

SOFTIP®

ANNUAL REPORT
2012

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INTRODUCTION BY THE CHAIRMAN OF THE BOARD OF DIRECTORS

2012 WILL BE REMEMBERED AS ONE OF THE TURNING POINTS IN SOFTIP'S HISTORY. AFTER MORE THAN 20 YEARS, THE COMPANY EXPERIENCED MANY CHANGES WHICH WERE PERHAPS PAINFUL IN A NUMBER OF WAYS BUT MOST DEFINITELY WERE CRITICAL IN ORDER TO CONTINUE STRENGTHENING OUR BRAND.



WE HAVE BECOME ONE OF THE RESPECTED PLAYERS ON BOTH THE SLOVAK AND CZECH IT MARKETS

Dear business partners, dear friends,

2012 will be remembered as one of the turning points in SOFTIP's history. After more than 20 years, the company experienced many changes which were perhaps painful in a number of ways but most definitely were critical in order to continue strengthening our brand. Together we managed to meet these challenges, which is why I have to and want to thank everyone who was involved in this process.

Perhaps the most important change was the entry of our new shareholder. The arrival of this new shareholder provided SOFTIP with the reassurance it needed to continue working and place its unwavering focus on its primary line of business, the development and sales of products that help our customers work better. I consider this exceptionally important at this time when many companies are dealing with financial issues as well as fundamental issues that bring into question the very existence of their establishments.

A logical result of this change in the ownership structure was the nomination of new company management. Long-time members of SOFTIP were nominated to board positions and their detailed knowledge of the internal environment and processes as well as external customers and partners will serve the company well. Personally I

see this as a sign of confidence and a clear signal that the shareholders are interested in preserving continuity as SOFTIP moves forward.

I am also very proud of the fact that we have once again confirmed our ability to bring innovative products to market and provide customers with solutions that keep step with all the latest trends in enterprise information systems. Yes, I am talking about the latest and most complete information system on the market - SOFTIP PROFIT PLUS. This product is the cornerstone on which we are building our future software tools and services. I am also pleased with the positive response the product has received and the number of satisfied users continues to increase.

Another important moment in 2012 was the commencement of our cooperation with KASO Technologies. Their BarIS solution represents the best information system for retailers and will help SOFTIP meet the highest demands in this segment moving forward. We have also been able to strengthen our position as a key IS supplier for the major pension funds in the Czech Republic. Last but not least we also received a number of prestigious awards from global leaders in information technology.

The effects of our optimization measures and stagnation on the Slovak market were clearly felt

in 2011 and were reflected in SOFTIP's earnings. We do believe that this was only a stepping stone towards positive growth in our earnings. Even then we began to see positive signs, so it came as no surprise that the company returned to profitability in 2012. SOFTIP had sales of nearly €11.3 million with EBT of €974,000. The key aspect is that the company's stabilization creates the positive foundation needed to continue these positive earnings in 2013 as well.

In concluding I would like to thank SOFTIP's customers and partners, without whom we wouldn't have any positive news whatsoever for 2012. Thanks also belong to every one of SOFTIP's employees. Their efforts and professionalism are a guarantee that we can look toward our shared future with optimism.

Ing. Dušan Guldán

CHAIRMAN OF THE BOARD OF DIRECTORS
AND EXECUTIVE DIRECTOR OF SOFTIP, A. S..

Ing. Dušan Guldán

CHAIRMAN OF THE BOARD OF DIRECTORS, EXECUTIVE DIRECTOR AND ESS DIVISION DIRECTOR

He was born in 1961 in Bratislava. After completing his studies at the Electro-Technical Faculty at Slovak University of Technology in Bratislava, he held positions at Benzínol, Europahaus, CABS, and Comtech in a variety of sales positions. He came to SOFTIP in 1994, becoming its Director of Sales to Strategic Customers. From 1994 to 2006 he was the director of SOFTIP Bratislava, a. s., which later became the Bratislava branch. He also was involved in the statutory bodies of SOFTIP Bratislava, a. s. and SOFTIP Sever, a. s. Since 2007 he has been the director of the Custom Information Systems Division and later the Director for Strategic Projects in the Enterprise Solutions and Services (ESS) Division. Since 2nd May 2012, he has been the Chairman of the Board of Directors at SOFTIP as well as Executive director and ESS Division Director.





COMPANY PROFILE

SOFTIP, AS ONE OF THE MOST SIGNIFICANT SLOVAK IT COMPANIES, HAS LONG-TERM EXPERIENCE IN THE DESIGN AND IMPLEMENTATION OF SOFTWARE PROJECTS AS WELL AS THE DEVELOPMENT AND MAINTENANCE OF SOFTWARE PRODUCTS AND ALL RELATED SERVICES.



SOFTIP, as one of the most significant Slovak IT companies, has long-term experience in the design and implementation of software projects as well as the development and maintenance of software products and all related services.

Since its establishment in 1991 the company has grown and has strengthened its position into a recognised company that today cares successfully for more than three thousand customers. Such a wide portfolio of clients allows SOFTIP employees to completely focus on real business, which we then leverage during contact with new clients.

As a systems integrator and a supplier of custom information systems, SOFTIP today is known for a strong position in Slovakia and in the Czech Republic within pension fund management.

We offer all our clients what works best. We are closest to them thanks to our regional representatives. Our offices are in eight cities across Slovakia.

We are always there, at the centre of all the most important events, we follow current trends and form partnerships and alliances. In short, we do *Business Live*.

BASIC IDENTIFICATION DATA

Business name: SOFTIP, a.s. · Registered seat: Business Center Aruba, Galvaniho 7/D, 821 04 Bratislava · Company Reg. No. 36 785 512
VAT Reg. No. SK2022390942 · Bank contact: Tatra banka, a. s., account number: 2627130203/1100 · IBAN: SK09 1100 0000 0026 2713 0203
Registered in: Business Register of the District Court in Bratislava I, section Sa, file No. 4151/B · Legal form: Joint stock company
Registered capital: € 33,193.92 · Representation: In eight cities of Slovakia

HISTORY OF THE COMPANY

1991	establishment of SOFTIP, spol. s r. o. in Banská Bystrica
1992	SOFTIP-EAST, s. r. o. established in Prešov, SOFTIP branch established in Bratislava, later SOFTIP Bratislava, a. s.
1993	establishment of SOFTIP branches in Trenčín, Partizánske, Nitra and Žilina (Later SOFTIP SEVER, a. s.)
1994	SOFTIP BOHEMIA, spol. s r. o. established in Prague, Czech Republic, SOFTIP branch established in Banská Bystrica
1997	SOFTIP, spol. s r. o. transformed into SOFTIP, a. s.
1998	SOFTIP organizer of the first annual conference IT3T. The event was held annually until 2004
2000	Merger of SOFTIP, a. s. with subsidiary SOFTIP Bratislava, a. s. and SOFTIP ŽARNOVICA, spol. s r. o.
2001	Entry of SEAFly ESTATE, a. s. into SOFTIP, a. s.
2003	Merger of SOFTIP, a. s. with subsidiary SOFTIP-EAST, s. r. o., SOFTIP Human Resources awarded a protected quality trademark and a Slovak Gold Award
2004	ISO 9001:2001 quality management system certification for all company processes
2005	Merger of SOFTIP, a. s. with subsidiary SOFTIP Sever, a. s., Award for excellent results in the final competition for the National Prize of the Slovak Republic for quality in the category of large organisations providing services.
2006	Change in ownership structure of SOFTIP, a. s., Change in the organisational structure of branches into divisions
2008	Merger of SOFTIP, a. s. with Royal Ricc Slovakia, a. s., Change of the company registered seat
2006 - 2011	Victory in the Microsoft Industry Awards competition
2011 - 2013	Victory in the Microsoft Partner of the Year Award
2012	Change in ownership structure – entry of PMK Invest, s. r. o. into SOFTIP, a. s., Microsoft Industry Awards Finalist

MISSION

TO BE THE PREFERRED AND PROSPECTIVE PARTNER OF OUR CUSTOMERS, WHO ARE DELIVERED ADDED VALUE BY US FOR THE REALIZATION OF THEIR ENTERPRISE OBJECTIVES AND AN INCREASE IN THEIR COMPETITIVENESS.

VISION

To maintain a position as a significant and recognised company on the Slovak market and one of the IT market leaders;

To represent a key partner for our customers while delivering continuous added value and quality;

To belong to significant and preferred providers of services and solutions for public administration;

To be a company with a modern and transparent structure;

To win important and large projects in cooperation with partners;

To be an attractive and prospective employer.

STRATEGY

To secure the long-term prosperity and stability of the company;

To clearly and simply focus on the existing customer base at the company and its expansion;

To build, reinforce and expand relationships with customers and partner companies;

To expand the scope and quality of provided services with emphasis on support for current and new products;

To apply a human resources policy with emphasis on increasing the qualifications and personal connection of company employees to company business;

To meet the expectations of shareholders and provide them with added value.

COMPANY POLICY

SOFTIP adopted a number of new policy measures within preparations for the introduction of an integrated management system:

To strengthen its position as a preferred supplier of IT services and solutions for the Slovak and foreign markets while maintaining ethical principles and the principles of fair competition.

