total assets represents 99,48 % and its total volume in 2010 was 68 293 thousand Euro, where the trade receivables represents 42 519 thousand Euro. The share of fixed assets compared to the total assets of the company achieved 0,38 % and its total volume in 2010 was 258 thousand Euro.

Foreign capital of the company is 40 264 thousand Euro, wherefrom a long-term loan is 39 014 thousand Euro.

The main part of the total revenues of company which, in 2010, arrived at 21 492 thousand Euro, came from the financial revenues from contractual rewards and adjustments of schedules of due dates of the provided loans and credits in the amount of 14 890 thousand Euro, revenues from interest on late payment in the amount of 3 612 thousand Euro and revenues from contractual penalties and sanctions with a total of 1 278 thousand Euro. Another significant revenue item was the revenues from the Agreements on Acknowledgement of Debts in volume of 247 thousand Euro.

Expenses in 2010 totaled 22 263 thousand Euro, of which the main cost items were the interest from loans in the amount of 5 489 thousand Euro, the creation of rectifying items to outstanding debts and to contractual penalties with a volume of 8 025 thousand Euro, costs for commissions for external credit officers in the amount of 2 707 thousand Euro, costs for write off receivables in the amount of 1 351 thousand Euro, and personal costs with a total of 1 992 thousand Euro.

The accounting entity, as of December 31st, 2010, declared a net income before tax in the amount of -771 thousand Euro. After including the deferred tax of -165 thousand Euro and tax obligations, the company acquired a loss for 2010 in the amount of 715 thousand Euro. After adjustment by the non-deductible and deductible items, the income tax base was 572 thousand Euro for the accounting period. The tax liability due for 2010 represents 109 thousand Euro.

The company for the year 2010 achieved an accounting loss. This accounting loss will be transferring to the accountant accumulated losses of previous years and will be disburse from the retained earnings from previous years.

The specific economic results in detailed elaboration form the content of the attached sheets:
– Balance Sheet in full,
– Profit and Loss Sheet in full,
– Cash Flow Overview,
– Notes to the Financial Statements.

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Ing. Vladimír Michniewicz
executive
PROFI CREDIT Slovakia, s. r. o.

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Ing. Miroslav Jurenka
executive
PROFI CREDIT Slovakia, s. r. o.

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Ing. Petr Vrba
executive
PROFI CREDIT Slovakia, s. r. o.

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Mgr. Martin Mlynár
executive
PROFI CREDIT Slovakia, s. r. o.

5. INDEPENDENT AUDITOR´S REPORT

Deloitte.

Deloitte Audit s.r.o.
Digital Park II, Einsteinova 23
851 01 Bratislava
Slovak Republic

Tel: +421 2 582 49 111
Fax: +421 2 582 49 222
deloitteSK@deloitteCE.com
www.deloitte.sk

Registered at the Municipal
Court in Bratislava I
Section Sro, File 4444/B
Id. Nr.: 31 343 414
VAT Id. Nr.: SK2020325516

PROFI CREDIT Slovakia, s.r.o.

INDEPENDENT AUDITOR'S REPORT

To the Partners and Executives of PROFI CREDIT Slovakia, s.r.o.:

We have audited the accompanying financial statements of PROFI CREDIT Slovakia, s.r.o. (the "Company"), which comprise the balance sheet as at 31 December 2010, and the income statement for the year then ended, and notes, which include a summary of significant accounting policies and other explanatory information.

Statutory Body's Responsibility for the Financial Statements

The Company's statutory body is responsible for the preparation and fair presentation of these financial statements in accordance with the Slovak Act on Accounting No. 431/2002 Coll. as amended (the "Act on Accounting"), and for such internal control as the statutory body 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 Company'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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the statutory body, 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 PROFI CREDIT Slovakia, s.r.o. as of 31 December 2010, and its financial performance for the year then ended in accordance with the Act on Accounting.

Emphasis of matter

We draw attention to Notes II.7 and III.2.3 to the accompanying financial statements. The Company records provisions for receivables based on the management estimates of the future recoverability of claims. Actual results may differ from these estimates and the difference may be material. Our opinion is not modified in respect of this matter.

Bratislava 31 March 2011

Deloitte

Deloitte Audit s.r.o.
Licence SKAu No. 014

Ing. Zuzana Letková, FCCA
Responsible Auditor
Licence SKAu No. 865

6. FINANCIAL STATEMENTS

6.1 Balance Sheet as at 31. 12. 2010

Descrip-tion	ASSETS	Line	Current Reporting Period			Immediately Preceding Reporting Period
a	b	c	Gross 1 (part 1) (EUR)	Correction 1 (part 2) (EUR)	Net 2 (EUR)	Net 3 (EUR)
	Total assets (l. 002 + l. 031 + l. 061)	**001**	**110 973 107**	**42 326 466**	**68 646 641**	**63 536 952**
A.	**Non-current assets (l. 003 + l. 012 + l. 022)**	**002**	**1 203 769**	**945 447**	**258 322**	**336 751**
A.I.	**Total non-current intangible assets (l. 004 to l. 011)**	**003**	**220 381**	**161 217**	**59 164**	**47 898**
A.I.1.	Incorporation expenses (011) - /071, 091A/	004	-	-	-	-
A.I.2.	Capitalised development costs (012) - /072, 091A/	005	-	-	-	-
A.I.3.	Software (013) - /073, 091A/	006	195 425	141 886	53 539	27 363
A.I.4.	Valuable rights (014) - /074, 091A/	007	-	-	-	-
A.I.5.	Goodwill (015) - /075, 091A/	008	-	-	-	-
A.I.6.	Other non-current intangible assets (019, 01X) - /079, 07X, 091A/	009	24 956	19 331	5 625	3 210
A.I.7.	Non-current intangible assets in acquisition (041) - 093	010	-	-	-	17 325
A.I.8.	Advance payments for non-current intangible assets (051) - 095A	011	-	-	-	-
A.II.	**Total non-current tangible assets (l. 013 to l. 021)**	**012**	**983 388**	**784 230**	**199 158**	**288 853**
A.II.1.	Land (031) - 092A	013	-	-	-	-
A.II.2.	Structures (021) - /081, 092A)	014	-	-	-	-
A.II.3.	Separate movable assets and sets of movables (022) - /082, 092A/	015	983 388	784 230	199 158	288 455
A.II.4.	Perennial crops (025) - /085, 092A/	016	-	-	-	-
A.II.5.	Livestock and draught animals (026) - /086, 092A/	017	-	-	-	-
A.II.6.	Other non-current tangible assets (029, 02X, 032) - /089, 08X, 092A/	018			-	
A.II.7.	Non-current tangible assets in acquisition (042) - 094	019	-	-	-	398
A.II.8.	Advance payments for non-current tangible assets (052) - 095A	020	-	-	-	-
A.II.9.	Correction item to acquired assets (+/- 097) +/- 098	021	-	-	-	-
A.III.	**Total non-current financial assets (l. 023 to l. 030)**	**022**	**-**	**-**	**-**	**-**
A.III.1.	Shares and ownership interests in subsidiaries (061) - 096A	023	-	-	-	-
A.III.2.	Shares and ownership interests in associates (062) - 096A	024	-	-	-	-
A.III.3.	Other non-current securities and ownership interests (063, 065) - 096A	025	-	-	-	-
A.III.4.	Intercompany loans (066A) - 096A	026	-	-	-	-
A.III.5.	Other non-current financial assets (067A, 069, 06XA) - 096A	027	-	-	-	-
A.III.6.	Loans with maturity up to one year (066A, 067A, 06XA) - 096A	028	-	-	-	-
A.III.7.	Non-current financial assets in acquisition (043) - 096A	029	-	-	-	-

