

FOTEX HOLDING

SOCIETE EUROPEENNE

2009 8400 010

75, parc d'Activités
L-8308 Capellen

STATUTORY ANNUAL ACCOUNTS

From 01/01/2011 to 31/12/2011

FOTEX

HOLDING SE PUBLIC COMPANY LIMITED BY SHARES



FOTEX

FOTEX HOLDING S.E.
75, parc d'Activités
L-8308 CAPELLEN

N° Fiscal : 2009 8400 010

R.C.S. Luxembourg : B-146938

Report of the Board of Directors

FOTEX HOLDING S.E.

75, Parc d'Activités
L-8308 CAPELLEN (Grand Duché de Luxembourg)
Tél. : +352 95 05 74
Fax : +352 95 91 11

Dear Sirs,

The Board of Directors is pleased to present the Annual Accounts for the financial year ended 31/12/2011.

The company's financial statements show a loss of 1.453.057,43 Eur.

At this time, there is no information concerning items likely to affect the company's financial position.

Relevant events of the year 2011

On May 17, 2011, the Company sold 50% of the shares owned in the company Hungaroton Records Kft to Upington Investments Sàrl. After the sale Fotex Holding SE participation in Hungaroton Records Kft decreased from 58.98% to 8,98%

On August 8, 2011, the Company sold 100% of the shares in the Company Europrizma Kft to the Company MTK Budapest Zrt.

Significant events after the reporting date

- As from February 23, 2012 Fotex Holding S.E. is quoted on the Luxembourg stock exchange.
- The Board of Directors of the Company at the meeting held as of 14 March 2012 has decided on the full transfer of the Company's shares listed on the Budapest Stock Exchange to the Luxembourg Stock Exchange. The date of transfer was 30 March 2012. After transferring the shares from the Budapest Stock Exchange the shares are traded only on the Luxembourg Stock Exchange.

Activities and future prospect

The company will carry on its activities and development as it did during the last former years – no amendment is foreseen by the Board of Directors for the future.

Research & Development projects

The company did not undertake any Research & Development projects.

Own shares

During the year 2011, the company has acquired 816.976 own shares. At the reporting date, the company holds 16,36 % of its own shares::

Direct own shares :

- 1.125.635 ordinary shares ;
- 450.000 dividend preference shares.

Indirect own shares :

- 10.323.890 ordinary shares.

The reasons of acquisition of own shares by Fotex holding S.E. is that Fotex feels responsibility towards its shareholders and tries to protect the investment of its shareholders in Fotex, and when the share price changes adversely than Fotex does the necessary actions to reverse these changes. The repurchase of shares depends on the market conditions.

Financial overview

The table below summarizes the Company's key financial indicators, which are monitored by the Company's management:

	31.12.2010	31.12.2011
	EUR	EUR
Revenue	1,001,025	1,004,266
Net profit	(2,975,955)	(1,453,057)
Own equity	59,253,123	57,149,066
Total assets	60,835,181	59,657,235
Number of issued shares	72,723,650	72,723,650
Return on equity	(4.87%)	(2.5%)
Return on assets	(4.78%)	(2.41%)

Risks and Risk management of the Company

The Company's business, financial condition or results can be affected by the risks and uncertainties. The management has identified the following risks:

- Change in laws and regulations governing the operations of the Company and its subsidiaries may affect their business, investments and results of operations.
- Credit risk
- Interest risk
- Liquidity risk

Management monitors these risks and applies the following risk management procedures:

Credit risk

The Company aims to mitigate credit risk by its careful and continuous debtor portfolio monitoring process. In addition, the Company regularly follows up information about the main debtors in the market.

Interest risk

In order to mitigate the interest risk the Company applies the following procedures:

- Tries to obtain fixed rate loans
- In case of variable interest rate loans the Company tries to balance its interest income and interest expense by granting loans with appropriate interest rate.

Liquidity risk

Liquidity risk is monitored as follows:

Monitoring daily available deposited and free cash

Monitoring weekly cash flows

As part of the management information system, the operations of the Company is monitored on a monthly basis

Suggestions for Dividends to be paid to Dividend Preference Shares and to be paid on ordinary shares

It is proposed to the Annual General Meeting that the Company pays 0.02 Eur dividend per ordinary shares eligible to receive dividends for the year 2011 and to distribute dividends for an amount of 488,250.- Eur on the dividend preference shares, equal to 75% of their face value in drawing on the additional paid-in capital.

The Company do not pay dividend on those ordinary shares which are held by the Company and its subsidiaries.

Corporate Governance

The Company is committed to adopt best practice corporate governance standards, including to comply with the Ten Principles of Corporate Governance of the Luxembourg Stock Exchange.

The Board

The Company is managed by a board of directors (the "Board") composed of a minimum of five and a maximum of eleven members (the "Directors", each a "Director").

The Directors shall be appointed by the general meeting of shareholders of the Company for a maximum period which will end at the annual general meeting of the Company to take place during the third year following their appointments. They shall remain in office until their successors are elected. They may be re-elected and they may be dismissed at any time by the general meeting, with or without cause.

In the event that one or several positions on the Board become vacant due to death, resignation or any other cause, the remaining Directors shall select a replacement in accordance with the applicable legal provisions, in which case this appointment shall be ratified at the next general meeting of the shareholders of the Company.

The Board of Directors has been authorized by the shareholders to manage the day-to-day operations of the Company, as well as to make administrative decisions at the Company. All rights which have not been conferred to the shareholders by the articles of association or by the laws remain of the competence of the Board of Directors. The Board may decide paying interim dividends as prescribed by law. All long-term pay schemes, plans, or incentive programs relating to the employees of the Company and its subsidiaries, which the Board would like to implement have to be first brought before and approved by the shareholders and the General Meeting of the Shareholders.

The remuneration of members of the Board of Directors shall be fixed by the General Meeting.

The Board shall elect a chairman from among its members.

According to the Articles, persons with no legal or financial link to the Company other than their mandate as Director are considered "independent persons".

"Independent persons" does not include persons who:

- a) are employed or were employed by the Company or its subsidiaries during the five years preceding their appointment as Director;
- b) carry out remunerated activities for the benefit of the Company or exercise technical, legal or financial duties within the Company;
- c) are shareholders of the Company and directly or indirectly hold at least 30% of the voting rights, or are related to such a person;
- d) receive financial benefits linked to the Company's activities or profit;
- e) have a legal relationship with a non-independent member of the Company in another company in which the non-independent member has management and supervisory powers.

The Board is composed as follows:

Name:	Position:
Mr. Gábor VÁRSZEGI	Chairman of the Board
Mr. Dávid VÁRSZEGI	Member of the Board
Mr. Wiggert KARREMAN	Member of the Board
Mr. Jan Thomas LADENIUS	Member of the Board
Mr. Bob DOLE	Member of the Board
Mrs. Anna RAMMER	Member of the Board
TITAN S.à.r.l	Member of the Board

With the exception of TITAN S.à.r.l. the members of the Board of Directors were appointed at the extraordinary general meeting of the Company held on 1 October 2009. The members were appointed for a period of 3 years until the 2012 Annual General Meeting of the Shareholders.

The extraordinary general meeting held on 14 December 2011 acknowledged the resignation with immediate effect of the company SEREN S.à.r.l. from its mandate of director following the resignation letter received on 30 November 2011 and gave it full discharge from the exercise of its mandate.

The extraordinary general meeting decided then to appoint TITAN S.à.r.l., with a registered address at 75, parc d'Activités L-8308 Capellen, registered with trade and companies register of Luxembourg under number B-164838 with immediate effect as director until the general meeting to be held in 2012.

Each member of the Board of Directors is high-qualified, acclaimed specialist.

Audit Committee

The audit committee of the Company (the "Audit Committee") shall be composed of a minimum of three and a maximum of five people.

The members of the Audit Committee shall be appointed by the general meeting of shareholders of the Company among the members of the Board deemed to be "independent persons" for a period not exceeding their respective mandates.

The Audit Committee shall elect a chairman from among its members. The quorum shall be met at Audit Committee meetings when the members have been validly called to attend and when a minimum of two-thirds or three of its members are present. All of the Committee's decisions shall be taken by a simple majority vote. In the event of a tied vote, the person presiding over the meeting shall have the casting vote. They may be re-elected and they may be dismissed at any time by the general meeting, with or without cause.

The Audit Committee opines the annual report of the Company, controls and evaluates the operation of the financial system, provides its tasks in connection with the Auditor of the Company.

Composition of the Audit Committee

The Audit Committee is composed as follows:

Mr. Wiggert Karreman (Member of the Audit Committee)

Mr. Jan Thomas Laderius (Member of the Audit Committee)

TITAN S.à.r.l. (Member of the Audit Committee)

With the exception of TITAN S.à.r.l. the members of the Audit Committee were appointed at the extraordinary general meeting of the Company held on 1 October 2009. The members were appointed for a period of 3 years until the 2012 Annual General Meeting of the Shareholders.