To be a key partner for our customers by providing continued added value and quality.

To build relationships with strategic partners and suppliers based on mutual respect and to share together in the systematic integration of quality and environmental management.

To continuously improve the quality of our company by raising qualification levels as well as safety and environmental awareness among employees. To help employees to develop professionally and in their careers through a system of education as well as process and project management. To support mutual trust between management and employees.

To secure maximum possible protection for confidential information based on the information security management system.

To provide a high level of care for occupational health and safety. To avoid incidents.

To continuously improve the company's relationship to the environment by creating the conditions for preventing pollution, by optimizing production, by properly disposing of waste and by decreasing our environmental impact.

To respect all current laws and other regulatory requirements.

To secure an efficient integrated management system pursuant to the requirements of EN ISO 9001, ISO 10006, EN ISO 14001, ISO/IEC 27001 and OHSAS 18001 standards.

Microsoft Partner
2013 Partner of the Year **Winner**
Slovakia

WE WERE AWARDED THE MICROSOFT PARTNER OF THE YEAR AWARD FOR DEMONSTRATING EXCELLENCE IN INNOVATION AND IMPLEMENTATION OF CUSTOMER SOLUTIONS BASED ON MICROSOFT TECHNOLOGY

AWARDS AND CERTIFICATES FROM STRATEGIC PARTNERS

SOFTIP is the holder of a number of important certificates and awards.

Since 2005 the company has been a **Microsoft GOLD Certified Partner**. Gold partner status was added to in 2008 by being named a **Microsoft Unified Communications Voice Ready Partner**, which the company received as the first in Slovakia. In addition, SOFTIP is the only company certified at the highest level as Microsoft Gold Partner for Communications.

The use of the latest technology and high quality of provided services and solutions has been confirmed by a series of wins in the **Microsoft Industry Awards**, where in 2012 SOFTIP was

named among the finalists in the category of "Best Solution to Decrease Operating Costs" for the seventh consecutive year. We were recognized as a Microsoft Industry Awards 2012 Finalist thanks to our data warehouse system upgrade for VUB banka, a.s.

In 2013, SOFTIP was for the second time awarded the prestigious **Microsoft Country Partner of the Year** award, with winners chosen from a set of more than 3,000 entrants from 106 different countries worldwide. The company was honored for demonstrating excellence in innovation and implementation of customer solutions based on Microsoft technology. SOFTIP was deserving of this award also for outstanding cooperation with local Microsoft office, with long-term tradition.

We also closely cooperate with other important supra-national companies on the IT market. SOFTIP's and our employees' professional certificates from strategic partners are confirmation of the high level of such relationships and our expertise of the products provided by global leaders. A complete list of SOFTIP's strategic partners is available at www.softip.sk.

Since 2002, SOFTIP has been a member of the **IT Association of Slovakia**, a professional association of the most important domestic and foreign companies active in the information and communication technology sector.

QUALITY CERTIFICATES

SOFTIP has maintained a **Quality Management System** certified pursuant to the EN ISO 9001:2008 standard since 2004; the system is subjected to certification audits on an annual basis. A team of auditors in September 2012 from 3EC International once again confirmed the efficiency of this system, which has been developed to a high level, and reserved special praise for the professionalism of employees and the continuous improvement of the quality of company processes. The certificate applies to the development, production, implementation and support for software, the provision of IT consulting, analytical and advisory services, training and education, IT sales and marketing activities and purchasing, sales and support for hardware. The certificate is valid until September 2013.

SOFTIP's efforts to continuously improve all its processes are reflected in the project to implement an **Integrated Management System (IMS)** under way since January 2013. The IMS builds and expands upon the existing EN ISO 9001 compliant Quality Management System with the addition of the Project Quality Management Guide pursuant to the ISO 10006 standard and the introduction of new systems:

- Information Security System pursuant to the ISO/IEC 27001 standard,
- Occupational Health and Safety System pursuant to the OHSAS 18001 standard,
- Environmental Management System pursuant to the EN ISO 14001 standard.

Microsoft Partner

Gold: Communications
Gold: Application Development
Silver: Small Business
Cloud Accelerate



2011 COUNTRY PARTNER OF THE YEAR
Slovakia
Winner

Microsoft Partner

2013 Partner of the Year **Winner**
Slovakia

Microsoft Industry Awards
Finalist 2012
Slovak Republic

Microsoft Industry Awards
Winner 2011
Slovak Republic

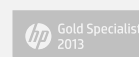
Microsoft Industry Awards
Finalist 2010
Slovenská republika

Microsoft Industry Awards
Finalist 2009
Slovenská republika

Microsoft Industry Awards
Finalist 2008
Slovenská republika

Microsoft Industry Awards
Finalist 2007
Slovenská republika

Microsoft Industry Awards
Winner 2006



WE BUILD UP LONG-TERM CUSTOMER RELATIONSHIPS THROUGH TWO DIVISIONS DESIGNED FOR SPECIFIC TYPES OF SERVICES, PRODUCTS AND SOLUTIONS

Following the change in SOFTIP's shareholder structure in May 2012, company leadership once again turned to new management who have held various positions at SOFTIP in the past. At the same time, changes occurred in the organizational structure to concentrate supporting departments under the Financial Director. Two segment-focused divisions specialized on specific types of services, products and solutions remained unaffected by such changes:

SME DIVISION – SMALL AND MEDIUM ENTERPRISES

The SME Division implements our own ERP solution, SOFTIP HUMAN RESOURCES PLUS and solutions from our partner SAP with a range of accessory modules. The Division deploys its specialized team to design and complete the full delivery of complex system services including hardware and software. The Division also provides complete support through its Call Center,

the Customer Support Center and Remote Support. The company has a team of developers and consultants with a vast array of experience from retail, services, industrial and public administration sectors.

ESS DIVISION – ENTERPRISE SOLUTIONS AND SERVICES

The ESS Division focuses on public administration, finance, retail, services, production, energy and utility sectors. It delivers services, solutions and products that are characterized by their uniqueness and complexity. Focus on the customer's core business activities helps us to deliver a solution that exactly corresponds to the needs and requirements of each customer's unique business. One given is our customized and individual approach; another given is continuous technical and professional support provided by our staff.



SHAREHOLDERS' STRUCTURE

The company shareholders as of 31st December 2012:

<i>Owner</i>	<i>Nominal value of shares in €</i>	<i>Percentage share in the basic capital</i>
PMK Invest, s.r.o., Galvaniho 17/B, 821 04 Bratislava, IČO: 36 801 267	33,193.92	100,00%
Total	33,193.92	100,00%

CAPITAL PARTICIPATION IN OTHER COMPANIES

As of 31st December 2012, SOFTIP has invested in the following companies:

<i>Company</i>	<i>Share Capital</i>	<i>Percentage owned by SOFTIP</i>
SOFTIP BOHEMIA, spol. s r. o.	270,000 CZK	100.00 %
SOFTIP MORAVA, s. r. o. v likvidácii	500,000 CZK	73.00 %
SOFTIP - DELTA, a. s. v likvidácii	33,190.00 EUR	66.00 %
ConnSpec, a. s.	33,193.92 EUR	49.00 %

STATUTORY BODIES OF THE COMPANY

Board of Directors at 31st December 2012:

Ing. Dušan Guldán	<i>Chairman of the Board of Directors</i>
Ing. Radovan Bálent	<i>Member of the Board of Directors</i>
Ing. Martin Vlčko	<i>Member of the Board of Directors</i>

Board of Trustees at 31st December 2012:

Ing. Milan Hán	<i>Chairman of the Board of Trustees</i>
prof. Ing. František Janíček, PhD.	<i>Member of the Board of Trustees</i>
Štefan Duda	<i>Member of the Board of Trustees</i>



SERVICES, SOLUTIONS AND PRODUCTS

SOFTIP HAS BEEN A STABLE AND IMPORTANT CONTRACTOR ON THE MARKET FOR IT SOLUTIONS IN SLOVAKIA FOR MORE THAN 20 YEARS. WE PROVIDE SERVICES TO MORE THAN 3,000 CUSTOMERS, ALLOWING US TO AFFECT THE OVERALL PERCEPTION OF THE IT MARKET, ITS DEVELOPMENT AND DIRECTION IN A SIGNIFICANT MANNER. THE INFLUENCE THAT SOFTIP HAS IS PRIMARILY SEEN IN THE AREA OF ERP AND HR SOLUTIONS AS WELL AS IN THE DELIVERY OF CUSTOM, PORTAL AND SYSTEM SERVICES.



SOFTIP HAS LONG BEEN A MEMBER OF THE STRONGEST THREESOME ERP SUPPLIERS IN THE SLOVAK REPUBLIC

SOFTIP AND THE IT MARKET IN 2012

SOFTIP has been a stable and important contractor on the market for IT solutions in Slovakia for more than 20 years. We provide services to more than 3,000 customers, allowing us to affect the overall perception of the IT market, its development and direction in a significant manner. The influence that SOFTIP has is primarily seen in the area of ERP and HR solutions as well as in the delivery of custom, portal and system services.

In addition to its successes in the Slovak Republic, SOFTIP also has a significant standing with respect to pension management companies in the Czech Republic.