A.III.8.	Advance payments for non-current financial assets (053) - 095A	030	-	-	-	-
B.	**Current assets (l. 032 + l. 040 + l. 047 + l. 055)**	**031**	**109 674 565**	**41 381 019**	**68 293 546**	**63 143 905**
B.I.	**Total inventory (l. 033 to l. 039)**	**032**	**33 297**	**-**	**33 297**	**26 146**
B.I.1.	Raw materials (112, 119, 11X) - /191, 19X/	033	33 297	-	33 297	26 146
B.I.2.	Work-in-progress and semi-finished goods (121, 122, 12X) - /192, 193, 19X/	034	-	-	-	-
B.I.3.	Construction contracts with anticipated completion period exceeding one year 12X - 192A	035	-	-	-	-
B.I.4.	Finished goods (123) - 194	036	-	-	-	-
B.I.5.	Livestock (124) - 195	037	-	-	-	-
B.I.6.	Merchandise (132, 13X, 139) - /196, 19X/	038	-	-	-	-
B.I.7.	Advance payments for inventory (314A) - 391A	039	-	-	-	-
B.II.	**Total non-current receivables (l. 041 to l. 046)**	**040**	**25 092 204**	**-**	**25 092 204**	**19 062 371**
B.II.1.	Trade receivables (311A, 312A, 313A, 314A, 315A, 31XA) - 391A	041	25 041 009	-	25 041 009	19 062 371
B.II.2.	Receivables from subsidiaries and the parent company (351A) - 391A	042	-	-	-	-
B.II.3.	Other intercompany receivables (351A) - 391A	043	-	-	-	-
B.II.4.	Receivables from partners, members and participants in an association (354A, 355A, 358A, 35XA) - 391A	044	-	-	-	-
B.II.5.	Other receivables (335A, 33XA, 371A, 373A, 374A, 375A, 376A, 378A) - 391A	045	-	-	-	-
B.II.6.	Deferred tax asset (481A)	046	51 195	-	51 195	-
B.III.	**Total current receivables (l. 048 to l. 054)**	**047**	**84 371 612**	**41 381 019**	**42 990 593**	**43 939 757**
B.III.1.	Trade receivables (311A, 312A, 313A, 314A, 315A, 31XA) - 391A	048	83 887 702	41 368 602	42 519 100	43 818 304
B.III.2.	Receivables from subsidiaries and the parent company (351A) - 391A	049	-	-	-	-
B.III.3.	Other intercompany receivables (351A) - 391A	050	-	-	-	-
B.III.4.	Receivables from partners, members and participants in an association (354A, 355A, 358A, 35XA, 398A) - 391A	051	-	-	-	-
B.III.5.	Social security insurance (336) - 391A	052	-	-	-	-
B.III.6.	Tax assets and subsidies (341, 342, 343, 345, 346, 347) - 391A	053	457 939	-	457 939	107 278
B.III.7.	Other receivables (335A, 33XA, 371A, 373A, 374A, 375A, 376A, 378A) - 391A	054	25 971	12 417	13 554	14 175
B.IV.	**Total financial accounts (l. 056 to l. 060)**	**055**	**177 452**	**-**	**177 452**	**115 631**
B.IV.1.	Cash on hand (211, 213, 21X)	056	14 324	-	14 324	12 665
B.IV.2.	Bank accounts (221A, 22X +/-261)	057	163 128	-	163 128	102 966
B.IV.3.	Bank accounts bound for period exceeding one year 22XA	058	-	-	-	-
B.IV.4.	Current financial assets (251, 253, 256, 257, 25X) - /291, 29X/	059	-	-	-	-
B.IV.5.	Current financial assets in acquisition (259, 314A) - 291	060	-	-	-	-
C.	**Total accruals and deferrals (l. 062 to l. 065)**	**061**	**94 773**	**-**	**94 773**	**56 296**
C.1.	Non-current deferred expenses (381A, 382A)	062	-	-	-	-
C.2.	Current deferred expenses (381A, 382A)	063	14 338	-	14 338	15 899
C.3.	Non-current accrued income (385A)	064	-	-	-	-
C.4.	Current accrued income (385A)	065	80 435	-	80 435	40 397

Description	EQUITY AND LIABILITIES	Line	Current Reporting Period	Immediately Preceding Reporting Period
a	b	c	5	6
			(EUR)	(EUR)
	Total equity and liabilities (l. 067 + l. 088 + l. 119)	**066**	**68 646 641**	**63 536 952**
A.	**Equity (l. 068 + l. 073 + l. 080 + l. 084 + l. 087)**	**067**	**1 128 239**	**3 593 369**
A.I.	**Total registered capital (l. 069 to l. 072)**	**068**	**6 639**	**6 639**
A.I.1.	Registered capital (411 or +/- 491)	069	6 639	6 639
A.I.2.	Treasury stock and treasury shares (/-/252)	070	-	-
A.I.3.	Changes in registered capital +/- 419	071	-	-
A.I.4.	Receivables for subscribed capital (/-/353)	072	-	-
A.II.	**Total capital reserves (l. 074 to l. 079)**	**073**	**-**	**-**
A.II.1.	Share premium (412)	074	-	-
A.II.2.	Other capital funds (413)	075	-	-
A.II.3.	Legal reserve fund (Non-distributable fund) from capital contributions (417, 418)	076	-	-
A.II.4.	Asset and liability revaluation reserve (+/- 414)	077	-	-
A.II.5.	Financial investments revaluation reserve (+/- 415)	078	-	-
A.II.6.	Revaluation reserve from fusions, mergers and separations (+/- 416)	079	-	-
A.III.	**Total funds from profit (l. 081 to l. 083)**	**080**	**1 328**	**1 328**
A.III.1.	Legal reserve fund (421)	081	1 328	1 328
A.III.2.	Non-distributable fund (422)	082	-	-
A.III.3.	Statutory and other funds (423, 427, 42X)	083	-	-
A.IV.	**Profit/loss from prior years (l. 085 + l. 086)**	**084**	**1 835 402**	**2 377 314**
A.IV.1.	Retained earnings from previous years (428)	085	1 835 402	2 377 314
A.IV.2.	Accumulated losses from previous years (/-/429)	086		
A.V.	**Profit/loss for current reporting period after taxation /+-/ l. 001 - (l. 068 + l. 073 + l. 080 + l. 084 + l. 088 + l. 119)**	**087**	**(715 130)**	**1 208 088**
B.	**Liabilities (l. 089 + l. 094 + l. 105 + l. 115 + l. 116)**	**088**	**40 264 477**	**37 905 955**
B.I.	**Total provisions for liabilities (l. 090 to l. 093)**	**089**	**631 348**	**560 455**
B.I.1.	Legal long-term provisions for liabilities (451A)	090	-	-
B.I.2.	Legal short-term provisions for liabilities (451A)	091	125 462	120 135
B.I.3.	Other long-term provisions for liabilities (459A, 45XA)	092	180 650	151 345
B.I.4.	Other short-term provisions for liabilities (323A, 32X, 459A, 45XA)	093	325 236	288 975
B.II.	**Total non-current liabilities (l. 095 to l. 104)**	**094**	**39 024 260**	**35 752 575**
B.II.1.	Long-term trade payables (479A)	095	-	-
B.II.2.	Long-term unbilled supplies (476A)	096	-	-
B.II.3.	Long-term payables to subsidiaries and the parent company (471A)	097	-	-
B.II.4.	Other long-term intercompany payables (471A)	098	-	-
B.II.5.	Long-term advance payments received (475A)	099	-	-
B.II.6.	Long-term bills of exchange to be paid (478A)	100	-	-
B.II.7.	Bonds issued (473A/-/255A)	101	-	-
B.II.8.	Social fund payables (472)	102	6 299	10 324
B.II.9.	Other long-term payables (474A, 479A, 47XA, 372A, 373A, 377A)	103	39 017 961	35 628 747
B.II.10.	Deferred tax liability (481A)	104	-	113 504
B.III.	**Total current liabilities (l. 106 to l. 114)**	**105**	**608 869**	**1 592 925**

B.III.1.	Trade payables (321, 322, 324, 325, 32X,475A, 478A, 479A, 47XA)	106	166 045	758 324
B.III.2.	Unbilled supplies (326, 476A)	107	179 021	581 012
B.III.3.	Payables to subsidiaries and the parent company (361A, 471A)	108	-	-
B.III.4.	Other intercompany payables (361A, 36XA, 471A, 47XA)	109	-	-
B.III.5.	Payables to partners and participants in an association (364, 365, 366, 367, 368, 398A, 478A, 479A)	110	-	-
B.III.6.	Payables to employees (331, 333, 33X, 479A)	111	86 870	92 784
B.III.7.	Social security insurance payables (336, 479A)	112	50 929	58 106
B.III.8.	Tax liabilities and subsidies (341, 342, 343, 345, 346, 347, 34X)	113	18 877	17 410
B.III.9.	Other payables (372A, 373A, 377A, 379A, 474A, 479A, 47X)	114	107 127	85 289
B.IV.	**Short-term financial assistance (241, 249, 24X, 473A, /-/255A)**	**115**	**-**	**-**
B.V.	**Bank loans (l. 117 + l. 118)**	**116**	**-**	**-**
B.V.1.	Long-term bank loans (461A, 46XA)	117	-	-
B.V.2.	Short-term bank loans (221A, 231, 232, 23X, 461A, 46XA)	118	-	-
C.	**Total accruals and deferrals (l. 120 to l. 123)**	**119**	**27 253 925**	**22 037 628**
C.1.	Non-current accrued expenses (383A)	120	-	-
C.2.	Current accrued expenses (383A)	121	494 766	-
C.3.	Non-current deferred income (384A)	122	26 759 159	22 037 628
C.4.	Current deferred income (384A)	123	-	-

