TOP 100

2012

Borsod-Abaúj-Zemplén County

- Added value
- Net sales revenue
- Number of employed

Nemzeti Adó- és Vámhivatal

BOKIK

ÉSZAK MAGYARORSZÁG

Dear Reader!

In our county, the daily Észak-Magyarország has been publishing the rank of the top business for more than 10 years. Seven years ago the Regional Chief Directorate of the National Tax and Customs Administration and also the Chamber of Commerce and Industry of Borsod-Abaúj-Zemplén County joined this initiative and as a result we issue the TOP 100 publication for the seventh time. This is a gap-filling analysis being published in English language as well, enabling decision-makers, investors, foreign investors and those interested to find numerous important data, information on the economy of our county.

In our present publicated the first 100 top companies are listed on the basis of the added value, net sales and the number of employees and if the companies consented to this, also their data and results are listed. In the publication there are some 150 companies on our list prepared on the basis of the three indicators. These companies are responsible for 70% of the net sales, 40% of the employees in the county, therefore they are of key importance in the economy of our county. The publication is based on the accurate analysis of the Regional Chief Directorate of NTCA for North-Hungary complemented with the assessment of the situation drawn up by the Chamber of Commerce and Industry also supported by the associated Chamber of Agriculture during the recent years.

It is important to see what these players, chambers think about the economy development of the county, about the take-off points and it is of vital importance to establish close cooperation with the municipality of Borsod-Abaúj-Zemplén county, with the representatives and leaders of the key cities of the region and with the government department as well.

We are confident that our common publication can also contribute to the success of their efforts. We congratulate to the TOP 100 companies and wish good for their work!

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Heves is better than the national

Economic processes of the region of North-Hungary in the year 2011

North-Hungary is one of the most varied regions of the country, based on its geographic, geologic and natural endowments.

On the hills of the North low mountain range forestry is of key importance, wine growing has long traditions and on the southern area of the region crop farming is more effective. Healing water, thermal water, mineral water springs are among our natural assets tourism getting stronger is based on.

There are 25 industry parks in the region, 14 of them are in Borsod-Abaúj-Zemplén, 7 in Heves and 4 in Nógrád county. The primary goal of the foundation of the industry parks is to facilitate the settlement of businesses in the region.

The gross domestic product produced in the region amounts to HUF 1,947 billion – is 7.3% of the national value. Within the region, in terms of its role in economy, the performance of Borsod-Abaúj-Zemplén is of key importance and is responsible for almost six tenths of the GDP of the region, whereas Heves county contributes by 30% and Nógrád county by more than 10% to the economic performance of the region.
The GDP pro capita legs behind the national average by almost 40%. Heves county had the best performance with a value corresponding to seven tenths of the value of the national economy, whereas Nógrád does not reach even 50% of the same. In the ranking among the counties Borsod-Abaúj-Zemplén ranks 17. Heves county 12., whereas Nógrád county 20.
(Q.v. Table 1., Graphics 1.)

In North-Hungary there lives one tenth of those employed in the national economy, however as much as 16.6% of those unemployed live in the region. In the year 2011 each of the rates of the activity, employment and unemployment is by 4-7% less favorable than the national average, thus the situation on the labor market in the region is worse. Real income grew by only 13.6% legging behind the estimated rate of inflation of 30% over 5 years, even if calculated at current prices.

Table 1.
Indicators of GDP 2010–2011

Denomination	National economy		Region		B.-A.-Z. County		Heves County		Nógrád County	
	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011
GDP per capita thousand HUF/capita/year	2 600	2 675	1 568	1 620	1 592	1 641	1 782	1 852	1 161	1 195
GDP, Billion HUF	26 054,3	26 747,7	1 907,0	1 947,3	1 109,7	1 130,6	557,8	573,6	239,5	243,0
Population, thousand pers.	9 986,0	9 957,7	1 195,0	1 182,5	685,0	678,3	308,0	305,3	202,0	198,9

For this reason more and more people move away from this region, searching for better job possibilities and living conditions. The fact that the annual drop of employment slowed down is a positive sign.
(Q.v. Graphics 2.)

The economy of the region was characterized earlier, due to its natural endowments, first of all by the heavy industries and within this metal processing and mining. By now most of these industries collapsed. However the region still preserved its industrial character, however the key industries are now the chemical, the machine building industries and the energy sector that used to be dominant in the past as well. In addition the servicing sector is getting stronger as well.
The partnership companies playing a major role in the economic performance of the region changed, after hitting bottom in the year 2009 – started to grow during the last two years. 2011 the net sales grew by 26% , export by 71%, whereas added value increased by 17% compared to 2009. At the same time the growth of domestic sales by 3.9% if compared to the year 2009 is legging behind the rate of inflation (9%).

GRAPHICS 1.

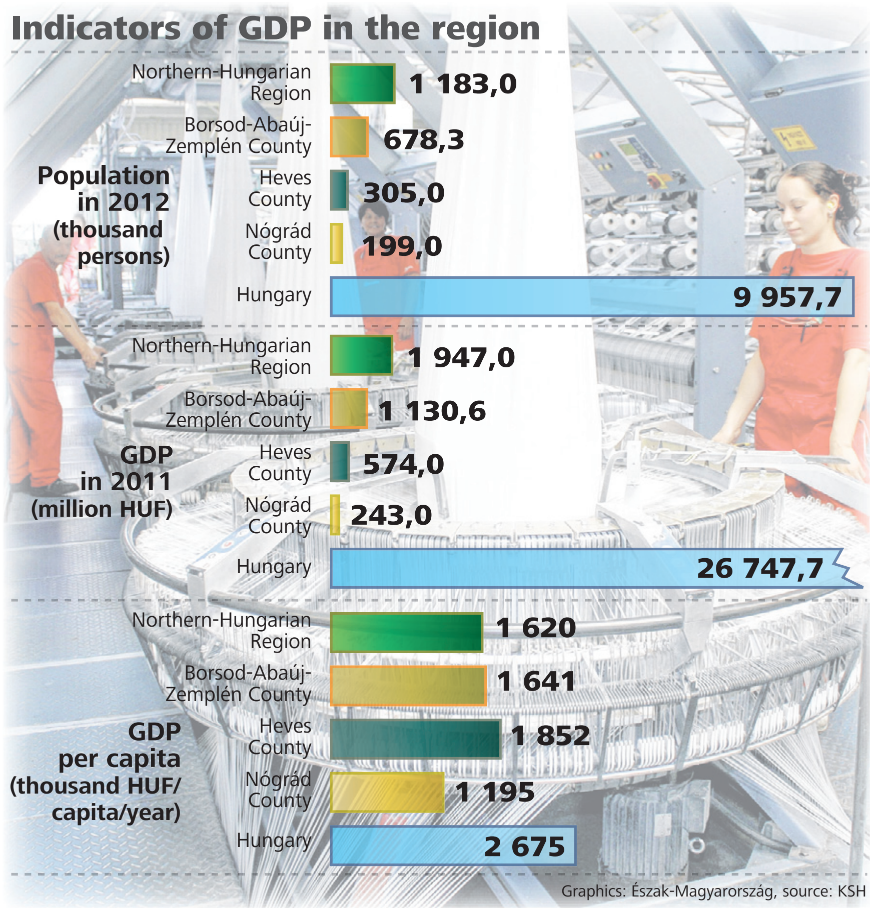


TABLE 2.

Priority economic indicators of the region

Denomination	Region		B.-A.-Z. County		Heves County		Nógrád County	
	2010	2011	2010	2011	2010	2011	2010	2011
Net sales revenue, million HUF	3 950 271	4 521 594	2 615 635	2 960 020	1 014 425	1 238 216	320 211	323 358
From this: export, million HUF	1 571 868	2 050 814	1 005 531	1 309 059	435 700	610 217	130 637	131 538
domestic sales, million HUF	2 378 403	2 470 780	1 610 104	1 650 961	578 725	627 999	189 574	191 820
Profit before tax, million HUF	58 081	34 538	11 978	1 415	45 068	37 459	1 035	-4 336
From this: Business result, M HUF	88 942	74 678	37 174	25 970	51 342	45 275	426	3 433
Financial result, M HUF	-42 669	-53 126	-31 674	-29 458	-9 078	-13 660	-1 917	-10 008
Regular entreprenurial profit, M HUF	46 273	21 552	5 500	-3 488	42 264	31 615	-1 491	-6 575
Profit after tax, million HUF	42 374	19 654	2 843	-6 320	39 620	31 160	-89	-5 186
Amortization, million HUF	162 958	173 460	101 944	106 898	48 901	53 972	12 113	12 590
Income (profit after tax + amortization), million HUF	205 332	193 114	104 787	100 578	88 521	85 132	12 024	7 404
Added value, million HUF	738 963	789 990	445 375	465 514	232 170	262 372	61 418	62 104
Own capital, million HUF	1 446 317	1 527 088	908 210	961 793	416 922	449 955	121 185	115 340
Staff, pers.	159 294	166 625	93 082	98 488	45 336	48 172	20 896	19 965
Wage costs, million HUF	284 848	316 054	165 047	182 795	87 287	102 088	32 523	31 177
Average wage, thousand HUF/pers./year	1 788	1 897	1 774	1 856	1 925	2 119	1 556	1 561
SPECIFIC INDICATORS								
Added value/own capital	511	517	490	484	557	583	507	538
Income/own capital	142	126	115	105	212	189	99	64
Added value/staff	4 639	4 741	4 786	4 727	5 121	5 447	2 939	3 111

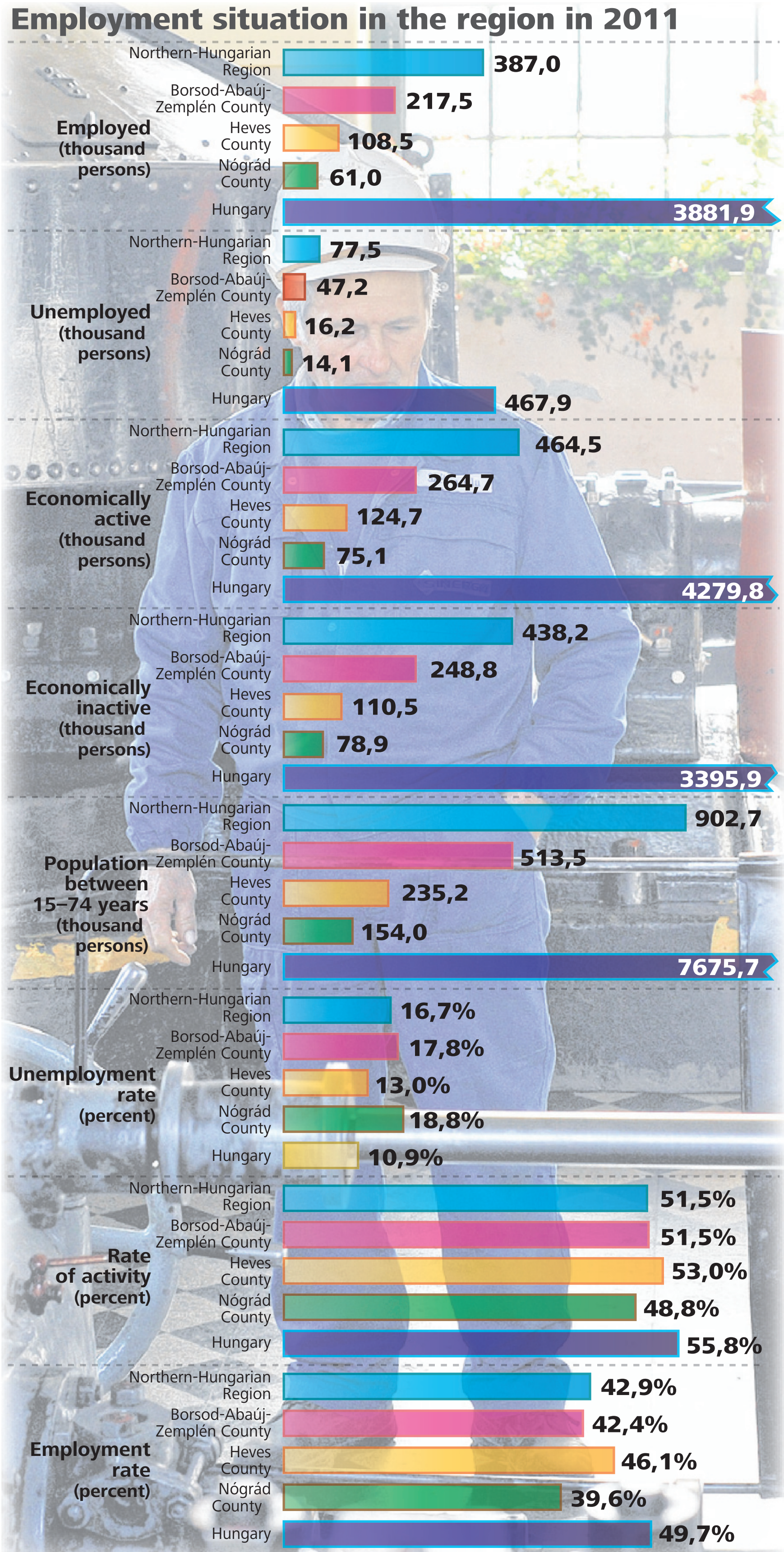
Profitability dropped, after the temporary improvement in the year 2010, to the 2009 level. Profits before taxation legged behing the level of the year 2009 by 5%.

The role of Borsod-Abaúj-Zemplén county, due to its size, is still of key importance in the economic performance of the region, as the ratio of the county is between 52-66% in the area of economic performance, yield and employment in the year 2011. Heves county ranks second with a ration between 25-44%. In Nógrád county the ratios of the economic performance is lower than 10%, this ratio is 12% in the area of employment only. The profits before taxation is best in Heves county within the region, amounting to HUF 37.5 billion. In the year 2011 profits before taxes in the amount of HUF 1.4 have been generated in Borsod-Abaúj-Zemplén county, whereas losses in the amount of HUF 4.3 billion was generated in Nógrád county.
The role of Heves county within the region increased further in case of economic performance and employment, as net sales and within this export and domestic sales, including the added value, the number of employees and wages costs increased exceeding the regional average in the year 2011.

Though the economic performance has improved, but the total increase of net sales (11%) compared to the year 2007 is by far legging behind the rate of inflation (30%). Domestic sales are by 5.8% and added value by 1.2% lower than the value before the crisis. Export increased also at real value, as the increase of 41% at current prices exceeds the change of the exchange rates of key currencies (USD and EUR) compared to the year 2007 and the devaluation of the Hungarian currency.

The profits before taxes were in the year 2011 only 14% and the yield only half of the value of the year 2007. The number of the employed is legging behind the level of 2007 by 5736 persons, by 3.3% . Accordingly, the specific indicators (added value/equity, yield/equity, added value/headcount) are not on the level before the crisis either.

GRAPHICS 2.



Graphics: Észak-Magyarország, source: KSH

Method of economic analysis...

... as well as content of economic indicators used for analyses of NAV

Our economic analyses of county use regularly an approach of status information and description of changes. In the first case we investigate at what level we are and in the latter where are we going to. As base of comparison we use regularly national, regional or county level indicators depending on of what level and how deep the analysis is.

For the introduction of economic level (standard) achieved we use specific (efficiency) indexes. Most frequent basis of comparison are invested own capital, employed live labour (number of employees) or number of population to be maintained from economic power.
For the introduction of internal structure of economy of the county we prepare beside to county level analyses according to sectors, size of enterprises and to small areas as well.

Information background of our analyses is based on data sources of NAV completed regularly with data to be found in publications of KSH.

In all counties, so in county Borsod-Abaúj-Zemplén there are larger companies as well as sectors of outstanding performance determining tendencies of county data owing to their size. But in terms of economic growth it is also important to pay attention – in addition to companies and branches of outstanding performance – to performance tendencies of other branches or small and medium enterprises.

During our economic analyses 4 indicators play important part:

– **Added value:** most complex indicator of economic performances. It does not contain accumulation of material costs and costs of material character. It contains newly added value at the given enterprise or administrative unit including adjusted trading profit, amortisation, cost of wages and wage-like costs.
It can be calculated from its elements (adjusted trading profit+amortisation +cost of wages and wage-like costs) or from net sales (net sales-material costs and costs of material character).
Aded value as the most complex indicator is suitable for demonstration of direction, extent – and analysing its internal composition – character of economic growth. Inside the indicator's increase capital revenues (profit + amortisation) or live labour and connected elements (wage costs, personal income tax, social insurance and other wage-like costs) are dominant.
Added value contains also basic indicators of major tax categories (profit content of indicator is the base of corporation tax, wage costs of personal tax and social security tax, while added value itself is the base of VAT). For this reason added value indicator is suitable for analysing economic trends determining tax bases as well.