Research completed by Infoware, a monthly industry publication which conducts annual research on ERP suppliers in the Slovak Republic, confirms that SOFTIP has long been a member of the strongest threesome on the market along with SAP and Asseco Solutions. SOFTIP holds a 10.7 % market share for ERP solutions in the Slovak Republic.

MARKET RECOVERY AND INNOVATIVE SOLUTIONS

After a number of years of stagnation in terms of ERP solutions among most customers, 2012 could be considered to be the year in which the first signs of recovery were seen. The predictions that it would be impossible to permanently delay investments into innovative solutions, in particular those that streamline enterprise processes, rang true.

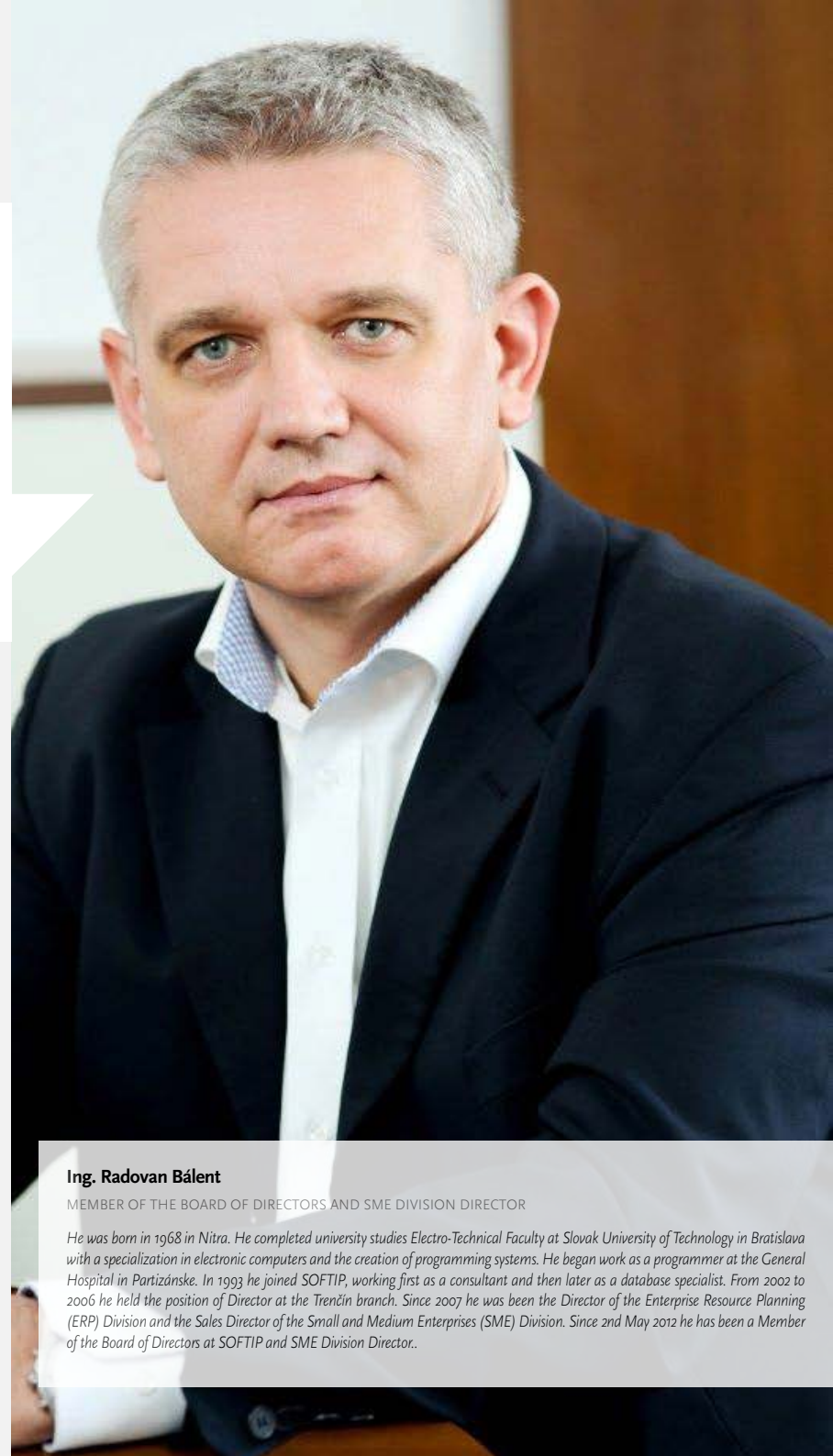
In 2012 SOFTIP completed design as well as functional and process improvements in the SOFTIP PROFIT product. This innovation was transposed into the name of the product by adding PLUS to the name and a series of supporting presentation meetings were held. Customers appreciated the new functionality and the fact that the developments did not represent any added fees for them, offering pure added value. We offered the innovative SOFTIP PROFIT PLUS to a pilot customer first and then to all our contracted customers.

Following pilot implementation of the Production Management module in the previous year, successful roll out of this solution continued for more customers with every new implementation representing another important functional development of this new product.

When considering the technical advances made in ERP solutions, the most conspicuous is in the selection of overviews available for selected records, tables and economic and financial graphs for both smart phones and tablets. We also saw tremendous interest from managers for the Management Information System and its on-line overviews.

2012 in the Czech Republic saw significant pension reforms. SOFTIP as a core solution supplier responded to these changes by delivering new functional and technical solutions: SOFTIP GARANT and WebGARANT.

All of these innovative solutions and product modernization efforts were reflected in the increased workloads and added value delivered by our development staff, consultants and system engineers.



Ing. Radovan Báľent

MEMBER OF THE BOARD OF DIRECTORS AND SME DIVISION DIRECTOR

He was born in 1968 in Nitra. He completed university studies Electro-Technical Faculty at Slovak University of Technology in Bratislava with a specialization in electronic computers and the creation of programming systems. He began work as a programmer at the General Hospital in Partizánske. In 1993 he joined SOFTIP, working first as a consultant and then later as a database specialist. From 2002 to 2006 he held the position of Director at the Trenčín branch. Since 2007 he was been the Director of the Enterprise Resource Planning (ERP) Division and the Sales Director of the Small and Medium Enterprises (SME) Division. Since 2nd May 2012 he has been a Member of the Board of Directors at SOFTIP and SME Division Director.

NEW SUCCESSFUL PROJECTS AND SOLUTIONS

NEW ERP PROJECTS AND PROJECTS FOR HR SOLUTIONS

- SAP Business One implementation for one of the leaders on the shipping services market - Direct Parcel Distribution SK (DPD SK). Standard financial and logistics modules were supplemented by specific adaptations made for the specific conditions of courier services as well as package tracking and paring payments for shipped packages. The solution also featured transparent reports created to match the customer's exact needs in order to streamline company management (in particular with respect to costs).
- Implementation of an SAP R/3 based information system for the Klauke group, a leading producer of connector components. The success of this entire activity underlines the fact that the solution KLAUKE Slovakia needed was implemented and integrated into the existing corporate SAP environment operated from headquarters in Germany. Thanks to the professional efforts of our employees, and with support from

management at Klauke Slovakia, we were able to convince headquarters of our competencies, giving us the unique opportunity to roll out a system for fellow subsidiary KLAUKE UK LTD in Great Britain.

- Development of an ISPA information system for managing core business at HR agencies and integration with SOFTIP PROFIT PLUS. The newly created system covers all HR agency processes. This hosting service is operated by the HR agency INDEX NOSLUŠ.
- We were successful in winning a new customer in DoMo-GLASS, a major supplier of interior and exterior fully glazed frameless structures, for whom we gradually rolled out a complex SOFTIP PROFIT PLUS IS covering company finance, HR and payroll management, logistics and custom production.
- A solution with a unified order system for the ASAS alliance of supply yards currently provides services for 13 business partners across Slovakia. The unified ERP SOFTIP PROFIT PLUS system covered all common financial, logistics, payroll and HR processes. The accessory Management Overviews package was provided in order to ensure efficient top management work activities.

These systems are also operated as hosting services.

SUCCESSFUL CUSTOM SOLUTIONS

- Project financial management for the Ministry of Culture of the Slovak Republic and for all 33 of its subordinate organizations for all projects financed from EU and other funds.
 - Merger of Slovenský vodohospodársky podnik databases as a critical prerequisite for increasing the efficiency of company management.
 - HR portal for the Office of Social Affairs and Family for paperless communication between employees in the HR sections.
 - Delivery of SOFTIP's Garant 6 and webGarant IS solutions to major pension fund management companies in response to expansive legislative changes in the pension insurance system in the Czech Republic – Komerční banka penzijní společnost, Raiffeisen penzijní společnost, Aegon penzijní společnost and Conseq penzijní společnost. This represents more than 50 per cent coverage of IT solutions for this market segment.
- Completed implementation of the modern

Microsoft Dynamics CRM IS for our long-term customer Berndorf Sandrik. We used an optional upgrade of this CRM solution in a new implementation for Energoinvest, where the product was used to improve the transparency in the management of projects implemented in the nuclear power industry. The uniqueness of this solution is based on the connection of the CRM to the management information system.