6.2 Income Statement for the year ended 31.12.2010

Description	ITEM	Line	Actual: Current Reporting Period	Actual: Immediately Preceding Reporting Period
a	b	c	4 (EUR)	5 (EUR)
I.	Revenues from the sale of merchandise (604)	**01**	**-**	**-**
A.	Costs of merchandise sold (504, 505A)	**02**	**-**	**-**
+	**Gross margin (I. 01 - I. 02)**	**03**	**-**	**-**
II.	**Production (I. 05 + I. 06 + I. 07)**	**04**	**129 007**	**149 133**
II.1.	Revenues from the sale of own products and services (601, 602)	05	129 007	149 133
II.2.	Changes in inventories (+/- Accounting Group 61)	06	-	-
II.3.	Own work capitalised (Accounting Group 62)	07	-	-
B.	**Consumables and services purchased (I. 09 + I. 10)**	**08**	**4 417 802**	**1 533 629**
B.1.	Consumed raw materials, energy and other non-inventory supplies (501, 502, 503, 505A)	09	310 439	335 652
B.2.	Services (Accounting Group 51)	10	4 107 363	1 197 977
+	**Added value (I. 03 + I. 04 - I. 08)**	**11**	**(4 288 795)**	**(1 384 496)**
C.	**Total personnel expenses (I. 13 to I. 16)**	**12**	**1 992 285**	**2 128 815**
C.1.	Wages and salaries (521, 522)	13	1 491 215	1 573 081
C.2.	Remuneration of board and co-operative members (523)	14	19 193	18 137
C.3.	Social insurance expenses (524, 525, 526)	15	439 181	491 124
C.4.	Social expenses (527, 528)	16	42 696	46 473
D.	Taxes and fees (Accounting Group 53)	17	388 130	79 398
E.	Amortisation & depreciation and provisions for non-current intangible and non-current tangible assets (551, 553)	18	133 447	173 060
III.	Revenues from the sale of non-current assets and raw materials (641, 642)	19	4 300	12 083
F.	Net book value of non-current assets and raw materials sold (541, 542)	20	-	6 600
G.	Additions to and release of provisions for receivables (+/- 547)	21	8 025 250	11 128 353
IV.	Other operating revenues (644, 645, 646, 648, 655, 657)	22	5 299 861	9 133 742
H.	Other operating expenses (543, 544, 545, 546, 548, 549, 555, 557)	23	1 495 267	271 059
V.	Transfer of operating revenues (-) (697)	24	-	-
I.	Transfer of operating expenses (-) (597)	25	-	-
*	**Operating profit or loss (I. 11 - I. 12 - I. 17 - I. 18 + I. 19 - I. 20 - I. 21 + I. 22 - I. 23 + (-I. 24) - (-I. 25))**	**26**	**(11 019 013)**	**(6 025 956)**
VI.	Revenues from the sale of securities and ownership interests (661)	27	-	-
J.	Securities and ownership interests sold (561)	28	-	-
VII.	**Revenues from non-current financial assets (I. 30 + I. 31 + I. 32)**	**29**	**-**	**-**
VII.1.	Revenues from securities and ownership interests in subsidiary and associate (665A)	30	-	-
VII.2.	Revenues from other non-current securities and ownership interests (665A)	31	-	-
VII.3.	Revenues from other non-current financial assets (665A)	32	-	-
VIII.	Revenues from current financial assets (666)	33	-	-
K.	Expenses related to current financial assets (566)	34	-	-

IX.	Gains on revaluation of securities and revenues from derivative transactions (664, 667)	35	-	-
L.	Loss on revaluation of securities and expenses related to derivative transactions (564, 567)	36	-	-
M.	Additions to and reversals of provisions for financial assets +/- 565	37	-	-
X.	Interest income (662)	38	1 129	2 045
N.	Interest expense (562)	39	5 488 610	5 407 463
XI.	Foreign exchange gains (663)	40	57	968
O.	Foreign exchange losses (563)	41	3 940	9 258
XII.	Other revenues from financing activities (668)	42	16 057 259	15 409 709
P.	Other costs of financing activities (568, 569)	43	318 010	2 107 200
XIII.	Transfer of financial revenues (-) (698)	44	-	-
R.	Transfer of financial expenses (-) (598)	45	-	-
*	**Profit/loss from financing activities (l. 27 - l. 28 + l. 29 + l. 33 - l. 34 + l. 35 - l. 36 - l. 37 + l. 38 - l. 39 + l. 40 - l. 41 + l. 42 - l. 43 + (-l. 44) - (-l. 45))**	**46**	**10 247 885**	**7 888 801**
**	**Profit/loss from ordinary activities before taxation (l. 26 + l. 46)**	**47**	**(771 128)**	**1 862 845**
S.	**Income tax on ordinary activities l. 49 + l. 50**	**48**	**(55 998)**	**654 757**
S.1.	- Current (591, 595)	49	108 701	566 274
S.2.	- Deferred (+/- 592)	50	(164 699)	88 483
**	**Profit/loss from ordinary activities after taxation (l. 47 - l. 48)**	**51**	**(715 130)**	**1 208 088**
XIV.	Extraordinary revenues (Accounting Group 68)	52	-	-
T.	Extraordinary expenses (Accounting Group 58)	53	-	-
*	**Profit/loss from extraordinary activities before taxation (l. 52 - l. 53)**	**54**	**-**	**-**
U.	**Income tax on extraordinary activities (l. 56 + l. 57)**	**55**	**-**	**-**
U.1.	- Current (593)	56	-	-
U.2.	- Deferred (+/- 594)	57	-	-
*	**Profit/loss from extraordinary activities after taxation (l. 54 - l. 55)**	**58**	**-**	**-**
***	**Profit/loss for reporting period before taxation (+/-) (l. 47 + l. 54)**	**59**	**(771 128)**	**1 862 845**
V.	Profit/loss of partnership transferred to partners (+/- 596)	**60**	**-**	**-**
***	**Profit/loss for reporting period after taxation (+/-) (l. 51 + l. 58 - l. 60)**	**61**	**(715 130)**	**1 208 088**

6.3 Notes to the financial statements as of 31.12.2010

(Value data in tables are disclosed in euros unless stipulated otherwise)

Note:

All data and information disclosed in these notes arise from bookkeeping and are linked to financial statements. Value figures are in euros unless stipulated otherwise. Figures in brackets or columns next to items represent cross-references to lines or columns in relevant financial statements (Balance Sheet or Income Statement).

I. GENERAL INFORMATION

1. Company Details

Business name and seat	PROFI CREDIT Slovakia, s.r.o. Mliekárenská 10, 824 96 Bratislava 26
Date of establishment	22 May 2000
Date of incorporation (according to the Commercial Register)	24 July 2000
Business activities	– Factoring and forfeiting – Provision of loans and borrowings in a non-banking manner from own funds – Mediation and organisational activities in trade – Training activities – Economic and organisational advisory services – Accounting advisory services – Leasing of motor vehicles, technology, machines, equipment, IT, office equipment, and real estate lease connected with supplementary services – procurement services related to the lease

2. Employees

Number of employees as at 31 Dec 2010	**104**
Of which: Managers	*11*

3. Unlimited Guarantee

PROFI CREDIT Slovakia, s.r.o. (hereinafter also the "Company") is not a limited liability partner in any other reporting entities.

4. Basis of Preparation for the Financial Statements

These financial statements represent the annual separate financial statements of PROFI CREDIT Slovakia, s.r.o. The financial statements were prepared for the reporting period from 1 January to 31 December 2010 in compliance with Slovak legislation, ie the Act on Accounting and Accounting Procedures for Businesses.

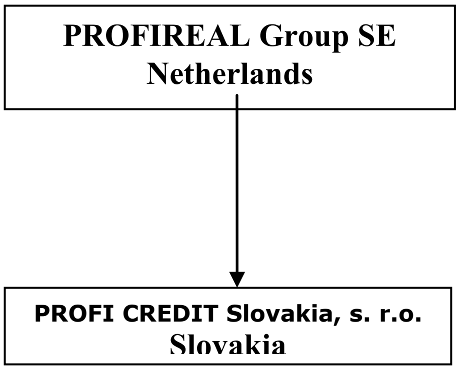
5. Approval of the 2009 Financial Statements

On 7 June 2010, the General Meeting approved the 2009 financial statements of PROFI CREDIT Slovakia, s.r.o.

6. Members of the Company's Bodies

Body	***Function***	***Name***
Management	Executive	Petr Vrba
	Executive	Ing. Vladimír Michniewicz
	Executive	Pavol Antálek until 8 Apr 2010
	Executive – CEO	Milan Hiebsch until 8 Apr 2010
	Executive	Ing. Miroslav Jurenka – since 8 Apr 2010
	Executive – CEO	Mgr. Martin Mlynár – since 8 Apr 2010 (CEO until 31 Dec 2010)

7. Partner Structure and Shares in the Registered Capital



Partners	Share in Registered Capital EUR	Share in Registered Capital %	Voting Rights %
PROFIREAL Group SE Naritaweg 165, Amsterdam 1043 BW, Netherlands	6 639	100	100

PROFI CREDIT Slovakia, s.r.o. is a fellow subsidiary of PROFI CREDIT Czech, a.s. (Czech Republic), Profidebt, s.r.o. (Czech Republic), Profidebt Slovakia s.r.o. (Slovak Republic), PROFI CREDIT Polska, Sp. z o.o. (Poland), PROFI CREDIT Bulgaria Ltd. (Bulgaria), and PROFI CREDIT Romania IFN S.A. (Romania), which are owned by PROFIREAL Group SE (Netherlands).

8. Consolidated Financial Statements

PROFI CREDIT Slovakia, s.r.o. is a subsidiary of PROFIREAL Group SE (based in Amsterdam at Naritaweg 165, 1043 BW Netherlands), which owns a 100% share in the Company's registered capital. Profireal Group SE is the immediate consolidating entity.

