

**Swiss Post Solutions, s.r.o.**  
**Bratislava**  
**Slovak Republic**

Report  
on the performance of the audit  
of the regular Financial Statements  
as of December 31, 2016

## Contents

	Page
<b>INDEPENDENT AUDITOR'S REPORT</b>	3

## Attachments

### **REGULAR FINANCIAL STATEMENTS**

Balance sheet as of December 31, 2016  
Income Statement from January 1 to December 31, 2016  
Notes

## INDEPENDENT AUDITOR'S REPORT

### for the shareholder and the managing director of the company Swiss Post Solutions, s.r.o.

#### *Opinion*

We have performed an audit of the regular Financial Statements of the company Swiss Post Solutions, s.r.o. (hereinafter referred to as „Company“) which comprise the balance sheet as of December 31, 2016, the income statement for the year then ended and notes with a summary of significant accounting policies and accounting methods.

In our opinion, the enclosed Financial Statements present fairly, in all material respects, the financial position of the Company as of December 31, 2016 and its profit/loss for the year then ended in accordance with the Act No. 431/2002 Coll. on Accounting as amended (hereinafter referred to as „Act on Accounting“).

#### *Opinion basis*

We have performed the audit on basis of the International Standards on Auditing (ISA). Our responsibility in terms of these standards is stated in the paragraph Auditor's responsibility for the audit of the Financial Statements. We are independent from the Company in terms of the provisions of the Act No. 423/2015 on the Statutory Audit and the Amendment and Supplementation of the Act No. 431/2002 Coll. on Accounting as amended (hereinafter referred to as „Act on Statutory Audit“) regarding the ethics, including the Code of Ethics for auditors relevant for our audit of the Financial Statements and we have met also other requirements of these provisions regarding ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for the auditor's opinion.

#### *Statutory body's responsibility for the Financial Statements*

The statutory body is responsible for the preparation and fair presentation of these Financial Statements in accordance with the Act on Accounting and for internal controls relevant for the preparation of the Financial Statements that are free from material misstatement, whether due to fraud or error.

When preparing the Financial Statements, the statutory body is responsible for the evaluation of the going concern ability of the Company, for the description of facts regarding the going concern, if necessary, and for the utilisation of the going concern in the sphere of accounting, unless it plans to wind up the Company or terminate its operation or should it not have any other realistic alternative than doing so.

#### *Auditor's responsibility for the audit of the Financial Statements*

Our responsibility is to achieve adequate assurance on the Financial Statements as a whole not containing any significant misstatements, whether due to fraud or error, and to issue an Auditor's report containing the auditor's opinion. The adequate assurance is a high grade assurance, however not a guarantee that the audit performed in terms of International Standards on Auditing will always uncover significant misstatements, if any exist. Misstatements can arise due to a fraud or an error and they are deemed significant if they, individually or together, could influence the economic decisions of users made on basis of these Financial Statements.

We apply professional judgement and stay professionally sceptical during the whole audit performed on basis of the International Standards on Auditing: Moreover:

- we identify and assess the risks of material misstatements in the Financial Statements, whether due to fraud or error, we propose and perform audit procedures reacting to these risks and acquire audit evidence sufficient and adequate for providing a basis for our opinion. The risk of not detecting a significant misstatement due to a fraud is higher than this risk due to an error, as a fraud can contain a secret agreement, forgery, deliberate omission, false declaration or the bypassing of internal controls.
- we familiarize ourselves with internal controls relevant for the audit in order to be able to design audit procedures appropriate in the given circumstances, however not for the purpose of declaring an opinion on the effectivity of internal controls of the Company.
- we evaluate the appropriateness of used accounting policies and accounting methods and the adequacy of accounting estimates and the stating of information connected thereto performed by the accounting unit.
- we draw conclusions on whether the statutory body uses the going concern assumption correctly in the accounting and we draw conclusions on whether there exists a significant uncertainty with respect to events or circumstances which could considerably question the going concern ability of the Company. If we come to the conclusion that a significant uncertainty exists, we are obliged to call the attention in our Auditor's report to related information stated in the Financial Statements or, should these information be insufficient, modify our opinion. Our conclusions are based on audit evidence acquired till the date of issuing our Auditor's report. Future events or circumstances may however cause the Company to cease its continuous operation.
- we assess the total presentation, structure and contents of the Financial Statements, including the information stated therein, as well as the fact whether the Financial Statements present the performed transactions and events in an accurate manner.

## **Report on further requirements of acts and other legal regulations**

### *Report on information stated in the annual report*

The statutory body is responsible for information stated in the annual report prepared in terms of the requirements of the Act on Accounting. Our above mentioned opinion on the Financial Statements does not apply to other information in the annual report.

With respect to the audit of the Financial Statements, we are obliged to familiarize ourselves with information stated in the annual report and evaluate whether these information do not significantly contradict the audited Financial Statements or our knowledge acquired during the audit of the Financial Statements or do not seem otherwise significantly incorrect.

We did not have the annual report at our disposal as of the day of issuing the Auditor's report on the audit of the Financial Statements.

After acquiring the annual report, we will assess whether the annual report of the Company includes information required by the Act on Accounting and on basis of works performed during the audit we will declare our opinion whether:

- the information stated in the annual report prepared for the year 2016 corresponds with the Financial Statements for the given year,
- the annual report contains information in terms of the Act on Accounting.