CHANGE IN SOLUTIONS FOR CUSTOMERS IN THE RETAIL SEGMENT

At the end of 2011, Ventus gave notice to its long-term sales and maintenance cooperation with SOFTIP in the area of retail information systems. This drove the search for a new and conceptually modern solution for this group of customers. The BARIS solution from Kaso Technologies and the A3 information system from AN Systems were selected as suitable alternatives.

WIDE PORTFOLIO OF CLIENTS ALLOWS US TO COMPLETELY FOCUS ON REAL BUSINESS AND TO GAIN EXPERTISE IN VARIOUS SEGMENTS

PROJECT MANAGEMENT

SOFTIP has long-term experience in managing wide-ranging IT projects. Project management is one of the most critical processes in the company and this is the reason why we focus so much attention on methodology. A methodology-based procedure helps to manage any kind of project including customer projects, internal projects, product development and service delivery. Experienced project managers, who are regularly trained by renowned foreign trainers, are entrusted with project management. Adherence to the defined methodology is checked by both internal and external auditors.

SECTOR SOLUTIONS

During its two decades of work on the Slovak and Czech markets, SOFTIP solutions have been implemented in thousands of companies. Such a wide portfolio of clients allows us to completely focus on real business and to gain expertise in various segments. This is the reason why our solutions are individually suited to the conditions of customer's segments: Sales, Industry, State and local government, Utilities, Finance and Services.

SOLUTIONS FOR SMALL AND MEDIUM ENTERPRISES

SOFTIP develops and provides support for a range of software products. A common characteristic of all these products is our important position on the IT market. Precise knowledge of the legislative environment, a stable, highly-qualified development team and reliable user support are all a guarantee of their quality.

- **SOFTIP PROFIT PLUS** is an innovative and complex ERP information system that SOFTIP first brought to market in September 2012. This fully integrated solution for managing economic and financial processes, managing sales and logistics processes and a complex solution for HR and payroll management was functionally expanded to include a module for managing production, new e-modules and MPP management overviews. This solution supports mobile technology. Today the system is used by more than 660 customers with more than 8,000 users.

- **SOFTIP PACKET** is an ERP system enabling process management in small and medium enterprises with automated administration of selected activities. This solution is used by more than 700 customers with more than 4,000 end users.

- **SOFTIP HUMAN RESOURCES PLUS** is the most complex package of applications defined for processing HR and payroll agendas. It is an innovative solution based on the proven SOFTIP HR platform. In addition to a rework and more transparent visuals for users, the solution also received a number of new and useful functions. With around 1,400 customers and 7,000 users, this solution is one of the most widespread applications for managing human resources.

The portfolio of solutions was expanded to include products from strategic application partners.

- Since 2007 SOFTIP has been one of the most successful partners of SAP in the V4 region. Since then, SOFTIP has rolled out dozens of **SAP Business One**-based solutions specifically focused on the needs of small and medium enterprises and **SAP Business All-in-One**.

- The **Attendance and Meals System** from RON SOFTWARE provides an overview of attendance, the utilization of working hours and access to specific areas and facilities including terminals, security and identification equipment.

- The **BarIS** information system from KASO Technologies covers all processes in both wholesale and retail. This robust system quickly processes data and ensures data security by using Oracle databases.

- The **A3** information system from AN Systems is a complex information system for wholesale and retail operations for retailers of fashion goods, shoes, sporting equipment, accessories and other similar product lines.

- **Planning Wizard** from Logio is a complete solution for planning sales, marketing and promotional activities as well as for effective stock management. It offers a rich palette of tools for users that allow for details management and administration of all operations related to supply chains.

- **Plantour**, **Carmanager** and **Standort** from DIGITECH are solutions for effective planning and management of company distribution processes. They ensure the strategic and pro-active optimization of routes, vehicle fleets and distribution centres.

WE CONTINUOUSLY MONITOR TECHNICAL TRENDS AND IMPLEMENT UNIQUE AND INNOVATIVE SOLUTIONS

CUSTOM SOLUTIONS

Custom solutions can be characterized by their uniqueness and complexity. These solutions are based on an individualized approach and the way they seamlessly integrate with existing company processes. Their methodology is always in line with verified procedures used by renowned supranational companies.

The SOFTIP GARANT group of products is intended to support operations and management of pension funds, supplemental pension and pension management companies (2nd and 3rd pillars of the pension assurance system). In the Czech Republic, SOFTIP GARANT is used to manage the accounts of more than a million and a half active insureds. This represents a 34-per cent share for SOFTIP of all insureds and a 32-per cent market share in the volume of all funds of these insureds, meaning that SOFTIP GARANT is used to manage up to CZK 75 billion in pension funds.

Another typical custom solutions:

- Business Intelligence and Management Information System includes controlling and additional modules to support decision making at all levels of management in various types of organizations, from manufacturing companies, water utilities, financial institutions and public administration,
- Central procurement to coordinate centralized purchasing, the unification of purchase requests within a company and approval along with optimization of purchasing activities,
- Maintenance management and planning for a company's real estate assets based on legislative requirements and internal company standards,
- Project management in the areas of financial and material management and planning pursuant to international standards,
- Electronic document exchange based on specific requirements and pursuant to EDI,
- Registers for recording and managing data,
- Portal and web solutions as an add-on to existing productive and supporting systems or as separate solutions for selected supporting areas.

PORTFOLIO OF SERVICES

SOLUTION DEVELOPMENT AND IMPLEMENTATION BASED ON SPECIFIC CUSTOMER REQUIREMENTS AND THE OPTIMIZATION OF COMPANY PROCESSES, INCLUDING PERFORMANCE

Our employees have excellent knowledge in this area. Their experience comes from many projects requiring the application of the latest technologies and our solutions are tailored to our customers' requirements so that they would best suit their needs.

IMPLEMENTATION OF ERP SOLUTIONS WITH ADDED VALUE

Our history of thousands of implemented projects in all industrial sectors and commercial segments also includes services for state and local government as well. We help customers uncover opportunities for development and we have proven the ability to offer them more than just ERP. For example, the Management Information System "add-on" or the expanded e-shop are good examples today. We are able to identify the critical sales and operations problems and successfully resolve them and eliminate their causes. We understand the business of our clients and we only offer them what really works.

SYSTEM AND INFRASTRUCTURE SERVICES

We analyse our customers' infrastructure and propose individual solutions that will help utilize such infrastructure effectively and optimize costs. Implementing IT networks, operating systems, databases, administration and optimizing their performance based on individual requirements all use a state-of-the-art system of integrated communications (Unified Communications), or infrastructure virtualisation. We have long-term experience in the field of infrastructure services and we are continuously improving on the knowledge we have gained in the past.

CRM SOLUTIONS

Our CRM solutions help our customers discover new business opportunities; it makes tracking and forecasting development and business relationship quality easier. It enables the user to optimize the entire process of communication and customer care. Thus the customer can sell more, better and can attract new long-term clients.

PORTAL SOLUTIONS

We have experience with the implementation of both extensive and smaller portal solutions focusing on external customers, implementation partners and on customers (in the form of an Intranet solution). The customer gains an effective tool for external or internal communication and has permanent access to current structured data.

OUTSOURCING AND SOFTIP HOSTING

Outsourcing is one of the ways to regulate costs and to continue to increase productivity. SOFTIP offers:

- HR and payroll outsourcing
- IT outsourcing
- SOFTIP PROFIT PLUS, SOFTIP PACKET and SOFTIP HUMAN RESOURCES PLUS application outsourcing

SOFTIP Hosting frees our customers of the burden of administering and operating email and communication services or collaboration tools, audio and video conferencing and on-line meeting services. SOFTIP Hosting also covers the administration of existing SharePoint Services applications.

BUSINESS ANALYSIS AND FEASIBILITY STUDIES

Our experts analyse the quality and functionality of company processes and propose solutions for such processes improvements. At the same time they help discover weaknesses in client projects and help support their strengths. They can pinpoint whether these are worth implementing or not considering the time, incurred costs and their extent.

CONSULTING AND ADVISORY SERVICES

Our employees can provide our customers with expertise and experience. We know the answers to our customers' questions; we can advise them how to solve their issues, how to avoid them and what to improve.

EDUCATION

- SOFTIP PROFIT PLUS, SOFTIP HUMAN RESOURCES PLUS and SOFTIP PACKET application training
- Seminars are focused on current legislative changes and their integration into applications.
- Education and testing in the ECDL system
- Training for Microsoft products
- Training customized to meet specific customer requirements

OTHER SERVICES:

- Project management and coordination of project activities;
- Consulting and professional supervision directly on the customer's premises;
- Services supporting operational productivity;
- Preventative inspections of information systems;
- Security policy and data protection design;
- Software and hardware audit;
- Security project.
- projekt

RELIABLE SUPPORT

SLA - SERVICE LEVEL AGREEMENT

We can create long-term relationships with our customers by concluding service level agreements (SLA). These represent repeated services provided in the agreed quality and scope. From their point of view, customized SLAs can be regarded as a supplementary service with added value, which is connected with the standard provided services. It shall relieve customers of supporting activities so they can fully focus on their core business.

