keler

Annual Report 2013

Content

1. Chairman's Message

In 2013, the global economy witnessed moderate growth and decelerating inflation, while Europe struggled with the internal crisis caused by the financial problems of the EU member states fighting persistently high levels of indebtedness. Nevertheless, the Hungarian economy has seen growth expanding, primarily due to the expansion in exports and investments. As far as the operation of the KELER Group is concerned, the continuous interest rate cut strategy with decreasing cuts over time by the Monetary Council in 2013 was a major characteristic of the period, as the indirect effect of which the results on financial activity by KELER repeatedly exceeded expectations.

In 2013, also the KELER Group focused on long-term strategic developments, owing to this the Group made significant progress towards the retention of competitiveness in the ever strengthening international competition and the serving of markets at a high level in compliance with the most recent market standards.

The Strategic Modernization Program founded to implement in Hungary the TARGET-2 Securities (hereinafter: T2S) project aiming at the unification of the European capital market made good headway in the past year in terms of both regulatory compliance and the replacement of the account management systems. In August 2013, the first phase of the system replacement project has been finished successfully with the selection of TATA Consultancy Services Ltd. (TCS), thus, in 2015 TCS will replace the current key systems of KELER with the BaNCS solution. This means that the tailor-made off-the-shelf product, compliant with industry standards and best practices of an internationally recognized supplier with strong references will be the foundation for the future operation of KELER.

In 2013, the earlier sub-custodian service provider of KELER Ltd. was replaced by SIX Securities Services (SIX-SIS); the strategic partnership formed will contribute to the implementation of the business objectives set by the KELER Group.

During the year KELER worked on an innovative project in the Hungarian market also: the Wide Application Routing Platform (WARP) was launched in April 2013 and two development packages were released during the year. With the expansion of the group of products offered KELER enters a new market segment. The integrated and automated platform links directly the manager, the distributor and the custodian of the investment fund and KELER; this can increase the efficiency of the distribution process and facilitates the more efficient use investment funds also.

Following several years of preparatory work, the European Commission enacted the European Market Infrastructure Regulation (hereinafter: EMIR), the regulation on European central counterparties. In order to comply fully with the requirements stated in the regulation the clearing house and the depository activities were separated organizationally: as of 1 January 2013 KELER CCP operates as clearing house, while KELER continues to cover the traditional depository roles. The owners of KELER CCP decided on the capital increase required for compliance with EMIR and during the year a number of changes involving the organization and processes were required due to the regulation; by 1 August 2013 the Group successfully made all these steps.

Besides serving the Hungarian market going international became a principal focus for KELER CCP as nearly one quarter of the more than 50 clients served in the energy market are international companies. The EMIR license of KELER CCP is of outstanding importance for the Group as compliance with the European Union regulation allows the strengthening of our position in the domestic and the regional market.

Another major task of KELER CCP was the creation of the background infrastructure for the BSE to migrate to the XETRA® trading system. With the management of the BSE and the support provided by KELER CCP the exchange traders could fully test the new system, as a result the new trading system had a problem-free entrée.

From the KELER Group Clients' point of view the development of KID, the client communication channel is also a major development, a number of the KID-developments already went live in 2013, others will follow suit in 2014.

In 2013, the KELER Group contacted partners online and personally also to receive feedback on the services, development directions of the Group based on the comprehensive review of the comments and the needs of the capital, gas and energy market clients. Based on the survey feedback analysis specific action plans with implementation schedules were finalized to promote the integration of the useful recommendations and development needs received from clients into the operation of the KELER Group.

I would like to take this opportunity to say thank you to the owners of KELER Group, the Hungarian credit institutions, investment firms, issuers all other players of the capital market, gas and energy market partners and the employees of KELER Group for assisting the Group to provide high level services and to concentrate on professional tasks this year also.

Csaba Lantos

Chairman of the Board of Directors

2.

Market Environment

In 2013, similarly to the previous period, the efforts to maintain the integrity of the European Union that has been facing a crisis due to the financial problems of the EU member states with high public debts and to recover the stability of the common currency were the global focus. At the beginning of the year the financial problems of Cyprus were in the news when the banking system of the country built on an unsustainable business model was on the brink of collapse. In order to stabilize the situation the holders of large deposits, private individuals and companies alike, were forced to give up a large part of their funds.

However, for the European Union 2013 was also the year of banking union. The new capital adequacy requirements were adopted and entered into force, in 2014 the single supervisor can start to operate. The EU institutions with legislative powers came to an agreement on the directives of resolution and recovery and the rules on deposit guarantees. From the point of view of Hungary it was a major decision by the EU that after nine years the excessive deficit procedures were closed for the country in the summer of 2013.

DJIA, the US equities index with a long history increased by 26.5% in 2013 compared to the closing index value of the previous year, as a result it closed the year at 16 576.66 points. Parallel with this the major European stock market indices soared also: for example the DAX in Frankfurt increased by 25.48%, while the London FTSE strengthened by 14.43%. As a result the DAX closed the year at 9 552.16 points, while the FTSE was at 6 749.10 points at the end of 2013.

In 2013, the international FX markets continued to witness a weak Euro. During the year the Euro was not quoted against the Swiss Franc above the closing value of 1.2084 of the previous period and finally closed the year at 1.2272. The Euro / US Dollar rate produced a more spectacular chart. In the spring it seemed the European currency will recover, however, by the end of the year the momentum vanished and the Euro closed the year at 1.3754, a weakening of 4.16% compared to the level at the beginning of the year.

During the year the exchange rate of our national currency against the Euro remained relatively stable (moved within a band of +/-3.6% compared to the rate at the end of 2013) and weakened by 2.1% to 297.32 compared to the closing rate of 2012 at 291.29. During the year March was the period of the weakest performance by the Forint when it reached a local maximum of 307.85. May was the period when the Forint performed best: it was quoted as low as 288.15 against the Euro. The CHF/HUF rate moved parallel with the Euro rate, although at a lower level. The rate moved in the 230.32-251.92 band during the year. At the end of the year the MNB (National Bank of Hungary) CHF/HUF mid-rate was 242.5, representing a HUF strengthening of 0.6% compared to the MNB mid-rate of 241.06 last year. The American currency moved along a similar curve, however, in terms of proportions the Dollar rate moved within a somewhat wider band. The annual rate change was 12.38%. However, it is to be highlighted that towards the end of the year, contrary to the other two currencies, the Dollar became weaker against the Forint, thus the closing rate of 216.89 is a weakening of 1.79% compared to the same period of the previous year.

During 2013, the Monetary Council of the Central Bank of Hungary voted in favor of a continuous base rate decrease and cut the rate on 12 occasions during the year. However, the extent of rate cuts showed a decreasing trend during the year: the rate cuts of 25 basis points at the beginning of the year were followed by cuts of 20 basis points by the end of the year. As a result the base rate dropped to 3.00% on 31 December, 2013 from 5.75% at the end of 2012. Unlike in earlier years, the share of foreign investors in the group of investors financing the Hungarian public debt decreased. The volume of government securities denominated in Forint increased by 19.63% during the year to reach HUF 20 950.2 billion. While at the end of 2012 28.84% (HUF 5 050.4 billion) of outstanding government securities were held by foreign investors, by December 2013 this dropped to 25.47% (HUF 5 336.4 billion). As far as the maturity structure is concerned the share of securities with less than a year to maturity was around 50% in the past year. The securities with more than 2 years to maturity had a share of about 9%, while in the group of securities with longer tenors there was a shift in favor of securities with more than 5 years to maturity.

BUX, the equities index of the Budapest Stock Exchange (hereinafter: BSE) closed 2013 at 18 564.08 points that is 2.15 % higher than the end of year closing value in 2012. In 2013 the index peaked at 19 743.65 points in June and tested a similar level (19 717.4 points) in July also. The rally at the beginning of the year is worth highlighting: the index reached 19 664.12 points after soaring by 8.2% during 14 trading days compared to the end of 2012 value. At this time the index was below 18 500 points, on two occasions it was even below 18 000 points. At its annual absolute lowest level the BUX was at 17 815.69 points. Compared to the previous years its volatility was low, with an annual change of 10.39% compared to the end of the year value of 2013.

BUX index levels in 2013

3. KELER Group Transformation: Transfer of Activity

As a major milestone in the history of the KELER Group the domestic clearing house, fully compliant with the European practice also, was established by 1 January 2013, as a result of the parent company KELER transferring the entire guaranteed market clearing business to KELER CCP by way of activity transfer. The transfer closed a long, two-phase process as from 1 January 2013 KELER CCP, established in 2008 and acting as the central counterparty, clears guaranteed markets in a single organization. The transfer of activity influenced the entire organizational and regulatory structure of the KELER Group.

After 1 January 2013 the central securities depository and banking services offered by KELER and the clearing and guarantee undertaking activities undertaken by KELER CCP are fully separated; the separate General Business Rules and the new contracts concluded by the clients and the KELER Group clearly show these changes.

4. Regulatory Environment

In 2013, KELER was involved in the preparation of several regulations that influence its operation. In 2013, the operation of KELER was affected by the following new regulations and changes to regulations and these will continue to affect the operation after they are published in 2013:

/ Act V of 2013 on the Civil Code

/ Act CXX of 2001 on the Capital market as amended by Act CCXXXIV of 2013 on The amendment of certain financial acts

/ Act CXXXVII of 2013 on Credit institutions and financial enterprises

/ Act CXXXIX of 2013 on the National Bank of Hungary

/ Act CCLII of 2013 on the Amendment of certain acts related to the new Civil Code entering into force

/ Act CXLIII of 2013 on the Amendment of certain acts related to the Act on the National Bank of Hungary and other amendments

/ Government Order 345/2013. (IX. 30.) on the Amendment of certain government orders related to the Act on the National Bank of Hungary

/ MNB Order 23/2013. (XI. 6.) on the Reporting obligations related to the central bank information system, primarily in order to facilitate the National Bank of Hungary in completing its basic responsibilities

/ MNB Order 35/2013. (XII. 16.) on the ISIN identifier

/ MNB Order 39/2013. (XII. 29.) on the Obligations of persons and organizations supervised by the financial intermediary system to report master data

/ MNB Order 42/2013. (XII. 29.) on the Reporting obligations of capital market organizations related to the central bank information system, primarily in order to facilitate the National Bank of Hungary in completing its supervisory responsibilities.

GENERAL MEETING

In 2013, general meetings were held on two occasions at KELER: the annual ordinary general meeting was held on 15 May 2013 and an extraordinary general meeting was held on 18 December 2013. The annual ordinary general meeting of KELER was held on 15 May 2013, the general meeting agenda items included, among others:

/ report by the Board of Directors on its activity in the business year of 2012

/ acceptance of the financial statements and the consolidated financial statements in line with the International Financial Reporting Standards (IFRS),

/ recall and election of executive,

/ remuneration of executives,

/ decision on the capital increase in KELER CCP,

/ modification of the terms of the joint and several liability outstanding towards KELER CCP,

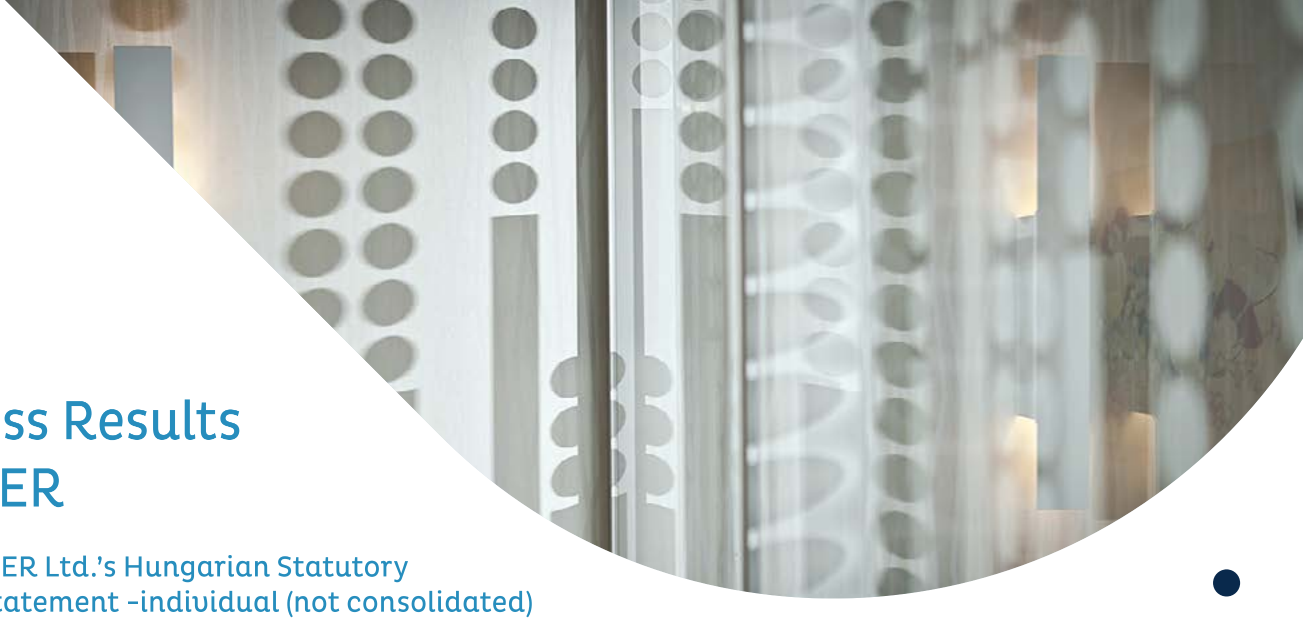
/ modification of the procedure of the Supervisory Board.

/ The annual ordinary general meeting decided on the capital increase in KELER CCP and on the modification of the terms of the joint and several liability outstanding towards KELER CCP. Simultaneously with the capital increase the amount of the joint and several liability by KELER was decreased to HUF 4 billion and the date of expiry was changed to 31 December, 2013.

On 18 December 2013, KELER held an extraordinary general meeting, the agenda items covered are as follows:

/ Modification of the terms of the joint and several liability undertaken towards KELER CCP.

/ Regarding the terms of the joint and several liability the general meeting decided to extend it until the license of KELER CCP in line with EMIR is received but not later than the date of the annual ordinary general meeting in 2014.



5.

Business Results of KELER

Source: KELER Ltd.'s Hungarian Statutory Financial Statement -individual (not consolidated)

In the past year moderate growth and slowing inflation characterized the global economy. Domestic economic growth increased, mainly due to the expansion of export and investments, thus the structure of growth became more balanced than in the previous periods.

The financial plan for 2013 was finalized by taking into account the market environment, the country risks, the budget deficit and the increasing inflation. In summary, we can state that the result from financial operation exceeded expectations, while the results from services were also more favorable than planned.

The result of financial operation (HUF 2 206.7 million) was 22.9% more than planned as the sum of the interest difference realized and the income from trading was higher than planned.

The result from services exceeding the plan is due partly to the favorable income trend (HUF 4 141.2 million, 104.1%), partly to a smaller amount of saving on operating costs. Similarly to past years the income from account opening and account management remains a key factor and grew more than planned. The income from guaranteed market settlement was in line with the plan, while income from clearing is much less than it was last year due to the transfer of clearing acitivity to KELER CCP. The income from transactions and export were slightly less than planned, while the fee income from issuers was above the plan.

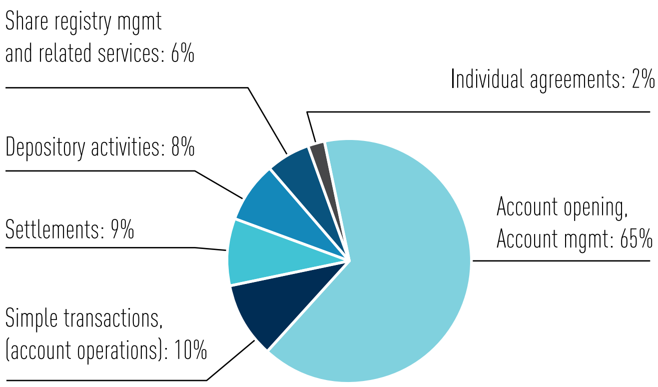
The amount of operating costs and expenditures was HUF 4 156 million that is 99.7% of the plan. The company realized savings on general administration costs and amortization and depreciation.

The ordinary business result, the sum of the results from financial operation and services provided amounts to HUF 2 191.9 million that is 137.2% of the plan. With the HUF 378.5 million shown as extraordinary income the profit before tax is HUF 2 570.4 million, the ROE indicator[1] is 10.0%.

After deduction of the amount of tax payment obligation (HUF 397.4 million) and the general reserves (HUF 217.3 million) **profit for the period is HUF 1 955.7 million.**

The total profit of 2013 before tax exceeded the plan but is slightly less than the profit of last year.