Furthermore, we will state whether we have detected significant misstatements in the annual report based on our knowledge of the accounting unit and the situation therein we have acquired during the audit of the Financial Statements.

Bratislava, on January 30, 2017

Rödl & Partner Audit, s. r. o.  
Lazaretská 8  
811 08 Bratislava

Commercial Register of the District Court  
Bratislava I,  
Insert No. 14122/B  
Licence of the Slovak Chamber of Auditors 147



Ing. Mikuláš Ivaško  
responsible auditor  
Licence of the Slovak Chamber  
of Auditors 48

UČ POD

# FINANCIAL STATEMENTS

of entrepreneurs maintaining accounts under the system of double entry bookkeeping

as of 31. 12. 2016

**Tax identification number**

2 0 2 0 2 8 8 3 1 4

**Identification number**

3 5 8 4 3 3 9 0

**SK NACE**

6 3 . 1 1 . 0

**Financial statements**

- ordinary  
 - extraordinary  
 - interim

(check )

**Accounting entity**

- small  
 - large

**For the period**

from to	Month	Year
	0 1 1 2	2 0 1 6 2 0 1 6

**Preceding period**

from to	Month	Year
	0 1 1 2	2 0 1 5 2 0 1 5

**Attached parts of the financial statements**

Balance Sheet  
(Uč POD 1-01)  
(in whole euros)

Income Statement  
(Uč POD 2-01)  
(in whole euros)

Notes to the Financial Statements  
(Uč POD 3-01)  
(in whole euros or eurocents)

**Legal name (designation) of the accounting entity**

S W I S S P O S T S O L U T I O N S S . R . O .

**Registered office of the accounting entity, street and number**

P U C H O V S K A 1 6

**Zip code**

8 3 0 0 5

**Municipality**

B R A T I S L A V A

**Designation of the Commercial Register and company registration number**

O D D I E L : S R O  
V L O Ž K A Č I S L O 2 7 3 1 2 / B

**Telephone**

2 4 9 2 7 7 4 1 1

**Fax**

2 4 9 2 7 7 4 1 9

**Email**

Prepared on:  30.1.2017	Approved on:	Signature of the accounting entity's statutory body or a member of the accounting entity's statutory body or the signature of a sole trader who is the accounting entity:
-------------------------------	--------------	---

Designation a	ASSETS b	Line No. c	Current accounting period		Preceding accounting period	
			1	Net 2	Net 3	
			Gross-Part 1		Correction-Part 2	
	<b>TOTAL ASSETS</b> line 02 + line 33 + line 74	<b>01</b>	<b>3 185 764</b>		<b>779 134</b>	
			<b>2 406 630</b>			<b>875 987</b>
<b>A.</b>	<b>Non-current assets</b> line 03 + line 11 + line 21	<b>02</b>	<b>2 507 149</b>		<b>102 724</b>	
			<b>2 404 425</b>			<b>137 829</b>
<b>A.I.</b>	<b>Non-current intangible assets - total</b> (lines 04 to 10)	<b>03</b>	<b>57 589</b>		<b>10 279</b>	
			<b>47 310</b>			<b>1 268</b>
A.I.1.	Capitalized development costs (012) - /072, 091A/	04				
2.	Software (013)-/073, 091A/	05	57 589		10 279	
			47 310			1 268
3.	Valuable rights (014)-/074, 091A/	06				
4.	Goodwill (015) - /075, 091A/	07				
5.	Other non-current intangible assets (019, 01X) - /079, 07X, 091A/	08				
6.	Acquisition of non-current intangible assets (041) - /093/	09				
7.	Advance payments made for non-current intangible assets (051) - /095A/	10				
<b>A.II.</b>	<b>Property, plant and equipment - total</b> (lines 12 to 20)	<b>11</b>	<b>2 449 560</b>		<b>92 445</b>	
			<b>2 357 115</b>			<b>136 561</b>
A.II.1.	Land (031) - /092A/	12				
2.	Structures (021) - /081, 092A/	13	2 068 121		12 783	
			2 055 338			72 222
3.	Individual movable assets and sets of movable assets (022) - /082, 092A/	14	381 439		79 662	
			301 777			64 339

Designation a	Assets b	Line No. c	Current accounting period		Preceding accounting period	
			1	Gross-Part 1	Net 2	Net 3
				Correction-Part 2		
4.	Perennial crops (025) - /085, 092A/	15				
5.	Livestock (026) - /086, 092A/	16				
6.	Other property, plant and equipment (029, 02X, 032) - /089, 08X, 092A/	17				
7.	Acquisition of property, plant and equipment (042) - /094/	18				
8.	Advance payments made for property, plant and equipment (052) - /095A/	19				
9.	Value adjustment to acquired assets (+/- 097) +/- 098	20				
<b>A.III.</b>	<b>Non-current financial assets - total (lines 22 to 32)</b>	<b>21</b>				
A.III. 1.	Shares and ownership interests in affiliated accounting entities (061A, 062A, 063A) - /096A/	22				
2.	Shares and ownership interests with participating interest, except for affiliated accounting entities (062A) - /096A/	23				
3.	Other available-for-sale securities and ownership interests (063A) - /096A/	24				
4.	Loans to affiliated accounting entities (066A) - /096A/	25				
5.	Loans within participating interest, except for affiliated accounting entities (066A) - /096A/	26				
6.	Other loans (067A) - /096A/	27				
7.	Debt securities and other non-current financial assets (065A, 069A, 06XA) - /096A/	28				