CUSTOMER SUPPORT CENTRE

At <http://cpz.softip.sk/> find our customers up to date information on used software products including the possibility of downloading a new version of the application software and the covering documents. They can also register a problem or question and track the status of their solutions.

CALL CENTRE

By calling 048 4358 600 we provide immediate consultation with an expert over the phone.

SERVICE LINE

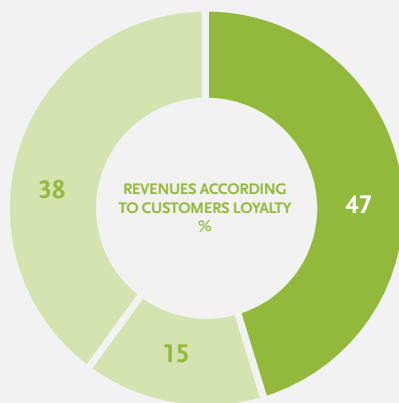
Customers can simply dial 048 4358 700 to order service work from our professional consultants, including remote customer support services.

REMOTE CUSTOMER SUPPORT

Remote customer support allows to use all the consulting services in the shortest time possible via remote access.



59% - 5-10 Years
21% - Up to 5 Years
20% - More than 10 Years



47% - 5-10 Years
38% - Up to 5 Years
15% - More than 10 Years

THE STABILITY OF SOFTIP'S REVENUES IS ALSO GIVEN BY THE FACT THAT THE LARGEST SHARE OF THESE REVENUES IS FROM THE LARGE CUSTOMER SEGMENT, WHICH FEATURES COMPANIES WITH MORE THAN 250 EMPLOYEES

CUSTOMER PORTFOLIO

LONG-TERM RELATIONSHIPS WITH CUSTOMERS

SOFTIP as a customer-focused company is aware of the importance of long-term partnership with its customers. Proof of the success of this approach is the fact that nearly 20 % of SOFTIP's contracted customers have remained loyal for more than 10 years while another 60 % have used our products for more than 5 years. Overall, it is also to be appreciated that these customer are a major component of SOFTIP's overall revenues. We recorded a significant year-on increase in revenues from new customers as well, which is connected to successful transactions concluded in the past year. As is clear from the graphs, 21 % of our customer have used our services for less than 5 years but are responsible for 38 % of revenues.

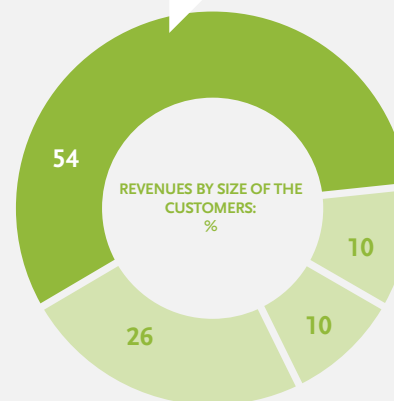
BALANCED CUSTOMER PORTFOLIO

The diversification of segments in which customers do business is important and an excellent tool to ensure a wide-ranging and stable customer base for SOFTIP: This has helped to mitigate excessive impacts from individual sectors on the company's total revenue.

The stability of SOFTIP's revenues is also given by the fact that the largest share of these revenues (up to 54 %) is from the large customer segment, which features companies with more than 250 employees. Another 26 % of SOFTIP's revenue is from medium-large companies with 50 to 249 employees. SOFTIP's product portfolio is able to meet the needs of the largest and most demanding clients. This helps SOFTIP differentiate itself from other ERP solution providers on the Slovak market with revenues that are almost exclusively generated from the small and micro enterprise segment.



21% Finance, 18% State and local government,
17% Services, 17% Industry, 13% Sales,
12% Utilities, 2% Other / Industry



54% Large, 26% Medium
10% Small, 10% Micro

REFERENCES

The following major companies are SOFTIP customers:

SALES	INDUSTRY	KONŠTRUKTA - INDUSTRY	STAVOINDUSTRIA LIPTOVSKÝ MIKULÁŠ	SLOVENSKÁ POŠTA
BILLA	AIR LIQUIDE WELDING CENTRAL EUROPE	LINDENMAIER SLOVAKIA	SWEDWOOD SLOVAKIA ODŠTEPNÝ ZÁVOD SPARTAN	SLOVENSKÁ ZDRAVOTNÍCKA UNIVERZITA
CENTROGLOB	ALUPLAST	MATADOR INDUSTRIES	TATRAĽAN	SLOVENSKÉ NÁRODNÉ MÚZEUM
COOP JEDNOTA KOMÁRNO	ARIES 2	NEFAB PACKAGING SLOVAKIA	TATRAMAT - OHRIEVAČE VODY	ŠTATISTICKÝ ÚRAD SLOVENSKEJ REPUBLIKY
COOP JEDNOTA LIPTOVSKÝ MIKULÁŠ	ARPROG POPRAD	NEMAK SLOVAKIA	TESLA STROPKOV	ŠTÁTNA OCHRANA PRÍRODY SLOVENSKEJ REPUBLIKY
COOP JEDNOTA SENICA	BALIARNE OBCHODUPOPRAD	NEUMAN ALUMINIUM FLIESSPRESSWERK SLOVAKIA	VIPO	ŠTÁTNE LESY TATRAŇSKÉHO NÁRODNÉHO PARKU
COOP JEDNOTA TRENČÍN	BAU3MEX	NOVOPLAST SEREĎ	VOGEL & NOOT SEED SOLUTIONS	ÚRAD PRE DOHĽAD NAD ZDRAVOTNOU STAROSTLIVOSŤOU
COOP JEDNOTA ŽARNOVICA	C.M.R. SLOVAKIA	PANASONIC AVC NETWORKS SLOVAKIA	ZF SACHS SLOVAKIA	ÚSTREDIE PRÁCE, SOCIÁLNYCH VECÍ A RODINY
DILIGENTIA R.C.	CESTNÉ STAVBY LIPTOVSKÝ MIKULÁŠ	PANASONIC INDUSTRIAL DEVICES SLOVAKIA	STATE AND LOCAL GOVERNMENT	
DIN - TECHNIK	DELPHI SLOVENSKO	PIVOVAR STEIGER	GENERÁLNA PROKURATÚRA SR	
EURO PUMPS TECH	DKI PLAST	POLY	LESY SLOVENSKEJ REPUBLIKY	
INTERPHARM SLOVAKIA	EURO-BUILDING	POLYGRAF PRINT	MINISTERSTVO KULTÚRY SLOVENSKEJ REPUBLIKY	
JANEBA TIME SR	FESTAP	POVAŽSKÁ CEMENTÁREŇ	SLOVENSKÁ AGENTÚRA PRE CESTOVNÝ RUCH	
JUNGHEINRICH	GEWIS SLOVAKIA	QUILTEX	SLOVENSKÁ AGENTÚRA ŽIVOTNÉHO PROSTREDIA	
LORIK SLOVAKIA	ILLICHMANN CASTALLOY	SAUER - DANFOSS	SLOVENSKÁ AKADEMIA VIED	
MEDITRADE	INTERNATIONAL BEZ GROUP	SLOVALCO	SLOVENSKÁ INOVAČNÁ A ENERGETICKÁ AGENTÚRA	
NITRAZDROJ	KLAUKE UK	SLOVNAFT	SLOVENSKÁ OBCHODNÁ INŠPEKCIA	
PHOENIX ZDRAVOTNÍCKE ZÁSOBOVANIE	KLAUKE SLOVAKIA	STAVEX NITRA		
ZOP PLUS	KNAUF INSULATION			

