



CRYPTERA[®]
A DIEBOLD NIXDORF COMPANY

Cryptera A/S

Fabriksparken 20

2600 Glostrup

CVR-nr. 26 83 79 28

Annual Report for 2016

The annual Report has been presented and
adopted at the Annual General Meeting of the
Company on 15/3 2017


Chairman

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Managements Statement on the Annual Report

The Board of Directors and the Executive Board have today discussed and approved the annual report of Cryptera A/S for the financial year 1 January – 31 December 2016.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2016 and of the results of the Company's operations for the financial year 1 January – 31 December 2016.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's activities and financial matters, of the results for the year and of the Company's financial position

We recommend that the annual report be approved at the annual general meeting.

Glostrup, March 15th, 2017

Executive Board


Kaj Ingvar Christensen

Supervisory Board


Joerg Engelhardt
Chairman


Jason Hollander


Martin Stangm


Kim Pedersen


Martin Willing



Independent auditor's report

To the shareholders of Cryptera A/S

Opinion

We have audited the financial statements of Cryptera A/S for the financial year 1 January – 31 December 2016 comprising accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2016 and of the results of the Company's operations for the financial year 1 January – 31 December 2016 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



Independent auditor's report

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of financial statement users made on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.



Independent auditor's report

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 15 March 2017

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

A handwritten signature in blue ink, appearing to read 'M. Høj-Petersen', written over a horizontal line.

Morten Høj-Petersen
State Authorised
Public Accountant

Company information

The Company

Cryptera A/S
Fabriksparken 20
2600 Glostrup

Telephone: +45 43 43 43 95

Website: www.cryptera.com

CVR-no. 26 83 79 28

Financial Year: 1 January - 31 December 2016

Municipality of reg.office: Glostrup

Supervisory Board

Joerg Engelhardt (Chairman)
Jason Hollander
Martin Stamm
Kim Pedersen
Martin Milling

Executive Board

Kaj Ingvar Christiansen

Auditors

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
2100 København Ø

Financial Highlights

Key figures	<u>2016</u> DKK '000	<u>2015</u> DKK '000	<u>2014</u> DKK '000	<u>2013</u> DKK '000	<u>2012</u> DKK '000
Profit/(loss)					
Gross Profit	79 548	91 438	63 569	55 711	47 305
Profit/(loss) before financial income and expenses	22 096	31 802	10 034	-5 593	-3 903
Net financials	484	3 053	2 834	-1 907	-845
Net profit/loss for the year	17 501	26 585	9 879	-5 881	-3 305
Balance sheet					
Balance sheet total	154 691	137 814	107 217	90 119	95 086
Investment in property, plant and equipment	2 339	2 626	4 747	3 763	1 147
Equity	120 389	102 888	76 303	66 434	72 305
Number of employees	88	82	77	85	86
Ratios in %					
Return on net assets	14,3%	23,1%	9,4%	-6,2%	-4,1%
Solvency ratio	77,8%	74,7%	71,2%	73,7%	76,0%
Return on equity	15,7%	29,7%	13,8%	-8,5%	-4,5%

The financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015".
For terms and definitions, please see the accounting policies.

Managements Review

Main activity

Cryptera A/S' core business is the development and manufacturing of secure solutions. Main business segments are high-security Pin keyboards for ATM and kiosk solutions and secure card acceptance modules and solutions for attended and unattended payment systems.

Development in the financial year

The result became as expected a little lower than in 2015. The favorable development USD helped lifting the result. But the lower sales reduced the result even more.

Result for the year amounts to DKK 17.538 thousand after tax. The result was impacted as expected by lower sales than 2015. However, the result is evaluated as satisfactory.

At the balance sheet date, equity amounts to DKK 120.426 thousand corresponding to Return on equity of 15,7%.

Uncertainty relating to recognition and measurement

No material uncertainties relating to recognition and measurement of the Company's assets as well as equity and liabilities have been identified.

Currency exposure

Sales to foreign countries, including especially the US and Asia are influenced by exchange rate changes as invoicing is in USD to the US, Asia and parts of Europe.

Interest rate exposure

Cryptera has no interest bearing debt, stated as bank debt less cash and cash equivalents.

