

# Annual Report 2015

VÚB Asset Management správ. spol., a.s.



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## 1. Company Details

**Business Name:** VÚB Asset Management, správ. spol., a.s.  
**Legal Form:** Joint-stock company  
**CRNo.:** 35 786 272  
**Business Register:** District Court Bratislava I, Section: Sa, File No.: 2416/B  
**Registered Office:** Mlynské Nivy 1, 820 04 Bratislava 24  
**Date of Establishment:** 17 April 2000

### Scope of Business:

- Establishment and management of standard mutual funds and European standard funds,
- Establishment and management of alternative investment funds and foreign alternative investment funds

### Mutual Funds under Management as of December 31, 2015:

- VÚB AM FOND BANKOVÝCH VKLADOV,  
open-end mutual fund of VÚB Asset Management, správ. spol., a.s.
- VÚB AM EUROVÝ FOND,  
open-end mutual fund of VÚB Asset Management, správ. spol., a.s.
- VÚB AM KONZERVATÍVNE PORTFÓLIO,  
open-end mutual fund of VÚB Asset Management, správ. spol., a.s.
- VÚB AM ACTIVE BOND FUND,  
open-end mutual fund of VÚB Asset Management, správ. spol., a.s.
- VÚB AM FLEXIBILNÝ KONZERVATÍVNY FOND  
open-end mutual fund of VÚB Asset Management, správ. spol., a.s.
- VÚB AM ACTIVE MAGNIFICA,  
open-end mutual fund of VÚB Asset Management, správ. spol., a.s.
- VÚB AM FLEXIBLE MAGNIFICA FUND,  
open-end mutual fund of VÚB Asset Management, správ. spol., a.s.
- VÚB AM DLHOPISOVÝ KONVERGENTNÝ FOND,  
open-end mutual fund of VÚB Asset Management, správ. spol., a.s.
- VÚB AM DYNAMICKÉ PORTFÓLIO,  
open-end mutual fund of VÚB Asset Management, správ. spol., a.s.
- VÚB AM VYVÁŽENÝ RASTOVÝ FOND,  
open-end mutual fund of VÚB Asset Management, správ. spol., a.s.
- VÚB AM PRIVÁTNY EUROVÝ FOND,  
open-end mutual fund of VÚB Asset Management, správ. spol., a.s.

**Depositary:** Všeobecná úverová banka, a. s.  
**Registered Office:** Mlynské nivy 1, 829 90 Bratislava

**Shareholders:** 50.1% Eurizon Capital SA  
40.6% Všeobecná úverová banka, a. s.  
9.3% Privredna Banka Zagreb, d.d.

**Supervisory Board:** Prof. Daniel Gros - chairman  
Prof. Giorgio Di Giorgio - member  
Massimo Mazzini - member  
Alexander Resch - member  
Dinko Lucic - member

**Management Board:** Massimo Torchiana - chairman  
RNDr. Ing. Marian Matušovič, PhD. – member and CEO  
Emiliano Laruccia - member  
Claudio Marco Malinverno - member  
Marco Canton – member from 1 May 2015  
Alberto Castelli – member and CEO until 30 April 2015

## 2. Report of Management Board on Company's Activities and Equity in 2015

### Market Environment in 2015

The financial market witnessed different trends in 2015. Resilience of the global economy against economic slowdown in emerging countries, especially in China, was the most discussed topic among investors. Despite quite impressive economic growth in the developed countries, their financial indicators were rather fragile. Little economic growth in China caused downturn in equity markets in 2015. In response to this situation, the Central Bank of China issued several measures such as cutting the interest rates, decreasing the statutory minimum reserves, bringing liquidity to the market, tax reliefs for specific sectors etc. The introduced monetary and fiscal interventions were expected to deliver positive effects for development of economy. A stabilized situation in the emerging countries simply became the main pre-condition of the economic growth on global level.

Divergence of the monetary policy in Europe and in the USA was a largely discussed issue in 2015. Europe experienced deflation, which the European Central Bank (ECB) tried to “combat“ with several measures that had been adopted last year. ECB slashed the deposits rates from -0.20% p.a. to -0.30% p.a. in December 2015. The negative interest rates were to avert the free funds from being accumulated in the central bank, support release of funds in economy (loans) and thereby foster the economic growth. “Quantitative easing” was another incentive which came into force in March 2015. This incentive involves monthly purchase of financial assets in the amount of € 60 bn by ECB, by effect of which volume of funds in economy will increase. In the late 2015, ECB extended the period of this incentive by 6 months, i.e. till March 2017. These measures were destined to support the economic growth and inflation in Eurozone. On the other hand, the US monetary policy was running the opposite direction. The Fed, after having analysed the situation for some period, rose the interest rates in December 2015 by 0.25% to 0.50% p.a. This step made end to long-lasting discussions whether the US economy is strong enough to cope with increased costs of funds.

The bond market yields did not indicate any clear trend. The German yields survived several economic problems, while the yields of the countries on the outer edge of Eurozone, except for Spain, went down.

The equity market was extremely volatile and, in fact, experienced stagnation over the year. Modest growth was seen in developed markets, while the emerging markets showed descending trend.

Crude oil, with its slumped prices, was in centre of great attention. Compared to peak levels during the year, the oil prices fell down by 50% at the end of 2015.

All these facts had impact on performance of mutual funds managed by VUB Asset Management, správk. spol., a. s., (hereinafter referred to as “VÚB AM”).

## Market Scenario for 2016

In the baseline scenario for 2016, we expect expansion of economic activity in the US and Eurozone at least at the level of 2015. GDP growth is estimated at the level of approximately 2.5% in the US and 1.5% in the Eurozone. The US economy could benefit from the increasing domestic consumption that is connected with the improving labor market conditions. The latest data indicate also possible break of the longstanding wage stagnation. The economies of the US and Eurozone could also positively benefit from the expected low oil prices.

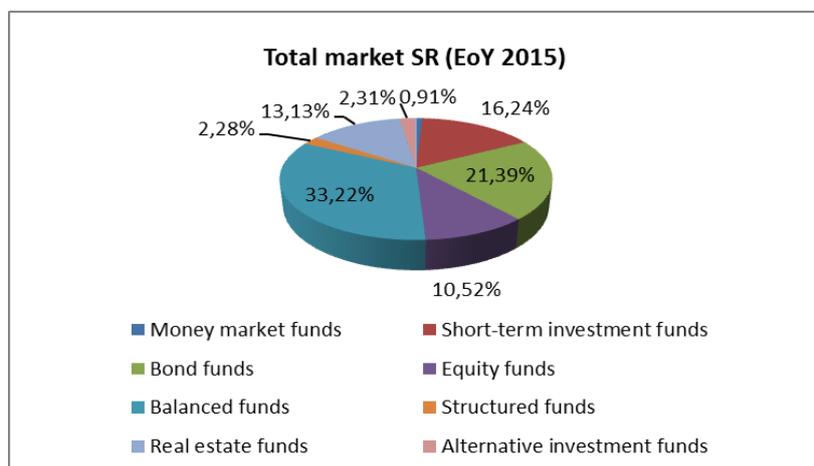
The economy of the emerging countries focusing on China will remain the problem driver in 2016. The macroeconomic data from December 2015 confirmed the weakness of the economy of the emerging countries; therefore, serious concerns exist regarding the fragility of their financial indicators. Stabilization of the situation in the emerging markets will be a necessary precondition for the consolidation of economic growth on global level. In particular, Chinese authorities must demonstrate that they are able to cope with the slowdown of their economy. Although in 2015 we witnessed several measures taken by the Chinese central bank, it is expected that the Chinese representatives will continue to use fiscal and monetary incentives.

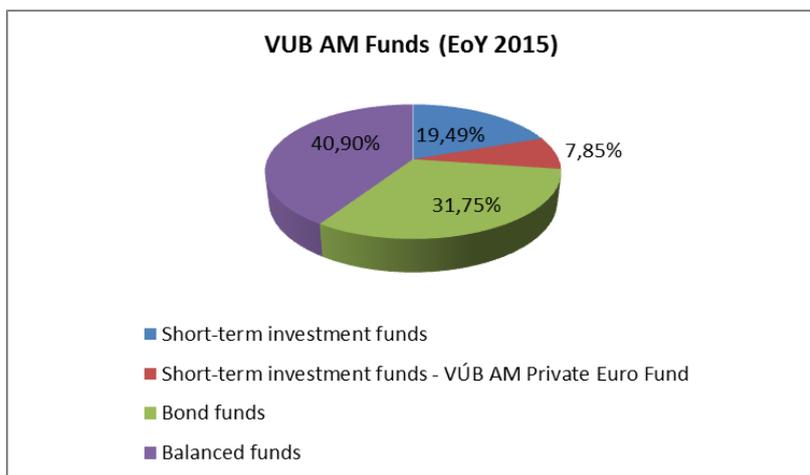
The monetary policy conducted by ECB, BoJ (Bank of Japan), as well as by the central banks of the emerging countries, should be characterized by further supply of cheap liquidity to the market. On the other hand, it is expected that US FED will raise the interest rates, but very gradually.

Potential source of positive performance in 2016 can be achieved in equities and in bonds with higher risk inherent. With respect to equities, the Eurozone and Japan are geographically preferred. If the stabilization of the emerging countries is confirmed, the preference may extend by these markets as well. In general, however, high volatility in the equity market is expected, also in connection with the development of commodity prices, especially oil. In the case of government bonds, the outlook is positive for peripheral Eurozone countries.

## Market of Collective Investment in Slovakia

Based on the data published by the Slovak Association of Asset Management Companies (SASS) as of 31 December 2015 the net value of assets in mutual funds, funds of institutional investors and portfolios under management amounted to EUR 7,607 mil, which represents a decrease by 16.36% compared to the end of 2014. Out of the total volume under management the open-end mutual funds amounted to EUR 6,923 mil. Mixed funds (33.22%), bond funds (21.39%) and funds of short-term investments (16.24%) represented the highest market share. Real-estate funds (13.13%) represented the fourth highest market share followed by equity funds (10.52%).





Low interest rates in the Eurozone caused negative net sales in the category of money market funds (EUR -24 mil.) and funds of short-term investments (EUR -332 mil.). All the other categories recorded positive net sales. Mixed funds (EUR 695 mil.) recorded the greatest demand by clients. It was caused by the fact that the investors were looking for more dynamic investments with equity component and potential for higher performance during the year. Alternative investment funds (EUR 63 mil.) were ranked second in the positive net sales followed by equity funds (EUR 52 mil.). The total net sales of the open-end mutual funds amounted to EUR +566 mil.

### Position of VÚB Asset Management, správ. spol., a.s., in the Slovak market of collective investment

Based on the volume of assets under management, the management company maintained its position in the market and defended its second place. The managed assets increased from the original EUR 1,324 mil. (end of 2014) by 15.72% to EUR 1,532.2 mil. VÚB AM also managed to increase its market share to 22.13% decreasing the gap with the main competitor TAM (RFI Group).

Company	AUM (mil.EUR) 31/12/2014	AUM (mil.EUR) 31/12/2015	AUM change YTD	Market share 31/12/2014	Market share 31/12/2015	Market share change YTD
TAM	2,156.77	2,052.89	-4.82%	34.51%	29.65%	-4.86%
<b>VÚB AM</b>	<b>1,324.01</b>	<b>1,532.17</b>	<b>15.72%</b>	<b>21.19%</b>	<b>22.13%</b>	<b>0.94%</b>
AM SLSP	1,001.21	1,085.22	8.39%	16.02%	15.68%	-0.34%
PP	624.67	748.10	19.76%	10.00%	10.81%	0.81%
<b>Market Total</b>	<b>6,249.09</b>	<b>6,923.16</b>	<b>10.79%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>N/A</b>

Source : SASS; data as of 31 December 2015

TOP 10 Funds in Slovakia - 2015	SASS Category	Net Sales 2015 (EUR)	Performance	
			3M (%)	1Y (%)
SPORO ŠIP Klasik, o.p.f.	Mixed	121,610,009.83	-0.26%	-1.42%
<b>VÚB AM - Active Bond fund</b>	<b>Bond</b>	<b>110,536,103.34</b>	<b>1.48%</b>	<b>2.65%</b>
<b>VÚB AM - Flexibilný Konzervatívny fond</b>	<b>Mixed</b>	<b>84,742,601.56</b>		
SPORO Aktívne portfólio, o.p.f.	Mixed	75,143,444.98	0.70%	-0.92%
<b>VÚB AM - Flexible Magnifica Fund</b>	<b>Mixed</b>	<b>72,423,900.50</b>	<b>0.95%</b>	<b>0.50%</b>
<b>VÚB AM - Active Magnifica</b>	<b>Mixed</b>	<b>52,624,006.64</b>	<b>0.33%</b>	<b>-3.83%</b>
TAM - SmartFund	Mixed	50,448,372.48	-1.74%	-3.84%
J&T BOND EUR zmiešaný o.p.f.	Alternative investments	45,633,925.59	1.27%	4.83%
TAM - Alfa fond	Mixed	43,058,740.57	-1.04%	-3.93%
TAM - Dynamický dlhopisový fond	Bond	40,899,477.71	-0.27%	

Source: SASS; data as of 31 December 2015

### Open-End Mutual Funds of VUB AM and Sales Support

Our company managed 11 open-end mutual funds during the year, one of which was designed for clients of VUB private banking. The Fund of Short-Term Investments includes VÚB AM Fond Bankových Vkladov (FBV) and VÚB AM Privátny Eurový Fond (PPF), while the former is intended for retail clients and the latter is for private clients. The category of bond funds includes VÚB AM Eurový Fond (EF), VÚB AM Active Bond Fund (ABF), and VÚB AM Dlhospisový Konvergentný Fond (DKG). Six funds are from the category of mixed funds, and they are intended for the retail segment. It refers to VÚB AM Vyvážený Rastový Fond (VRF), VÚB AM Konzervatívne Portfólio (KOP), VÚB AM Dynamické Portfólio (DOP), VÚB AM Flexible Magnifica Fund (FMG), VÚB AM Active Magnifica (AMG), and VÚB AM Flexibilný Konzervatívny Fond (FLK).