CUSTOMERS ARE THE PILLAR OF OUR SUCCESS

UTILITIES

 GALANTATERM

 GASTRADING

 PODTATRANSKÁ VODÁRENSKÁ SPOLOČNOSŤ

 POVODÍ MORAVY

 SEVEROSLOVENSKÉ VODÁRNE A KANALIZÁCIE

 SLOVENSKÝ PLYNÁRENSKÝ PRIEMYSEL

 SLOVENSKÝ VODOHOSPODÁRSKY PODNIK

 SLOVINTEGRA ENERGY

 STREDOSLOVENSKÁ VODÁRENSKÁ
PREVÁDZKOVÁ SPOLOČNOSŤ

 TEPELNÉ HOSPODÁRSTVO KOŠICE

 TRENČIANSKA VODOHOSPODÁRSKA
SPOLOČNOSŤ

 ZÁPADOSLOVENSKÁ VODÁRENSKÁ
SPOLOČNOSŤ

FINANCE

 AEGON PENZIJNÍ SPOLEČNOST

 ČESKÁ SPOŘITELNA - PENZIJNÍ SPOLEČNOST

 KOMERČNÍ BANKA PENZIJNÍ SPOLEČNOST

 DŮVERA ZDRAVOTNÁ POISŤOVŇA

 CONSEQ

 SLOVENSKÁ SPORITELŇA

 VŠEOBECNÁ ÚVEROVÁ BANKA

SERVICES

 ADRIAN GROUP

 BABYMARKET

 COFELY

 CSE-CONTROLS

 DIRECT PARCEL DISTRIBUTION SK

 FORTUNA SK

 HAMELN RDS

 INCAR

 INDEX NOSLUŠ

 KOFT BRATISLAVA

 KPMG SLOVENSKO ADVISORY

 LETISKO SLIAČ

 MEDIREX SERVIS

 MERWEDE DESIGN

METSA TISSUE SLOVAKIA

 OBAL-SERVIS KOŠICE

 OCHRANA A BEZPEČNOSŤ SE

 OLO A.S. ODVOZ A LIKVIDÁCIA ODPADU

 SAD PREŠOV

 SAD PRIEVIDZA

 SLOVENSKÁ AUTOBUSOVÁ DOPRAVA TRENČÍN

 SLOVENSKÁ AUTOBUSOVÁ DOPRAVA ŽILINA

 SLOVINTEGRA

 SLOVNAFT TRANS

 START PEOPLE

 TOWERCOM

 TRENKWALDER

HEALTH

 DETSKÁ FAKULTNÁ NEMOCNICA S POLIKLINIKOU
BANSKÁ BYSTRICA

 FALCK ZÁCHRANNÁ

 NEMOCNICA S POLIKLINIKOU PARTIZÁNSKE

 SVET ZDRAVIA

 UNIVERZITNÁ NEMOCNICA MARTIN

 ÚSTREDNÁ VOJENSKÁ NEMOCNICA SNP
RUŽOMBEROK

 ŽELEZNIČNÉ ZDRAVOTNÍCTVO KOŠICE



HUMAN RESOURCES

AS OF 31ST DECEMBER 2012, SOFTIP EMPLOYED A TOTAL OF 178 EMPLOYEES, 73 OF WHOM WERE WOMEN, REPRESENTING 41 % OF THE TOTAL NUMBER OF EMPLOYEES. COMPARED TO THE PREVIOUS YEAR, THE NUMBER OF EMPLOYEES DECLINED BY 5 % IN CONNECTION WITH THE OPTIMIZATION OF COMPANY COSTS. OVER 2012 THE PROCESS OF MAKING CHANGES IN THE STRUCTURE OF EMPLOYEES WAS BEGUN WITH THE GOAL OF MEETING THE NEW STRATEGIC OBJECTIVES LAID OUT BY THE COMPANY AND BUILDING NEW COMPETENCIES.



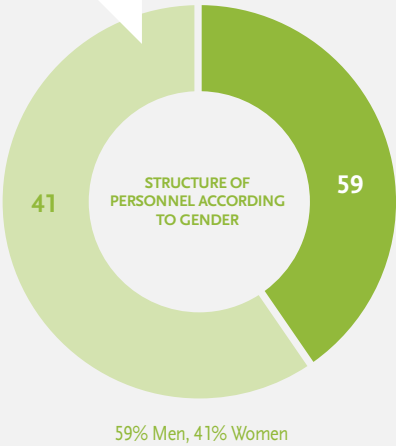
WE EMPLOY A TOTAL OF 178 EMPLOYEES, 73 OF WHOM ARE WOMEN

As of 31st December 2012, SOFTIP employed a total of 178 employees, 73 of whom were women, representing 41 % of the total number of employees. Compared to the previous year, the number of employees declined by 5 % in connection with the optimization of company costs. Over 2012 the process of making changes in the structure of employees was begun with the goal of meeting the new strategic objectives laid out by the company and building new competencies.

Changes in a number of management positions also accompanied these organizational changes.

Education focused on project management and business was an extension of the trainings completed in previous years. Joint internal training for sales managers was also conducted in order to better focus on determining the needs of customers. Project management training was focused on project quality management.

Within SOFTIP's social program and benefits, just as in past years, the company continued to provide employees with the option of fully paid, excused work absences for illnesses, contributions towards supplemental pension insurance, above-standard preventative health exams, contribution for the birth of a child, awards for important anniversaries and birthdays both at home and at work as well as contributions towards language classes and



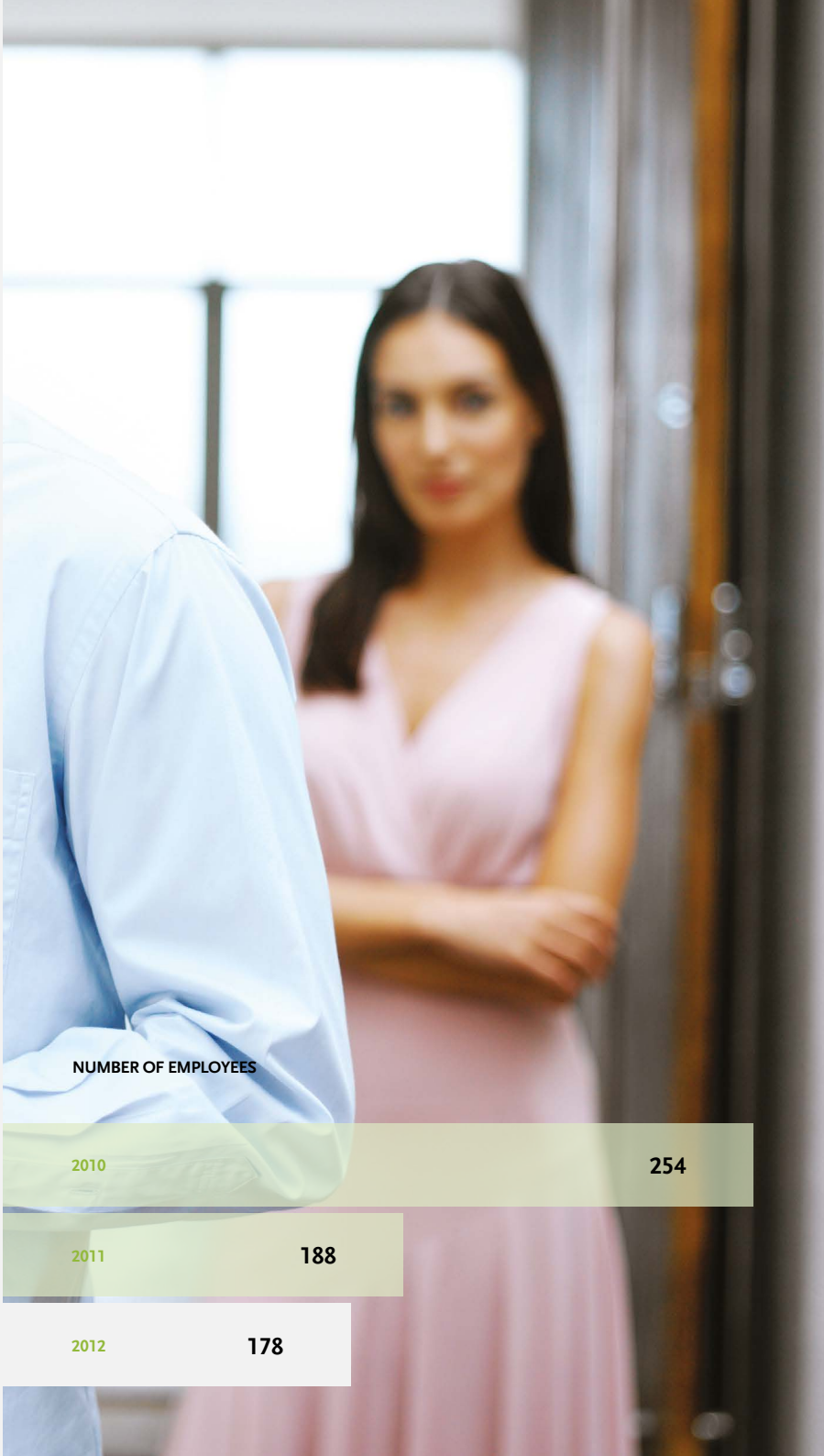
59% Men, 41% Women

We also introduced a new process in the personal development and employee performance management system as well as 360-degree assessment of management staff.

Mutual trust between employees and management has been enhanced thanks to a company-wide meeting held at the Tatralandia resort and our Christmas celebration.

more. In total the company contributed a total of €121,000 used towards such benefits.

In June of 2012, new management adopted a decision to increase the value of meal vouchers by 30 cents while maintaining the existing employee co-pay for these meal vouchers. At the same time, another decision as adopted for 2013 to increase the statutory social fund contribution from 0.6% to 1% of gross employee payroll with an aliquot increase in the employer's contribution, which effectively lowered the employee co-pay for these meal vouchers.