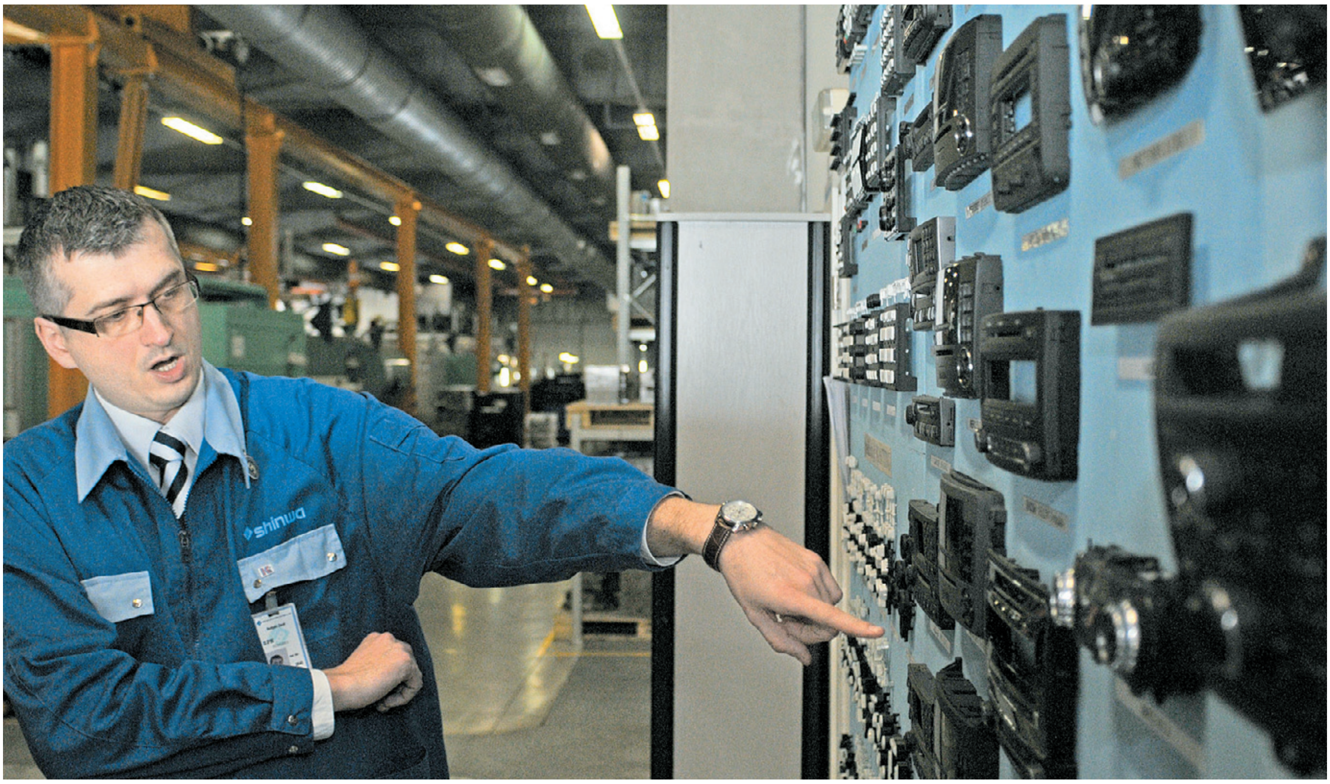
– **Net sales**: one of the most known economic indicators. It contains incomes realised during business activity. While using it (e.g. measuring and comparison of economic performances) there is a problem that it contains substantial material- and costs of material character as well as accumulation of purchased value of goods sold (ELÁBÉ) and of performances of subcontractors.
Inside of net sales – because of its national importance – we also observe separately development of export sales.

– **Result indicators:**
Profit before taxes: profit according to Accountancy Law, including business, financial and windfall profit.

Business result: difference between returns and expenses of regular and not regular (other) activities connected with business activity.
Adjusted trading profit: business result corrected by the balance (return content) of other returns and expenses.
Financial result: difference between returns and expenses of financial activities.
Regular entrepreneurial profit: total result of business and financial activities.
Excess result: result change effect of unexpected economic events being not connected with the normal course of business. Tax liability of the result is evaluated according to Act on Corporation Tax.
Profit after tax = profit before tax–corporate tax
Profit and loss according to the balance sheet = profit after tax + accumulated profit reserve used for dividends, profit sharing and interests of interest bearing shares - approved dividends, profit sharing and interests of interest bearing shares.

– **Income:** it contains profit after tax and amortisation as own resources refunded as a result of entrepreneurship, that means it shows development of self-financing capability of enterprises.

When qualifying a given economic year or an economic (trend) period of time these four indicators are evaluated together. Indicators are correlated but this is not function-like so they can move in directions and sizes different from each other.



Pre-crisis level is far

Narrowing own resources threaten development and daily operation

Borsod-Abaúj-Zemplén county, the second-largest county of Hungary is situated in the region of North-Hungary, with an area of 7,250 square kilometers. 2011. the number of inhabitants was 678,271 persons, which is by 6.5% (by 47,518 persons) lower than in the year 2005.

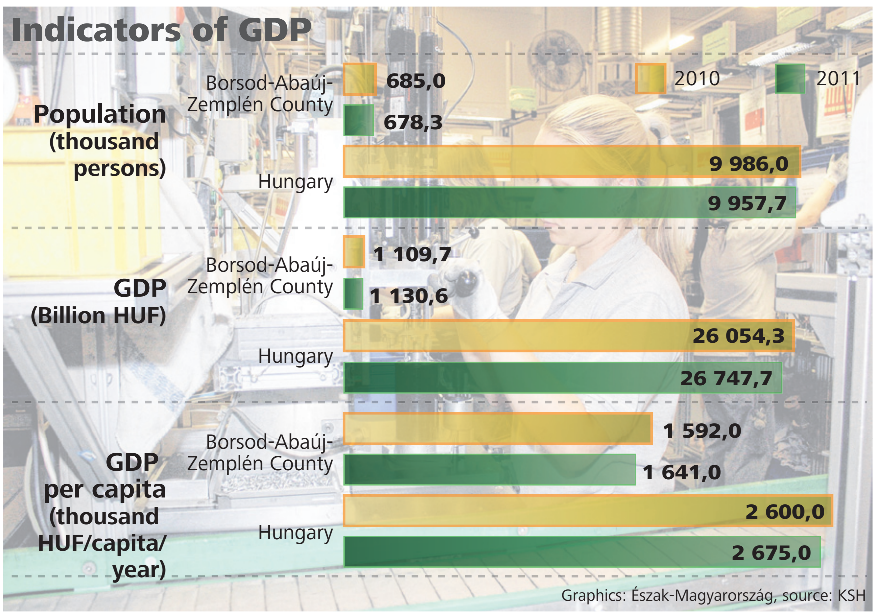
During the last six years the population of the country dropped by 1.2% (118,850 persons). In our county the drop of the number of inhabitants was much higher(5.4%) than the national average. The less favorable county ratio was principally influenced by transmigration (even leaving Hungary).

The disadvantageous change of economic performance compared to other regions has also contributed to the decrease of the population. Because of the downturn of the indicators of economy also employment possibilites worsened, which has significantly contributed to migration.

According to the data of the Central Office for Statistics the county produced with 6.8% of the population and with 5.7% of the employed in the year 2010 GDP in the amount of HUF 1,130.6 billion, which is 4.2% of the national value. Gross domestic product has slightly increased both on county and national level (by 1.9 and 2.7%) compared to the previous year. (Q.v. Graphics 3.)

The impact of the crisis on our county was more severe than the average,

GRAPHICS 3.



the gross domestic product in the year 2010 did not reach the level of 2007 before the crisis, it is only 96.3% of the same. Contrary to this, in the same period of time there was a growth of 5.6% on national level.

Employment situation

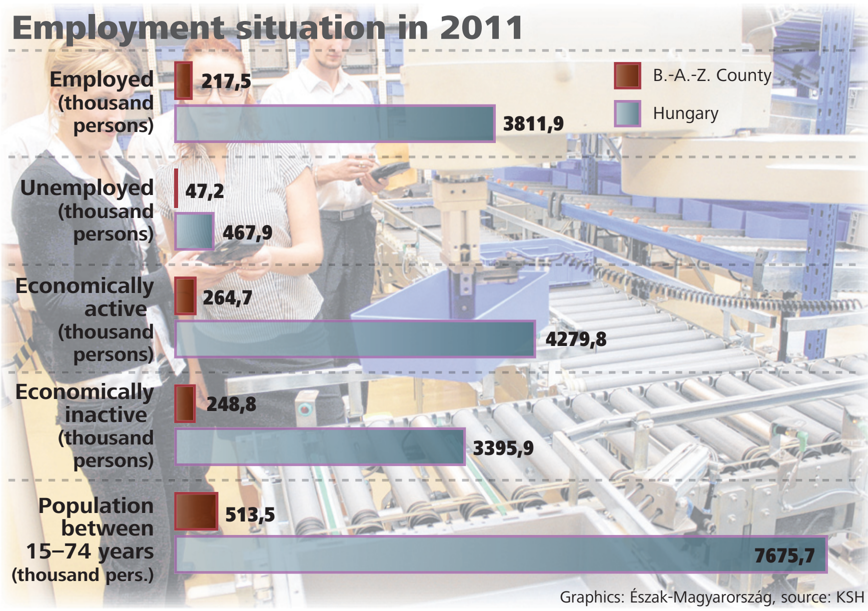
Because of the crisis the number of the employed dropped continuously since 2007, whereas on nationwide level there as already a slight growth in 2011. In the year 2011 there were 217,000 employees in Borsod-Abaúj-Zemplén county, which is by 17,600 persons (7.5%) less than in the year 2007. The fact that the annual drop of employment slowed down is a positive sign. While in the year 2008 the number of employees dropped by 9,200 persons compared to the previous year, in the year 2011 there was a drop of 800 persons only. On national level the drop of employment was not this high, the number of those employed in the year 2011, due to the growth this year, was by 2.9% lower than 2007.

The disadvantageous situation of the county is also evidenced by the fact that the rate of employment (the rate of those employed among those capable of work) is legging by 7-8% behind the national average during the last five years. The rate of unemployment keeps increasing year by year, the percentage of registered unemployed was 17.8% in the year 2011, which is by 6.9% higher than the national average.
(Q.v. Graphics 4–5.)

Players in the economy

The number of business ventures increased by 0.4% in the year 2011. In addition to business partnerships we have also checked the tendency and change of the number of non-profit organisations that play a key role as end users in the creation of solvent demand: self-governments, foundations, associations, condominiums etc. The more than 1,600 condominiums that were regarded earlier as companies without legal entity, have been reclassified as non-profit organisations in 2011.

GRAPHICS 4.

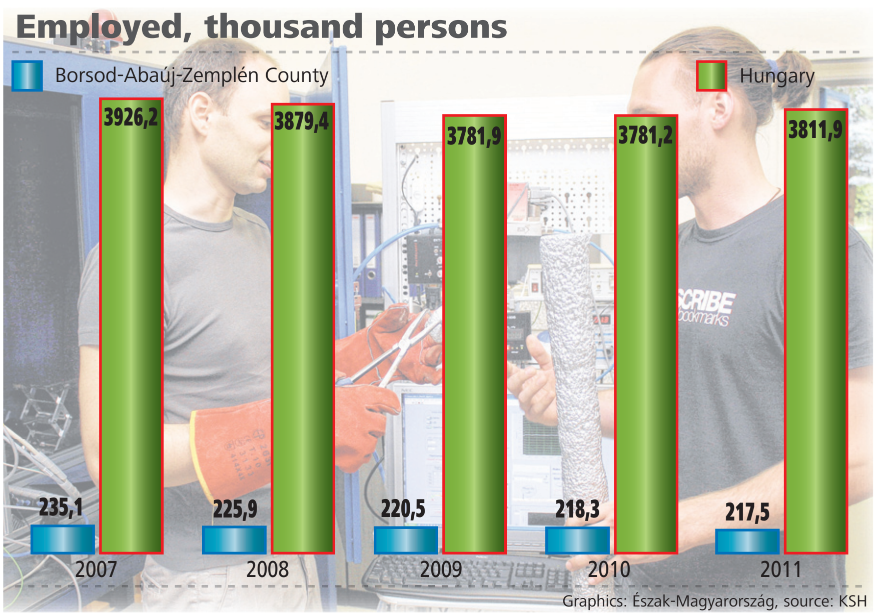


Players in the world of business

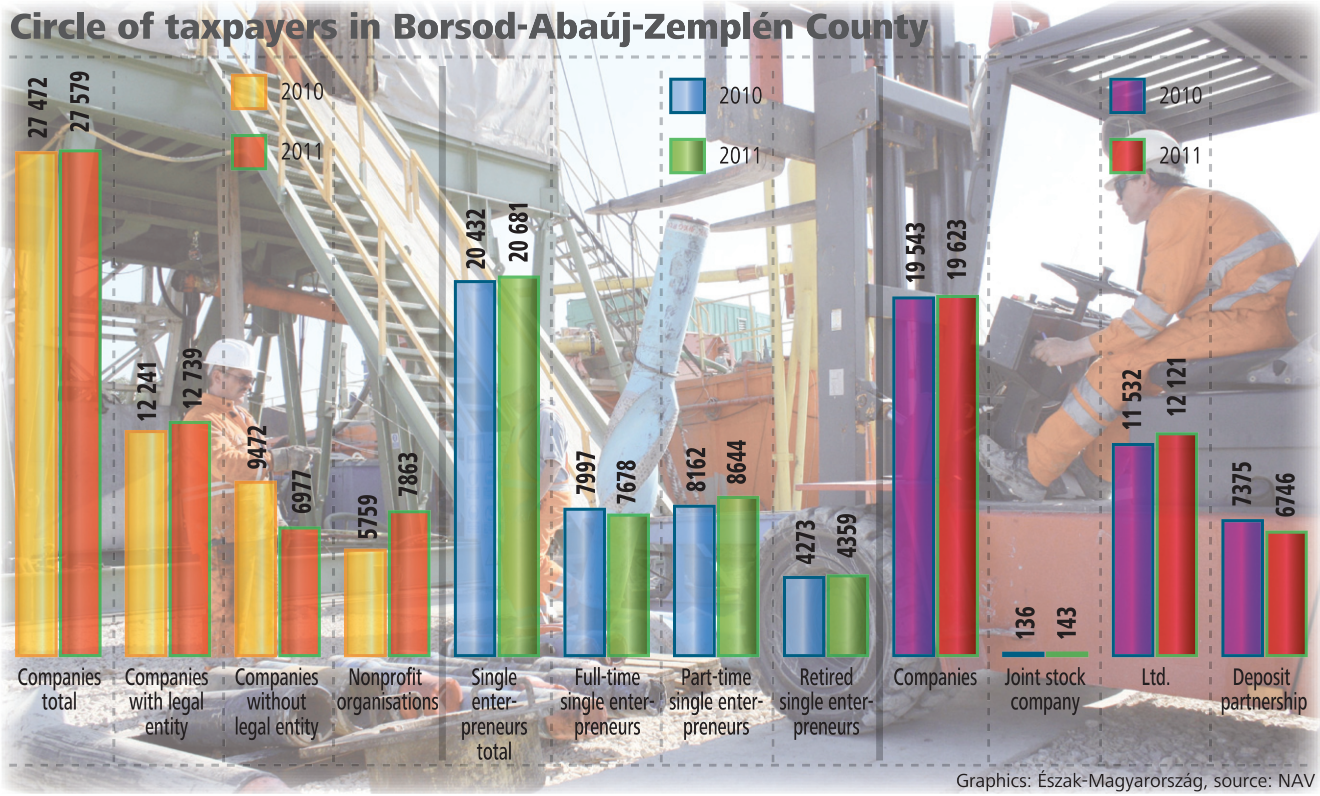
The number of the partnerships in the county that paid corporate or simplified entrepreneurial tax and play a key role in the economic performance of the county, increased also by 0.4%. Within this the number of companies limited by shares and limited companies increased by 5.1%. At the same time the number of limited partnerships interested mainly in the domestic market and with this also their ratio dropped by a further 8.5%.