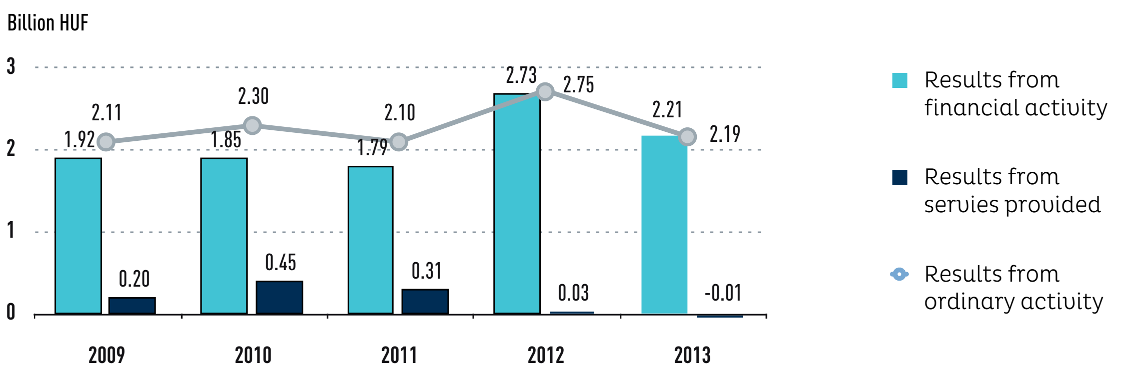
Structure of income from services / 2013



1 / Profit for the period after tax (HUF 2173 million)/equity capital at the beginning of the year (HUF 21 774.4 million)= 10.0 %

PROFIT AND LOSS STATEMENT (in HUF million)					
No.	Item description	2012 actual	2013 plan	2013 actual	2013 actual / 2013 plan (%)
A.	Profit (or loss) of financial activity (A.=1.+2.+3.+4.)	2 725.1	1 795.0	2 206.7	122.9%
B./1.	Comissions and fees received (B./1.=5.+6.+7.)	4 307.5	3 635.0	3 795.7	104.4%
5	Domestic income realized based on fee schedule	3 854.3	3 160.4	3 359.2	106.3%
6.	**Income recognized as export (Fee schedule + Individual agreement)**	**158.7**	**175.0**	**147.0**	**84.0%**
7.	**Income from services based on individual agreement and other services**	**294.4**	**299.6**	**289.5**	**96.6%**
B./2.	**Other income (B./2.=8.+9.)**	**404.8**	**343.5**	**345.5**	**100.6%**
8.	Income from other financial and investment services (intermediated services)	3.5	16.9	5.9	34.9%
9.	Other income (from non-business services)	401.3	326.6	339.6	104.0%
B.	Income from services activity (B.=B./1.+B./2.)	4 712.4	3 978.5	4 141.2	104.1%
10.	Commissions and fees paid (payable)	738.2	141.4	178.2	126.1%
11.	**General administration expenses**	**2 898.6**	**2 995.5**	**2 826.4**	**94.4%**
12.	**Depreciation and amortization**	**695.2**	**692.0**	**621.8**	**89.9%**
C.	**Total costs of operation (C.=10.+11.+12.)**	**4 331.9**	**3 828.8**	**3 626.5**	**94.7%**
D.	**Other expenditures**	**352.3**	**347.0**	**529.6**	**152.6%**
E.	**Result on service activity (G.=B.-F.)**	**28.2**	**-197.3**	**-14.8**	**7.5%**
F.	**Result on ordinary (business) activity (financial+ services) (H.=A.+G.)**	**2 753.3**	**1 597.7**	**2 191.9**	**137.2%**
G.	**Extraordinary resul**		**400.0**	**378.5**	**94.6%**
H.	**PROFIT (OR LOSS) BEFORE TAX (J=H+I)**	**2 753.3**	**1 997.7**	**2 570.4**	**128.7%**
13.	**Corporate Tax (10% up to HUF 500 million, 19% above HUF 500 million)**	**500.7**	**258.6**	**397.4**	
I.	**PROFIT (OR LOSS) FOR THE PERIOD (K.=J.-13.-14.-15.)**	**2 252.6**	**1 739.1**	**2 173.0**	
14.	**General reserves (10% of profit [or loss] for the period)**	**225.3**	**173.9**	**217.3**	
J.	**NET RESULT (L.=K.-16.)**	**2 027.3**	**1 565.2**	**1 955.7**	

Results from financial activity, services provided and ordinary activity / 2009-2013



6. Treasury

From the point of view of Treasury operation 2013 was a successful year. Treasury closed the year with a profit of HUF 2 194 million that is 18% more than the planned HUF 1 865 million. One of the reasons of the better than planned Treasury performance is the policy of interest rate decrease that we have seen during the year.

Government securities represented 98% of assets; interbank deposits had a share of less than 0.4%. There was a significant restructuring in the government securities portfolio in favor of securities with less than one year to maturity, the overwhelming majority of this segment was made up by fix rate government bonds and MNB bonds. The duration of the government securities portfolio was within one year.

The average share of obligatory reserve within the entire asset portfolio remained below 1.65%.

In addition to trading government securities Treasury was an active player in the government securities lending market in 2013, also. By the end of the year the total repo turnover reached HUF 784 billion. In order to support this activity KELER expands the client base continuously both in the Hungarian and the international markets.

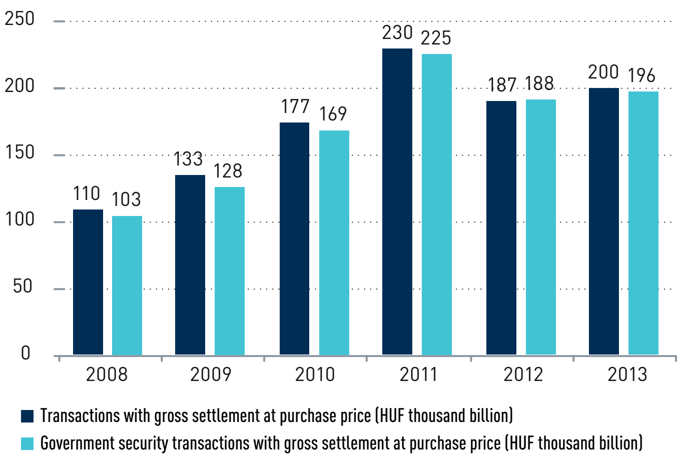
7.

Central Securities Depository Activity and Settlements

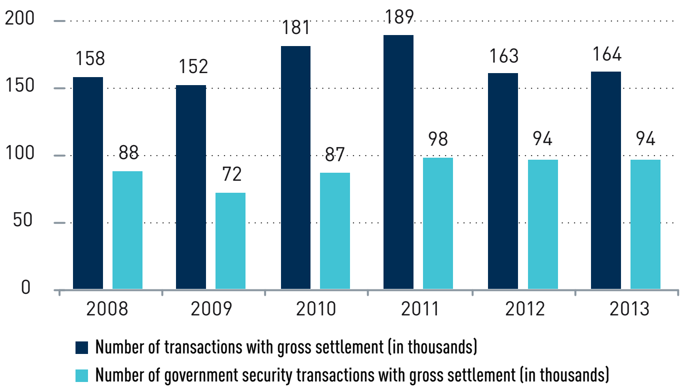
OVER-THE-COUNTER SETTLEMENT

In 2013, the turnover of KELER in OTC transactions with gross settlement, calculated at purchase price, was HUF 200 024 billion. Within this the turnover of government securities amounted to HUF 196 325 billion. This government securities turnover consisted of 94 thousand deals; the total number of OTC deals was 164 thousand.

Turnover os transactions with gross settlement / 2008-2013



Number of transactions with gross settlement / 2008 - 2013



Source of data: Banking Operations / Account Management Department

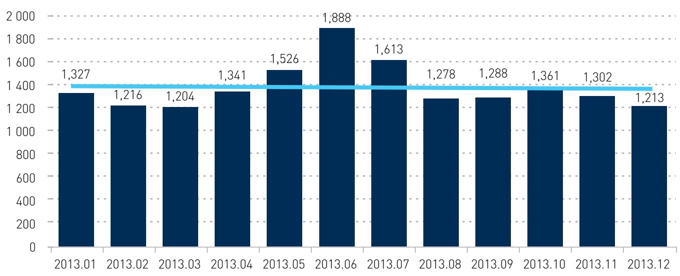
INTERNATIONAL SETTLEMENTS

In 2013, the portfolio of international securities increased by 1.3% to EUR 1 380 million, the reduced client activity characterizing earlier years did not change with respect to outflow settlements: the number of cross-border transactions of resident clients went down by one fifth. Nevertheless, the settlement of trades made at the Deutsche Börse increased by more than one quarter, although turnover is 15% less that it was in the past year.

A key event in this field was the change of sub-custodian at the beginning of November. The portfolio migration from the previous service provider of KELER to the new custodian (SIX Securities Services) was successfully completed. With the new sub-custodian KELER can provide clients higher level of service and access to more new markets.

The inflow activity of non-resident clients with respect to securities issued in Hungary increased by more than one quarter, however, the value of portfolios in custody continued to decrease. By the end of 2013 the value of international client portfolios dropped with 4.5% to HUF 663 billion.

Monthly value of international securities in 2013 / mil EUR



CENTRAL SECURITIES DEPOSITORY ACTIVITY

Dematerialized security series

As of 31 December 2013, there were 4 226 active security series registered in the securities accounts kept by KELER, this is an increase of 7.39% compared to the 3 935 security series registered as of 28 December 2012.

The total volume of securities in the central securities accounts as of 31 December, 2013 was HUF 29 508, 5 billion, this is an increase of 13.4% over the volume of HUF 26 105 billion in 2012.

Dematerialized securities volumes in the central securities accounts

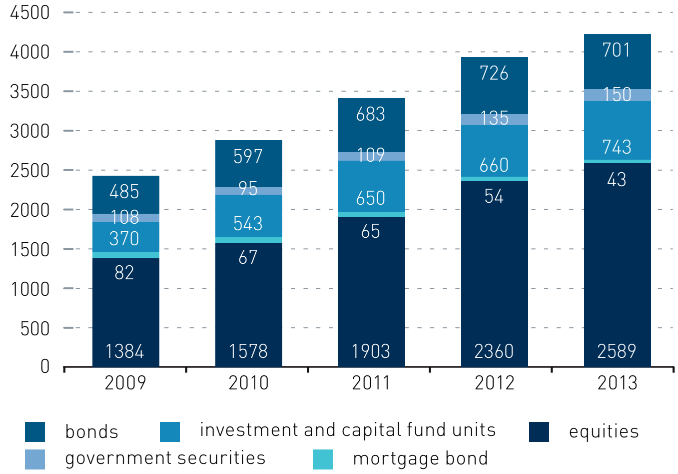
After the decrease in the previous years the significant increase of the investment fund unit and capital fund note portfolios and the large-scale growth of the government securities portfolio compensate the fall in the equity, mortgage bond and bond portfolios. The contraction of the bond portfolio was the result of partial or full municipality bond cancellations arising from the consolidation of municipalities. This was the first year when the equity portfolio shrank despite the increase of 9.7% in the number of equity series compared to 2012. This phenomenon involving movements of opposite directions is due to three reasons:

/ The companies limited by shares implemented the decrease of share capital with the withdrawal of shares issued (in 31 cases, in the value of HUF 177, 94 billion or with the change to the nominal value of shares that also results in a reduced equity portfolio.

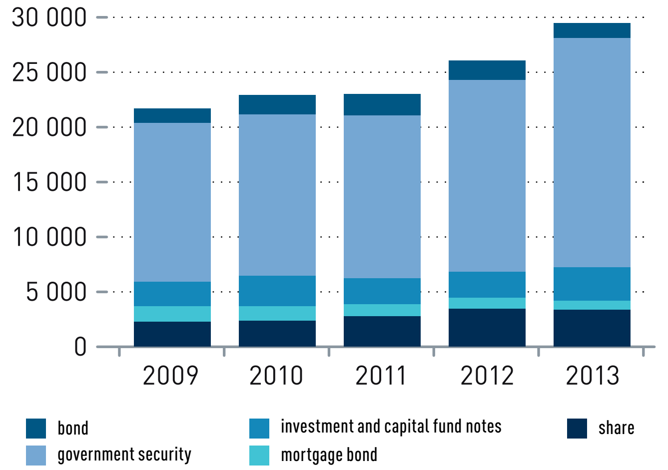
/ If the proceedings result in the deletion of the company from the business registry, in line with the legal requirements the liquidators of companies limited by shares subject to winding-up and dissolution take measures to cancel in the central securities accounts the dematerialized shares issued by the company terminated. In the absence of measures by the liquidator the custodians also can play an active role in cancelling the shares of no value of the companies deleted from the business registry (in 130 cases, in the value of HUF -52 204, 1 billion).

/ In 2013, 459 new equity series were originated, the majority of new series are new issues by companies with a share capital of HUF 5 to 10 million. The amount of these new issues is considerably less than the total amount of withdrawals due to the cancellation of shares with no value.

Number of DEMAT security series issued by securities type / 2009-2013



Demat security portfolio in billion HUF, by security type / 2009-2013



Change in dematerialized security portfolio by security type (%)

	2009	2010	2011	2012	2013
share	10.23	4.46	17.00	25.42	-2.44
mortgage bond	-11.47	-5.83	-16.84	-8.65	-2.44
investment and capital fund note	7.15	20.86	-14.17	-0.20	28.68
government security	9.05	2.07	0.98	17.45	19.62
bond	34.50	32.69	10.64	-7.80	-24.13
total	**8.60**	**5.64**	**0.52**	**13.22**	**13.04**

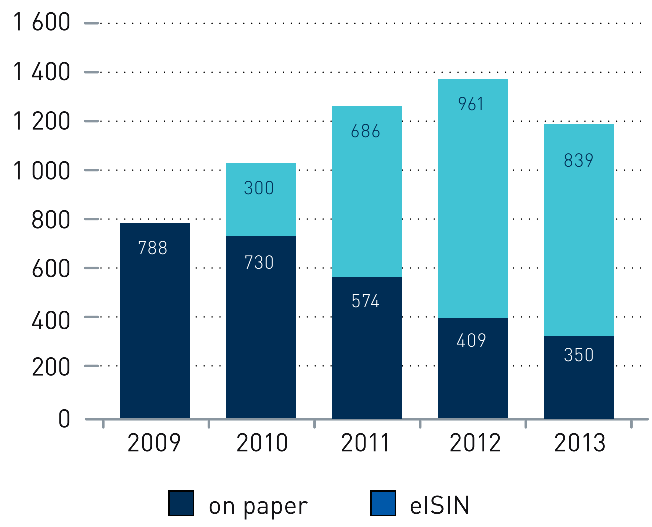
Management of dematerialized securities

The online e-DEMAT application available at the website of KELER was launched in November 2011 to assist the registered agents in the comprehensive management of demat events related to dematerialized securities in e-DEMAT. Issuers with no previous or only rare business contact with KELER, more cost-sensitive issuers and returning clients that can use all the functions of the system (e-signature, process management, fee payment with bank card) prefer to use this system.

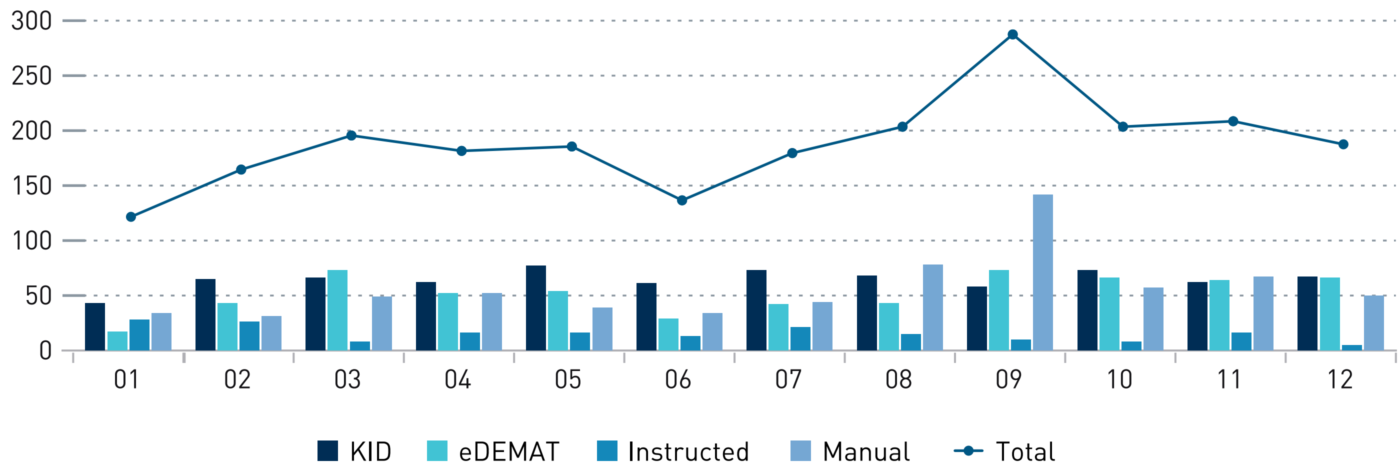
Issuance of security codes

Unlike the trend of past years, in 2013, clients requested KELER to issue 1 189 ISIN codes that is 15.22% less than it was in 2012 (1 370 ISIN codes).