More details to the individual mutual funds, including all statutory documents, can be found at [www.vubam.sk](http://www.vubam.sk)

In order to expand the product portfolio, a new fund VÚB AM Flexibilný Konzervatívny Fond (FLK) has been launched by our company since 1 November 2015. Epsilon Associati and Eurizon Capital SGR companies are used for investment advice for the portfolio management of this fund. The aim of this fund is long-term capital appreciation by flexible exposure to developed equity markets in the maximum amount of 20% and wide range of bond markets. The net sales of this fund achieved to EUR 84.7 mil as of the end of 2015.

### CIB Investment Fund Management Ltd. (Hungary)

The year 2015 was characterised by challenging market environment described above, with regard to both fund management and asset management operations. The HUF 321 billion in assets managed by the CIB Investment Fund Management Ltd. (hereinafter, the "CIBIFMCo") in investment funds on 1 January 2015 had increased to HUF 377 billion by 31 December 2015.

The overall Hungarian investment fund market also mirrored the trend observed at the CIBIFMCo, with HUF 5,353 billion in managed assets at the beginning of the year increasing to HUF 5,720 billion by the end of December 2015, while at the same time the CIBIFMCo's market share increased from 5.87% to 6.59%.

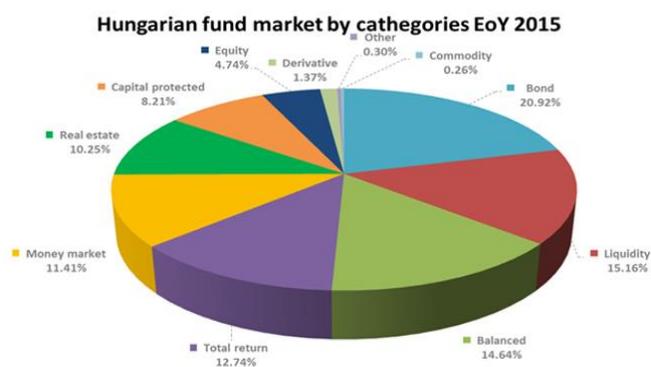
## Top 10 market players in Hungary

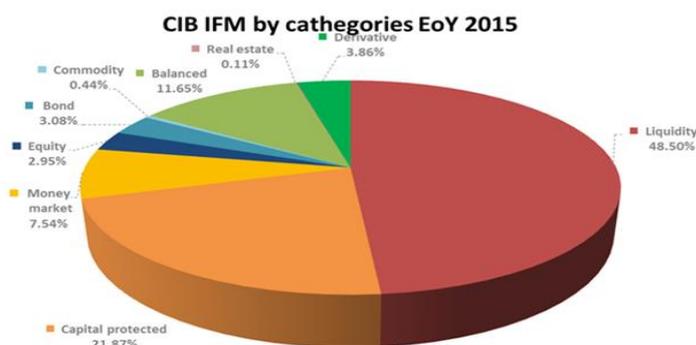
Company	AUM 31/12/14 (EUR mln.)	AUM 31/12/15 (EUR mln.)	Δ AUM 2015	Market Share 31/12/14	Market Share 31/12/15	Market Share change YTD
<b>CIB IFM</b>	<b>1,020.0</b>	<b>1203.4</b>	<b>17.98%</b>	<b>5.87%</b>	<b>6.59%</b>	<b>0.72%</b>
OTP	4,170.4	3,845.1	-7.80%	24.00%	21.05%	-2.96%
K&H	2,760.3	3,199.7	15.92%	15.89%	17.51%	1.63%
ERSTE	2,774.3	2,854.0	2.87%	15.97%	15.62%	-0.35%
BB GE Capital	1,399.5	1,503.8	7.45%	8.05%	8.23%	0.18%
CONCORDE	1,370.0	1,516.1	10.67%	7.88%	8.30%	0.41%
Raiffeisen	603.6	526.0	-12.86%	3.47%	2.88%	-0.59%
AEGON	741.3	865.2	16.72%	4.27%	4.74%	0.47%
Pioneer	688.9	617.8	-10.32%	3.96%	3.38%	-0.58%
MKB	609.6	686.0	12.53%	3.51%	3.76%	0.25%
<b>TOTAL</b>	<b>17,375.9</b>	<b>18,270.6</b>	<b>5.15%</b>			

Data source: Hungarian Funds Association; as of December 31, 2015

At the beginning of the year the range of investment fund products consisted of 25 public and 2 private investment funds, which grew by 12 newly launched and decreased by 3 expired public investment funds by the end of the year.

The number of portfolios managed for voluntary and compulsory private pension funds, other institutional, the volume of managed assets decreased from HUF 13.3 billion to HUF 13.03 billion. In term of asset mix, the CIBIFMCo is heavily overweighed in the liquidity fund category and better than the market in fixed term, capital protected funds category.





Data source: Hungarian Funds Association; as of December 31, 2015

As a consequence of the processes described above, the CIBIFMCo's closed near to AuM budget in HUF terms and generated high net profit of 3 mln EUR, -12% below budget and -1.6% vs EoY 2014. CIBIFMCo's efficiency position remained excellent with cost-income ratio of 25.66%, vs 22.49% in EoY 2014.

### PBZ Invest (Croatia)

Croatian fund market grew in 2015 by 122 mln EUR (+7,18%) out of which PBZ Invest participated with 94 mln EUR and represents 77% of market's annual growth. PBZ Invest reached the level of 449 mln EUR (+26,43%) as of EoY2015 and became the biggest Asset management company in Croatia in terms of AuM in UCITS funds starting from September.

PBZ Invest increased market share by 3,77% and reached market share of 24,74% as of December 2015. Main competitors slightly increased AuM (Erste and RBA) while ZBI (Unicredit) again decreased AuM on annual basis. All three competitors lost a part of market share in 2015. Looking at 2Y period, PBZ Invest increased market share by 6,42%.

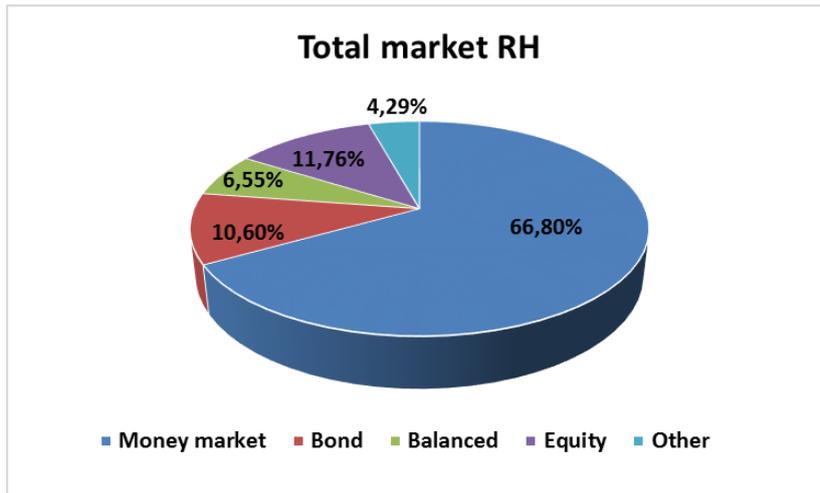
Company	AUM 31/12/14 (EUR mln.)	AUM 31/12/15 (EUR mln.)	AUM change YTD	Market Share 31/12/13	Market Share 31/12/14	Market Share 31/12/15	Market Share change YTD
<b>PBZ INVEST</b>	<b>355,1</b>	<b>449,0</b>	<b>26,43%</b>	<b>18,32%</b>	<b>20,97%</b>	<b>24,74%</b>	<b>3,77%</b>
ZB Invest	449,5	434,4	-3,35%	31,08%	26,54%	23,94%	-2,60%
Erste Invest	348,8	363,7	4,27%	19,52%	20,60%	20,04%	-0,56%
RBA Invest	185,2	189,9	2,53%	9,92%	10,93%	10,46%	-0,47%
OTP Invest	81,0	77,7	-4,12%	4,09%	4,79%	4,28%	-0,51%
Intercapital AM	9,9	72,5	631,83%	0,25%	0,60%	3,99%	3,39%
Hypo Invest	43,1	55,2	27,99%	2,82%	2,54%	3,04%	0,50%
HPB Invest	55,7	55,2	-0,92%	4,21%	3,29%	3,04%	-0,25%
Others	165,1	117,6	-28,78%	9,79%	9,74%	6,48%	-3,26%
<b>TOTAL</b>	<b>1693,4</b>	<b>1815,0</b>	<b>7,18%</b>	<b>100,00%</b>	<b>100,00%</b>	<b>100,00%</b>	

Data source: Croatian Financial Services Supervisory Agency (HANFA – CFSSA); as of 31 December 2015

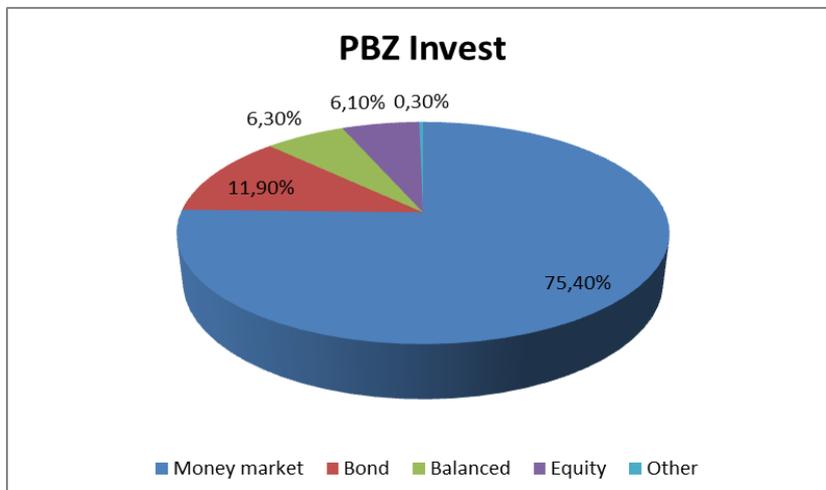
The company manages with 9 mutual funds and managed accounts. Due to changes on the market in July 2015, PBZ Invest decided to merge PBZ I-Stock with PBZ Equity fund. Moreover, PBZ Invest launched two new funds - PBZ Short term bond fund, bond fund denominated in HRK and PBZ Flexible 30 fund, flexible fund established in cooperation with Epsilon and Eurizon Capital.

Bestselling funds in 2015 were PBZ Novčani fund (+49,5 mln EUR), PBZ Bond fund (+10,8 mln EUR) and PBZ Dollar fund (+10,6 mln EUR). Total number of clients in the company's funds increased by 5 359 (9,27%), to 63 184 all of which are retail clients and as of EoY2015 they represent 99,5% of total number of clients.

In terms of asset mix in RH market at the EoY2015, PBZ Invest managed 75,37% of AuM in money market funds (+8,57% above market), 9,17% in balanced funds, 9,07% in bond funds, 6,14% in equity fund and 0,32% in other – flexible fund.



Data source: Croatian Financial Services Supervisory Agency (HANFA – CFSSA); as of 31 December 2015



"Flexible" is the PBZ Flexible 30 fund which is one of the "Other" funds in total market RH  
 Data source: Croatian Financial Services Supervisory Agency (HANFA – CFSSA); as of 31 December 2015

In terms of market ranking of products performance, PBZ Invest ranked 2nd in Euro money market, 2nd in balanced, 3rd in bond category, 3rd in equity category and 4th in HRK money market. Best performing PBZ Invest funds in 2015 were PBZ Global fund (5,11%), PBZ Conservative 10 fund (4,39%) and PBZ Equity fund (3,66%).

In terms of profitability, PBZ Invest recorded net profit of 6,651 mln HRK what is more than budgeted. Main reason for such achievement is higher AuM. Cost income ratio recorded further decline and finished at 55 level, compared with 60 achieved in 2014.

### **The Main Objectives of HUB for 2016**

- Continue with the cooperation and coordination of joint projects between HUB companies and main distributors – VÚB Bank, CIB Bank and PBZ Bank.
- Focus on the quality of sales primarily through trainings and workshops for the branch network, as well as increased diversification of the client portfolio.
- Support further savings in funds through marketing and awareness-raising activities.
- In the event of changes in the market respond flexibly by adjusting the product range.