The reduction of the registered one-man businesses stopped on temporary basis in the year 2011, as there was a total growth of 1.2%, contrary to the reduction tendencies of the previous years. The further 4% drop of full-time self-employed private entrepreneurs is unfavorable. At the same time the number of the entrepreneurs working in addition to their full-time job grew by 6%, and that of retired entrepreneurs grew by 2% in the year 2011.
(Q.v. Graphics 6. on the next page)

GRAPHICS 5.



GRAPHICS 6.



The tendency of the economic performance of Borsod-Abaúj-Zemplén county is still to a great extent influenced by partnerships, as in the year 2011 they realized 96.4% of the revenues generated in the county. The contribution of one-man businesses and entrepreneurs paying the so-called simplified entrepreneurial tax more heavily affected by the crisis and the changes in legal regulations to the performance of the county in 2011 has diminished. The increase of the income of one-man businesses by 3.3% is, calculated on the current price level, legging behind the rate of inflation (3.9%). EVA (SET) payer realized 98.5% of the revenues of the previous year in 2011. On the contrary the net sales of partnerships increased by 13.2% due to the revival of the export markets and because of the further increase of the rate of foreign currencies
(Q.v. 3. Table)

Economic achievements

In Borsod-Abaúj-Zemplén county the development was continuous until 2007. The growth of net sales and within this the growth of export and domestic asles exceeded the national average and also the rate of inflation until 2006. Profitability was favorable as well. Profits before taxes and within this the growth of operating profits was much higher than the national average. A catch-up process has started.

As of the 3rd quarter of 2008 economic factors came to be unfavourable. The financial-economic crisis had an impact on the county as early as 2008. The crisis made its way very early to our county, as its economy is open because of the high ratio of export and import. The share of export was between 31 and 44% during the last 5 years and one fifth-sixth of the purchases resulted from import, based on VAT returns. Contrary to national tendencies net sales and within this export and added value dropped in the year 2008. The drop of profitability was much more severe than the national average (profits before taxes and within this operating profits as well).

In the year 2009 the performance and profitability indicators of the county have worsened further and the effects of the crisis appeared also on the level of the national economy through the drop of the performance and profitability indicators.

TABLE 3.
Incomes of joint and single enterprises

Denomination	Sales revenue (Net sales revenue at joint enterprises)			
	2010		2011	
	Million HUF	Distribution	Million HUF	Distribution
Companies	2 615 635	96,0%	2 960 020	96,4%
Single enterpreneurs	91 697	3,4%	94 725	3,1%
EVA-taxpayers	16 614	0,6%	16 379	0,5%
Total	**2 723 946**	**100,0%**	**3 071 124**	**100,0%**

TABLE 4.
Indicators of performance

Denomination	2007	2008	2009	2010	2011	Index	
						11/07	11/10
Net sales revenue, million HUF	2 606 996	2 600 734	2 350 006	2 615 635	2 960 020	13,5%	13,2%
From this: Export, million HUF	874 990	805 678	739 322	1 005 531	1 309 059	49,6%	30,2%
Domestic sales, million HUF	1 732 006	1 795 056	1 610 684	1 610 104	1 650 961	-4,7%	2,5%
Added value, million HUF	486 297	457 485	397 175	445 375	465 514	-4,3%	4,5%
Corrected business result, M HUF	153 117	116 165	61 715	96 553	85 529	-44,1%	-11,4%
Amortization, million HUF	94 024	96 660	99 868	101 944	106 898	13,7%	4,9%
Wage costs, million HUF	154 086	157 723	152 940	165 047	182 795	18,6%	10,8%
Wage-like other costs + social security tax, million HUF	83 077	88 275	80 265	79 591	87 624	5,5%	10,1%

2010 the recovery from the crisis started. Net sales, added value and profits before taxes and employment increased on county and national level as well, compared to the previous year. In our county the increase of the net sales and of the added value by more than 4.9% is a favorable tendency. At the same time the fact that domestic sales reached the level of the previous year if calculated on the current price level, whereas there was a drop of 2.5% on national level, indicates the reduction of domestic consumption.

In the year 2011 economic performances improved further on the level of the county and of the national economy alike, as the increase of the net sales and added value was higher than the 3.9% rate of inflation. It is a positive phenomena that in our county following the crisis the net sales exceeded the net sales of the year 2007 by 13.5% in the year 2011 for the first time, calculated on the current price level. Domestic sales and added value has not reached yet the value before the crisis. (Q.v. Table 4–5.)

However there was no growth yet at real value yet in the county and in Hungary. For this net sales, domestic sales and added value should have grown in the year 2011 by 30% calculated on the current price level.

In the year 2011 domestic sales increased in the county and in Hungary as well on current price level, compared to the previous year, but it is legging behind the rate of inflation (3.9%).

TABLE 5.
Indicators of performance, profitability, effectivity and employment

Denomination	B.-A.-Z. County		Index	Country		Index
	2010	2011	2011/2010	2010	2011	2011/2010
Net sales revenue, million HUF	2 615 635	2 960 020	13,2%	67 645 392	72 758 924	7,6%
From this: Export, million HUF	1 005 531	1 309 059	30,2%	21 069 503	24 601 061	16,8%
Domestic sales, million HUF	1 610 104	1 650 961	2,5%	46 575 889	48 157 863	3,4%
Profit before tax, million HUF	11 978	1 415	-88,2%	2 506 675	2 248 807	-10,3%
From this: Business result, million HUF	37 174	25 970	-30,1%	2 332 084	2 741 986	17,6%
Financial result, million HUF	-31 674	-29 458	-7,0%	-2 328	-702 826	31 644,6%
Excess result, million HUF	6 376	4 893	-23,3%	163 699	207 737	26,9%
Regular entreprenurial profit, M HUF	5 500	-3 488	-163,4%	2 329 756	2 039 160	-12,5%
Profit after tax, million HUF	2 843	-6 320	-322,3%	2 187 653	1 973 195	-9,8%
Amortization, million HUF	101 944	106 898	4,9%	2 801 983	2 782 253	-0,7%
Income (profit after tax + amortization), million HUF	104 784	100 578	-4,0%	4 989 636	4 755 448	-4,7%
Added value, million HUF	445 375	465 514	4,5%	13 368 358	14 327 954	7,2%
From this: Corrected business result, M HUF	96 553	85 529	-11,4%	3 825 598	4 386 743	14,7%
Amortization, million HUF	101 944	106 898	4,9%	2 801 983	2 782 253	-0,7%
Wage costs, million HUF	165 047	182 795	10,8%	4 525 664	4 813 282	6,3%
Wage-like other costs, M HUF	79 591	87 624	10,1%	2 151 502	2 287 351	6,3%

All in all it is not favorable that the unfavorable position of the Hungarian currency did not change vs. the more important currencies in the year 2011. Among the key currencies USA dollar grew from the rate of HUF 173 (2007) by the end of 2011 to HUF 241 (by 39.4%) EUR from HUF 253 to HUF 311 (by 22.8%), whereas the rate of the Swiss francs increased from HUF 152 to HUF 256 (by 67.9%). (We have considered the data based on the official middle rates of exchange published by the Hungarian National Bank on the internet).

On current price level export was in the year 2011 on county level by 49.6% whereas on national level by 29.4% higher than the export in 2007. Export from the country grew after 2008 in the year 2011 also in terms of its volume, as the rate of growth exceeds by far the increase of the HUF/USA dollar and HUF/EUR rate of exchange (index = year 2011/2007) On the level of the national economy the growth of the quantity of export is clear also in case of transactions effected in EUR.

The price increase of imported goods, due to the increase of the rate of foreign currencies, mitigated the domestic consumption in 2011 as well. The rate of exchange of EUR rose by the end of 2011 by 11.6%, that of the USA dollar by 15.4% and the Swiss francs by 14.9% compared to the previous year. Those making use of credits in foreign currencies could spend less on consumption almost through the year 2011, because of their constantly increasing instalments.

Domestic consumption dropped, as calculated on the current price level, domestic sales in 2011 was legging by 4.7% behind 2007 on county level. Contrary to this, during the same period of time, domestic sales increased by 3.4% on the current price level.
Domestic sales in 2011, taking the annual rate of inflation into consideration, calculated at real value, is legging by 34.7% behind the performance of the year 2006. On national level the lag is somewhat less, 26.6% which is also significant.
In the meantime the typical circular debts among the players of economy and also the lack of resources at the budgetary authorities curbed domestic consumption.

Real income has dropped significantly during the last 4 years. The increase of the average wage paid by operating partnerships in 2011 is legging by 12.5% behind the rate of inflation (30%), compared to 2007. The gross

Table 6.
Indicators of profit

Denomination	2007	2008	2009	2010	2011	Index 2011/2007	Index 2011/2010
Profit before tax, million HUF	179 703	34 918	-7 196	11 978	1 415	-99,2%	-88,2%
From this: Business result, M HUF	117 869	68 559	14 593	37 174	25 970	-78,0%	-30,1%
Financial result, million HUF	-7 275	-35 107	-34 474	-31 674	-29 458	304,9%	-7,0%
Excess result, million HUF	69 112	1 466	12 685	6 376	4 893	-92,9%	-23,3%
Regular entreprenurial profit, M HUF	110 594	33 452	-19 881	5 500	-3 488	-103,2%	-163,4%
Income, million HUF	261 378	122 565	84 850	104 787	100 578	-61,5%	-4,0%
From this: Profit after tax, M HUF	167 354	25 905	-15 018	2 843	-6 320	-103,8%	-322,3%
Amortization, million HUF	94 024	96 660	99 868	101 944	106 898	13,7%	4,9%
Profit before tax, million HUF	179 703	34 918	-7 196	11 978	1 415	-99,2%	-88,2%
From this: Profit, million HUF	201 479	89 729	78 329	84 427	105 432	-47,7%	24,9%
Loss, million HUF	-21 776	-54 811	-85 525	-72 449	-104 017	377,7%	43,6%

average monthly salary of employees grew in the year 2011, on the basis of the data of the Central Office for Statistics, by 16.8%, while the net monthly salary grew by 25.1%. This shows that the tax load of salaries dropped. (Data source: Statistical information, Borsod-Abaúj-Zemplén county, 2011/4, and 2007/4 edition)

Average wages are legging behind also by 11.6 on national level. (According to the measurement by the the HCSO on national level the monthly average salary increased in the business sector in the year 2010 by 16.6% compared to the pre-crisis year of 2007, while averag salaries in the public sector dropped by 4.9%. In the public sector, there was no pay rise as of January 1, 2009 and in the meantime in several steps the 13th month's wage and the 13th month's old age pension was also discontinued.)

During the period analysed, between 2007-2011 legal changes had a positive influence, during the last two years in particular. The tax load of companies subject to corporate tax, of private persons subject to personal income tax and of one-man businesses has been reduced. This resulted at any rate in the increase of own resources at companies and because of this also solvent demand grew.

The health insurance contribution payable by the employer dropped by 3%. The flat rate healthcare contribution in the amount of HUF 1,950 was abandoned.

Corporate tax of partnerships calculated on the positive tax base was reduced during the last two years because of the reduction of the tax rate: 2007 - 15.8%, 2008 - 15.3%, 2009 - 15.7%, 2010 - 14.1%, 2011 - 10.8%

The average tax load of personal income in the county dropped, compared to 2007. from 16.2% to 13.9% in 2010 , and to 12.2% in 2011. (On national level this was reduced 2010 to 18.8% and 2010 to 16.6% and in the year 2011 to 13.8%)

The repeated increases of the tax rate in case of taxpayers paying the so-called simplified entrepreneurial tax was unfavorable and the increase of the VAT rate from 20 to 25% has also mitigated demand.

TABLE 7.

Employment situation

Denomination	2007	2008	2009	2010	2011	Index	
						2011/2007	2011/2010
Employed, thousand persons							
B.-A.-Z. County	235,1	225,9	220,5	218,3	217,5	92,5%	99,6%
Hungary	3926,2	3879,4	3781,9	3781,2	3811,9	97,1%	100,8%
B.-A.-Z. County/national economy	6,0%	5,8%	5,8%	5,8%	5,7%		
Unemployed, thousand persons							
B.-A.-Z. County	37,5	39,0	42,1	45,8	47,2	125,9%	103,1%
Hungary	311,9	329,2	420,7	474,8	467,9	150,0%	98,5%
B.-A.-Z. County/national economy	12,0%	11,8%	10,0%	9,6%	10,1%		
Economically active, thousand pers.							
B.-A.-Z. County	272,6	264,9	262,6	264,1	264,7	97,1%	100,2%
Hungary	4238,1	4208,6	4202,6	4256,0	4279,8	101,0%	100,6%
B.-A.-Z. County/national economy	6,4%	6,3%	6,2%	6,2%	6,2%		
Economically inactive, thousand pers.							
B.-A.-Z. County	369,6	269,7	262,9	255,8	248,8	67,3%	97,3%
Hungary	3481,3	3501,6	3487,1	3430,4	3395,9	97,5%	99,0%
B.-A.-Z. County/national economy	10,6%	7,7%	7,5%	7,5%	7,3%		
Population between15-74 years, thousand pers.							
B.-A.-Z. County	642,2	534,6	525,5	519,9	513,5	80,0%	98,8%
Hungary	7719,4	7710,2	7689,7	7686,4	7675,7	99,4%	99,9%
B.-A.-Z. County/national economy	8,3%	6,9%	6,8%	6,8%	6,7%		
Uneployment rate, percent							
B.-A.-Z. County	13,8%	14,7%	16,0%	17,3%	17,8%	4,0%	0,5%
Hungary	7,4%	7,8%	10,0%	11,2%	10,9%	3,5%	-0,3%
Rate of activity, percent							
B.-A.-Z. County	50,3%	49,6%	50,0%	50,8%	51,5%	0,5%	0,8%
Hungary	54,9%	54,6%	54,7%	55,4%	55,8%	0,5%	0,7%
Employment rate, percent							
B.-A.-Z. County	43,4%	42,3%	42,0%	42,0%	42,4%	-1,4%	0,0%
Hungary	50,9%	50,3%	49,2%	49,2%	49,7%	-1,7%	0,0%

The added value (without the cumulation of material costs and material-type costs) measuring new value produced from the corporate tax returns expresses the economic performance of the county better than net sales.
The fact that the increase of the added value in our county in 2011 exceeded the rate of inflation of 3.9% by 0.6% compared to the base of the previous year implies the recovery from the crisis.

It is an unfavourable phenomena that compared to the pre-crisis year of 2007 added value was, calculated on current price level, by 4.3% lower, whereas on the level of the national economy the generation of added value increased by 13.9%. The reason for the reduction in the county is that the corrected operating profits in 2011are only 55.9% of the figure of 2007, thus the share of the corrected operating profits in 2011 within the added value is by 13.1% legging behind the figure of 2007 (it dropped from 31.5% to 18.4%) On national level the ratio of two years is identical (30.7%). (The corrected result is the value of the operating profits increased with other expenditure and reduced with other income).

Tendency of profitability

The tendency of the profitability of the partnerships in the county was extremely fluctuating in the years of the crisis.
The results of the year 2009 were the low point. Profits before taxes (HUF -7,196 million) and the profits or losses from ordinary activities (the result of the business and financial activities) (HUF -19,881 million) was in the negative range for the first time in the county. The significant worsening of profitability, the negative tendencies of the results had a bearing on the large companies operating in the chemical sector and in the metallurgical and metal processing industries.
(Lásd: 6. táblázat az előző oldalpáron)

However in the year 2010 there was a positive change as companies again realized positive results. Profits before taxes amounted to HUF 11,978 million, while the profits from ordinary activities amounted to HUF 5,500 million.

In the year 2011 enterprises realized as pre-tax net profits profits in the amount of HUF 1,415 million only. Profits from ordinary activities were again in the negative range, due to the 30% drop of the operating profits. There is a significant drop of profitability among the key industries in the chemical industry and energy generation, water production and waste management, and the other industries which could increase their profits were able to compensate this drop only in part.

The results of the profitable enterprises in the county have continuously improved during the last three years, while the losses have grown continuously with the exception of the year 2009, exceeding the change of profits. Losses increased in the year 2011 by HUF 31.6 billion, by more than 40%. On the level of national economy tendencies are similar, just the magnitude of change is different.

In terms of the operation and development of companies the availability, increase or reduction of own resources is of key importance. The yield indicator containing elements of pure resources being paid back in financially realised sales consists of the profits after the payment of corporate tax and depreciation, which pays back over several years following the investment into tangible assets.

Because of the drastic worsening of profitability revenues dropped also dramatically in the years of the crisis. The yield dropped in 2011 in the county by 4% and by 4.7% in Hungary, compared to the previous year. The increase of own resources generated via depreciation was not able to offset the dramatic drop of profits after taxes.