Designation a	Assets b	Line No. c	Current accounting period		Preceding accounting period	
			1	Gross-Part 1	Net 2	Net 3
				Correction-Part 2		
8.	Loans and other non-current financial assets with remaining maturity of up to one year (066A, 067A, 069A, 06XA) - /096A/	29				
9.	Bank accounts with notice period exceeding one year (22XA)	30				
10.	Acquisition of non-current financial assets(043) - /096A/	31				
11.	Advance payments made for non-current financial assets (053) - /095A/	32				
<b>B.</b>	<b>Current assets line 34 + line 41 + line 53 + line 66 + line 71</b>	<b>33</b>	<b>677 341</b>	<b>675 136</b>		
			<b>2 205</b>		<b>736 892</b>	
<b>B.I.</b>	<b>Inventory - total (lines 35 to 40)</b>	<b>34</b>				
B.I.1.	Raw material (112, 119, 11X) - /191, 19X/	35				
2.	Work in progress and semi-finished products (121, 122, 12X) - /192, 193, 19X/	36				
3.	Finished goods (123) - /194/	37				
4.	Animals (124) - /195/	38				
5.	Merchandise (132, 133, 13X, 139) - /196, 19X/	39				
6.	Advance payments made for inventory (314A) - /391A/	40				
<b>B.II.</b>	<b>Non-current receivables - total (line 42 + lines 46 to 52)</b>	<b>41</b>				
B.II.1.	Trade receivables - total (lines 43 to 45)	42				

Designation a	Assets b	Line No. c	Current accounting period		Preceding accounting period
			1		
			Gross-Part 1	Net 2	Net 3
1.a	Trade receivables from affiliated accounting entities (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/	43			
1.b	Trade receivables within participating interest, except for receivables from affiliated accounting entities (311A, 312A, 313A, 314A, 315A,31XA) - /391A/	44			
1.c	Other trade receivables (311A, 312A, 313A, 314A, 315A,31XA) - /391A/	45			
2.	Net value of contract (316A)	46			
3.	Other receivables from affiliated accounting entities (351A) - /391A/	47			
4.	Other receivables within participating interest, except for receivables from affiliated accounting entities (351A) - /391A/	48			
5.	Receivables from participants, members, and association (354A, 355A, 358A, 35XA) - /391A/	49			
6.	Receivables related to derivative transactions (373A, 376A)	50			
7.	Other receivables (335A, 336A, 33XA, 371A, 374A, 375A, 378A) - /391A/	51			
8.	Deferred tax asset (481A)	52			
<b>B.III.</b>	<b>Current receivables - total (line 54 + lines 58 to 65)</b>	<b>53</b>	<b>510 461</b>	<b>508 256</b>	
			<b>2 205</b>		<b>531 306</b>
B.III.1.	Trade receivables - total (lines 55 to 57)	54	<b>504 841</b>	<b>502 636</b>	
			<b>2 205</b>		<b>525 734</b>
1.a	Trade receivables from affiliated accounting entities (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/	55	147 905	147 905	
					160 580
1.b	Trade receivables within participating interest, except for receivables from affiliated accounting entities (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/	56			

Designation a	Assets b	Line No. c	Current accounting period		Preceding accounting period	
			1	2	3	
			Gross-Part 1	Net 2	Net 3	
			Correction-Part 2			
1.c	Other trade receivables (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/	57	356 936		354 731	
			2 205			365 154
2.	Net value of contract (316A)	58				
3.	Other receivables from affiliated accounting entities (351A) - /391A/	59				
4.	Other receivables within participating interest, except for receivables from affiliated accounting entities (351A) - /391A/	60				
5.	Receivables from participants, members, and association (354A, 355A, 358A, 35XA, 398A) - /391A/	61				
6.	Social security (336A) - /391A/	62				
7.	Tax assets and subsidies (341, 342, 343, 345, 346, 347) - /391A/	63				
8.	Receivables related to derivative transactions (373A, 376A)	64				
9.	Other receivables (335A, 33XA, 371A, 374A, 375A, 378A) - /391A/	65	5 620		5 620	
						5 572
<b>B.IV.</b>	<b>Current financial assets - total (lines 67 to 70)</b>	<b>66</b>				
B.IV.1.	Current financial assets in affiliated accounting entities (251A, 253A, 256A, 257A, 25XA) - /291A, 29XA/	67				
2.	Current financial assets, not including current financial assets in affiliated accounting entities (251A, 253A, 256A, 257A, 25XA) - /291A, 29XA/	68				
3.	Own shares and own ownership interests (252)	69				
4.	Acquisition of current financial assets (259, 314A) - /291A/	70				