The Management Board shall submit the following proposal for distribution of profit for 2015 at the General Meeting:

<i>In thousands of EUR</i>	2015
Payment of dividends to shareholders	6 958
Allocation to Statutory Reserved Fund	0
Allocation to retained profit	0
	6 958

## **Annexes**

**Report on verification of compliance of Annual Report with VUB AM separate financial statements**

**Separate Financial Statement and Independent Auditor's Report for year ended 31 December 2015**



**KPMG Slovensko spol. s r. o.**  
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## **Správa o overení súladu**

### **výročnej správy s individuálnou účtovnou závierkou podľa § 23 ods. 5 zákona č. 540/2007 Z.z. o audítoroch, audite a dohľade nad výkonom auditu**

Akcionárom, dozornej rade a predstavenstvu spoločnosti VÚB Asset Management, správ. spol., a.s.:

Uskutočnili sme audit individuálnej účtovnej závierky spoločnosti VÚB Asset Management, správ. spol., a.s. („Spoločnosť“) k 31. decembru 2015, ktorá je uvedená v prílohe výročnej správy. K individuálnej účtovnej závierke sme 4. februára 2016 vydali správu nezávislého audítora v nasledovnom znení:

## **Správa nezávislého audítora**

Akcionárom, dozornej rade a predstavenstvu spoločnosti VÚB Asset Management, správ. spol., a.s.:

Uskutočnili sme audit priloženej individuálnej účtovnej závierky spoločnosti VÚB Asset Management, správ. spol., a.s. („Spoločnosť“), ktorá obsahuje individuálny výkaz o finančnej situácii k 31. decembru 2015, individuálne výkazy ziskov a strát a ostatných súčastí komplexného výsledku, zmien vlastného imania a peňažných tokov za rok, ktorý sa skočil 31. decembra 2015, ako aj poznámky obsahujúce súhrn významných účtovných zásad a účtovných metód a ďalších vysvetľujúcich informácií.

### *Zodpovednosť štatutárneho orgánu Spoločnosti*

Štatutárny orgán Spoločnosti je zodpovedný za zostavenie tejto individuálnej účtovnej závierky, ktorá poskytuje pravdivý a verný obraz v súlade s Medzinárodnými štandardmi finančného výkazníctva v znení prijatom Európskou úniou a za tie interné kontroly, ktoré považuje za potrebné na zostavenie individuálnej účtovnej závierky, ktorá neobsahuje významné nesprávnosti, či už v dôsledku podvodu alebo chyby.

### *Zodpovednosť audítora*

Našou zodpovednosťou je vyjadriť názor na túto individuálnu účtovnú závierku na základe nášho auditu. Audit sme uskutočnili v súlade s Medzinárodnými audítorskými štandardmi. Podľa týchto štandardov máme dodržiavať etické požiadavky, naplánovať a vykonať audit tak, aby sme získali primerané uistenie, že individuálna účtovná závierka neobsahuje významné nesprávnosti.

Súčasťou auditu je uskutočnenie postupov na získanie audítorských dôkazov o sumách a údajoch vykázaných v individuálnej účtovnej závierke. Zvolené postupy závisia od úsudku

audítora, vrátane posúdenia rizík významnej nesprávnosti v individuálnej účtovnej závierke, či už v dôsledku podvodu alebo chyby. Pri posudzovaní tohto rizika audítor berie do úvahy interné kontroly relevantné pre zostavenie individuálnej účtovnej závierky, ktorá poskytuje pravdivý a verný obraz, aby mohol vypracovať audítorské postupy vhodné za daných okolností, nie však na účely vyjadrenia názoru na účinnosť interných kontrol účtovnej jednotky. Audit ďalej zahŕňa zhodnotenie vhodnosti použitých účtovných zásad a účtovných metód a primeranosti účtovných odhadov uskutočnených štatutárnym orgánom Spoločnosti, ako aj zhodnotenie prezentácie individuálnej účtovnej závierky ako celku.

Sme presvedčení, že audítorské dôkazy, ktoré sme získali, sú dostatočné a vhodné ako východisko pre náš názor.

#### *Názor*

Podľa nášho názoru individuálna účtovná závierka poskytuje pravdivý a verný obraz finančnej situácie Spoločnosti k 31. decembru 2015, výsledku jej hospodárenia a peňažných tokov za rok, ktorý sa skončil 31. decembra 2015 v súlade s Medzinárodnými štandardmi finančného výkazníctva v znení prijatom Európskou úniou.

4. februára 2016

Bratislava, Slovenská republika

Audítorská spoločnosť:  
KPMG Slovensko spol. s r. o.  
Licencia SKAU č. 96

Zodpovedný audítor:  
Ing. Petra ČERNÁKOVÁ  
Licencia UDVA č. 1120

### **Správa o overení súladu výročnej správy s individuálnou účtovnou závierkou (dodatok k správe audítora)**

V zmysle zákona o účtovníctve sme overili súlad výročnej správy s individuálnou účtovnou závierkou.

Za správnosť vyhotovenia výročnej správy je zodpovedné vedenie spoločnosti. Našou úlohou je overiť súlad výročnej správy s individuálnou účtovnou závierkou a na základe toho vydať dodatok správy audítora o súlade výročnej správy s individuálnou účtovnou závierkou.

Overenie sme vykonali v súlade s Medzinárodnými audítorskými štandardmi. Podľa týchto štandardov máme naplánovať a vykonať overenie tak, aby sme získali primerané uistenie, že informácie uvedené vo výročnej správe, ktoré sú predmetom zobrazenia v individuálnej účtovnej závierke, sú vo všetkých významných súvislostiach v súlade s príslušnou individuálnou účtovnou závierkou.

Informácie uvedené vo výročnej správe sme posúdili s informáciami uvedenými v individuálnej účtovnej závierke k 31. decembru 2015. Iné údaje a informácie, ako účtovné informácie získané

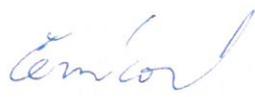
z individuálnej účtovnej závierky a účtovných kníh sme neoverovali. Sme presvedčení, že vykonané overenie je dostatočné a vhodné ako východisko pre náš názor.

Podľa nášho názoru sú účtovné informácie uvedené vo výročnej správe vo všetkých významných súvislostiach v súlade s individuálnou účtovnou závierkou zostavenou k 31. decembru 2015 a ktorá je uvedená v prílohe výročnej správy.

29. februára 2016  
Bratislava, Slovenská republika

Auditorská spoločnosť:  
KPMG Slovensko spol. s r. o.  
Licencia SKAU č. 96



  
Zodpovedný audítor:  
Ing. Petra ČERNÁKOVÁ  
Licencia UDVA č. 1120



**Separate financial statements prepared in accordance  
with International Financial Reporting Standards  
as adopted by the European Union  
and Independent auditors' report  
for the year ended 31 December 2015**

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Fax +421 (0)2 59 98 42 22  
Internet www.kpmg.sk

Translation of the statutory Auditors' Report originally prepared in Slovak language

## Independent Auditors' Report

To the Shareholders, Supervisory Board and Board of Directors of VÚB Asset Management, správ. spol., a.s.:

We have audited the accompanying separate financial statements of VÚB Asset Management, správ. spol., a.s. ("the Company"), which comprise the separate statement of financial position as at 31 December 2015, the separate statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management as represented by the statutory body is responsible for the preparation of these separate financial statements that give true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of the separate financial statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate financial statements.

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

### *Opinion*

In our opinion, the separate financial statements give a true and fair view of the financial position of the Company as at 31 December 2015 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

4 February 2016  
Bratislava, Slovak Republic

Auditing company:  
KPMG Slovensko spol. s r.o.  
License SKAU No. 96



Responsible auditor:  
Ing. Petra ČERNÁKOVÁ  
License UDVA No. 1120

**Separate statement of financial position at 31 December 2015**

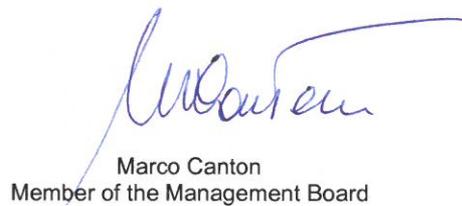
<i>in thousands of euro</i>	<b>Note</b>	<b>2015</b>	<b>2014</b>
<b>Assets</b>			
Due from banks	3	2,433	1,191
Financial assets at fair value through profit or loss	4	11,732	10,715
Subsidiaries	5	2,938	2,938
Receivables from funds	6	1,307	1,212
Intangible assets	7	118	90
Property and equipment	8	46	56
Deferred income tax asset	9	480	56
Other assets	10	53	35
		<u>19,107</u>	<u>16,293</u>
<b>Liabilities</b>			
Current income tax liability		429	129
Accrued expenses	11	1,119	933
Other liabilities	12	1,400	454
		<u>2,948</u>	<u>1,516</u>
<b>Equity</b>			
Share capital	13	4,094	4,094
Share premium	13	38,438	38,438
Legal reserve fund	13	819	415
Other funds	13	(37,934)	(37,934)
Retained earnings		3,784	3,784
Net profit for the year		6,958	5,980
		<u>16,159</u>	<u>14,777</u>
		<u>19,107</u>	<u>16,293</u>

The accompanying notes on pages 8 to 37 form an integral part of these financial statements.

These financial statements were authorised for issue by the Management Board on 4 February 2016.



RNDr. Ing. Marian Matušovič PhD.  
Member of the Management Board



Marco Canton  
Member of the Management Board

**Separate statement of profit or loss and other comprehensive income  
for the year ended 31 December 2015**

<i>in thousands of euro</i>	<b>Note</b>	<b>2015</b>	<b>2014</b>
<b>Interest and similar income</b>	15	1	3
Fee and commission income	16	15,009	10,786
Fee and commission expense	17	<u>(10,672)</u>	<u>(6,778)</u>
<b>Net fee and commission income</b>		4,337	4,008
<b>Dividend income</b>	5	5,509	4,536
<b>Net income from trading</b>	18	30	103
<b>Other income</b>		13	26
Personnel expenses	19	(1,393)	(1,293)
Other operating expenses	20	(1,082)	(978)
Amortisation of intangible assets	7	(18)	(11)
Depreciation of property and equipment	8	<u>(18)</u>	<u>(13)</u>
<b>Operating expenses</b>		(2,511)	(2,295)
<b>Profit before tax</b>		7,379	6,381
Income tax expense	9	<u>(421)</u>	<u>(401)</u>
<b>Net profit for the year</b>		<u>6,958</u>	<u>5,980</u>
Basic and diluted earnings per share	13	<u>5.64</u>	<u>4.85</u>

Net profit for the year equals comprehensive income.

The accompanying notes on pages 8 to 37 form an integral part of these financial statements.

**Separate statement of changes in equity for the year ended 31 December 2015**

<i>in thousands of euro</i>	<b>Share capital</b>	<b>Share premium</b>	<b>Legal reserve fund</b>	<b>Other funds</b>	<b>Retained earnings</b>	<b>Total</b>
<b>1 January 2014</b>	4,094	38,438	332	(37,934)	4,617	9,547
Transfer to legal reserve fund	-	-	83	-	(83)	-
Transactions with shareholders						
Dividends	-	-	-	-	(750)	(750)
Net profit for the year (comprehensive income)	-	-	-	-	5,980	5,980
<b>31 December 2014</b>	<u>4,094</u>	<u>38,438</u>	<u>415</u>	<u>(37,934)</u>	<u>9,764</u>	<u>14,777</u>
<b>1 January 2015</b>	4,094	38,438	415	(37,934)	9,764	14,777
Transfer to legal reserve fund	-	-	404	-	(404)	-
Transactions with shareholders						
Dividends	-	-	-	-	(5,576)	(5,576)
Net profit for the year (comprehensive income)	-	-	-	-	6,958	6,958
<b>31 December 2015</b>	<u>4,094</u>	<u>38,438</u>	<u>819</u>	<u>(37,934)</u>	<u>10,742</u>	<u>16,159</u>

The accompanying notes on pages 8 to 37 form an integral part of these financial statements.

### Separate statement of cash flows for the year ended 31 December 2015

<i>in thousands of euro</i>	Note	2015	2014
<b>Cash flows from operating activities</b>			
Profit before tax		7,379	6,381
Adjustments for:			
Depreciation of property and equipment		18	13
Amortisation of intangible assets		18	11
Interest and similar income		(1)	(3)
Dividend income		(5,509)	(4,536)
Unrealised income from trading		(30)	(103)
<i>Operating profit before changes in working capital</i>		1,875	1,763
Changes in financial assets at fair value through profit or loss		(987)	(5,744)
Changes in receivables from funds		(95)	(278)
Changes in other assets		(18)	(7)
Changes in other liabilities and accrued expenses		1,132	494
Tax paid		(545)	(339)
<i>Net cash from/(used in) operating activities</i>		1,362	(4,111)
<b>Cash flows from investing activities</b>			
Interest received		1	3
Dividend received		5,509	4,536
Purchase of intangible assets and property and equipment		(54)	(98)
<i>Net cash from investing activities</i>		5,456	4,441
<b>Cash flows from financing activities</b>			
Dividends paid		(5,576)	(750)
<i>Net cash used in financing activities</i>		(5,576)	(750)
Net change in cash and cash equivalents		1,242	(420)
Cash and cash equivalents at beginning of the year	3	1,191	1,611
<b>Cash and cash equivalents at end of the year</b>	3	<b>2,433</b>	<b>1,191</b>

The accompanying notes on pages 8 to 37 form an integral part of these financial statements.