Mr. Jan Thomas LADENIUS has been appointed as chairman of the Audit Committee through a decision of the Audit Committee taken on 14 December 2011.

The extraordinary general meeting held as of 14 December 2011 acknowledged the resignation with immediate effect of the company SEREN S.à.r.l. from its mandate as member of the audit committee following the resignation letter received on 30 November 2011 and gives it full discharge from the exercise of its mandate.

The extraordinary general meeting decided to appoint TITAN S.à.r.l., with a registered address at 75, parc d'Activités L-8308 Capellen, registered with trade and companies register of Luxembourg under number B-164838 with immediate effect as member of the audit committee until the general meeting to be held in 2012.

No specific remuneration is attributed to the members of the Audit Committee.

Rules Governing Amendments to the Articles of Incorporation

Amendments to the Articles of Incorporation are approved by resolution at an Extraordinary General Meeting of Shareholders under the conditions of the law.

Significant direct and indirect Shareholders

Gábor Várszegi, Chairman of the Board of Fotex, directly or indirectly controls a part of the voting shares of Blackburn International Inc. ("Blackburn"), a Panama company and Blackburn International S.à.r.l. ("Blackburn Luxembourg"), a Luxembourg company and Zurich Investments Inc. ("Zurich"), a British Virgin Islands company, Blackburn Luxembourg has a controlling interest in Fotex Ingatlan Kft. ("Fotex Ingatlan"). As at 31 December 2011, Blackburn controlled 16.9 % (2010: 16.9%), Zurich controlled 0% (2010: 14.1%), Fotex Ingatlan controlled 17.6 % (2010: 17.6%) Blackburn Luxembourg controlled 15.8% (2010: 0%) and Plaza Park Kft. controlled 0% (2010: 1.6%) of the Company's share capital. These companies are considered to be related parties. At 1 July 2011, the Group purchased 100% of the quota of Plaza Park Kft. Therefore, Plaza Park Kft. had been recognised as a related party up to 30 June 2011 and has been a Fotex Group members since 1 July 2011.

Branches of the Company

The Company has no branches.

Other Disclosures

The Company's approved and issued share capital totals EUR 30,543,933 consisting of shares with a face value of EUR 0.42 each. At 31 December 2011, the Company's issued share capital included 70,723,650 ordinary shares and 2,000,000 dividend preference shares (2010: 70,723,650 ordinary shares and 2,000,000 dividend preference shares).

The "dividend-bearing preferred shares" carry the same rights as ordinary shares in the event of liquidation or dissolution. They entitle the holder to an annual dividend determined by the General Meeting, but do not carry voting rights.

The dividend rate on the preference shares shall not exceed 50% of the given year's average stock exchange price of Fotex shares, but shall not be less than an amount equivalent to double of the European central bank twelve months base interest rate relevant for the year, applied to the face value of the share. The total sum of the dividend determined for preference dividend cannot exceed 30% of the consolidated IFRS profit after taxes minus minority interests.

Holder of dividend-bearing preferred shares are not entitled to any rights or dividends other than those granted to them by the General Meeting. They are paid once a year. Interim dividends may only be paid if the conditions required for such a distribution are met.

If the Company is unable to pay these dividends in a given year or if it only pays part of the minimum due in a given year and fails to pay the balance at the time of payment of the dividends for the following year, holders of dividend-bearing preferred shares shall be granted identical voting rights to those reserved for Ordinary Shares. This voting right shall remain valid until such time as the Company has paid all the minimum dividends due in respect of the dividend-bearing preferred shares.

The extraordinary general meeting held as of December 14, 2011 has decided to authorise the management body to carry out share buybacks for a further five years at a price set between the nominal value and the market value on the transaction date. The only restriction is that such transactions should not cause the net assets to fall below the share capital and non-distributable reserves combined.

There are no agreements with shareholders which are known to the Company and may result in restrictions on the transfer of securities or voting rights within the meaning of the 2004/109/EC (transparency directive).

There are no restrictions on the transfer of securities in the Articles of Incorporation of the Company.

There are no securities granting special control right to their holders and there are no restrictions on voting rights of the ordinary shares.

There is no system of control of employee share scheme where the control rights are not exercised directly by the employees

The Board of Directors shall be vested with the most extensive powers to manage the affairs of the Company and to carry out all measures and administrative acts falling within the scope of the corporate object. Any powers not expressly reserved for the general meeting by the Articles of Association or by the law shall fall within the remit of the Board of Directors.

A subsequent General Meeting representing at least 50% of the Ordinary Shares may establish the limits and conditions applicable to the authorised capital, within the limits laid down by the Law. In this case, the Board of Directors is authorised and mandated to:

- carry out a capital increase, in one or several stages, by issuing new shares to be paid up either in cash, via contributions in kind, the transformation of debt or, subject to the approval of the Annual General Meeting, via the integration of profits or reserves into the capital;
- set the place and date of the issue or of successive issues, the issue price, and the conditions and procedures for subscribing and paying up the new shares;
- abolish or restrict the preferential subscription rights of shareholders with regard to new shares to be issued as part of the authorised share capital.

This authorisation is valid for a period of five years from the publication date of the authorisation deed and may be renewed by a General Meeting of Shareholders for any shares of the authorised capital which have not been issued by the Board of Directors in the meantime.

Following each capital increase carried out and duly recorded according to the legal formalities, the first paragraph of Article of Association shall be amended in such a way as to reflect the increase carried out; this amendment shall be recorded in the notarial deed by the Board of Directors or any other authorised person.

There are no significant agreements to which the Company is party to and which would take effect, alter or terminate upon a change of control following a public offering or takeover bid.

There are no agreements between the Company and its Board members or employees providing for compensation if they resign or are made redundant without valid reason or if their employment ceases because of a takeover bid.

The Directors requests that the Assembly discharges them from their mandate for this year.

On 6 April 2012,

For the Board of Directors,

M. Gabor VÁRSZEGI

The logo for FOTEX, featuring the word "FOTEX" in a bold, stylized, white font with a slight shadow effect, set against a dark background.

HOLDING SE PUBLIC COMPANY LIMITED BY SHARES

A large, stylized version of the FOTEX logo, rendered in a white, textured, 3D-like font against a black background.

FOTEX HOLDING S.E.
75, parc d'Activités
L-8308 CAPELLEN

N° Fiscal : 2009 8400 010

R.C.S. Luxembourg : B-146938

Auditor's report

FOTEX HOLDING S.E.

75, Parc d'Activités
L-8308 CAPELLEN (Grand Duché de Luxembourg)
Tél. : +352 95 05 74
Fax : +352 95 91 11



Van Cauter-Snauwaert & Co Sàrl
Chartered Auditors
G.D. - Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

To the shareholders of:

FOTEX HOLDING SE, 75 Parc d'Activités, L-8308 Capellen,

Report on the annual accounts

Following our appointment by the General Meeting of Shareholders we have audited the accompanying annual accounts of FOTEX Holding SE, which comprise the balance sheet as of December 31, 2011, and the profit and loss account for the year then ended, and a summary of significant accounting policies and other explanatory information.

Responsibility of the Board of directors for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of these annual accounts in accordance with the Luxembourg legal and regulatory requirements relating to the preparation of annual accounts and for such Internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

Responsibility of the réviseur d'entreprises agréé

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier*. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the judgement of the réviseur d'entreprises agréé, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the réviseur d'entreprises agréé considers internal control relevant to the entity's preparation and fair presentation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.



Van Cauter-Snauwaert & Co Sàrl
Chartered Auditors
G.D. - Luxembourg

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the annual accounts.

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

Opinion

In our opinion, the annual accounts give a true and fair view of the financial position of FOTEX Holding SE. as of 31.12.2011, and of the results of its operations and its operations for the year then ended in accordance with the Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts.

Report on other legal and regulatory requirements

The management report, including the corporate governance statement, which is the responsibility of the Board of Directors, is consistent with the annual accounts and includes the information required by the law with respect to the Corporate Governance Statement.

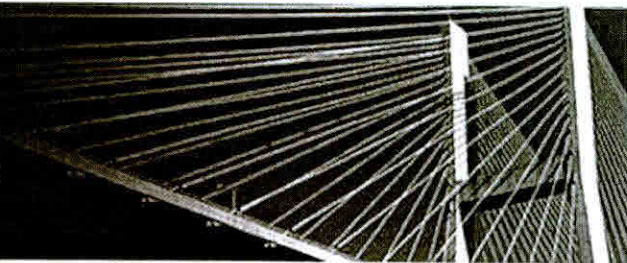
Done at Strassen,
On April 11th, 2012

A handwritten signature in black ink, appearing to read 'Erik Snauwaert', written over a horizontal line.