Designation a	Assets b	Line No. c	Current accounting period		Preceding accounting period	
			1	Gross-Part 1	Net 2	Net 3
				Correction-Part 2		
<b>B.V.</b>	<b>Financial accounts line 72 + line 73</b>	<b>71</b>		<b>166 880</b>	<b>166 880</b>	
						<b>205 586</b>
B.V.1.	Cash (211, 213, 21X)	72		611	611	
						1 270
2.	Bank accounts (221A, 22X, +/- 261)	73		166 269	166 269	
						204 316
<b>C.</b>	<b>Accruals/deferrals - total (lines 75 to 78)</b>	<b>74</b>		<b>1 274</b>	<b>1 274</b>	
						<b>1 266</b>
C.1.	Prepaid expenses - long-term (381A, 382A)	75				
2.	Prepaid expenses - short-term (381A, 382A)	76		1 274	1 274	
						1 266
3.	Accrued income - long-term (385A)	77				
4.	Accrued income - short-term (385A)	78				

Designation a	LIABILITIES AND EQUITY b	Line No.	Current accounting period 4	Preceding accounting period 5
	<b>TOTAL EQUITY AND LIABILITIES line 80 + line 101 + line 141</b>	<b>79</b>	<b>779 134</b>	<b>875 987</b>
<b>A.</b>	<b>Equity line 81 + line 85 + line 86 + line 87 + line 90 + line 93 + line 97 + line 100</b>	<b>80</b>	<b>400 430</b>	<b>465 878</b>
<b>A.I.</b>	<b>Share capital - total (lines 82 to 84)</b>	<b>81</b>	<b>14 605</b>	<b>14 605</b>
A.I.1.	Share capital (411 or +/- 491)	82	14 605	14 605
2.	Change in share capital +/- 419	83		
3.	Unpaid share capital (/-/353)	84		
<b>A.II.</b>	<b>Share premium (412)</b>	<b>85</b>		
<b>A.III.</b>	<b>Other capital funds (413)</b>	<b>86</b>	<b>3 553 801</b>	<b>3 553 801</b>
<b>A.IV.</b>	<b>Legal reserve funds line 88 + line 89</b>	<b>87</b>	<b>19 564</b>	<b>19 564</b>
A.IV.1.	Legal reserve fund and non-distributable fund (417A, 418, 421A, 422)	88	19 564	19 564
2.	Reserve fund for own shares and own ownership interests (417A, 421A)	89		
<b>A.V.</b>	<b>Other funds created from profit line 91 + line 92</b>	<b>90</b>		
A.V.1.	Statutory funds (423, 42X)	91		
2.	Other funds (427, 42X)	92		
<b>A.VI.</b>	<b>Differences from revaluation - total (lines 94 to 96)</b>	<b>93</b>		
A.VI.1.	Differences from revaluation of assets and liabilities (+/- 414)	94		
2.	Investment revaluation reserves (+/- 415)	95		
3.	Differences from revaluation in the event of a merger, amalgamation into a separate accounting entity or demerger (+/- 416)	96		
<b>A.VII.</b>	<b>Net profit/loss of previous years line 98 + line 99</b>	<b>97</b>	<b>-3 122 093</b>	<b>-3 170 655</b>
A.IV.1.	Retained earnings from previous years (428)	98		
2.	Accumulated losses from previous years (/-/429)	99	-3 122 093	-3 170 655
<b>A.VIII.</b>	<b>Net profit/loss for the accounting period after tax / +/- line 01 - (line 81 + line 85 + line 86 + line 87 + line 90 + line 93 + line 97 + line 101 + line 141)</b>	<b>100</b>	<b>-65 447</b>	<b>48 563</b>
<b>B.</b>	<b>Liabilities line 102 + line 118 + line 121 + line 122 + line 136 + line 139 + line 140</b>	<b>101</b>	<b>363 200</b>	<b>410 109</b>
<b>B.I.</b>	<b>Non-current liabilities - total (line 103 + lines 107 to 117)</b>	<b>102</b>	<b>2 371</b>	<b>1 842</b>
<b>B.I.1.</b>	<b>Non-current trade liabilities - total (lines 104 to 106)</b>	<b>103</b>		
1.a.	Trade liabilities to affiliated accounting entities (321A, 475A, 476A)	104		
1.b.	Trade liabilities within participating interest, except for liabilities to affiliated accounting entities (321A, 475A, 476A)	105		
1.c.	Other trade liabilities (321A, 475A, 476A)	106		
2.	Net value of contract (316A)	107		
3.	Other liabilities to affiliated accounting entities (471A, 47XA)	108		