The permanent effects of the crisis have a negative impact on the reproduction of own resources. The revenue on the current price level during the last four

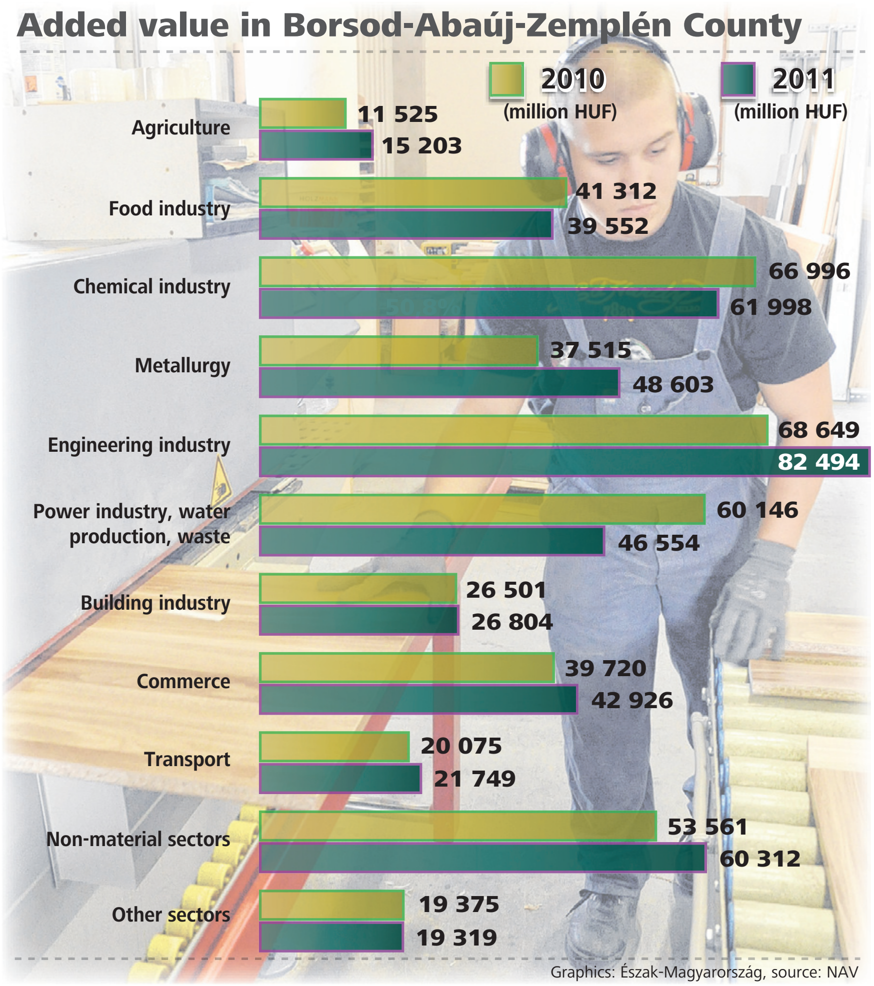
years was not even close to the pre-crisis level.
In our county the yield between 2008-2011 was between 32-47% of the figure of the pre-crisis year of 2007. On national level the drop of the yield was lower in the years of the crisis, it was between 73-83% compared to 2007.

The drop of the revenue makes it also difficult to use external resources and credits, as one of the substantial preconditions of credit is the appropriate availability of own resources and assets.
The lower than expected generation of own resources that continues since many years jeopardizes not only the necessary developments but the normal function of enterprises as well.

Tendency of resources between 2007-2011

In case of the reduction of own resources, which happened in the years of the crisis, the recapitalisation of the companies by the owners might help, which is manifested in the raising of the subscribed capital (foreign capital).
(Q.v. Table 8.)

GRAPHICS 7.



It is a progress in the year 2011 that equity (even if just slightly) exceeds by 1.7% the value of the pre-crisis year of 2007.
The change occurred despite of the fact that the profits after taxes have dropped by HUF 9.2 billion due to the worsening of profitability compared to the previous year. This loss was compensated by the capital increase financed by the shareholders in 2011 in the amount of HUF 32.3 billion, of which 74% resulted from the increase of foreign capital, due to the individual positions of some taxpayers. Thus subscribed capital and foreign capital grew by 7.6% and 21.5% resp. compared to 2010.

Table 8.
Resources and indicators of employment

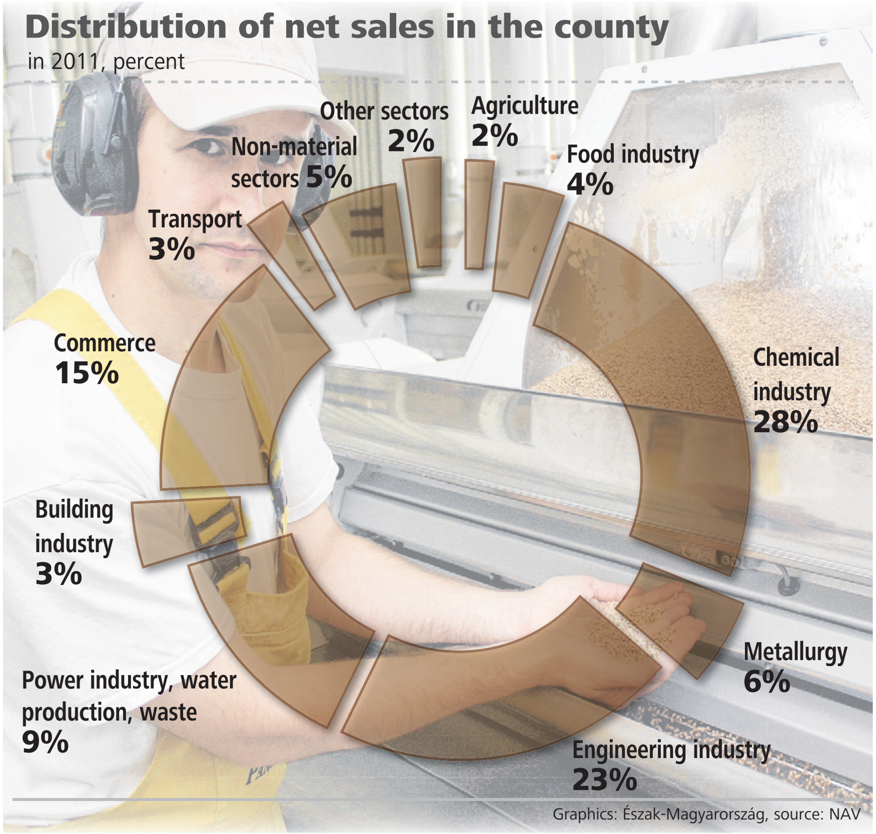
Denomination	2007	2008	2009	2010	2011	Index	
						11/07	11/10
Own capital, million HUF	945 627	929 839	909 096	908 236	961 793	1,7%	5,9%
Subsrcibed capital, million HUF	389 561	392 100	394 250	425 351	457 663	17,5%	7,6%
Foreign capital, million HUF	107 399	102 579	107 890	111 336	135 240	25,9%	21,5%
Foreign capital/subsrcibed capital	27,6%	26,2%	27,4%	26,2%	29,6%	-1,4%	3,4%
Dividend, million HUF	108 459	21 053	25 526	46 256	24 593	-77,3%	-46,8%
Dividend/subsrcibed capital	27,8%	5,4%	6,5%	10,9%	5,4%	-17,0%	-5,5%
Value invested in the current year, M HUF	120 273	158 773	109 619	139 922	158 753	32,0%	13,5%
Staff, pers.	97 613	95 137	88 537	93 062	98 488	0,9%	5,8%
Wage costs, million HUF	154 086	157 723	152 940	165 047	182 795	18,6%	10,8%
Average wage, thousand HUF/pers./year	1 579	1 658	1 727	1 774	1 856	17,6%	4,7%

The fact that the dividends approved by shareholders in the years of the crisis have dropped significantly compared to the amount of HUF 108. 5 billion in 2007. The ratio of approved dividends versus subscribed capital was 5.4%-10.9% between 2008 and 2011, compared to 27.8% in 2007.

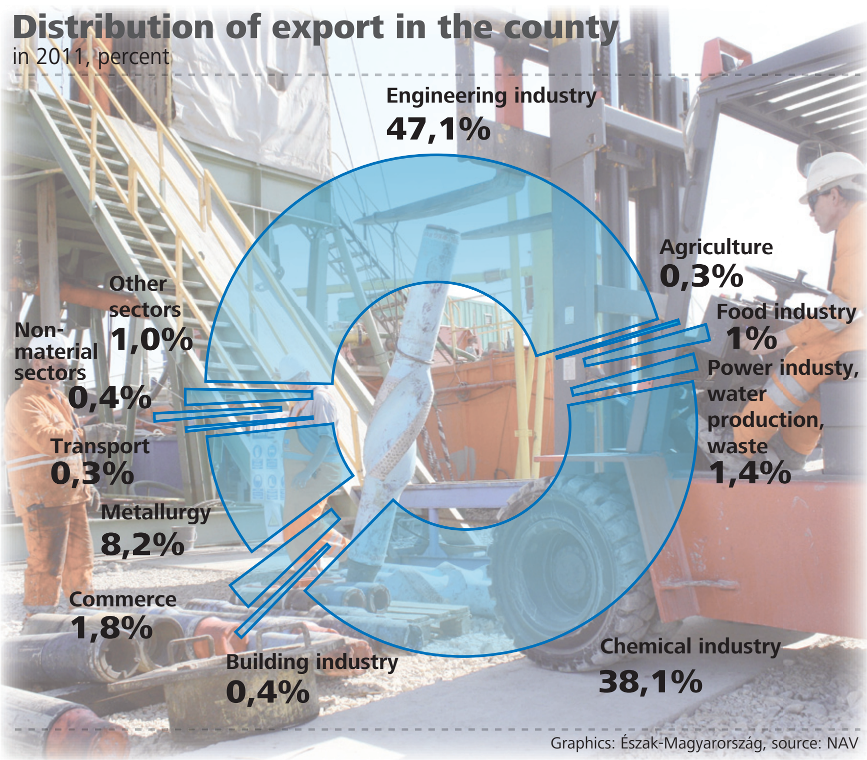
The effects of the crisis appeared in investment projects with delay, as the investment projects launched during previous years are implemented in industries requiring a high amount of tangible assets like in the chemical and energy industry over several years, and the commissioning of these projects protracted to the time of crisis. The low point was in B.-A.-Z. county in the year 2009, when the value of investment projects during the year dropped by 9% compared to 2007.

The revival of developments during the last two years implies the mitigation of the effects of the crisis. Investments grew in 2010 by 27.6% , and in 2011 by 13.5% compared to the previous year. It is a favorable trend that the value of investment projects exceeded the value of the year 2007 by HUF 19.6 billion in the year 2010 and by HUF 38.5 billion in 2011.

GRAPHICS 8.



GRAPHICS 9.



Employment

The crisis had an impact on employment as well. In the county that has been struggling with employment problems for years and having less favorable employment figures than other counties (rate of employment and activity) the rate of employment improved, started to grow during the last two years. The number of those employed grew in the year 2010 by 4,525 persons (5.1%) in 2011 by 5,426 persons (5.8%) compared to the base of the previous year.

The year 2011 was a breakthrough in employment as well , as the number of employees and workers was by 875 people higher than in the pre-crisis year of 2007, when the number of employees and workers was 97,613 people.
(Q.v. Table 7. on the page 13.)

It is extremely unfavorable in terms of the economic growth and the domestic consumption that in the private sector pay rises do not follow the rate of inflation. The average wages should be by at least 30% higher in 2011 than in 2007 in order to be able to confirm the increase of the real wages. This means that the employees of the private sector are even more underpaid in the years of the crisis, compared to the performance achieved.

The economic performance

The characteristics of the county's economy in the individual industries did not undergo major changes in 2011 either. There is still a strong differentiation between the industries, which means that some major industries and within the industries one-two major companies set the trends of the trade. Industries are deemed key sectors, if their respective share in the performance of the county is higher than 10%. The share of the chemical industry has been higher than 10% in each performance category since many years.
In terms of net sales in addition to the chemical industry (28%) the machine building industry (23.5%) and commerce (15%) represent a share higher than 10%.
85% of all sales from export was generated in two key industries, in the chemical and machine building industry.
Six tenths of the domestic sales were generated by three sectors, the chemical sector, the energy generation and water production and waste management and by commerce.
Almost two thirds of the added value are produced by the chemical industry, by the metallurgical industry, by the machine building industry, by the energy generation, water production, waste management and non-material production industries (The ratio of the individual industries is between 10 and 17.7%.)
(Q.v. Table 9. and Graphics 6–9. on the previous pages)

Following the crisis the last two years were a real breakthrough in the tendency of economic performance, most sectors started to grow. In case of four fifths of the listed sectors net sales, the export and domestic sales grew faster than the rate of inflation (3.9%) in 2011. Added value increased compared to the previous year, while in the year 2010, compared to 2009, only 40% of the sectors could grow. In the year 2011 the rate of growth in case of seven tenths of the listed sectors was higher than the rate of inflation.
It shall be noted that the economic performance of the previous core industry metallurgy improved continuously and significantly. Net sales, export and added value increased in the year 2011 by 35%, 44% and 74%, resp. compared to 2009.
The great loser of the economy in the county is the energy industry with an ever decreasing performance, where net sales dropped by 25% in 2011 and added value dropped by 20%, resp. during the last two years. It is of key importance in this tendency that coal-fired power plants are being continuously shut down in the county.

The economic indicators of the previous core industry metal processing (metallurgy) improved during the last two years, but are still below the pre-crisis level. In the year 2011 the net sales, export and domestic sales realized by them are 80%, 88% and 68%, resp. of the level of 2007. The added value in the year 2011 exceeds that of 2007 by 11%, calculated on current price level.
The net sales of the energy sector in 2011 was only nine tenth of those in the year 2007.

Table 9.
Indicators of performance

Branches	Net sales revenue			Added value			Export		
	2010, million HUF	2011, million HUF	Index 2011/2010	2010, million HUF	2011, million HUF	Index 2011/2010	2010 million HUF	2011, million HUF	Index 2011/2010
Agriculture	44 454	56 673	127,5%	11 525	15 203	131,9%	3 119	3 995	128,1%
Food industry	95 480	105 151	110,1%	41 312	39 552	95,7%	11 217	12 686	113,1%
Chemical industry	676 548	829 444	122,6%	66 996	61 998	92,5%	404 743	499 022	123,3%
Metallurgy	139 442	171 446	123,0%	37 515	48 603	130,0%	86 708	107 204	123,6%
Engineering industry	547 750	695 410	127,0%	68 649	82 494	120,2%	454 210	616 148	135,7%
Power industry	338 197	270 420	80,0%	60 146	46 554	77,4%	1 967	18 078	919,1%
Building industry	99 025	103 255	104,3%	26 501	26 804	101,1%	5 007	4 902	97,9%
Commerce	404 774	442 921	109,4%	39 720	42 926	108,1%	18 885	24 135	127,8%
Transport	62 361	76 923	123,4%	20 075	21 749	108,3%	3 460	4 750	137,3%
Non-material sectors	148 995	147 302	98,9%	53 561	60 312	112,6%	6 107	4 757	77,9%
Other sectors	58 609	61 075	104,2%	19 375	19 319	99,7%	10 108	13 382	132,4%
Economic branches total	**2 615 635**	**2 960 020**	**113,2%**	**445 375**	**465 514**	**104,5%**	**1 005 531**	**1 309 059**	**130,2%**
National economy	67 645 392	72 758 924	107,6%	13 368 358	14 327 954	107,2%	21 069 503	24 601 061	116,8%
B.-A.-Z. County/national economy	3,9%	4,1%		3,3%	3,2%		4,8%	5,3%	
Chemical + engineering industry	1 224 298	1 524 854	124,5%	135 645	144 492	106,5%	858 953	1 115 170	129,8%
B.-A.-Z. County without chemical and engineering industry	1 391 337	1 435 166	103,2%	309 730	321 022	103,6%	146 578	193 889	132,3%
Chemical + engineering + power ind.	1 562 495	1 795 274	114,9%	195 791	191 046	97,6%	860 920	1 133 248	131,6%
B.-A.-Z. County without chemical, engineering and power industry	1 053 140	1 164 746	110,6%	249 584	274 468	110,0%	144 611	175 811	121,6%

The increase of the net sales in 2011, calculated on the basis of the current prices, was higher in almost all sectors than the rate of inflation. The percentage of overall growth was 13.2%. There is a major growth exceeding 20% in the agriculture, chemical industry, metallurgy, machine building industry and transportation. There was a drop in the key areas of energy generation, water production, waste management and non-material production industries highly affected by the reduction of domestic consumption, and in other non-listed industries (among others mining, textile, wood, paper and furniture industry, non-metallic mineral product manufacturing, catering and other processing industry).