Profireal Group SE has controlling influence and is the parent company with a 100% share in PROFI CREDIT Slovakia, s. r. o.

The consolidated financial statements of Profireal Group SE are available at its registered seat (based in Amsterdam at Naritaweg 165, 1043 BW Netherlands).

	Ultimate Parent Company	*Direct Parent Company*
Business name	PROFIREAL Group SE	PROFIREAL Group SE
Seat and place where the consolidated financial statements have been filed:	Naritaweg 165 1043 BW Amsterdam Netherlands	Naritaweg 165 1043 BW Amsterdam Netherlands

II. ACCOUNTING PRINCIPLES AND METHODS APPLIED

1. The Company applies accounting principles and procedures pursuant to the Act on Accounting and Accounting Procedures for Businesses effective in the Slovak Republic. The accounting books are kept in the monetary units of the Slovak currency, ie euros.

2. The 2010 financial statements were prepared based on the going-concern assumption. The Company is dependent on the financing provided by a non-banking institution that is an independent third party. Under the contracts and other information available, the Company believes that the financing will not be cancelled and that it will be provided in line with the contractual terms and conditions. The Company's management believes that the concentration of financing does not represent risk in respect of the Company's ability to continue as a going concern. The parent company made a written declaration of its commitment to provide full financial support to the Company in order to maintain adequate liquidity over the following 12 months with the aim to ensure that the Company is a going concern.

3. Revenues and costs are recognised as they are earned or incurred under the accrual basis of accounting. All revenues and costs related to the reporting period are used as a basis regardless of their settlement date.

4. When measuring assets and liabilities, the prudence principle is followed, ie all risks, losses, and impairment related to assets and liabilities and known as at the reporting date are used as a basis.

5. Revenue recognition – revenues are recognised when delivery terms are fulfilled, since at that moment significant risks and ownership rights are transferred to the customer.

6. Non-current and current receivables, payables, loans, and interest-bearing borrowings – receivables and payables are disclosed on the balance sheet as either non-current or current following their residual maturities as at the reporting date. Portions of non-current receivables and portions of non-current payables due within one year from the reporting date are disclosed on the balance sheet as current receivables and current payables as appropriate.

7. Estimates made – when compiling financial statements, the Company's management is required to prepare estimates and assumptions that influence the recognised amounts of assets and liabilities, and the disclosure of contingent assets and liabilities as at the reporting date, as well as the disclosed amounts of revenues and expenses during the year. The estimates and the related assumptions have been based on prior experience and on various other factors regarded as appropriate in the circumstances. The actual results may differ from the estimates. The estimates and basic assumptions are reconsidered and the corrections of the accounting estimates are booked in the period in which the estimate was corrected, provided that the correction in question has an impact only on this period, or in the correction period and in the future periods if the correction has an impact on the current as well as future periods.

   The most significant area requiring subjective judgment is the area of creating provisions for assets. In the creation of provisions for losses incurred from granted loans there are a range of uncertainties relating to the results of indicated risks, and the act of estimating losses requires a number of subjective judgments to be made on the part of the Company's management. The actual losses may significantly differ from the estimates.

8. Reported tax – Slovak tax legislation is relatively new, lacks precedents, and is subject to continuous amendments. Since various interpretations of tax laws and regulations in the application thereof to various transaction types exist, the amounts disclosed in the financial statements may later change, based on the ultimate opinion of the tax authorities.

9. Recognition of Individual Items of Assets and Liabilities – Initial Measurement

Upon acquisition, the cost principle is applied (ie the historical cost convention) and individual items of assets and liabilities are measured as follows:

a) Purchased non-current tangible and intangible assets – at cost. The cost includes the acquisition price and the related incidental costs (transportation costs and customs duties).

b) Assets acquired under finance lease agreements are recognised in assets at their fair value as at the acquisition date (the total of agreed payments less unrealised finance costs). The related liability due to the lessor is recognised on the balance sheet under *Other Long-Term Payables* (Balance Sheet: line 103) with its current portion recorded in *Other Payables* (Balance Sheet: line 114). Unrealised finance costs representing the difference between the total amount of agreed payments and the fair value of acquired assets are recognised in the income statement over the term of the lease, applying the effective interest rate method. Costs related to the acquisition of an asset under a finance lease increase its value.

c) Purchased inventory:

- Purchased raw materials – at cost. If identical inventories are disposed of, the FIFO method is used.

d) Receivables:

- When originated or acquired for no consideration – at face value.
- Where acquired (assigned) for consideration or through a contribution to the registered capital – at cost.

For non-current receivables and long-term loans, the provision is included in the *Correction* column where the values of the receivable and loan/borrowing are adjusted to their present value, for example by using the effective interest rate method.

e) Deferred expenses and accrued income – at the anticipated face value.

f) Payables:

- When incurred – at face value.
- Where assumed – at cost.

g) Provisions for liabilities – at the anticipated amount payable.

h) Interest-bearing borrowings, and loans:

- When originated – at face value.
- Where assumed – at cost.

Interest on interest-bearing borrowings and loans is recorded on an accrual basis.

i) Accrued expenses and deferred income – at the anticipated face value.

j) Current income taxes – pursuant to the Slovak Income Tax Act, current income taxes are determined based on the accounting profits at the rate of 19% after adjustments for certain items for tax purposes.

k) Deferred income taxes are recognised when temporary differences arise between the carrying amount of assets and liabilities as disclosed on the balance sheet and their tax base, with the possibility to carry forward tax losses and to transfer the unused tax loss deductions into future periods. To determine the amount of deferred income taxes, the tax rate applicable in the subsequent reporting period was applied, ie 19%.

10. Recognition of Individual Items of Assets and Liabilities – Subsequent Measurement

a) Estimated risks, losses, and impairment related to assets and liabilities are reflected in provisions for liabilities, provisions for assets, and depreciation charges.

- Provisions for liabilities are recognised at the anticipated amount payable. The Company creates provisions for audit services, energy consumption, marketing services, tax advisory services, as well as for expenses related to publication of the financial statements, the annual report, management bonuses, remittances related to management bonuses, unused vacation days, remittances related to unused vacation days, and unbilled supplies. A major item in provisions for liabilities is also a provision for a 35% portion of commissions. The amount of provisions and the grounds for their recognition are assessed as at the reporting date.

- Provisions for assets – are recognised for those receivables where there is a justified assumption of a partial or total default by the debtor. The provision applies to such doubtful receivables from debtors against which litigation for debt acknowledgment is pending, or for non-current receivables overdue. When assessing the recoverability of a receivable the reporting entity assesses each receivable on a case-by-case basis. The following is monitored: amount receivable, relations with a debtor, debtor's financial position, announced bankruptcy and settlement, etc.

The Company records a provision for receivables in an amount that allows it to obtain a fair value of recoverable receivables.

The estimates that are used to calculate provisions for losses from granted loans are the most reasonable projections of the future development of relevant risks that are available under the given circumstances. The amount of provisions reflects an adequate amount required to cover losses from the impairment of granted loans.

The Company divides its portfolio of clients into categories as per their term of default where the provisioning for individual categories is based on the assumptions and probabilities of the expected recovery of receivables in the given category.

The Company records provisions for the following categories of receivables:

a) For granted loans and borrowings that are overdue for more than 360 days at 69.09% of the total amount (2009: 71.19%)
b) For granted loans and borrowings that are overdue between 180 and 360 days at 51.75% of the total amount (2009: 51.24%)
c) For granted loans and borrowings that are overdue between 90 and 180 days at 47.92% of the total amount (2009: 48.27%)
d) For granted loans and borrowings that are overdue between 0 and 90 days at 21.85% of the total amount (2009: 20.46%)
e) For granted loans and borrowings that are not overdue at 0.755% of the total amount (2009: 0.755%)
f) From a balance of an accrued receivable from contractual fines and penalties at 70.20% of the total amount (2009: 66.36%)
g) From a balance of an accrued receivable from agreements on debt acknowledgement at 72.06% of the total amount (2009: 66.74%)
h) From a balance of an accrued receivable from accrued interest at 56.78% in 2010 (2009: not applicable)
i) From a balance of an accrued receivable from default interest at 90% in 2010 (2009: not applicable)

The percentage of additions to provisions for receivables is calculated on an annual basis based on historical experience while taking into account actual developments in the previous period.

- Depreciation plan

Non-current tangible and intangible assets are depreciated according to a depreciation plan that takes into account an estimate of the actual useful lives. Assets are depreciated over the expected useful lives corresponding to the consumption of future economic benefits arising from such assets. A straight-line accounting depreciation method is applied. Assets start to be depreciated in the month in which the assets were put into use. The accounting depreciation plan for tangible and intangible assets is based on the depreciation method as stipulated by Profireal Group's depreciation policy.

