



ANNUAL REPORT

2010

PROFIDEBT Slovakia, s.r.o.

BASIC ECONOMIC FACTS OF PROFIDEBT SLOVAKIA, S.R.O.

Produkcia	2010	2009	2008	2007	Production
Počet odkúpených pohľadávok	3 473	2 451	304	5 600	Number of repurchased receivables
Nomin. hodnota odkúpených pohľadávok (v tis. EUR)	2 344	2 610	482	2 613	Nominal value of repurchased receivables (in EUR ths)
Kúpna cena odkúpených pohľadávok (v tis. EUR)	483	755	155	613	Purchase price of repurchased receivables (in EUR ths)
Ľudské zdroje					Human Resources
Počet externých inkasných pracovníkov	48	71	71	88	Number of external collection staff
Počet zamestnancov	21	23	29	33	Number of employees
Finančné ukazovatele (v tis. EUR)					Financial Indicators (in EUR ths)
Aktíva celkom	2 354	2 456	2 107	1 968	Total assets
Výnosy celkom	2 383	2 401	2 269	2 478	Total revenues
Náklady celkom	3 644	3 542	2 736	3 469	Total costs
Hospodársky výsledok pred zdanením	-1 261	-1 141	-467	-985	Profit/Loss before taxation
Daň z príjmu*	0	0	0	6	Income tax*
Hospodársky výsledok po zdanení	-1 261	-1 141	-467	-991	Profit/Loss after taxation

* payable, deferred

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1. THE PROFIREAL GROUP

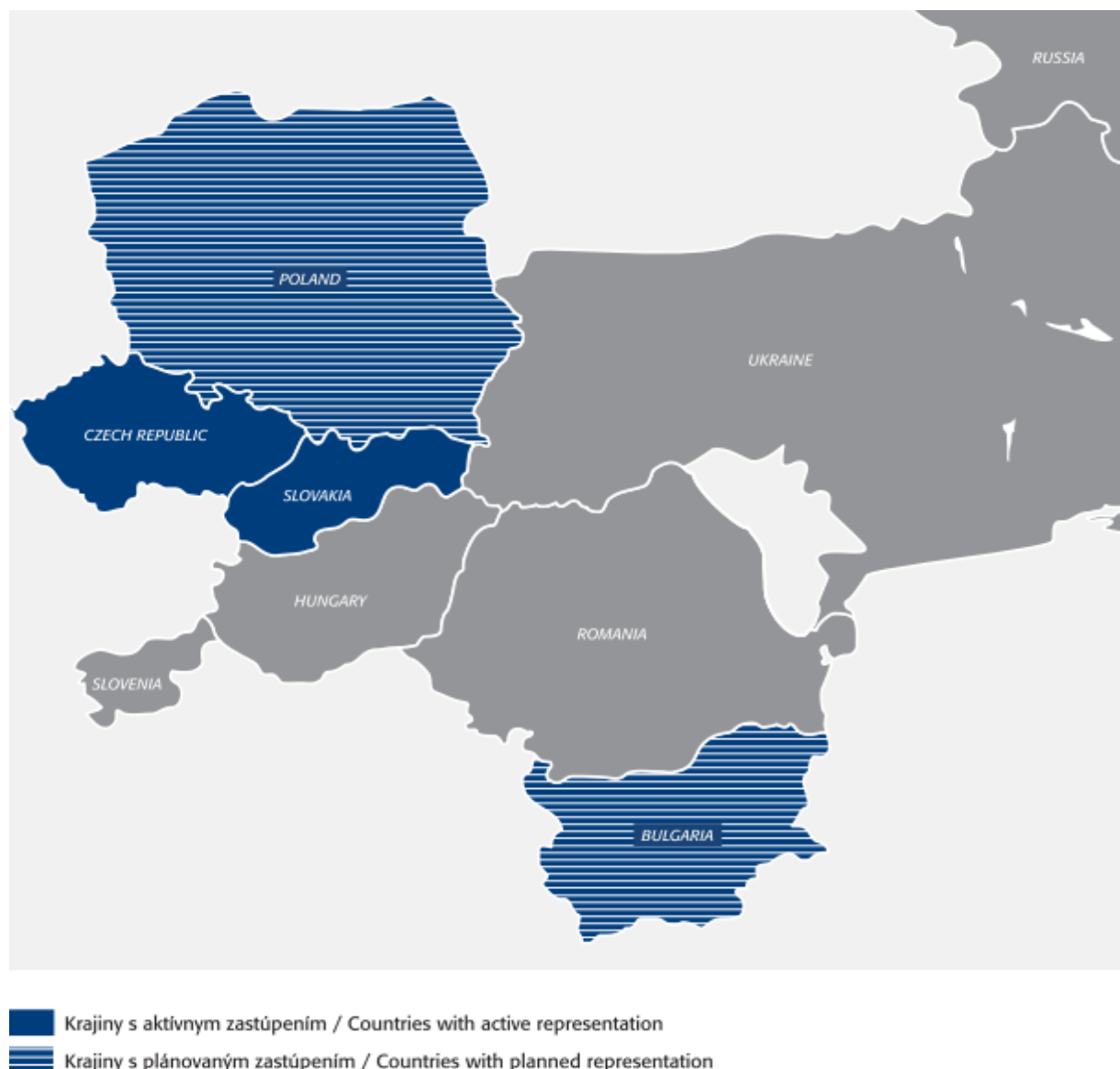
The PROFIREAL Group is a trans-national financial group which operates on the Central and Eastern European markets. It is one of the important loan and credit lenders in the Czech Republic, Slovakia, Poland, and Bulgaria. The PROFIREAL Group consists of two divisions. The PROFIT CREDIT Division companies are active in the field of financial loans and credits and the PROFIDEBT Division companies specialize in the purchase and recovery of claims.

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

Throughout its operation, the PROFIT CREDIT Division has succeeded in providing almost 500 000 loans and credits, including revolving. The division has its strongest position in the Czech Republic where it also has the highest profitability. The share of the Czech Republic of the total volume of the provided loans and credits represents 57 %.

From the perspective of the global economy and the business conditions following from it, the year 2010 was more prosperous than the previous period. The world economy is gradually offsetting the impacts of economic crisis and most fields of business have made a moderate growth. Fall time at the consumer finance sector in Central and Eastern Europe has ended; the market is expecting a gradual increase. Maintaining the quality of the client's portfolio is becoming a priority for all the companies on the market. This also applies for the companies in the PROFIREAL Group. The group still reacts to the economic situation in particular countries of its activity and therefore adapts its entrepreneuring, mainly risk management, to the current situation.

PROFIREAL Group aims on countries of Central and Eastern Europe



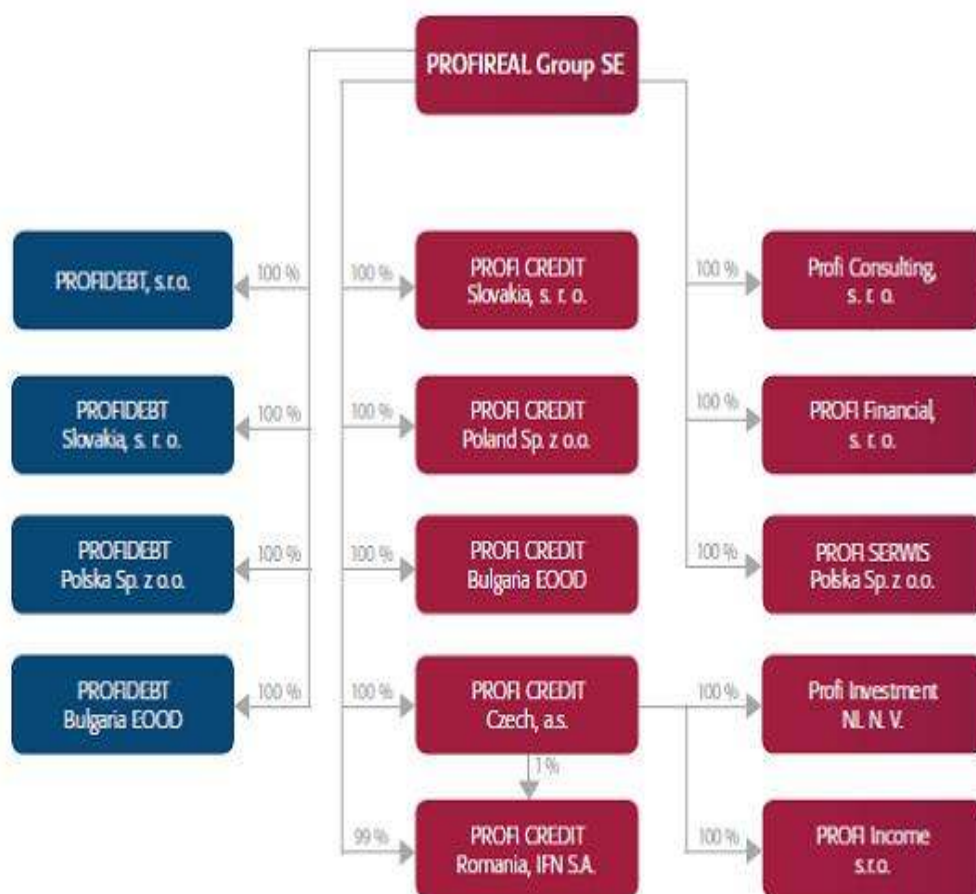
In 2010, companies of the PROFI CREDIT division overfilled planned amount of loans offered at 8%, which was primarily due to an increase in production of PROFI CREDIT Slovakia exceeding 35% and PROFI CREDIT Bulgaria reaching 65%.

PROFIDEBT division have used its opportunities in the period of gradual weakening of financial crisis and managed to increase its purchase volume of claims at a level almost 60 million of EUR. Banks and financial institutions, which represent the target group of clients, increasingly use the services of external specialists and entrust them with the recovery of their claims.

The sale of claims has also become a standard instrument. Therefore, it is probable that, in a year to year comparison, the growth of this sector will be within several tenths of percents for the next few years.