The growth of net sales by more than 10% compared to the last year was caused by the 30% increase of the export, domestic sales grew only by 2.5%, due to the continuous downturn of domestic consumption. 84% of the total export growth results from the two key industries, the chemical and machine building industry. Among the sectors representing a lower ratio agriculture, metallurgy, trade and transportation generated growth exceeding 20%.

Added value increased on county level by 4.5% compared to 2010. Among the relevant industries new value increased by 30% in case of the metallurgical industry, by 20% in the machine building industry and by 13% in other industries. In the sectors with a ratio of less than 10% growth exceeding the rate of inflation is typical: agriculture, trade and transportation. Added value dropped in the food industry by 4%, in the chemical industry by 7.5% and in the power generation, water production and waste management by 23%.

The picture is less black-and-white if we carry out the analysis compared to the pre-crisis year 2007, taking the annual rate of inflation into consideration. With the annual rate of inflation considered, which was 30% during 5 years, then with the exception of agriculture, net sales increased in no sector calculated at real value. The net sales of metallurgy, power- and water production, waste management combined and trade and non-material and other non-highlighted industries did not reach the level before the crisis even at current prices.
Among the sectors that are relevant for export, the performance of the machine building industry is by more than two times higher than in the year 2007, whereas the percentace of growth in the chemical industry is 21%.

Domestic sales realized in the year 2011 still leg behind the value of 2007 by a total of 5%. In case of the individual sectors tendencies are different, there is a major drop in the machine building industry (-55%), in metallurgy (-32%) and in the energy, water and waste management sector (-16%). In the non-material production sector the drop is 4%, in case of other sectors not listed 10%. In the other sectors the growth measured and compared to the year 2007 is by far legging behind the rate of inflation of 30%, in trade, calculated on current price level, the growth of domestic sales is 1% only.

Table 10.

Indicators of profit and profitability

Branches	**Profit before tax**			**Profit after tax**		
	2010, million HUF	2011, million HUF	Index 2011/2010	2010, million HUF	2011, million HUF	Index 2011/2010
Agriculture	2 676	6 636	248,0%	2 191	6 130	279,8%
Food industry	-300	-4 262	1 420,7%	-632	-4 395	695,4%
Chemical industry	-24 731	-43 252	174,9%	-25 217	-44 524	176,6%
Metallurgy	1 711	7 267	424,7%	1 043	6 418	615,3%
Engineering industry	-926	10 266	1 108,6%	-1 379	10 063	729,7%
Power industry	11 264	2 210	19,6%	8 556	596	7,0%
Building industry	5 311	6 168	116,1%	4 602	5 614	122,0%
Commerce	5 462	7 084	129,7%	4 324	6 140	142,0%
Transport	443	937	211,5%	263	782	297,3%
Non-material sectors	9 092	6 534	71,9%	7 465	5 369	71,9%
Other sectors	1 976	1 827	92,5%	1 627	1 487	91,4%
Economic branches	**11 978**	**1 415**	**11,8%**	**2 843**	**-6 320**	**-222,3%**
National economy	2 506 675	2 248 807	89,7%	2 187 653	1 973 195	90,2%
B.-A.-Z. County/national economy	0,5%	0,1%		0,1%	-0,3%	
Chemical + engineering industry	-25 657	-32 986	128,6%	-26 596	-34 461	129,6%
B.-A.-Z. County without chemical and engineering industry	37 635	34 401	91,4%	29 439	28 141	95,6%
Chemical + engineering + power ind.	-14 393	-30 776	213,8%	-18 040	-33 865	187,7%
B.-A.-Z. County without chemical, engineering and power industry	26 371	32 191	122,1%	20 883	27 545	131,9%

The added value generated by partnerships in Borsod-Abaúj-Zemplén county is 95.7% of the value realized 2007. Added value increased by more than 10% in 4 sectors (agriculture, metallurgy, machine building industry, non-material production sector, construction). Machine building industry reached an outstanding performance, here the increase of the added value exceeded the rate of inflation of 5 years by 16%. The chemical industry playing a crucial role in economy realized in the year 2011 not even half of the added value generated in the year 2007.

Fluctuating, unstable profitability

Ordinary profits consisting of the operating and financial profits express the tendency, changes of the profitability of companies. The financial results have been negative in most sectors for years. This is due to the fact that the interest rates on the credits used for the business activities are in most cases not compensated by financial revenues. Because of the crisis financial losses multiplied compared to 2007. We do not analyse the extraordinary profits or losses being part of the profits before taxes separately, as their changes and tendencies are individual in many cases and is subject to high fluctuations due to non-recurring items.

Partnerships generated in the year 2011 profits before taxes in the amount of HUF105.4 billion and losses in the amount of HUF 104 billion . As a balance of these figures enterprises in Borsod-Abaúj-Zemplén county realized profits before taxes in the amount of HUF 1.4 billion which is a drop of HUF 12 billion compared to the profits of the previous year. The tendency and change of the profitability in the year 2011 is related to the major changes in the profitability of the key industries: chemical, metallurgical and machine building sector and within these sectors in the profitability of some big companies.
(Q.v. Table 10. on the previous page)

TABLE 11.
Indicators of profit and profitability

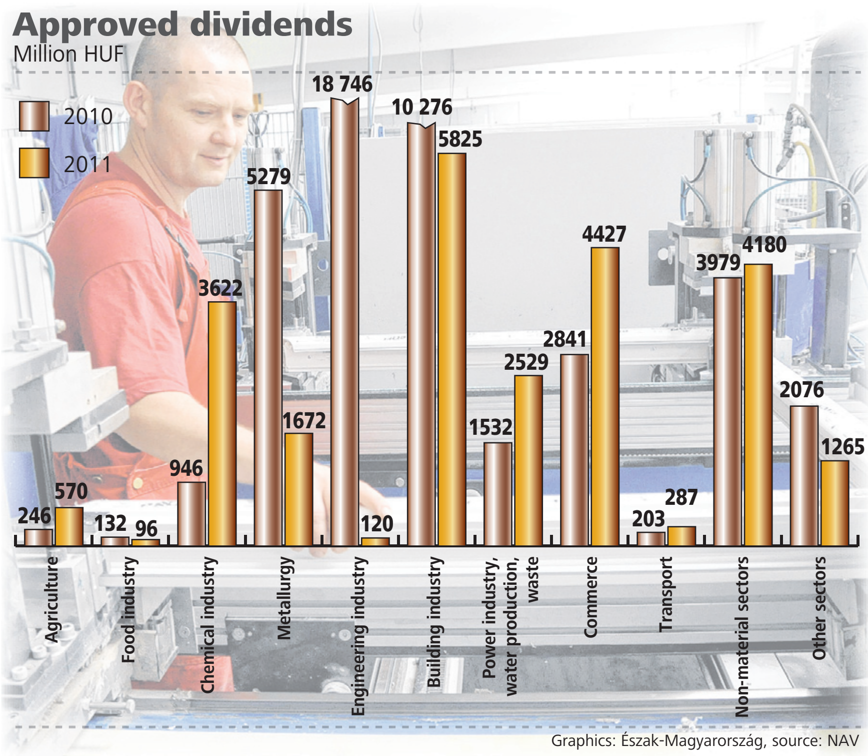
Branches	Business result			Financial result		
	2010, million HUF	2011, million HUF	Index 2011/2010	2010, million HUF	2011, million HUF	Index 2011/2010
Agriculture	3 682	8 651	235,0%	-978	-1 588	162,4%
Food industry	2 855	355	12,4%	-3 379	-4 644	137,4%
Chemical industry	-12 475	-29 525	-236,7%	-15 681	-17 471	111,4%
Metallurgy	3 527	10 080	285,8%	-2 516	-3 284	130,5%
Engineering industry	7 216	12 245	169,7%	-8 411	-1 773	21,1%
Power industry	6 898	-4 666	-67,6%	4 253	6 696	157,4%
Building industry	5 846	6 249	106,9%	-551	-58	10,5%
Commerce	7 736	8 727	112,8%	-2 378	-1 893	79,6%
Transport	2 158	2 677	124,1%	-1 728	-1 906	110,3%
Non-material sectors	7 941	9 339	117,6%	98	-2 902	-2 961,2%
Other sectors	1 790	1 838	102,7%	-403	-635	157,6%
Economic branches	**37 174**	**25 970**	**69,9%**	**-31 674**	**-29 458**	**93,0%**
National economy	2 332 084	2 741 986	117,6%	-2 328	-702 826	30 190,1%
B.-A.-Z. County/national economy	1,6%	0,9%		1 360,6%	4,2%	
Chemical+Engineering industry	-5 259	-17 280	328,6%	-24 092	-19 244	79,9%
B.-A.-Z. County without chemical and engineering industry	42 433	43 250	101,9%	-7 582	-10 214	134,7%
Chemical+engineering+power ind.	1 639	-21 946	-1 339,0%	-19 839	-12 548	63,2%
B.-A.-Z. County without chemical, engineering and power industry	35 535	47 916	134,8%	-11 835	-16 910	142,9%

In the chemical sector closing the year 2010 with losses in the amount of HUF 24.7 billion, due to the impact of recession profitability decreased further, and consequently losses increased by HUF 18.5 billion in the year 2011. In the energy, water production and waste management sectors profits dropped by HUF 9 billion in the year 2011 In the sector interested in the ever narrowing domestic market the major downturn of economic performance was linked to the drop of profits.
It is a sign of recovery from the crisis that profits increased by HUF 5.6 billion, HUF 11.2 billion in the metallurgical and machine building sectors resp. compared to 2010.

The losses of the key sectors in total increased from HUF 12.7 billion to HUF 23.5 billion, that is the improvement of the profitability of the machine building industry and metallurgical industry was not able to offset the decrease of profits in the chemical and energy sector. Before the crisis, in the year 2007 profits before taxes were realized in these four industries in the amount of HUF 145.6 billion, which was responsible for 81% of the profits generated on county level.
The picture is less black-and-white if we analyse the tendency of profitability in the county also without the four major sectors. The profits before taxes in the year 2011 amounting to HUF 24.9 billion were only by 1.1% higher than last year. There are still other sectors under the influence of the crisis, as the profits realized in the year 2011 is 73% of the profits (HUF 34.1 billion) before taxes generated in the year 2007.

The profits before taxes improved 2011 compared to the previous year and the year preceding the crisis (2007) alike in agriculture and construction. Profits before taxes decreased compared to the two base years in the food industry and in other sectors not listed separately. The results of trade and transportation improved last year, but are still below the level of 2007. The results of the non-material production sectors in the year 2011 decreased compared to 2010 and are even below the value of the year preceding the crisis.

GRAPHICS 10.



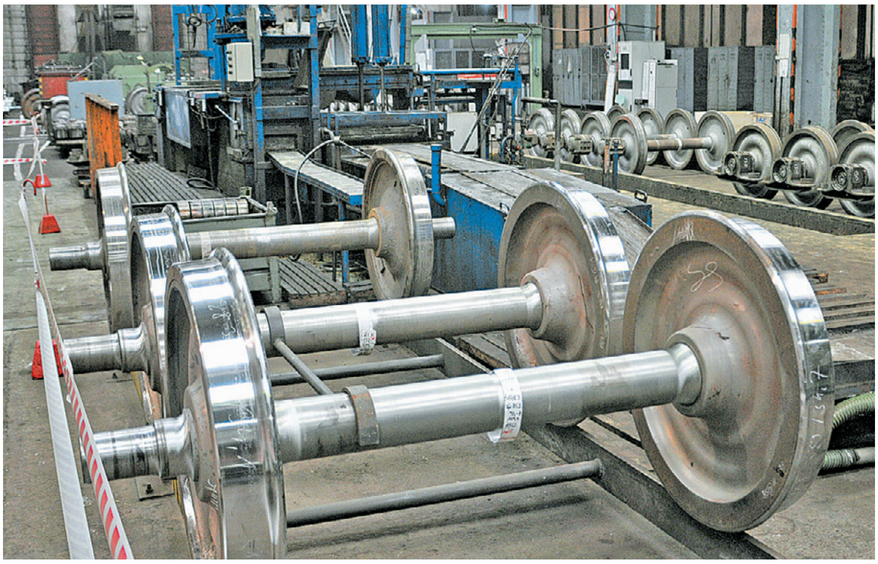
Profits from ordinary activities changed from HUF 5.5 billion in 2010 to losses in the amount of HUF 3.5 billion in 2011 again , as the HUF 11.2 billion drop of operating profits could not be compensated by the HUF 2.2 billion of financial results.

The tendency and change of operating profits being part of the profits from ordinary activities is a key factor in the pre-tax profits of the individual industries. Operating profits droppedby HUF 91.9 billion, which is only 22% of the value of 2007 .
In the key industries chemical industry, metallurgy, machine building and energy industry operating profits dropped by HUF 93.6 billion, compared to 2007 and by HUF 17 billion, compared to the previous year and got into the negative range. Within this the operating profits of the chemical industry and energy industry dropped, while that of the metallurgical and machine building industry grew.
In the remaining other sectors in total operating profits increased compared to both base years. Operating profits improved in five and dropped in two industries compared to 2007. It is a favorable factor compared to the previous year that with the exception of the food industry profits improved in all minor industries.

At the same time the significant worsening of the financial results also contributed to the drop of the profits from ordinary activities in the years of crisis. Almost one fifth of the HUF 114.4 billion drop pf the profits from ordinary activities results from the reduction of the financial results compared to 2007.
Due to the continuous reduction and lack of the own resources of the companies enterprises are forced to make use of external resources, credits to finance their production, and because of this the interest rate paid was multiplied. The exchange losses resulting from the devaluation of the Hungarian currency have further increased financial costs.
The change of financial revenues could not compensate this, as the dividends of companies dropped because of the crisis, and also interests received dropped because of the reduction of the cash being available on temporary basis.
The financial results worsened with the exception of the energy industry

and construction in the other industries compared to the pre-crisis year of 2007. Financial losses increased dramatically in the chemical industry.

In the year 2011 financial results improved in four industries only, compared to the previous year: in the energy industry, construction, commerce and transportation.



Indicators of effectivity

Because of the gross worsening of profitability resulting from the crisis profits after taxes influencing yield have dropped significantly. In the pre-crisis year of 2007 there were own resources generated in the amount of HUF 167.4 billion , which has completely diminished in the years of the crisis because of the drop of profits. In 2008 HUF 25.9 billion, which is only 15.5% of the value of the previous year, in 2009 it was HUF -15 billion and in 2011 HUF -6.3 billion. Though this is in the positive range in 2010., but the amount of HUF 2.8 billion is only 1.7% of the value of 2007.

The most dramatic downturn happened in the chemical and energy industry. The profits of the chemical industry after taxes (HUF 56.6 billion) in the year 2007 got into the negative range during the last four years: 2008 (HUF -13.3 billion), 2009 (HUF -34.8 billion), 2010 (HUF -25.2 billion) 2011 (HUF -44.5 billion). Though profits after taxes remained in the positive range in the energy industry, but profits are dropping every year continuously: in the year 2007 profits amounted to HUF 67 billion, in the year 2011 profits dropped to HUF 0.6 billion only!

The other industries in addition to the chemical industry and energy industry have, due to their size, not or just partially compensated the own resources lost in these two industries in spite of the fact that the profits after taxes were higher than in 2007 in several sectors (agriculture, machine building industry, construction).

Table 12.