Average useful lives in the depreciation plan are as follows:

Type of Assets	***Useful Life***	***Annual Depreciation Rate***
Machines and equipment	5 years	20%
Transportation means	5 years	20%
Computers, notebooks, printers, servers	5 years	20%
Air conditioning	10 years	10%
Copy machines	5 years	20%
Other low-value assets	2 years	50%
Fixtures & fittings	5 years	20%
Software	5 years	20%

Tax depreciation rates are applied in line with the straight-line depreciation rates according to the Income Tax Act.

11. Translation of Amounts Denominated in Foreign Currency to Slovak Currency

Assets and liabilities denominated in a foreign currency are translated to euros using the reference exchange rate determined and announced by the European Central Bank (ECB) or the National Bank of Slovakia (NBS) on the date preceding the transaction date and also on the reporting date. Advances received and made in a foreign currency are not translated as at the reporting date. For foreign currency purchases and sales in euros, and upon transfers of funds from the account established in a foreign currency to the account established in euros and from the account established in euros to the account established in a foreign currency, the exchange rates at which these amounts were purchased or sold were applied. If the sale or purchase of a foreign currency is performed at an exchange rate other than the one offered by a commercial bank in its foreign exchange list, the exchange rate offered by such commercial bank in its foreign exchange list on the transaction settlement date is used. If the sale or purchase is not performed with a commercial bank, the reference exchange rate determined and announced by the ECB or the NBS on the date preceding the transaction settlement date is used.

12. Accounting for Provided Loans

The Company recognises provided loans as follows: the Company accounts for a receivable from a client resulting from a provided loan at the face value of the receivable, including the agreed-upon contractual compensation (interest) against payables to the client in the amount of the actually paid sum and contractual compensation credited to the account of deferred income. Once the loan is credited to the client’s account, the Company’s liability to the client ceases to exist. The Company’s revenues include a processing fee for the loan provision as well as a gradual reversal of the contractual compensation over the loan repayment period. Contractual compensation shall mean the difference between the amount receivable (face value of the loan) and the actual amount credited to the client’s account (payable to a client). If the client falls behind the instalment schedule, the Company claims contractual fines and penalties, which are included in the Company’s revenues at the moment they are enforced. The Company applies the same method for revolving loans.

III. DATA DISCLOSED ON THE ASSETS SIDE OF THE BALANCE SHEET

1. Non-Current Intangible and Tangible Assets (Balance Sheet Lines 003 and 012)

1.1 Movements in the Accounts of Non-Current Intangible Assets, Accumulated Depreciation, Provisions, and Net Book Value

	Incorporation Expenses	Software	Other Non-Current Intangible Assets	Non-Current Intangible Assets in Acquisition	Total
Balance Sheet Line	*004*	*006*	*009*	*010*	*003*
Cost					
At 1 Jan 2010	-	151 880	17 822	17 325	187 027
Additions	-	-	-	33 354	33 354
Disposals	-	-	-	-	-
Transfers	-	43 545	7 134	(50 679)	-
At 31 Dec 2010	-	195 425	24 956	-	220 381
Accumulated Depreciation					
At 1 Jan 2010	-	124 517	14 612	-	139 129
Charge for the year	-	17 369	4 719	-	22 088
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfers	-	-	-	-	-
At 31 Dec 2010	-	141 886	19 331	-	161 217
Provisions					
At 1 Jan 2010	-	-	-	-	-
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfers	-	-	-	-	-
At 31 Dec 2010	-	-	-	-	-
Net Book Value					
At 1 Jan 2010	-	27 363	3 210	17 325	47 898
At 31 Dec 2010	-	53 539	5 625	-	59 164

1.2 Movements in the Accounts of Non-Current Tangible Assets, Accumulated Depreciation, Provisions and Net Book Value

	Separate Movable Assets and Sets of Movables	Other Non-Current Tangible Assets	Non-Current Tangible Assets in Acquisition	Advance Payments Made	Total
Balance Sheet Line	*015*	*018*	*019*	*020*	*012*
Cost					
At 1 Jan 2010	1 000 378	-	398	-	1 000 776
Additions	-	-	21 702	-	21 702
Disposals	(39 090)	-	-	-	(39 090)
Transfers	22 100	-	(22 100)	-	-
At 31 Dec 2010	983 388	-	-	-	983 388
Accumulated Depreciation					
At 1 Jan 2010	711 923	-	-	-	711 923
Charge for the year	111 397	-	-	-	111 397
Additions	-	-	-	-	-
Disposals	(39 090)	-	-	-	(39 090)
Transfers	-	-	-	-	-
At 31 Dec 2010	784 230	-	-	-	784 230
Provisions					
At 1 Jan 2010	-	-	-	-	-
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfers	-	-	-	-	-
At 31 Dec 2010	-	-	-	-	-
Net Book Value					
At 1 Jan 2010	288 455	-	398	-	288 853
At 31 Dec 2010	199 158	-	-	-	199 158

1.3 Type and Amount of Non-Current Intangible and Tangible Assets Insurance

Insured Item	Type of Insurance	Insured Amount (Net Book Value of Insured Assets) 2010	2009	Name and Seat of the Insurance Company
Passenger vehicles	Motor hull, MTPL insurance	140 077	195 527	Generali Slovensko poisťovňa, a.s., Plynárenská 7/C, 824 79 Bratislava 26

2. Receivables (Balance Sheet Lines 040 and 047)

2.1 Breakdown of Total Receivables Including the Group

<u>31 December 2010</u>

Category of Receivables	Within Maturity	Overdue < 90 Days	< 180 Days	< 360 Days	> 360 Days	Total
Non-current (l. 040)	25 092 204	-	-	-	-	25 092 204
Current (l. 047)	23 584 922	2 678 170	2 455 414	7 510 916	48 142 190	84 371 612
Total	**48 677 126**	**2 678 170**	**2 455 414**	**7 510 916**	**48 142 190**	**109 463 816**

<u>31 December 2009</u>

Category of Receivables	Within Maturity	Overdue < 90 Days	< 180 Days	< 360 Days	> 360 Days	Total
Non-current (l. 040)	19 175 875	-	-	-	-	19 175 875
Current (l. 047)	21 498 399	4 099 724	4 227 640	7 409 426	40 060 338	77 295 527
Total	**40 674 274**	**4 099 724**	**4 227 640**	**7 409 426**	**40 060 338**	**96 471 402**

The increase in receivables and the related provisions compared to 2009 relates to the greater number of the Company's business activities. The Company provides consumer loans with an average maturity period of 36 months, which means that the consumer loans are due in more than one year. Therefore, the Company decided to report receivables from clients separately as non-current and current receivables. The receivables recognised as being within maturity include overdue receivables under a debt acknowledgment agreement in the amount of EUR 2 601 thousand (2009: EUR 2 499 thousand) as the Company does not record such receivables by their ageing structure.

2.2 Receivables from Related Parties

Item	Related Parties	Amount as at 31 Dec 2010
Current Receivables		
Trade receivables (l. 048)	PROFI CREDIT Poland	26 751
Receivables from subsidiaries and the parent company (l. 049)		-
Other intercompany receivables (l. 050)		-
Receivables from partners, members and participants in an association (l. 051)		-
Other receivables (l. 054)		-
Total		**26 751**

Item	Related Parties	Amount as at 31 Dec 2009
Current Receivables		
Trade receivables (l. 048)	PROFI CREDIT Poland	20 242
Receivables from subsidiaries and the parent company (l. 049)		-
Other intercompany receivables (l. 050)		-
Receivables from partners, members and participants in an association (l. 051)		-
Other receivables (l. 054)		-
Total		**20 242**

2.3 Provision for Receivables

Balance Sheet Items for which Provisions were Recorded:

Item	Line	Balance as at 1 Jan 2010	Creation	Disposals	Reversals	Balance as at 31 Dec 2010
Current Receivables						
Trade receivables	048	33 343 353	8 025 249	-	-	41 368 602
Receivables from subsidiaries and the parent company	049	-	-	-	-	-
Other intercompany receivables	050	-	-	-	-	-
Receivables from partners, members and participants in an association	051	-	-	-	-	-
Social security insurance	052	-	-	-	-	-
Tax assets and subsidies	053	-	-	-	-	-
Other receivables	054	12 417	-	-	-	12 417
Total		**33 355 770**	**8 025 249**	**-**	**-**	**41 381 019**

The Company creates provisions for receivables based on their ageing structure. Management believes that the estimates applied to the process of determining the provisions for losses from granted loans represent the most reasonable prognoses for the future development of relevant risks that are available under the given circumstances. In management's opinion, the reported sum of provisions is sufficient to cover the losses incurred from the impairment of the extended loans. The total amount of provisions for receivables is recognised for a current portion of receivables in balance sheet line 048, as the Company is unable to allocate the created provisions to current and non-current receivables.

Provisions for losses from receivables require the Company's management to make significant estimates; however, the actual results may significantly differ from these estimates.

2.4 Assets Under Lien and Restricted Handling of Receivables

The Company has pledged its receivables in favour of a foreign private company with its seat in the Netherlands, which provided a long-term loan to the Company. Both parties agreed that the present value of the pledged receivables shall not drop below a 1.25-multiple of the non-current liability balance. As at 31 December 2010, the pledged receivables amounted to EUR 105 371 thousand (2009: EUR 44 535 thousand).