Designation a	LIABILITIES AND EQUITY b	Line No.	Current accounting period 4	Preceding accounting period 5
4.	Other liabilities within participating interest, except for liabilities to affiliated accounting entities (471A, 47XA)	109		
5.	Other non-current liabilities (479A, 47XA)	110		
6.	Long-term advance payments received (475A)	111		
7.	Long-term bills of exchange to be paid (478A)	112		
8.	Bonds issued (473A/-/255A)	113		
9.	Liabilities related to social fund (472)	114	2 371	1 842
10.	Other non-current liabilities (336A, 372A, 474A, 47XA)	115		
11.	Non-current liabilities related to derivative transactions (373A, 377A)	116		
12.	Deferred tax liability (481A)	117		
<b>B.II.</b>	<b>Long-term provisions line 119 + line 120</b>	<b>118</b>	<b>7 944</b>	<b>9 417</b>
B.II.1.	Legal provisions (451A)	119		
2.	Other provisions (459A, 45XA)	120	7 944	9 417
<b>B.III.</b>	<b>Long-term bank loans (461A, 46XA)</b>	<b>121</b>		
<b>B.IV.</b>	<b>Current liabilities - total (line 123 + lines 127 to 135)</b>	<b>122</b>	<b>312 874</b>	<b>349 805</b>
<b>B.IV.1</b>	<b>Trade liabilities - total (lines 124 to 126)</b>	<b>123</b>	<b>163 603</b>	<b>162 949</b>
1.a.	Trade liabilities to affiliated accounting entities (321A, 322A, 324A, 325A, 326A, 32XA, 475A, 476A, 478A, 47XA)	124	26 626	46 989
1.b.	Trade liabilities within participating interest, except for liabilities to affiliated accounting entities (321A, 322A, 324A, 325A, 326A, 32XA, 475A, 476A, 478A, 47XA)	125		
1.c.	Other trade liabilities (321A, 322A, 324A, 325A, 326A, 32XA, 475A, 476A, 478A, 47XA)	126	136 977	115 960
2.	Net value of contract (316A)	127		
3.	Other liabilities to affiliated accounting entities (361A, 36XA, 471A, 47XA)	128		
4.	Other liabilities within participating interest, except for liabilities to affiliated accounting entities (361A, 36XA, 471A, 47XA)	129		
5.	Liabilities to partners and association (364, 365, 366, 367, 368, 398A, 478A, 479A)	130		
6.	Liabilities to employees (331, 333, 33X, 479A)	131	75 163	93 682
7.	Liabilities related to social security (336A)	132	47 674	59 129
8.	Tax liabilities and subsidies (341, 342, 343, 345, 346, 347, 34X)	133	23 277	31 255
9.	Liabilities related to derivative transactions (373A, 377A)	134		
10.	Other liabilities (372A, 379A, 474A, 475A, 479A, 47XA)	135	3 157	2 790
<b>B.V.</b>	<b>Short-term provisions line 137 + line 138</b>	<b>136</b>	<b>40 011</b>	<b>49 045</b>
B.V.1.	Legal provisions (323A, 451A)	137	29 016	34 536
2.	Other provisions (323A, 32X, 459A, 45XA)	138	10 995	14 509

Designation a	LIABILITIES AND EQUITY b	Zeile Nr.	Current accounting period 4	Preceding accounting period 5
B.VI.	Current bank loans (221A, 231, 232, 23X, 461A, 46XA)	139		
B.VII.	Short-term financial assistance (241, 249, 24X, 473A /-/255A)	140		
C.	Accruals/deferrals - total (lines 142 to 145)	141	15 504	
C. 1.	Accrued expenses - long-term (383A)	142		
2.	Accrued expenses - short-term (383A)	143		
3.	Deferred income - long-term (384A)	144	12 277	
4.	Deferred income - short-term (384A)	145	3 227	

Designation a	Text b	Line No. c	Actual data	
			Current accounting period 1	Preceding accounting period 2
*	<b>Net turnover (part of account class 6 according to the Act)</b>	<b>01</b>	<b>2 721 258</b>	<b>3 376 991</b>
**	<b>Operating income - total (lines 03 to 09)</b>	<b>02</b>	<b>2 734 957</b>	<b>3 592 913</b>
I.	Revenue from the sale of merchandise (604, 607)	03		
II.	Revenue from the sale of own products (601)	04		
III.	Revenue from the sale of services (602, 606)	05	2 721 258	3 376 991
IV.	Changes in internal inventory (+/-) (account group 61)	06		
V.	Own work capitalized (account group 62)	07		
VI.	Revenue from the sale of non-current intangible assets, property, plant and equipment, and raw materials (641, 642)	08		
VII.	Other operating income(644, 645, 646, 648, 655, 657)	09	13 699	215 922
**	<b>Operating expenses - total line 11 + line 12 + line 13 + line 14 + line 15 + line 20 + line 21 + line 24 + line 25 + line 26</b>	<b>10</b>	<b>2 796 669</b>	<b>3 538 186</b>
A.	Cost of merchandise sold (504, 507)	11		
B.	Consumed raw materials, energy consumption, and consumption of other non-inventory supplies (501, 502, 503)	12	80 421	86 382
C.	Value adjustments to inventory (+/-) (505)	13		
D.	Services (account group 51)	14	859 397	875 412
E.	Personnel expenses - total (lines 16 to 19)	15	1 735 940	2 344 499
E.1	Wages and salaries (521, 522)	16	1 243 927	1 666 038
2.	Remuneration of board members of company or cooperative (523)	17		
3.	Social security expenses (524, 525, 526)	18	421 028	579 221
4.	Social expenses (527, 528)	19	70 985	99 240
F.	Taxes and fees (account group 53)	20	78	159
G.	Amortization and value adjustments to non-current intangible assets and depreciation and value adjustments to property, plant and equipment (line 22 + line 23)	21	97 889	200 077
G.1.	Amortization of non-current intangible assets and depreciation of property, plant and equipment (551)	22	97 889	200 077
2.	Value adjustments to non-current intangible assets and property, plant and equipment (+/-) (553)	23		
H.	Carrying value of non-current assets sold and raw materials sold (541, 542)	24		
I.	Value adjustments to receivables (+/-) (547)	25	-196	196