The goal of the 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 GENERAL MANAGER



Ing. Karol Jurák

General Manager

Ladies and gentlemen, dear business partners,

If we want to appraise development of Profidebt Slovakia, s.r.o activities, let me recall that in 2010 we encountered consequences of financial crisis a throughout the year, we tried to moderate these negative impacts by economical measures. Despite that we succeeded in meeting our basic goal to successfully penetrate the CMS (Credit Management Services - mandate administration of claims) market, where, thanks to our business policy, we succeeded and performed services for the companies Tatra banka a.s., Poštová banka a.s., OVB Allfinanz Slovensko, a.s., Slovenská sporiteľňa, a.s, while in the all-slovak criterion we showed the highest interyear growth in the market in number and volume of managed assets included in our mandate administration, also in 2010 we engaged the third place in the volume of managed receivables in the CMS and also third place in terms of volume of purchased receivables.

Year and of 2010, we managed an active portfolio with an amount of almost 90 thousand active claims, with a total volume of more than 64 million Euro. In the year 2010, we finished our modern call center with automatic processing maps which significantly contributed to the success of the offered CMS services. We have significantly sped up communication between the telephone exchange and our IS, we have improved the receivables system of the Call & Support Center and we have introduced coaching operators on the basis of specific performance statistics. All these steps led to the creation of highly efficient workplace, resulting in a significant improvement in the efficiency of collection of own claims and claims in the CMS. A valuable evidence of the success of this project is the entire group result in acclamation for receivables of the PROFI CREDIT, where we achieved the highest collection efficiency in CALL collection across the entire PROFIREAL GROUP, while also all the most important competitors from the market of collection agencies were invited to attend this test. In 2010 there was also difficult situation in collection network environment. Despite the problems in the first quarter of 2010 was again successfully introduced an incentive strategy of network management, which culminated at the end of 2010 through a series of progressively implemented incentive contests and network support in selected portfolios that brought achieve historic highs in November 2010 and continuing improvement of collection efficiency of the company in all packages of purchased and managed receivables.

In the year 2010, we significantly improved the communication system with contractual distrainers, we introduced comparable measures of their work effectiveness, a system of regular evaluation of the results of activities of distrainers and assignment system of claims to collection enforcement, depending on the efficiency of collection, which has brought us a stable collection in executions in the old packages. An important project was the introduction of an electronic communication channel, which serves to data exchange between PROFIDEBT Slovakia and individual Executor Offices. Following the above, we have introduced a comprehensive system of payments checks on debt recovery and cooperation system at the enforced collection. Whereas the year 2010 was generally focused on searching reserves, we performed a personal audit and the company organization structure was optimized to meet strict criteria.

The year 2010 represented a major commercial success especially in the last quarter of 2010. Due to excellent references, good quality business, excellent presentation of know - how at the leading companies in Slovakia, we managed to pass in tenders of large operators, energy companies and some banks.

In the year 2011, we will focus our business activities on acquiring new significant partners for mandate administration of claims. We intend to participate again in all important tenders for the sale of retail claims, as well as using a statistical model of portfolio analysis for the optimization of proposed purchase prices.

Fundamental element will be keeping in all important cooperation's with goal subjects in CMS and achievement of required collections efficiency of the portfolios purchased in 2009 and 2010.

In 2011 the company is ready to break through the field of purchasing retail receivables more significantly.

We intend to expand the portfolio of our services to use all of our competitive advantages, especially the ownership of an all-republic network of collection agents, our own IS, the acquired database of debtors (based on their consent using personal data), automatic process maps including an automated control of process abiding, using a trademark for the purposes of bulk claims administration, etc. The initiated trend is a proof that the company has established itself on the market and the path it took was correct.

The results achieved in previous years and maintaining the company on the market in the conditions of the damping-out financial crises is proof that the company is capable of further growth and has a lot to offer its partners.

I would like to hereby thank our business partners as well as the company owner for their trust, our employees, collection agents, regional managers, arbiters, and distrainers for their constant hard work and I believe that our common efforts will bring excellent results in 2011, that move the company more towards the “black accounting figures”.

I wish many successes to PROFIDEBT Slovakia, s.r.o. in 2011 and beyond.



Ing. Karol Jurák

General Manager

3. CHARAKTERISTICS OF PROFIDEBT SLOVAKIA, S.R.O.

3.1 Company bodies



Ing. Karol Jurák

Executive

After completion of his studies in Piešťany, he graduated from the Faculty of Economic Computer Studies and Accounting at the University of Economics in Bratislava. In February 2001 he started at PROFICREDIT Slovakia, s.r.o. as a Financial Analyst. Gradually, he became a Financial Director of PROFICREDIT Slovakia, s.r.o. and an Executive of PROFIDEBT Slovakia, s.r.o. Since May 2006, he has worked as the Chief Executive Officer of PROFIDEBT Slovakia, s.r.o. and, he is also a Board member of PROFICREDIT Czech, a.s. since June 2006. Since July 2009, he is a Board Member of the parent company PROFIREAL Group SE. In the position of Chief Executive Officer of the PROFIDEBT Division, he is fully liable for the coordination of activities of all the companies of the PROFIDEBT Division.



Marian Ganaj

Executive

After graduating from the Military Secondary School in 1979 and following technical practice, he gradually gained experience in the banking and finance sector (in, among others, GE Capital Leasing, a.s., as a Collection Manager). Subsequently, he was accepted to PROFICREDIT Czech, a.s. in the position of a distrainer agent. In 2005, he was nominated to the position of the Executive Director of PROFIDEBT, s.r.o. which specializes in the purchase and recovery of claims. He is responsible for the coordination of activities of all the PROFIDEBT sectors.



Mgr. Martin Jakub Mlynár
Executive

He graduated the Faculty of Political sciences at the University of Trenčín. He worked in several companies, mostly as a Product Manager, until 2007. He joined the PROFIDEBT Slovakia, s.r.o., company, in the same year, where he gathered experiences at the following positions: Head of Sales Department up to Chief Executive Officer. In April 2010, he moved to the daughter company PROFI CREDIT Slovakia, s.r.o., to hold the function of Chief Executive Officer and was also appointed to the Executive of the company. In January 2011 he returned to Profidebt Slovakia, s.r.o. to hold the function of Executive Manager.



Ing. Marcel Mešter
Executive

After he accomplished studies at grammar school in Bratislava, he graduated at Faculty of Macroeconomics, specialization Finances and banking at the University of Economy, Bratislava. In October 2004 he joined the company PROFI CREDIT Slovakia, s.r.o. as Assistant of Operation Department. In May 2005 he transferred to daughter company PROFIDEBT Slovakia, s.r.o. as a Financial Analyst. In February 2006 he became a Collection Manager. Since October 2006 he is in function of the Financial Manager of the company. He is responsible for implementation of economic indicators in the company. He was appointed to function of Executive of PROFIDEBT Slovakia, s.r.o. from April 2010.

Top management

Ing. Karol Jurák	Chief Executive Officer / General Manager of PROFIDEBT Division
Ing. Marcel Mešter	Financial Manager / Deputy of Chief Executive Officer
Mgr. Martin Jakub Mlynár	Executive Head
Daniel Tóth	Collection Manager
Tomáš Orban	IT Manager
Ivan Klamo	Collecting Network Manager

3.2 Company profile

PROFIDEBT Slovakia, s.r.o., with registered office in Bratislava, was established by entry in the Commercial Register on March 17th, 2005 as a subsidiary company of PROFIREAL, a.s. Currently, it is a member of the international financial alliance PROFIREAL Group with parent company PROFIREAL Group SE with registered office in the Netherlands in Amsterdam at Arlandaweg 12, 1043 EW (since 8 February 2011 with registered office in the Netherlands at Hoofddorp, Saturnusstraat 25 j., 2132 HB).

PROFIDEBT Slovakia, s.r.o. (hereinafter only PROFIDEBT Slovakia) is one of the biggest companies operating in the receivables market. The company specializes not only in the purchase and recovery of due receivables, but also in credit management services of big or small portfolios. Despite the fact that PROFIDEBT Slovakia has only operated on the market since 2005, it has become a strong partner of banks, financial institutions, and business companies in the Slovak Republic. After six years of operation, PROFIDEBT Slovakia has almost 90 thousand receivables in its portfolio with a nominal value of more than 64 million Euro.

A team of specialists and professionals with many years of experience in the field of claims administration, a quality network of collection agents with nationwide coverage, and last but not least a unique information system which leads to the automation of any and all processes of claims administration are behind the successful development of the company.

The mission of PROFIDEBT Slovakia, s.r.o. is to continuously improve the provided services; the company invests financial means in its employees and external coworkers, and uses new technologies and work methods. In its development, PROFIDEBT Slovakia relies on employees with many years of experience in claims administration and the industry knowledge of the parent company.

3.3 Product Offer

In 2010, PROFIDEBT Slovakia, s.r.o. significantly expanded its product range for its business partners in the sector of credit management services based on mandatory management, where it offers its clients complex management of receivables in the following collection phases:

- **EARLY COLLECTION** - phone, SMS, e-mail, and written demands to pay,
- **LATE COLLECTION** - a combination of phone, SMS, e-mail, and written collection using individual systematic visits to the debtors by the collection agents at the home address or workplace of the debtor,
- **LEGAL COLLECTION** - any and all options of court collection, including the legal representation and choice of the executor with the supervision of the course of the executor collection,
- **BANKRUPTCY PROCEEDINGS** - monitoring and claiming the receivables within bankruptcy proceedings, representation of mandates at creditors meeting,
- **WITHDRAWAL OF THE SUBJECT OF LEASING** - on mandate request, we also perform a withdrawal of the subject of leasing (computing technology, vehicles, machines, and devices).

The company provides its customers and business partners with a wide range of services on the highest level, with a stress on individual solutions of needs, quality, and speed. For the clients, all provided products are more economical than taking care of the receivables using their own means. The receivables represent active assets of a company, however, if the portfolio of debtors is not taken care of quickly and efficiently, the value of this active asset sharply drops and brings increased costs related to the administration of the receivable.

By using our services, the client gains the time for full exploitation of its work potential and full focus on its own business without the useless waste of financial means and strength. The business motto of the company is „Everybody should do what he can do the best - leave the care of your receivables to the experts“.