Credit risk

Credit risks related to financial assets correspond to the values recognized in the balance sheet.

It is company policy that financing activities and placement of excess liquidity are managed centrally by the Parent to the extent this is expedient.

Managements Review

Intellectual capital resources

The ambition of being a market leader and ahead of the technological development means that Cryptera A/S is affected by a rapidly changing dynamic knowledge environment. This places heavy demands especially on the Company when it comes to accumulation and dissemination of new knowledge. Moreover, the employees' personal knowledge plays a crucial role. To be able to continue to deliver and to develop competitive products and solutions it is decisive that the Company is capable of employing and maintaining employees with a high degree of education.

Environmental performance

The Company is conscious of the environment and is reducing environmental impacts from the Company's operating activities on an ongoing basis. The Company has since 2009 maintained the ISO14001 certification.

Special risks

Operating risks

The Company's most substantial operating risk is related to the ability to be strongly positioned in the markets in which the products are sold. The American, Brazilian and Asian markets are the Company's most significant markets. It is essential for the Company at all times to be ahead of technological development within its core business and to continue the strong focus on the development of new technologically leading Products within the area "secure PIN-based payments solutions" .

Events occurring after the balance sheet date

No events have occurred after the balance sheet date to this date which would materially influence the evaluation of this annual report.

Outlook

Management expects revenues to be stable and profit to decrease a little in the coming year. This expectation is based on a stable market - and continued investments in new products and in key markets.

Accounting policies

Basis of preparation

The Annual Report of Cryptera A/S for 2016 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class C (medium).

In accordance with section 32 of the Danish Financial Statements Act, taking into consideration competitive conditions, the Company is not disclosing net sales.

Cash Flow Statement

In accordance with section 86 (4) the Danish Financial Statements Act, the company has decided not to prepare cash flow statement. The cash flow statement of Cryptera a/S is incorporated in the consolidated financial statement of Diebold Inc.

The most significant accounting policies are described below.

The annual report has been prepared in accordance with the same accounting policies as last year.

Recognition and measurement

Revenues are recognised in the income statement as earned, which includes recognition of value adjustments of financial assets and liabilities measured at fair value or amortised cost. Furthermore, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities measured as described for each item below.

Revenue from few contracts are categorized as work in progress, and revenue is recognised based on the percentage of completion method.

Translation of foreign currencies

During the year transactions in foreign currencies are translated at the rate of exchange as at the transaction date. Debtors, liabilities and other items in foreign currencies which are unsettled on the balance sheet date are translated at the exchange rate as at the balance sheet date.

Realised and unrealised exchange rate adjustments are included in the profit and loss account under financial items.

Accounting policies

Income statement

Gross Profit

Net sales consist of goods and services sold and included in the profit and loss account according to the invoicing principle in the year of invoicing and delivery.

Cost of goods sold contains the cost price and direct expenses such as freight and duty etc. consumed to achieve revenue for the year.

Other external expenses comprise direct production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Certain projects are accounted for as construction contracts when the company has entered into individual negotiated contracts at a fixed price. Revenue from fixed price construction contracts is recognized on the percentage of completion method, measured by reference to the percentage of labour hours incurred to date to estimated total labour hours for each contract.

Staff expenses

Staff expenses comprise wages and salaries as well as salary related costs.

Depreciation, amortisation and impairment loss

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of property, plant and equipment as well as gains and losses from current replacement of fixed assets.

Financial income and expenses

Financial income and financial expenses comprise interest receivable and interest payable, and unrealised gains and losses from foreign exchange.

Tax on the profit for the year

The tax for the year consists of the current tax for the year and the deferred tax for the year. The tax relating to the result for the year is included in the profit and loss account, whereas the tax directly relating to equity entries is taken directly to shareholders' equity.

Joint taxation

The Company is covered by the Danish rules on compulsory joint taxation of the Diebold Nixdorf's Danish subsidiaries.

The Company is the administrative company for the joint taxation and consequently settles all corporation tax payments with the tax authorities.

The current Danish corporation tax is allocated by settlement of joint taxation contribution between jointly taxed companies in proportion to their taxable income.