Indicators of effectivity

Branches	Own capital			Subsrcibed capital			Approved dividends		
	2010, million HUF	**2011,** million HUF	**Index** 2011/2010	**2010,** million HUF	**2011,** million HUF	**Index** 2011/2010	**2010,** million HUF	**2011,** million HUF	**Index** 2011/2010
Agriculture	63 759	71 063	111,5%	17 921	18 384	102,6%	246	570	231,7%
Food industry	26 866	28 069	104,5%	15 944	17 744	111,3%	132	96	72,7%
Chemical industry	185 951	178 869	96,2%	57 704	60 522	104,9%	946	3 622	382,9%
Metallurgy	43 441	54 706	125,9%	16 285	18 322	112,5%	5 279	1 672	31,7%
Engineering industry	47 759	65 930	138,0%	20 454	22 577	110,4%	18 746	120	0,6%
Power industry*	251 144	243 858	97,1%	175 786	174 400	99,2%	10 276	5 825	56,7%
Building industry	35 205	36 138	102,7%	7 856	6 959	88,6%	1 532	2 529	165,1%
Commerce	80 744	80 727	100,0%	25 697	25 324	98,5%	2 841	4 427	155,8%
Transport	15 965	17 829	111,7%	9 446	9 206	97,5%	203	287	141,4%
Non-material sectors	123 984	149 331	120,4%	62 427	87 527	140,2%	3 979	4 180	105,1%
Other sectors	33 418	35 273	105,6%	15 831	16 698	105,5%	2 076	1 265	60,9%
Economic branches	**908 236**	**961 793**	**105,9%**	**425 351**	**457 663**	**107,6%**	**46 256**	**24 593**	**53,2%**
National economy	31 525 519	34 644 282	109,9%	10 358 445	10 149 642	98,0%	1 766 227	1 800 498	101,9%
B.-A.-Z. County/ national economy	2,9%	2,8%		4,1%	4,5%		2,6%	1,4%	
Chemical+engineering ind.	233 710	244 799	104,7%	78 158	83 099	106,3%	19 692	3 742	19,0%
County without chemical+engineering ind.	674 526	716 994	106,3%	347 193	374 564	107,9%	26 564	20 851	78,5%
County without chemical, engineering + power ind.	423 382	473 136	111,8%	171 407	200 164	116,8%	16 288	15 026	92,3%

*Power industry, water production, waste management

The other element of the indicator, the increase of amortization could not compensate in the years of the crisis on industry-level the effect of the drop of profits after taxes.
In the year 2011 the proceeds did not reach the level of 2007 with the exception of the food, machine building and construction. The situation is ambiguous also if we compare the change to the previous year. Thus proceeds increased in six tenths of the industries. In the chemical industry and in the food industry the proceeds were in the negative range compared to the previous year.

The owners can compensate the loss of assets in the profit line on one hand by recapitalisation, on the other hand by the retention of dividends.
The shareholders compensated the continuous loss of assets by capital increase and by leaving the profits realised in the enterprise. This is indicated by the fact that the equity increased compared to the pre-crisis year of 2007 in all industries with the exception of the chemical industry.

The subscribed capital grew by 17.5% compared to 2007. There was a higher capital increase exceeding 50% in commerce, in the machine building industryand in the non-material production industries, and exceeding 20% in the food and metallurgical industries . Subscribed capital is lower than in 2007 in the chemical industry only. Compared to the previous year subscribed capital increased in the year 2011 in six listed industries, while there was a slight drop in 4 industries.

Foreign capital investors became interested, as the amount of invested foreign capital was by 21.5%, by HUF 23.9 billion higher in the year 2011. More than three fourths of the growth is related to three taxpayers belonging to two sectors, commerce and non-material production industry.
(Q.v. Table 12., Graphics 10. on the previous pages)

The dividends approved in 2011 in the amount of HUF 24.5 billion are 50% of the amount of the previous year and only 23% of the dividends approved in the year 2007. With the exception of three industries (commerce, non-material production industries and other combined industries approved dividends dropped compared to 2007. The drop of the approved dividends in the chemical and energy industry was significant.

Tendency of employment

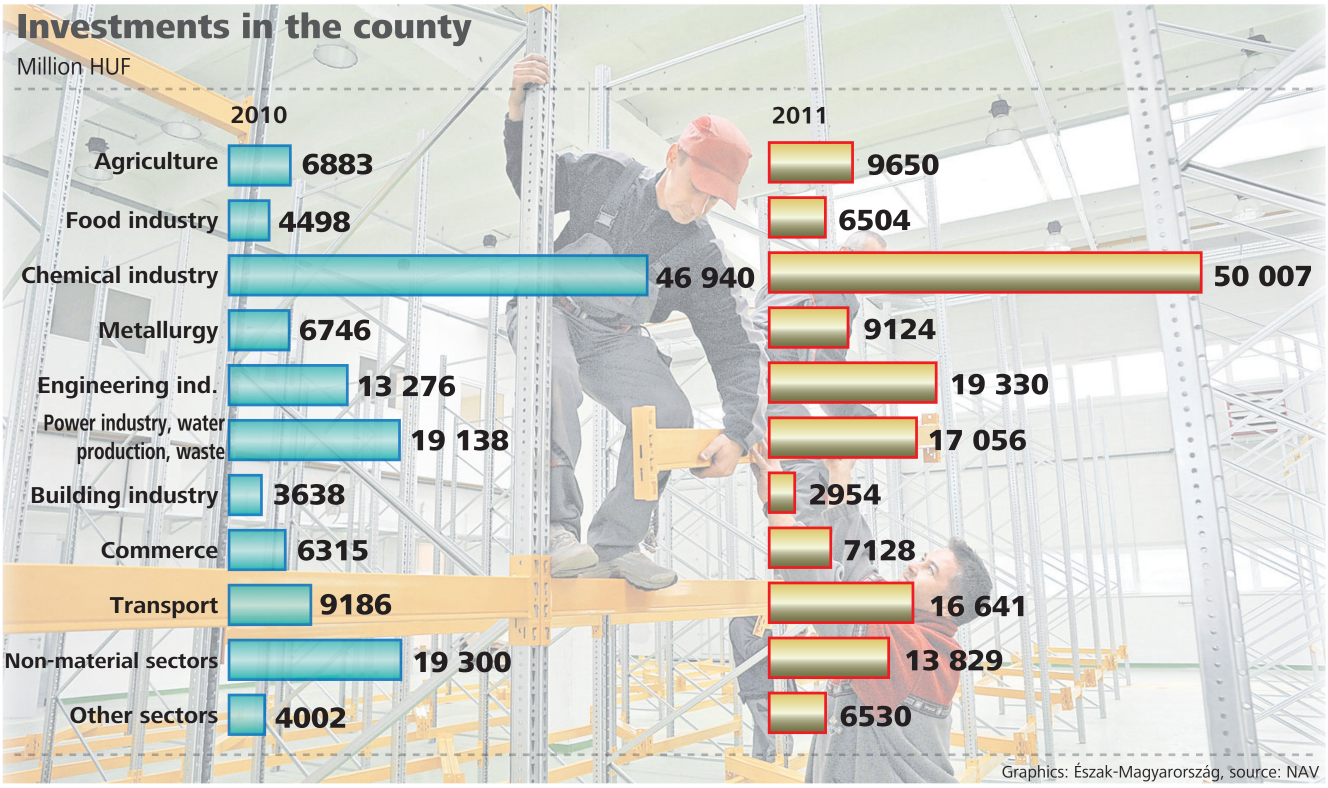
In employment the last two years were the breakthrough after the low point in 2009. All in all employment improved in the year 2011 by 5,426 persons (by 5.8%) compared to the previous year (compared to 2009 by 9,951 persons,by 11.2%) and employment exceeds by 875 persons the headcount in the year 2007. The rate of employment on the level of 2007 is linked to the increase of employment in two industries, employment improved in the machine building industry by more than 50%, by 5,930 persons, while in the non-material production industries employment increased by 3,858 persons, by 26% compared to 2007. It is unfavorable that the number of those employed in the other 9 industries is still lower than the headcount before the crisis.

Table 13.
Indicators of employment

Branches	Wage costs				Staff				Average wage		
	2010, M HUF	**2011, M HUF**	**Distribution**	**Index** 2010/2009	**2010, Pers.**	**2011, Pers.**	**Distribution**	**Index** 2010/2009	**2010,** T HUF/ pers./year	**2011,** T HUF/ pers./year	**Index** 2010/2009
Agriculture	8 182	8 090	4,4%	98,9%	5 429	5 301	5,4%	97,6%	1 507	1 526	101,3%
Food industry	6 464	7 441	4,1%	115,1%	3 523	3 704	3,8%	105,1%	1 835	2 009	109,5%
Chemical industry	22 482	25 539	14,0%	113,6%	6 523	6 640	6,7%	101,8%	3 447	3 846	111,6%
Metallurgy	15 732	19 140	10,5%	121,7%	7 736	8 498	8,6%	109,9%	2 034	2 252	110,8%
Engineering industry	26 698	34 971	19,1%	131,0%	12 375	16 986	17,2%	137,3%	2 157	2 059	95,4%
Power industry*	10 968	10 073	5,5%	91,8%	4 130	3 867	3,9%	93,6%	2 656	2 605	98,1%
Building industry	10 880	11 846	6,5%	108,9%	7 649	7 836	8,0%	102,4%	1 422	1 512	106,3%
Commerce	18 429	18 527	10,1%	100,5%	14 330	13 791	14,0%	96,2%	1 286	1 343	104,5%
Transport	9 846	10 041	5,5%	102,0%	6 109	6 156	6,3%	100,8%	1 612	1 631	101,2%
Non-material sectors	25 339	27 300	14,9%	107,7%	17 733	18 601	18,9%	104,9%	1 429	1 468	102,7%
Other sectors	10 027	9 827	5,4%	98,0%	7 525	7 108	7,2%	94,5%	1 332	1 383	103,8%
Economic branches	**165 047**	**182 795**	**100,0%**	**110,8%**	**93 062**	**98 488**	**100,0%**	**105,8%**	**1 774**	**1 856**	**104,7%**
National economy	4 527 664	4 813 282		106,3%	2 214 779	2 223 491		100,4%	2 044	2 165	105,9%
B.-A.-Z. County/ national economy	3,6%	3,8%			4,2%	4,4%			86,8%	85,7%	
Chemical+engineering ind.	49 180	60 510	33,1%	123,0%	18 898	23 626	24,0%	125,0%	2 602	2 561	98,4%
County without Chemical+engineering ind.	115 867	122 285	66,9%	105,5%	74 164	74 862	76,0%	100,9%	1 562	1 633	104,6%
County without chemical, engineering+power ind.	104 899	112 212	61,4%	107,0%	70 034	70 995	72,1%	101,4%	1 498	1 581	105,5%

*Power industry, water production, waste management

GRAPHICS 11.



If we compare the change to the year 2010, then the picture is different, as in the year 2011 the number of those employed in seven industries was already by 6,773 persons higher than one year before. 68.1% of the growth was realized in the machine building industry. The number of employed dropped by 1,347 persons in four sectors: in agriculture, in the energy sector, in trade and in other sectors not listed separately.

Due to the increase of the manpower employed wages costs increased by 10.8% exceeding the rate of national growth by 4.5% in Borsod-Abaúj-Zemplén county compared to the previous year. Eight industries increased the number of employees. Due to the improvement of the employment growth has by far exceeded the county average in the machine building industry.

Average wages increased by 4.7% in the year 2011, which is by 0.8% higher than the consumer price index (3.9%). In five sectors the increase of average wages was higher than the rate of inflation, and in other sectors the growth is close to the rate of inflation. However in the machine building industry average wages dropped by 4.6%, despite of the increase of those employed. This shows that the number of part-time jobs increased in this sector.
(Q.v. Table 13.)

Investments

Investment expenditures in the current year were favorable in Borsod-Abaúj-Zemplén county after the low point in 2009. This is an increase by 27.6% in 2010 , and by 13.5% in 2011 compared to the previous year, thus compared to the pre-crisis year there is an increase of 32%. Material and energy-intensive industries play still a key role. The chemical industry, transportation, energy industry , water production and waste management implemented almost two thirds of the investment projects in the county. Investment projects are reviving, as in most industries (8 industries) investment performance increased in the year 2011.
(Q.v. Graphics 11.)

Composition by size

We have ranked companies according to the legal requirements: headcount, net sales, and balance sheet total.

The structure of partnerships in the county by size category is still marked by the high number of small-sized enterprises (and within this category micro-enterprises), by a low number of big enterprises achieving high performance and by a relatively low number of medium-sized enterprises. The distribution of the invested capital according to the size of the company remained unbalanced. Capital intensive large enterprises operated in the year 2011 57% of the equity, while small enterprises and medium-sized enterprises operated 26% and 17% of the equity, resp. Economic performance is, due to the uneven capital distribution, is highly differentiated among the small-, medium-sized and large enterprises.

Despite of the economic-financial crisis large enterprises still play a vital role in the tendency of the economic performance of the county. In the year 2011 large companies realised 65.8%, , medium-sized and small-sized enterprises 13.7% and 20.5% of the net sales. In export large companies are dominant (89.1%).

Ratios changed in domestic sales. Large companies realize 47.3%, medium-sized companies 17.9% and small companies 34.8% of this performance. 52.6% of the added value was generated by large companies, 19.9% by medium-sized and 27.5% by small-sized companies.

Large enterprises 2011. suffered 2011 because of the further worsening of profitability losses in the amount of HUF 34 billion (which is higher than the losses in the previous year - HUF -15.9 billion in the year 2010), and the profits of small-sized enterprises and medium-sized enterprises (HUF 22 billion and HUF 13.4 billion resp.) (on county level profits before taxes amounted to HUF 1.4 billion only) could only slightly compensate these losses.

Small- and medium-sized companies are still ignificant employers. 43.3%(!) of the 98,488 persons employed by partnerships are employed by small enterprises, 20.6% by medium-sized companies (the two combined 63.9%), while large enterprises playing a key role in the performance indicators employ 36.1%.
Small- and medium sized companies need less assets and pay lower wages, which means also that these companies can create jobs with a much lower expenditure.

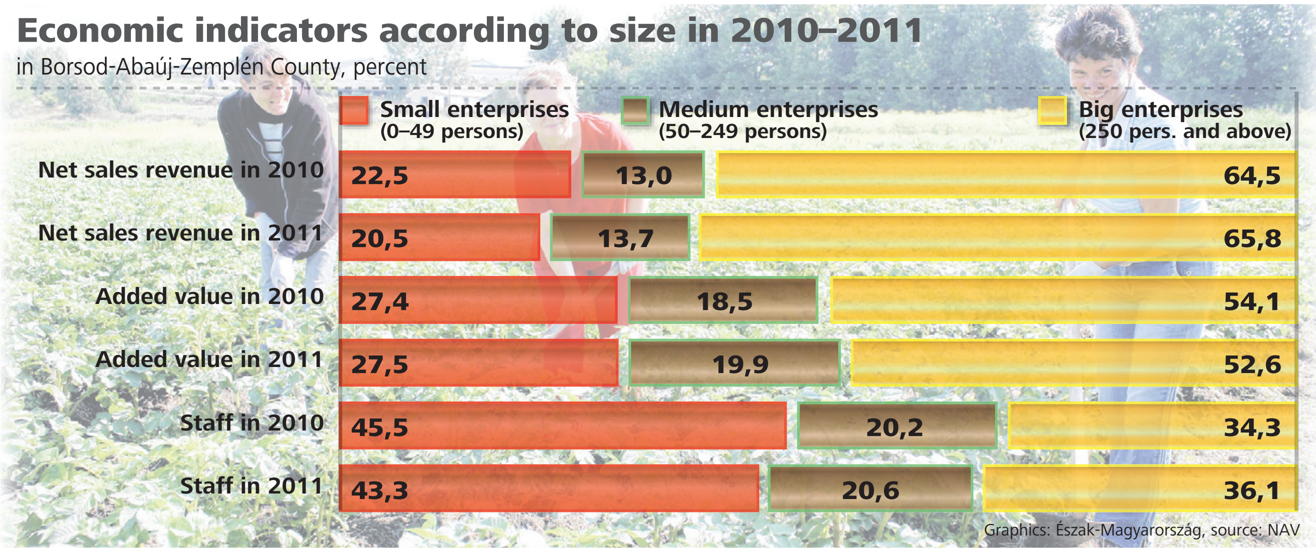
The equity per one employee in the year 2001 amounted, according to the data from 2011 to HUF 5,819 thousand Ft/person at small enterprises, to HUF 7,794 thousand/person at medium-sized companies and to HUF 15,519 thousand/person at large enterprices. Average wages amounted to HUF 1,312 thousand/person/year at small companies, HUF 2,034 thousand/person/year at medium-sized companies, and HUF 2,408 thousand/person/year.