3.4 Business results

In late 2010, total amount of purchased claims was over 18 Millions of EUR. Important partner in frame of claims purchase became VOLKSBANK Slovensko, a.s. We manage claims of CMS in amount more than 46 millions of Euro for the following companies: Slovenská sporiteľňa, a.s., Tatra banka, a.s., Východoslovenská energetika, a.s., Poštová banka, a.s., OVB Allfinanz Slovensko, a.s. and last but not least PROFICREDIT Slovakia, s.r.o.

JANUARY

Successful continuation in CMS tenders - Tatra banka, a.s., Slovenská sporiteľňa, a.s.

FEBRUARY

Active administration of the claims of individuals. Acquisition of new claims to mandate administration.

MARCH

A nationwide conference of collection agents took place, with an evaluation of the results of past year and an introduction of plans and visions for the next period. The results of the annual motivation contests for collection agents were announced.

APRIL

Top-ranking package in frame of CMS from the PROFICREDIT Slovakia, s.r.o. - claims recovery via phone. Revision of the commission system collecting network and setting new automatic processes in the Call & Support Center.

MAY

Acquisition of new claims to mandate administration from EFCON, a.s. - a daughter company OVB Allfinanz Slovensko, a.s. Success at public tender VOLKSBANK Slovensko, a.s. and Slovenská sporiteľňa, a.s.

JUNE

Conclusion of a new framework agreement with Slovenská sporiteľňa, a.s. as well as handing over the first package to the mandate administration. VOLKSBANK Slovensko, a.s. ceded a first package of receivables upon a new general contract.

JULY

Top-ranking package from Poštová banka, a.s. handed over to mandate administration. Acquisition of new claims to mandate administration from the company OVB Allfinanz Slovensko, a.s.

AUGUST

VOLKSBANK Slovensko, a.s. ceded a second package of receivables upon a general contract.

SEPTEMBER

Continuation of successful cooperation with the company PROFICREDIT Slovakia, s.r.o. during the telephone claims recovery.

OCTOBER

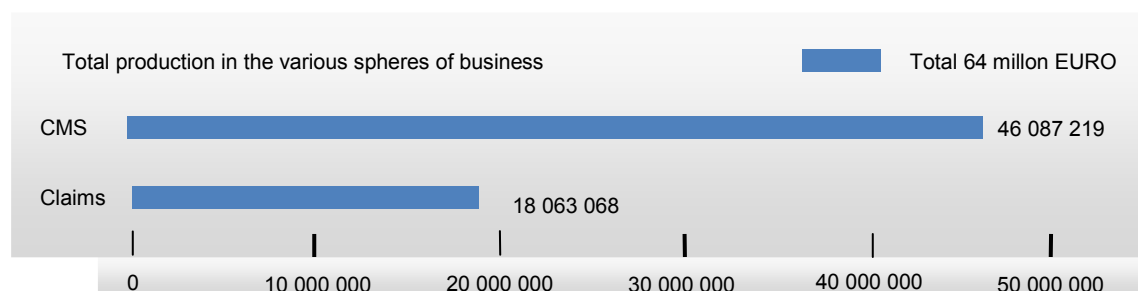
Success at top-ranking project of CMS - visit of the employees of Poštová banka, a.s. in premises of the company on purpose to revise collection processes and expression of satisfaction with the results.

NOVEMBER

Addressing of selected companies in letter form and presentations with regard to cooperation at administration and claims recovery. Active participation in ongoing tenders in major telecommunication and energy companies. Second package from Poštová banka, a.s. handed over to mandate administration.

DECEMBER

VOLKSBANK Slovensko, a.s. submitted the third claims package under the framework agreement. Conclusion of a mandate agreement with the company Východoslovenská energetika, a.s. as well as handing over the first package to mandate administration. Success in tenders CMS – Slovak Telekom, a.s., Slovenský plynárenský priemysel, a.s. and VOLKSBANK Slovensko, a.s.



3.5 Business outlook

PROFIDEBT Slovakia, s.r.o. is a part of the transnational division PROFIDEBT, which has a solid place in the structure of the transnational financial alliance PROFIREAL Group. From the perspective of the division, the basic strategic goal is a massive penetration of the already established markets in the Czech and Slovak Republics, and also following the parent company, its PROFI CREDIT division to be precise, in other countries of Central and Eastern Europe in an attempt to successfully apply its unique expertise.

A strategic goal of PROFIDEBT Slovakia, s.r.o. is to become a strong leader on the market with the most efficient and complex administration of receivables from our own portfolio or from a portfolio entrusted to the mandatory management (CMS - Credit Management Services). The following tools serve to ensure the maximum efficiency and quality of receivables management:

- Detailed and thorough knowledge of the environment in which the debtors operate,
- Quality analysis of portfolios offered for purchase,
- A systematic and automated process of receivables administration including:
 - a) written, phone, and SMS communications to the debtors,
 - b) recovery of owed amounts via the collection network, and collection agents,
 - c) claiming receivables in court proceedings,
 - d) regular supervision of the process of executor collection.

The all-republic network of collection agents, which has the largest part in the company's successes in the all-Slovakia tenders of important business partners, is the guarantee of direct collection efficiency. The care of this „family silver“ is one of the basic strategic tasks of the company.

In 2011, we will continue in making creation of processes of direct collection of the Call & Support Center, and court direct collection more efficient, following the increase of efficiency of the distrainer network where we currently achieve good results. The results from the end of 2010 reassured us that the distrained direct collection will become a very strong generator of efficient direct collection of receivables.

In relation to the performance of its activities, the company puts a great emphasis on abiding by the Ethics Code for employees, as well as for external workers, in addition to abiding by the law. In the short term, the company will exercise its efforts especially to:

- Further spread the positive image of its brand as well as the entire group,
- Improve the knowledge of the public about the quality of its services and position on the market,
- Further development of the processes of complex receivables management (CMS),
- Expansion of the target groups for credit management services towards the public - citizens.

One of the basic medium-term strategic goals of the company is also the elimination of the loss causing economy from the past years, which was caused by inevitable development costs during the initialization as well as a gradual acceleration of proceeds from collection.

In 2011, PROFIDEBT Slovakia, s.r.o. is ready to continue to penetrate the market of CMS of large portfolios as well as individual receivables of natural persons (citizens), entrepreneurs, and legal entities. We will continue to work on classic purchases. The condition for success in this field is undoubtedly to maximally exploit any and all tools of collection available to the company, in all sectors - Early, Late, or Legal Collection.

The results achieved in receivables management give us self-confidence and point to the fact that they are strength of our company and it would be a mistake not to exploit the acquired experience in this quickly growing field

Our long-term strategic goal is the most efficient administration of receivables, both the purchased receivables as well as the receivables entrusted to the credit management program. In this, PROFIDEBT Slovakia, s.r.o. wants to help PROFIREAL Group to fulfill the vision of becoming a strong Middle European group providing a wide assortment of financial services.

3.6 Collection network

The year 2010 was another year of strong development and reorganization of our collection network. Thanks to the fact that the company started to deal not only with the re-purchases of receivables, but also with credit management services, the processes within the collection network had to be adjusted.

A professional collection network with multi-level management is one of the pillars of the successful operation of the company in its main business activity. With the strong support of the information system (IS PROFIDEBT) customized to the needs of the company, business partners, and collection network, along with automatic processes in the individual phases of the life cycle of each individual receivable, the company is able to process thousands of receivables on a highly professional level. Thanks to using these tools, PROFIDEBT Slovakia is able to, with the support of its collection agents in the field, ensure an efficient and fast collection of receivables as well as receivables entrusted in CMS. In this period, the company focused on stabilization and further development of the collection network. The systematic building and development of the network called for, besides the administrative and technical requirements, changes in the personal structure of the entire network; a massive recruitment drive as well as the termination of ineffective specialists was designed to „clean up“ the network. The cooperation is focused on those specialists who are sufficiently motivated to deliver stable results.

The company is particular about the development of human resources as well as on the continuous development of its own information system; a special intranet network, E-GATE, has been created for the collection agents network, serving for the interactive exchange of information with the corporate head office, with the debtor, the client who entrusted the receivables in management, as well as with the contractual distrainer offices. Based on innovations and the continuous evaluation and upgrade of the information system, receivables are assigned to the individual collection agents in such volume and area so that they are able to deal with the pertinent receivables without any undue delay.

In 2010, more than 3 thousand new receivables were assigned in the network of collection agents from our own portfolio, and we assigned approximately 17 thousand receivables to the collection agents network using CMS.

It is also important to mention the quality management of approx. 7 thousand receivables for our sibling company PROFI CREDIT Slovakia, s.r.o.

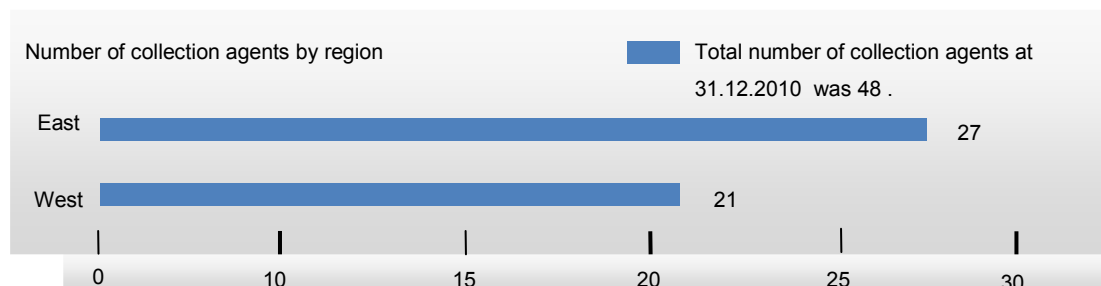
From the information above, it is clear that a significant improvement in the number and volume of new receivables entrusted to the collection agent network occurred in 2010, which imposed increased demands on the work of the collection agents as well as the central company. Based on the development of the collection of receivables in time, it is possible to state that the final efficiency of collection from receivables assigned in 2010 is comparable to the efficiency of the packages assigned in the previous years. It means that the collection network was able to work effectively with receivables in 2010, despite the financial crisis.