Accounting policies

Balance sheet Intangible assets

Development projects

Development projects includes external costs and wages and shared costs directly attributable to development activities.

Development of new projects and changes of the functionality in an existing product recognized as an asset. It is a condition that the development solutions are clearly defined and identifiable, and the technical utilization rate, sufficient resources and a potential future market or development opportunities in the company can be detected and it is intended to manufacture, market or use the solutions.

Furthermore, the cost could be calculated reliably, and future earnings, can cover operating costs. Other development projects are recognized in the income statement as cost are incurred.

Capitalized development cost are measured at cost less accumulated depreciation cost. After completion of the development work the development projects are amortised linearly over the estimated useful life of 2-5 years.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less an accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straightline basis over the expected useful lives of the assets, which are:

Leasehold improvements	5 years
Other equipment and fixtures	3-10 years

Accounting policies

Impairment of fixed assets

The carrying amount of property, plant and equipment and intangible assets is reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by the assets is written down to its lower amortisation and depreciation. If so, the recoverable amount of the assets is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets should be assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Deposits

Deposits relate to the Company's leases and are measured at the lower of cost and recoverable amount.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value. The net realisable value of inventories is calculated as the total future sales revenues expected, at the balance sheet date, to be generated by inventories in the process of normal operations and determined allowing for marketability, obsolescence and development in expected sales sum less the estimated expenses necessary to make the sale.

The cost of goods for resale equals landed cost. The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour with addition of indirect production costs. Indirect production costs comprise the cost of indirect materials and labour as well as maintenance and depreciation of the machinery, factory buildings and equipment used in the manufacturing process as well as costs of factory administration and management.

Corporation tax and deferred tax

Current tax liabilities and current tax receivables are recognised in receivables in the balance sheet in the event of overpayment of tax on account, and in debt in the event of underpayment of tax on account.

Interest adjustments to the tax relating to the on account taxation scheme are record items.

Deferred tax liabilities and assets are included in provisions and deferred tax assets in the balance sheet. The deferred tax liability is calculated as the tax on all temporary differences between the accounting and the tax values of the Company's assets and liabilities.

The deferred tax is calculated on the basis of the tax rules and tax rate, which will apply under the legislation of the balance sheet date when the deferred tax is expected to be released as current tax.

Changes in deferred tax due to changes in tax rates are stated in the profit and loss account. Deferred tax assets are measured at the value at which the asset is expected to be realised.

Accounting policies

Receivables

Receivables are recognised in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price measured on the basis of the stage of completion at the balance sheet date and the projected income from the individual work. The stage of completion is stated as the share of costs incurred in proportion to estimated total costs relating to the individual work.

When the selling price of work in progress cannot be estimated reliably, the selling price is measured at the lower of costs incurred and net realisable value.

The individual contract work is recognised in the balance sheet as receivables or payables, respectively. Net assets comprise total work in progress where the selling price of the work performed exceeds progress billings. Net liabilities comprise total work in progress where progress billings exceed the selling price.

Costs arising from sales work and contracting are recognised in the income statement as incurred.

Intercompany

The intercompany include amounts owed by group enterties.

Prepayments and deferred income

Prepayments include expenses incurred in respect of subsequent financial years. Such expenses are typically prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Deferred income includes payments received in respect of income in subsequent years.

Provisions

Provisions comprise anticipated costs of warranties. Provisions are recognised when, as a result of past events, the Company has a legal or a constructive obligation, and it is probable that there may be outflow of resources embodying economic benefits to settle the obligation. Provisions are measured at value in use. Warranties comprise obligations to make good any defects within the warranty period of 15 to 39 months. Provisions are recongnised based on the Company's experience with warranties

Debts

Debts are measured at amortised cost, substantially corresponding to nominal value.