## 1. General information

VÚB Asset Management, správ. spol., a.s. ('the Company'), IČO 35786272, DIČ 2021522690, with its registered seat at Mlynské Nivy 1, 820 04 Bratislava, was established on 17 April 2000 in compliance with the provisions of Act No. 385/1999 Coll. on Collective Investments ('the Act'). The Company was registered in the Commercial Register Bratislava 1 on 17 April 2000, insertion 2416/b.

The core activities of the Company are the creation and administration of mutual funds.

### Date of approval of the Financial Statements for the preceding accounting period

The Financial Statements of the Company as at 31 December 2014, i.e. for the preceding accounting period, were approved by the shareholder at the Company's general meeting on 11 March 2015.

### Funds under administration

The Company has established and administers the following eleven open-ended mutual funds as at 31 December 2015:

Name of mutual fund	Audited by
VÚB AM VYVÁŽENÝ RASTOVÝ FOND, o.p.f. VÚB Asset Management, správ. spol., a.s.	KPMG Slovensko spol. s r.o.
VÚB AM EUROVÝ FOND, o.p.f. VÚB Asset Management, správ. spol., a.s.	KPMG Slovensko spol. s r.o.
VÚB AM DLHOPISOVÝ KONVERGENTNÝ FOND, o.p.f. VÚB Asset Management, správ. spol., a.s.	KPMG Slovensko spol. s r.o.
VÚB AM KONZERVATÍVNE PORTFÓLIO, o.p.f. VÚB Asset Management, správ. spol., a.s.	KPMG Slovensko spol. s r.o.
VÚB AM DYNAMICKÉ PORTFÓLIO, o.p.f. VÚB Asset Management, správ. spol., a.s.	KPMG Slovensko spol. s r.o.
VÚB AM PRIVÁTNY EUROVÝ FOND, o.p.f. VÚB Asset Management, správ. spol., a.s.	KPMG Slovensko spol. s r.o.
VÚB AM FOND BANKOVÝCH VKLADOV, o.p.f. VÚB Asset Management, správ. spol., a.s.	KPMG Slovensko spol. s r.o.
VÚB AM ACTIVE MAGNIFICA, o.p.f. VÚB Asset Management, správ. spol., a.s.	KPMG Slovensko spol. s r.o.
VÚB AM ACTIVE BOND FUND, o.p.f. VÚB Asset Management, správ. spol., a.s.	KPMG Slovensko spol. s r.o.
VÚB AM FLEXIBLE MAGNIFICA FUND, o.p.f. VÚB Asset Management, správ. spol., a.s.	KPMG Slovensko spol. s r.o.
VÚB AM FLEXIBILNÝ KONZERVATÍVNY FOND, o.p.f. VÚB Asset Management, správ. spol., a.s.	KPMG Slovensko spol. s r.o.

In September 2015, the National Bank of Slovakia granted permission to create an open-ended mutual fund named VÚB AM FLEXIBILNÝ KONZERVATÍVNY FOND, o.p.f., VÚB Asset Management, správ. spol., a.s. The Company started issuing mutual fund certificates on 1 November 2015.

The accounting records, financial reporting and assets of the funds are maintained separately from the accounting records, financial reporting and assets of the administration Company.

**VÚB AM VYVÁŽENÝ RASTOVÝ FOND**, an open-ended mutual fund of VÚB Asset Management, správ. spol., a.s., was established on 29 October 2001, and started issuing mutual fund certificates on 5 November 2001. The Fund focuses on investing accumulated assets mainly in publicly traded securities, especially debt securities and shares of new markets (using approximately 50:50 ratio), regions, industries, and companies operating in the markets of Middle and East Europe. The Fund invests into liquid securities, which offer an above-average yield or show great growth potential.

## 1. General information (continued)

**VÚB AM EUROVÝ FOND**, an open-ended mutual fund of VÚB Asset Management, správ. spol., a.s., was established on 29 October 2001, and started issuing mutual fund certificates on 5 November 2001. The Fund focuses on investing accumulated assets, particularly in securities and money market instruments denominated in euro and in derivative instruments.

**VÚB AM DLHOPISOVÝ KONVERGENTNÝ FOND**, an open-ended mutual fund of VÚB Asset Management, správ. spol., a.s., was established on 22 August 2003, and started issuing mutual fund certificates on 1 September 2003. The Fund focuses on investing accumulated assets, as determined by the Act, mainly in bonds denominated in EUR, CZK, HUF, PLN, LTL, LVL, HRK, BGN, RON, TRY and other national currencies, particularly of countries converging to European Monetary Union and in derivative instruments.

**VÚB AM KONZERVATÍVNE PORTFÓLIO**, an open-ended mutual fund of VÚB Asset Management, správ. spol., a.s., was established on 17 January 2006, and started issuing mutual fund certificates on 9 February 2006. The Fund focuses on investing accumulated assets particularly into transferrable securities, money market instruments, bonds issued in the Slovak Republic, foreign bonds, shares issued by Slovak or foreign entities in Slovak Republic or abroad, mutual fund certificates of other open-ended mutual funds, other securities issued by the European funds and securities issued by other collective investment entities including mutual fund certificates of open-ended mutual funds administered by the Company and in derivative instruments.

On 23 March 2015, based on the decision no. ODT-2095/2015-3, the National Bank of Slovakia effectively granted permission to merge VÚB AM CP ZAISTENÝ FOND I., an open-ended mutual fund of VÚB Asset Management, správ. spol., a.s. into VÚB AM KONZERVATÍVNE PORTFÓLIO.

**VÚB AM DYNAMICKÉ PORTFÓLIO**, an open-ended mutual fund of VÚB Asset Management, správ. spol., a.s., was established on 17 January 2006, and started issuing mutual fund certificates on 9 February 2006. The Fund focuses on investing accumulated assets particularly into the mutual fund certificates of other open-end mutual funds, other securities issued by European funds and securities issued by other collective investment entities, including mutual fund certificates of open-ended mutual funds administered by the Company and European funds administered by administration companies from the Intesa Sanpaolo group, financial derivative instruments, shares, bonds issued in Slovak Republic or abroad, transferrable securities and money market instruments.

**VÚB AM PRIVÁTNY EUROVÝ FOND**, an open-ended mutual fund of VÚB Asset Management, správ. spol., a.s., was established on 12 September 2008. The issuance of mutual fund certificates started on 23 September 2008. This Fund focuses on investment, especially in transferable securities and in those money market instruments denominated in EUR, and in derivative instruments.

**VÚB AM FOND BANKOVÝCH VKLADOV**, an open-ended mutual fund of VÚB Asset Management, správ. spol., a.s., was established on 19 March 2012, and started issuing mutual fund certificates on 2 April 2012. Since November 2014, the Fund became special fund of securities, which focuses on investing into current accounts and term deposits in Všeobecná úverová banka, a.s. ('the VÚB Bank') and other Slovak banks as well as investing into mutual fund certificates of other money-market mutual funds administered by the VÚB Asset Management, správ. spol., a.s., money market instruments, bonds issued particularly by the VÚB Bank and bonds issued by other credible Slovak banks.

**VÚB AM ACTIVE MAGNIFICA**, an open-ended mutual fund of VÚB Asset Management, správ. spol., a.s., was established on 5 January 2013. This fund was created as a result of redesigning the VÚB AM PRIVÁTNE PORTFÓLIO – MIX30, which was renamed. The Fund focuses on three main asset classes: fixed income (EMU government debt), equities (European, US, Emerging markets) and commodities. Exposure to these asset classes is build up by investments in ETFs, mutual funds and foreign exchange hedging contracts. The aim is to maximise performance in the medium risk within the investment horizon of at least 4 years.

**VÚB AM ACTIVE BOND FUND**, an open-ended mutual fund of VÚB Asset Management, správ. spol., a.s., was established on 7 October 2013, and started issuing mutual fund certificates on 31 October 2013. Fund mainly focuses on investments into bond mutual funds managed by well-known foreign asset management companies. Within its investment strategy, it aims to invest into bonds with above-average performance within their asset class. In investment selection process, the stress is put on choosing the best mutual funds in a given category based on the assessment of independent rating agencies.

## 1. General information (continued)

**VÚB AM FLEXIBLE MAGNIFICA**, an open-ended mutual fund of VÚB Asset Management, správ. spol., a.s., was established on 8 July 2014 and started to issue unit certificates on 1 August 2014. The Fund is mainly oriented to investments in debt securities of EMU countries, shares in mutual funds, equity, commodity or mixed type and money market instruments. Approximately 90% of the assets in the fund is actively managed, which means that asset structure changes dynamically based on the current developments in the financial markets. The share of investments aimed at equity markets may not exceed 50% of the value of the fund and in case of commodity investments the share may not exceed 20% of the fund assets. The objective is to maximize performance at intermediate risk category, with an investment horizon of at least five years.

**VÚB AM FLEXIBILNÝ KONZERVATÍVNY FOND**, an open-ended mutual fund of VÚB Asset Management, správ. spol., a.s., was established on 23 September 2015 and started issuing mutual fund certificates on 1 November 2015. The fund focuses mainly on investments into fund share certificates in equity, debt or mixed markets and money market instruments. Most assets of the fund are actively managed, i.e. the fund's asset structure changes dynamically, following actual and expected development on the financial markets. Exposure of the fund to equity markets may not exceed 22% of the fund's assets.

### Depository

The Company's depository is Všeobecná úverová banka, a.s., a member of the Intesa Sanpaolo S.p.A Group, Mlynské Nivy 1, 829 90 Bratislava.

### Management Board

The members of the Management Board of the Company as at 31 December 2015 and 2014 are:

	<b>31 December 2015</b>	<b>31 December 2014</b>
Chairman:	Massimo Torchiana	Massimo Torchiana
Members:	RNDr. Ing. Marian Matušovič, PhD. (since 1 May 2015) Alberto Castelli (until 30 April 2015) Emiliano Laruccia Claudio Marco Malinverno Marco Canton (since 1 May 2015)	Alberto Castelli Emiliano Laruccia Claudio Marco Malinverno RNDr. Ing. Marian Matušovič, PhD.

The Management Board of the Company may propose to change the financial statements before the approval by the General meeting. Based on the Article 16 (9-11) of the Act on Accounting the accounting books may not be reopened after the approval of the financial statements. However, if it is established that the data related to the preceding accounting period is not comparable, the Company shall correct this data in the accounting period in which these facts were established.

### Supervisory Board

The members of the Supervisory Board of the Company as at 31 December 2015 and 2014 are:

	<b>31 December 2015</b>	<b>31 December 2014</b>
Chairman:	Prof. Daniel Gros	Prof. Daniel Gros
Members:	Prof. Giorgio di Giorgio Massimo Mazzini Alexander Resch Dinko Lučić	Prof. Giorgio di Giorgio Massimo Mazzini Alexander Resch Dinko Lučić

## 1. General information (continued)

### Structure of the group

The Company has become the new center of the rationalisation project of existing holdings of the financial group of Intesa Sanpaolo S.p.A (the 'ISP Group') for managing assets in the Eastern Europe. The creation of this center is a result of a strategic cooperation between Eurizon Capital and International Subsidiary Banks Division of ISP. The Company assumed the role of the subgroup, which covers the Hungarian company CIB Befektetés Alapkezelő Zrt. and the Croatian company PBZ Invest d.o.o.

The direct parent company of VÚB Asset Management, správ. spol., a.s. is Eurizon Capital S.A., seated at 8 Avenue de la Liberté, L-1930 Luxembourg, a member of the ISP Group.

The Company is a member of the following group:

	<b>Direct Parent Company</b>	<b>Ultimate Parent Company</b>
Name:	Eurizon Capital S.A.	Intesa Sanpaolo S.p.A
Consolidated financial statements archived with:	8 Avenue de la Liberté, L-1930 Luxembourg	Piazza San Carlo 156, 10 121 Torino, Italy

The Company has applied an exemption from the obligation to prepare the consolidated financial statements and consolidated annual report in accordance with the Article 22 (8) of the Act on Accounting: its ultimate parent company Intesa Sanpaolo S.p.A owns more than 90 % share in the Company and prepares its consolidated financial statements in accordance with IFRS as adopted by the European Union. The Company and all its subsidiaries are included in these consolidated financial statements.

## 2. Accounting methods and policies

### 2.1 Basis of preparation

The separate financial statements of the Company ('the financial statements') as at 31 December 2015 have been prepared as ordinary in accordance with section 17 (6) of the Act No. 431/2002 Collection on the Accounting for the accounting period from 1 January 2015 until 31 December 2015 and have been prepared in accordance with International Financial Reporting Standards ('IFRS') issued by the International Accounting Standards Board ('IASB') and with interpretations issued by the International Financial Reporting Interpretations Committee of the IASB ('IFRIC') as approved by the Commission of European Union in accordance with the Regulation of European Parliament and Council of European Union.

The separate financial statements for the year ended 31 December 2014 were prepared in accordance with International Financial Reporting Standards as adopted by the European Union and were authorised for issue by the Management Board on 20 February 2015.