This fact, along with the higher quality and efficiency of the work system of the central office in other phases of collection, gives us a warranty for the preservation of the profitability of the purchased portfolio in the future as well as commissions from CMS.

The collection agents work for PROFIDEBT Slovakia, s.r.o. on a contractual basis, whereas territorially they operate within the entire Slovak Republic and are divided in 2 regions which coordinate their activities with an emphasis on speed and efficiency of collection. The employees and external workers of PROFIDEBT Slovakia abide by the legal regulations of the Slovak Republic as well as the company policy during the performance of their work and recovery of receivables, which involves a thorough adherence to the Ethics Code. The company employees and external workers are regularly trained and educated and their approach is highly professional.

The strategy of PROFIDEBT Slovakia in the area of business is focused on the following products:

- Purchase of receivables due to provided credits, loans, installment payments, leasings, and bank or non-bank mortgages,
- Purchase of due risk bank receivables (Non Performance Loans),
- Purchase of receivables towards natural and legal persons due to provided telecommunication or energetic services,
- Complex management of receivable portfolios of the above listed types,
- Comprehensive administration of receivables of individuals.



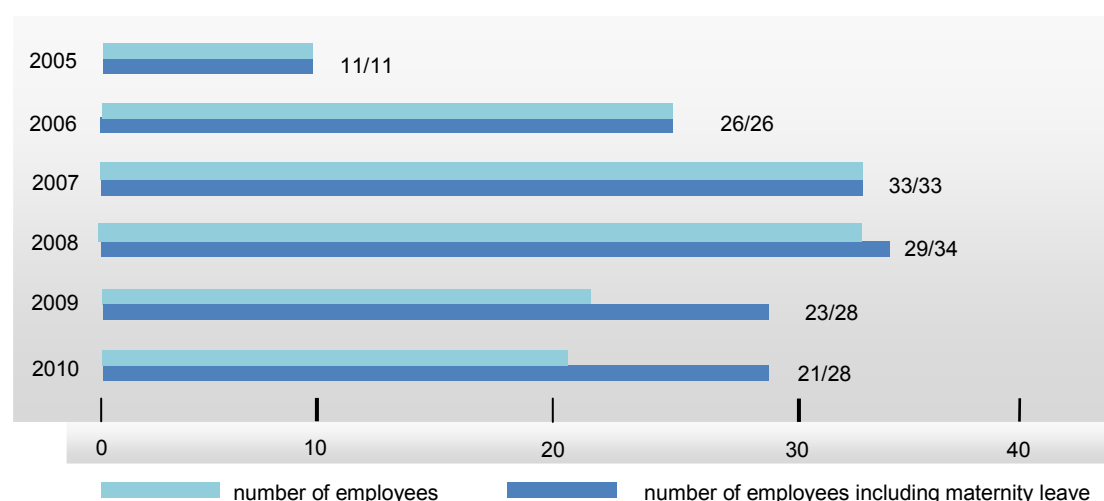
3.7 Employees

As of December 31st, 2009, PROFIDEBT Slovakia, s.r.o. had 21 employees. All the company employees work in the registered office which is at the same time the Back - Office.

The company is based on employees who have already acquired experience in work for the company and, at the time of their employment, already have knowledge in the field of management and the recovery of receivables. Based on this criteria and regular internal and external training, it is possible to state that the company has employees who are at a very high professional level.

PROFIDEBT Slovakia, s.r.o. is a young company with an average age of 30 years, representing a team of young and dynamic people with high ambitions. The company is strongly focused on results, and therefore any activities of employees leading to added value for the company are welcome and accordingly appreciated.

The goal of the company is to provide services on a maximum level, so in the future, the improvement of professional skills, knowledge, and improvement of language skills will be stressed by supporting specialized educational courses, seminars, and language education.



4. PROPOSAL OF EXECUTIVES FOR SETTLEMENT OF ECONOMIC RESULT FOR 2010

Based on the financial statement for 2010, the company Executives state that the company achieved a loss in the amount of - 1 261 440 Euro. They suggest transferring this loss to the account – Unpaid loss of previous years. The Executives suggest paying the incurred loss with the profit created in the upcoming years.

5. INDEPENDENT AUDITOR'S REPORT



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Profidebt Slovakia, s.r.o.

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of Profidebt 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' 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 Companies' 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 Profidebt 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

Without qualifying our opinion, we draw attention to Note IV.I. to the financial statements. As at 31 December 2010, the Company reported negative equity of EUR 4 505 776 and negative results of operations from the ordinary course of business after taxes in the amount of EUR 1 261 440. The Company's ability to continue as a going concern depends on the financial support from its parent company. The accompanying financial statements include no adjustments that would have been necessary if the Company were unable to continue as a going concern.

As stated in 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 receivables. Actual results may differ from these estimates and the difference may be material.

Bratislava 18 March 2011

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

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

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Member of Deloitte Touche Tohmatsu

6. FINANCIAL STATEMENTS

6.1 Balance Sheet as of 31. 12. 2010

Description	ASSETS	Line	Current Reporting Period			Immediately Preceding Reporting Period
			Gross 1 (part 1) (EUR)	Correction 1 (part 2) (EUR)	Net 2 (EUR)	Net 3 (EUR)
a	b	c				
	Total assets (I. 002 + I. 031 + I. 061)	001	8 878 947	6 524 608	2 354 339	2 456 119
A.	Non-current assets (I. 003 + I. 012 + I. 022)	002	300 484	259 426	41 058	91 297
A.I.	Total non-current intangible assets (I. 004 to I. 011)	003	41 601	28 183	13 418	17 213
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	38 278	26 576	11 702	14 832
A.I.4.	Valuable rights (014) - /074, 091A/	007	3 323	1 607	1 716	2 381
A.I.5.	Goodwill (015) - /075, 091A/	008	-	-	-	-
A.I.6.	Other non-current intangible assets (019, 01X) - /079, 07X, 091A/	009	-	-	-	-
A.I.7.	Non-current intangible assets in acquisition (041) - 093	010	-	-	-	-
A.I.8.	Advance payments for non-current intangible assets (051) - 095A	011	-	-	-	-
A.II.	Total non-current tangible assets (I. 013 to I. 021)	012	258 883	231 243	27 640	74 084
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	258 883	231 243	27 640	74 084
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	-	-	-	-
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 (I. 023 to I. 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	-	-	-	-

Description	ASSETS	Line	Current Reporting Period			Immediately Preceding Reporting Period
			Gross 1 (part 1) (EUR)	Correction 1 (part 2) (EUR)	Net 2 (EUR)	Net 3 (EUR)
a	b	c				
B.	Current assets (I. 032 + I. 040 + I. 047 + I. 055)	031	8 577 333	6 265 182	2 312 151	2 364 084
B.I.	Total inventory (I. 033 to I. 039)	032	-	-	-	-
B.I.1.	Raw materials (112, 119, 11X) - /191, 19X/	033	-	-	-	-
B.I.2.	Work-in-progress and semi-finished goods (121, 122, 12X) - /192, 193, 19X/		-	-	-	-
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 (I. 041 to I. 046)	040	-	-	-	-
B.II.1.	Trade receivables (311A, 312A, 313A, 314A, 315A, 31XA) - 391A		-	-	-	-
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	-	-	-	-
B.III.	Total current receivables (I. 048 to I. 054)	047	8 547 069	6 265 182	2 281 887	2 273 832
B.III.1.	Trade receivables (311A, 312A, 313A, 314A, 315A, 31XA) - 391A	048	8 544 713	6 265 182	2 279 531	2 271 998
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	16	-	16	14
B.III.7.	Other receivables (335A, 33XA, 371A, 373A, 374A, 375A, 376A, 378A) -391A	054	2 340	-	2 340	1 820
B.IV.	Total financial accounts (I. 056 to I. 060)	055	30 264	-	30 264	90 252
B.IV.1.	Cash on hand (211, 213, 21X)	056	4 833	-	4 833	5 150
B.IV.2.	Bank accounts (221A, 22X +/-261)	057	25 431	-	25 431	85 102
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 (I. 062 to I. 065)	061	1 130	-	1 130	738
C.1.	Non-current deferred expenses (381A, 382A)	062	-	-	-	-
C.2.	Current deferred expenses (381A, 382A)	063	1 130	-	1 130	738
C.3.	Non-current accrued income (385A)	064	-	-	-	-
C.4.	Current accrued income (385A)	065	-	-	-	-

Description a	EQUITY AND LIABILITIES b	Line c	Current Reporting Period	Immediately Preceding Reporting Period
			5 (EUR)	6 (EUR)
	Total equity and liabilities (I. 067 + I. 088 + I. 119)	066	2 354 339	2 456 119
A.	Equity (I. 068 + I. 073 + I. 080 + I. 084 + I. 087)	067	(4 505 776)	(3 244 336)
A.I.	Total registered capital (I. 069 to I. 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 (I. 074 to I. 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 (I. 081 to I. 083)	080	-	-
A.III.1.	Legal reserve fund (421)	081	-	-
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 (I. 085 + I. 086)	084	(3 250 975)	(2 109 503)
A.IV.1.	Retained earnings from previous years (428)	085	-	-
A.IV.2.	Accumulated losses from previous years (/ -/429)	086	(3 250 975)	(2 109 503)
A.V.	Profit/loss for current reporting period after taxation			
	/+/-I.001-(I. 068 + I.073 + I.080 + I.084 + I.088 + I.119)	087	(1 261 440)	(1 141 472)
B.	Liabilities (I. 089 + I. 094 + I. 105 + I. 115 + I. 116)	088	6 762 868	5 625 478
B.I.	Total provisions for liabilities (I. 090 to I. 093)	089	83 115	61 737
B.I.1.	Legal long-term provisions for liabilities (451A)	090	-	-
B.I.2.	Legal short-term provisions for liabilities (451A)	091	29 909	36 584
B.I.3.	Other long-term provisions for liabilities (459A, 45XA)	092	-	-
B.I.4.	Other short-term provisions for liabilities (323A, 32X, 459A, 45XA)	093	53 206	25 153
B.II.	Total non-current liabilities (I. 095 to I. 104)	094	6 575 931	5 455 458
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	4 174	3 701
B.II.9.	Other long-term payables (474A, 479A, 47XA, 372A, 373A, 377A)	103	6 571 757	5 451 757
B.II.10.	Deferred tax liability (481A)	104	-	-