Van Cauter-Snauwaert & Co Sàrl
Erik Snauwaert
Réviseur d'Entreprise agréé

The logo for FOTEX, featuring the word 'FOTEX' in a bold, stylized, white font with a slight shadow effect, set against a dark background.

HOLDING SE PUBLIC COMPANY LIMITED BY SHARES

A large, stylized version of the 'FOTEX' logo, rendered in a white, textured, 3D-like font against a black background.

FOTEX HOLDING S.E.
75, parc d'Activités
L-8308 CAPELLEN

N° Fiscal : 2009 8400 010

R.C.S, Luxembourg : B-146938

Notes to the Annual Accounts

31/12/2011

FOTEX HOLDING S.E.

75, Parc d'Activités
L-8308 CAPELLEN (Grand Duché de Luxembourg)
Tél. : +352 95 05 74
Fax : +352 95 91 11

4

R.C.S. Luxembourg : B-146938
Matricule : 2009 8400 010

GENERAL INFORMATION	6
1. Corporate object (as per the Memorandum & Articles)	6
2. Fiscal year	6
3. Consolidated and statutory accounts	6
ACCOUNTING PRINCIPLES AND VALUATION RULES	7
4. Foreign currency translation	7
5. Formation expenses	7
6. Intangible assets	7
7. Tangible assets	7
8. Financial assets	8
9. Receivables	8
10. Cash at bank, cheques and cash in hand	8
11. Accruals and deferrals	8
12. Provisions for liabilities and charges	8
13. Debts	8
14. Net turnover	9
15. Legal reserve	9
16. Companies in charge of the accounts' audit	9
NET EQUITY RECONCILIATION	10
ALLOCATION OF PROFIT & LOSS	11
DISTRIBUTION OF DIVIDENDS	11
BALANCE SHEET ACCOUNT AS AT 31/12/2011	12
PROFIT AND LOSS ACCOUNT FROM 01/01/2011 TO 31/12/2011	13
NOTES ON THE ACCOUNTS OF FINANCIAL STATEMENT ON 31/12/2011	14
1. Intangible assets (Assets C.I.)	14
2. Tangible assets (Assets C.II.)	15
3. Financial assets (Assets C.III.)	16
4. State of Loans granted to the Directors	17
5. State of Own Shares	17
6. Debtors (Assets D.II.)	18
7. Prepayments and accrued income / accruals and deferred income (Assets E. / Liabilities E.)	18
8. Tax	19
9. Non subordinated debts (Liabilities D.)	20
10. Audit fees	20
11. Directors fees	20
12. Out of balance rights and engagements	20
13. Information on subsidiaries	21
14. Related parties transactions	27
15. Net turnover (Income B. 1.)	27
16. Reclassifications in the 2010 profit and loss account	28
17. Staff	28

FOTEX HOLDING S.E.
5

75, Parc d'Activités
 L-8308 CAPELLEN (Grand Duché de Luxembourg)
 Tél. : +352 95 05 74
 Fax : +352 95 91 11

R.C.S. Luxembourg : B-146938
 Matricule : 2009 8400 010

The logo for FOTEX, featuring the word "FOTEX" in a bold, stylized, white font against a dark background.

HOLDING SE PUBLIC COMPANY LIMITED BY SHARES



GENERAL INFORMATION

Company	Fotex Holding
Registered Office	CAPELLEN
Trade and Companies Register	B-146938

The registered office of the Company from Nagy Jenő u., 12, 1126 Budapest, Hungary has been transferred to the Grand Duchy of Luxembourg and more precisely to 75, Parc d'Activités, L-8308 Capellen further to the deed signed by the notary Anja HOLTZ, with residence in Wiltz, on 4th June 2009 and published in the Mémorial C - N° 1427 of 23rd July 2009.

1. Corporate object (as per the Memorandum & Articles)

The object of the company is to acquire participating interests in any form whatsoever in Luxembourg or foreign companies, to acquire any kind of transferable securities via purchases, subscriptions or any other means as well as to dispose thereof via sales, exchanges or any other means, to manage and develop its portfolio and to acquire, sell and develop patents and licences associated thereto.

The company may lend and borrow with or without collateral. It may take part in the creation and development of other companies and lend them its support.

In general, the Company may carry out any commercial or financial transaction or any transaction involving movable or immovable assets that is directly or indirectly linked to its corporate object or is likely to facilitate the expansion and development thereof.

2. Fiscal year

The fiscal year starts on 1st January and ends on 31st December of each year.

3. Consolidated and statutory accounts

The Company prepares consolidated and statutory accounts, which are published according to the provisions of the law.

The consolidated accounts are prepared in accordance with IFRS.

The annual accounts have been prepared in accordance with the Luxembourg Commercial Company Law of 10 August 1915, as modified.

The consolidated and statutory accounts are available at the Registered Office of the Company.

FOTEX HOLDING S.E.

75, Parc d'Activités
L-8308 CAPELLEN (Grand Duché de Luxembourg)
Tél. : +352 95 05 74
Fax : +352 95 91 11

ACCOUNTING PRINCIPLES AND VALUATION RULES

As above mentioned, the annual accounts have been prepared in accordance with the Luxembourg Commercial Company Law of 10 August 1915, as modified. Accounting policies and valuation rules are, besides the ones laid down by the said law, determined and applied by the Board of Directors.

4. Foreign currency translation

Transactions expressed in currencies other than euro are translated into euro at the exchange rate effective at the time of the transaction.

Formation expenses, intangible, tangible and financial assets, current and long-term liabilities and receivables, other asset and liability items expressed in currencies other than euro are translated into euro at the exchange rate effective at the time of the transaction. At the balance sheet date, these assets remain translated at historic exchange rates.

Cash at bank is translated at the exchange rate effective at the balance sheet date. Exchange losses and gains are recorded in the profit and loss account of the year.

The interests on the loans are converted in using the average monthly exchange rate.

5. Formation expenses

Formation fees are directly charged to the profit and loss account during the incorporation and are mainly constituted by notary fees and advisory fees in relation with the incorporation of the company.

6. Intangible assets

Intangible assets other than formation expenses are recorded at their acquisition price, less cumulative value adjustments. Where applicable, amortisation is calculated on the basis of generally accepted rates according to the estimated useful life of these fixed assets.

	Rate of amortisation	Method of amortisation
Trade Mark	4,17%	Linear
Trade Mark concessions " FOTEX" -- renewal for 10 years	10,00%	Linear
IP rights and software	33,00%	Linear

7. Tangible assets

Tangible assets and other similar assets are recorded at their acquisition price, less cumulative value adjustments. Where applicable, amortisation is calculated on the basis of generally accepted rates according to the estimated useful life of these fixed assets.

The "Land & Buildings" item includes property rights and other related rights.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

	Rate of amortisation	Method of amortisation
Real estate and related property rights	2%	Linear
Vehicles	20%	Linear (prorata temporis)
Hardware	33%	Linear

FOTEX HOLDING S.E.

75, Parc d'Activités
L-8308 CAPELLEN (Grand Duché de Luxembourg)
Tél. : +352 95 05 74
Fax : +352 95 91 11

8. Financial assets

Shares in affiliated companies, participating interests and securities held as fixed assets are valued at their acquisition price, plus associated incidental expenses.

Where applicable, only long-lasting value adjustments are calculated and recorded separately in the financial statements at year-end. The adjustment ceases to exist at the same time as the reason justifying it.

Loans to affiliated companies and companies linked by participating interests as well as other long-term loans are recorded at their nominal value and subject to a value adjustment when the likelihood of recovery of such loans is less than their nominal value and is long-lasting.

9. Receivables

Receivables, receivables from affiliated companies, receivables from companies linked by participating interests and other receivables are recorded at their nominal value.

According to the information provided by the Directory Board, these receivables are subject to a depreciation recorded separately in the financial statements so that these items are valued at the lower market value.

Value adjustments made in previous financial years which are no longer necessary following the disappearance of the recovery risk shall be rectified.

10. Cash at bank, cheques and cash in hand

Cash at bank, cheques and cash in hand are recorded at face value. Accounts held in foreign currency are re-valued at the exchange rate prevailing on the last day of the financial year.

11. Accruals and deferrals

Income and expenses directly related to the financial year ended for which receivables or payables have not yet been recorded as well as income and expenses recorded in connection with part of the financial year ended are recorded at their historical cost in the different accounts of the asset and liability sides of these financial statements.

A breakdown of accruals and deferrals, if applicable, is appended to these financial statements.

12. Provisions for liabilities and charges

On the last day of the financial year, provisions are formed to cover all known or foreseeable liabilities and charges.