The efficiency of the invested capital (added value/equity) is more favorable at the small- and medium-sized companies (51.5% and 57.3%) while

Table 14.
Economic indicators according to size

Denomination	Small enterprise		Medium enterprise	Big enterprise	Total
	Total 0–49 pers.	From this: micro enterprise, 0–9 pers.	50–249 pers.	>250 pers.	
Number of data suppliers	15 723	14 569	227	54	16 004
Net sales revenue, million HUF	607 995	275 314	405 151	1 946 874	2 960 020
From this: export, million HUF	34 128	9 720	108 899	1 166 032	1 309 059
Profit before tax, million HUF	22 007	9 432	13 362	-33 953	1 416
Profitability (profit before tax/net sales revenue)	3,6%	3,4%	3,3%	-1,7%	0,0%
Added value, million HUF	127 913	59 369	92 841	244 760	465 514
From this: Corrected business result, M HUF	20 184	9 833	14 990	50 355	85 529
Amortization, million HUF	23 687	10 904	15 710	67 501	106 898
Investment income (corrected business result + mortization), million HUF	43 871	20 737	30 700	117 856	192 427
Staff, pers.	42 683	22 735	20 270	35 535	98 488
Wage costs, million HUF	56 003	26 211	41 236	85 556	182 795
Average wage, thousand HUF/pers./year	1312	1 153	2 034	2 408	1 856
Wage costs/added value	43,8%	44,1%	44,4%	35,0%	39,3%
Added value/staff, thousand HUF/pers.	2 997	2 611	4 580	6 888	4 727
Subsrcibed capital, million HUF	78 358	34 830	65 281	314 024	457 663
Own capital, million HUF	248 363	105 626	162 047	551 383	961 793
Own capital/subsrcibed capital	317,0%	303,3%	248,2%	175,6%	210,2%
Foreign capital, million HUF	12 473	2 120	21 969	100 798	135 240
Foreign capital/subsrcibed capital	15,9%	6,1%	33,7%	32,1%	29,6%
Own capital/staff, thousand HUF/pers./year	5 819	4 646	7 994	15 517	9 766
Wage costs, million HUF	56 003	26 211	41 236	85 556	182 795
Wage-like other costs, million HUF	26 310	11 796	20 073	41 241	87 624
Employee share (wage costs + wage-like other costs), million HUF	82 313	38 007	61 309	126 797	270 419
Added value/own capital	51,5%	56,2%	57,3%	44,4%	48,4%
Return: Income, million HUF	42 623	18 691	27 682	30 273	100 578
From this: Profit after tax, million HUF	18 936	7 787	11 972	-37 228	-6 320
Amortization, million HUF	23 687	10 904	15 710	67 501	106 898
Income/own capital	17,2%	17,7%	17,1%	5,5%	10,5%

GRAPHICS 12.



this is 44.4% in case of large companies. Thus the yield of the capital invested is relatively more favorable in case of small- and medium-sized companies.
The efficiency of man hours is inverse, one person employed bby small- and medium sized enterprises produces an average added value of HUF 2,997 thousand, and HUF 4,580 thousand, resp. while this amount is HUF 6,888 thousand at large enterprises . Thus the productivity of manpower employed by large companies equipped with state-of-the-art technology is higher.

In the year 2011 the improvement of the employment rate exceeding by 875 persons the level in 2007 was linked to large companies. Small companies employed by 3,461 persons (7.5%), medium-sized enterprises by 1,387 persons (6.4%) less people over the last two years, but employment at large enterprises rose by 5,723 persons, (by 19.2%) .

Wages costs were in the year 2011 on county level by 18.7% higher than those of the pre-crisis year 2007. The change of wages costs is basically steered by the change of headcount. The increase of the wages costs of large companies by 30.4% was caused mainly because of the increase of the number of the employed. Because of staff cuts the wages costs of small companies increased only by 6.6% and that of medium-sized companies by 14.8%.

The crisis has affected, taking the various indicators of economic performance into consideration, the small-, medium-sized and big companies in different ways. The recovery from the crisis results, on the basis of the corporate tax returns of the year 2011 also in different tendencies in the individual groups. At large enterprises net sales in the year 2011 grew by 31.5%, export sales by 56.6% , while domestic sales increased by 6.1% compared to the pre-crisis year of 2007.
Contrary to this the net sales of small- and medium-sized enterprises and their domestic sales are legging by 10.1% and by 12.6% behind the level of 2007, resp. Because of this their share dropped in terms of net sales by -2.3% and of domestic sales by 4.8%.

Added value produced by large enterprises was, due to the significant drop of the operating profits by 11.7% lower than in 2007, and because of this the share of large enterprises within the county dropped by 4.4 %. At the same time added value increased at small- and medium-sized companies by 5.6%.

The worsening of profitability had a major impact on large companies. Their profits before taxes changed from HUF 131.3 billion (2007) to losses in the amount of HUF -34 billion (2011). Contrary to this, despite of the reduction by 27%, small and medium-sized companies remained profitable (their profits amounted to HUF 48.8 billion in the year 2007 that dropped to HUF 35.4 billion in the year 2011.)

The tendency of invested capital in the year 2011 shows that small- and medium-sized companies did not overcome the crisis even in the year 2010, they were still losing their assets . Equity is by HUF 53.1 billion (11.4%) lower than in the year 2007.
However the invested capital of financially sound large companies was by HUF 16.2 billion (1.7%) higher than in the pre-crisis year. Here there was a major increase of the subscribed (and within this foreign) capital.
(Q.v. Table 14., Graphics 12.)

NOTE

Classification of enterprises according to their size:

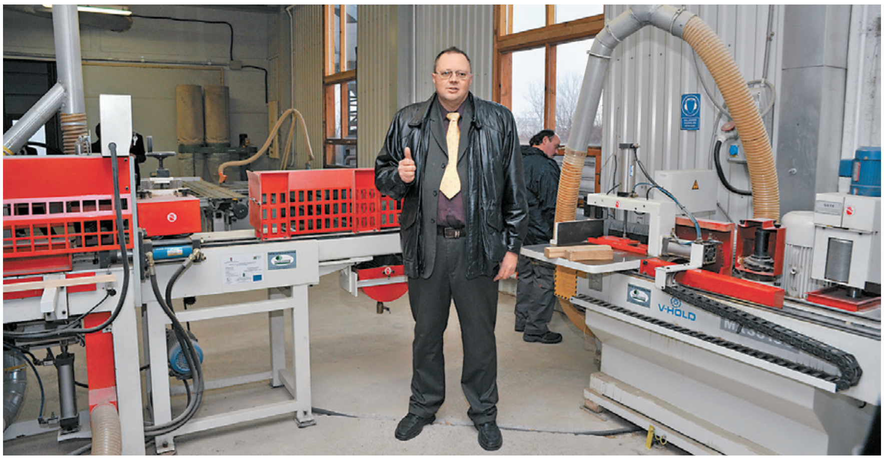
Micro-enterprises: staff < 10 persons, sales revenue or balance total < 2 million EUR

Small enterprises: staff < 50 persons, sales revenue or balance total < 10 million EUR

Medium enterprises: staff < 250 persons, sales revenue < 50 million EUR or balance total < 43 million EUR

Large enterprises: staff > 250 persons or net sales revenue or balance total exceeds 50 million EUR or 43 million EUR.

Regional differences



In the European Union special attention is paid to the catch-up of economically disadvantaged regions (in our case microregions) by the allocation of funds. The respective government program is also closely related to the improvement of the situation of underdeveloped microregions.
In Borsod-Abaúj-Zemplén county there are 15 statistical microregions. The mikcroregions are strongly diferrentiated by their economic performance, 3 microregions (Miskolc, Tiszaújváros, Kazincbarcika) are rather developed, whereas 12 further microregions are less developed.

In spite of the crisis the ratio of the economic performance and the related invested capital of the three developed microregions within the county is still significant, though the economic-financial crisis had a heavy impact on the regions of Miskolc, Tiszaújváros and Kazincbarcika as well. The industries most affected by the crisis (metallurgy, chemical industry and power generation companies) operate(d) here.
In the year 2011 the economic indicators of other microregions improved further. Compared to the year 2007, during the last two years the ratio of such regions increased on temporary basis. The rate of growth was in the year 2011. 4.7% in terms of added value (in 2010 only 3.3%), 6.3% in terms of equity (in 2010 also only 3.1%), that is the loss of capital was in the three key regions higher and this rate was 0.9% in terms of net sales. However these changes had in total no impact on the weight of the regions listed.

Comments: Personal income in the year 2011, due to the introduction of the flat rate tax of 16%, did not contain the non-taxable benefits (e.g. pension, child care fee and child care allowance) amounting to HUF 40-47

Table 15.
Economic indicators of small areas

Small areas B.-A.-Z. County	Population		Own capital	Net sales revenue	Added value	Personal income	Per capita		
	2011, pers.	Distribution	2011, million HUF	2011, million HUF	2011, million HUF	2011, million HUF	Own capital, T HUF/pers.	Added value, T HUF/pers.	Personal income, T HUF/pers.
Miskolc	261 680	38,6%	483 575	1 002 124	209 987	204 006	1 848	802	780
Tiszaújváros	32 423	4,8%	198 040	1 044 316	89 815	31 955	6 108	2 770	986
Kazincbarcika	58 047	8,6%	50 202	413 898	48 831	43 202	865	841	744
Favoured total	**352 150**	**51,9%**	**731 817**	**2 460 338**	**348 633**	**279 163**	**2 078**	**990**	**793**
Sátoraljaújhely	21 708	3,2%	23 284	59 424	25 753	12 590	1 073	1 186	580
Ózd	65 864	9,7%	14 721	87 735	11 242	31 625	224	171	480
Sárospatak	24 246	3,6%	33 684	58 900	12 120	16 099	1 389	500	664
Mezőkövesd	41 190	6,1%	54 564	122 019	31 031	28 691	1 325	753	697
Szerencs	41 030	6,0%	25 714	61 603	9 780	22 618	627	238	551
Encs	23 137	3,4%	8 916	20 030	4 519	9 901	385	195	428
Edelény	33 795	5,0%	36 721	27 726	6 608	16 916	1 087	196	501
Szikszó	18 220	2,7%	7 108	10 568	2 929	9 070	390	161	498
Abaúj-Hegyköz	13 857	2,0%	3 905	18 812	3 564	6 282	282	258	454
Bodrogköz	16 113	2,4%	2 480	4 853	751	6 511	154	47	404
Mezőcsát	13 668	2,0%	7 924	12 881	3 159	7 730	579	231	565
Tokaj	13 293	2,0%	10 955	15 131	4 525	7 294	824	408	549
Not favoured	**326 111**	**48,1%**	**229 976**	**499 682**	**116 881**	**175 326**	**705**	**358**	**538**
County total	**678 261**	**100,0%**	**961 793**	**2 960 020**	**465 514**	**454 489**	**1 418**	**686**	**670**
2010-ben:									
Favoured total	354 973	51,8%	720 033	2 196 500	339 925	283 636	2 028	958	799
Not favoured	329 820	48,2%	188 203	419 125	105 450	182 154	571	320	552
County total	684 793	100,0%	908 236	2 615 635	445 375	465 790	1 326	650	680

billion between 2007-2010. Because of the different income content we have listed the regional tendency of personal income from the year 2011 only.

The reason for economic differences is that 76.1% of the invested equity is concentrated in the three listed regions of Miskolc, Tiszaújváros and Kazincbarcika. 51.9% of the inhabitants of the county live here. In the other 12 microregions (Sátoraljaújhely, Ózd, Sárospatak, Mezőkövesd, Szerencs, Encs, Edelény, Szikszó, Abaúj-Hegyköz, Bodrogköz, Mezőcsát, Tokaj) where 48.1% of the inhabitants live, operates only 23.9% of equity investments.
The uneven distribution of equity appears also in the various economic indicators of the regions.

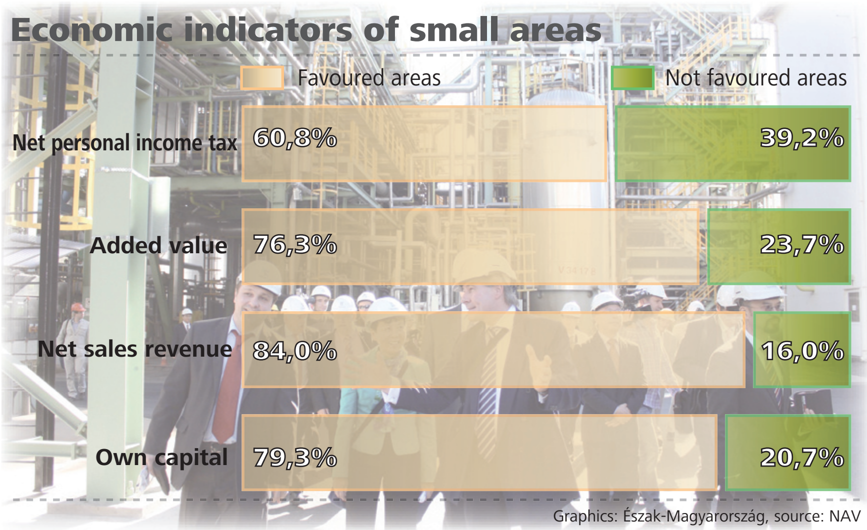
Specific indicators

If we compare the level of development of the microregions of Borsod-Abaúj-Zemplén county with the national and county average, we can state that in the year 2011 in the microregion of Tiszaújváros the level of added value per capita was by far higher than the national and county average. In addition to the region of Kazincbarcika and Miskolc specific added value is higher than the county average in the region of Sátoraljaújhely and Mezőkövesd as well, but is lower than the national average.

The added value per capita amounted to a county average of HUF 686 thousand in the year 2011. The specific added value generated in the listed regions is almost 150%, in the non-listed regions more than 50% of the county average.

The county average of the invested equity per capita amounted to HUF 1,418 in the year 2011, in the listed regions this was almost 150% of the county average, in the non-listed regions almost half of the county average (which was two fifths of the county average during the previous year). In the microregions Mezőkövesd and Edelény the increase of equity compared to the previous year exceeded the county average.

GRAPHICS 13.



However, with the exception of the region of Tiszaújváros, every region legged behind the national average. The net sales per capita is by 1.6 times higher than the county average in the listed regions, and is one third of the county average in the non-listed regions.

Specific capital endowment improved in 75% of the microregions compared to 2007. It is positive that in all non-listed regions, with the exception of the Tokaj and Ózd region, equity per capita increased.
Specific performance indicators also improved in most of the microregions. The net sales per capita increased everywhere but in Ózd, and added value increased in 75% of the microregions. It is a progress that in 10 of the non-listed microregions specific added value increased and only two had a downturn compared to 2007. (Q.v. Table 15., Graphics 13.)

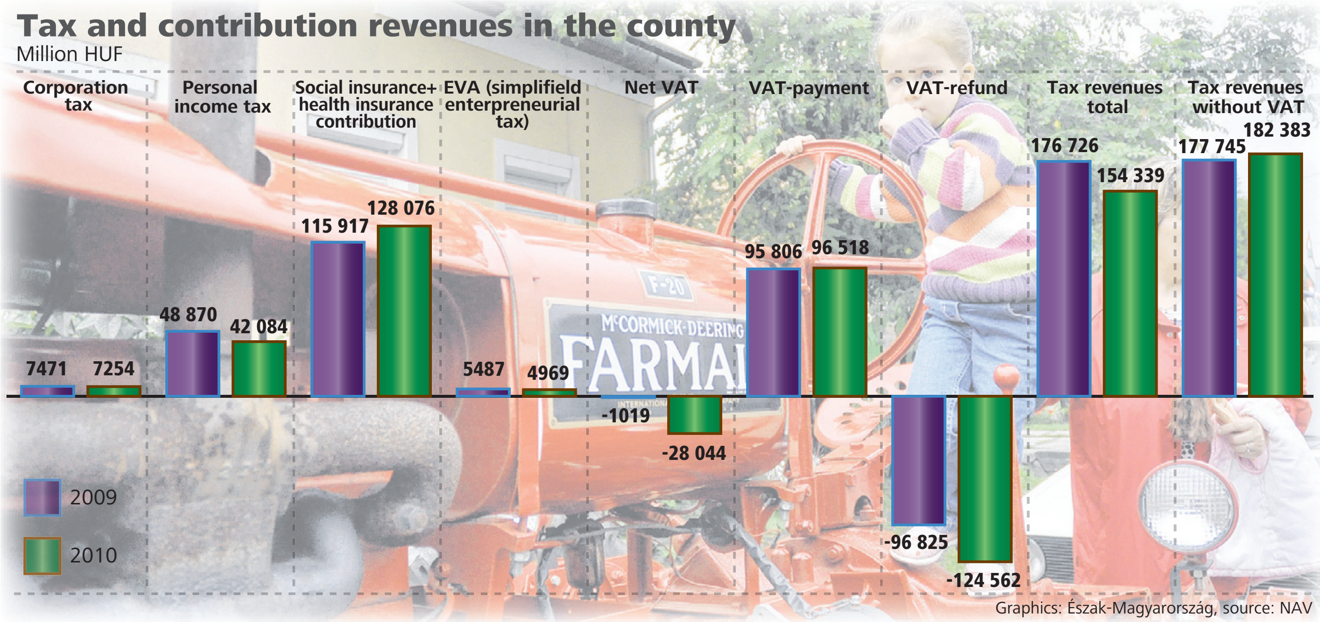
Tax revenues

The taxes paid by one-man businesses and partnerships of Borsod-Abaúj-Zemplén county and private persons amounted to HUF 154.3 billion in the year 2011 the listed taxes and contributions, which is a drop of 12.7% compared to the previous year.
If the net value added tax, which was in the negative range three times during the last 5 years is ignored, we get a more realistic picture about the tendency and changes of the annual tax performance of the county.
In the year 2011, without negative VAT in the amount of HUF 28 billion HUF 182.4 billion was paid into the budget in the county, which is by 2.6% higher than the revenues in 2010 without VAT.