Description a	EQUITY AND LIABILITIES b	Line c	Current Reporting Period	Immediately Preceding Reporting Period
			5 (EUR)	6 (EUR)
B.III.	Total current liabilities (I. 106 to I. 114)	105	103 822	108 283
B.III.1.	Trade payables (321, 322, 324, 325, 32X, 475A, 478A, 479A, 47XA)	106	33 063	30 322
B.III.2.	Unbilled supplies (326, 476A)	107	22 714	17 610
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	22 592	27 039
B.III.7.	Social security insurance payables (336, 479A)	112	12 553	14 350
B.III.8.	Tax liabilities and subsidies (341, 342, 343, 345, 346, 347, 34X)	113	12 826	15 616
B.III.9.	Other payables (372A, 373A, 377A, 379A, 474A, 479A, 47X)	114	74	3 346
B.IV.	Short-term financial assistance (241, 249, 24X, 473A, -/255A)	115	-	-
B.V.	Bank loans (I. 117 + I. 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 (I. 120 to I. 123)	119	97 247	74 977
C.1.	Non-current accrued expenses (383A)	120	-	-
C.2.	Current accrued expenses (383A)	121	97 247	74 977
C.3.	Non-current deferred income (384A)	122	-	-
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	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	296 297	400 100
II.1.	Revenues from the sale of own products and services (601, 602)	05	296 297	400 100
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	469 537	599 256
B.1.	Consumed raw materials, energy and other non-inventory supplies (501, 502, 503, 505A)	09	36 982	31 755
B.2.	Services (Accounting Group 51)	10	432 555	567 501
+	Added value (I. 03 + I. 04 - I. 08)	11	(173 240)	(199 156)
C.	Total personnel expenses (I. 13 to I. 16)	12	476 697	622 270
C.1.	Wages and salaries (521, 522)	13	344 420	460 915
C.2.	Remuneration of board and co-operative members (523)	14	19 044	18 137
C.3.	Social insurance expenses (524, 525, 526)	15	101 812	129 957
C.4.	Social expenses (527, 528)	16	11 421	13 261
D.	Taxes and fees (Accounting Group 53)	17	103 844	192 092
E.	Amortisation & depreciation and provisions for non-current intangible and non-current tangible assets (551, 553)	18	55 535	64 518
III.	Revenues from the sale of non-current assets and raw materials (641, 642)	19	3 926	162
F.	Net book value of non-current assets and raw materials sold (541, 542)	20	3 650	1 129
G.	Additions to and release of provisions for receivables (+/- 547)	21	1 274 366	1 225 112
IV.	Other operating revenues (644, 645, 646, 648, 655, 657)	22	2 077 722	1 998 742
H.	Other operating expenses (543, 544, 545, 546, 548, 549, 555, 557)	23	260 822	66 046
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	(266 506)	(371 419)
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	-	-

Description	ITEM	Line	Actual	
			Current Reporting Period	Immediately Preceding Reporting Period
			4	5
a	b	c	(EUR)	(EUR)
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	10	82
N.	Interest expense (562)	39	915 763	743 457
XI.	Foreign exchange gains (663)	40	4 512	1 868
O.	Foreign exchange losses (563)	41	1 540	24 384
XII.	Other revenues from financing activities (668)	42	-	-
P.	Other costs of financing activities (568, 569)	43	82 153	4 162
XIII.	Transfer of financial revenues (-) (698)	44	-	-
R.	Transfer of financial expenses (-) (598)	45	-	-
*	Profit/loss from financing activities (I. 27 - I. 28 + I. 29 + I. 33 - I. 34 + I. 35 - I. 36 - I. 37 + I. 38 - I. 39 + I. 40 - I. 41 + I. 42 - I. 43 + (-I. 44) - (-I. 45))	46	(994 934)	(770 053)
**	Profit/loss from ordinary activities before taxation (I. 26 + I. 46)	47	(1 261 440)	(1 141 472)
S.	Income tax on ordinary activities I. 49 + I. 50	48	-	-
S.1.	- Current (591, 595)	49	-	-
S.2.	- Deferred (+/- 592)	50	-	-
**	Profit/loss from ordinary activities after taxation (I. 47 - I. 48)	51	(1 261 440)	(1 141 472)
XIV.	Extraordinary revenues (Accounting Group 68)	52	-	-
T.	Extraordinary expenses (Accounting Group 58)	53	-	-
*	Profit/loss from extraordinary activities before taxation (I. 52 - I. 53)	54	-	-
U.	Income tax on extraordinary activities (I. 56 + I. 57)	55	-	-
U.1.	- Current (593)	56	-	-
U.2.	- Deferred (+/- 594)	57	-	-
*	Profit/loss from extraordinary activities after taxation (I. 54 - I. 55)	58	-	-
***	Profit/loss for reporting period before taxation (+/-) (I. 47 + I. 54)	59	(1 261 440)	(1 141 472)
V.	Profit/loss of partnership transferred to partners (+/- 596)	60	-	-
***	Profit/loss for reporting period after taxation (+/-) (I. 51 + I. 58 - I. 60)	61	(1 261 440)	(1 141 472)

6.3 Cash Flow Statement

Description	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 (+/-)	(1 261 440)	(1 141 472)
A.1.	Non cash transactions effecting profit/loss from ordinary activities before income tax(+/-)	2 457 829	2 029 644
	Amortization and depreciation of non-current intangible and tangible assets (+)	55 535	64 518
	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 (+/-)	21 378	(1 083)
	Change in provisions for assets (+/-)	1 274 366	1 225 112
	Change in expense and revenues accruals (+/-)	6 783	(4 310)
	Dividends and other profit sharing charged to revenues (-)	-	-
	Interest charged to expenses (+)	915 763	743 457
	Interest charged to income (-)	(10)	(82)
	Foreign exchange gains/losses (+/-)	(52)	(191)
	Profit/loss on sales of non-current assets except for those assets considered as cash equivalents (+/-)	(276)	996
	Other non-cash items (+/-)	184 342	1 226
A.2.	Effect of changes in working capital on profit/loss from ordinary activities	(1 467 476)	(1 653 553)
	Change in receivables from operations (-/+)	(1 466 639)	(1 643 718)
	Change in payables from operations (+/-)	(837)	(9 835)
	Change in inventories (-/+)	-	-
	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.)			
		(271 087)	(765 381)
	Interest received (+)	10	82
	Interest paid (-)	(900 667)	(724 788)
	Dividends and other profit sharing received (+)	-	-
	Dividends and other profit sharing paid (-)	-	-
	Income tax paid (-/+)	(2)	154
	Extraordinary income related to operations (+)	-	-
	Extraordinary expenditures related to operations (-)	-	-
A.	Net cash flow from operating activities	(1 171 746)	(1 489 933)

Description	Item	Actual amount in EUR	
		Current Rep. Period	Previous Rep. Period
Cash flow from investing activities			
	Expenditures for acquisition of non-current intangible assets (-)	(4 215)	(910)
	Expenditures for acquisition of non-current tangible assets (-)	(4 731)	(2 743)
	Income on sale of non-current intangible assets (+)	-	-
	Income on sale of non-current tangible assets (+)	3 926	133
B.	Net cash flow from investing activities	(5 020)	(3 520)
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	1 116 728	1 494 875
	Income on issue of debt securities (+)	-	-
	Settlement of payables arising from lease of set of movable and immovable assets used and depreciated by a lessee (-)	(3 272)	(6 885)
	Income on other non-current and current payables resulting from financing activities of the Company (+)	1 120 000	1 501 760
C.	Net cash flows from financing activities	1 116 728	1 494 875
D.	Net increase or net decrease in cash and cash equivalents (+/-) (aggregate A+B+C)	(60 038)	1 422
E.	Cash and cash equivalents at the beginning of the reporting period	90 252	88 639
F.	FX gains/losses for cash and cash equivalents as at the reporting date (+/-)	50	191
G.	Cash and cash equivalents at the end of the reporting period (D + E + F)	30 264	90 252

6.4 Notes to the financial statements as of 31.12.2010

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	Profidebt Slovakia, s.r.o. Mliekarenská 10, 821 09 Bratislava
Date of establishment	28. Feb 2005
Date of incorporation (according to the Commercial Register)	17. Mar 2005
Business activities	Procurement and subsequent enforcement of receivables in its own name or on its own account

2. Employees

Number of employees as at 31 Dec 2010	21
<i>Of which: Managers</i>	6

3. Unlimited Guarantee

Profidebt Slovakia, s.r.o. (hereinafter also the “Company”) is not a limited liability partner in any other reporting entities.

4. Basis of Preparation of the Financial Statement

These financial statements represent the annual separate financial statements of Profidebt 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, i.e. the Act on Accounting and Accounting Procedures for Businesses.

5. Approval of the 2009 Financial Statements

On 8 June 2010, the General Meeting approved the 2009 financial statements of Profidebt Slovakia, s.r.o.

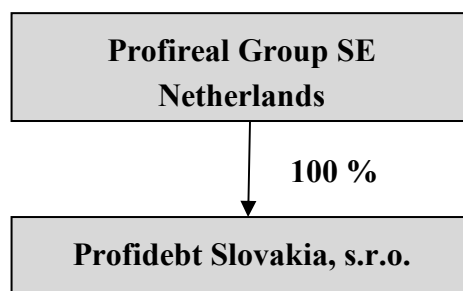
6. Members of the Company's Bodies

Body	Funktion	Name
Management	Executive and CEO	Mgr. Martin Jakub Mlynár
	Executive	Ing. Karol Jurák
	Executive	Marián Ganaj
	Executive	Ing. Marcel Mešter (establishment of office as of 8 April 2010)
	Executive	Pavol Antálek (termination of office as of 8 April 2010)

7. Structure and Shares in the Registered Capital

Partners	Share in Registered Capital		Voting Rights
	EUR	%	
Profireal Group SE			
Arlandaweg 12, 1043 EW Amsterdam	6 639	100	100
Netherlands			

8. Consolidated Financial Statements



Profidebt Slovakia, s.r.o. is a subsidiary of Profireal Group SE (based in Amsterdam at Arlandaweg 12, 1043 EW, 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 Profidebt Slovakia, s.r.o.