Designation a	Text b	Line No. c	Actual data	
			Current accounting period 1	Preceding accounting period 2
J.	Other operating expenses (543, 544, 545, 546, 548, 549, 555, 557)	26	23 140	31 461
***	<b>Profit/loss from operations (+/-) (line 02 - line 10)</b>	<b>27</b>	<b>-61 712</b>	<b>54 727</b>
*	<b>Added value (line 03 + line 04 + line 05 + line 06 + line 07) - (line 11 + line 12 + line 13 + line 14)</b>	<b>28</b>	<b>1 781 440</b>	<b>2 415 197</b>
**	<b>Income from financial activities - total line 30 + line 31+ line 35 + line 39 + line 42 + line 43 + line 44</b>	<b>29</b>	<b>293</b>	<b>55</b>
VIII.	Revenue from the sale of securities and shares (661)	30		
IX.	Income from non-current financial assets (lines 32 to 34)	31		
IX.1.	Income from securities and ownership interests in affiliated accounting entities (665A)	32		
2.	Income from securities and ownership interests within participating interest, except for income of affiliated accounting entities (665A )	33		
3.	Other income from securities and ownership interests (665A)	34		
X.	Income from current financial assets - total (lines 36 to 38)	35		
X.1.	Income from current financial assets in affiliated accounting entities (666A)	36		
2.	Income from current financial assets within participating interest, except for income of affiliated accounting entities (666A)	37		
3.	Other income from current financial assets (666A)	38		
XI.	Interest income (line 40 + line 41)	39	6	12
XI.1.	Interest income from affiliated accounting entities (662A)	40		
2.	Other interest income (662A)	41	6	12
XII.	Exchange rate gains (663)	42	283	43
XIII.	Gains on revaluation of securities and income from derivative transactions (664, 667)	43		
XIV.	Other income from financial activities (668)	44	4	
**	<b>Expenses related to financial activities - total line 46 + line 47 + line 48 + line 49 + line 52 + line 53 + line 54</b>	<b>45</b>	<b>1 147</b>	<b>3 336</b>
K.	Securities and shares sold (561)	46		
L.	Expenses related to current financial assets (566)	47		
M.	Value adjustments to financial assets (+/-) (565)	48		
N.	Interest expense (line 50 + line 51)	49		
N.1.	Interest expenses related to affiliated accounting entities (562A)	50		

Designation a	Text b	Line No. c	Actual data	
			Current accounting period 1	Preceding accounting period 2
2.	Other interest expenses (562A)	51		
O.	Exchange rate losses (563)	52	340	2 415
P.	Loss on revaluation of securities and expenses related to derivative transactions (564, 567)	53		
Q.	Other expenses related to financial activities (568, 569)	54	807	921
***	<b>Profit/loss from financial activities (+/-) (line 29 - line 45)</b>	<b>55</b>	<b>-854</b>	<b>-3 281</b>
****	<b>Profit/loss for the accounting period before tax (+/-) (line 27 + line 55)</b>	<b>56</b>	<b>-62 566</b>	<b>51 446</b>
R.	Income tax (line 58 + line 59)	57	2 881	2 883
R.1.	Income tax - current (591, 595)	58	2 881	2 883
2.	Income tax - deferred (+/-) (592)	59		
S.	Transfer of net profit/net loss shares to partners (+/- 596)	60		
****	<b>Profit/loss for the accounting period after tax (+/-) (line 56 - line 57 - line 60)</b>	<b>61</b>	<b>-65 447</b>	<b>48 563</b>

## **GENERAL INFORMATION**

SWISS POST SOLUTIONS s.r.o. (hereinafter referred to as "Company") is a company with limited liability, which has been established on August 30, 2002. On September 11, 2002 the Company was registered in the Commercial Register of the District Court Bratislava, Section Sro, Insert 273312/B. The registered office of the Company is at Púchovská 16, 830 05 Bratislava, Slovak Republic, identification number: 35843390.

The following changes of shareholders were registered in the Commercial Register in the year 2016:

- till December 17, 2015 SWISS POST SOLUTIONS, France (change in the Commercial Register on January 5, 2016)
- from December 18, 2015 Swiss Post Solutions AG, Switzerland (change in the Commercial Register on January 6, 2016)

These changes became legally effective in the year 2015.

The principal activities of the Company comprise:

1. automated data processing
2. packing of advertising materials, gift items and goods
3. packing services

The Financial Statements of the Company for the preceding accounting period, i.e. as of December 31, 2015, were approved by the General Meeting of the Company on November 14, 2016.

The Financial Statements of the Company as of December 31, 2016 were prepared as ordinary Financial Statements pursuant to the Act of the National Council of the Slovak Republic No. 431/2002 Coll. on Accounting for the accounting period from January 1, 2016 to December 31, 2016.

Information on the number of employees:

Item	Current accounting period	Immediately preceding accounting period
Average recalculated number of employees	117	137

Members of statutory bodies:

Managing directors	
Managing director	Ing. Ondřej Holík

The members of the statutory body were in the year 2016 not granted any loans, guarantees or other security forms, financial means or other benefits for private purposes of the members being accounted for (in the year 2015: none).