3. Financial Accounts (Balance Sheet Line 055)

3.1 Breakdown of the Company's Financial Assets

Item	*2010*	*2009*
Cash		
Cash on hand	14 324	12 665
Bank accounts – current	163 128	102 966
Total cash	**177 452**	**115 631**

4. Accruals and Deferrals (Balance Sheet Line 061)

Item	*Line*	*Current*	*Non-Current*	*Total as at 31 Dec 2010*
Deferred expenses	062, 063	14 338	-	14 338
Accrued income	064, 065	80 435	-	80 435
Total	**061**	**94 773**	**-**	**94 773**

Item	*Line*	*Current*	*Non-Current*	*Total as at 31 Dec 2009*
Deferred expenses	062, 063	15 899	-	15 899
Accrued income	064, 065	40 397	-	40 397
Total	**061**	**56 296**	**-**	**56 296**

Deferred expenses mainly represented paid motor hull insurance, D.A.S. insurance, and motor third party liability insurance for cars owned by the Company in respect of future years, travel insurance and rent for leased premises where the Company's regional branches are based.

IV. DATA DISCLOSED ON THE LIABILITIES SIDE OF THE BALANCE SHEET

1. Equity (Balance Sheet Line 067)

1.1 Description of Equity

The registered capital was paid in full in the amount of EUR 6 639 when the Company was first established.

In accordance with the Commercial Code, the legal reserve fund in the amount of EUR 1 328 is in the minimum amount.

1.2 Distribution of Profit or Settlement of Loss for 2009

Allotment	*Approved Distribution of Profit for 2009*
To cover loss from previous years	-
Dividends	-
Retained earnings from previous years (transfer to retained earnings)	-
Allotment to the social fund	-
Payment of dividends to partners	1 208 088
Total profit to be distributed	**1 208 088**

In 2010, on the basis of the sole partner's decision from 7 June 2010, the Company paid dividends for 2008 totalling EUR 541 912.

2. Provisions for Liabilities (Balance Sheet Line 089)

Provision	*Balance as at 1 Jan 2010*	*Creation*	*Use*	*Cancella-tion*	*Balance as at 31 Dec 2010*
Legal long-term provisions for liabilities (l. 090)	-	-	-	-	-
Legal short-term provisions for liabilities (l. 091)	120 135	125 462	120 135	-	125 462
Of which:					
Unused vacation days, including social and health security	*65 264*	*57 838*	*65 264*	-	*57 838*
Audit and tax advisory services	*34 803*	*45 466*	*34 803*	-	*45 466*
Other	*20 068*	*22 159*	*20 068*	-	*22 159*
Other long-term provisions for liabilities (l. 092)	151 345	29 305	-	-	180 650
Of which:					
Provision for 35% portion of commissions	*151 345*	*29 305*	-	-	*180 650*
Other short-term provisions for liabilities (l. 093)	288 975	325 236	288 975	-	325 236
Of which:					
Unpaid bonuses, including social and health security	*178 044*	*186 235*	*178 044*		*186 235*
Provision for 35% portion of commissions	*106 973*	*127 686*	*106 973*	-	*127 686*
TM licence contract	-	-	-	-	-
Other	*3 958*	*11 315*	*3 958*	-	*11 315*
Total	**560 455**	**631 348**	**409 110**	**-**	**631 348**

The Company created a provision for the future payment of a portion of commission to credit specialists, namely a 35% portion of the total commission for granted loans. The provision was created on the basis of estimated future commissions and commissions paid in the past to credit specialists. With effect from 1 July 2010, the Company pays commissions in compliance with a new methodology in the full amount and therefore it does not accrue the unpaid portion. The provision for liabilities as at 31 December refers to commissions for loans provided by the credit staff to clients until 1 July 2010.

The amount and justification of each provision for liabilities is assessed as at the reporting date. The short-term provisions will be used in 2011.

3. Liabilities (Balance Sheet Lines 094 and 105)

3.1 Payables Within and After Maturity Including the Group

31 December 2010

Item	Maturity			Total
	Within Maturity Period	Overdue Up To 360 Days	More Than 360 Days Overdue	
Trade payables (l. 106)	166 045	11 009	-	166 045
Unbilled supplies (l. 107)	179 021	-	-	179 021
Payables to subsidiaries and the parent company (l. 108)	-	-	-	-
Other intercompany payables (l. 109)	-	-	-	-
Payables to partners and participants in an association (l. 110)	-	-	-	-
Payables to employees (l. 111)	86 870	-	-	86 870
Social security insurance payables (l. 112)	50 929	-	-	50 929
Tax liabilities and subsidies (l. 113)	18 877	-	-	18 877
Other payables (l. 114)	107 127	-	-	107 127
Total as at 31 Dec 2010	**597 860**	**11 009**	**-**	**608 869**

31 December 2009

Item	Maturity			Total
	Within Maturity Period	Overdue Up To 360 Days	More Than 360 Days Overdue	
Trade payables (l. 106)	758 324	-	-	758 324
Unbilled supplies (l. 107)	581 012	-	-	581 012
Payables to subsidiaries and the parent company (l. 108)	-	-	-	-
Other intercompany payables (l. 109)	-	-	-	-
Payables to partners and participants in an association (l. 110)	-	-	-	-
Payables to employees (l. 111)	92 784	-	-	92 784
Social security insurance payables (l. 112)	58 106	-	-	58 106
Tax liabilities and subsidies (l. 113)	17 410	-	-	17 410
Other payables (l. 114)	85 289	-	-	85 289
Total as at 31 Dec 2009	**1 592 925**	**-**	**-**	**1 592 925**

The year-on-year drop in trade payables results from the changed presentation of received unmatched payments for loans granted to clients. As at 31 December the Company recognised these items in the total amount of EUR 666 thousand as a decrease in trade receivables on balance sheet line 041. As at 31 December 2009 such received unmatched payments were recognised on balance sheet line 106 in the total amount of EUR 508 thousand.

3.2 Breakdown of Payables by Residual Maturity

31 December 2010

Item	Within 1 Year	From 1 to 5 Years	More Than 5 Years	Total
Trade payables (l. 095, 106)	166 045	-	-	166 045
Unbilled supplies (l. 096, 107)	179 021	-	-	179 021
Social fund payables (l. 102)	6 299	-	-	6 299
Other payables (l. 103, 110, 111, 112, 113, 114)	263 803	39 017 961	-	39 281 764
Deferred tax liability (l. 104)	-	-	-	-
Total as at 31 Dec 2010	**615 168**	**39 017 961**	**-**	**39 633 129**

31 December 2009

Item	Within 1 Year	From 1 to 5 Years	More Than 5 Years	Total
Trade payables (l. 095, 106)	758 324	-	-	758 324
Unbilled supplies (l. 096, 107)	581 012	-	-	581 012
Social fund payables (l. 102)	10 324	-	-	10 324
Other payables (l. 103, 110, 111, 112, 113, 114)	258 376	35 623 960	-	35 882 336
Deferred tax liability (l. 104)	-	-	-	-
Total as at 31 Dec 2009	**1 608 036**	**35 623 960**	**-**	**37 231 996**

3.3 Information on Loans Received from Third Parties

Company	Amount (EUR)	Interest Rate (%)	Maturity	Collateral	Amount Due (EUR)	
					in 2011	after 2011
Foreign private company with the seat in the Netherlands	39 014 135	15%	31 Dec 2012	Receivables	-	39 014 135
Total	**39 014 135**				**-**	**39 014 135**

The Company recorded a liability to a foreign entity based in the Netherlands. The maturity of the liability is governed by specific terms and conditions set out in the contract, which was agreed based on an arm's length principle. The increase of the liability compared to 2009 was caused by an increase in the number of loans provided in 2010. The loan is presented on the balance sheet line 103.

3.4 Payables Secured by Lien or Other Form of Security

The Company has pledged its receivables in favour of the foreign company with its seat in the Netherlands.

3.5 Deferred Tax (Liability)/Asset (Balance Sheet Lines 104, 046)

Description	*2010*	*2009*
Deferred tax (liability)/asset as at 1 Jan	(113 504)	(25 020)
Deferred income tax recognised in profit or loss of the current year (Accounts 592, 594) – (expense)/revenue	164 699	(88 483)
Deferred tax (liability)/asset as at 31 Dec	**51 195**	**(113 504)**

A deferred tax liability arose from a temporary difference between the tax value and carrying amounts of receivables, and from a temporary difference between the accounting and tax depreciation, from the recognition of a tax non-deductible provision for payment of a portion of commissions to credit specialists, and from non-taxable income from fines and penalties.