The consolidated financial statements of Profireal Group SE are available at its registered seat (Amsterdam, Arlandaweg 12, 1043 EW, Netherlands).

	<i>Ultimate Parent Company</i>	<i>Direct Parent Company</i>
Name	Profireal Group SE	Profireal Group SE
Seat	Arlandaweg 12, 1043 EW Amsterdam, Netherlands	Arlandaweg 12, 1043 EW Amsterdam, Netherlands
Consolidated financial statements have been filed at:	Arlandaweg 12, 1043 EW Amsterdam, Netherlands	Arlandaweg 12, 1043 EW Amsterdam, Netherlands

Profidebt Slovakia s.r.o. is a fellow subsidiary of PROFI CREDIT Czech, a.s. (Czech Republic), Profidebt, s.r.o. (Czech Republic), PROFI CREDIT 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), all of which are owned by PROFIREAL Group SE (Netherlands).

II. ACCOUNTING PRONCIPLES 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. As at 31 December 2010, the Company reported negative equity of EUR 4 505 776 and negative results of operations from the ordinary course of business after taxes in the amount of EUR 1 261 440. The Company is dependent on financing provided by a non-banking institution that represents 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 due according to 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 declared in writing its commitment that it will provide full financial support to the Company to maintain the adequate liquidity for the following 12 months in order to ensure the Company's ability to continue in its operations.
3. Revenues and costs are recognized 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. Recognition of revenues – revenues (mainly accrued interest, contractual damages, penalty interest, and revenues from debt-acknowledgement agreements) have been accounted for under the accrual principle. Recognition of revenues from purchased receivables is also described in Note II.12.
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. Estimates and the related assumptions have been based on prior experience and other various factors regarded as adequate 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 recorded in the period in which the estimate was corrected provided that the correction in question has an impact on that period only, or in the period of correction, and in the future periods, provided that the correction has an impact on the current as well as future periods.

The most significant area requiring subjective judgment is the creation of provisions for assets. The creation of provisions for losses incurred from purchased receivables involves significant uncertainties relating to the results of indicated risks and requires the Company's management to make many subjective judgments when estimating losses and future recoverability of receivables. 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) Receivables:
 - When originated or acquired for no consideration – at face value.
 - When acquired (assigned) for consideration or through a contribution to the registered capital – at cost.

For receivables, the provision is included in the Correction column where the values of the receivable are adjusted to their present value.

- b) Deferred expenses and accrued income – at the anticipated face value.
- c) Dlhodobý 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).
- d) 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 recognized 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.
- e) Liabilities when incurred, including borrowings and loans - at face value.
Interest-bearing borrowings and loans is recorded on an accrual basis.

- f) Provisions for liabilities – at the anticipated amount payable.
- g) Accrued expenses and deferred income – at the anticipated face value.
- h) 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.
- i) Deferred income taxes are recognized 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, i.e. 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 recognized at the anticipated amount payable. The Company creates provisions for the preparation and disclosure of financial statements, for bonuses and related contributions, unused vacation days and related contributions, contractual fines and an audit. The amount of provisions and the grounds for their recognition are assessed as at the reporting date.
- **Provisions for assets** - are recorded in the amount of a justifiable assumption of the impairment of assets when compared to their valuation in the accounting books.

Provisions for assets are recorded for overdue receivables in compliance with the internal accounting guideline and Annex thereto – Methodology for Creating Provisions for Assets.

In creating provisions for receivables, each package purchased is assessed and evaluated separately. The percentage breakdown of installments is analyzed, ie the ratio of the purchase price and revenues recorded after the moment of purchasing the receivable. It is based upon the current recoverability of the package of receivables, ie the analysis of actual collections and the specification of individual payables, taking their age, probity, structure and estimated total collection of receivables in the coming years into consideration. The specified ranking of the reconciliation of payables is important for purchased packages of receivables, which influence the percentage of provisions created for a specific group of receivables. The ranking of the reconciliation of specific payables is always determined when purchasing a package of receivables, and is annexed to the internal accounting guideline of the Company. This guideline is updated according to actual purchases of receivables.

In compliance with the method above, the Company recorded provisions for receivables in 2010 as follows:

- 66,62 % of the residual purchase price of receivables (2009: 60,65 %),
- 78,14 % of the residual receivable from posted accrued interest – new (2009: 76,41 %),
- 81,65 % of the accumulated receivable from unpaid contractual fines and penalties (2009: 80,28 %),
- 71,93 % of the accumulated outstanding receivable from agreements on debt acknowledgement (2009: 63,58 %),
- 83,34 % of the accumulated unpaid receivable from the contractual fine pursuant to the original contract – lump-sum fine on certain packages of receivables (2009: 78,19%).

- **Depreciation plan**

Non-current tangible and intangible assets are depreciated according to a depreciation plan that takes into account an estimate of their actual useful lives. Assets are depreciated over their estimated useful lives corresponding to the consumption of future economic benefits arising from such assets. The straight-line accounting depreciation method is applied. Assets are depreciated starting in the month following the month when such assets are placed into service. In 2010, the depreciation plan of accounting depreciation of tangible and intangible assets is based on the depreciation method in accordance with the depreciation policy of the Profireal Group.

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 %
Copiers	5 years	20 %
Other low-value assets	2 years	50 %
Fixtures & fittings	5 years	20 %
Software	5 years	20 %

Tax depreciation is applied at rates specified in the Income Taxes Act applicable for straight-line depreciation.

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. Recognition of Purchased Receivables

Recognition of Purchased Receivables

In respect of recording acquired receivables, the basis for quantifying the purchase price (cost) is the face value of the receivable, regardless of what was originally included. For the purposes of recognition, the face value including the principal and interest accrued since the date of purchase is named “book principal”. Upon the purchase of a receivable, in addition to the original unpaid principal, all default interest and penalties stemming from the original contract as at the date of transferring the receivable are also included in the book principal.

In respect of purchasing a package of receivables, when quantifying the cost each individual receivable in the purchased package is given separate consideration and, unless otherwise stated, the cost of an individual receivable is quantified as the percentage that served as the basis for the calculation of the purchase price of the whole package, from the amount of the book principal.

In respect of accounting reporting, the balance of the uncollected portion of the cost of the purchased receivables is reported at the end of the reporting period (under Assets).

When collecting instalments of purchased receivables, the Company takes into consideration the breakdown of instalments to the ratio of the cost and income posted after the receivable was purchased. In the calculation of the breakdown, the ratio of the cost paid to the volume of the book principal is of key importance. The instalments received are broken down in this ratio to a portion decreasing the cost and a portion allocated to recognised income until the book principal is fully paid.

Any recovery of a receivable is, proportionally, tax effective income immediately after the payment.

When recognising other receivables from clients, the following principle is applied: such other receivables become taxable income only after they are paid. Thus, it is necessary to determine the ranking of their matching in the case of collections received. The ranking of the matching depends on the type of contract, the violation of which resulted in the origination of the receivable (usually a loan or borrowing contract).

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**

<i>Balance Sheet Line</i>	<i>Software Valuable Rights 006, 007</i>	<i>Non-Current Intangible Assets in Acquisition 010</i>	<i>Total 003</i>
Cost			
At 1 Jan 2010	37 386	-	37 386
Additions	-	4 215	4 215
Disposals	-	-	-
Transfers	4 215	(4 215)	-
At 31 Dec 2010	41 601	-	41 601
Accumulated Depreciation			
At 1 Jan 2010	20 173	-	20 173
Charge for the year	8 010	-	8 010
Additions	-	-	-
Disposals	-	-	-
Transfers	-	-	-
At 31 Dec 2010	28 183	-	28 183
Provisions			
At 1 Jan 2010	-	-	-
Additions	-	-	-
Disposals	-	-	-
Transfers	-	-	-
At 31 Dec 2010	-	-	-
Net Book Value			
At 1 Jan 2010	17 213	-	17 213
At 31 Dec 2010	13 418	-	13 418

In 2010, additions to intangible assets include software purchased from an independent supplier.

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

<i>Balance Sheet Line</i>	<i>Separate Movable Assets and Sets of Movables</i>	<i>Non-Current Tangible Assets in Acquisition</i>	<i>Total</i>
	<i>015</i>	<i>019</i>	<i>012</i>
Cost			
At 1 Jan 2010	280 110	-	280 110
Additions	-	4 731	4 731
Disposals	(25 958)	-	(25 958)
Transfers	4 731	(4 731)	-
At 31 Dec 2010	258 883	-	258 883
Accumulated Depreciation			
At 1 Jan 2010	206 026	-	206 026
Charge for the year	47 525	-	47 525
Additions	3 650	-	3 650
Disposals	(25 958)	-	(25 958)
Transfers	-	-	-
At 31 Dec 2010	231 243	-	231 243
Provisions			
At 1 Jan 2010	-	-	-
Additions	-	-	-
Disposals	-	-	-
Transfers	-	-	-
At 31 Dec 2010	-	-	-
Net Book Value			
At 1 Jan 2010	74 084	-	74 084
At 31 Dec 2010	27 640	-	27 640

The additions to separate movable assets include other low-value assets in the amount of EUR 4 731. The bulk of disposals in separate movable assets in the amount of EUR 25 610 results from the sale of a passenger vehicle.

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

<i>Insured Item</i>	<i>Type of Insurance</i>	<i>Insured Amount (Net Book Value of Insured Assets)</i>		<i>Name and Seat of the Insurance Company</i>
		<i>2010</i>	<i>2009</i>	
	Motor hull			Generali Slovensko poisťovňa, a.s.
Passenger vehicles	insurance and	-	21 984	Plynárenská 7/C
	MTPL			824 79 Bratislava 26

2. **Receivables (Balance Sheet Lines 040 and 047)**2.1. Breakdown of Total Receivables Including the Group:

31. December 2010

<i>Category of Receivables</i>	<i>Within Maturity</i>	<i>Overdue</i>					<i>Total</i>
		<i>< 30 Days</i>	<i>< 90 Days</i>	<i>< 180 Days</i>	<i>< 360 Days</i>	<i>> 360 Days</i>	
Non-current (l. 040)	-	-	-	-	-	-	-
Current (l. 047)	35 186	379	-	-	6 379	8 505 125	8 547 069

As the information system cannot provide information on overdue receivables in the aforementioned structure, the bulk of receivables are included in the category “Overdue more than 360 days”. The estimated structure of receivables in other categories is rather insignificant.