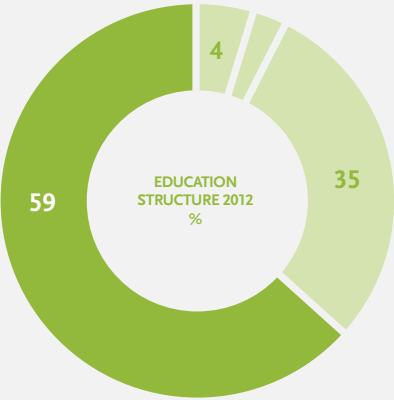
NUMBER OF EMPLOYEES

2010	254
2011	188
2012	178

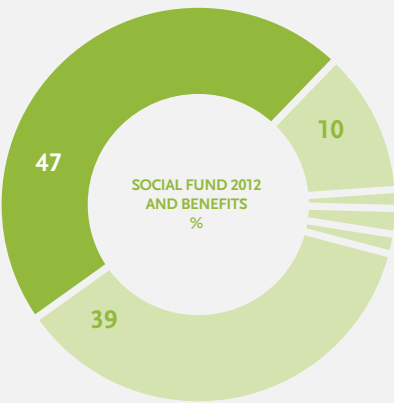
131 EMPLOYEES
HAVE A UNIVERSITY
DEGREE



74% University, 18% Complete secondary
5% Bachelor, 3% Secondary

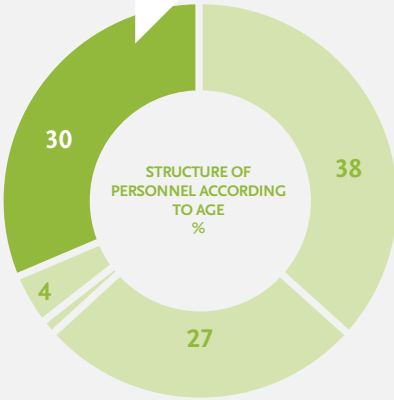


59% Professional and Technical Training
35% Project Management
4% Language Courses
2% Regular Training in Safe Office
and Driving Practices



47% Sickness Leave Benefits
39% Supplementary Pension Insurance
10% Meal Allowances
2% Preventive Health Care Allowances
1% Refreshment Allowances
1% New Baby Allowances

68 OF OUR
EMPLOYEES IS
AGED BETWEEN
31-40 YEARS



38% 41-51 Years of Age, 30% 31-40 Years of Age
27% 51-60 Years of Age, 4% up to 30 Years of Age
1% over 60 Years of Age

ONE OF OUR GUIDING PRINCIPLES IS A RESPONSIBLE APPROACH TO THE ENVIRONMENT AND SOCIETY AT LARGE

SOCIAL RESPONSIBILITY

One of SOFTIP's guiding principles is a responsible approach to the environment and society at large. We are concerned with improving the quality of life for our employees and society in general. In 2012 our support was primarily directed to education, healthcare and sports.

SOFTIP provided financial support to students at the FPV Department of Informatics at Matej Bel University in Banská Bystrica to participate in the central European round of the ACM CERC ICPC programming competition held in Krakow, Poland, which involved nearly 2,000 universities from 80 countries around the world seeking to advance to the global final round.

A contribution in the form of two per cent of SOFTIP's paid income tax was used in 2012 to support the ŠK Juventa Bratislava gymnastics clubs and the Plamienok Children's Hospice, which focuses on providing end-of-life care to children and their families with the goal of improving their quality of life.

For us, social responsibility includes an active approach to protecting health and improving the quality of the environment by taking action and creating conditions to prevent environmental pollution. We turn over all scrapped technical equipment to authorized recyclers and disposal companies licensed for electrical equipment and electronics. We are proud to exclusively install components that comply with the RoHS (Restriction of the use of certain Hazardous Substances) Directive in technical infrastructure we deliver to customers.

With respect to our customers, we also have undertaken a concerted effort to switch over to electronic invoicing, which has a clearly positive impact on more efficient use of natural resources and is also very convenient.

Our innovative solutions have long made direct and indirect contributions to environmental protection efforts by reducing the need to print documents and allowing meetings and trainings to be held in the form of virtual meetings. This has allowed us to make a contribution by saving resources and reducing CO2 emissions.

COMMUNICATING COMPANY NEWS

SOFTIP's marketing communication in the past year focused on communicating the changes under way in the company and company news, in particular with respect to the change in the company's shareholder structure, new board and management and the introduction of the new SOFTIP PROFIT PLUS and SOFTIP HR PLUS information systems on the market. Over the course of the past year we also systematically cooperated with media by publishing press releases and interviews with company management.

All employees had the opportunity to meet the new shareholders and management at the traditional annual company-wide SOFTIP meeting held on 22 - 23 June 2012 at the Tatralandia Holiday Village Resort in Liptovský Mikuláš. An afternoon of sports and a wellness program culminated in an Mexican-themed fiesta evening. More than 80% of all employees attended the SOFTIP meeting in 2012.

Employees were informed and kept up-to-date at regular end-of-year meetings with both divisions

regarding company news as well as corporate strategy and plans. Informal relationships were also strengthened at the Christmas events for individual sites.

An important internal communication channel remains the Intranet portal, where notices and documents are published and updated on a regular basis. The high rates of daily visitor traffic on the portal are clear evidence that this is an up-to-date and valuable source of information for employees.

SOFTIP communicated with current and potential customers in 2012 using regular seminars, workshops and formal and informal events. We also restored the traditional Customer Days to showcase the latest current innovations in our solutions, which were held in three Slovak cities during September - Banská Bystrica, Bratislava and Prešov.

The external communication channel with the richest content is www.softip.sk, which reflects the our strategy of focus on the customer. The site serves as the central source of informa-

tion with easy access to the Customer Support Centre, the Call Centre and Remote Support. The "Write to us" section is used to provide answers to more general questions about SOFTIP; similarly, the email address softip@softip.sk is available to make direct contact.

Information and answers to questions related to the use of SOFTIP software products is provided by the Call Centre and the Customer Support Centre on-line. In addition, SOFTIP provides remote support (GTA - Go To Assist) service which customers can use to access all common services provided by SOFTIP's consultants thanks to an on-line remote connection.

We also pay a great deal of attention to feedback regarding the quality of our services and solutions. We completed our annual customer satisfaction survey in September 2012 in order to gain such feedback. We were pleased with the positive developments among the most important monitoring parameters.

WE HAVE INFORMED ABOUT THE COMPANY NEWS BY PUBLISHING PRESS RELEASES AND INTERVIEWS WITH MANAGEMENT

SOFTIP FOR PENSION FUNDS IN THE CZECH REPUBLIC

GoodWill | 21.9.2012

SOFTIP strengthened its position as the leading supplier of information systems for pension funds in the Czech Republic. Given the extensive legislative changes in the pension insurance system, the company has delivered new and modified IT for major pension fund management companies including Penzijní fond Komerční banky, AEGON Penzijní fond and Conseq Investment Management. Raiffeisen penzijní společnost has also recently joined the company's customer portfolio...

TRY OUT THE LATEST ERP SOLUTION FROM THE BEGINNING OF SEPTEMBER

Infoware | 5.9.2012

What demands are companies currently placing on ERP applications? Clearly they need complete solutions that provide detailed and immediate information needed to manage the company, including financial data, HR policy, sales, production and customer relationship management. All of this and more is required in a comfortable user package that can also be accessed by mobile equipment. SOFTIP recognizes these needs and developed the new complete ERP solution SOFTIP PROFIT PLUS to meet these needs. The company will begin rolling it out to existing and new customers beginning 3 September.

SOFTIP CONCLUDES PARTNERSHIP WITH KASO TECHNOLOGIES

etrend.sk | 20.8.2012

IT companies SOFTIP and Kaso Technologies have concluded a new partnership agreement to promote, sell and implement the BarIS enterprise information system in the wholesale and retail segments.

MICROSOFT INDUSTRY AWARDS 2012 – BEST CUSTOMER SOLUTION OF THE YEAR

Hospodárske noviny | 15.6.2012

Microsoft has awarded the best customer solutions delivered by its partners for the sixth time. These awards are chosen on the basis of the most-innovative use of Microsoft technology and the most efficient returns for the customer.

Finalist: SOFTIP, a. s. – Upgrade data warehouse system for Všeobecná úverová banka (VÚB, a. s.).

ACCOUNTING IN YOUR MOBILE PHONE? NO PROBLEM

Hospodárske noviny | 13.6.2012

The cloud and mobility are the future of internal IT solutions says Dušan Guldán, CEO of SOFTIP..

SOFTIP HAS A NEW BOARD OF DIRECTORS

GoodWill | 22.5.2012

SOFTIP has new management. Dušan Guldán, the current CEO and director of the ESS Division, was named the Chairman of the Board of Directors. Radovan Báľent, who leads the SME Division, and Martin Vlčko, SOFTIP's financial director, have both been named to the Board...

RESEARCH: ERP MARKET IN SLOVAKIA IN 2011

Infoware | 10.4.2012

... SOFTIP, a. s., took second place this year with €8,927,000 (12.4-per cent market share)...

MANAGEMENT SYSTEM FROM SOFTIP

GoodWill | 14.2.2012

DKI Plast, s. r. o., a manufacturer of plastic components has rolled out a complex management information system from SOFTIP. The supplier integrated a data warehouse as requested and also adapted internal reporting to meet the customer's specific needs.



FINANCIAL REPORT

IN 2012 SOFTIP RECORDED TOTAL REVENUES OF €11,298,000 AND EARNINGS BEFORE TAXES (EBT) OF €974,000.

IN COMPARISON WITH 2011 AND THE RECORDED BEFORE TAX LOSS OF -€451,000, THE COMPANY'S EARNINGS IN 2012 REFLECTED THE MAJOR IMPACT OF THE OPTIMIZATION MEASURES COMPLETED IN 2012 AND IN PREVIOUS YEARS.



ONE MAJOR IMPROVEMENT WAS THE ELIMINATION OF INEFFICIENT COSTS, PROCESS OPTIMIZATION AND MORE EFFECTIVE USE OF COMPANY CAPACITIES

In 2012 SOFTIP recorded total revenues of €11,298,000 and earnings before taxes (EBT) of €974,000.