Provisions are regularly reviewed and adjusted when the source of the liability or charge no longer exists.

13. Debts

Where the amount repayable on account is greater than the amount received, the difference is shown in the profit and loss account when the debt is issued.

14. Net turnover

The net turnover comprises the amounts derived from the sale of products and the provision of services falling within the Company's ordinary activities, after deductions of sales rebates and off value added tax and other taxes directly linked to the turnover.

15. Legal reserve

At least one twentieth of net profit is allocated to the legal reserve each year.

This allocation is no longer compulsory once the reserve has reached one tenth of the share capital, but becomes compulsory again once it falls below this amount.

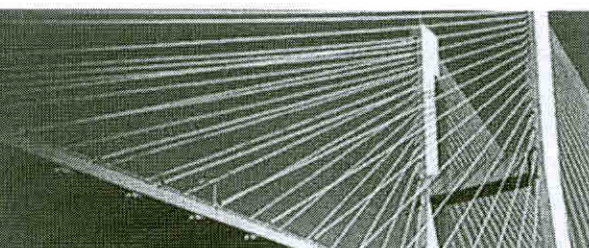
16. Companies in charge of the accounts' audit

Company VAN CAUTER - SNAUWAERT & CO S.à.R.L.
Registered Office 80, rue des Romains, L - 8041 Strassen

Function Statutory auditor

Company Ernst & Young Luxembourg
Registered Office 7, Parc d'activités Syrdall, L - 5365 Munsbach

Function Auditor – Audit Consolidated Accounts



SHAREHOLDER'S EQUITY AS AT 31/12/2010	59.253.123,41
DIVIDENDS DISTRIBUTION AS AT 26/04/2011	(651.000,-)
RESULT FOR THE FINANCIAL YEAR 2011	(1.453.057,43)
SHAREHOLDER'S EQUITY AS AT 31/12/2011	57.149.065,98

Allocation of profit & loss

The Board suggests to allocate the result for the financial year ended on December 31st 2011 as follows:

Result brought forward as at December 31 st 2011	(2,975,954.93)
Loss for the financial year ended on December 31 st 2011	(1,453,057.43)
Result to be carried forward to the following financial year	(4,429,012.36)

Distribution of dividends

The Board of Directors suggests to the Annual General Meeting that the Company pay EUR 0.02 dividend per ordinary shares eligible to receive dividends for the year 2011 and that it distributes dividends for an amount of EUR 488,250.- on the dividend preference shares equal to 75% of their face value in drawing on the additional paid-in capital.

The company does not pay dividends on ordinary shares which are held by the Company and its subsidiaries.

This decision complies with the Directory Board's proposal.

On 6 April 2012,

For the Board of Directors,

M. Gabor VÁRSZEGI

FOTEX HOLDING S.E.

75, Parc d'Activités
L-8308 CAPELLEN (Grand Duché de Luxembourg)
Tél. : +352 95 05 74
Fax : +352 95 91 11

Net equity reconciliation

The total share capital amount is 30,543,933,- Eur (in words, "thirty million five hundred and forty three thousand nine hundred and thirty three euros"), divided into 70,723,650 (in words, "seventy million seven hundred and twenty three thousand six hundred and fifty") ordinary shares and 2,000,000 (in words, two millions") preferential dividend bearing shares at a nominal value of 0,42 Eur (in words, "forty two") cents each.

A priority dividend share entitles the shareholder to enjoy a dividend. Said dividend cannot exceed 50% of the average yearly stock price of the registered and traded Fotex shares. A priority share at the same time entitles the holder to receive a minimum dividend which is at least twice the interest rate prevalent at the Central Bank on the first January of a given calendar year. This minimum dividend is to be calculated based on the nominal share value of EUR 0,42 / pc multiplied by the corresponding interest rate. This dividend can only be declared and paid if the consolidated financial statements of the Fotex Group for the given year, prepared as per IFRS, are positive and if the company may pay this sums as per the prevalent Accountancy Laws.

The total sum of the dividend determined for preference dividend cannot exceed 30% of the consolidated IFRS profit after taxes minus minority interests.

The shareholder of priority dividend shares therefore has, no claims for dividends beyond what is payable to these shares decided by the General Meeting.

Priority dividend shares in themselves do not entitle the shareholders to vote at General Meetings. If and when the preconditions are fulfilled, advance payment of dividends should be paid once per year for priority dividend shares.

If the company does not pay dividends in a given year or does not fully pay out the minimum amount afforded to these preferential shares and then in the subsequent financial business year the company also omits to declare and pay such dividends, then the priority dividend shares are entitled to vote at the next General Meeting with the same rights any ordinary voting share enjoys. These voting right shall remain valid until such time as the Company has paid all the minimum dividends due in respect of the dividend-bearing preferred shares.

Fotex Holding SE shares (HU0000096409) are no longer listed on the Budapest Stock Exchange (BSE). Fotex Holding SE, whose shares are registered and traded on the regulated market, is registered at 75, Parc d'Activités (L-8308 CAPELLEN) where the Financial Statements and the Consolidated Financial Statements can be consulted. Since February 23rd, 2012 the company is quoted at the Luxembourg stock market. The Board of Directors of the Company at the meeting held as of 14 march 2012 has decided on the full transfer of the Company's shares listed on the Budapest Stock Exchange to the Luxembourg Stock Exchange. The date of transfer was 30 march 2012. After transferring the shares from the Budapest Stock Exchange the shares are traded only on the Luxembourg Stock Exchange.

State of the shareholder's Equity

The movements in the capital and reserves account are as follows:

	2011	Movements during the year	2010
SUBSCRIBED CAPITAL	30.543.933,00	0	30.543.933,00
SHARE PREMIUMS	29.267.019,19	(1.589.119,41)	30.856.138,60
RESERVE FOR OWN SHARES – ALLOCATED RESERVES	1.767.126,15	938.119,41	829.006,74
PROFIT OR LOSS BROUGHT FORWARD	(2.975.954,93)	(2.975.954,93)	0
RESULT FOR THE FINANCIAL YEAR	(1.453.057,43)	1.522.897,50	(2.975.954,93)
CAPITAL AND RESERVES	57.149.065,98	(2.104.057,43)	59.253.123,41

The logo for FOTEX, consisting of the word "FOTEX" in a bold, white, sans-serif font against a dark background.

HOLDING SE PUBLIC COMPANY LIMITED BY SHARES

BALANCE SHEET ACCOUNT AS AT 31/12/2011

FOTEX HOLDING S.E.

75, Parc d'Activités
L-8308 CAPELLEN (Grand Duché de Luxembourg)
Tél. : +352 95 05 74
Fax : +352 95 91 11

12

R.C.S. Luxembourg : B-146938
Matricule : 2009 8400 010

Annual Accounts Helpdesk :

Tel. : (+352) 26 428-1
 Email : helpdesk@rcsl.lu

RCSL Nr.: B146938

Matricule : 2009 8400 010

eCDF entry date :

BALANCE SHEET

Financial year from ⁰¹ 01/01/2011 to ⁰² 31/12/2011 (in ⁰³ EUR)

Fotex Holding
 75, Parc d'activités
 L-8308 Capellen

ASSETS

	Financial year	Previous financial year
A. Subscribed capital unpaid		
I. Subscribed capital not called	101	102
II. Subscribed capital called but not paid	105	106
B. Formation expenses	107	108
C. Fixed assets	109	110
I. Intangible assets	111	112
1. Costs of research and development	113	114
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	115	116
a) acquired for valuable consideration and need not be shown under C.I.3	117	118
b) created by the undertaking itself	119	120
3. Goodwill, to the extent that it was acquired for valuable consideration	121	122
4. Payments on account and intangible fixed assets under development	123	124
II. Tangible assets	125	126
1. Land and buildings	127	128
2. Plant and machinery	129	130
3. Other fixtures and fittings, tools and equipment	131	132
4. Payments on account and tangible assets in course of construction	133	134
III. Financial assets	135	136
1. Shares in affiliated undertakings	137	138
2. Loans to affiliated undertakings	139	140
3. Shares in undertakings with which the company is linked by virtue of participating interests	141	142
4. Loans to undertakings with which the company is linked by virtue of participating interests	143	144
5. Investments held as fixed assets	145	146
6. Loans and claims held as fixed assets	147	148
7. Own shares or own corporate units	149	150
	<u>56.739.569,55</u>	<u>58.449.145,80</u>
	<u>1.619.869,23</u>	<u>1.942.246,48</u>
	<u>1.619.869,23</u>	<u>1.942.246,48</u>
	<u>1.619.869,23</u>	<u>1.942.246,48</u>
	<u>5.000.890,73</u>	<u>5.094.634,85</u>
	<u>4.929.217,40</u>	<u>4.999.857,28</u>
	<u>71.673,33</u>	<u>94.777,57</u>
	<u>50.118.809,59</u>	<u>51.412.264,47</u>
	<u>48.350.394,44</u>	<u>50.489.575,35</u>
	<u>1.289,00</u>	<u>1.289,00</u>
	<u>92.393,38</u>	<u>92.393,38</u>
	<u>1.767.126,15</u>	<u>829.006,74</u>