Shareholder	Interest in share capital		Voting rights in %	Different interest on other items of equity than interest on share capital in %
	in absolut terms	in %		
Swiss Post Solutions AG	14 605	100	100	
<b>Total</b>	<b>14 605</b>	<b>100</b>	<b>100</b>	<b>0</b>

The company Swiss Post Solutions, s. r. o. is a subsidiary of the company Swiss Post Solutions AG with registered offices in Switzerland, Pfingstweidstrasse 60b, Switzerland, which holds a 100% interest in its share capital. The parent company Swiss Post Solutions AG is a subsidiary of the company Swiss Post with registered offices in Bern, Viktoriastrasse 21, Switzerland and this company holds a 100% interest in its share capital. The company Swiss Post prepares the consolidated Financial Statements for all companies of the group. The company Swiss Post Solutions AG is the directly consolidating company. The consolidated Financial Statements of the companies Swiss Post Solutions AG and Swiss Post are available at their registered offices in Switzerland, Pfingstweidstrasse 60b and Viktoriastrasse 21, Bern.

The company Swiss Post Solutions, s.r.o. is not a parent company. The company does not own any business shares of other companies.

## **INFORMATION ON ADOPTED METHODS**

### **Basis of preparation:**

The Financial Statements were prepared pursuant to the Act No. 431/2002 Coll. on Accounting as amended using the going concern assumption that the Company will continue in the operation for the foreseeable future. The Financial Statements were prepared as regular Financial Statements.

The accounting principles and policies have been properly applied by the accounting unit.

## **WAYS AND DETERMINATION OF EVALUATION, INCLUDING ACCOUNTING ESTIMATES AND ASSESSMENTS**

### **Non-current intangible assets**

Purchased non-current intangible assets are stated at their acquisition cost, which consists of the price at which an asset has been acquired plus costs related to the acquisition.

Self constructed non-current intangible assets are valued at own costs, which include direct material costs and labour costs and production overhead costs (in some cases a part of the administration expenses).

### **Amortization**

Non-current intangible assets are written-off into expenses during the expected useful lives of the assets and the expected course of the wear and tear process. Amortization commences on the first day of the month following the date the non-current asset was put into use. Low-value non-current intangible assets with an acquisition cost (or conversion cost) of 2 400 EUR or less are written off one-time when the asset is put into use. Estimated useful life, amortization method and amortization rate for individual groups of non-current intangible assets are described in the following table:

	Estimated useful life	Annual rate of amortization	Amortization method
Software	4	25%	straight-line

In case of a temporary decrease of the useful value of non-current intangible assets the Company creates a value adjustment in the amount of the difference between the determined useful value and the carrying value.

### **Property, plant and equipment**

Purchased property, plant and equipment is stated at its acquisition cost, which consists of the price at which an asset has been acquired plus cost of transport, customs duties and further costs related to the acquisition.

Self-constructed property, plant and equipment is valued at own costs, which include direct material and labour costs and production overhead costs (in some cases a part of the administration costs).

Property, plant and equipment acquired free of charge is valued at fair value and booked to deferred income at its acquisition. The closing balance of deferred income will be decreased every year by the amount of depreciations of respective non-current assets.

Cost of technical improvement of property, plant and equipment increases the acquisition cost of the assets. Repairs and maintenance are posted to the expenses.

**Depreciation**

Property, plant and equipment is written-off into expenses during the expected useful lives of the assets and the expected course of the wear and tear process. Depreciation commences on the first day of the month following the date the asset was put into use. Low-value non-current tangible assets with an acquisition cost (or conversion cost) of 1 700 EUR or less are written off one-time when the asset is put into use. Estimated useful life, depreciation method and depreciation rate of individual groups of property, plant and equipment are described in the table below:

	Estimated useful life	Annual rate of depreciation	Depreciation method
Technical improvement of buildings	9	11,11%	straight-line
Machinery and equipment	4 to 5	20% to 25 %	straight-line
Vehicles	4	25,00%	straight-line
Fixtures and furnishings	10	10,00%	straight-line
Other property, plant and equipment	4	25,00%	straight-line

In case of a temporary decrease of the useful value of property, plant and equipment the Company creates a value adjustment in the amount of the difference between the determined useful value and the carrying value.

**Financial accounts**

Financial accounts comprise of securities, cash on hand and bank accounts. They are valued at their nominal value.

**Receivables**

Receivables are at their creation valued at their nominal value. Assigned receivables and receivables acquired via a contribution to share capital are valued at their acquisition cost. The valuation of doubtful receivables is adjusted to their realizable value by value adjustments.

The Company creates an individual value adjustment to risk-bearing and doubtful receivables. The valuation of receivables overdue longer than one year is decreased by the creation of a value adjustment in the amount of 100 %.

**Prepaid expenses and accrued income**

Prepaid expenses and accrued income are valued at their nominal value and they are presented in an amount in accordance with the matching principle in terms of substance and time with respect to the accounting period. The Company reports prepaid expenses consisting of current operating costs regarding future periods.