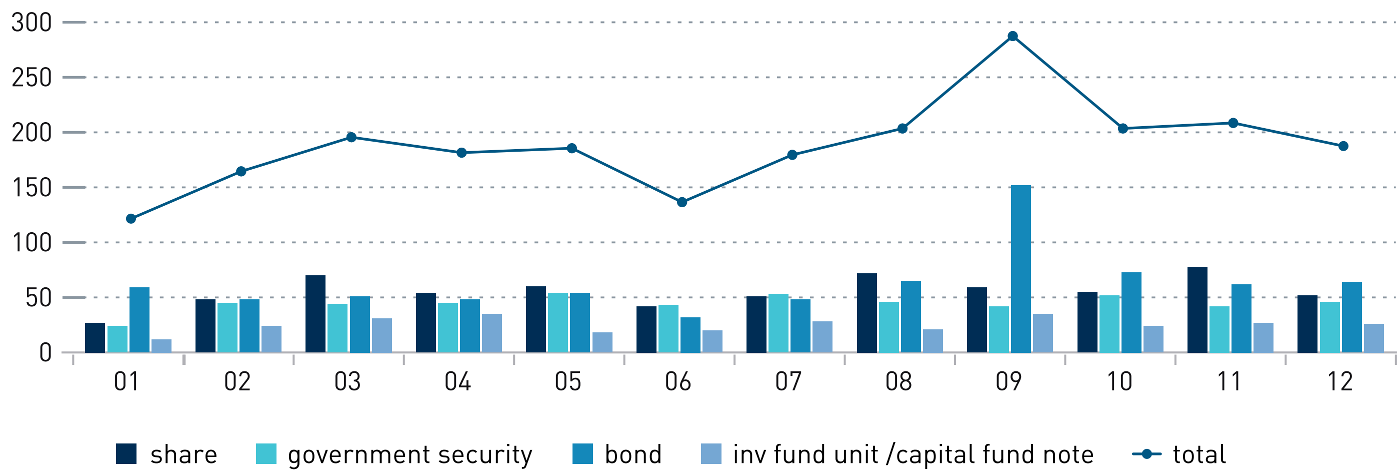
ISIN requests / 2008 - 2013



Demat event by origin in 2013



Demat event by security type in 2013



GENERAL DEPOSITORY ACTIVITY

Custody of physical securities

Based on the actual figures the volume of physical securities in custody decreased by 11.6% by the end of 2013 compared to the previous year due to the large-scale destruction of securities declared invalid that took place in December 2013.

Corporate action management

In 2013, issuer used other depository services more frequently, thus the number of payment orders by issuers was up by 66% and the number of KELER acceptance statements requested related to the BSE listing of warrants was 54% higher than in the previous period.

8. Projects of High Priority and Service Developments

STRATEGIC MODERNIZATION PROGRAM

In June 2010, KELER joined the TARGET2-Securities (T2S) project, the initiative of the European Central Bank by signing the Memorandum of Understanding. Under the scope of T2S the standard European securities settlement system will be created until 2016, in support of which the KELER Group was an active participant in the international work in 2011 also when jointly with domestic market players the opportunities and the consequences of the introduction of T2S were investigated. In June 2012, simultaneously with a decision in favor of entering T2S and by signing the T2S Framework Agreement KELER launched the Strategic Modernization Program (SMP).

The Program will be implemented in three phases; in line with the plans Phase I. Assessment and Selection was successfully closed in September 2013. In this phase the new securities settlement system meeting the needs of KELER and the market and the system supplier were selected in a tendering process of several rounds: KELER will replace the current key systems with the BaNCS solution of TATA Consultancy Services Ltd. (TCS). With this solution KELER purchased and will customize the off-the-shelf product of an internationally recognized supplier with strong references that meets the industrial standards and the best practices.

Phase II. is system implementation, parallel with the renewal of the services offered by KELER. In September 2013, the preparation for system introduction started: definition of the business requirements and system specifications, planning of the testing phase. The new system is planned to go live in the second quarter of 2015, our clients will be updated in detail on the preparatory steps.

In Phase III of the Program (2015-2016) international tests with the T2S platform based in Frankfurt will be completed with the new system of KELER with T2S capabilities and jointly with other European central securities depositories, then in September 2016 the T2S-KELER link is planned to go live.

WIDE APPLICATION ROUTING PLATFORM (WARP)

The objective of the WARP project launched in 2012 is to introduce a new investment fund unit settlement and order routing system in the Hungarian capital market. The integrated and automated platform creates a direct relationship between the manager, the distributor and the custodian of the fund and KELER, this may promote a more efficient distribution process and the more efficient use of invested funds.

In order to integrate the needs of the market to the fullest extent possible the Project introduced the system in three phases:

1. WARP v1.0 – 8 April 2013
   Basic functions: partner and transaction management (FOP), posting fees, integration with systems.

2. WARP v1.1 –2 September 2013
   Extended functions: settlement without price, and same day settlement, extended and modified reports.

3. WARP v2.0 – 9 December 2013
   Full functionality: daily over-issuance against payment and cancellation transactions, support to conversion transactions, volume based trailer fee calculation, posting prices to BAMOSZ (Association of Hungarian Investment Fund and Asset Management Companies)

DEVELOPMENT RELATED TO THE INTRODUCTION OF THE FINANCIAL TRANSACTION TAX (FTT)

The necessary developments were finalized by the 31 December 2012, deadline, however, the work to create the report required could be started after the mandatory requirements of content and form were finalized. The FTT-related reporting to be sent for the first time until 31 March 2013 to the National Tax and Customs Administration of Hungary was completed by the deadline.

KELER chose to inform clients once a year on the amount of FTT paid from among the client information opportunities allowed by the law. As part of the regulatory compliance a solution was finalized that informs clients on the FTT in 2013 as part of the account statement.

KID MODERNIZATION

In 2011, KELER started the modernization of the KID business communication system. As part of the modernization, in addition to the technology upgrade, the objective is to make the system available in English and modernize the interface.

The developments are implemented in several phases; 2011 and 2012 were the period of planning, specification and development, while go-live will take place in 2013 and 2014.

In 2013, the development of the new version KID thick client was completed. Installation for testing and testing were implemented in several stages, in line with the business functionality. The old KID clients are replaced continuously with the new version KID, installation is expected to be completed in the first quarter of 2014.

eKID

In April 2013, the KELER Group introduced eKID, the platform independent, web-based application of KID that is available from the browser, the first version of which integrated important functions for the targeted, primarily energy market clients (e.g. management of Forint and foreign currency accounts, viewing information related to collateral deposited with the KELER Group).

In December 2013, the following version of eKID with expanded functions was ready for testing, thus after the preparation for automated testing and acceptance testing, from April 2014 the application becomes available for capital market clients also.

CHANGE OF SUB-CUSTODIAN

The previous sub-custodian service provider of KELER, was replaced with a new partner SIX Securities Services (SIX SIS) in 2013, which strategic partnership may contribute to achieve the business objectives KELER Groups has aimed. A smaller modification to some of the systems of KELER was required to ensure the success of the change of sub-custodian that was implemented as a separate, project-like development. The carefully planned change of service provider that was harmonized with the clients was implemented on 5 November 2013.

CROSS-BORDER SYSTEM

In order to increase the service level of the Cross-Border system an application development was implemented in the first half of 2013. In order to ensure high quality services meeting international standards this development implemented the technology upgrade of the system and the business development needs also, among which the STP-like automated processing of cross-border transactions and the common use of status codes in inflow and outflow settlements were of paramount importance as these ensure that non-resident clients can be informed in standard messages and resident clients can be provided comprehensive information.

ESTABLISHMENT OF THE DATA WAREHOUSE

The data warehouse project is a long-term development of several years and various phases. As planned in 2012 KELER worked to create reports and analyze business data, consequently a number of reports were already prepared with the use of the new application. The project continued in 2013, also: the main direction is to provide full-scale support to reports by KELER, at the same time preparatory steps were taken to integrate the general ledger and the fee module, also.

SWIFT 2013 STANDARDS RELEASE (SR)

In 2013, compliance with the new standards required by SWIFT came with the usual amount of development in the business communication systems of KELER. The creation of new fields, the termination of old ones and the integration of new event and status codes and qualifiers, the termination of certain codes within the existing block structure allowed more sophisticated, detailed flow of information with respect to both securities settlement and corporate action management.

9.

Client Relations

CLIENT FORUMS

From the point of view of client relations, 2013 was the most active year in the history of KELER. Related to the revolutionary changes witnessed in the regulatory and market environment (EMIR taking force, the introduction of T2S becoming nearer, the introduction of the new Civil Code) the client forums on various subjects became a part of daily life at KELER.

One of the most intense series of events was linked to the changes required by EMIR. EMIR changed financial markets fundamentally: from the basic infrastructure until the end investors. The changes concerned the clearing houses primarily, thus KELER CCP, a part of the KELER Group had to adapt to the changed environment. In the autumn of 2013 KELER decided to assist the Hungarian market participants in meeting the transaction reporting requirements of EMIR with a client program available in Hungarian. Related to this KELER informed interested parties on the requirements linked to EMIR and the operation of the reporting service of KELER at two forums and in a number of newsletters during 2013. Both events were successful and each attracted an audience of 80 to 100 participants.

The Hungarian TARGET2-Securities National User Group (hereinafter: NUG) represents the local market participants towards EKB and strengthens the communication related to the T2S entry between the capital market participants and KELER-MNB. There are two working groups formed within the NUG: the Settlement Working Group and the Corporate Action Working Group, in 2013 the NUG met once. Each NUG Working Group met twice in 2013.

KELER is a regular participant at the semiannual European MIG (E-MIG) meetings, the high level European meeting of national Market Implementation Groups (MIG) where it represents the Hungarian interests and the professionalism of the KELER Group.

The traditional Custodian Form was successfully held in the summer of 2013, also.

The strategic goal of KELER is to pay increasing attention to the strengthening of relationship with security issuer clients. Therefore the Issuer Forum was held in 2013 with the intention to lay the foundation for a tradition. After the forum the MIG Working Group was launched also: the four meetings held attracted strong interest from issuers and focused on the interpretation of the new Civil Code and the changes in the KELER processes with an impact on issuers.

Furthermore, in June a project initiation customer forum was held related to the WARP order routing system going live in April 2013 to introduce the system to be developed, its background and links with market participants. As a result of two-way communication at the consultation the client expectations related to the developments and the terms of use were integrated in the next phase of product development. In October 2013, before WARP version 2.0 go-live in the winter, the development results were presented to the interested parties at a system presentation.

Under the scope of the KID Modernization Project, before the test period, in October clients had the chance to receive first-hand information on the redesigned KID interface and the new KID functions.

CLIENT SATISFACTION SURVEY

Until 2012, the annual KELER Group client surveys were completed only online, in 2013 KELER contacted its partners online and personally also. The most important goal of the survey is to get feedback related to the services, development directions of the Group by the comprehensive assessment of the views and the needs of the capital, gas and energy market clients. Based on the feedback received the KELER Group can state that the basically positive client view of the Group continued to improve in the past year. Following the analysis of information received specific action plans with an implementation schedule were finalized to promote the integration of useful client recommendations and development needs into the operation of the KELER Group.

10.

Information Technology

In 2013, we followed the approved business strategy and IT created the new IT strategy for the period of 2014-2016 that entered into force in the autumn. The deliberate, planned operation and the high level availability of the information technology supporting business services remained the main goals related to IT operation. During the year the joint availability of KELER systems to clients was 99.946%, which proves the efforts made in this field came to fruition.

In 2013, IT completed successfully the following major tasks:

/ The IT infrastructure forming the background of business services was changed and modernized fundamentally:

/ All servers and network control functions were moved from the data center in Asbóth Street to the data center at the Mártonffy Street premises of GIRO, in the two data centers of KELER all physical servers, data storage and network instruments were replaced by new equipment. Replication is ensured at the level of basic infrastructure between the two data centers, centers are linked with redundant telecommunication lines independent from one another.

/ KELER operates in a 100 % virtual environment and virtual servers were consolidated by function.

/ Before the transition KELER completed successfully a full-scale DR test, including the simulation of the loss of all physical units and software errors also.

/ At the beginning of April 2013, the distribution of investment fund units was launched as a new business service, at the same time WARP (Wide Application Routing Platform) went live to facilitate the automation of the service and to increase efficiency, in November it covered the entire service.

/ In order to comply with EMIR 10 business applications were further developed.

/ In the KID Modernization Project KELER Group worked to renew and make the front-end system more user-friendly, to improve compliance with security requirements. For the users accessing the services via the 'thick client' the installation of the application started in December, the application is expected to have full coverage in the first quarter of 2014. eKID, the solution for users intending to access KID on the Internet is also finalized, currently it is being tested – go-live is expected in the first half of 2014.

/ The MNB (successor of the HFSA) started a general review in the autumn of 2013, the review results are expected to be available in 2014.

/ In 2013, the operation of information technology at KELER was reliably stable. In 2014 the most challenging tasks will include the maintenance of predictability, reliability of services under the extraordinary circumstances of relocation in the spring, the launch of the Trade Repository at the beginning of the year and the forthcoming introduction of the TCS BaNCS account management systems.

11.
Risk Management

As of 1 August 2013, KELER outsourced risk management functionalities to KELER CCP. KELER, in the person of the Risk Management and Finance Director, remains responsible for and makes decisions related to risk management, however, daily risk management functionalities are assumed by KELER CCP in line with a separate procedure. In 2013, KELER continued to prepare for the CRR (Capital Requirement Regulation) that enters into force on 1 January 2014 and for the amended provisions of the Act on Credit institutions and financial enterprises.

The change in regulation has had a substantial influence on capital adequacy by KELER as institutions are required to have a higher level of coverage. The requirements on the quality of capital also became stricter, however, this has very little influence on compliance by KELER as own funds are currently made up by primary capital elements only. In addition to capital adequacy the regulations on liquidity risk management also become stricter and pose a great challenge for the banking system. As KELER keeps a large portfolio of government securities that are considered first class instruments for liquidity purposes, except for the reporting requirements no further measures are required to ensure compliance. Due to the simple structure of its portfolio the changes in the calculation of capital adequacy requirements had only a slight influence on KELER. During 2013 new planned indicators were included in the analyses and capital adequacy is determined in line with the changes expected to enter into force.

In 2013, the capital of KELER CCP was increased: this involved a decrease in the joint and several liability provided to KELER CCP by KELER. As of July 2013, the share of KELER increased with HUF 4 billion, the amount of the joint and several liability decreased to HUF 4 billion.

As of January 2014 KELER meets all the material elements of the new regulation except for the large exposure rules. The large exposure limit is exceeded due to the participation in KELER CCP, the joint and several liability provided and other exposures. The action plan to terminate the limit excess was submitted to the MNB, in line with the action plan the limit excess is expected to be terminated in the second quarter of 2014.

COUNTERPARTY RISKS

During 2013, KELER was less active in the FX market than in the previous years. By the end of the year FX swap trades that can be concluded to a limited extent and with a limited group of counterparties became less frequent. This is due to the decrease of HUF interest rates that ended the period when swap deals were relatively cheap. As of 1 January 2014 in line with the CRR a new type of capital adequacy requirement is to be determined for FX swaps, KELER complies with the regulation.

In the framework of bank rating the counterparties of Treasury were rated based on annual audited financials and a proposal was made to the Asset-Liability Committee on the risks that can be taken towards the counterparties.

MARKET RISKS

There was no significant change in terms of market risks in 2013. Risk Management completes quarterly yield stress calculations for the asset portfolio, in line with the extent specified in the law. The amount of loss calculated with the stress parameters continue to remain below the level stated in the law. The VaR of the government securities portfolio is calculated daily with both stressed and historic volatilities.

OPERATIONAL RISK MANAGEMENT

The goal of the operational risk management system established by Risk Management is to make sure that KELER is continuously aware of its own risks, monitors and reduces them as far as possible. Therefore data on past losses are collected and expert estimates are made as to the potential events that occur rarely but may result in great damage.

The second pillar (as opposed to the first pillar) is operational risk management at the level of the KELER Group. The reason for the group level regulation is that although the Basel requirements state that only credit institutions have to manage operational risks, due to the high level of operational reliance between KELER and KELER CCP it is necessary to apply the Basel requirements and directives to KELER CCP on a voluntary basis.

In 2013, the Operational Risk Management Committee (hereinafter: ORMC) held quarterly meetings and discussed the loss events and the actual operational risks. It took measures to decrease and prevent risks as necessary and as far as possible and subsequently monitored the implementation of the measures taken.

By combining the top-down and the bottom-up methodologies in the autumn of 2013 the KRIs (key risk indicators) at each organizational unit of the KELER Group were reviewed and self-assessment interviews that are important elements in the calculation of the capital need were completed. Additionally stress test scenarios and loss parameters impacting the entire KELER Group were defined, the results of these also form part of the capital requirement under the second pillar.

12.

Human Resources

In addition to making sure that KELER provides high quality services daily, in 2013 the main Human Resources tasks included ensuring the human resources required for important projects and developments were available and the regulatory requirements were complied with. In 2013 KELER completed the increased number of tasks with headcount unchanged compared to 2012.

Human Resources focused on two major projects in 2013:

1. One of the major tasks was to provide the resources required for the account management system replacement program. Due to the outstanding importance of the projects of T2S entry and the replacement of the account management system creating the technical background of the entry, the Strategic Modernization Department, a dedicated area within the Strategy and Client Relationship Directorate was set up as of 1 July, 2012. The task of the Strategic Modernization Department is to successfully implement the two projects by taking into account the domestic best practice and the international experience. Accordingly the existing KELER staff members with outstanding professional experience and the newly hired staff experienced in IT system replacements completed jointly the preparatory steps of the account management system replacement.

2. Compliance with the requirements of EMIR was the other major task. To this end KELER outsourced risk management to KELER CCP. As of 1 August, 2013 7 Risk Management staff members were transferred to KELER CCP with legal succession.

Similarly to earlier periods, in 2013, also we paid special attention to the development of the professional skills of our employees. Internal and external trainings were offered in English language skills, project methodology, negotiation skills and product and market knowledge to develop our staff. Special IT courses were held to support the use of new technology and the operation of our secure IT background.