Accounting policies

Financial ratios

The financial ratios have been calculated as follows:

$$\text{Return on net assets} = \frac{\text{Profit before financial items} \times 100}{\text{Total assets}}$$

$$\text{Solvency ratio} = \frac{\text{Equity at year end} \times 100}{\text{Total assets}}$$

$$\text{Return on equity} = \frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$$

Income statement 1 January to 31 December

	<u>Note</u>	<u>2016</u>	<u>2015</u>
Gross profit		79.548.292	91.431.208
Staff expenses	1	-54.407.847	-54.747.964
Depreciation, amortization and impairment loss	2	<u>-3.044.708</u>	<u>-4.880.850</u>
Profit/(loss) before financial items		<u>22.095.737</u>	<u>31.802.394</u>
Financial income	3	636.161	3.122.122
Financial expenses	4	<u>-152.046</u>	<u>-68.722</u>
Profit/loss before tax		22.579.852	34.855.794
Tax on the profit for the year	5	<u>-5.078.385</u>	<u>-8.270.549</u>
Net profit/loss for the year		<u>17.501.467</u>	<u>26.585.245</u>
Distribution of profit			
Proposed profit appropriation			
Retained earnings		17.501.467	26.585.245
		<u>17.501.467</u>	<u>26.585.245</u>

Balance sheet 31 December

Assets

Non-current assets	Note	2016	2015
Intangible assets			
Development projects		555.833	166.606
	6	<u>555.833</u>	<u>166.606</u>
Property, plant and equipment			
Leasehold improvements		1.532.439	1.105.202
Plant and machinery		2.086.682	3.020.562
Fixtures and fittings		2.512.580	2.706.751
	7	<u>6.131.701</u>	<u>6.832.515</u>
Investments			
Deposits	8	1.121.597	1.110.492
		<u>1.121.597</u>	<u>1.110.492</u>
Total non-current assets		<u>7.809.131</u>	<u>8.109.613</u>

Balance sheet 31 December

Assets (continued)

Current assets	Note	2016	2015
Inventories			
Raw materials and consumables		10.217.421	9.222.854
Work in progress		9.839.731	10.403.602
Finished goods and goods for resale		2.695.358	2.870.709
		<u>22.752.510</u>	<u>22.497.165</u>
Debtors			
Trade receivables		19.244.271	34.036.511
Work in Progress		3.963.153	3.370.370
Amounts owed by group enterprises		11.205.338	14.150.019
Other debtors		160.897	169.028
Deferred tax asset	9	3.638.100	2.767.032
Prepayments	10	2.001.939	1.696.757
		<u>40.213.698</u>	<u>56.189.717</u>
Cash at hand and bank		<u>83.915.212</u>	<u>51.017.095</u>
Total current assets		<u>146.881.420</u>	<u>129.703.977</u>
Total assets		<u>154.690.551</u>	<u>137.813.590</u>

Balance sheet 31 December

Liabilities and equity

Equity	Note	2016	2015
Share capital	11	1.135.950	1.135.950
Retained earnings		119.253.541	101.752.074
Total equity		120.389.491	102.888.024
Provisions			
Other provisions	12	4.158.581	2.761.976
Total provisions		4.158.581	2.761.976
Liabilities other than provisions			
Short-term liabilities other than provisions			
Trade payables		15.498.144	15.441.359
Corporation tax payable		3.080.327	4.602.398
Other debt		11.564.008	12.119.833
		30.142.479	32.163.591
Total liabilities other than provisions		30.142.479	32.163.591
Total liabilities and equity		154.690.551	137.813.590
Contingent liabilities	13		
Related parties and ownership	14		

Statement of Changes in Equity 2016

	Share capital	Retained earnings	Total
Equity at 1 January 2015	1.135.950	75.166.829	76.302.779
Dividends paid for the year	0	0	0
Profit for the year	0	26.585.245	26.585.245
Equity at 1 January 2016	1.135.950	101.752.074	102.888.024
Dividends paid for the year	0	0	0
Profit for the year	0	17.501.467	17.501.467
Equity at 31 December 2016	1.135.950	119.253.541	120.389.491

Specification of movement on the share capital

	2016	2015	2014	2013	2012
Share capital beginning of year	1.135.950	1.135.950	1.135.950	1.135.950	1.135.950
Share capital end of year	1.135.950	1.135.950	1.135.950	1.135.950	1.135.950

Notes to the Annual Report

1 Staff expenses	<u>2016</u>	<u>2015</u>
Wages and salaries	49.665.834	50.007.725
Pensions	4.121.896	3.794.639
Other social security costs	620.117	945.600
	<u>54.407.847</u>	<u>54.747.964</u>

Average number of employees	88	82
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In accordance with section 98b (3) of the Danish Financial Statements Act no disclosure is made of remuneration to Company Management.