In comparison with 2011 and the recorded before tax loss of -€451,000, the company's earnings in 2012 reflected the major impact of the optimization measures completed in 2012 and in previous years.

One major improvement was the elimination of inefficient costs, process optimization and more effective use of company capacities. These results were achieved thanks to the efforts of all the company's employees.

The pension fund solution for the Czech Republic was another major factor in the earnings from 2012.

Another positive result was the 21 % increase in added value and 8 % increase in revenues per employee compared to the past year.

The stabilization achieved by the company creates the prerequisites for positive results in 2013 and for fulfilling the company's new development strategy moving forward.

The company does not record any overdue liabilities as of 31.12.2012 and its stable ability to make all payments was once again confirmed by the company's Confirmation of Registration on the list of qualified companies published by the Public Procurement Office.

Ing. Martin Vlčko

MEMBER OF THE BOARD OF DIRECTORS
AND FINANCE DIRECTOR

He was born in 1982 in Banská Bystrica. He completed his university studies in 2005, majoring in Economics and Company Management / Small and Medium Enterprises at the Economics Faculty at Matej Bel University in Banská Bystrica. He previously worked for KIA Motors Slovakia in Teplice nad Váhom as a specialist in the Production Management - Production Process Planning and Inspection Department. He joined SOFTIP in 2007 in the Financial Department with focus on controlling. Since 1st January 2012 he has been the Financial Director at SOFTIP. Since 2nd May 2012 he has been a Member of the Board of Directors at SOFTIP.

PROFIT BEFORE TAX IN EUR

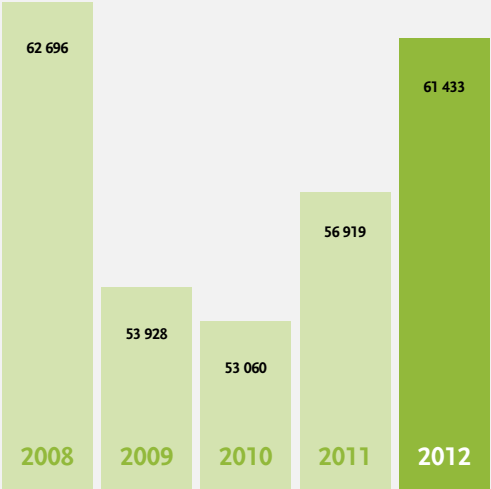
2012	973 874
2011	-450 639
2010	177 072
2009	1 037 174
2008	995 818



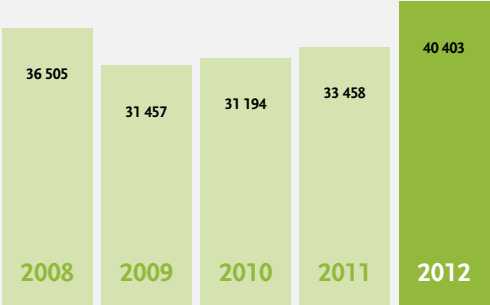
46% Maintenance, 38% Services
9% Licences, 7% Goods

IN 2012 WE RECORDED
TOTAL REVENUES
OF €11,298,000

REVENUES PER EMPLOYEE IN EUR



ADDED VALUE PER EMPLOYEE IN EUR



BALANCE SHEET IN EUR

	2010	2011	2012
Total assets	5,691,401	3,537,054	3,751,444
Non-current assets	1,109,840	977,731	822,786
Non-current intangible assets	482,057	512,641	515,002
Property, plant and equipment	614,883	452,679	296,373
Non-current financial assets	12,900	12,411	11,411
Current assets	4,519,283	2,417,183	2,753,207
Inventory	39,111	50,233	22,099
Non-current receivables	1,058,282	280,673	262,643
Current receivables	2,579,361	2,009,359	2,382,755
Financial accounts	842,529	76,918	85,710
Accruals / deferrals	62,278	142,140	175,451
Total equity and liabilities	5,691,401	3,537,054	3,751,444

	2010	2011	2012
Equity	989,853	136,286	894,743
Share capital	33,194	33,194	33,194
Capital funds	3,319	3,319	3,319
Funds created from profit	3,319	3,319	3,319
Net profit / loss of previous years	949,511	561,505	71,455
Net profit / loss for the accounting period after tax	510	-465,051	783,456
Liabilities	4,455,549	3,330,453	2,768,038
Provisions	162,574	160,593	198,126
Non-current liabilities	546,871	57,931	989,372
Current liabilities	1,555,250	1,275,623	1,197,001
Bank loans	2,190,854	1,836,306	383,539
Accruals / Deferrals	245,999	70,315	88,663

INCOME STATEMENT IN EUR

	2010	2011	2012
Revenue from the sale of merchandise	1,161,640	1,338,632	740,529
Costs of merchandise sold	905,490	1,025,402	585,376
Trade margin	256,150	313,230	155,153
Revenue from the sale of own products and services	12,995,697	10,932,505	10,557,543
Own work capitalized	169,041	224,372	144,504
Production	5,097,791	4,256,789	3,426,693
Added value	8,323,097	7,213,318	7,430,507
Personnel expenses total	7,549,815	6,685,645	6,052,610
Taxes and fees	9,501	8,462	19,004
Amortization and value adjustments to non-current intangible assets and depreciation and value adjustments to property, plant and equipment	446,332	403,326	299,329
Revenue from the sale of non-current assets and raw material	85,931	5,778	42,883
Carrying value of non-current assets sold and raw materials sold	8,854	474	17,272
Creation and reversal of value adjustments to receivables	15,838	255,185	6,302
Other operating income	68,246	70,686	59,367
Other operating expenses	193,594	373,148	103,991
Profit / loss from operations	253,340	-436,458	1,034,249

	2010	2011	2012
Revenue from the sale of securities and shares	0	50,000	0
Securities and shares sold	0	166	0
Income from financial assets	341	0	0
Creation and reversal of value adjustments to financial assets	0	0	1,281
Interest income	10,877	25,410	5,470
Interest expense	62,059	58,977	40,193
Exchange rate gains	34,383	17,509	16,525
Exchange rate losses	40,994	28,099	27,743
Other income from financial activities	586	0	0
Other expenses related to financial activities	19,402	19,858	13,153
Profit / loss from financial activities	-76,268	-14,181	-60,375
Profit / loss from ordinary activities before tax	177,072	-450,639	973,874
Income tax on ordinary activities	176,562	14,412	190,418
Profit / loss from ordinary activities after tax	510	-465,051	783,456
Profit / loss for the accounting period before tax	177,072	-450,639	973,874
Profit / loss for the accounting period after tax	510	-465,051	783,456

**INDEPENDENT AUDITOR'S REPORT**

for the shareholders of the company SOFTIP, a.s.

We have audited enclosed Financial Statements of the company SOFTIP a.s., with the registered office in Bratislava, IČO (company registration number): 36785512 that consists of the Balance Sheet as of December 31, 2012 Profit and Loss Statement and Notes on the year ending as of the above mentioned date as well as the survey of significant accounting principles and accounting methods and other explanatory comments.

The responsibility of statutory body for the Financial Statements

The statutory body of the company is responsible for the preparation of Financial Statements, which present a true and fair view in accordance with Act on accounting No. 431/2002 Coll., as amended (hereinafter the "Act on accounting") and for internal controls that statutory body considers necessary for the preparation of Financial statements that are free from material misstatement, whether due to fraud or misstatement.

The responsibility of auditor

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. These standards require that we comply with ethical requirements, we plan and perform our audit in such a way to obtain reasonable assurance whether the Financial Statements are free from any material misstatement.

Performing of procedures to obtain audit evidence about the amounts and data shown in the Financial Statements is a component part of the audit. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the Financial Statements, which present a true and fair view, in order to design audit procedures that are appropriate in the given circumstances, but not for the purpose of expressing an opinion of the effectiveness of the entity's internal control. Furthermore, the audit includes evaluating the appropriateness of the accounting estimates used by the statutory body as well as the overall presentation of the Financial Statements.

We believe that the audit evidence that we obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Financial Statements present in all material respects true and fair view of the SOFTIP a.s. company's financial position as of December 31, 2012, business results and cash flow for the year ending as of the above mentioned date and in accordance with Act on accounting and with accounting principles generally accepted in Slovakia.

Banská Bystrica, March 8, 2013

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Licence SKAu No. 6
Commercial Register of District Court, Banská Bystrica
Section: Sro, File No.: 98/S, IČO (company registration number): 00614556
Independent member of Moore Stephens International Limited

Ing. Viera Babjaková
Responsible auditor
Licence SKAu No. 167



ANNUAL REPORT 2012

THE 2012 ANNUAL REPORT WAS PUBLISHED IN JUNE 2013
AND IT IS A PUBLICLY AVAILABLE DOCUMENT. AN ELECTRONIC
VERSION IS AVAILABLE FOR DOWNLOAD ON THE WEBSITE
WWW.SOFTIP.SK, UNDER “ABOUT THE COMPANY”,
ALONG WITH COPIES FROM PREVIOUS YEARS.

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