In 2013, KELER was able to provide the human resources necessary to reach its objectives.

13.

Internal Audit

Internal Audit completed its activities in 2013 in line with the annual work schedule approved by the Supervisory Board and based on risk assessment and risk analysis and the prevailing operating procedure on Internal Audit. When the areas to be reviewed were determined the review of processes and controls with inherent risks and high priority was considered an essential aspect. Internal Audit also acted as an obligatory reviewer of new or updated regulatory documents.

In 2013, there were 5 IT / bank security and 7 non-IT reviews undertaken in KELER. Within the reviews completed 9 reviews covered specific topics and 3 follow-up audits were completed.

Specific topic reviews covered the following fields:

/ Physical securities depository activities;

/ Remuneration policy;

/ Trading book management;

/ Internal capital adequacy;

/ Invoicing process;

/ Reporting;

/ Settlement processes related to CEEGEX;

/ Development planning process;

/ Administration of business applications.

Internal Audit checked the enforcement of IT security requirements, the management of security incidents and the depositing of source codes in specific purpose reviews.

In addition to the above Internal Audit completed 3 reviews at KELER CCP based on the outsourcing agreement.

Some of the originally planned IT reviews were moved to 2014 due to the IT Internal Auditor position that became vacant.

Reviews particularly focused on compliance with the provisions of regulations, internal rules and instructions, the operation of controls and compliance with security requirements; special attention was paid to checking the implementation of measures and recommendations deemed to be necessary to remediate discrepancies identified in earlier audits.

14.

Security Management

In 2013, Security Management continued the consolidation started earlier and implemented a number of measures in order to introduce modern, convenient and secure user solutions:

/ The descriptions of business processes creating value, the catalogue of daily KELER services by cut-off times and the BCPs and support IT system DRPs to be followed in the case of service and process interruption were updated and tested.

/ Security Management tested employee security awareness and approach on various occasions, in the interest of maintaining the appropriate level of awareness trainings were organized to supplement these actions. In 2013 an e-learning system was launched to increase the efficiency and convenience of security awareness trainings.

/ The introduction of the system (CyberArk) to manage and supervise power rights, to keep an electronic record on power users and to supervise the activity of power users is coming to an end.

/ Two systems to prevent data leak were tested (DLP – Data Loss/Leak Prevention), based on this the system to protect sensitive data will be selected and implemented in 2014.

/ The rules and documents of the central log analyzer system (SSIM) were reviewed, Security Management expanded the administration of the central log analyzer system to additional systems to ensure that log analysis at KELER is completed in proportion to risks.

/ In order to comply with external expectations, before the supervisory review, KELER reviewed IT security controls. Several new IT systems were reviewed in terms of vulnerability and the independent security review of the new virtual infrastructure was completed also.

15.

Environment Protection

The Green Office Program of the KELER Group aims to integrate environment conscious thinking into the corporate culture in the longer term, to reduce energy and paper consumption drastically at the corporate level and to create the system of selective waste collection. To this end a number of environment protection correction measures with minor and major resource needs were taken, among them the drastic reduction of paper consumption is a top priority. Additionally, the Group is committed to responsible thinking and the creation of a healthy working place is a key issue. As part of the implementation of the Green Office Program in 2010 the KELER Group joined the Green Office competition of the KÖVET Association where it was awarded the 1st prize in the medium-sized enterprises category. In 2012, the KELER Group entered the 'Ablakon Bedobott Pénz' (How to not waste money) competition of the KÖVET Association announced for the 10th time and was awarded 'The Office Green Savings Special Prize'. Having seen the results achieved the KELER Group will continue to take environment conscious measures as far as possible in the upcoming years,as well.

In January 2013, the Board of KELER made a resolution that from April 2014 the KELER Group will operate from the R70 Office Complex in Budapest (VII. Rákóczi út 70-72.). When selecting the new premises the priorities considered included the need to create an attractive place of work for staff that they can truly enjoy and to operate the environment conscious tools and solutions, additionally that the office area is suitable to continue the already well-functioning Green Office Program.

The mix of modern, natural and environmentally friendly materials and solutions in the building include a fully flexible air conditioning system and windows that can be opened; the energy saving solutions applied include a lighting control system equipped with sensors to cut down on electric power consumption.

The KELER Group had the office and relaxation areas designed with a traditional environmental conscious approach in mind and strived to contribute to the protection of the environment when the high quality premises were finalized in line with the capacities of the R70 Office Complex in addition to ensuring the efficient use of space. The office areas were designed in line with the principles and rules of LEED (Leadership in Energy and Environmental Design).

16. Report by the Supervisory Board of KELER

Report by the Supervisory Board of KELER Ltd. on the financial statements in line with Act C of 2000 on Accounting

In 2013, the Supervisory Board held 6 meetings and on 3 occasions passed decisions out of session.

In line with earlier practice risk assessment and risk analysis were completed prior to finalizing the Internal Audit work schedule for 2013, this ensures that the reviews of Internal Audit focus on the activities and the processes with the highest inherent risks.

The Supervisory Board approved the Internal Audit work schedule and at its meetings during the year it was informed continuously on the implementation of the work schedule.

At its sessions the Supervisory Board reviewed quarterly reports on the activity of the Board of Directors of KELER Ltd. and was informed on the agenda items discussed at the Board of Directors meetings.

In 2013, the management of the trading book, the process of procurement, the securities inventory and the depository activity, the remuneration policy were reviewed, the comprehensive review of the reporting process was completed and CEEGEX related clearing and settlement were reviewed.

The Supervisory Board discussed the report on the review of system supervision, management, operation, the report on the review of development process – planning, the report on the review of enforcing compliance with the IT security requirements, the report on business application supervision, the report on the management of security incidents and the report on the depositing of the source codes.

The internal audit reports and related action plans discussed by the Supervisory Board included the shortcomings identified in the audits and the recommended tasks to eliminate them, the responsible persons and the deadline to complete the relevant tasks.

Based on the reports by the management the Supervisory Board of KELER Ltd. monitored continuously the implementation of the measures recommended in the internal audit reports.

In order to monitor the risks influencing the management of KELER Ltd. on an ongoing basis, the Supervisory Board discussed at its sessions the quarterly reports provided by Internal Audit on the information for the measurement of operational risks and the minutes of the Operational Risk Committee meetings.

The Supervisory Board received reports on the activity of the Compliance Officer in 2012 and the work schedule of the Compliance Officer for 2013.

The Supervisory Board discussed regularly the periodic reports on the business and the management of KELER Ltd.

In 2012, the capital increase in KELER CCP Ltd. was approved.

The Supervisory Board approved the annual general ICAAP analysis, the proposal on the tasks of Internal Audit based on the general assessment of the securities clearing and settlement system by the MNB.

The Supervisory Board approved the amendment to its procedures, the Internal Audit Manual, the Internal Audit work schedule proposal for 2014.

Based on the internal audit reports and other documents discussed the Supervisory Board establishes that throughout the operation of KELER Ltd. processes are regulated, management is in order and the Board and the management of the Company make continuous efforts to maintain secure operation at a high level.

In the course of creating the procedures and defining the directions of development the Company strived to facilitate the spreading of up-to-date methods in all areas of the money, the capital and the energy markets, the Supervisory Board is convinced that similarly to earlier periods KELER Ltd. has all the personal and material conditions to meet the challenges of the forthcoming years.

The capital structure of KELER Ltd. continues to provide great security to the players of the money, the capital and the energy market that use the services of the Company. Furthermore, we are convinced that the infrastructure necessary to provide high level service quality is available to KELER Ltd.

The Supervisory Board established that the management of the Company exercised due care with respect to the financial sources entrusted to it. The Supervisory Board reviewed the annual financial statements of the Company prepared in line with the Hungarian accounting standards, reviewed the report by the auditor. Based on these documents the Supervisory Board makes a proposal to the General Meeting to accept the annual financial statements of KELER Ltd. for 2013 with total assets/net worth and liabilities HUF 170 538 798 thousand and net result of HUF 1 995 724 thousand.

/ Budapest, 8 May 2014

Attila Tóth
Chairman of the Supervisory Board

17.

KELER Ltd.'s IFRS Consolidated Financial Statement

17.1 / Report by the Independent Auditor

KPMG

KPMG Hungária Kft.
Váci út 99.
H-1139 Budapest
Hungary

Tel.: +36 (1) 887 71 00
Fax: +36 (1) 887 71 01
E-mail: info@kpmg.hu
Internet: kpmg.hu

This is an English translation of the Independent Auditors' Report on the 2013 statutory Consolidated Financial Statements of Központi Elszámolóház és Értéktár (Budapest) Zrt. issued in Hungarian. If there are any differences, the Hungarian language original prevails. This report should be read in conjunction with the complete statutory Consolidated Financial Statements it refers to.

Independent Auditors' Report

To the shareholders of Központi Elszámolóház és Értéktár (Budapest) Zrt.

Report on the Consolidated Financial Statements

We have audited the accompanying 2013 consolidated financial statements of Központi Elszámolóház és Értéktár (Budapest) Zrt. (hereinafter referred to as "the Company") and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2013, which shows total assets of MHUF 185,137, the consolidated statement of comprehensive income, which shows profit for the year of MHUF 2,155, and the consolidated statements of 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, as adopted by the EU and for such internal control as management determines is necessary to enable the preparation of consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with the Hungarian National Standards on Auditing and applicable laws and regulations in Hungary. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of Központi Elszámolóház és Értéktár (Budapest) Zrt. and its subsidiaries as at 31 December 2013, and of their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Report on the Consolidated Business Report

We have audited the accompanying 2013 consolidated business report of Központi Elszámolóház és Értéktár (Budapest) Zrt. and its subsidiaries.

Management is responsible for the preparation of the consolidated business report in accordance with the provisions of the Hungarian Act on Accounting. Our responsibility is to assess whether this consolidated business report is consistent with the consolidated financial statements prepared for the same business year. Our work with respect to the consolidated business report was limited to the assessment of the consistency of the consolidated business report with the consolidated financial statements, and did not include a review of any information other than that drawn from the audited accounting records of the Company and its subsidiaries.

In our opinion, the 2013 consolidated business report of Központi Elszámolóház és Értéktár (Budapest) Zrt. and its subsidiaries is consistent with the data included in the 2013 consolidated financial statements of Központi Elszámolóház és Értéktár (Budapest) Zrt. and its subsidiaries.

Budapest, 07 May 2014

KPMG Hungária Kft.
Registration number: 000202

Gábor Agócs
Gábor Agócs
Partner

István Henye
István Henye
Professional Accountant
Registration number: 005674

17.

17.2 Statement of Financial Position

Consolidated Statement of Financial Position as at 31 December 2013 (All amounts in MHUF, unless stated otherwise)			
		31.12.2013	31.12.2012
Cash and cash equivalents	5	11 397	15 149
Placements with other banks	5	11 273	7 432
Financial assets at fair value through profit or loss	6	143 423	112 568
Receivables relating to clearing and depository activities	7	435	381
Current tax assets		201	50
Trade receivables	9	11 898	10 170
Other assets		4 439	5 096
Other investments	8	20	20
Intangible assets	10	1 695	1 259
Property, plant and equipment	11	356	302
TOTAL ASSETS		**185 137**	**152 963**
Placement and loans from other banks	12	94 796	93 554
Deposits from customers	13	51 075	23 588
Accrued interest payable		348	680
Current tax liabilities		49	60
Deferred tax liabilities	21	447	445
Accounts payable	14	12 105	10 354
Other liabilities		273	393
TOTAL LIABILITIES		**159 093**	**129 074**
Share capital	15	4 500	4 500
Retained earnings		19 359	17 150
Statutory reserves	16	2 178	2 170
Non-controlling interest		7	69
TOTAL SHAREHOLDERS' EQUITY		**26 044**	**23 889**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**185 137**	**152 963**

17.3 Statement of Comprehensive Income

Consolidated Statement of Comprehensive Income for the year ended 31 December 2013 (All amounts in MHUF, unless stated otherwise)

		01.01.2013 – 31.12.2013	01.01.2012 – 31.12.2012
Income from clearing and depository activity	17	4 565	4 314
Interest incomes	18	6 449	9 964
Interest expenses	18	(4 382)	(7 425)
Net interest income		**2 067**	**2 539**
Gains on securities, net		274	1 900
Other incomes		66	58
Net other operating income		**340**	**1 958**
Fee and commission expenses		(180)	(192)
Other expenses		-	(73)
Personnel expenses	19	(1 748)	(1 667)
Depreciation and amortization	10, 11	(672)	(697)
Other expenses	20	(1 811)	(1 742)
Operating expenses		**(4 411)**	**(4 370)**
PROFIT BEFORE INCOME TAX		**2 561**	**4 441**
Income tax expense	21	(406)	(815)
NET PROFIT FOR THE YEAR		**2 155**	**3 626**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**2 155**	**3 626**
NET PROFIT ATTRIBTABLE TO:			
Shareholders of the Company		2 217	3 635
Non-controlling interest		-62	-9
NET PROFIT FOR THE YEAR		**2 155**	**3 626**
TOTAL COMPREHENSIVE INCOME ATTRIBTABLE TO:			
Shareholders of the Company		2 217	3 635
Non-controlling interest		-62	-9
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**2 155**	**3 626**

17.

17.4 Statement of Changes In Equity

Consolidated Statement of Changes in Equity for the year ended 31 December 2013 (All amounts in MHUF, unless stated otherwise)	Share Capital	Retained Earnings	General reserve	General risk reserve	Restricted reserve	Non-controlling interest	Total
Balance as of 1 January 2012	**4 500**	**13 631**	**1 544**	**75**	**435**	**78**	**20 263**
Total comprehensive income for the year	-	3 635	-	-	-	(9)	3 626
Statutory reserves	-	(116)	225	1	(110)	-	-
Balance as of 1 January 2013	**4 500**	**17 150**	**1 769**	**76**	**325**	**69**	**23 889**
Total comprehensive income for the year	-	2 217	-	-	-	(62)	2 155
Statutory reserves	-	(8)	217	46	(255)	-	-
Balance as of 31 December 2013	**4 500**	**19 359**	**1 986**	**122**	**70**	**7**	**26 044**

17.5 Statement of Cash Flows

Statement of Cash Flows For the year ended 31 December 2013 (All amounts in MHUF, unless stated otherwise)	01.01.2013–31.12.2013	01.01.2012–31.12.2012
CASH FLOW FROM OPERATING ACTIVITIES		
Income before income taxes	**2 155**	**3 626**
Adjustments to reconcile income before income taxes to net cash provided by operating activities:		
Income Taxes	552	976
Depreciation and amortization	672	697
Unrealised (gains) / losses on fair value adjustment on financial assets at fair value through profit or loss	(2 503)	(1 943)
Changes in operating assets and liabilities:		
Net (increase) / decrease in financial assets at fair value through profit or loss	(28 266)	12 705
Net (increase) / decrease in Receivables relating to clearing and depository activities	(54)	44
Net (increase) / decrease in other assets	(1 134)	(4 251)
Net increase / (decrease) in accrued interest payable	(332)	(75)
Net increase / (decrease) in other liabilities	1 622	367
Income Taxes paid	(638)	(670)
Net cash provided by operating activities	**(27 476)**	**11 476**
CASH FLOW FROM INVESTING ACTIVITIES		
Net (increase) / decrease in placements with other banks, net of allowance for placement losses	(3 257)	(744)
Net (increase) / decrease in securities available-for-sale	-	-
Net (increase) / decrease in associates and other investments	-	-
Net (increase) / decrease in securities held-to-maturity	-	-
Net additions to premises, equipments and intangible assets	(1 163)	(788)
Net cash used in investing activities	**(4 420)**	**(1 532)**
CASH FLOW FROM FINANCING ACTIVITIES		
Net increase / (decrease) in due to banks and deposits from the National Bank of Hungary and other banks	1 242	(2 981)
Net increase / (decrease) in deposits from customers	27 487	5 604
Net increase / (decrease) in the compulsory reserve established by the National Bank of Hungary	(584)	34
Dividends paid	-	-
Net cash flow from financing activities	**28 145**	**2 657**
Net increase / (decrease) in cash and cash equivalents	**(3 752)**	**12 601**
Cash and cash equivalents at the beginning of the year	15 149	2 548
Cash and cash equivalents at the end of the year	11 397	15 149
Net (decrease)/increase in cash and cash equivalents	**(3 752)**	**12 601**

17.

17.6 Notes on Financial Statements

NOTE 1: GENERAL

Central Clearing House and Depository (Budapest) Ltd. („the Company" or "KELER") is a limited liability company incorporated under the laws of the Republic of Hungary on 12 October 1993. The official address of the company: H-1075 Budapest, Asbóth utca 9-11. General Meeting will make a decision changing our Company's seat (H-1074 Budapest, Rákóczi str. 70-72.) from June 2014.

The Company's primary activities is being a clearing house for the Budapest Stock Exchange („BSE"). The Company also handles the BSE customers' cash accounts and safekeeping of securities, OTC government securities clearing and settlement between the National Bank of Hungary ("NBH"), banks and brokers. From the beginning of 2004, the Company has been operating as a specialized credit institution under the Act CXII of 1996 on Credit Institutions and Financial Enterprises ("Act on Credit Institutions").

In accordance with the decision made by the NBH (KELER's majority shareholder), as a result of the functional separation, the activity of the central counter party (CCP) was transferred into KELER CCP Ltd. ("KELER CCP"), while the clearing and settlement functions remained at KELER.