The financial statements have been prepared on a going concern basis under the historical cost convention, except for the financial instruments at fair value through profit or loss, which are measured at fair value.

The financial statements are presented in thousands of euro ('€'), which is the Company's functional currency and rounded to the nearest thousand, unless indicated otherwise.

Negative balances are presented in brackets.

### 2.2 Significant accounting judgements and estimates

In the process of preparation of financial statements, management has used its judgements and made estimates in determining the amounts recognised in the financial statements. The most significant use of judgements and estimates is determining the fair value of financial instruments. Where the fair values of financial instruments recorded on the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques, which include the use of mathematical models. The input to these models is taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values.

## 2. Accounting methods and policies (continued)

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is provided in notes 21 and 23.

### Determination of control over investees

Management applies its judgement to determine whether the control indicators set out in Note 2.11 indicate that the Company controls a mutual fund. The Company acts as fund manager to 11 open-ended mutual funds. Determining whether the Company controls such fund usually focuses on the assessment of the aggregate economic interest of the Company in the fund (comprising any carried interests and expected management fees) and the investors' rights to remove the fund manager.

The Company has concluded that it acts as an agent for the investors in all cases, and therefore has not consolidated these funds. For further disclosure in respect of the asset value of mutual funds managed see Note 25.

## 2.3 Changes in accounting policies

Accounting policies and methods were applied consistently in both accounting periods presented in these financial statements.

### Standards and interpretations relevant to Company's operations issued but not yet effective

Standards issued but not yet effective or not yet adopted by the EU up to the date of issuance of the Company's financial statements are listed below. This listing of standards and interpretations issued are those that the Company reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date. The Company intends to adopt these standards when they become effective.

#### Amendments to IAS 1

Effective for annual periods beginning on or after 1 January 2016. Early application is permitted.

The Amendments to IAS 1 include the following five, narrow-focus improvements to the disclosure requirements contained in the standard. The guidance on materiality in IAS 1 has been amended to clarify that:

- immaterial information can detract from useful information,
- materiality applies to the whole of the financial statements and
- materiality applies to each disclosure requirement in an IFRS.

The guidance on the order of the notes (including the accounting policies) have been amended, to:

- remove language from IAS 1 that has been interpreted as prescribing the order of notes to the financial statements and
- clarify that entities have flexibility about where they disclose accounting policies in the financial statements.

The Company expects that the amendments, when initially applied, will not have a material impact on the presentation of the financial statements of the Company.

#### Amendments to IAS 19 – Defined Benefit Plans: Employee Contributions

Effective for annual periods beginning on or after 1 February 2015. The amendments apply retrospectively. Earlier application is permitted.

The amendments are relevant only to defined benefit plans<sup>1</sup> that involve contributions from employees or third parties meeting certain criteria. Namely that they are:

- set out in the formal terms of the plan,
- linked to service; and
- independent of the number of years of service.

When the criteria are met, the Company is permitted (but not required) to recognise them as a reduction to the service cost in the period in which the related service is rendered.

The Company does not expect the Amendment to have any impact on the financial statements since it does not have any defined benefit plans that involve contributions from employees or third parties.

<sup>1</sup> Post-employment defined benefit plans or other long-term employee defined benefit plans

## 2. Accounting methods and policies (continued)

Amendments to IAS 27: Equity method in the separate financial statements

Effective for annual periods beginning on or after 1 January 2016 and apply retrospectively. Early application is permitted.

The amendments to IAS 27 allow an entity to use the equity method in its separate financial statements to account for investments in subsidiaries, associates and joint ventures.

The Company does not expect that the amendments, when initially applied, will have material impact on the financial statements as the Company intends to continue to carry its investments in subsidiaries at cost.

Annual Improvements to IFRSs

The improvements introduce ten amendments to ten standards and consequential amendments to other standards and interpretations. These amendments are applicable to annual periods beginning on or after either 1 February 2015 or 1 January 2016, with earlier adoption permitted.

None of these amendments are expected to have a significant impact on the financial statements of the Company.

### 2.4 Foreign currency transactions and translation

Transactions in foreign currency are translated into the functional currency using the reference exchange rates determined and declared by the European Central Bank or National Bank of Slovakia as at the date preceding the date of the accounting transaction or at any other day if required by special regulation.

At the reporting date, the assets and liabilities denominated in foreign currency (except for advance payments made and advance payments received) are translated into the functional currency using the reference exchange rates determined and declared by the European Central Bank or National Bank of Slovakia as at the reporting date. The transaction in foreign currency is retranslated into the functional currency using the exchange rate valid at the date of the accounting transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised as 'Net income from trading' in the statement of profit or loss and other comprehensive income.

### 2.5 Financial instruments – date of recognition

Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace are recognised on the settlement date. Derivatives are recognised on a trade date basis.

### 2.6 Initial recognition of financial instruments

The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. At initial recognition, the financial assets and liabilities are measured at fair value.

### 2.7 Derecognition of financial assets and financial liabilities

#### (i) Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; or
- either: (a) the Company has transferred substantially all the risks and rewards of the asset; or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

## 2. Accounting methods and policies (continued)

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### *(ii) Financial liabilities*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of profit or loss and other comprehensive income.

If the Company owns more than one piece of the same security, the weighted average method is used at the disposal of the investment.

### 2.8 Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position, if, and only if, there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

### 2.9 Due from banks

Due from banks represent current account balances and term deposits with commercial banks.

Due from banks are initially recorded at their fair value. Subsequently, they are carried at amortised cost using the effective interest rate method – i.e. the amount used for the initial recognition adjusted by the interest accrued.

An impairment loss is established if there is objective evidence that the Company will not be able to collect all amounts due.

### 2.10 Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss comprise securities held for trading.

Securities held by the Company for trading represent financial assets held by the Company for the purpose of trading and generating profit from short-term fluctuations in prices.

After their initial recognition, financial assets at fair value through profit or loss are measured at their fair value. The fair value of financial assets owned, for which an active market exists, and where a market value can be reliably estimated, is measured at the quoted market prices. If the value of financial assets cannot be assessed using this method, the value is assessed by the Company upon agreement with the depositary, using different generally accepted valuation methods. Such methods reflect the latest interest rates of financial instruments having either the same or comparable characteristics, the credibility of the issuer of securities, the residual maturity and the currency in which payments flowing from the ownership title to these financial assets are denominated.

Changes in fair values are recorded to expense or revenue accounts and are reported as 'Net income from trading' in the statement of profit or loss and other comprehensive income and debited or credited to appropriate securities accounts.

For investments into financial assets at fair value through profit or loss, the Company assesses at each reporting date whether there is objective evidence that an investment or a group of investments is impaired.

## 2. Accounting methods and policies (continued)

### 2.11 Subsidiaries

Subsidiaries are investees controlled by the Company. The Company 'controls' an investee if it is exposed to, or has rights to, variable returns from its involvement with the investee and has ability to affect those returns through its power over the investee. The Company reassesses whether it has control if there are changes to one or more elements of control. This includes circumstances in which protective rights held become substantive and lead to the Company having power over an investee.

Subsidiaries are recorded at cost valid in the ISP Group less impairment losses. The impairment loss is measured using the Dividend discount model.

#### Dividend discount model

The Management of the companies which are subject to the impairment test provide projection of dividends that are expected to be paid out by their companies in a period of 5 years. The model calculates the present value of these cash flows discounting them at the interest rate resulting from the CAPM (Capital Asset Pricing Model). Cash flows after the period of 5 years are determined by a present value of the perpetuity with the particular estimated growth rate, determined at Intesa Sanpaolo Group level specifically for the Slovak market.

### 2.12 Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and the Company does not intend to sell them immediately or in the near term.

Receivables are initially recorded at their fair value. Subsequently, receivables are carried at amortised cost. An impairment loss is created for uncollectible amounts.

### 2.13 Intangible assets

Intangible assets are recorded at historical cost less accumulated depreciation and impairment losses.

#### Amortisation plan

Amortisation is calculated on a straight-line basis in order to write off the cost of each asset to its residual value over its estimated useful economic life as follows:

#### Number of years

Software	7
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Amortisation methods, useful lives and net book values are reassessed at each balance sheet date.

### 2.14 Property and equipment

Property and equipment are recorded at their acquisition cost less accumulated depreciation and impairment losses.

Acquisition cost includes the purchase price plus other costs related to the acquisition, such as freight, duties and commissions. Irrecoverable value added tax is also part of the acquisition cost.

The costs of expansion, modernisation or improvements leading to increased productivity, capacity or efficiency are capitalised. Upkeep, maintenance and repair costs are expensed as incurred.

#### Depreciation plan

Property and equipment is depreciated using the straight-line method over the estimated useful lives of the assets.

## 2. Accounting methods and policies (continued)

The estimated useful lives are as follows:

	<b>Number of years</b>
Property and equipment	4
Furniture and office equipment	4 – 6
Other items of property and equipment	4 – 6

Depreciation methods, useful lives and net book values are reassessed at each balance sheet date.

### 2.15 Liabilities

Liabilities are initially recorded at their fair value. Subsequently, they are carried at amortised cost.

### 2.16 Provisions

A provision represents a liability of uncertain timing or amount. Provisions are made if the following criteria are met:

- an obligation (legal or constructive) to perform exists, resulting from past events,
- it is probable that the event will occur and that it will require a cash outflow representing economic benefits,
- the amount of the obligation can be reliably estimated.

### 2.17 Recognition of revenue and expense

Revenues and expenses are accounted for on an accruals basis, i.e. regardless of their actual financial settlement.

Interest income and expense are recognised in the statement of profit or loss and other comprehensive income using the effective yield of the interest-earning asset or interest-bearing liability. Interest income and expense include interest on coupons earned on securities and the gradually earned difference between the nominal value and the net acquisition cost of securities, i.e. discounts and premiums.

### 2.18 Fees and commissions

The Company receives fees for the management of the open-ended mutual funds that are derived from the average annual net asset value in each mutual fund. These are accrued over the period to which they relate. Administration fees are reported as 'Fee and commission income' in the accompanying statement of profit or loss and other comprehensive income.

The Company pays fees mainly for the distribution of the open-ended mutual funds based on specific contracts with the VUB Bank. These are accrued over the period to which they relate. Administration fees paid are reported as 'Fee and commission expense'.

### 2.19 Dividend income

Dividend income is recognized in statement of profit or loss and other comprehensive income on the date the dividend is declared.

### 2.20 Net income from trading

Net income from trading includes gains and losses arising from purchases, disposals and changes in the fair value of financial assets and liabilities including securities. It also includes the result of all foreign currency transactions.

### 2.21 Personnel expenses

Contributions are made to the state's medical, retirement benefit, health and unemployment schemes at the statutory rates in force during the year, based on gross salary payments. The cost of social security payments is charged to the statement of profit or loss and other comprehensive income in the same period as the related salary cost. The Company takes part in the voluntary additional old-age pension savings program for its employees.

## **2. Accounting methods and policies (continued)**

### **2.22 Income tax**

Income tax comprises current income tax and deferred income tax.

Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of reporting period, and any adjustment to tax payable in respect of previous years.

Deferred income tax is recognised on temporary differences between the tax base of assets or liabilities and their carrying amount using the balance sheet method. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The Company also pays other indirect operating taxes which are included in 'Other operating expense'.

### **2.23 Regulatory requirements**

In compliance with the provisions of Act No. 203/2011 on Collective Investments, the Company is subject to several limitations relating to its investment activities.

### **2.24 Cash and cash equivalents**

For the purpose of the cash flow statement, cash and cash equivalents include cash on hand and Amounts due from banks with contractual maturity up to 3 months.

### 3. Due from banks

The breakdown of balances on bank accounts and term deposits as at 31 December 2015 and 31 December 2014 is as follows:

<i>in thousands of euro</i>	2015	2014
Current accounts	22	26
Term deposits	2,411	1,165
	<u>2,433</u>	<u>1,191</u>

The Company has a current account in € with an authorised depository Všeobecná úverová banka, a.s.

The structure of term deposits as at 31 December 2015 is as follows:

<i>in thousands of euro</i>	Curr- ency	Principal	Accrued interest	Total	Interest rate	Maturity
<b>Bank</b>						
Všeobecná úverová banka, a.s.	EUR	2,411	-	2,411	0.05%	4.1.2016
		<u>2,411</u>	<u>-</u>	<u>2,411</u>		

The structure of term deposits as at 31 December 2014 is as follows:

<i>in thousands of euro</i>	Curr- ency	Principal	Accrued interest	Total	Interest rate	Maturity
<b>Bank</b>						
Všeobecná úverová banka, a.s.	EUR	1,165	-	1,165	0.10%	2.1.2015
		<u>1,165</u>	<u>-</u>	<u>1,165</u>		

### 4. Financial assets at fair value through profit or loss

The structure of financial assets at fair value through profit or loss as at 31 December 2015 and 31 December 2014 is as follows:

<i>in thousands of euro</i>	2015	2014
Securities held for trading	11,732	10,715

The Company held the following financial assets at fair value through profit and loss as at 31 December 2015:

<i>in thousands of euro</i>	CCY	Units	Acqui- sition cost	Unit FV in CCY	Fair Value
<b>Securities held for trading</b>					
VÚB AM PRIVÁTNÝ EUROVÝ FOND, o.p.f. VÚB Asset Management, správ. spol., a.s.	EUR	170,571,368	6,007	0.036754	6,269
VÚB AM FOND BANKOVÝCH VKLADOV, o.p.f. VÚB Asset Management, správ. spol., a.s.	EUR	53,511,148	5,450	0.102081	5,463
			<u>11,457</u>		<u>11,732</u>

#### 4. Financial assets at fair value through profit or loss (continued)

The Company held the following financial assets at fair value through profit and loss as at 31 December 2014:

<i>in thousands of euro</i>	CCY	Units	Acquisition cost	Unit FV in CCY	Fair Value
<b>Securities held for trading</b>					
VÚB AM PRIVÁTNÝ EUROVÝ FOND, o.p.f. VÚB Asset Management, správ. spol., a.s.	EUR	143,343,444	5,007	0.036661	5,255
VÚB AM FOND BANKOVÝCH VKLADOV, o.p.f. VÚB Asset Management, správ. spol., a.s.	EUR	53,511,148	<u>5,450</u>	0.102029	<u>5,460</u>
			<u>10,457</u>		<u>10,715</u>

Financial assets recorded at fair value through profit and loss are subject to the risk of fair value change as a result of market interest rate changes.