The increase in receivables and the related provisions as compared to 2009 is linked to increases in the Company’s business activity.

31. December 2009

<i>Category of Receivables</i>	<i>Within Maturity</i>	<i>Overdue</i>					<i>Total</i>
		<i>< 30 Days</i>	<i>< 90 Days</i>	<i>< 180 Days</i>	<i>< 360 Days</i>	<i>> 360 Days</i>	
Non-current (l. 040)	-	-	-	-	-	-	-
Current (l. 047)	34 260	1 511	-	-	-	7 228 877	7 264 648

2.2. Receivables from Related Parties

<i>Item</i>	<i>Related Parties</i>	<i>Amount as at 31 Dec 2010</i>	<i>Amount as at 31 Dec 2009</i>
Current Receivables			
Trade receivables (l. 048)	PROFI CREDIT Slovakia, s.r.o.	6 773	2 452
	Profidebt, s.r.o. Czech Republic	3 509	3 288
Total		10 272	5 740

2.3. Provision for Receivables

Balance Sheet Items for which Provisions were Recorded:

<i>Item</i>	<i>Line</i>	<i>Balance as at 1 Jan 2010</i>	<i>Creation</i>	<i>Disposals</i>	<i>Reversals</i>	<i>Balance as at 31 Dec 2010</i>
Current Receivables						
Trade receivables	048	4 990 816	1 274 366	-	-	6 265 182
Total		4 990 816	1 274 366	-	-	6 265 182

The Company's management believes that the estimates applied in the process of determining the provisions for losses from purchased receivables represent the most reasonable prognoses of the future development of relevant risks that are available under the given circumstances. According to the Company's management, the reported amount of provisions is adequate to cover the losses from the impairment of purchased receivables.

The creation of provisions for losses from receivables requires significant estimates to be made by the Company's management. The actual losses may significantly differ from the estimates.

2.4. Assets Under Lien and Restricted Handling of Receivables

The Company has pledged its receivables in favor of a foreign private company with its registered office in the Netherlands, in relation to a non-current liability to this company (see Note IV.3.3). As at 31 December 2010, the Company pledged all of its trade receivables.

2.5. Deferred Tax Asset (Balance Sheet Line 046)

As at 31 December 2010, the Company did not recognize the deferred tax asset arising from the possibility to carry forward a tax loss in the amount of EUR 745 202 as its utilization in the future is uncertain (31 December 2009: EUR 573 029).

3. Financial Accounts (Balance Sheet Line 055)

3.1. Breakdown of the Company's Financial Assets

<i>Item</i>	<i>2010</i>	<i>2009</i>
Cash		
Cash on hand	4 833	5 150
Bank accounts – current	25 431	85 102
Bank accounts – term deposits	-	-
Total	30 264	90 252

4. Accruals and Deferrals (Balance Sheet Line 061)

<i>Item</i>	<i>Line</i>	<i>Current</i>	<i>Non-Current</i>	<i>Total as at 31 Dec 2010</i>
Deferred expenses	062, 063	1 130	-	1 130
<i>Of which:</i>				
<i>Prepaid domains</i>		15	-	15
<i>Magazine subscriptions</i>		30	-	30
<i>Company's register</i>		282	-	282
<i>Insurance</i>		803	-	803
Accrued income	064, 065	-	-	-
Total	061	1 130	-	1 130

<i>Item</i>	<i>Line</i>	<i>Current</i>	<i>Non-Current</i>	<i>Total as at 31 Dec 2010</i>
Deferred expenses	062, 063	738	-	738
<i>Of which:</i>				
<i>Prepaid domains</i>		5	-	5
<i>Insurance</i>		733	-	733
Accrued income	064, 065	-	-	-
Total	061	738	-	738

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 comprises a contribution of the sole partner amounting to EUR 6 639. The registered capital has been fully subscribed and paid.

Non-distributed profit or loss from previous years decreased in item “Accumulated loss” by EUR 1 141 472 based on the decision of the sole partner while exercising the authority of the General Meeting on the settlement of the 2009 profit/loss.

As at 31 December 2010, the Company recorded negative equity amounting to EUR 4 505 776. The parent company, Profireal Group SE, Netherlands, made a commitment to provide financial support to the Company, if necessary.

1.2. Settlement of Loss for 2009

Settlement	Approved Settlement of Loss for 2009
Transfer to accumulated loss from previous years	1 141 472
Total loss	1 141 472

2. Provisions for Liabilities (Balance Sheet Line 089)

2.1. Legal Provisions for Liabilities (Balance Sheet Line 090, 091)

Provision	Balance as at 1 Jan 2010	Creation	Use	Cancellation	Balance as at 31 Dec 2010
Legal long-term provisions for liabilities (l. 090)	-	-	-	-	-
Legal short-term provisions for liabilities (l. 091)	36 584	29 909	36 481	-	29 909
<i>Of which:</i>					
<i>Unused vacation days</i>	18 189	9 466	18 189	-	9 466
<i>Audit</i>	13 350	9 675	13 350	-	9 675
<i>Other</i>	5 045	10 768	4 942	103	10 768
Total	36 584	29 909	36 481	103	29 909

2.2. Other Provisions for Liabilities (Balance Sheet Line 092, 093)

<i>Provision</i>	<i>Balance as at 1 Jan 2010</i>	<i>Creation</i>	<i>Use</i>	<i>Cancellation</i>	<i>Balance as at 31 Dec 2010</i>
Other long-term provisions for liabilities (l. 092)	-	-	-	-	-
Other short-term provisions for liabilities (l. 093)	25 153	53 206	25 153	-	53 206
<i>Of which:</i>					
<i>Bonuses</i>	25 153	15 608	25 153	-	15 608
<i>Other</i>	-	37 598	-	-	37 598
Total	25 153	53 206	25 153	-	53 206

3. **Liabilities (Balance Sheet Lines 094 and 105)**3.1. Payables Within and After Maturity Including the Group (Balance Sheet Line 105)31. December 2010

<i>Item</i>	<i>Maturity</i>			<i>Total</i>
	<i>Within Maturity Period</i>	<i>Overdue Up To 360 Days</i>	<i>More Than 360 Days Overdue</i>	
Trade payables (l. 106)	31 127	1 936	-	33 063
Unbilled supplies (l. 107)	22 519	195	-	22 714
Payables to employees (l. 111)	22 592	-	-	22 592
Social security insurance payables (l. 112)	12 553	-	-	12 553
Tax liabilities and subsidies (l. 113)	12 826	-	-	12 826
Other payables (l. 114)	74	-	-	74
Total as at 31 Dec 2010	101 691	2 131	-	103 822

31. December 2009

<i>Item</i>	<i>Maturity</i>			<i>Total</i>
	<i>Within Maturity Period</i>	<i>Overdue Up To 360 Days</i>	<i>More Than 360 Days Overdue</i>	
Trade payables (l. 106)	29 968	354	-	30 322
Unbilled supplies (l. 107)	17 610	-	-	17 610
Payables to employees (l. 111)	27 039	-	-	27 039
Social security insurance payables (l. 112)	14 350	-	-	14 350
Tax liabilities and subsidies (l. 113)	15 616	-	-	15 616
Other payables (l. 114)	3 346	-	-	3 346
Total as at 31 Dec 2009	107 929	354	-	108 283

3.2. Breakdown of Payables by Residual Maturity (Balance Sheet Line 095 and 105)31. December 2010

<i>Item</i>	<i>Within 1 Year</i>	<i>From 1 to 5 Years</i>	<i>More Than 5 Years</i>	<i>Total</i>
Trade payables (l. 095, 106)	33 063	-	-	33 063
Unbilled supplies (l. 096, 107)	22 714	-	-	22 714
Social fund payables (l. 102)	-	4 174	-	4 174
Other payables (l. 103, 110, 111, 112, 113, 114)	48 045	6 571 757	-	6 619 802
Deferred tax liability (l. 104)	-	-	-	-
Total as at 31 Dec 2010	103 822	6 575 931	-	6 679 753

31. December 2009

<i>Item</i>	<i>Within 1 Year</i>	<i>From 1 to 5 Years</i>	<i>More Than 5 Years</i>	<i>Total</i>
Trade payables (l. 095, 106)	30 322	-	-	30 322
Unbilled supplies (l. 096, 107)	17 610	-	-	17 610
Social fund payables (l. 102)	-	3 701	-	3 701
Other payables (l. 103, 110, 111, 112, 113, 114)	60 351	5 451 757	-	5 512 108
Deferred tax liability (l. 104)	-	-	-	-
Total as at 31 Dec 2009	108 283	5 455 458	-	5 563 741

3.3. Payables Secured by Lien or Other Form of Security

<i>Company</i>	<i>Amount (EUR)</i>	<i>Interest Rate (%)</i>	<i>Maturity</i>	<i>Collateral</i>	<i>Amount Due (EUR)</i>	
					<i>in 2011</i>	<i>after 2011</i>
Foreign private company	6 571 757	15	31. 12. 2012	Receivables	-	6 571 757
Total	6 571 757				-	6 571 757

The Company has a liability to a foreign private company with its registered office in the Netherlands, which is not a related party of Profidebt Slovakia, s.r.o., in the amount of EUR 6 656 459 including accrued interest of EUR 84 702 (recognised in BS line 121). The maturity of the liability is determined by specific conditions set out in the contract, which was agreed under the arm's length principle. Collateralisation of the liability is described in Note III.2.4.