RCSL Nr.: B146938

Matricule : 2009 8400 010

	Financial year	Previous financial year
D. Current assets	2.856.432,12	2.383.465,72
I. Stocks		
1. Raw materials and consumables		
2. Work and contracts in progress		
3. Finished goods and goods for resale		
4. Payments on account		
II. Debtors	2.491.006,57	2.157.959,24
1. Trade debtors	37.718,30	39.432,10
a) becoming due and payable after less than one year	37.718,30	39.432,10
b) becoming due and payable after more than one year		
2. Amounts owed by affiliated undertakings	1.521.259,04	2.030.479,83
a) becoming due and payable after less than one year	970.757,92	1.479.978,71
b) becoming due and payable after more than one year	550.501,12	550.501,12
3. Amounts owed by undertakings with which the company is linked by virtue of participating interests		
a) becoming due and payable after less than one year		
b) becoming due and payable after more than one year		
4. Other debtors	932.029,23	88.047,31
a) becoming due and payable after less than one year	440.315,31	88.047,31
b) becoming due and payable after more than one year	491.713,92	
III. Investments		
1. Shares in affiliated undertakings and in undertakings with which the company is linked by virtue of participating interests		
2. Own shares or own corporate units		
3. Other investments		
IV. Cash at bank and in hand	365.425,55	225.506,48
E. Prepayments	61.233,82	2.569,82
TOTAL (ASSETS)	59.657.235,49	60.835.181,34

RCSL Nr.: B146938

Matricule : 2009 8400 010

LIABILITIES

	Financial year	Previous financial year
A. Capital and reserves	301 <u>57,149,065,98</u>	302 <u>59,253,123,41</u>
I. Subscribed capital	303 <u>30,543,933,00</u>	304 <u>30,543,933,00</u>
II. Share premium and similar premiums	305 <u>29,267,019,19</u>	306 <u>30,856,138,60</u>
III. Revaluation reserves	307 _____	308 _____
IV. Reserves	309 <u>1,767,126,15</u>	310 <u>829,006,74</u>
1. Legal reserve	311 _____	312 _____
2. Reserve for own shares	313 <u>1,767,126,15</u>	314 <u>829,006,74</u>
3. Reserves provided for by the articles of association	315 _____	316 _____
4. Other reserves	317 _____	318 _____
V. Profit or loss brought forward	319 <u>-2,975,954,93</u>	320 _____
VI. Result for the financial year	321 <u>-1,453,057,43</u>	322 <u>-2,975,954,93</u>
VII. Interim dividends	323 _____	324 _____
VIII. Investment subsidies	325 _____	326 _____
IX. Immunised appreciation	327 _____	328 _____
B. Subordinated creditors	329 _____	330 _____
C. Provisions	331 <u>41,110,04</u>	332 <u>22,295,00</u>
1. Provisions for pensions and similar obligations	333 _____	334 _____
2. Provisions for taxation	335 <u>41,110,04</u>	336 <u>22,295,00</u>
3. Other provisions	337 _____	338 _____
D. Non subordinated debts	339 <u>2,325,169,83</u>	340 <u>1,337,617,03</u>
1. Debenture loans	341 _____	342 _____
a) Convertible loans	343 _____	344 _____
i) becoming due and payable after less than one year	345 _____	346 _____
ii) becoming due and payable after more than one year	347 _____	348 _____
b) Non convertible loans	349 _____	350 _____
i) becoming due and payable after less than one year	351 _____	352 _____
ii) becoming due and payable after more than one year	353 _____	354 _____
2. Amounts owed to credit institutions	355 _____	356 _____
a) becoming due and payable after less than one year	357 _____	358 _____
b) becoming due and payable after more than one year	359 _____	360 _____
3. Payments received on account of orders in so far as they are not shown separately as deductions from stocks	361 _____	362 _____
a) becoming due and payable after less than one year	363 _____	364 _____
b) becoming due and payable after more than one year	365 _____	366 _____
4. Trade creditors	367 <u>99,131,65</u>	368 <u>11,726,72</u>
a) becoming due and payable after less than one year	369 <u>99,131,65</u>	370 <u>11,726,72</u>
b) becoming due and payable after more than one year	371 _____	372 _____

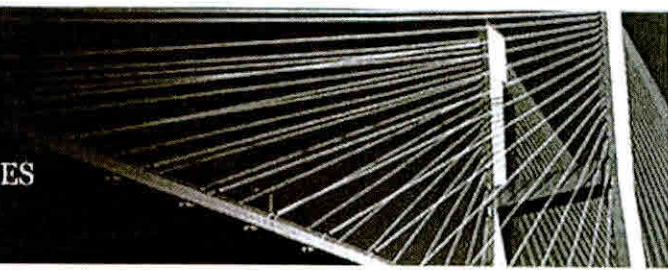
RCSL Nr.: B146938

Matricule : 2009 8400 010

	Financial year	Previous financial year
5. Bills of exchange payable		
a) becoming due and payable after less than one year	373 _____	374 _____
b) becoming due and payable after more than one year	375 _____	376 _____
6. Amounts owed to affiliated undertakings		
a) becoming due and payable after less than one year	377 _____	378 _____
b) becoming due and payable after more than one year	379 <u>2.061.517,20</u>	380 <u>1.142.087,70</u>
7. Amounts owed to undertakings with which the company is linked by virtue of participating interests		
a) becoming due and payable after less than one year	381 <u>2.061.517,20</u>	382 <u>1.142.087,70</u>
b) becoming due and payable after more than one year	383 _____	384 _____
8. Tax and social security		
a) Tax	385 _____	386 _____
b) Social security	387 _____	388 _____
9. Other creditors		
a) becoming due and payable after less than one year	389 _____	390 _____
b) becoming due and payable after more than one year	391 <u>9.869,00</u>	392 <u>26.056,32</u>
a) Tax	393 <u>7.352,90</u>	394 <u>24.938,58</u>
b) Social security	395 <u>2.516,10</u>	396 <u>1.117,74</u>
a) becoming due and payable after less than one year	397 <u>154.651,98</u>	398 <u>157.746,29</u>
b) becoming due and payable after more than one year	399 <u>154.651,98</u>	400 <u>157.746,29</u>
E. Deferred income	401 _____	402 _____
	403 <u>141.889,64</u>	404 <u>222.145,90</u>
TOTAL (LIABILITIES)	405 <u>59.657.235,49</u>	406 <u>60.835.181,34</u>

The logo for FOTEX, consisting of the word "FOTEX" in a bold, white, sans-serif font with a slightly distressed or textured appearance.

HOLDING SE PUBLIC COMPANY LIMITED BY SHARES



PROFIT AND LOSS ACCOUNT FROM 01/01/2011 TO 31/12/2011

FOTEX HOLDING S.E.

75, Parc d'Activités
L-8308 CAPELLEN (Grand Duché de Luxembourg)
Tél. : +352 95 05 74
Fax : +352 95 91 11

13

R.C.S. Luxembourg : B-146938
Matricule : 2009 8400 010

Annual Accounts Helpdesk :

Tel. : (+352) 26 428-1
 Email : helpdesk@rcsl.lu

RCSL Nr. : B146938

Matricule : 2009 8400 010

eCDF entry date :

PROFIT AND LOSS ACCOUNT

Financial year from 01 01/01/2011 to 02 31/12/2011 (in 03 EUR)