#### 5. Subsidiaries

<i>in thousands of euro</i>	Share in %	2015	2014
CIB Befektetési Alapkezelő Zrt.	100	2,278	2,278
PBZ Invest d.o.o.	100	660	660
		<u>2,938</u>	<u>2,938</u>

PBZ Invest d.o.o. has its registered seat at Ilica 5 - Oktogon, 10 000 Zagreb, Croatia. CIB Befektetési Alapkezelő Zrt. has its registered seat at Medve utca 4-14, 1027 Budapest, Hungary. Both companies provide asset management services.

The Company is not a partner with unlimited liability in any other company.

Dividend income from subsidiaries was as follows:

<i>in thousands of euro</i>	2015	2014
CIB Befektetési Alapkezelő Zrt.	4,119	4,536
PBZ Invest d.o.o.	1,390	-
	<u>5,509</u>	<u>4,536</u>

## 6. Receivables from funds

The structure of receivables from funds as at 31 December 2015 and 31 December 2014 is as follows:

<i>in thousands of euro</i>	2015	2014
VÚB AM ACTIVE BOND FUND, o.p.f.	205	236
VÚB AM FLEXIBILNÝ KONZERVATÍVNY FOND, o.p.f.	200	-
VÚB AM FLEXIBLE MAGNIFICA FUND, o.p.f.	172	69
VÚB AM ACTIVE MAGNIFICA, o.p.f. (originally VÚB AM PRIVÁTNE PORTFÓLIO – MIX30)	160	115
VÚB AM KONZERVATÍVNE PORTFÓLIO, o.p.f.	144	158
VÚB AM FOND BANKOVÝCH VKLADOV, o.p.f.	116	150
VÚB AM DYNAMICKÉ PORTFÓLIO, o.p.f.	85	59
VÚB AM EUROVÝ FOND, o.p.f.	78	95
VÚB AM VYVÁŽENÝ RASTOVÝ FOND, o.p.f.	64	77
VÚB AM DLHOPISOVÝ KONVERGENTNÝ FOND, o.p.f.	60	66
VÚB AM PRIVÁTNY EUROVÝ FOND, o.p.f.	23	20
VÚB AM CP ZAISTENÝ FOND I., o.p.f.	-	167
	<u>1,307</u>	<u>1,212</u>

## 7. Intangible assets

The movement of intangible assets in 2015 is as follows:

<i>in thousands of euro</i>	Software	Other intangible assets	Assets in progress	Total
<b>Acquisition cost</b>				
1 January 2015	654	3	21	678
Additions	-	-	46	46
Disposals	-	(2)	-	(2)
Transfers	67	-	(67)	-
31 December 2015	<u>721</u>	<u>1</u>	<u>-</u>	<u>722</u>
<b>Accumulated amortisation</b>				
1 January 2015	(585)	(3)	-	(588)
Amortisation for the year	(18)	-	-	(18)
Disposals	-	2	-	2
31 December 2015	<u>(603)</u>	<u>(1)</u>	<u>-</u>	<u>(604)</u>
<b>Net book value</b>				
1 January 2015	<u>69</u>	<u>-</u>	<u>21</u>	<u>90</u>
31 December 2015	<u>118</u>	<u>-</u>	<u>-</u>	<u>118</u>

## 7. Intangible assets (continued)

The movement of intangible assets in 2014 is as follows:

<i>in thousands of euro</i>	<b>Software</b>	<b>Other intangible assets</b>	<b>Assets in progress</b>	<b>Total</b>
<b>Acquisition cost</b>				
1 January 2014	603	3	11	617
Additions	-	-	61	61
Disposals	-	-	-	-
Transfers	51	-	(51)	-
31 December 2014	<u>654</u>	<u>3</u>	<u>21</u>	<u>678</u>
<b>Accumulated amortisation</b>				
1 January 2014	(574)	(3)	-	(577)
Amortisation for the year	(11)	-	-	(11)
Disposals	-	-	-	-
31 December 2014	<u>(585)</u>	<u>(3)</u>	<u>-</u>	<u>(588)</u>
<b>Net book value</b>				
1 January 2014	<u>29</u>	<u>-</u>	<u>11</u>	<u>40</u>
31 December 2014	<u>69</u>	<u>-</u>	<u>21</u>	<u>90</u>

Intangible assets comprise mainly software used to perform the valuation of the funds' assets, administration of the clients' database and risk management. The estimated useful life of the software is in line with the depreciation and amortisation plan of the Company (7 years). In order to maintain the highest efficiency and effectiveness, the software is being upgraded continuously. Upgrades of the software extend its useful life.

The gross book value of fully amortised assets which are still used by the Company was € 567 thousand as at 31 December 2015 (31 December 2014 € 553 thousand).

## 8. Property and equipment

The movement of property and equipment in 2015 is as follows:

<i>in thousands of euro</i>	<b>Property and equipment</b>	<b>Furniture and office equipment</b>	<b>Other tangible assets</b>	<b>Assets in progress</b>	<b>Total</b>
<b>Acquisition cost</b>					
1 January 2015	161	3	5	9	178
Additions	-	-	-	8	8
Disposals	(49)	-	-	-	(49)
Transfers	17	-	-	(17)	-
31 December 2015	<u>129</u>	<u>3</u>	<u>5</u>	<u>-</u>	<u>137</u>
<b>Accumulated depreciation</b>					
1 January 2015	(115)	(2)	(5)	-	(122)
Depreciation for the year	(18)	-	-	-	(18)
Disposals	49	-	-	-	49
31 December 2015	<u>(84)</u>	<u>(2)</u>	<u>(5)</u>	<u>-</u>	<u>(91)</u>
<b>Net book value</b>					
1 January 2015	<u>46</u>	<u>1</u>	<u>-</u>	<u>9</u>	<u>56</u>
31 December 2015	<u>45</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>46</u>

The movement of property and equipment in 2014 is as follows:

<i>in thousands of euro</i>	<b>Property and equipment</b>	<b>Furniture and office equipment</b>	<b>Other tangible assets</b>	<b>Assets in progress</b>	<b>Total</b>
<b>Acquisition cost</b>					
1 January 2014	124	3	5	9	141
Additions	-	-	-	37	37
Disposals	-	-	-	-	-
Transfers	37	-	-	(37)	-
31 December 2014	<u>161</u>	<u>3</u>	<u>5</u>	<u>9</u>	<u>178</u>
<b>Accumulated depreciation</b>					
1 January 2014	(102)	(2)	(5)	-	(109)
Depreciation for the year	(13)	-	-	-	(13)
Disposals	-	-	-	-	-
31 December 2014	<u>(115)</u>	<u>(2)</u>	<u>(5)</u>	<u>-</u>	<u>(122)</u>
<b>Net book value</b>					
1 January 2014	<u>22</u>	<u>1</u>	<u>-</u>	<u>9</u>	<u>32</u>
31 December 2014	<u>46</u>	<u>1</u>	<u>-</u>	<u>9</u>	<u>56</u>

As at 31 December 2015 and 31 December 2014 there was no disposal of property and equipment.

## 8. Property and equipment (continued)

The gross book value of fully depreciated assets which were still used by the Company was € 51 thousand (€ 95 thousand as at 31 December 2014).

The Company's insurance covers all standard risks to property and equipment and intangible assets (theft, robbery, natural hazards, vandalism, and other damages).

At 31 December 2015 and 31 December 2014, no property and equipment was pledged by the Company to secure transactions with counterparties.

## 9. Taxes

The effective tax rate differs from the statutory tax rate in 2015 and in 2014. The reconciliation of the Company's profit before tax with the actual corporate income tax is as follows:

<i>in thousands of euro</i>	2015		2014	
	Tax base	Tax at applicable tax rate (22%)	Tax base	Tax at applicable tax rate (22%)
Profit before tax	7,379	(1,623)	6,381	(1,404)
Tax effect of expenses that are not deductible in determining taxable profit				
Tax deductible expense upon payment	1,855	(408)	-	-
Creation of reserves for bonuses	268	(59)	255	(56)
Creation of provisions for accrued expenses	50	(11)	-	-
Representation expenses	23	(5)	9	(2)
Other	35	(8)	36	(8)
	<u>2,231</u>	<u>(491)</u>	<u>300</u>	<u>(66)</u>
Tax effect of revenues that are deductible in determining taxable profit				
Dividends received	(5,524)	1,215	(4,591)	1,010
Use of reserves for bonuses	(224)	49	(30)	7
Release of reserves for bonuses	(23)	5	(151)	33
Use of reserves for competitions	-	-	(11)	2
Other	(1)	-	(3)	1
	<u>(5,772)</u>	<u>1,269</u>	<u>(4,786)</u>	<u>1,053</u>
Current income tax	<u>3,838</u>	<u>(845)</u>	<u>1,895</u>	<u>(417)</u>
Deferred income tax at 22%		<u>424</u>		<u>16</u>
Income tax expense		<u>(421)</u>		<u>(401)</u>
Effective tax rate		<u>5.71 %</u>		<u>6.28 %</u>

## 9. Taxes (continued)

### Deferred income tax

In 2015 and 2014, the Company accounted for deferred income tax from taxable temporary differences between the carrying amount of assets and liabilities and their tax written-down value.

Deferred income taxes as at 31 December 2015 are calculated on all temporary differences using a tax rate of 22% as follows:

<i>in thousands of euro</i>	<b>2015</b>	<b>Income/ (loss)</b>	<b>2014</b>
Other liabilities – tax base after payment	480	424	56
Deferred income tax asset	480	424	56

Deferred income taxes as at 31 December 2014 are calculated on all temporary differences using a tax rate of 22% as follows:

<i>in thousands of euro</i>	<b>2014</b>	<b>Income/ (loss)</b>	<b>2013</b>
Other liabilities – tax base after payment	56	16	40
Deferred income tax asset	56	16	40

## 10. Other assets

The structure of other assets as at 31 December 2015 and 31 December 2014 is as follows:

<i>in thousands of euro</i>	<b>2015</b>	<b>2014</b>
Other receivables and prepayments	25	35
Other assets	28	-
	53	35

There are no overdue receivables within other assets. The Company did not create any impairment losses for receivables as at 31 December 2015 and 31 December 2014.

## 11. Accrued expenses

The breakdown of accrued expenses as at 31 December 2015 and 31 December 2014 is as follows:

<i>in thousands of euro</i>	<b>2015</b>	<b>2014</b>
VÚB – administration fees	618	500
VÚB – admission fees	283	195
VÚB – other	65	61
Generali - administration fees	36	79
ISP – other	30	9
Audit	16	16
Eurizon – commission of the administration fees	13	5
Epsilon – commission of the administration fees	11	6
Eurizon – other	8	17
Competitions	7	11
Eurizon – service level agreement	5	4
Eurizon – license agreement	2	2
Other	25	28
	<b>1,119</b>	<b>933</b>

## 12. Other liabilities

The breakdown of other liabilities as at 31 December 2015 and 31 December 2014 is as follows:

<i>in thousands of euro</i>	<b>2015</b>	<b>2014</b>
VÚB, a.s. - fees	856	32
Year-end bonuses	254	210
ISP S.p.A.	79	-
Payables to employees	39	38
Eurizon SGR S.p.A.	34	3
Social security payables	29	23
Undrawn vacations	27	29
Other direct and indirect taxes	24	18
Supervisory Board remuneration	23	45
Social fund	11	11
VÚB Leasing	4	5
Other liabilities	20	40
	<b>1,400</b>	<b>454</b>

There were no overdue payables within the balance of other liabilities (short-term and long-term) as at 31 December 2015 and 31 December 2014.

The movements in social fund liability were as follows:

<i>in thousands of euro</i>	<b>1 Jan 2015</b>	<b>Creation</b>	<b>Use</b>	<b>31 Dec 2015</b>
Social fund	11	8	(8)	11

<i>in thousands of euro</i>	<b>1 Jan 2014</b>	<b>Creation</b>	<b>Use</b>	<b>31 Dec 2014</b>
Social fund	11	8	(8)	11

### 13. Equity

The movements on equity accounts are detailed in the Statement of changes in equity.