3.4. Social Fund Payables (Balance Sheet Line 102)

	Suma
Opening balance as at 1 Jan 2010	3 701
Total creation:	
<i>From expenses</i>	1 809
Total drawing:	
<i>Utilised for corporate catering</i>	836
<i>Utilised for gift vouchers</i>	500
Closing balance as at 31 Dec 2010	4 174

3.5. Liabilities to Related Parties

Item	Related Parties	Amount as at 31 Dec 2010	Amount as at 31 Dec 2009
Current Liabilities:			
Trade payables (I. 106)	PROFI CREDIT Czech, a.s.	2 051	1 214
	Profidebt, s.r.o. Czech Republic	248	496
	Profireal Group SE	11 913	1 500
Total		14 212	3 210

4. **Obligations Under Finance Lease**

The total amount of the agreed payments broken down by principal amount and unrealized 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	-	3 346	-	3 272
Due from 1 year to 5 years inclusive	-	-	-	-
Due after 5 years	-	-	-	-
	-	3 346	-	3 272
Less: unrealised finance costs	-	(74)	-	-
Present value of obligations under finance lease (principal amount)	-	3 272	-	3 272
Less: Principal amount due within 1 year inclusive (recorded in short-term payables I. 114)			-	(3 272)
Principal amount due in over 1 year (recorded in long-term payables I. 103)			-	-

The finance lease related to the lease of vehicles and equipment. The average term of the lease is three years. In the year ending 31 December 2010, the average effective interest rate was 14% p.a. 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.

5. Accruals and Deferrals (Balance Sheet Line 119)

<i>Item</i>	<i>Line</i>	<i>Current</i>	<i>Non-Current</i>	<i>Total as at 31 Dec 2010</i>
Accrued expenses	120, 121	97 247	-	97 247
Deferred income	122, 123	-	-	-
Total	119	97 247	-	97 247

Accrued expenses include accrued interest on a loan in the amount of EUR 84 702 and bonuses for collection clerks in the amount of EUR 12 545, which are due in 2011.

<i>Item</i>	<i>Line</i>	<i>Current</i>	<i>Non-Current</i>	<i>Total as at 31 Dec 2009</i>
Accrued expenses	120, 121	74 977	-	74 977
Deferred income	122, 123	-	-	-
Total	119	74 977	-	74 977

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 by Major Geographical Segments:

Country	2010		2009	
	EUR	%	EUR	%
Slovakia	255 975	86	360 501	90
Abroad	40 322	14	39 599	10
Total sales	296 297	100	400 100	100

All revenues from the sale of own products and services were reported with related parties and business partners, with whom contracts were made under standard market conditions. They represent, in particular, contractual fees for agency services to Tatra banka, a.s., Slovenská sporiteľňa, a.s., Západoslovenská energetika, a.s., ZSE Energia, a.s., ČSOB Leasing, a.s., Poštová banka, a.s., OVB Allfinanz, a.s., PROFI CREDIT Slovakia, s.r.o. and advisory services, ie engineering, to Profidebt, s.r.o. Czech Republic, and revenues from the re-invoicing of services.

1.2. Other Operating Revenues

Item	Line	2010	2009
Other operating revenues:	22	2 077 772	1 998 742
<i>Penalties on receivables</i>		1 483 071	1 448 376
<i>Other operating revenues</i>		594 651	550 366

In 2010, penalties on collected receivables mainly included accrued interest, contractual fines and penalties following from debt acknowledgement agreements, contractual fines according to original contracts, and one-off fines.

2. Revenues from Financing Activities

Item	Line	2010	2009
Interest income	38	10	82
Foreign exchange gains:	40	4 512	1 868
<i>Realised</i>		4 462	1 654
<i>Unrealised</i>		50	214

VI. EXPENSES

1. Operating Expenses

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

<i>Item</i>	<i>Line</i>	<i>2010</i>	<i>2009</i>
Consumed raw materials	09	36 982	31 755
Services	10	432 555	567 501
<i>Of which:</i>			
<i>Repairs and maintenance</i>		8 668	11 333
<i>Travel expenses</i>		3 301	4 705
<i>Entertainment expenses</i>		3 535	3 857
<i>Audit</i>		13 543	22 581
<i>Legal services</i>		46 872	42 170
<i>Rental fees</i>		52 290	68 641
<i>Telecommunication services</i>		17 349	20 661
<i>Advertisements</i>		640	1 348
<i>Economic services</i>		19 458	28 184
<i>Training</i>		410	465
<i>Commissions to collection staff and regional managers</i>		205 874	298 904
<i>Other</i>		60 615	64 652

In 2010, services provided by the fellow subsidiary PROFI CREDIT Slovakia, s.r.o., PROFI CREDIT Czech, a.s., and Profidebt, s.r.o. Czech Republic amounted to EUR 4 285 (2009: EUR 22), EUR 18 900 (2009: EUR 19 166), and EUR 5 128 (2009: EUR 9 867), respectively. These services were agreed based on the arm's length principle. The increase in consumables and services relates to the increase in the Company's business activities.

1.2. Other Operating Expenses

<i>Item</i>	<i>Line</i>	<i>2010</i>	<i>2009</i>
Personnel expenses	12	476 697	622 270
<i>Of which:</i>			
<i>Wages and salaries</i>	13	344 420	460 915
<i>Bonuses of members of the Board of Directors</i>	14	19 044	18 137
<i>Social insurance expenses</i>	15	101 812	129 957
<i>Social expenses</i>	16	11 421	13 261
Taxes and fees	17	103 844	192 092
Amortisation & depreciation and provisions for non-current intangible and non-current tangible assets:	18	55 535	64 518
<i>Non-current intangible assets</i>			
<i>Amortisation</i>		8 010	7 849
<i>Provision</i>		-	-
<i>Non-current tangible assets</i>			
<i>Depreciation</i>		47 525	56 669
<i>Provision</i>		-	-
Net book value of non-current assets and raw materials sold:	20	-	-
<i>Non-current intangible assets</i>		-	-
<i>Non-current tangible assets</i>		3 650	1 129
<i>Raw materials</i>		-	-
Other operating expenses	23	260 822	66 046

Other operating expenses relate mainly to the cancellation and write-offs of contractual fines and penalties from purchased packages of receivables, cancellation and write-offs of default interest, cancellation and write-offs of receivables from debt acknowledgement contracts (2010: EUR 184 219, 2009: EUR 27 998), and operating expenses (2010: EUR 35 647, 2009: EUR 36 819).

2. Finance Costs

<i>Item</i>	<i>Line</i>	<i>2010</i>	<i>2009</i>
Interest expense	39	915 763	743 457
Foreign exchange losses:	41	1 540	24 384
<i>Realised</i>		1 540	24 361
<i>Unrealised</i>		-	23
Other costs of financing activities	43	82 153	4 162

Other costs of financing activities mainly include guarantee fees paid to the parent company (PROFIREAL Group SE) for the repayment of a loan. In 2010, these fees amounted to EUR 73 049.

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.

Reconciliation of Income Tax

<i>Item</i>	<i>2010</i>	<i>2009</i>
Current income tax:		
<i>On ordinary activities (l. 049)</i>	-	-
<i>On extraordinary activities (l. 056)</i>	-	-
Deferred income tax:		
<i>On ordinary activities (l. 050)</i>	-	-
<i>On extraordinary activities (l. 057)</i>	-	-
Total income tax	-	-

<i>Item</i>	<i>2010</i>	<i>2009</i>
Profit/loss before tax	(1 261 440)	(1 141 472)
Income tax at rate of 19%	(239 674)	(216 880)
Impact of adjusting items:	697	733
<i>Deductible items</i>	-	-
<i>Non-deductible items</i>	697	733
Effect of unrecognised deferred tax asset	238 977	216 147
Total income tax	-	-

VIII. OFF-BALANCE SHEET ACCOUNTS

1. Leased Assets

The Company performs its operations in rented premises. The rental fee is paid monthly, and was agreed on the arm's length principle.

IX. 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.

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

Salaries and Remuneration of the Company's Bodies:

<i>Income and Benefits of Members of the Company's Bodies</i>	<i>Number</i>	<i>2010</i>	<i>2009</i>
Remuneration and income of members of the statutory bodies	5	110 756	103 982
Total		110 756	103 982

XI. RELATED PARTIES

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

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.

XII. EVANTS THAT OCCUR BETWEEN THE REPORTING DATE AND THE DATE WHEN THE FINANCIAL STATEMENTS ARE AUTHORISED FOR ISSUE

From 31 December 2010 up to the issue date of the financial statements, there were no events that would have a significant impact on the Company's assets and liabilities, except for those resulting from the ordinary course of business.

XIII. CHANGES IN EQUITY

	<i>Registered Capital</i>	<i>Funds From Profit</i>	<i>Profit/Loss for Prior Years</i>	<i>Profit/Loss for Current Period</i>	<i>Total Equity</i>
	<i>068</i>	<i>080</i>	<i>084</i>	<i>087</i>	<i>067</i>
Balance as at 1 Jan 2010	6 639	-	(2 109 503)	(1 141 472)	(3 244 336)
Settlement of loss for 2009	-	-	(1 141 472)	1 141 472	-
Profit/loss for 2010	-	-	-	(1 261 440)	(1 261 440)
Balance as at 31 Dec 2010	6 639	-	(3 250 975)	(1 261 440)	(4 505 776)

XIV. CASH FLOW

Cash comprises cash on hand, cash equivalents, and cash at bank, i.e. current accounts, and a portion of cash in transit.

Cash equivalents comprise current financial assets that are readily convertible at an amount of cash known in advance and that are subject to an insignificant risk of changes in their value within the next three months, as at the reporting date.

Breakdown of cash and cash equivalents:

<i>Item</i>	<i>Account</i>	<i>2010</i>	<i>2009</i>
Cash	211	3 315	5 003
Stamps and vouchers	213	1 518	147
Bank accounts	221	25 431	85 102
Total		30 264	90 252

The Company used the indirect method of presenting cash flows from operations.

<i>Prepared on:</i>	<i>Signature of the Person Responsible for the Bookkeeping:</i>	<i>Signature of the Person Responsible for the Preparation of the Financial Statements:</i>	<i>Signature of a Member of the Statutory Body of the Reporting Entity or an Individual Acting as a Reporting Entity:</i>
25 February 2011			
Approved on:			Ing. Karol Jurák Executive
17 March 2011	Eva Stodolová	Ing. Marcel Mešter	Mgr. Martin Jakub Mlynár Executive

7. CONTACTS

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