3.6 Social Fund Payables (Balance Sheet Line 102)

	Amount
Opening balance as at 1 Jan 2010	10 323
Total creation:	7 835
From expenses	*7 835*
From profit	-
Other creation	-
Total drawing:	11 859
Utilised for employee catering	*7 835*
Closing balance as at 31 Dec 2010	**6 299**

3.7 Liabilities to Related Parties

Item	***Related Parties***	***Amount as at 31 Dec 2010***
Current Liabilities:		
Trade payables (l. 106)		-
Unbilled supplies (l. 107)	PROFI CREDIT Czech,a.s.	56 022
Payables to subsidiaries and the parent company (l. 108)		-
Other intercompany payables (l. 109)		-
Other payables (l. 114)		-
Total		**56 022**

Item	***Related Parties***	***Amount as at 31 Dec 2009***
Current Liabilities:		
Trade payables (l. 106)	PROFI CREDIT Czech, a.s.	1 454
Unbilled supplies (l. 107)	PROFI CREDIT Czech,a.s.	47 941
Payables to subsidiaries and the parent company (l. 108)		-
Other intercompany payables (l. 109)		-
Other payables (l. 114)		-
Total		**49 395**

4. Accruals and Deferrals (Balance Sheet Line 119)

Item	Line	Current	Non-Current	Total as at 31 Dec 2010
Accrued expenses	120, 121	494 766	-	494 766
Deferred income	122, 123	15 252 721	11 506 438	26 759 159
Total	**119**	**15 747 487**	**11 506 438**	**26 759 159**

Item	Line	Current	Non-Current	Total as at 31 Dec 2009
Accrued expenses	120, 121	-	-	-
Deferred income	122, 123	12 560 635	9 476 993	22 037 628
Total	**119**	**12 560 635**	**9 476 993**	**22 037 628**

Deferred income comprises deferred revenues from granted loans for the term of the loan agreement. In 2010 accrued expenses refer to due interest on loan.

5. Obligations Under Finance Lease (Lessee)

The total amount of the agreed payments broken down by principal amount and unrealised finance costs as at 31 December 2010 and 31 December 2009 is as follows:

	Total Payments		Total Payments Less Unrealised Finance Costs	
	31 Dec 2010	31 Dec 2009	31 Dec 2010	31 Dec 2009
Obligations under finance lease				
Due within 1 year inclusive	76 563	114 107	55 999	84 323
Due from 1 year to 5 years inclusive	4 702	65 076	3 826	59 825
Due after 5 years	-	-	-	-
	81 265	179 183	59 825	144 148
Less: unrealised finance costs	(21 440)	(35 035)	-	-
Present value of obligations under finance lease (principal amount)	**59 825**	**144 148**	**59 825**	**144 148**
Less: Principal amount due within 1 year inclusive (recorded in short-term payables l. 114)			(55 999)	(84 323)
Principal amount due in over 1 year (recorded in long-term payables l. 103)			**3 826**	**59 825**

The finance lease mainly relates to the lease of vehicles and equipment. The average term of the lease is three years. Interest rates are set as fixed rates as at the agreement execution date. Obligations under a finance lease are denominated in euros.

The Company's obligations under the finance lease are secured by leased assets.

V. REVENUES

1. Operating Revenues

1.1 Revenues from the Sales of Merchandise, Own Products and Services (Income Statement Lines 01 and 05)

Revenues from the Sale of Own Outputs and Merchandise by Major Geographical Segments:

Country	2010		2009	
	EUR	%	EUR	%
Slovakia	4 330	3.36	853	0.44
Total abroad	124 677	96.64	148 280	99.56
Of which:				
PROFI CREDIT Poland Sp. Z. o.o.	*124 677*	*96.64*	*148 280*	*99.56*
PROFI CREDIT Czech, a.s.	-	-	-	-
Total sales	**129 007**	**100.00**	**149 133**	**100.00**

In 2010 and 2009, all revenues from the sale of own products and services were recognised with related parties with which contracts were agreed on an arm’s length basis. This refers to the lease of the labour force to PROFI CREDIT Poland Sp.Z o.o., in particular the reinvoicing of associated expenses and invoicing of commissions resulting from the agency contract for the fellow subsidiary Profidebt Slovakia, s.r.o.

1.2 Other Operating Revenues

Item	Line	2010	2009
Revenues from the sale of non-current assets and raw materials:	19	4 300	12 083
Non-current intangible assets		-	-
Non-current tangible assets		*4 300*	*12 083*
Raw materials		-	-
Other operating revenues:	22	5 299 861	9 133 742
Contractual fines, penalties and default interest		*4 987 884*	*8 831 218*
Revenues from agreements on debt acknowledgement		*246 206*	*210 940*
Revenues from recovered court fees		*13 577*	*20 491*
Other		*52 194*	*71 093*

The major items of other operating revenues include contractual fines and penalties, revenues from agreements on debt acknowledgement, and revenues from recovered court fees from provided loans. The Company actively enforces its debt collection policy against debtors, which has a major impact on other operating revenues. In relation to new legislation effective from 1 July 2010, which limits the maximal amount of sanction instruments that can be exercised against clients in the event of default, the Company’s revenues from contractual fines and penalties for 2010 decreased materially in comparison to 2009.

2. Revenues from Financing Activities

Item	Line	2010	2009
Interest income	38	1 129	2 045
Foreign exchange gains:	40	57	968
Realised		*57*	*968*
Unrealised		-	-
Other revenues from financing activities	42	16 057 259	15 409 709

Other revenues from financial activities include revenues from provided loans and borrowings, in particular from fees for the conclusion of contracts and part of loan interest. Loan interest is dissolved daily into revenues on a linear basis. An increase compared to the previous year resulted from a higher volume of receivables in 2010.

VI. EXPENSES

1. Operating Expenses

1.1 Consumables and Services (Income Statement Lines 09 and 10)

Item	Line	2010	2009
Cost of merchandise sold	02	-	-
Consumed raw materials	09	246 333	288 256
Energy consumption	09	64 106	47 396
Consumption of other non-inventory supplies	09	-	-
Services	10	4 107 363	1 197 972
Of which:			
Repairs and maintenance		*34 685*	*41 741*
Travel expenses		*32 679*	*40 288*
Entertainment expenses		*38 808*	*76 091*
Commission		*2 706 833*	-
Rent		*276 399*	*238 362*
Notary, legal services		*166 424*	*84 989*
Consulting, economic, audit		*118 933*	*210 219*
Advertisement		*197 993*	*138 616*
Communication services		*125 040*	*112 782*
Other services		*409 569*	*254 884*

In 2010, the Company changed the recognition of commissions paid to credit and collection staff for granted loans and collected receivables. In 2010, the commissions amounted to EUR 2 707 thousand and are recognised on income statement line 10. In 2009 the commissions were recognised on income statement line 43 in the total amount of EUR 2 107 thousand.

1.2 Other Operating Expenses

Item	Line	2010	2009
Personnel expenses	12	1 992 285	2 128 815
Taxes and fees	17	388 130	79 398
Amortisation & depreciation and provisions for non-current intangible and non-current tangible assets:	18	133 447	173 060
Depreciation		*133 447*	*173 060*
Provision		-	-
Net book value of non-current assets and raw materials sold:	20	-	6 600
Non-current intangible assets		-	-
Non-current tangible assets		-	-
Raw materials		-	-
Other operating expenses	23	1 495 267	271 059

2. Finance Costs

Item	Line	2010	2009
Interest expense	39	5 488 610	5 407 463
Foreign exchange losses:	41	3 940	9 258
Realised		*3 940*	*9 258*
Unrealised		-	-
Other costs of financing activities	43	361 114	2 107 200

Interest expense includes interest from a non-current interest-bearing liability to a foreign company with its seat in the Netherlands. Other financial expenses for 2009 include commissions of credit specialists for the mediation of loans and commissions of collection specialists. The decrease in comparison to 2010 results from the change in the accounting treatment of commissions from Account 568 to Account 518 as these commissions relate to the Company's main business activity.

VII. INCOME TAX

The income tax rate for 2010 amounts to 19%. The Company applied no tax relief.

The corporate income tax rate amounting to 19%, effective from 1 January 2004, was used for the deferred tax calculation.

<u>Reconciliation of Income Tax</u>

Item	*2010*	*2009*
Current income tax:		
On ordinary activities (l. 049)	*108 701*	*566 274*
On extraordinary activities (l. 056)	-	-
Deferred income tax:		
On ordinary activities (l. 050)	*(164 699)*	*88 483*
On extraordinary activities (l. 057)	-	-
Total income tax	**(55 998)**	**654 757**

Item	*2010*	*2009*
Profit before tax	(771 128)	1 862 845
Income tax at rate of 19%	(146 514)	353 940
Impact of adjusting items:		
Deductible items	(73 921)	*(51 722)*
Non-deductible items	*164 437*	*352 539*
Total income tax	**(55 998)**	**654 757**

VIII. OTHER ASSETS AND OTHER LIABILITIES

1. Contingent Liabilities

Tax returns remain open and may be subject to a review over a period of five years. The fact that a certain period or tax return related to this period has been subject to review does not eliminate the possibility of this period being subject to a potential further review over the five-year period. Accordingly, as at 31 December 2010, the Company's tax returns for 2006 to 2010 remain open and may be subject to review.

IX. INCOME AND BENEFITS OF MEMBERS OF STATUTORY, SUPERVISORY AND OTHER BODIES OF THE COMPANY

Salaries and Remuneration (Royalties) of the Company's Bodies:

Body	**Number**	***2010***	***2009***
Executives	4	241 741	162 794
Total		**241 741**	**162 794**

X. RELATED PARTIES

Related parties include partners, executives, fellow subsidiaries and Group companies.