Fotex Holding
 75, Parc d'activités
 L-8308 Capellen

A. CHARGES

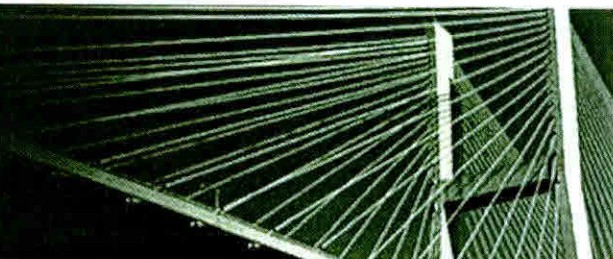
	Financial year	Previous financial year
1. Raw materials and consumables	601 _____	602 _____
2. Other external charges	603 <u>754.716,26</u>	604 <u>621.077,88</u>
3. Staff costs	605 <u>160.502,84</u>	606 <u>130.608,99</u>
a) Wages and salaries	607 <u>145.954,22</u>	608 <u>117.246,90</u>
b) Social security costs	609 <u>14.548,62</u>	610 <u>13.362,09</u>
c) Social security costs relating to pensions	611 _____	612 _____
d) Other social security costs	613 _____	614 _____
4. Value adjustments	615 <u>416.883,20</u>	616 <u>413.585,33</u>
a) on formation expenses and on tangible and intangible fixed assets	617 <u>416.872,34</u>	618 <u>413.585,33</u>
b) on elements of current assets	619 <u>10,86</u>	620 _____
5. Other operating charges	621 <u>450.453,55</u>	622 <u>455.632,61</u>
6. Value adjustments and fair value adjustments on financial fixed assets	623 <u>799.610,91</u>	624 <u>2.362.423,35</u>
7. Value adjustments and fair value adjustments on financial current assets. Loss on disposal of transferable securities	625 _____	626 _____
8. Interest payable and similar charges	627 <u>215.997,17</u>	628 <u>115.112,30</u>
a) concerning affiliated undertakings	629 <u>174.293,44</u>	630 <u>78.096,14</u>
b) other interest payable and similar charges	631 <u>41.703,73</u>	632 <u>37.016,16</u>
9. Extraordinary charges	633 _____	634 _____
10. Tax on profit or loss	635 <u>1.575,00</u>	636 _____
11. Other taxes not included in the previous caption	637 <u>18.815,04</u>	638 <u>22.295,00</u>
12. Profit for the financial year	639 <u>0,00</u>	640 <u>0,00</u>
TOTAL CHARGES	641 <u>2.818.553,97</u>	642 <u>4.120.735,46</u>

RCSL Nr.: B146938

Matricule : 2009 8400 010

B. INCOME

	Financial year	Previous financial year
1. Net turnover	701 <u>1.004.265,78</u>	702 <u>1.001.025,48</u>
2. Change in Inventories of finished goods and of work and contracts in progress	703 _____	704 _____
3. Fixed assets under development	705 _____	706 _____
4. Reversal of value adjustments	707 _____	708 _____
a) on formation expenses and on tangible and intangible fixed assets	709 _____	710 _____
b) on elements of current assets	711 _____	712 _____
5. Other operating income	713 <u>8.952,71</u>	714 <u>2.419,91</u>
6. Income from financial fixed assets	715 <u>62.126,58</u>	716 _____
a) derived from affiliated undertakings	717 <u>32.687,64</u>	718 _____
b) other Income from participating interests	719 <u>29.438,94</u>	720 _____
7. Income from financial current assets	721 _____	722 _____
a) derived from affiliated undertakings	723 _____	724 _____
b) other Income	725 _____	726 _____
8. Other interests and other financial income	727 <u>203.751,47</u>	728 <u>141.335,14</u>
a) derived from affiliated undertakings	729 <u>176.890,86</u>	730 <u>106.321,17</u>
b) other Interest receivable and similar income	731 <u>26.860,61</u>	732 <u>35.013,97</u>
9. Extraordinary income	733 <u>86.400,00</u>	734 _____
10. Loss for the financial year	735 <u>1.453.057,43</u>	736 <u>2.975.954,93</u>
TOTAL INCOME	737 <u>2.818.553,97</u>	738 <u>4.120.735,46</u>



NOTES ON THE ACCOUNTS OF FINANCIAL STATEMENT ON 31/12/2011

1. Intangible assets (Assets C.I.)

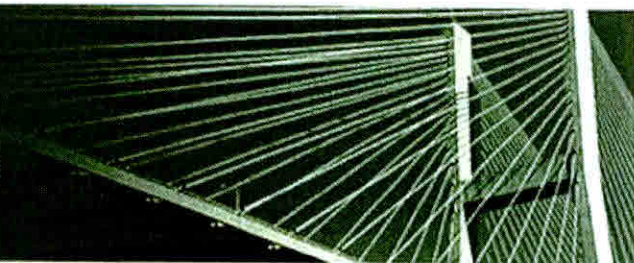
The movements of the year are as follows:

DESCRIPTION			FIXED ASSET				DEPRECIATION				NET VALUE
Description	Acq. Date	%	1/01/2011	+	-	31/12/2011	1/01/2011	+	-	31/12/2011	
Trade Mark concessions " FOTEX"	-	4,17	7.744.648,00	-	-	7.744.648,00	5.803.583,52	322.951,82	-	6.126.535,34	1.618.112,66
Trade Mark concessions " FOTEX" – renewal for 10 years	20/02/2011	10%	-	750,97	-	750,97	-	64,40	-	64,40	686,57
Intellectual Property "www.fotex.hu"	-	33	1.889,00	-	-	1.889,00	1.889,00	-	-	1.889,00	-
Securities Registry Program	28/12/2000	33	1.699,00	-	-	1.699,00	1.699,00	-	-	1.699,00	-
EU Trade Mark "FOTEX"	10/02/2011	10%	-	1.182,00	-	1.182,00	-	112,00	-	112,00	1.070,00
TOTAL			7.748.236,00	1932,97	-	7.750.168,97	5.907.171,52	323.128,22	-	6.130.299,74	1.619.869,23

The basis for recognition of the Trade Mark concessions "Fotex" as an intangible asset consists of the fact that since its incorporation in 1984, the Company is well known and has a good reputation. In 1990, in connection with the transformation of the Company to an Rt. (public limited company) and associated to an increase in share capital, the "Fotex" name has been valued by an independent appraiser. The gross value of "Fotex" name is amounting to 2.05 billion HUF, which is equivalent to EUR 7.7 million.

"Fotex" name has been recognized as an asset to be in line with the regulations of Hungarian GAAP. Moreover, since February 10, 2011 "Fotex" name has been registered not only in Hungary but in the EU also.

Since this "Fotex" name can serve the best interest of the company for a long time and is a well-known name, it has been amortized over 24 years.



2. Tangible assets (Assets C.II.)

The movements of the year are as follows:

DESCRIPTION			FIXED ASSET				DEPRECIATION				NET VALUE
Description	Acq. Date	%	1/01/2011	+	-	31/12/2011	1/01/2011	+	-	31/12/2011	
Real estate and related property rights			5.552.086,00	+	-	5.552.086,00	552.228,72	70.639,88	-	622.868,60	4.929.217,40
Budaörs Ground	1/08/91		1.437.899,00			1.437.899,00	-	-		-	1.437.899,00
Agard ground	6/10/00		556.689,00			556.689,00	-	-		-	556.689,00
Agard ground dressing room building	6/10/00		25.504,00			25.504,00	-	-		-	25.504,00
Building Agard		2	1.807.301,00			1.807.301,00	326.760,39	36.146,02		362.906,41	1.444.394,59
Playing-field Agard		2	683.590,00			683.590,00	63.907,22	13.671,80		77.579,02	606.010,98
Other buildings Budaörs		2	503.602,00			503.602,00	116.780,08	10.072,04		126.852,12	376.749,88
Other buildings Agard		2	198.458,00			198.458,00	34.320,66	3.969,16		38.289,82	160.168,18
related property rights Agard		2	3.253,00			3.253,00	386,67	65,06		451,73	2.801,27
Dressing room building in Gardony	10/10/09	2	335.790,00			335.790,00	10.073,70	6.715,60		16.789,50	319.000,50
Hardware			3.254,00	-	-	3.254,00	2.937,88	316,12		3.254,00	-
Car	23/02/10		113.940,61	-	-	113.940,61	19.479,16	22.788,12	-	42.267,28	71.673,33
TOTAL			5.669.280,61	-	-	5.669.280,61	574.645,76	93.744,12	-	668.389,88	5.000.890,73



3. Financial assets (Assets C.III.)

The movements of the year are as follows:

DESCRIPTION		FIXED ASSET				DEPRECIATION				NET VALUE
Description	%	1/01/2011	+	-	31/12/2011	1/01/2011	+	-	31/12/2011	
Shares in affiliated undertakings		57.873.183,17	-	1.742.854,53	56.130.328,64	7.383.607,82	797.092,51	400.766,13	7.779.934,20	48.350.394,44
Keravill Rt	100	3.507.962,00	-	-	3.507.962,00	3.507.962,00	-	-	3.507.962,00	-
Primo Zrt	0	-	-	-	-	-	-	-	-	-
Europrizma Ltd	0	223.621,00	-	223.621,00	-	84.051,00	-	84.051,00	-	-
Fotexnet Kft	5,5	1.079.758,70	-	-	1.079.758,70	1.069.354,09	-	-	1.069.354,09	10.404,61
Fotex Cosmetics Kft	100	832.055,00	-	-	832.055,00	404.276,62	188.392,53	-	592.669,15	239.385,85
Hungarolon Music Zrt	99,21	1.943.550,00	-	-	1.943.550,00	1.430.958,00	43.481,15	-	1.474.439,15	469.110,85
Hungaroton Records Kft	8,98	1.792.183,00	-	1.519.233,53	272.949,47	373.617,00	44.541,53	316.715,13	101.443,40	171.506,07
Keringatlan Kft	95,41	27.779.973,47	-	-	27.779.973,47	-	-	-	-	27.779.973,47
Sigma Kft	75,05	178.304,00	-	-	178.304,00	-	23.888,23	-	23.888,23	154.415,77
Upington Investments Sàrl	100	17.926.209,00	-	-	17.926.209,00	-	-	-	-	17.926.209,00
Székely kft	99,12	270.846,00	-	-	270.846,00	-	-	-	-	270.846,00
Balaton Bülogyár Kft	100	2.338.721,00	-	-	2.338.721,00	513.389,11	496.789,07	-	1.010.178,18	1.328.542,82
Investments held as fixed assets		12.878,00	-	-	12.878,00	11.589,00	-	-	11.589,00	1.289,00
Investments		12.878,00	-	-	12.878,00	11.589,00	-	-	11.589,00	1.289,00
Loans and claims held as fixed assets		92.393,38	-	92.393,38	-	-	-	-	-	-
Loans to shareholders (preferential dividend bearing shares)		25.050,00	-	25.050,00	-	-	-	-	-	-
Loans to the directors and shareholders		67.343,38	-	67.343,38	-	-	-	-	-	-
Own shares or own corporate units		829.006,74	938.119,41	-	1.767.126,15	-	-	-	-	1.767.126,15
Own shares		829.006,74	938.119,41	-	1.767.126,15	-	-	-	-	1.767.126,15
TOTAL		58.807.461,29	938.119,41	1.835.247,91	57.910.332,79	7.395.196,82	797.092,51	400.766,13	7.791.523,20	50.118.809,59

On May 17, 2011, the Company sold 50% of the shares owned in the company Hungaroton Records Kft resulting in a realized less value of 2.518,00 Eur.

On August 8, 2011, the Company sold 100% of the shares in the Company Europrizma Kft to the Company MTK Budapest Zrt. resulting in a capital gain of 29.438,94 Eur.

We refer to point 13 for more detailed information regarding the subsidiaries.

4. State of Loans granted to the Directors

01/01/2011	67.343,38
Variation	(67.343,38)
<hr/>	
31/12/2011	-

5. State of Own Shares

Directly own shares (ordinary shares and preferential dividend bearing shares)

Date	Quantity/pcs	%	Nominal value	Recorded value
01/01/2011	758.659,00	1,04	318.636,78	829.006,74
31/12/2011	1.575.635,00	2,17	661.766,70	1.767.126,15

The Company purchased during the year 2011 own shares for an amount of 938.119,41 Eur included in the Financial Assets in the Balance Sheet.

The Company has created a non-distributable reserve included in the caption "Allocated reserves" for an amount of 1.767.126,15 Eur.

The company holds own shares split up as follows:

- 450.000 preferential dividend bearing shares ;
- 1.125.635 ordinary shares.

Indirectly own shares (ordinary shares)

The company Uppington Investments Sàrl holds 12,43% of Fotex Holding S.E.' shares ;

The company Keringatlan Kft holds 0,069% of Fotex Holding S.E.' shares ;

The company Proprimo Kft holds 1,69% of Fotex Holding S.E.' shares.

Date	Quantity/pcs	%	Nominal value
01/01/2011	10.323.890,00	14,20	4.336.033,80
31/12/2011	10.323.890,00	14,20	4.336.033,80

FOTEX HOLDING S.E.

75, Parc d'Activités
 L-8308 CAPELLEN (Grand Duché de Luxembourg)
 Tél. : +352 95 05 74
 Fax : +352 95 91 11

Directly and indirectly own shares

Date	Quantity/pcs	%	Nominal value
01/01/2011	11.082.549,00	15,24	4.654.670,58
31/12/2011	11.899.525,00	16,36	4.997.800,50

6. Debtors (Assets D.II.)

Debtors are mainly composed by:

	Within one year	After one year and within 5 years	After more than 5 years	2010
Trade debtors	37.718,30	-	-	39.432,10
Amounts owed by affiliated undertakings	970.757,92	550.501,12	-	2.030.479,83
Other debtors	440.315,31	491.713,92	-	88.047,31

The opening balance of other receivables increased by 843.981,92 Eur from 88.047,31 Eur to 932.029,23 Eur compared to the audited financial statements of Fotex Holding SE in 2010. The reason for this is the reclassification of the loan to the company Primo Zrt from the caption loans to intercompanies to other receivables and the amount of 169.008,94 Eur to be received, resulting of the sale of the subsidiary "Europrizma Kft".

A receivable amount of 481.281,74 Eur was reclassified from "Trade debtors" to "Amounts owed by affiliated undertakings" in 2010.

7. Prepayments and accrued income / accruals and deferred income (Assets E./ Liabilities E.)

The prepayments and accrued income and accrual and deferred charges are as follows:

	2011	2010
ASSETS		
Prepaid costs to other companies	8.767,65	2.569,82
Accrued income	52.466,17	0,00
TOTAL	61.233,82	2.569,82

LIABILITIES

Accrued Charges	141.277,59	221.527,08
Group audit fees	112.500,00	90.000,00
Valuation of properties fees	0	15.750,00
Statutory audit fees	10.000,00	5.000,00
Licence fees costs	11.542,50	11.460,82
Listing maintenance fees	5.223,32	8.070,83
Directors' fees	0	89.129,55
Other costs accrued	2.011,77	2.115,88
Deferred Income	612,05	618,82
TOTAL	141.889,64	222.145,90

8. Tax

The company is submitted to a corporate tax on its net profit whose rate is set to 31,05%.

The company has entered in a tax consolidation regime with the company Upington Investments S.à r.l. as per the article 164 bis LIT as of 01/01/2010.

Since 4th June 2009, the company has accumulated some fiscal loss and that has been increased during the year 2011. Therefore the Company will not be subject to corporate income tax and municipal business tax for the fiscal year 2011.

The detail of the tax losses carried forward is as follows:

- 2009: - 23.565,32 Eur
- 2010: -3.159.527,49 Eur
- 2011: -2.757.910,01 Eur
- Total: -5.941.002,82 Eur

It is also charged to the company a Net Wealth tax estimated on net asset value as of 1 January, reduced by the value of substantial participations.

	2011	2010
2010 Net Wealth tax accrual	22.295,00	22.295,00
2011 Net Wealth tax accrual	18.815,04	-
TOTAL	41.110,04	22.295,00



9. Non subordinated debts (Liabilities D.)

Amounts due and payable for the accounts shown under "Non subordinated debts" are as follows:

	Within one year	After one year and within 5 years	After more than 5 years	2010
Trade creditors	99.131,65	-	-	11.726,72
Amounts owed to affiliated undertakings	2.061.517,20	-	-	1.142.087,70
Tax and social security	9.869,00	-	-	26.056,32
Other creditors	154.651,98	-	-	157.746,29

10. Audit fees

The total amount of fees for the statutory and consolidated accounts of the company is as follows:

	2011	2010
Audit fees	127.500,00	105.000,00

11. Directors fees

The directors' fees are in relation to the management of the company only. The amounts of directors' fees are as follows.

	2011	2010
Director fees	339.877,38	436.973,26

12. Out of balance rights and engagements

The company concluded a guarantee's contract in which the company vouches for the loans made by the company Upington Investments Sàrl to the company Ajka Kristály Uvegipari Kft for the following amounts :

- 2.696.332,20 Usd
- 1.115.269,22 Eur

FOTEX HOLDING S.E.

75, Parc d'Activités
 L-8308 CAPELLEN (Grand Duché de Luxembourg)
 Tél. : +352 95 05 74
 Fax : +352 95 91 11

The company Ajka Kristály Üvegipari Kft is having liquidity difficulties. Ajka Kristály Kft received delay in payment for the liabilities determined in the solvency agreement signed on 26 October 2009. Fotex Holding SE management estimates that the refund to the group companies will be possible as from 2013, as a consequence, did not book any provision as at 31.12.2011".

13. Information on subsidiaries

Name of the subsidiary	N° ordre	Address	Country
Fotex Cosmetics Kft	1	Nagy Jeno u.12 1126 Budapest	Hungary
Currency:			HUF
Capital			230 550 000
Equity			76.380.000
Turnover			198.758.000
Result 2011			-42.235.000
Average of Employees			13
Percentage of Shareholding			100

Name of the subsidiary	N° ordre	Address	Country
Hungaroton Music Zrt	3	Reitter F. u. 39-49 1135 Budapest	Hungary
Currency:			HUF
Capital			127.200.000
Equity			148.748.000
Turnover			33.270.000
Result 2011			-551.231
Average of Employees			3
Percentage of Shareholding *			99,21 %

FOTEX HOLDING S.E.