KELER CCP was founded by KELER and BSE in 2008.

KELER CCP is a limited liability company according to the Hungarian laws. Company's seat: H-1075 Budapest, Asbóth str. 9-11. General Meeting will make a decision changing our Company's seat (H-1074 Budapest, Rákóczi str. 70-72.) from June 2014.

KELER CCP's owners on 31 December 2013

KELER	**99.72 %**
National Bank of Hungary	0.15 %
Budapest Stock Exchange	0.13 %

KELER CCP is a central counterparty business association pursuant to the requirements of the Act CXX of 2001 on Capital Market ("Act on Capital Market") operating and guaranteeing the settlement of stock exchange and over-the-counter transactions. KELER CCP as central counterparty undertakes guarantee for transactions concluded on the Budapest Stock Exchange and for the financial performance of the gas market (Daily natural gas and capacity trading market) transactions. KELER CCP as general clearing member undertakes guarantee for the financial performance of power market transactions towards European Commodity Clearing AG. KELER CCP's direct partners are commodities service, securities service providers, financial institutions, participants of an organized market, or organizations performing clearing house activity. KELER CCP's activity ensures that market participants' guaranteed trades are settled risk free.

The upper limit of the settlements guarantee set is based on the equity of the Group.

KELER and KELER CCP (hereinafter the "Group") service their clients in Hungary only.

NOTE 2: BASIS OF PREPARATION

a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("EU IFRS") issued by the International Accounting Standards Board ("IASB") as adopted by the EU and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC), as adopted by the EU. These consolidated financial statements have been prepared for statutory filing purposes.

The English version of the consolidated financial statement is the translated version of the Hungarian one. In case of any difference the basis is the Hungarian consolidated financial statement.

These consolidated financial statements were approved by the Board of Directors on 7 May 2014.

b) Basis of measurement

The consolidated financial statements are prepared on a fair value basis for derivative financial instruments, financial assets or liabilities at fair value through profit or loss, and available-for-sale financial assets, except those for which a reliable measurement of fair value is not available. The latter items are stated at either amortised or historical cost. Other financial assets and liabilities and non-financial assets and liabilities are stated at either amortised cost or historical cost.

These consolidated financial statements are presented in Hungarian Forints rounded to the nearest million ("MHUF").

c) Functional currency

Items included in the consolidated financial statements are measured using Hungarian Forint, which is the currency of the primary economic environment in which the Group operates ('the functional currency').

d) Use of estimates and judgements

The preparation of consolidated financial statements in accordance with EU IFRS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual result may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate revised and in any future period affected.

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES

a) Basis of consolidation

Subsidiaries

Subsidiaries are enterprises controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an enterprise. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control effectively commences until that control effectively ceases. KELER' s only subsidiary is KELER CCP.

Associates

Associates are those enterprises in which the Group has significant influence, but not control, over the financial and operating policies. Investments in associated companies are accounted for under the equity method, whereby the investment is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of the net assets of the investee. The income statement reflects the Group's share of the result of operations of the investee and any goodwill impairment losses. KELER has no investment in associates.

Transactions eliminated during consolidation

Intercompany balances and transactions, and any unrealized gains arising from intercompany transactions are eliminated in preparing the consolidated financial statements.

Goodwill

Goodwill arising in a business combination is measured initially as the excess of the cost of the business combination over the acquirer's interest in the net fair value of the acquired identifiable assets, liabilities and contingent liabilities recognized. Goodwill is subject to an annual impairment test.

Negative goodwill

Negative goodwill arising in a business combination is measured initially as the excess of the net fair value of the acquired identifiable assets, liabilities and contingent liabilities recognized over the cost of the business combination. Negative goodwill that arise during the year is credited to the income statement.

b) Foreign currency transactions

Transactions in foreign currencies are translated to Hungarian forint at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Hungarian forint at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognized in the income statement. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to Hungarian forint at foreign exchange rates ruling at the dates the values were determined.

c) Cash and cash equivalents

Cash equivalents are liquid investments with original maturity of three months or less.

d) Financial assets and financial liabilities

Classification

Financial assets or financial liabilities at fair value through profit or loss are financial assets and financial liabilities that are classified as held for trading mainly for the purpose of profit-taking or are derivative instruments that are not designated as effective hedging instruments at upon initial recognition but designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss contain state bonds, treasury bills and discount bonds issued by the NBH.

Receivables relating to clearing and depository activities are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Held-to-maturity assets are non-derivative assets with fixed or determinable payments and fixed maturity that the Group has the positive intent and ability to hold to maturity.

Available for sale financial assets are non-derivative instruments that are not designated as another category of financial assets.

Other liabilities contains all financial liabilities that were not classified as at fair value through profit or loss.

Other liabilities contain placements and loans from other banks, deposits from customers, liabilities relating to clearing and depository activities.

The classification and fair value of financial instruments is detailed in Note 5-6.

Recognition

Financial assets and liabilities are entered into the Group's books on the settlement day, except for derivative assets, which are entered on the trade day. Financial assets or financial liabilities are initially measured at fair value plus (for an item not subsequently measured at fair value through profit or loss) transaction costs that are directly attributable to its acquisition or issue.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets expire or the Group transfers substantially all risks and rewards of ownership of the financial asset.

Measurement

Subsequent to initial recognition, all financial assets or financial liabilities at fair value through profit or loss and all available for sale assets are measured at fair value. If no quoted market price exists from an active market and fair value cannot be reliably measured, the Group uses valuation techniques to determine fair value.

All financial liabilities other than at fair value through profit or loss, held to maturity financial instruments and originated receivables are measured at amortised cost less impairment. For financial assets premiums and discounts, including initial transaction costs, are included in the carrying amount of the related instrument and amortised based on the effective interest rate of the instrument.

A gain or loss on a financial asset or financial liability classified as at fair value through profit or loss shall be recognised in the statement of comprehensive income, as gains and loss on securities.

A gain or loss on an available-for-sale financial asset shall be recognised directly in equity, through the statement of changes in equity, except for impairment losses and foreign exchange gains and losses, until the financial asset is derecognised, at which time the cumulative gain or loss previously recognised in equity shall be recognised in the statement of comprehensive income, as gains and loss on securities.

For financial assets and financial liabilities carried at amortised cost, a gain or loss is recognised in the statement of comprehensive income when the financial asset or financial liability is derecognised or impaired, and through the amortisation process.

Fair value measurement

The fair value of financial instruments is based on their quoted market price at the balance sheet date without any deduction for transaction costs. If a quoted market price is not available, the fair value of the instrument is estimated using valuation models or discounted cash flow techniques.

Where discounted cash flow techniques are used, estimated future cash flows are based on the Group's economic estimates and the discount rate is a market related rate at the balance sheet date for an instrument with similar terms and conditions. Where valuation models are used, inputs are based on market related measures at the balance sheet date.

The fair value of derivatives that are not exchange-traded are estimated at the amount that the Group would receive upon normal business conditions to terminate the contract at the balance sheet date taking into account current market conditions and the current creditworthiness of the counterparties.

Amortised cost measurement

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment or uncollectability for financial assets.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group shall estimate cash flows considering all contractual terms of the financial instrument but shall not consider future credit losses.

Impairment of financial assets

If there is objective evidence that an impairment loss on loans and receivables or held-to-maturity investments carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The amount of the loss is recognised in the statement of comprehensive income, as other expenses.

Objective evidence that financial assets are impaired can include default or delinquency by a borrower, restructuring of a loan or advance by the Group on terms that the Group would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, the disappearance of an active market for a security, or other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the group, or economic conditions that correlate with defaults in the group. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss shall be reversed through the statement of comprehensive income, as other operating income.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the asset is impaired, the cumulative loss that had been recognised directly in equity is removed from equity and recognised in the statement of comprehensive income, even though the financial asset has not been derecognised.

The amount of the cumulative loss that is removed from equity and recognised in the statement of comprehensive income shall be the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in the statement of comprehensive income.

Impairment losses recognised in the statement of comprehensive income for an investment in an equity instrument classified as available for sale shall not be reversed through the statement of comprehensive income.

If, in a subsequent period, the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the statement of comprehensive income, the impairment loss shall be reversed, with the amount of the reversal recognised in the statement of comprehensive income.

Financial assets are assessed individually or collectively. All individually significant financial assets are assessed for specific impairment. Assets that are not individually significant are then collectively assessed for impairment by grouping together financial assets (carried at amortised cost) with similar risk characteristics.

e) Impairment of non-financial assets

If there is any indication that the carrying amount of a non-financial (within the scope of IAS 36) asset exceeds its recoverable amount, the Group makes estimates for the recoverable amount of the asset. The Group considers external and internal information in assessing the amount of impairment. Impairment loss is recognised or reversed according to the individual rating of the asset.

Inventories within the scope of IAS 2 are measured at the lower of cost and net realisable value. The Group makes estimates for the realisable amount on a quarterly basis. Write-downs are recognised or reversed according to these estimates.

If the carrying amount / cost of the non-financial asset exceeds its recoverable amount / realisable value, write-down shall be recognised, if not, write-down shall be reversed to increase the carrying amount of the asset. The carrying amount of the asset after reversal cannot exceed the original net carrying amount.

f) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairments, if any. Depreciation is provided using the straight-line method at rates calculated to write off the cost of the asset over its expected economic useful life. The rates used by the Group are 14.5% for building improvements, 14.5% for office machines and 33% for office equipment and computers.

Expenditures incurred to replace a component of an item of property, plant and equipment that are accounted for separately, including major inspection and overhaul expenditures, are capitalized. Other subsequent expenditures are capitalized only when they increase the future economic benefits embodied in the item of property, plant and equipment. All other expenditures are recognized in the statement of comprehensive income as expense as incurred.

g) Intangible assets

Intangible assets are stated at cost less accumulated depreciation and impairments, if any. Depreciation is provided using the straight-line method at rates calculated to write off the cost of the asset over its expected economic useful life. For software 25%, valuable rights and interests 17% depreciation rate is used on a straight-line basis.

h) Trading on gas market

Based on the theory of the anonymity of the customers and the suppliers on the daily natural gas and capacity trading market, the transactions are made with the participation of KELER CCP. KELER CCP stands between the counterparties as a technical partner (customer or supplier) during the buying and selling transactions. The stock of gas held by KELER CCP is always zero at the end of a day. Therefore, buying and selling of the gas is recorded by net method settlement in the comprehensive income while in the balance sheet accounts (receivables-liabilities) it is recorded gross.

i) Trading on energy market

KELER CCP as a general clearing member of European Commodity Clearing Ag (ECC) maintains positions and clears the cash side of the trades to it's nonclearing members towards ECC. KELER CCP receives all relevant information from ECC who is acting as central counterparty of all trades of the power market, and KELER CCP does guaranty all account transfer according the received information between ECC and the nonclearing members.

j) Sale and repurchase agreements and lending of securities

Securities sold subject to linked repurchase agreements ('repos') are retained in the financial statements as trading or investment securities with concurrent recognition of the counterparty liability. Securities purchased under agreements to resell ('reverse repos') are recorded as loans and advances to customers. The difference between sale and repurchase price is treated as interest and accrued over the life of repo agreements using the effective yield method. Securities lent to counterparties are also retained in the financial statements.

k) Revenue recognition

Fee revenue

The Group receives revenue for its guarantee, clearing and depository activities (including clearing on the gas and electricity market), such revenue is recognized when these services are performed.

Interest income

Interest income is recognized in the income statement for all interest bearing instruments on an accrual basis using the effective yield method.

Trading activity

Sales income is recognized on the trading day when the actual sales (and purchase) happen. See also above for trading on gas and energy marked.

Dividends

Dividends receivable are recognised in the Group's financial statements in the period in which they are approved by the shareholders.

l) Income taxes

Income tax on the statement of comprehensive income for the year comprises current and deferred tax. Income tax is recognized in the income statement, except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Deferred income tax is provided, using the balance sheet liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

m) Provisions

A provision is recognized when the Group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

n) Statutory reserves

I) General reserve

In accordance with Section 75 of Act No. CXII of 1996, a general reserve equal to 10% of the net after tax income is required to be made in the Hungarian statutory accounts. The general reserve, as calculated under Hungarian Accounting and Banking Rules, is treated as appropriations against retained earnings.

II) General risk reserve

Under Section 87 of Act No. CXII of 1996, a general risk reserve of maximum 1.25% of the risk weighted assets was made till 31 December 2013. The general risk reserve is treated as appropriations against retained earnings.

III) Restricted reserve

Based on corporate income tax law the group set up restricted reserve, to fund capital expansion (PPE) in the next four years.

Such amount is transferred from Retained earnings into Restricted reserve, up to an annual maximum of 500 MHUF. In financial year 2013 and 2012 the utilization amounted to MHUF 255 and 110, respectively.

o) Hedging

The Group is not engaged in any hedging activity.

p) Statement of cash flows

Information about the cash flows of the Group is useful in providing users of financial statements with a basis to assess the ability of the Group to generate cash and cash equivalents and the needs of the Group to utilise those cash flows.

For the purposes of reporting cash flows, cash and cash equivalents include cash, balances and placements with the National Bank of Hungary except those with more than three months maturity.

q) Events after the balance sheet date

Events after the balance sheet date are those events, favourable and unfavourable, that occur between the balance sheet date and the date when the financial statements are authorised for issue. These events are adjusting and non-adjusting events.

All adjusting events after balance sheet date have been taken into account in the preparation of the consolidated financial statements of the Group. The material non-adjusting events after the balance sheet date are presented in Note 27.

r) Off balance sheet items

KELER Ltd provides settlement service for certain contractual domestic partners regarding securities transaction made in the XETRA System of Deutsche Börse. KELER Ltd. has a partnership with CITIBANK Frankfurt, which is a clearing member in XETRA Clearing AG. KELER CCP has to provide collateral for CITIBANK Frankfurt regarding XETRA settlement. KELER requires collateral from his Clients at least the same size, but with a minimum amount of EUR 50 thousand. KELER CCP is entitled to require a collateral from its Clearing Members using its central counterparty services. The form of collateral can be cash, foreign exchange, securities and bankguarantees. As clearing member of European Commodity Clearing AG (ECC) KELER CCP has to provide collateral for ECC regarding the settlement of power market position of power market non-clearing members of KELER CCP.

NOTE 4: FINANCIAL RISK MANAGEMENT

As at 31 December 2013, 10.2% (31 December 2012 31%) of the Group's financial assets held for trading portfolio consisted of securities issued by the Hungarian State and 89.8% issued by the Hungarian Central Bank. The Group's investment activity is regulated by the Act CXX of 2001 on Capital Market ("Act on Capital Market"), according to which KELER as a central depository may invest its free liquid assets from its own capital into:

a) government securities issued in Zone "A" countries;

b) debt securities issued by credit institutions established in Zone "A" countries;

c) deposits placed in the MNB and in credit institutions established in Zone "A" countries; and

d) repo transactions.

Zone "A" countries are EU and OECD countries.

The Group has policies in place to ensure that services are made to customers with an appropriate credit history. Repurchase agreements are limited to high credit quality brokers and financial institutions. Group has policies that limit the amount of credit exposure to any broker and financial institution. As at 31 December 2013, there were no open repurchase agreements.

The main elements of the Group's counterparty risk management approach are as follows:

(I) The performance and financials of members are continuously monitored and the Group constantly monitors bankruptcy. Member banks and investment firms are rated quarterly (if it is possible) or at least yearly, based on financial statements, publicly available information and subjective aspects.

(II) In case of capital markets a two-level clearing membership system is operated by KELER CCP on every prompt and derivative market which is cleared and guaranteed by KELER CCP. In case of gas markets (CEEGEX, and NFKP) there is no client clearing. On the energy markets, KELER CCP offers its services for its non-clearing members as a general clearing member of ECC. Clearing members and energy market non clearing members have to comply with specified requirements including equity capital criteria.

(III) A real-time price monitoring system is operated on the prompt- and derivative markets of BSE and MTS Hungary. KELER CCP is entitled to dispose intraday clearing in case the price change exceeds certain limits. On the gas and energy markets diversified trading limits were introduced.

(IV) A multi-level guarantee system is operated on every prompt and derivative market, which is guaranteed and cleared by KELER CCP. The elements of the guarantee system are: individual collaterals, collective guarantee elements, KELER CCP's dedicated own resources, and other financial resources.

Individual collaterals include: basic financial collateral, variation margin, turnover margin, initial margin and additional collateral.

The collective guarantee elements are as follows: collective guarantee funds for both derivative and prompt markets, NFKP and CEEGEX gas market collective guarantee funds for gas market.

(v) A capital position limit is set for clearing members on BSE, and CEEGEX, and gas market position limit for clearing members on gas markets. Limits are regularly monitored.

Credit risk management

The most significant credit risk of the Group is concentrated in the KELER CCP due to the clearing membership. The main elements of the risk management procedures are described above. KELER's credit risk arises from its fee claims to clients and the exposures against treasury counterparties. KELER manages credit risk through a Treasury limit system, which main elements are: partner limit, partner group limit, pre-settlement and settlement limit.

Foreign currency risk management

The majority of assets and liabilities denominated in foreign currency are cash accounts owned by customers. The balance of own foreign currency cash accounts of KELER is relatively low compared to total balances. Accordingly the Group does not have significant exposure to foreign currency risk.

From the end of 2011 KELER Treasury has been entitled to enter into swap transactions. Only foreign currency funds owned by customers can be converted into HUF in overnight transactions. The purpose of swap deals is to increase HUF liquidity.