#### Share capital

Shareholding structure of the Company is as follows:

	2015	2014
Eurizon Capital S.A.	50.1 %	50.1 %
Všeobecná úverová banka, a.s.	40.6 %	40.6 %
Privredna Banka Zagreb d.d.	9.3 %	9.3 %
Total	<u>100.0 %</u>	<u>100.0 %</u>

The Share capital as at 31 December 2015 in the amount of € 4,094 thousand consists of 1,233 ordinary shares (as at 31 December 2014 the Share capital was in amount of € 4,094 and consisted of 1,233 ordinary shares) with a nominal value of € 3,320 each. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. All shares of the Company were authorized, issued and fully paid as at 31 December 2015 and 2014.

Earnings per share of the Company as at 31 December 2015 and as at 31 December 2014:

<i>in thousands of euro</i>	2015	2014
Net profit for the year	6,958	5,980
Number of shares	<u>1,233</u>	<u>1,233</u>
Basic and diluted earnings per share	<u>5.64</u>	<u>4.85</u>

#### Share premium and Other funds

Compensation for the issue of new shares in 2013 were in-kind contributions in the form of holdings in the companies PBZ Invest d.o.o. as a contribution of a shareholder Privredna Banka Zagreb d.d. and CIB Befektetési Alapkezelő Zrt. as a contribution of a shareholder Eurizon Capital S.A. The fair value of these companies was allocated between the share capital in the amount of € 2,434 thousand and the share premium in the amount of € 38,438 thousand.

As the transaction is a common control transaction, the value was subsequently adjusted to the value that has been recognised in the original parent companies before the transaction. The value adjustment of € 37,934 thousand is recognised under Other funds.

#### Legal reserve fund

Under the Slovak Commercial Code, all companies are required to maintain a legal reserve fund to cover future losses. The Company is obliged to contribute an amount to the fund each year which is not less than 10% of its annual net profit until the aggregate amount reaches a minimum level equal to 20 % of the issued share capital. The aggregate amount of legal reserve fund is € 819 thousand as at 31 December 2015, which represents the level of 20% of the issued share capital (as at 31 December 2014: € 415 thousand, which represented the level of 10% of the issued share capital).

#### Distribution of profit

On 11 March 2015, the General Assembly meeting was held, at which the shareholders approved profit distribution for 2014 as follows:

<i>in thousands of euro</i>	2014
Dividend pay-out	5,576
Transfer to legal reserve fund	<u>404</u>
	<u>5,980</u>

### 13. Equity (continued)

#### Proposed distribution of profit

The Management Board will propose the following 2015 profit distribution at the General Assembly meeting:

*in thousands of euro*

Dividend pay-out

**2015**

6,958

6,958

### 14. Off-balance sheet liabilities

In the normal course of business, the Company enters into agreements under operating leases for premises and transportation vehicles for employees. As at 31 December 2015 and 31 December 2014, the total amount of future payments arising from irrevocable operating lease agreements was as follows:

*in thousands of euro*

Within 1 year

1 – 5 years

**2015**

78

43

121

**2014**

102

60

162

### 15. Interest and similar income

The breakdown of interest income is as follows:

*in thousands of euro*

Interest from deposits

**2015**

1

1

**2014**

3

3

## 16. Fee and commission income

The breakdown of income from fees and commissions is as follows:

<i>in thousands of euro</i>	2015				Total	2014 Total
	Admini- stration fees	Fees for sale of mutual fund certi- ficates	Termina- tion fees	Other fees and commiss- ions		
Active Bond Fund, o.p.f.	1,912	1,333	88	93	3,426	1,467
Active Magnifica, o.p.f. (originally Priv. portfólio - Mix 30, o.p.f.)	1,347	686	27	52	2,112	1,623
Flexible Magnifica fund, o.p.f.	1,192	801	25	-	2,018	240
Konzervat. portfólio, o.p.f.	1,578	199	109	-	1,886	1,778
Fond bankových vkladov o.p.f.	1,388	-	-	-	1,388	1,777
Eurový fond, o.p.f.	945	70	17	-	1,032	1,102
Vyváž. rastový fond, o.p.f.	813	24	23	-	860	909
Dynamické portfólio, o.p.f.	645	175	20	-	840	625
Dlhopisový konverg. fond, o.p.f.	690	49	27	-	766	784
Flexibilný konzervatívny fond, o.p.f.	65	287	1	-	353	-
Privátny eurový fond, o.p.f.	241	-	-	-	241	206
CP zaistený fond I., o.p.f.	61	-	-	-	61	248
Other fees	-	-	-	26	26	27
	<u>10,877</u>	<u>3,624</u>	<u>337</u>	<u>171</u>	<u>15,009</u>	<u>10,786</u>

## 17. Fee and commission expense

The breakdown of expenses for fees and commissions is as follows:

<i>in thousands of euro</i>	2015	2014
Fees for fund administration	(6,989)	(5,321)
Fees for sale of mutual fund certificates	(3,679)	(1,453)
Bank fees	(2)	(2)
Other fees	(2)	(2)
	<u>(10,672)</u>	<u>(6,778)</u>

## 18. Net income from trading

The breakdown of net gain from trading is as follows:

<i>in thousands of euro</i>	2015	2014
Gain from securities	34	104
Realised FX gains	(4)	(1)
	<u>30</u>	<u>103</u>

## 19. Personnel expenses

The breakdown of personnel expenses as at 31 December 2015 is as follows:

<i>in thousands of euro</i>	Management	Employees	Total
Wages and salaries	(425)	(446)	(871)
Bonuses for 2015	(225)	(1)	(226)
Social security costs	(156)	(140)	(296)
			<u>(1,393)</u>

The breakdown of personnel expenses as at 31 December 2014 is as follows:

<i>in thousands of euro</i>	Management	Employees	Total
Wages and salaries	(347)	(389)	(736)
Bonuses for 2014	(342)	(13)	(355)
Bonuses – release of unused accrual for 2013	-	-	151
Social security costs	(230)	(123)	(353)
			<u>(1,293)</u>

Average number of employees by categories:

	2015	2014
Senior management	2	3
Middle management	5	4
Administration	21	18
Headcount as at 31 December	<u>28</u>	<u>25</u>
Average number of employees	<u>27.1</u>	<u>24.5</u>

Average number of employees as well as employees in Administration include 5 employees (2014: 4 employees) on maternity leave as at 31 December 2015.

## 20. Other operating expenses

The breakdown of other operating expenses is as follows:

<i>in thousands of euro</i>	2015	2014
Advisory services	(263)	(186)
Rent	(229)	(244)
Fee to NBS, Investment Guarantee Fund	(132)	(98)
IT systems maintenance	(112)	(116)
Advertising and promotional activities	(109)	(86)
Market information providers (Bloomberg, Reuters)	(46)	(37)
Travelling	(34)	(25)
Supervisory Board remuneration	(23)	(68)
Audit	(22)	(22)
Education	(15)	(7)
Office supplies	(8)	(16)
Phone services	(7)	(5)
Other	(82)	(68)
	<u>(1,082)</u>	<u>(978)</u>

## 20. Other operating expenses (continued)

The breakdown of audit and assurance services is as follows:

<i>in thousands of euro</i>	2015	2014
Audit of the separate financial statements	(21)	(21)
Audit of the consolidation package	(1)	(1)
	<u>(22)</u>	<u>(22)</u>

Expenses for the statutory audit of mutual funds under the Company's administration are recorded as an expense of the individual funds.

## 21. Financial risk management

The purpose of risk management is to achieve the optimal ratio between the risk profile of the Company and its profitability. The Company, based on the activities it performs, is exposed particularly to the following types of risks: credit, market and operational risk. The risk management process comprises mainly risk identification, risk quantification, reporting, and proposals of preventing and detecting measures.

Due to the non-complex structure of the financial instruments portfolio, the Company is exposed to credit risk, liquidity risk, interest rate risk and operational risk. The Company is not exposed to share price risk. Nor is the Company exposed to currency risk since the Company maintains its accounting books in euro and its activities are conducted in euro and generally the investments are made only into funds investing to financial assets denominated in euro.

### 21.1 Credit risk

Credit risk is the risk of a financial loss to the Company if counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's loans to banks as well as investment securities.

In order to achieve the required appreciation of the invested assets and acceptable risk position, as at 31 December 2015 and 31 December 2014, the Company only invested into low-risk instruments with a short duration denominated in €. The Company does not accept collateral to minimise credit risk, which reflects the nature of the Company's operations and counterparties.

The Company does not use any internal ratings to assess the credit quality of the financial assets. The quality of financial assets based on external credit risk ratings was as follows:

<i>in thousands of euro</i>	External rating	2015	2014
Amounts due from banks	A2 *	2,433	1,191
Financial assets at fair value through profit or loss	n/a	11,732	10,715
Receivables from funds	n/a	1,307	1,212

\* external rating according to Moody's rating agency

### 21.2 Liquidity risk

Liquidity risk is defined as the risk that the Company is not able to meet its payment obligations when they fall due (funding liquidity risk). Normally, the Company is able to cover cash outflows with cash inflows, highly liquid assets and its ability to obtain credit. With regard to the highly liquid assets in particular, there may be strains in the market that make them difficult (or even impossible) to sell or be used as collateral in exchange for funds. From this perspective, the Company's liquidity risk is closely tied to the market liquidity conditions (market liquidity risk).

The following table provides a breakdown of financial assets by their residual maturity from the balance sheet date to the agreed due date. If there is a possibility of early repayment, or if a repayment schedule exists which enables an early repayment, the table is prepared with the most prudent classification of the due date. Those financial assets without an agreed due date are disclosed commonly within the category 'unspecified maturity'.

## 21. Financial risk management (continued)

The residual maturity of financial assets as at 31 December 2015 is as follows:

<i>in thousands of euro</i>	<b>Within 1 month</b>	<b>1 – 3 months</b>	<b>3 months to 1 year</b>	<b>1 – 5 years</b>	<b>Over 5 years</b>	<b>Unspecified maturity</b>	<b>Total</b>
<b>Financial assets</b>							
Amounts due from banks	2,433	-	-	-	-	-	2,433
Financial assets at fair value through profit or loss	-	-	-	-	-	11,732	11,732
Receivables from funds	1,307	-	-	-	-	-	1,307
	<u>3,740</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,732</u>	<u>15,472</u>

The residual maturity of financial assets as at 31 December 2014 is as follows:

<i>in thousands of euro</i>	<b>Within 1 month</b>	<b>1 – 3 months</b>	<b>3 months to 1 year</b>	<b>1 – 5 years</b>	<b>Over 5 years</b>	<b>Unspecified maturity</b>	<b>Total</b>
<b>Financial assets</b>							
Amounts due from banks	1,191	-	-	-	-	-	1,191
Financial assets at fair value through profit or loss	-	-	-	-	-	10,715	10,715
Receivables from funds	1,109	103	-	-	-	-	1,212
	<u>2,300</u>	<u>103</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,715</u>	<u>13,118</u>

### 21.3 Interest rate risk

The Company is exposed to interest rate risk as the value of a financial instrument will vary due to market changes in interest rates and the maturity of interest-earning assets will differ from the maturity of interest-bearing liabilities used as the source of financing the assets. The extent to which the financial instrument is exposed to interest rate risk can be derived from the period during which the interest rate is fixed to the financial instrument.

## 21. Financial risk management (continued)

An overview of statement of financial position items by the agreed period during which the underlying interest rate is fixed for the item as at 31 December 2015 is as follows:

<i>in thousands of euro</i>	Within 1 month	1 – 3 months	3 months to 1 year	1 – 5 years	Over 5 years	Unspecified maturity	Total
<b>Financial assets</b>							
Amounts due from banks	2,433	-	-	-	-	-	2,433
Financial assets at fair value through profit or loss	-	-	-	-	-	11,732	11,732
Receivables from funds	1,307	-	-	-	-	-	1,307
	<u>3,740</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,732</u>	<u>15,472</u>

An overview of statement of financial position items by the agreed period during which the underlying interest rate is fixed for the item as at 31 December 2014 is as follows:

<i>in thousands of euro</i>	Within 1 month	1 – 3 months	3 months to 1 year	1 – 5 years	Over 5 years	Unspecified maturity	Total
<b>Financial assets</b>							
Amounts due from banks	1,191	-	-	-	-	-	1,191
Financial assets at fair value through profit or loss	-	-	-	-	-	10,715	10,715
Receivables from funds	1,109	103	-	-	-	-	1,212
	<u>2,300</u>	<u>103</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,715</u>	<u>13,118</u>

### 21.4 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks, such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Company's operations. The Company adopted the Standardised Approach for Operational Risk management and measurement.

## 22. Adequacy of own funds

The Management Company is obliged to comply with regulatory requirements primarily by the NBS which are set out under Act No. 203/2011 on the collective investment and under the Decree of NBS No. 7/2011 about proportionality of own resources. These include limits and restrictions on capital adequacy. These requirements apply to all management companies in Slovakia and their compliance is determined on the basis of reports submitted by the management company under statutory accounting rules.