Transactions between the aforementioned parties and the Company are made on an arm's length basis and at market prices. The Executives make all decisions on related party transactions. These transactions are commented on in the relevant notes to the financial statements.

XI. EVENTS THAT OCCUR BETWEEN THE REPORTING DATE AND THE DATE WHEN THE FINANCIAL STATEMENTS ARE AUTHORISED FOR ISSUE

As at the reporting date, there are no known subsequent events that would require adjustments to these financial statements in line with the accounting regulations.

XII. CHANGES IN EQUITY

	Registered Capital	Capital Funds	Funds From Profit	Profit/Loss for Prior Years	Profit/Loss for Current Period	Total
	068	073	080	084	087	
Balance as at 1 Jan 2010	6 639	-	1 328	2 377 314	1 208 088	3 593 369
Dividends paid to partners	-	-	-	(541 912)	(1 208 088)	(1 750 000)
Profit/loss for 2010	-	-	-	-	(715 130)	(715 130)
Balance as at 31 Dec 2010	**6 639**	**-**	**1 328**	**1 835 402**	**(715 130)**	**1 128 239**

XIII. CASH FLOW

The cash flow statement is included in Table 1 in the Appendix.

Cash comprises cash on hand, cash equivalents, and cash at bank, ie current accounts, overdraft facility, and a portion of cash in transit.

Breakdown of cash and cash equivalents:

Item	Account	2010	2009
Cash	211	8 573	6 198
Stamps and vouchers	213	5 751	6 467
Bank accounts	221.1	163 128	102 966
Total		**177 452**	**115 631**

Prepared on:	Signature of the Person Responsible for the Bookkeeping:	Signature of the Person Responsible for the Preparation of the Financial Statements:	Signature of a Member of the Statutory Body of the Reporting Entity or an Individual Acting as a Reporting Entity:
15 March 2011			
Approved on:			

6.4 Cash Flow Statement

Descrip-tion	Item	Actual amount in EUR Current Rep. Period	Previous Rep. Period
Cash flows from operating activities			
Z/S	**Profit/loss from ordinary activities before income tax (+/-)**	**(771 128)**	**1 862 845**
A.1.	**Non cash transactions effecting profit/loss from ordinary activities before income tax (+/-)**	**19 747 135**	**14 693 753**
	Amortisation and depreciation of non-current intangible and tangible assets (+)	133 447	173 060
	Net book value of non-current intangible and tangible assets recorded after disposal of such assets and charged to expenses for ordinary activities except for the sale (+)	-	-
	Write-off of the provision for acquired assets (+/-)	-	-
	Change in provisions for liabilities (+/-)	70 894	(36 283)
	Change in provisions for assets (+/-)	8 025 250	11 128 353
	Change in expense and revenues accruals (+/-)	4 683 053	(36 283)
	Dividends and other profit sharing charged to revenues (-)	-	-
	Interest charged to expenses (+)	5 488 610	5 407 463
	Interest charged to income (-)	(1 129)	(2 033 667)
	Foreign exchange gains/losses (+/-)	-	(2 046)
	Profit/loss on sales of non-current assets except for those assets considered as cash equivalents (+/-)	(4 300)	(5 483)
	Other non-cash items (+/-)	1 351 310	54 066
A.2.	**Effect of changes in working capital on profit/loss from ordinary activities**	**(14 963 067)**	**(10 739 328)**
	Change in receivables from operations (-/+)	(14 052 157)	(10 547 422)
	Change in payables from operations (+/-)	(903 759)	(198 390)
	Change in inventories (-/+)	(7 151)	6 484
	Change in current financial assets except for those included in cash and cash equivalents (-/+)	-	-
	Cash flow from operating activities except for income and expenditures, which are separately listed in other sections of the cash flow statement (+/-), (total Z/S+A.1.+A.2.)	**4 012 940**	**5 817 270**
	Interest received (+)	1 129	2 046
	Interest paid (-)	(4 993 844)	(5 283 688)
	Dividends and other profit sharing received (+)	-	-
	Dividends and other profit sharing paid (-)	-	-
	Income tax paid (-/+)	(462 476)	(1 274 840)
	Extraordinary income related to operations (+)	-	-
	Extraordinary expenditures related to operations (-)	-	-
A.	**Net cash flow from operating activities**	**(1 442 251)**	**(739 212)**
Cash flow from investing activities			
	Expenditures for acquisition of non-current intangible assets (-)	(32 919)	(2 280)
	Expenditures for acquisition of non-current tangible assets (-)	(22 100)	(77 134)
	Expenditures for acquisition of long-term securities and shares in other entities except for securities considered cash equivalents and securities available for sale or trading securities (-)	-	-
	Income on sale of non-current intangible assets (+)	-	-

	Income on sale of non-current tangible assets (+)	4 300	12 083
	Income on sale of long-term securities and shares in other entities except for securities considered cash equivalents and securities available for sale or trading securities (+)	-	-
	Expenditures for non-current borrowings provided by the Company to another entity that is a member of the consolidation group (-)	-	(5 000)
	Income on repayment of non-current borrowings provided by the Company to another entity that is a member of the consolidation group (+)	-	-
	Expenditures for non-current borrowings provided by the Company to third parties except for non-current borrowings provided to the entity which is included in the consolidation group (-)	-	-
	Income on repayment of non-current borrowings provided by the Company to another entity that is a member of the consolidation group (+)	-	-
	Income on the lease of a set of movable and immovable assets used and depreciated by the lessee (+)	-	-
	Interest received (+)	-	-
	Dividends and other profit sharing received (+)	-	-
	Expenditures related to derivatives except for those which are available for sale or trading (-)	-	-
	Income related to derivatives except for those which are available for sale or trading (-)	-	-
	Income tax paid (-)	-	-
	Extraordinary income related to investing activity (+)	-	-
	Extraordinary expenditures related to investing activity (-)	-	-
	Other income related to investing activity (+)	-	-
	Other expenditures related to investing activity (-)	-	-
B.	**Net cash flow from investing activities**	**(50 719)**	**(72 331)**
Cash flows from financing activities			
C.1.	**Cash flows in equity**	**-**	**-**
	Income on subscribed shares and ownership interests (+)	-	-
	Income on other capital stakes owned by the Company's partners (+)	-	-
	Monetary gifts received (+)	-	-
	Income on loss settlement by partners (+)	-	-
	Expenditures for acquisition or repurchase of treasury shares and treasury stock (-)	-	-
	Expenditures relating to decrease of funds created by the Company (-)	-	-
	Expenditures for repayment of capital stake to the Company's partners (-)	-	-
	Expenditures due to other reasons, which relate to a decrease of equity (-)	-	-
C.2.	**Cash flows arising on non-current and current payables from financing activities**	**3 304 891**	**613 906**
	Income on issue of debt securities (+)	-	-
	Settlement of payables from debt securities (-)	-	-
	Income on loans (+)	-	-
	Repayment of loans (-)	-	-
	Income on borrowings received (+)	-	-
	Repayment of borrowings (-)	-	-
	Settlement of obligations under finance lease (-)	(84 323)	(136 094)
	Settlement of payables arising from lease of set of movable and immovable assets used and depreciated by a lessee (-)	-	-
	Income on other non-current and current payables resulting from financing activities of the Company (+)	3 389 214	750 000
	Repayment of other non-current and current payables resulting from financing activities of the Company (-)	-	-
	Interest paid (-)	-	-
	Dividends paid and other profit sharing (-)	(1 750 000)	-

	Expenditures related to derivatives except for those available for sale or trading (-)	-	-
	Income related to derivatives, except for those available for sale or trading (+)	-	-
	Income tax paid (-)	-	-
	Extraordinary income related to financing activities (+)	-	-
	Extraordinary expenditures related to financing activities (-)	-	-
C.	**Net cash flows from financing activities**	**1 554 891**	**613 906**
D.	**Net increase or net decrease in cash and cash equivalents (+/-) (aggregate A+B+C)**	**61 921**	**(197 637)**
E.	Cash and cash equivalents at the beginning of the reporting period	115 631	313 318
F.	FX gains/losses for cash and cash equivalents as at the reporting date (+/-)	(100)	(50)
G.	**Cash and cash equivalents at the end of the reporting period (D + E + F)**	**177 452**	**115 631**

7. CONTACTS

Company Name:

PROFI CREDIT Slovakia, s.r.o

Company Registred Office:

PROFI CREDIT Slovakia, s.r.o

Mliekarenská 10

PSČ 824 96, Bratislava 26

Mailing Address:

PROFI CREDIT Slovakia, s.r.o

Mliekarenská 10

PSČ 824 96, Bratislava 26

Tel.: +421 2 20 64 11 59

Fax.: +421 2 20 64 11 70

e-mail: proficredit@proficredit.sk

www.proficredit.sk

Legal form:

Spoločnosť s ručením obmedzeným

Identification number:

35 792 752

Tax Identification number :

SK2021509270