Foreign currency denominated assets amounted to HUF 11 194 million and HUF 7 374 million, while the foreign currency denominated liabilities amounted to HUF 11 098 million and HUF 7 250 million as at 31 December 2013 and 31 December 2012, respectively. The net own foreign currency position during the period was around the average amount of HUF 105 million.

Details of compositions of assets and liabilities denominated in foreign currency are presented by the following tables.

31 December 2013

FX	Assets		Liabilities		Net	
	in FX	In HUF mn	in FX	In HUF mn	in FX	In HUF mn
AUD	40 201	8	741	0	39 460	8
CAD	99 892	20	57 614	12	42 278	8
CHF	167 295	41	142 378	34	24 917	7
CZK	1 060 403	11	215 786	2	844 617	9
DKK	657	0	657	0	0	0
EUR	32 438 024	9 631	32 430 273	9 602	7 751	29
GBP	134 878	48	94 334	34	40 544	14
HKD	165 145	5	117 545	3	47 600	2
HUF	257 683 563	258	257 588 838	258	94 725	0
JPY	3 037 431	6	609 540	1	2 427 891	5
NOK	144 243	5	100 201	4	44 042	1
PLN	130 652	9	65 441	5	65 211	4
RON	11 312	1	11 312	1	0	0
SEK	205 573	7	23 396	1	182 177	6
TRY	6 039	1	3 139	0	2 900	1
USD	5 296 974	1 142	5 291 000	1 141	5 974	1
ZAR	65 880	1	0	0	65 880	1
TOTAL		**11 194**		**11 098**		**96**

31 December 2012

FX	Assets		Liabilities		Net	
	in FX	In HUF mn	in FX	In HUF mn	in FX	In HUF mn
AUD	47 020	11	571	0	46 449	11
CAD	87 318	19	60 019	13	27 299	6
CHF	163 393	39	140 008	34	23 385	5
CZK	1 154 631	13	232 551	3	922 080	10
EUR	19 992 064	5 823	19 898 036	5 796	94 028	27
GBP	153 294	54	100 892	36	52 402	18
HKD	169 414	5	121 814	3	47 600	2
HUF	74 291 303	74	74 196 578	74	94 725	0
JPY	3 519 857	9	1 091 966	3	2 427 891	6
NOK	158 243	6	114 201	5	44 042	1
PLN	143 535	10	78 325	6	65 210	4
RON	11 312	1	11 312	1	0	0
SEK	202 697	7	32 021	1	170 676	6
TRY	6 039	1	3 139	0	2 900	1
USD	5 883 811	1 300	5 769 489	1 275	114 322	25
ZAR	65 880	2	0	0	65 880	2
TOTAL		**7 374**		**7 250**		**124**

Maturity analysis of assets and liabilities and liquidity risk

The main purpose of liquidity activity is to ensure the Group's continuous solvency and thereby originate a secure liquidity of capital market transactions. Additionally, liquidity management analyses the liquidity gap between assets and liabilities.

The following tables provide an analysis of assets, liabilities and shareholders' equity into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. It is presented under the most prudent consideration of maturity dates where options or repayment schedules allow for early repayment possibilities.

As on 31 December 2013 (All amounts in MHUF)

	Within 3 months	Within one year and over 3 months	Within 5 years and over one year	Over 5 years	Without maturity	Total
Cash and cash equivalents	11 397	-	-	-	-	**11 397**
Placements with other banks	11 273	-	-	-	-	**11 273**
Financial assets at fair value through profit or loss	129 678	1 755	7 188	4 802	-	**143 423**
Receivables relating to clearing and depository activities	435	-	-	-	-	**435**
Current tax assets	201	-	-	-	-	**201**
Trade receivables	11 898	-	-	-	-	**11 898**
Other assets	4 422	3	10	4	-	**4 439**
Other investments	-	-	-	-	20	**20**
Intangible assets	-	-	-	-	1 695	**1 695**
Property plant and equipment	-	-	-	-	**356**	**356**
TOTAL ASSETS	**169 304**	**1 758**	**7 198**	**4 806**	**2 071**	**185 137**
Placement and loans from other banks	94 796	**-**	**-**	**-**	**-**	**94 796**
Deposits from customers	51 075	-	-	-	-	**51 075**
Accrued interest payable	348	-	-	-	-	**348**
Current tax liabilities	49	-	-	-	-	**49**
Deferred tax liabilities	447	-	-	-	-	**447**
Accounts payable	12 105	-	-	-	-	**12 105**
Other liabilities	273	-	-	-	-	**273**
TOTAL LIABILITIES	**159 093**	**-**	**-**	**-**	**-**	**159 093**
Share capital	-	-	-	-	4 500	**4 500**
Retained earnings	-	-	-	-	19 359	**19 359**
Reserves	-	-	-	-	2 178	**2 178**
Non-controlling interest	-	-	-	-	7	**7**
TOTAL SHAREHOLDERS' EQUITY	-	**-**	**-**	**-**	**26 044**	**26 044**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**159 093**	**-**	**-**	**-**	**26 044**	**185 137**
LIQUIDITY (DEFICIENCY)/EXCESS	**10 211**	**1 758**	**7 198**	**4 806**	**(23 973)**	**-**

As on 31 December 2012 (All amounts in MHUF)	Within 3 months	Within one year and over 3 months	Within 5 years and over one year	Over 5 years	Without maturity	Total
Cash and cash equivalents	15 149	-	-	-	-	**15 149**
Placements with other banks	7 432	-	-	-	-	**7 432**
Financial assets at fair value through profit or loss	86 626	13 105	8 707	4 130	-	**112 568**
Receivables relating to clearing and depository activities	381	-	-	-	-	**381**
Other investments	50	-	-	-	-	**50**
Intangible assets	10 170	-	-	-	-	**10 170**
Property plant and equipment	5 076	4	12	4	-	**5 096**
Current tax assets	-	-	-	-	20	**20**
Trade receivables	-	-	-	-	1 259	**1 259**
Other assets	-	-	-	-	**302**	**302**
TOTAL ASSETS	**125 420**	**13 109**	**8 719**	**4 134**	**1 581**	**152 963**
Placement and loans from other banks	93 554	**-**	**-**	**-**	**-**	**93 554**
Deposits from customers	23 588	-	-	-	-	**23 588**
Accrued interest payable	680	-	-	-	-	**680**
Current tax liabilities	60	-	-	-	-	**60**
Deferred tax liabilities	445	-	-	-	-	**445**
Accounts payable	10 354	-	-	-	-	**10 354**
Other liabilities	393	-	-	-	-	**393**
TOTAL LIABILITIES	**129 074**	**-**	**-**	**-**	**-**	**129 074**
Share capital	-	-	-	-	4 500	**4 500**
Retained earnings	-	-	-	-	17 150	**17 150**
Reserves	-	-	-	-	2 170	**2 170**
Non-controlling interest	-	-	-	-	69	**69**
TOTAL SHAREHOLDERS' EQUITY	-	**-**	**-**	**-**	**23 889**	**23 889**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**129 074**	**-**	**-**	**-**	**23 889**	**152 963**
LIQUIDITY (DEFICIENCY)/EXCESS	**(4 071)**	**13 118**	**9 032**	**4 229**	**(22 308)**	**-**

Interest rate risk management

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Therefore the length of time for which the rate of interest is fixed on a financial instrument indicates to what extent it is exposed to interest rate risk.

The majority of the Group's assets and liabilities have interest risk. Interest rate risk is mitigated through low asset duration, and that the cost of liabilities is binded to the base rate set by the Hungarian Central Bank.

The following table presents the interest reprising dates of the Group's balance sheet items. Variable yield assets and liabilities have been reported according to their next reprising date. Fixed income assets and liabilities have been reported according to their maturity.

INTEREST RATE RISK MANAGEMENT as on December 31 2013 (in HUF mn)

ASSETS	within 1 month		within 3 months over 1 month		within 1 year over 3 months		within 2 years over 1 year		over 2 years		Without maturity		Total		Total
	HUF	In foreign currency	HUF	In foreign currency	HUF	In foreign currency	HUF	In foreign currency	HUF	In foreign currency	HUF	In foreign currency	HUF	In foreign currency	
Due to banks and deposits with the National Bank of Hungary	**11 734**	**10 936**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**11 734**	**10 936**	**22 670**
fixed interest / discounted	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
variable interest	11 734	10 936	–	–	–	–	–	–	–	–	–	–	11 734	10 936	22 670
non-interes -bearing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Securities held for trading	**–**	**–**	**129 678**	**–**	**1 755**	**–**	**3 182**	**–**	**8 808**	**–**	**–**	**–**	**143 423**	**–**	**143 423**
fixed interest / discounted	–	–	129 678	–	1 755	–	3 182	–	8 808	–	–	–	143 423	–	143 423
variable interest	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
non-interes-bearing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Securities held to maturity	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
fixed interest / discounted	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
variable interest	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Loans (other assets)	**–**	**–**	**1**	**–**	**3**	**–**	**3**	**–**	**11**	**–**	**–**	**–**	**18**	**–**	**18**
fixed interest / discounted	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
variable interest	–	–	1	–	3	–	3	–	11	–	–	–	18	–	18

INTEREST RATE RISK MANAGEMENT as on December 31 2013 (in HUF mn)

LIABILITIES	within 1 month		within 3 months over 1 month		within 1 year over 3 months		within 2 years over 1 year		over 2 years		Non-Interest		Total		Total
	HUF	In foreign currency	HUF	In foreign currency	HUF	In foreign currency	HUF	In foreign currency	HUF	In foreign currency	HUF	In foreign currency	HUF	In foreign currency	
Due to banks and deposits with the National Bank of Hungary	**89 745**	**5 051**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**89 745**	**5 051**	**94 796**
fixed interest	83 214	–	–	–	–	–	–	–	–	–	–	–	83 214	–	83 214
variable interest	6 531	5 051	–	–	–	–	–	–	–	–	–	–	6 531	5 051	11 582
non-interes -bearing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Deposits from customers	**40 857**	**10 218**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**40 857**	**10 218**	**51 075**
fixed interest	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
variable interest	40 720	4 429	–	–	–	–	–	–	–	–	–	–	40 720	4 429	45 149
non-interes-bearing	137	5 789	–	–	–	–	–	–	–	–	–	–	137	5 789	5 926
NET POSITION	(118 868)	(4 333)	129 679	–	1 758	–	3 185	–	8 819	–	–	–	24 573	(4 333)	20 240

INTEREST RATE RISK MANAGEMENT as on December 31 2012 (in HUF mn)

ASSETS	within 1 month		within 3 months over 1 month		within 1 year over 3 months		within 2 years over 1 year		over 2 years		Without maturity		Total		Total
	HUF	In foreign currency	HUF	In foreign currency	HUF	In foreign currency	HUF	In foreign currency	HUF	In foreign currency	HUF	In foreign currency	HUF	In foreign currency	
Due to banks and deposits with the National Bank of Hungary	**15 281**	**7 300**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**15 281**	**7 300**	**22 581**
fixed interest / discounted	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
variable interest	15 281	7 300	–	–	–	–	–	–	–	–	–	–	15 281	7 300	22 581
non-interes -bearing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Securities held for trading	**78 034**	**–**	**8 711**	**–**	**13 114**	**–**	**3 521**	**–**	**9 724**	**–**	**–**	**–**	**113 104**	**–**	**113 104**
fixed interest / discounted	78 034	–	8 711	–	13 114	–	3 521	–	9 724	–	–	–	113 104	–	113 104
variable interest	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
non-interes-bearing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Securities held to maturity	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
fixed interest / discounted	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
variable interest	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Loans (other assets)	**–**	**–**	**1**	**–**	**4**	**–**	**3**	**–**	**13**	**–**	**–**	**–**	**21**	**–**	**21**
fixed interest / discounted	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
variable interest	–	–	1	–	4	–	3	–	13	–	–	–	21	–	21

INTEREST RATE RISK MANAGEMENT as on December 31 2012 (in HUF mn)

LIABILITIES	within 1 month		within 3 months over 1 month		within 1 year over 3 months		within 2 years over 1 year		over 2 years		Non-Interest		Total		Total
	HUF	In foreign currency	HUF	In foreign currency	HUF	In foreign currency	HUF	In foreign currency	HUF	In foreign currency	HUF	In foreign currency	HUF	In foreign currency	
Due to banks and deposits with the National Bank of Hungary	**90 558**	**2 996**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**90 558**	**2 996**	**93 554**
fixed interest	86 121	–	–	–	–	–	–	–	–	–	–	–	86 121	–	86 121
variable interest	4 437	2 996	–	–	–	–	–	–	–	–	–	–	4 437	2 996	7 433
non-interes -bearing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Deposits from customers	**14 277**	**9 311**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**14 277**	**9 311**	**23 588**
fixed interest	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
variable interest	14 276	5 058	–	–	–	–	–	–	–	–	–	–	14 276	5 058	19 334
non-interes-bearing	1	4 253	–	–	–	–	–	–	–	–	–	–	1	4 253	4 254
NET POSITION	(11 520)	(5 007)	8 712	–	13 118	–	3 524	–	9 737	–	–	–	23 571	(5 007)	18 564

Application of VaR methodologies

VaR (Value at Risk) estimates the maximum potential loss arising from value change of a certain portfolio i.e the maximum theoretical, not yet realized loss over a given period at a specified confidence level. The VaR methodology is a statistically defined, probability-based approach that takes into account market volatilities as well as risk diversification by recognizing offsetting positions and correlations between products and markets. Risks can be measured consistently across all markets and products, and risk measures can be aggregated to arrive at a single risk number.

Considering the fact that the Group is not affected significantly by either the foreign currency risk or by the risk of fluctuation in equity instrument prices, the majority of VaR exposure is related to interest rate risk of KELER.

Risks exposures of KELER computed by the VaR methodology are summarized in the following table. Calculation of the VaR amounts assumes 99% probability and one-day relative shift. Foreign currency VaR relates to own foreign currency denominated balances of KELER. Interest VaR is related to KELER's portfolio of securities issued by the Hungarian Government or Central Bank and secured and non-secured loans and deposits.

(HUF million)	31 December 2013	31 December 2012
Interest Var		
By 250-daily standard deviation	106.8	112.2
Foreign currency VaR		
By 250-daily standard deviation	1.4	2.2

Sensitivity analyses

While VaR captures KELER's daily exposure to foreign currency and interest rate risk based on recent data showing real market volatility, sensitivity analysis indicates that if the value of the main, determining element of a rate changes to a certain extent, what level of change is generated in the value of the portfolio.

- Foreign currency sensitivity analysis

KELER performs foreign currency sensitivity analysis based on its own foreign currency positions. The data in the following table shows the relative (expressed in percentage) and absolute change of HUF value of foreign currency positions in case of weakening of EUR and USD prices.

(HUF million)	31 December 2013	31 December 2012
1% Weakening of EUR		
Sensitivity of portfolio (%)	0.30%	0.21%
Sensitivity of portfolio (HUF mil.)	0.29	0.27
1% Weakening of USD		
Sensitivity of portfolio (%)	0.01%	0.20%
Sensitivity of portfolio (HUF mil.)	0.12	0.25

- Interest rate sensitivity analysis

KELER measures interest rate sensitivity of assets on a daily basis. The interest rate sensitivity of assets (i.e the potential loss expected in the case of a 100 base point parallel positive shift of the yield curve) was HUF 492.7 million and HUF 522.5 million as at 31 December 2013 and 31 December 2012, respectively.

- Equity price sensitivity analysis

The Group has no significant equity instruments held in 2013 and 2012 therefore is not exposed to a significant equity price risk.

Capital management

KELER applies the regulations of Act CXII of 1996 on Credit Institutions and Financial Enterprises, and Government Decree 196/2007 ("Decree") on management and capital requirements of credit risk in 2013.

In accordance with 90§ of the Act CXII of 1996 Group doesn't cover under consolidated supervision. The management interested in only KELER's regulatory capital and capital adequacy ratio.

In accordance with the Act CXII of 1996 a credit institution - for the purpose of maintaining solvency and the ability to fulfill liabilities - must have a solvency margin complying at all times (in all survey periods) with the amount of the risk of the financial and investment activities performed thereby, and must continuously maintain at least 8% capital adequacy ratio. The regulatory capital is determined in accordance with schedule no. 5 of Act CXII of 1996, and the denominator of capital adequacy ratio is determined in accordance with the Decree.

The supervision of complying with capital management regulations was performed by the Hungarian Financial Supervisory Authority.

KELER has complied with the regulatory and prudential regulations and the limits set by the Act CXII of 1996 during 2013 and 2012, the capital adequacy ratio exceeded significantly the 8 per cent requirement.

The following table contains the calculation of the KELER's regulatory capital and capital adequacy ratio.