The summary of these requirements valid for 2015 is as follows:

- Initial capital of the Company is at least € 125 thousand.
- The Company is obliged to observe the adequacy of own funds. Own funds of the management company are appropriate under this Act, unless they are below:
  - a) € 125 thousand plus 0.02% of the value of the assets in the funds managed by the Company exceeding € 250,000,000, this amount is not increased when it reaches € 10,000,000,

## 22. Adequacy of own funds (continued)

- b) One quarter of average general operating costs of the management company for the previous calendar year, if the management company operated for less than one year, a quarter of a value of general operating costs referred to in its business plan.
- Company must not acquire to its property or property in the open-ended mutual fund, which manages, more than 10% of the total nominal value of shares with voting rights issued by one issuer.
  - Company may not acquire in its property or assets to the open-ended mutual fund, which manages, shares with voting rights which would enable the Company to exercise a significant influence on the management of the issuer located in the territory of the Slovak republic, or in a non EU State.
  - The Company is required to comply with restrictions on the acquisition of significant influence in the management of the issuer established in EU Member State, provided by the law of that Member State, taking into account the property in the mutual fund, which it manages.
  - The Company must provide elimination of risk imposed on shareholders' interest of a mutual fund or its clients by the conflict of interest between the Company and its clients, between two of its clients mutually, between one of its clients and shareholders of a mutual fund or between the shareholders of mutual funds.

The Company regularly and on timely basis informs NBS about the amount of initial capital, its own resources and structure by the NBS measure No. 7/2011 on asset management company's own resources and attaches the information about proportionality of own resources by the law No. 203/2011 on collective investments.

<i>in thousands of euro</i>	<b>Indicator value 2015</b>	<b>Indicator value 2014</b>
Limit of initial capital	574	440
Paid up share capital	4,094	4,094
Share premium	38,438	38,438
Retained earnings	3,784	3,784
Items decreasing value of own funds	(3,056)	(3,028)
Reserve fund and other funds	(37,115)	(37,519)
Accumulated losses of previous periods	-	-
<b>Capital total</b>	<b>6,145</b>	<b>5,769</b>
<b>Data on compliance with the limits of own funds</b>	<b>1,070.56 %</b>	<b>1,311.14 %</b>

Limit of initial capital was fulfilled on 1,070.56 % (2014: 1,311.14 %).

## 23. Fair value of financial assets and liabilities

The fair value of financial assets and liabilities as at 31 December 2015 is as follows:

<i>in thousands of euro</i>	<b>Note</b>	<b>Carrying amount</b>	<b>Fair value</b>
Amounts due from banks	3	2,433	2,433
Financial assets at fair value through profit or loss	4	11,732	11,732
Receivables from funds	6	1,307	1,307

The fair value of financial assets and liabilities as at 31 December 2014 is as follows:

<i>in thousands of euro</i>	<b>Note</b>	<b>Carrying amount</b>	<b>Fair value</b>
Amounts due from banks	3	1,191	1,191
Financial assets at fair value through profit or loss	4	10,715	10,715
Receivables from funds	6	1,212	1,212

### 23. Fair value of financial assets and liabilities (continued)

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

<i>in thousands of euro</i>		December 2015			
	Note	Level 1	Level 2	Level 3	Total
Amounts due from banks	3	-	2,433	-	2,433
Financial assets at fair value through profit or loss	4	11,732	-	-	11,732
Receivables from funds	6	-	1,307	-	1,307

<i>in thousands of euro</i>		December 2014			
	Note	Level 1	Level 2	Level 3	Total
Amounts due from banks	3	-	1,191	-	1,191
Financial assets at fair value through profit or loss	4	10,715	-	-	10,715
Receivables from funds	6	-	1,212	-	1,212

The Company uses the following hierarchy for the determination and disclosure of fair value of financial instruments based on the valuation technique:

Level 1: Quoted (unadjusted) prices from active markets for identical assets or liabilities;

Level 2: Other techniques, by which all inputs which have a significant impact on the posted fair value are observable, either directly or indirectly;

Level 3: Techniques that use inputs with significant impact on the posted fair value, but these inputs are not based on observable market data.

#### *Amounts due from banks*

Amounts due from banks represent current account balances and short-term deposits with maturity period of less than 14 days. Accordingly, the book value is considered to be the fair value.

#### *Financial assets at fair value through profit or loss*

All securities are carried at quoted market prices.

#### *Receivables from funds*

Receivables from funds represent due management fees from the funds. As they are short-term the book value is considered to be the fair value.

### 24. Financial assets and liabilities in foreign currencies

All financial assets and liabilities of the Company were denominated in EUR as at 31 December 2015.

### 25. Related parties transactions

Related parties are those counterparties that represent:

- enterprises that directly, or indirectly, through one or more intermediaries, control, or are controlled by, have a significant influence or are under the common control of the reporting enterprise;
- associates – enterprises in which the parent company has significant influence and which are neither a subsidiary nor a joint venture;
- individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company, and anyone expected to influence, or be influenced by, that person in their dealings with the Company;

## 25. Related parties transactions (continued)

- (d) key management personnel, that is, those persons having authority and responsibility for planning, directing and controlling the activities of the Company, including directors and officers of the Company and close members of the families of such individuals; and
- (e) enterprises in which a substantial interest in the voting power is owned, directly or indirectly, by any person described in (c) or (d) or over which such a person is able to exercise significant influence. This includes enterprises owned by directors or major shareholders of the Company and enterprises that have a member of key management in common with the Company.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form. All transactions with related parties were performed on an arm's length basis.

The breakdown of receivables and payables with related parties as at 31 December 2015 is as follows:

<i>in thousands of euro</i>	<b>Mutual Funds</b> <b>VUB AM</b> <sup>(1)</sup>	<b>Shareholders</b> <sup>(2)</sup>	<b>Other companies</b> <b>in ISP group</b> <sup>(3)</sup>	<b>Generali</b> <sup>(4)</sup>	<b>KMP</b> <sup>(5)</sup>	<b>Total</b>
<b>Assets</b>						
Amounts due from banks	-	2,433	-	-	-	2,433
Financial assets at fair value through profit or loss	11,732	-	-	-	-	11,732
Subsidiaries	-	-	2,938	-	-	2,938
Receivables from funds	1,307	-	-	-	-	1,307
Other assets	-	6	2	1	-	9
	<u>13,039</u>	<u>2,439</u>	<u>2,940</u>	<u>1</u>	<u>-</u>	<u>18,419</u>
<b>Liabilities</b>						
Accrued expenses	-	966	70	36	-	1,072
Other liabilities	-	856	117	-	285	1,258
	<u>-</u>	<u>1,822</u>	<u>187</u>	<u>36</u>	<u>285</u>	<u>2,330</u>

<sup>(1)</sup> Mutual Funds VÚB AM – Related party (a)

<sup>(2)</sup> Eurizon Capital S.A.; Všeobecná úverová banka, a.s. – Shareholders of the Company (a)

<sup>(3)</sup> Consumer Finance Holding, a.s.; VÚB Leasing a. s.; Eurizon Capital SGR S.p.A. ; Epsilon SGR; PBZ Invest d.o.o.; CIB Befektetési Alapkezelő Zrt.; Intesa Sanpaolo S.p.A – Related parties (a)

<sup>(4)</sup> VÚB Generali dôchodková správcovská spoločnosť, a.s. – Related party (a)

<sup>(5)</sup> KMP – Key management personnel and supervisory board (d)

## 25. Related parties transactions (continued)

The breakdown of receivables and payables with related parties as at 31 December 2014 is as follows:

<i>in thousands of euro</i>	<b>Mutual Funds</b> <b>VUB AM</b> <sup>(1)</sup>	<b>Shareholders</b> <sup>(2)</sup>	<b>Other companies</b> <b>in ISP group</b> <sup>(3)</sup>	<b>Generali</b> <sup>(4)</sup>	<b>KMP</b> <sup>(5)</sup>	<b>Total</b>
<b>Assets</b>						
Amounts due from banks	-	1,191	-	-	-	1,191
Financial assets at fair value through profit or loss	10,715	-	-	-	-	10,715
Subsidiaries	-	-	2,938	-	-	2,938
Receivables from funds	1,212	-	-	-	-	1,212
Other assets	-	10	5	6	-	21
	<u>11,927</u>	<u>1,201</u>	<u>2,943</u>	<u>6</u>	<u>-</u>	<u>16,077</u>
<b>Liabilities</b>						
Accrued expenses	-	756	43	79	-	878
Other liabilities	-	33	8	-	260	301
	<u>-</u>	<u>789</u>	<u>51</u>	<u>79</u>	<u>260</u>	<u>1,179</u>

Summary of transactions with group companies and other related parties during the year 2015:

<i>in thousands of euro</i>	<b>Mutual Funds</b> <b>VUB AM</b> <sup>(1)</sup>	<b>Shareholders</b> <sup>(2)</sup>	<b>Other companies</b> <b>in ISP group</b> <sup>(3)</sup>	<b>Generali</b> <sup>(4)</sup>	<b>KMP</b> <sup>(5)</sup>	<b>Total</b>
Interest and similar income	-	1	-	-	-	1
Fee and commission income	14,983	22	-	-	-	15,005
Fee and commission expense	-	(10,512)	-	(160)	-	(10,672)
Dividend income	-	-	5,509	-	-	5,509
Net income from trading	17	-	14	-	-	31
Other income	-	-	14	-	-	14
Personnel expenses	-	-	(88)	-	(806)	(894)
Other operating expenses	-	(373)	(160)	-	(45)	(578)
	<u>15,000</u>	<u>(10,862)</u>	<u>5,289</u>	<u>(160)</u>	<u>(851)</u>	<u>8,416</u>

<sup>(1)</sup> Mutual Funds VÚB AM – Related party (a)

<sup>(2)</sup> Eurizon Capital S.A.; Všeobecná úverová banka, a.s. – Shareholders of the Company (a)

<sup>(3)</sup> Consumer Finance Holding, a.s.; VÚB Leasing a. s.; Eurizon Capital SGR S.p.A. ; Epsilon SGR; PBZ Invest d.o.o.; CIB Befektetési Alapkezelő Zrt.; Intesa Sanpaolo S.p.A – Related parties (a)

<sup>(4)</sup> VÚB Generali dôchodková správcovská spoločnosť, a.s. – Related party (a)

<sup>(5)</sup> KMP – Key management personnel and supervisory board (d)

## 25. Related parties transactions (continued)

Summary of transactions with group companies and other related parties during the year 2014:

<i>in thousands of euro</i>	<b>Mutual Funds VUB AM</b> <sup>(1)</sup>	<b>Shareholders</b> <sup>(2)</sup>	<b>Other companies in ISP group</b> <sup>(3)</sup>	<b>Generali</b> <sup>(4)</sup>	<b>KMP</b> <sup>(5)</sup>	<b>Total</b>
Interest and similar income	-	3	-	-	-	3
Fee and commission income	10,761	22	-	-	-	10,783
Fee and commission expense	-	(6,625)	-	(153)	-	(6,778)
Dividend income	-	-	4,536	-	-	4,536
Net income from trading	49	-	55	-	-	104
Other income	-	-	26	-	-	26
Personnel expenses	-	-	-	-	(888)	(888)
Other operating expenses	-	(300)	(104)	-	(101)	(505)
	<u>10,810</u>	<u>(6,900)</u>	<u>4,513</u>	<u>(153)</u>	<u>(989)</u>	<u>7,281</u>

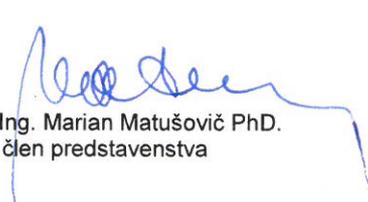
See note 19, regarding the bonuses for key management personnel.

The asset value of mutual funds managed by VÚB Asset Management, správ. spol., a.s. is shown in the table below:

<i>in thousands of euro</i>	<b>Mutual funds' assets as at 31 December 2015</b>	<b>Mutual funds' assets as at 31 December 2014</b>
VÚB AM FOND BANKOVÝCH VKLADOV, o.p.f.	299,141	377,666
VÚB AM ACTIVE BOND FUND, o.p.f.	277,652	165,255
VÚB AM KONZERVATÍVNE PORTFÓLIO, o.p.f.	180,512	172,569
VÚB AM EUROVÝ FOND, o.p.f.	157,172	190,123
VÚB AM ACTIVE MAGNIFICA, o.p.f.	137,987	92,303
VÚB AM FLEXIBLE MAGNIFICA FUND, o.p.f.	135,022	63,677
VÚB AM PRIVÁTNY EUROVÝ FOND, o.p.f.	120,353	101,970
VÚB AM FLEXIBILNÝ KONZERVATÍVNY FOND, o.p.f.	91,855	-
VÚB AM DYNAMICKÉ PORTFÓLIO, o.p.f.	55,051	44,730
VÚB AM DLHOPISOVÝ KONVERGENTNÝ FOND, o.p.f.	52,773	55,046
VÚB AM VYVÁŽENÝ RASTOVÝ FOND, o.p.f.	35,023	40,499
VÚB AM CP ZAISTENÝ FOND I., o.p.f.	-	27,087
	<u>1,542,541</u>	<u>1,330,925</u>

## 26. Subsequent events

There were no events after 31 December 2015 that would have a material effect on a fair presentation of the matters disclosed in these financial statements.

  
RNDr. Ing. Marian Matušovič PhD.  
člen predstavenstva

  
Marco Canton  
člen predstavenstva