75, Parc d'Activités
L-8308 CAPELLEN (Grand Duché de Luxembourg)
Tél. : +352 95 05 74
Fax : +352 95 91 11



HOLDING SE PUBLIC COMPANY LIMITED BY SHARES

* Ownership structure:

Fotex Holding S.E	126.200.000	99,21 %
MNV /Magyar állam/	1.000.000	0,79 %

Name of the subsidiary	N° ordre	Address	Country
Hungaroton Records	4	Rottenbiller u. 47	Hungary
		1071 Budapest	
Currency:			HUF
Capital			452.000.000
Equity			600.805.506
Turnover			553.235.521
Result 2011			-67.892.034
Average of Employees			11
Percentage of Shareholding *			8,98 %

* Ownership structure:

Fotex Holding S.E	40.600.000	8,98 %
Upington Investments	226.000.000	50,00 %
Hungaroton Music Zrt	103.420 .000	22,88 %
Keringatlan Kft	71.580.000	15,84 %
Primó Zrt	10.400.000	2,30 %
	452.000 .000	100 %

FOTEX HOLDING S.E.

75, Parc d'Activités
L-8308 CAPELLEN (Grand Duché de Luxembourg)
Tél. : +352 95 05 74
Fax : +352 95 91 11

The logo for FOTEX, featuring the word "FOTEX" in a bold, white, sans-serif font against a dark background.

HOLDING SE PUBLIC COMPANY LIMITED BY SHARES

Name of the subsidiary	N° ordre	Address	Country
Keringatlan Kft	5	Nagy Jeno Utca 12	Hungary
		1126 Budapest	
Currency:			HUF
Capital			5.474.900.000
Equity			22.026.031.151
Turnover			5.576.639.976
Result 2011			1.571.140.357
Average of Employees			26 persons
Percentage of Shareholding *			*
Long Term Debts Amount (> 5 years)			414.772.744

* Ownership structure:

Fotex Holding SE	95,409 %
Proprietary	0,004 %
Polgári Ingatlan	0,013 %
Individual	4,574 %

FOTEX HOLDING S.E.

75, Parc d'Activités
L-8308 CAPELLEN (Grand Duché de Luxembourg)
Tél.: +352 95 05 74
Fax: +352 95 91 11

The logo for FOTEX, featuring the word "FOTEX" in a bold, stylized, white font against a dark background.

HOLDING SE PUBLIC COMPANY LIMITED BY SHARES

Name of the subsidiary	N° ordre	Address	Country
Fotexnet Kft	6	Nagy Jenő U.12	Hungary
		1126 Budapest	
Currency:			HUF
Capital			10.900
Equity			63.080
Turnover			298.541
Result 2011			44.618
Average of Employees			19
Percentage of Shareholding *			5.50%
Long Term Debts Amount (> 5 years)			0

* Ownership structure:

Fotex Holding SE	5,50%
Proprimó Kft.	10,83%
Keringatlan Kft.	50,09%
Fotex Cosmetics Kft.	4,68%
Fotex Ingatlanfejlesztő és Karbantartó Kft.	10,83%
Hungaroton Records Kft.	11,65%
Plaza-Park Kft.	1,56%
SIGMA Kft.	4,86%
Total:	100,00%

FOTEX HOLDING S.E.

75, Parc d'Activités
L-8308 CAPELLEN (Grand Duché de Luxembourg)
Tél. : +352 95 05 74
Fax : +352 95 91 11

FOTEX**HOLDING SE PUBLIC COMPANY LIMITED BY SHARES**

Name of the subsidiary	N° ordre	Address	Country
Sigma Kft	7	Nagy Jeno u. 12	Hungary
		1126 Budapest	
Currency:			HUF
Capital			26.650.000
Equity			62.189.000
Turnover			73.756.000
Result 2011			1.559.000
Average of Employees			6
Percentage of Shareholding *			75,05%

* Ownership structure:

Fotex Holding SE. 75,05%

Györfly Csabáné 24,95%

Name of the subsidiary	N° ordre	Address	Country
Upington Investments Sàrl		75, Parc d'activités	Luxembourg
	8	8308 Capellen	
Currency:			EUR
Capital			12.500,00
Equity			33.078.062,96
Turnover			11.542,99
Result 2011			-2.186.425,27
Average of Employees			0
Percentage of Shareholding			100%

FOTEX HOLDING S.E.

75, Parc d'Activités
 L-8308 CAPELLEN (Grand Duché de Luxembourg)
 Tél. : +352 95 05 74
 Fax : +352 95 91 11

25

R.C.S. Luxembourg : B-146938
 Matricule : 2009 8400 010

The logo for FOTEX, featuring the word "FOTEX" in a bold, white, sans-serif font against a dark background.

HOLDING SE PUBLIC COMPANY LIMITED BY SHARES

Name of the subsidiary	N° ordre	Address	Country
Székhely Kft	9	Czuczor G. u. 21	Hungary
		9022 Győr	
Currency:			HUF
Capital			22.800.000
Equity			276.714.000
Turnover			712.379.000
Result 2011			187.773.000
Average of Employees			35
Percentage of Shareholding *			99,12%

* Ownership structure:

Fotex Holding SE	99,12 %
Individual	0,88 %

FOTEX HOLDING S.E.

75, Parc d'Activités
L-8308 CAPELLEN (Grand Duché de Luxembourg)
Tél. : +352 95 05 74
Fax : +352 95 91 11

Name of the subsidiary	N° ordre	Address	Country
Balaton Bútor Kft	10	Hazgyari U.4	Hungary
		8200 Veszprém	
Currency:			HUF
Capital			350.860.000
Equity			418.727.350
Turnover			713.682.995
Result 2011			-87.463.246
Average of Employees			103,67
Percentage of Shareholding *			100%

14. Related parties transactions

In 2010 the following companies were taken into account as related parties:

- Blackburn International Inc. (Blackburn)
- Blackburn International S.à.r.l. (Blackburn International Luxembourg)
- Fotex Ingatlan Kft
- Plaza Park Kft

In 2011 the following companies were taken into account as related parties:

- Blackburn International Inc. (Blackburn)
- Blackburn International S.à.r.l. (Blackburn International Luxembourg)
- Fotex Ingatlan Kft
- Plaza Park Kft

On 1 July 2011, the Group purchased 100% of the shares of Plaza Park Kft. Therefore, Plaza Park had been recognised as a related party up to 30 June 2011 and has been a Fotex Group member since 1 July 2011.

In 2011, Blackburn International Inc. invoiced 130,899 Eur (2010: 116,620 Eur) for aircraft usage.

15. Net turnover (Income B. 1.)

The Company has the following revenue mainstreams:

- Name wearing service: Fotex Holding SE ensures to use "Fotex" for a regular fee
- Revenue from recharged services: Some services are purchased centrally by Fotex Holding SE for the whole group and afterwards these services are recharged to those companies who actually used that service.
- Property management fee: Fotex Holding SE gives guidance in the fields of property management to those subsidiaries, who requires it, for a regular fee

The company has revenue from some other activities also but these are not significant.

FOTEX HOLDING S.E.

75, Parc d'Activités
L-8308 CAPELLEN (Grand Duché de Luxembourg)
Tél.: +352 95 05 74
Fax: +352 95 91 11



The net turnover is broken down by category of activity as follows:

	2011	%	2010	%
Property management fee revenue	176.620,94	17,59	131.238,48	13,11
Commision fee revenue	3.359,24	0,33	17.724,51	1,77
License fee revenue	23.085,67	2,30	23.101,47	2,31
Guarantee fee revenue	25.326,30	2,52	25.288,95	2,53
Revenue from recharged services	62.952,53	6,27	101.220,00	10,11
Name wearing fee revenue	712.921,10	70,99	702.452,07	70,17

16. Reclassifications in the 2010 profit and loss account

As from January 1, 2011, the Luxembourg Standard Chart of Accounts came into force. In order to ensure a comparison between the 2010 and 2011 figures of the annual accounts, an amount of 350,- Eur (Chamber of Commerce subscription fee) has been reclassified from "Tax on profit or loss" to "other external charges" caption and an amount of 11.490,35 Eur (bank fees) from the "interest payable and similar charges" to the "other external charges" caption. The 2010 profit and loss account has consequently been modified.

17. Staff

The number of salaried personnel in average during the year is one, for the category of full-time employee (2010: one full-time employee).

Staff costs for the financial year are broken down as follows:

	2011	2010
Wages and salaries	145.954,22	117.246,90
Social security costs accruing by reference to wages and salaries	14.548,62	13.362,09