	2013	2012
I. Calculation of Regulatory Capital		
Share capital	4 500	4 500
Restricted reserve	70	325
Retained earnings	17 492	13 152
Net profit for the year	1 956	2 027
General reserve	1 987	1 770
General risk reserve	122	76
Capital base	**26 127**	**21 850**
Items to be deducted (-)		
Intangible assets	(1 446)	(1 207)
Investment restrictions	-	-
Large exposures of restrictions	(2 077)	(3 578)
Total amount of deducted items	**(3 523)**	**(4 785)**
Regulatory Capital available for hedging risks	**22 604**	**17 065**
II. Calculation of Capital Requirement		
Total capital requirement for credit risk	778	487
Total capital requirement for exchange rate risk	308	385
Total capital requirement for operating risk	930	889
Total Capital Requirement	**2 016**	**1 761**
Risk weighted exposure	**9 736**	**6 090**
III. Capital adequacy ratio		
Bazel I.	82%	68%
Bazel II.	47%	38%

The level of own funds of KELER is likely to change in 2014. When the guarantee, provided to KELER KSZF, is terminated, the level of own funds (after corrections and deduction) will increase. The amount is expected to be around +1.9 billion HUF. Addition to this, in 2014 the general risk provision is taken into consideration as a Tier 2 capital instrument. The amount of general risk provision is 122 million HUF.

Capital requirement of KELER is likely to decrease in 2014, if the guarantee provided to KELER KSZF is terminated. In 2013, capital requirement was calculated for this instrument under credit risks.

In addition to the above mentioned topics, capital adequacy ratio (CAR) of KELER is affected by the tightening new regulations as well. In 2014, the minimum CAR level is

9%, which will grow further in the extent defined in CRR (Capital Requirement Regulation).

Capital adequacy of KELER is granted for the future since KELER had a CAR level of 39,5% in the end of 2013.

NOTE 5: CASH AND CASH EQUIVALENTS

	2013	2012
Due from banks and balances with NBH		
Within one year In HUF	11 397	15 149
	11 397	**15 149**
Placements with other banks		
Within one year In HUF	11 273	7 432
	11 273	**7 432**

Based on the requirements for compulsory reserves set by the NBH, the balance of compulsory reserves amounted to approximately HUF 2 683 million and HUF 2 099 million on average in 2013 and 2012, respectively.

Daily balance was HUF 11 397 million and HUF 15 149 million as at 31 December 2013 and 2012, respectively.

Interbank placements include bank accounts at Clearstream Bank, Citibank A.G., NBH and OTP Bank Plc.

NOTE 6: FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets at fair value through profit or loss Securities held for trading		
	2013	2012
Hungarian Government Discount Treasury Bills	1 142	21 116
Hungarian Government Bonds	13 356	13954
NBH Bonds	128 925	78034
	143 423	**113104**

In the Group's security portfolio, the proportion of the Hungarian Government Discount Treasury Bills is 1% and 19% as at 31 December 2013 and 31 December, 2012, respectively. The main purpose is to assure the continuous liquidity within one year. The remaining portfolio includes government bonds and NBH Bonds with fixed interest rate. The annual average yield was 9.53% and 8.94% in year 2013 and 2012, respectively.

NOTE 7: RECEIVABLES RELATING TO CLEARING AND DEPOSITORY ACTIVITIES

Receivables relating to clearing and depository activities		
	2013	2012
Receivables from custodian services	81	66
Receivables from customers on stock exchange transactions	354	315
	435	**381**

NOTE 8: OTHER INVESTMENTS

Investments		
	2013	2012
GIRO	20	20
	20	**20**

No impairment was charged against these investments.

NOTE 9: TRADE RECEIVABLES

Trade receivables		
	2013	2012
Receivable from the gas market	11 753	9 972
Other receivables	145	198
	11 898	**10 170**

NOTE 10: INTANGIBLE ASSETS

Intangible assets				
Cost	Concessions and similar rights	Goodwill	Intellectual property	Total
Balance as on 1 January 2013	115	47	7 035	7 197
Additions	–	–	1 389	1389
Disposals	5	–	990	995
Balance as on 31 December 2013	110	47	7 434	7 591
Comulated Depreciation and Amortization				
Balance as on 1 January 2013	90	47	5 081	5 938
Additions	14	0	462	467
Disposals	–	–	518	518
Balance as on 31 December 2013	104	47	5 745	5 896
Net book value				
Balance as on 1 January 2013	25	–	1 234	1 259
Balance as on 31 December 2013	6	–	1 689	1 695

Intangible assets				
Cost	Concessions and similar rights	Goodwill	Intellectual property	Total
Balance as on 1 January 2012	115	47	6 343	6 505
Additions	-	-	904	904
Disposals	-	-	212	212
Balance as on 31 December 2012	115	47	7 035	7 197
Cumulated Depreciation and Amortization				
Balance as on 1 January 2012	74	47	5 320	5 441
Additions	16	-	481	497
Disposals	-	-	-	-
Balance as on 31 December 2012	90	47	5 801	5 938
Net book value				
Balance as on 1 January 2012	41	-	1 023	1 064
Balance as on 31 December 2012	25	-	1 234	1 259

NOTE 11: PROPERTY PLANT AND EQUIPMENT

Property plant and equipment

Cost	Buildings and improvements	Machinery and equipments	Total
Balance as on 1 January 2012	364	1 605	1 969
Additions	9	705	714
Disposals	4	645	649
Balance as on 31 December 2012	368	1 665	2 033
Comulated Depreciation and Amortization			
Balance as on 1 January 2012	141	1 422	1 563
Additions	94	106	200
Disposals	-	32	32
Balance as on 31 December 2012	235	1 496	1 731
Net book value			
Balance as on 1 January 2012	223	183	406
Balance as on 31 December 2012	133	169	302

Property plant and equipment

Cost	Buildings and improvements	Machinery and equipments	Total
Balance as on 1 January 2013	368	1 665	2 033
Additions	-	923	923
Disposals	5	897	902
Balance as on 31 December 2013	363	1 691	2 054
Comulated Depreciation and Amortization			
Balance as on 1 January 2013	235	1 496	1 731
Additions	92	104	196
Disposals	–	229	229
Balance as on 31 December 2013	327	1 371	1 698
Net book value			
Balance as on 1 January 2013	133	169	302
Balance as on 31 December 2013	36	320	356

NOTE 12: PLACEMENT AND LOANS FROM OTHER BANKS

Placement and loans from other banks

	2013	2012
Within one year in HUF	89 745	90 558
Within one year in foreign currency	5 051	2 996
	94 796	93 554

The above balance includes deposit placed by banks to the collective guarantee fund in the amount of 752 MHUF (929 MHUF in year 2012).

NOTE 13: DEPOSITS FROM CUSTOMERS

	2013	2012
Interest-bearing		
Within one year in HUF	40 720	14 276
Within one year in foreign currency	??	5 058
Non interest-bearing		
Within one year in HUF	137	1
Within one year in foreign currency	10 218	9 311
	51 075	**23 588**

The Group paid an annual average rate of 0.31% and 0,52% in year 2013 and 2012 for the HUF interest-bearing deposits. In 2013 and 2012, the Group did not pay interests for the foreign exchange deposits.

The above balance includes deposit placed by clients to the collective guarantee fund in the amount of 3 136 MHUF (3 244 MHUF in year 2012).

NOTE 14: ACCOUNTS PAYABLE

Accounts payable

	2013	2012
Accounts payable from the gas market	11 880	9 972
Other accounts	225	382
	12 105	**10 354**

NOTE 15: SHARE CAPITAL

There was no change in the share capital of the Company compared to the prior year. The share capital consists of 900 shares with nominal (par) value of HUF 5 million per share as on 31 December 2013. All 900 shares have been authorized, issued and fully paid.

Share capital	2013	2012
Magyar Nemzeti Bank (National Bank of Hungary)	2 400	2 400
Budapesti Értéktőzsde (Budapest Stock Exchange)	2 100	2 100
	4 500	**4 500**

There are no special rights or limitations attributed to shareholders by these shares.

Magyar Nemzeti Bank (National Bank of Hungary) held 53.33% of the shares directly and 3.24% indirectly as on 31 December 2013 and 31 December 2012.

Budapesti Értéktőzsde (Budapest Stock Exchange) held 46.67% of the shares directly as on 31 December 2013 and 31 December 2012.

Minority interest represents the 0.13% share of BSE in KELER CCP (11,9% in year 2012).

NOTE 16: STATUTORY RESERVES

Statutory Reserves	2013	2012
General reserve	1 986	1 769
General risk reserve	122	76
Restricted reserve	70	325
	2 178	**2 170**

NOTE 17: INCOME FROM CLEARING AND DEPOSITORY ACTIVITY

Income from Clearing and Depository Activity	2013	2012
Clearing fees	2 127	1 913
Other commission income	909	873
Transaction fees	553	550
Security transaction fees	636	632
Clearing fees from the gas market	182	190
Account maintenance fees	158	156
	4 565	**4 314**

NOTE 18: NET INTEREST INCOME

Interest income	2013	2012
Loans	182	436
Due from banks and balances with the National Bank of Hungary and other banks	112	175
Held for trading securities	6 155	9 353
	6 449	**9 964**
Interest expense		
Due to banks and deposits from the National Bank of Hungary and other banks	(412)	(1 067)
Deposits from customers	(3 970)	(6 358)
Other	-	-
	(4 382)	**(7 425)**
NET INTEREST INCOME	**2 067**	**2 539**

NOTE 19: PERSONNEL EXPENSES

Personnel expenses	2013	2012
Wages	1 147	1 075
Base wages	961	944
Premium	186	131
Social security and other contributions	375	359
Other cost of personnel	226	233
	1 748	**1 667**

The average number of employees was 134 on 31 December 2013 (131 in 2012).

NOTE 20: OTHER EXPENSES

Other expenses	2013	2012
Contracted services	858	866
Taxes	334	295
Rental fees	171	147
Postage and phone fees	80	71
Material type expenses	65	65
Lawyer's fee	69	65
Fees paid for education	33	29
Fees paid to experts	23	21
Fees paid to authorities	20	17
Insurance fees	8	8
Marketing cost	3	7
Other	147	151
	1 811	**1 742**

NOTE 21: INCOME TAX EXPENSE

The income tax rate was 19% and 10% (up to HUF 500 million profit) in Hungary in 2013 and 2012.

A breakdown of the income tax expense is:

Income Taxes	2013	2012
Current tax	404	501
Deferred tax	2	314
	406	**815**

A reconciliation of the deferred tax liabilities is as follows:

Deferred tax assets (+) / liabilities (-)	2013	2012
Balance as on 1 January	(445)	(131)
Deferred tax charge	(2)	(314)
Balance as on 31 December	**(447)**	**(445)**

A breakdown of the deferred tax liabilities is as follows:

Deferred tax assets (+) / liabilities (-)	2013	2012
Fair value adjustment of held for trading and held-to-maturity securities	(390)	(34)
General risk provisions	(23)	(14)
Restricted reserve	(13)	(83)
Software for non-deductible VAT on	(16)	-
Other	(5)	-
	(447)	**(131)**

Temporary differences result primarily from timing differences arising on the different valuation principles of financial assets held for trading for tax and accounting purposes.

A reconciliation of the income tax charge is as follows:

	2013	2012
Net income before income taxes	2 561	4 440
Income tax with statutory tax rate (19%)	392	749
Income tax with statutory tax rate (10%)	50	50
Total tax	**442**	**799**

Income tax adjustments are as follows:

		2013		2012
Income tax	-1.69%	(43)	0.57%	25
Dividend income	-0.10%	(3)	-0.06%	(3)
Effect of general risk reserve	-0.90%	(23)	-0.33%	(14)
Restricted reserve	-0.51%	(13)	-1.40%	(62)
Software for non-deductible VAT on	-0.62%	(16)	-	-
Other	2.42%	62	1.60%	70
Income tax, effective		**406**		**815**
Effective tax rate		16%		18%

NOTE 22: SECURITIES SAFEGUARDED AND DEPOSITED; OFF BALANCE SHEET ITEMS

Foreign securities means amounts in security accounts of the counterparties.

SECURITIES	NOMINAL VALUE	
	31.12.2013	31.12.2012
Physical securities		
Securities introduced to the stock exchange-Physical	–	–
Securities not introduced to the stock exchange-Physical		
Corporate bonds	3	3
Shares	22 925	22 925
	22 928	**22 928**
Dematerialized securities		
Introduced to the stock exchange	12 589 056	12 585 201
Not introduced to the stock exchange	13 519 813	15 919 478
	29 508 534	**26 105 014**
TOTAL	**29 531 462**	**26 127 962**
Materialized securities denominated in foreign currency		
Share denominated in foreign currency (CHF)	1 339	1 333
Share denominated in foreign currency (USD)	7	7
Dematerialized securities denominated in foreign currency		
Government securities (EUR)	759 347	174 774
Investment Fund coupons (EUR)	302 712	290 039
Investment Fund coupons (USD)	90 675	74 934
Investment Fund coupons (PLN)	13 809	9 862
Investment Fund coupons (CZK)	44 288	15 292
Investment Fund coupons (BGN)	92	5 705
Investment Fund coupons (RON)	-	2
Investment Fund coupons (RON)	115	-
Share denominated in foreign currency (EUR)	440 277	430 195
Share denominated in foreign currency (USD)	2 355	22 296
Mortgage bonds denominated in foreign currency (EUR)	99 584	96 854
Mortgage bonds denominated in foreign currency (CHF)	13 560	13 499
Capital bonds denominated in foreign currency (EUR)	29 691	5 826
Bonds (CHF)	203 863	409 574
Bonds (EUR)	217 451	260 953
Bonds (USD)	7 244	8 927
TOTAL	**2 226 409**	**1 820 072**

NOTE 23: OFF BALANCE SHEET ITEMS

Guarantees received

	2013	2012
Cash in HUF	13 814	15 402
Cash in foreign currency	5 490	6 118
Security	35 053	28 235
Bank guarantee	3 338	2 996
	57 695	**52 751**

Specific safeguards

	2013	2012
Cash in foreign currency	4 420	4 942
Bank guarantee	43	146
	4 463	**5 088**

NOTE 24: RELATED PARTY TRANSACTIONS

The Group had provide housing loans to management. The outstanding amount was HUF 5 million as at 31 December 2013 and HUF 5 million as at 31 December 2012 respectively.

A number of transactions are entered into with related parties and owners of the Group in the normal course of business. These include deposit placed and services provided. These transactions were carried out on commercial terms and at market rates. The volumes of related party transactions, outstanding balances at the year end, and relating income and expense for the year are as follows.

NATIONAL BANK OF HUNGARY

	2013	2012
Term deposit placements	10 717	9 389
	10 717	**9 389**
Interest income	7	8
Other income	13	13
	20	**21**
Bank account costs	10	11
Other costs	-	3
	10	**14**

Transactions with directors and officers

	2013	2012
Remuneration of the members of the Board of Directors	29	27
Remuneration of the members of the Supervisory Board	6	10
Remuneration of the members of the Board of Management	220	189
Loans given to management	86	86
Loan repayment by management	82	82

NOTE 25: CLASSIFICATION AND FAIR VALUE OF FINANCIAL INSTRUMENTS

31 December 2012

	Financial instruments (fair value option)	Receivables	Available for sale assets	Other assets or liabilities at amortised cost	Total carrying amount	Fair value
Cash and cash equivalents	–	15 149	–	–	15 149	15 149
Placements with other banks	–	7 432	–	–	7 432	7 432
Financial assets at fair value through profit and loss	113 104	–	–	–	113 104	113 104
Receivables relating to clearing and depository activities	–	381	–	–	381	381
Other investments	–	–	20	–	20	20
Placement and loans from other banks	–	–	–	93 554	93 554	93 554
Deposits from customers	–	–	–	23 588	23 588	23 588
Accounts payable	–	–	–	10 354	10 354	10 354

31 December 2013

	Financial instruments (fair value option)	Receivables	Available for sale assets	Other assets or liabilities at amortised cost	Total carrying amount	Fair value
Cash and cash equivalents	–	11 397	–	–	11 397	11 397
Placements with other banks	–	11 273	–	–	11 273	11 273
Financial assets at fair value through profit and loss	143 423	–	–	–	143 423	143 423
Receivables relating to clearing and depository activities	–	435	–	–	435	435
Other investments	–	–	20	–	20	20
Placement and loans from other banks	–	–	–	94 796	94 796	94 796
Deposits from customers	–	–	–	51 075	51 075	51 075
Accounts payable	–	–	–	12 105	12 105	12 105

NOTE 26: SUBSEQUENT EVENTS

The dividend for the financial year 2013 may be approved at the General Meeting to be held the 28th May 2014.

NOTE 27: PRESENTATION OF THE DIFFERENCE BETWEEN HAS AND EU IFRS INCOME

This Note presents the difference of KELER and KELER CCP earnings according to Hungarian accounting standards and the consolidated EU IFRS earnings.

Presentation of the difference between HAS and EU IFRS

	Net profit under HAS	Financial assets	General risk reserve	General reserve	Software for non-deductible VAT on	Deferred tax	Adjusting items under EU IFRS	Net profit under EU IFRS
Net profit of KELER	**1 958**	–	–	–	–	–	**458**	**2 416**
Exchange gains and losses of securities	–	109	–	–	–	–	109	–
Other expenses (General risk reserve)	–	–	46	–	–	–	46	–
Other expenses (General reserve)	–	–	–	217		–	217	–
Software for non-deductible VAT on	–	–	–	–	82	–	82	–
Income tax	–	–	–	–	–	3	3	–
Adjusting items:	–	109	46	217	82	3	458	1 674
Net profit of CCP	123	–	–	–	–	(5)	(5)	118
Adjusting items under Consolidations (transfer of assets)	–	–	–	–	–	–	(379)	(379)
Consolidated profit of KELER	2 081	–	–	–	–	453	(379)	2 155

NOTE 28: NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

Changes -listed below- are not affected the figures of Financial Statements and Independent Auditor's Report.