**Liabilities**

Liabilities are at their creation valued at their nominal value. Liabilities are at their assumption valued at their acquisition cost. If reconciliation procedures reveal that the actual amount of liabilities differs from the amount recorded in the accounting books, the actual amount shall be used to value these liabilities in the accounting books and financial statements.

**Provisions**

Provisions are liabilities of uncertain timing or amount. Provisions are created to cover known risks or losses from business activities. They are valued at the expected amount of the liability.

The provision for payments upon retirement represents the aliquot part of the average wage of each employee including dues after considering the employee turnover during a period of 10 years prior to their retirement. The long-term provision is discounted by the rate of state bonds. An eventual part of a provision due within one year is stated in the balance sheet as a short-term provision.

**Accrued expenses and deferred income**

Accrued expenses and deferred income are valued at their nominal value and they are presented in an amount in accordance with the matching principle in terms of substance and time with respect to the accounting period. The Company books non-current assets acquired free of charge and valued at fair value as deferred income. The closing balance of deferred income will be decreased every year by the amount of depreciations of the respective non-current assets.

## **Equity**

Equity comprises of share capital, other capital funds consisting of additional contributions of the shareholder, legal reserve fund, profit/loss carried forward and the profit/loss in the approval process.

The share capital of the Company is stated in the amount registered in the Commercial Register of the District Court.

The share capital of the Company is stated in the amount of 14 605 EUR.

The Company has created a reserve fund in the amount of 10% from the value of share capital, i.e. in the amount of 2 371 EUR.

## **Foreign currency**

Assets and liabilities denominated in foreign currency are translated to Euro as of the date of the accounting transaction by the reference exchange rate determined and declared by the European Central Bank or National Bank of Slovakia as of the date preceding the date of the accounting transaction.

Assets and liabilities denominated in a foreign currency (except for advance payments made and advance payments received) are translated to Euro at the Balance Sheet date according to the reference exchange rate determined and declared by the European Central Bank or the National Bank of Slovakia as of the Balance Sheet date, and are recorded with an impact on profit or loss.

Advance payments made and advance payments received in foreign currencies to or from a bank account maintained in this currency are translated to Euro by the reference exchange rate determined and declared by the European Central Bank or the National Bank of Slovakia as of the date preceding the date of the accounting transaction. Advance payments are not translated to Euro as of the Balance Sheet date.

Purchases and sales of foreign currency are translated to Euro by the exchange rate for which these values were purchased or sold.

## **Revenue**

Revenue from own work and merchandise is net of value added tax. Revenue is also reduced by discounts and reductions (quick payment discounts, bonuses, rebates, and credit notes etc.). The revenue is recorded as of the invoice issue date.

## **Income tax**

Cost of income tax is determined by applying the effective tax rate to the accounting profit adjusted by permanent or temporary tax non-deductible expense and income not subject to tax. Deferred taxes (deferred tax assets and deferred tax liabilities) relate to the following:

- temporary differences between the carrying value of assets and the carrying value of liabilities presented in the balance sheet and their tax base;
- tax losses which can be carried forward to future periods, being understood as the possibility of deducting these tax losses from the tax base in the future; and
- unused tax deductions and other tax claims, which can be carried forward to future periods.

Deferred tax assets are recorded only if they are realisable, deferred tax liabilities are recorded always. The Company did not record a calculated deferred tax asset due to uncertainty regarding its enforcement in the future.

## **Corrections of significant mistakes of preceding accounting periods recorded in the current accounting period**

The Company has not performed any corrections of significant mistakes of preceding accounting periods during the current accounting period.

## **INFORMATION EXPLAINING AND AMENDING THE BALANCE SHEET AND INCOME STATEMENT**

### **LIABILITIES**

Information on liabilities

<b>Item</b>	<b>Current accounting period</b>	<b>Immediately preceding accounting period</b>
<b>Total liabilities</b>	<b>363 200</b>	<b>410 109</b>
Liabilities with remaining maturity over 5 years		0
Liabilities with remaining maturity within 1 to 5 years	10 315	11 259
Liabilities with remaining maturity within including 1 year	327 773	345 233
Liabilities overdue	25 112	53 617

### **INFORMATION ON OTHER ASSETS AND OTHER LIABILITIES AND FINANCIAL COMMITMENTS**

The Company has not granted any guarantees.

The Company does not conduct any lawsuits.

Pursuant to the Act on Administration of Taxes and Fees and other tax regulations the Company may be subject to the inspection of tax returns retroactively for the period of 5 years. This means that the tax returns of the Company as of December 31, 2016 for the years 2011 to 2015 are still open and may be subject to an inspection. As at the balance sheet date the Company is not able to determine the consequences of possible inspections on the financial duties of the Company.

The Company leases buildings from the company DOMO-REAL s.r.o., Púchovská 16, Bratislava. The annual rent amounts to 137 097 EUR.

The Company leases office furniture from the company CSI Leasing Slovakia, s.r.o. The rent for the next year 2017 is expected in the amount of 6 002 EUR.

The Company leases 1 motor vehicle by means of operating lease. The rent for the next year 2017 is expected in the amount of 5 754 EUR.

### **EVENTS OCCURRING AFTER THE BALANCE SHEET DATE**

After December 31, 2016 no events with material impact on the true and fair presentation of facts subject to the presentation in these Financial Statements occurred.