2 Depreciation, amortization and impairment loss

Leasehold improvements	368.153	269.437
Other fixtures and fittings, tools and equipment	1.318.981	1.993.326
Fixtures and fittings	1.357.574	2.618.087
	<u>3.044.708</u>	<u>4.880.850</u>

3 Financial income

Other financial income	636.161	3.122.122
	<u>636.161</u>	<u>3.122.122</u>

4 Financial expenses

Other financial expenses	152.046	68.722
	<u>152.046</u>	<u>68.722</u>

Notes to the Annual Report

5 Tax on profit for the year	<u>2016</u>	<u>2015</u>
Current tax	5.949.453	9.061.387
Adjustment regarding previous years	0	0
Change in deferred tax	-871.068	-790.838
	<u>5.078.385</u>	<u>8.270.549</u>
The tax is recognized as follows:		
Tax on profit for the year	5.078.385	8.270.549
	<u>5.078.385</u>	<u>8.270.549</u>
6 Intangible assets	<u>Development projects</u>	
Cost at 1 January	2.618.633	
Additions during the year	571.714	
Disposals during the year	0	
Cost at 31 December	<u>3.190.347</u>	
Accumulated depreciation at 1 January	2.452.027	
Depreciation for the year	182.487	
Accumulated amortization at 31 December	<u>2.634.514</u>	
Net book value at 31 December	<u>555.833</u>	

Notes to the Annual Report

7 Property, plant & equipment

	Leasehold improve- ments	Plant and machinery	Fixtures and fittings	Total
Cost at 1 of January	7.032.473	24.522.224	14.298.528	45.853.225
Additions during the year	795.389	385.101	1.158.248	2.338.738
Disposals during the year	0	0	-810.600	-810.600
Cost at 31 of December	7.827.862	24.907.325	14.646.176	47.381.363
Accumulated depreciation at 1 of January	5.927.270	21.501.662	11.591.777	39.020.709
Depreciation and write off for the year	368.153	1.318.981	1.175.086	2.862.220
Depreciation regarding disposals	0	0	-633.267	-633.267
Accumulated depreciation at 31 of December	6.295.423	22.820.643	12.133.596	41.249.662
Net book value at 31 of December	1.532.439	2.086.682	2.512.580	6.131.701

8 Deposits

	Deposits
Cost at 1 of January	1.110.492
Disposal	0
Additions	11.105
Cost at 31. of December	1.121.597

9 Deferred tax

	2016	2015
Deferred tax at 1. of January	2.767.032	1.976.194
Adjustment for the year	871.068	790.838
Deferred tax at 31. of December	3.638.100	2.767.032

Notes to the Annual Report

10 Prepayments

The prepayments includes prepaid rent and insurances.

11 Share capital

The share capital consists of 22.719 shares at nominal DKK 50. The shares have not been divided into classes.

12 Other provisions

The Company grants a warranty on certain products. Provisions of DKK 4.159 thousand (DKK 2.762 thousand) are recognized for expected warranty claims on the basis of previous experience concerning the level of repair and returned goods.

13 Contingent liabilities.

The Company has entered into rental and lease agreements of kr. 10.894 thousand. (DKK 13.251 thousand)
The Company is jointly taxes with the Danish group companies in Diebold Nixdorf. As Group Company, the Company has joint and several unlimited liability for Danish corporation taxes within the joint taxation.

14 Related parties and ownership

Controlling influence

Diebold Switzerland Holding Company Sàrl Hegnaustrasse 60 CH-8602 Wangen bei Dubendorf Schweiz	Controlling shareholder
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Diebold Switzerland Holding Company Sàrl Hegnaustrasse 60 CH-8602 Wangen bei Dubendorf Schweiz	Ultimate parent company
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Ownership

The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Diebold Switzerland Holding Company Sàrl Hegnaustrasse 60 CH-8602 Wangen bei Dubendorf Schweiz	Ownership:	100%
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