IFRS 10 Consolidated Financial Statements and IAS 27 (2011) Separate Financial Statements[1] (Effective for annual periods beginning on or after 1 January 2014; Earlier application is permitted if IFRS 11, IFRS 12, IAS 27 (2011) and IAS 28 (2011) are also applied early.) This Standard is to be applied retrospectively when there is a change in control conclusion.	IFRS 10 provides a single model to be applied in the control analysis for all investees, including entities that currently are SPEs in the scope of SIC-12. IFRS 10 introduces new requirements to assess control that are different from the existing requirements in IAS 27 (2008). Under the new single control model, an investor controls an investee when: (1) it is exposed or has rights to variable returns from its involvements with the investee; (2) it has the ability to affect those returns through its power over that investee; and (3) there is a link between power and returns. The new Standard also includes the disclosure requirements and the requirements relating to the preparation of consolidated financial statements. These requirements are carried forward from IAS 27 (2008).
IFRS 11 Joint Arrangements (Effective for annual periods beginning on or after 1 January 2014; to be applied retrospectively subject to transitional provisions. Earlier application is permitted if IFRS 10, IFRS 12, IAS 27 (2011) and IAS 28 (2011) are also applied early.)	IFRS 11, Joint Arrangements, supersedes and replaces IAS 31, Interest in Joint Ventures. IFRS 11 does not introduce substantive changes to the overall definition of an arrangement subject to joint control, although the definition of control, and therefore indirectly of joint control, has changed due to IFRS 10. Under the new Standard, joint arrangements are divided into two types, each having its own accounting model defined as follows: / a joint operation is one whereby the jointly controlling parties, known as the joint operators, have rights to the assets, and obligations for the liabilities, relating to the arrangement. / A joint venture is one whereby the jointly controlling parties, known as joint venturers, have rights to the net assets of the arrangement. / IFRS 11 effectively carves out from IAS 31 jointly controlled entities those cases in which, although there is a separate vehicle for the joint arrangement, separation is ineffective in certain ways. These arrangements are treated similarly to jointly controlled assets/operations under IAS 31, and are now called joint operations. The remainder of IAS 31 jointly controlled entities, now called joint ventures, are stripped of the free choice of equity accounting or proportionate consolidation; they must now always use the equity method in its consolidated financial statements.

1 - The Group had provide housing loans to management. The outstanding amount was HUF 5 million as at 31 December 2013 and HUF 5 million as at 31 December 2012 respectively.

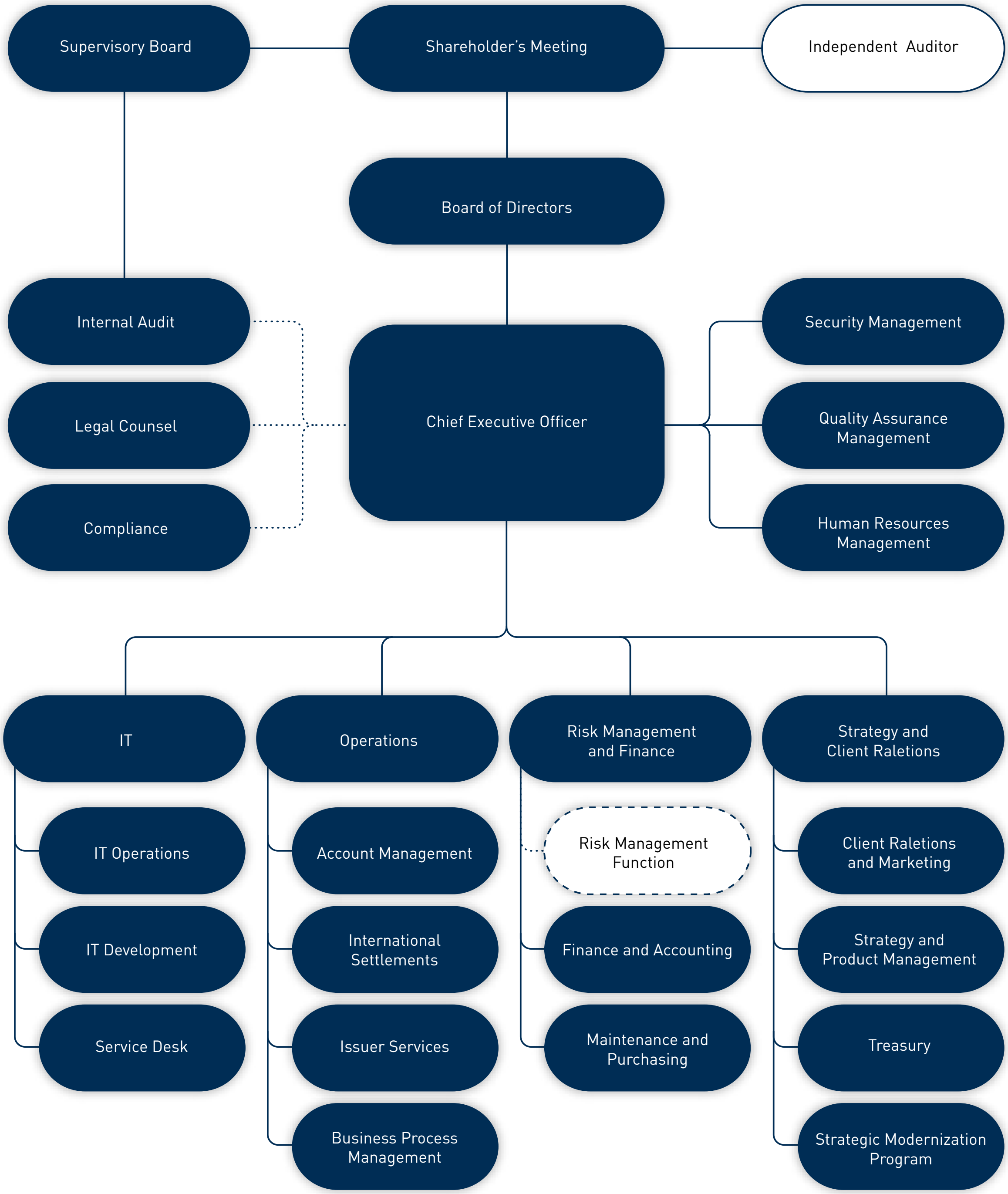
IFRS 12 Disclosure of Interests in Other Entities[2] (Effective for annual periods beginning on or after 1 January 2014; to be applied retrospectively, except not required to present comparative information for unconsolidated structured entities for any periods before the first annual period for which IFRS 12 is applied. Earlier application is permitted.	IFRS 12 requires additional disclosures relating to significant judgements and assumptions made in determining the nature of interests in an entity or arrangement, interests in subsidiaries, joint arrangements and associates and unconsolidated structured entities.
IAS 27 (2011) Separate Financial Statements (Effective for annual periods beginning on or after 1 January 2014. Earlier application is permitted if IFRS 10, IFRS 11, IFRS 12 and IAS 28 (2011) are also applied early.)	IAS 27 (2011) carries forward the existing accounting and disclosure requirements of IAS 27 (2008) for separate financial statements, with some minor clarifications. As well, the existing requirements of IAS 28 (2008) and IAS 31 for separate financial statements have been incorporated into IAS 27 (2011). The Standard no longer addresses the principle of control and requirements relating to the preparation of consolidated financial statements, which have been incorporated into IFRS 10, Consolidated Financial Statements.
IAS 28 (2011) Investments in Associates and Joint Ventures (Amendments effective for annual periods beginning on or after 1 January 2014; to be applied retrospectively. Earlier application is permitted if IFRS 10, IFRS 11, IFRS 12 and IAS 27 (2011) are also applied early.)	There are limited amendments made to IAS 28 (2008): / Associates and joint ventures held for sale. IFRS 5, Non-current Assets Held for Sale and Discontinued Operations applies to an investment, or a portion of an investment, in an associate or a joint venture that meets the criteria to be classified as held for sale. For any retained portion of the investment that has not been classified as held for sale, the equity method is applied until disposal of the portion held for sale. After disposal, any retained interest is accounted for using the equity method if the retained interest continues to be an associate or a joint venture. / Changes in interests held in associates and joint ventures. Previously, IAS 28 (2008) and IAS 31 specified that the cessation of significant influence or joint control triggered remeasurement of any retained stake in all cases, even if significant influence was succeeded by joint control. IAS 28 (2011) now requires that in such scenarios the retained interest in the investment is not remeasured.
Amendments to IAS 32 – Offsetting Financial Assets and Financial Liabilities (Effective for annual periods beginning on or after 1 January 2014; to be applied retrospectively. Earlier application is permitted, however the additional disclosures required by Amendments to IFRS 7 Disclosures - Offsetting Financial Assets and Financial Liabilities must also be made.)	The Amendments do not introduce new rules for offsetting financial assets and liabilities; rather they clarify the offsetting criteria to address inconsistencies in their application. The Amendments clarify that an entity currently has a legally enforceable right to set-off if that right is: / not contingent on a future event; and / enforceable both in the normal course of business and in the event of default, insolvency or bankruptcy of the entity and all counterparties.

2 - Providing some of the disclosures required by IFRS 12 before the effective date does not compel the entity to comply with all the requirements of IFRS 12 or to apply IFRS 10, IFRS 11, IFRS 12, IAS 27 (2011) and IAS 28 (2011) early.)

Amendments to IFRS 10, IFRS 12 and IAS 27 – Investment Entities (Effective for annual periods beginning on or after 1 January 2014; early adoption is permitted; to be applied retrospectively subject to transitional provisions)	The Amendments provide an exception to the consolidation requirements in IFRS 10 and requires qualifying investment entities to measure their investments in controlled entities – as well as investments in associates and joint ventures – at fair value through profit or loss, rather than consolidating them. The consolidation exemption is mandatory (i.e. not optional), with the only exception being that subsidiaries that are considered as an extension of the investment entity's investing activities, must still be consolidated. An entity qualifies as an investment entity if it meets all of the essential elements of the definition of an investment entity. According to these essential elements an investment entity (1) obtains funds from investors to provide those investors with investment management services; (2) commits to its investors that its business purpose is to invest for returns solely from appreciation and/or investment income; and (3) measures and evaluates the performance of substantially all of its investments on a fair value basis. (4) The amendments also set out disclosure requirements for investment entities.
Amendments to IAS 36 – Recoverable Amount Disclosures for Non-Financial Assets (Effective for annual periods beginning on or after 1 January 2014; to be applied retrospectively. Earlier application is permitted, however an entity shall not apply the amendments in periods (including comparative periods) in which it does not also apply IFRS 13)	The Amendments clarify that recoverable amount should be disclosed only for individual assets (including goodwill) or cash-generated units for which an impairment loss was recognised or reversed during the period. The Amendments also require the following additional disclosures when an impairment for individual assets (including goodwill) or cash-generated units has been recognised or reversed in the period and recoverable amount is based on fair value less costs to disposal: / the level of IFRS 13 'Fair value hierarchy' within which the fair value measurement of the asset or cash-generating unit is categorised; / for fair value measurements categorised within Level 2 and Level 3 of the fair value hierarchy, a description of the valuation techniques used and any changes in that valuation technique together with the reason for making it; / for fair value measurements categorised within Level 2 and Level 3, each key assumption (i.e. assumptions to which recoverable amount is most sensitive) used in determining fair value less costs of disposal. If fair value less costs of disposal is measured using a present value technique, discount rate(s) used both in current and previous measurement should be disclosed.

Amendments to IAS 39 – Novation of Derivatives and Continuation of Hedge Accounting (Effective for annual periods beginning on or after 1 January 2014; to be applied retrospectively. Earlier application is permitted, however an entity shall not apply the amendments in periods (including comparative periods) in which it does not also apply IFRS 13)	The Amendments allows hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws and regulations, when the following criteria are met: / The novation is made as a consequence of laws or regulations / A clearing counterparty becomes a new counterparty to each of the original counterparties of the derivative instrument / Changes to the terms of the derivative are limited to those necessary to replace the counterparty

18. Organizational structure of KELER



19. Management

Margit Brauner
Director

Operations

Károly Mátrai
Director

Risk Management
and Finance

András Katkó
Director

IT

Péter Csiszér
Director

Strategy and
Client Relations

György Dudás
Chief Executive Officer

20. General Information

Ownership Structure

Shareholders			Shareholding (%)
National Bank of Hungary (NBH)	HUF	2,400 million	53.33%
Budapest Stock Exchange (BSE)	HUF	2,100 million	46.67%
Total	HUF	4,500 million	100.00%

Members of the Board of Directors

Csaba Lantos – Chairman
Csaba Balogh – Vice Chairman
Zsolt Katona
Gergely Kóczán*
Balázs Vonnák**
Hannes A. Takacs
György Dudás
Margit Brauner

*until 15 May 2013
**since 15 May 2013

Members of the Supervisory Board

Attila Tóth – Chairman**
Lajos Bartha – Chairman*
Lajos Bartha – Vice Chairman**
Attila Tóth – Vice Chairman*
Georg Zinner
Lóránt Varga

*until 15 May 2013
**since 15 May 2013

Contact

Address:
Rákóczi út 70-72., 1074,
Budapest, Hungary

Mailing address:
H-1426 Budapest, POB 57

Phone: (+36-1) 483-6100
Fax: (+36-1) 342-3539

Home page: www.keler.hu
E-mail: keler@keler.hu

Central Client Service

Monday to Friday
from 9.00 hrs until 15.00 hrs
Phone: (+36-1) 483-6240

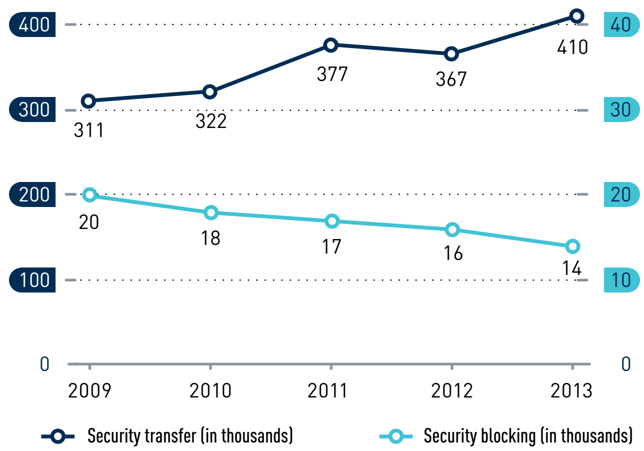
Service Desk

Available from 7.00 hrs until 20.00 hrs
Phone: (+36-1) 483-6228
or (+36-1) 483-6120

21.

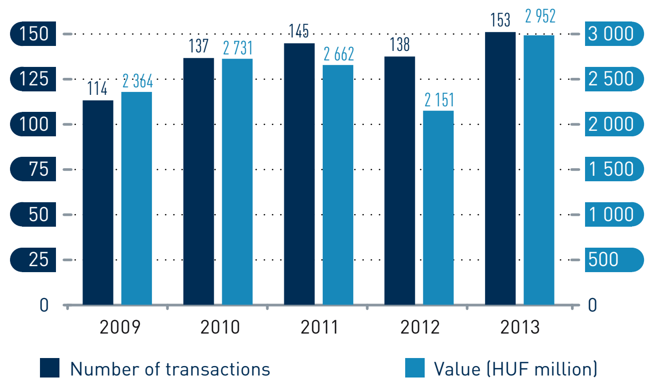
Other Statistics

Number of other security transactions / 2008 - 2013



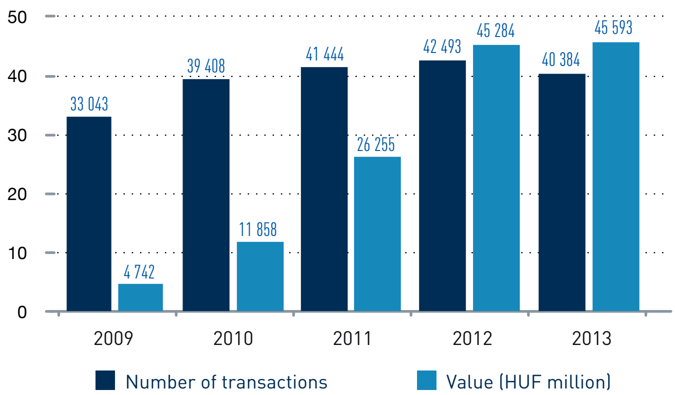
Source of data: Banking Operations / Account Management Department

Payments by clients to and from KELER cash accounts (external payments) 2008 - 2013



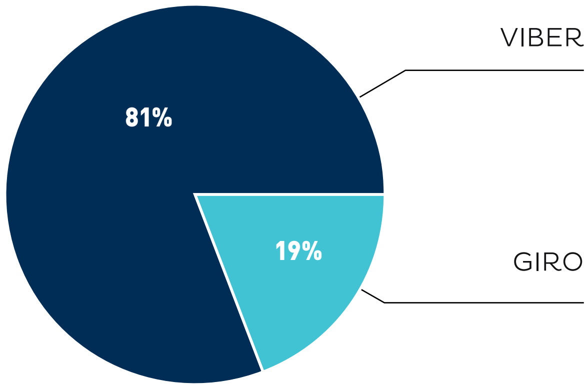
Source of data: Banking Operations

Internal debits and credits by clients in cash accounts kept by KELER (internal payments) 2008 - 2013



Source of data: Banking Operations

Proportion of GIRO – VIBER payment turnover, based on turnover value / 2013



Proportion of GIRO – VIBER payment turnover, based on the number of transactions / 2013