The tendency of the main tax revenues in the year 2011 was basically influenced during the last two years by legal changes and governmental actions with regard to all tax types. Payments to private old age pension funds were diverted to the state budget starting November 2010, which resulted in the increase of contributions exceeding 10%.
On the basis of the decision of the European Union the VAT charged on purchases that are financially not settled shall be refunded. Because of this at the end of 2011 the VAT refunded increased by more than HUF 3 billion.

Following the economic-financial crisis calming down in the year 2010 there was a monetary crisis in 2011, which was linked to the indebtedness of a part of the European countries, to the increase of their state deficit, the devaluation of the EUR compared to the US dollar. Crisis made its way also into the real economy. Economic growth slowed down in the Union. Among others also that of our most important foreign trade partner, Germany.

GRAPHICS 14.



Because of the weakening of the Hungarian currency private persons, municipalities and businesses taking credits in foreign currencies became gradually indebted. Many became bankrupt. Because of this domestic consumption dropped, which is inevitably linked to the drop of employment, income outflow and production.

The employees of the budgetary authorities were given a total one-time bonus in the amount of HUF 98 thousand in the months February and April 2010, on which significant taxes and contributions had to be paid. In the year 2011 those employed in this sector did not get this benefit.
In the year 2010 super-grossing of the tax and the shifting of tax brackets appeared in the personal income tax figures and the social security contribution payable by the employer was also reduced by 3%.
The flat rate personal income tax (16%) was introduced in the year 2011, and child benefit could again be used for the 1st and 2nd child as well and the amount of the benefit available for families with 3 childred was multiplied. With the termination of the double rate tax, due to the introduction of the flat tax, there was no more reason to assign non-taxable allowances to the combined tax base, which causes the loss of revenues from personal income tax, compared to previous years.
As of 2011 the increased child benefit can be used in case of real estate letting, as this was removed from income subject to separate taxation and it was reassigned to the combined tax base.

During recent years changes of the law have so much diverted tax revenues that the effect of processes of the real economy cannot be tracked. Changes of the law played a key role in the drop of revenues from personal income tax in the year 2011. The actions of the government and the worsening of the employment situation alike decreased tax revenues.

Revenues from the simplified entrepreneurial tax were below the base level both in the county and in the country as well. 2010 the percentage of EVA (simplified entrepreneurial tax) increased from 25 to 30%. Because of the drop of internal consumption and the increase of the tax rate the percentage of those using this tax scheme dropped by 10%.

Revenues from corporate tax were also below the basis level in the county and in Hungary alike, resulting from the worsening profitability and the change of the law. More and more companies made use of the possibility to apply a lower tax rate, as the strict previous criteria linked to the tax rate of 16% have been mitigated.

On national level appears the VAT payment charged on final consumption, while the cashflow in the county reflects an interim status, where the role individual companies play in economic processes is reflected. In the strongly export-oriented counties it happens more-and-more frequently that VAT revenues become “negative”, as export is regarded as sales without VAT, at the same time the VAT on related purchases can be refunded.
In addition the drop of domestic consumption and sales, and export and investment projects also facilitated the further reduction of VAT revenues.
(Q.v. Graphics 14.)

IMPRINT
Edition of daily Észak-Magyarország, NTCA Borsod-Abaúj Zemplén County Tax Directorate as well as of Chamber of Commerce and Industry of Borsod-Abaúj-Zemplén County
Issued by Inform Média Kft. Postal address: H-3501 Miskolc, Pf.: 178. www.informmedia.hu
Editor: Mariann Uri
Participated in preparing of this edition: photo column of Észak-Magyarország
Design: Mariann Uri **Graphics:** Csaba Csohány **Advertisement:** Gergő Litwin
Print works: Printperfect Nyomda

TOP 100 could expand

30 percent of Subscribed capital is from international investors

In our analysis we present the business results of the 100 biggest taxpayers highlighted on the basis of the added value – the performance without the cumulation of material costs and material expenses – generated in the business year 2011. The role these companies play in the economy is highlighted by the fact that the added value generated by the 100 taxpayers exceeds HUF 540 million, which is by HUF 75 million (16%) higher than last year.

The high ratio (98%) of small and micro enterprises is still typical of the economic structure of the county. Medium-sized and large companies are among the TOP 100 companies. Though these 100 companies represent 0.6% of the partnerships only, their contribution to economic performance and their share in productions assets are extremely high.
(Q.v. Table 16.)

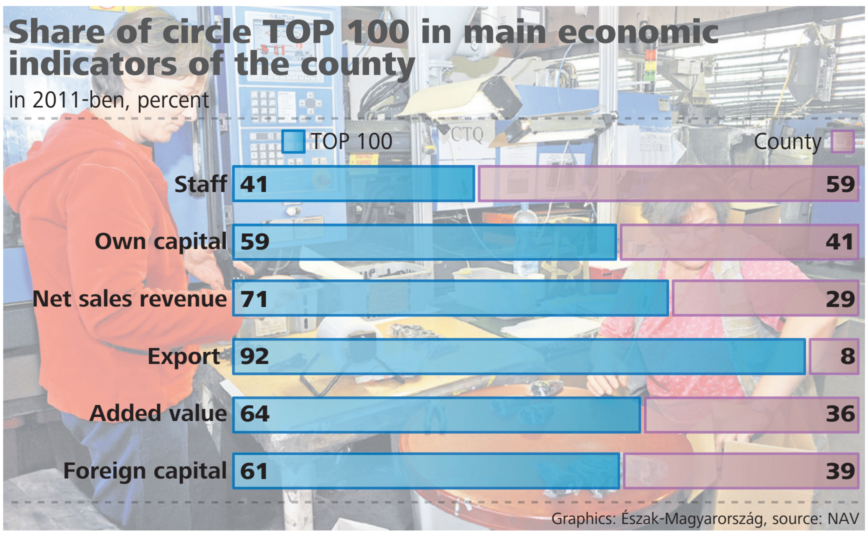
The high ratio (98%) of small and micro enterprises is still typical of the economic structure of the county. Medium-sized and large companies are among the TOP 100 companies. Though these 100 companies represent 0.6% of the partnerships only, their contribution to economic performance and their share in productions assets are extremely high.

TABLE 16.

Indicators of performance in 2011

Denomination	County	TOP 100	Share of TOP 100
Number of data suppliers	16 004	100	0,6%
FACTORS OF PRODUCTION			
Physical assets, million HUF	1 123 592	1 240 910	110,4%
Staff, pers.	98 488	40 786	41,4%
Own capital, million HUF	961 793	569 277	59,2%
Foreign capital, million HUF	135 240	82 091	60,7%
INDICATORS OF PERFORMANCE			
Net sales revenue, million HUF	2 960 020	2 087 279	70,5%
Export, million HUF	1 309 059	1 204 286	92,0%
Export/net sales revenue	44,2%	57,7%	
Domestic sales, million HUF	1 650 961	882 993	53,5%
Added value, million HUF	465 514	296 738	63,7%

GRAPHICS 15.



The TOP 100 companies have almost 60% of invested capital, 70% of the tangible fixed assets, and these companies employ more than 40% of the employees. It is also these companies that generate 64% of the added value realized. The TOP 100 companies generated 70% of the net sales in the county. Their export income ratio is even higher exceeding 90%. The domestic sales of these export-oriented companies dropped by 3% in the year 2011, however their sales abroad increased by almost 30%.
(Q.v. Graphics 15.)

The partnership companies in the county, resulting from the significant drop compared to the previous year have closed the year 2011 with minimum profits before taxes. Profitability worsened first of all among the TOP 100 companies. Losses grew from HUF - 5 billion (2010) to HUF -20.9 billion, resulting from the drop of the operating profits by HUF 21.8 billion, compared to the last year.
The reserves of the depreciation in the amount of HUF 75 billion that can be accounted to the impairment of tangible assets was reduced by the losses in the amount of HUF 25 billion lost in the line profits/losses after taxation. Thus the rate of return on capital dropped by almost 20% compared to the last year. Due to this half of the rate of return on capital has been realized by the TOP 100 companies. This ratio is by 8.4% lower than last year.
(Q.v. Table 17., Graphics 16.)

TOP 100 companies are rather characterized by capital intensive activities and their need for manpower is lower. Because of this the ratio of employment does not reach the share of other production factors, but still exceeds 40%. In the county the headcount employed by partnership companies increased by 5,426 persons. 86% of the new jobs has been created by the TOP 100 companies, due to this employment improved by 12.9%, exceeding the average of the county compared to the last year, and the wages costs accounted increased even more. The average annual wage amounted to HUF 2,530 thousand at these companies, which is by 36% higher than the county average and is by 1.8 times higher than the average wage of the other partnership companies in the county.

The share of the TOP 100 companies in new investments is high. 60% of the investment projects commissioned in the county in the year 2011 has been implemented by these companies, and TOP 100 companies were responsible for 67% of the investment projects implemented in the current year. This latter exceeds HUF 107 billion. Six tenths of the amount of investment projects during the current year is concentrated on the capital intensive chemical, machine building, energy and transportation sectors.

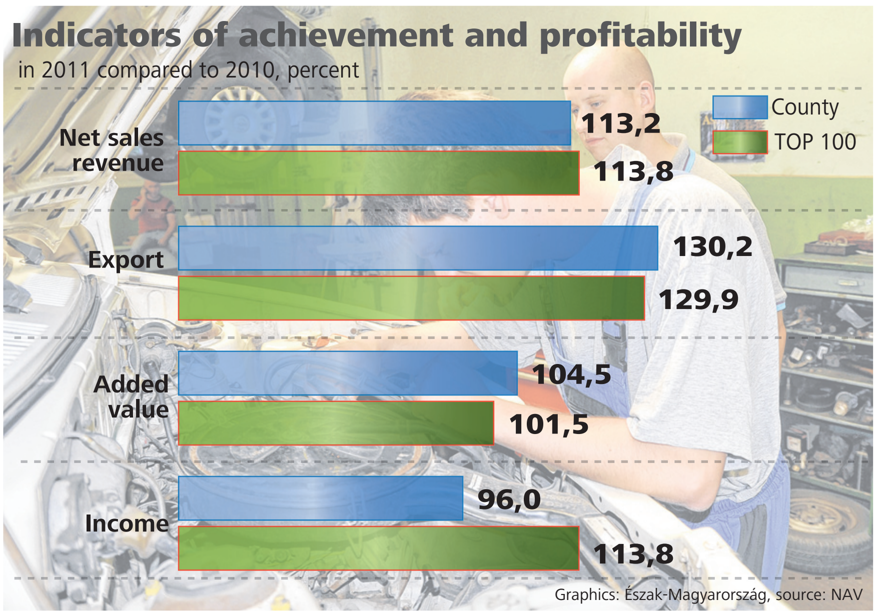
The amount of foreign capital hardly changed at the 100 companies producing the highest added value, compared to the last year. However, according to a county summary, due to some individual items, they increased by more than 20%. Due to this the ratio of foreign invested capital dropped from 75% (last year) to 60% in case of the TOP 100 companies.

TABLE 17.

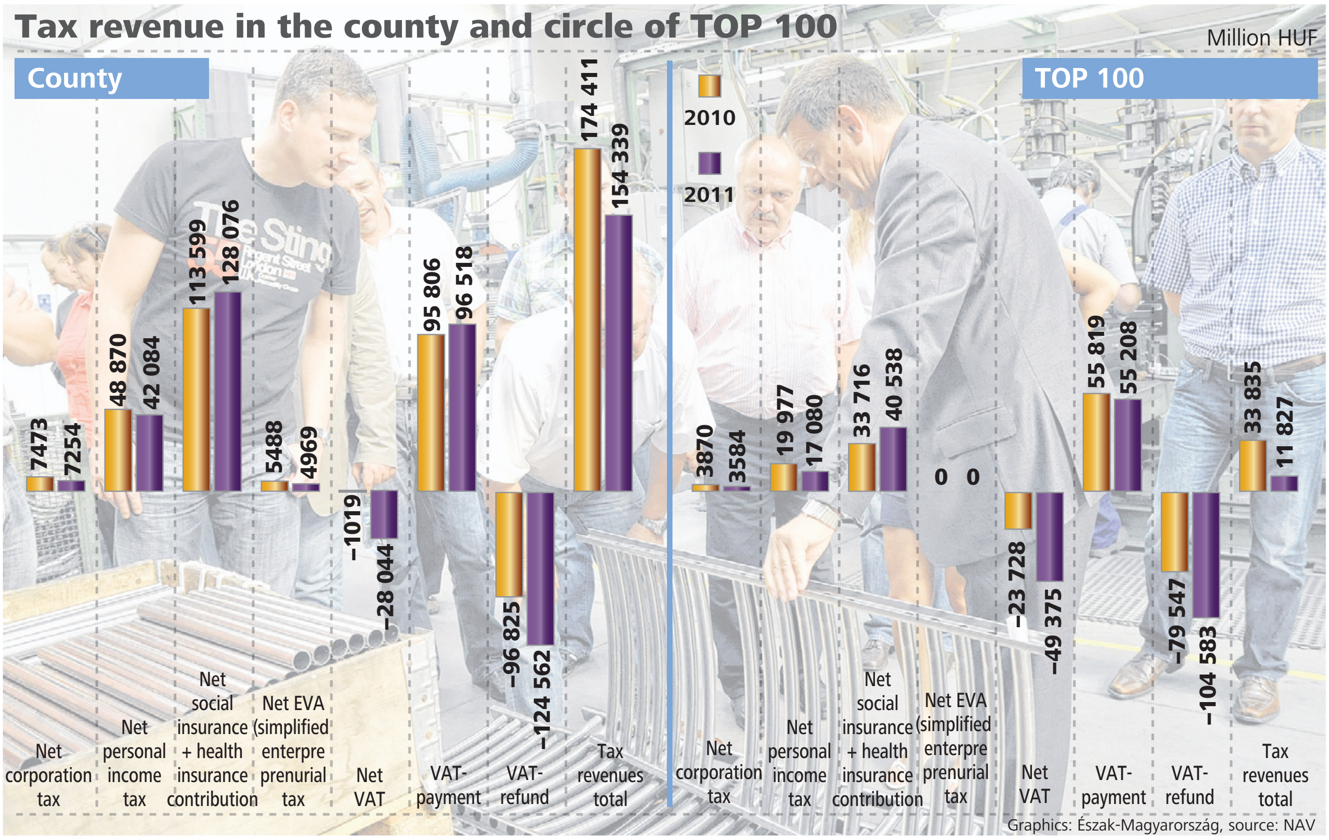
Indicators of profitability and return in 2011

Denomination	County	TOP 100	Share of TOP 100 2010	Share of TOP 100 2011
PROFITABILITY				
Profit before tax, million HUF	1 415	-20 890	-41,9%	-1476,3%
Business result, million HUF	25 970	-6 309	41,9%	-24,3%
Financial result, million HUF	-29 458	-17 422	77,4%	59,1%
Regular entreprenurial (business and financial) profit, million HUF	-3 488	-23 731	-162,2%	680,4%
Level of profitability 1: profit before tax/net sales revenue	0,0%	-1,0%		
Level of profitability 2: regular entreprenurial profit/net sales revenue	-0,1%	-1,1%		
RETURN				
Income (profit after tax + amortization), million HUF	100 578	49 765	57,9%	49,5%
From this: Profit after tax, million HUF	-6 320	-25 218	-348,3%	399,0%
Amortization, million HUF	106 898	74 983	69,2%	70,1%

GRAPHICS 16.



GRAPHICS 167.



There are 78 companies operating in the region of Miskolc, Tiszaújváros and Kazincbarcika, whereas the remaining 22 enterprises carry out their activities in 10 other regions of the county. In the region of Szikszó and Bodrogköz there are no companies operating with added value amounting to HUF 540 million.

The economic performance of the companies operating in the three main regions is of key importance, their share in the net sales exceeds 90% and they operate nine tenths of the invested capital. These ratios have not changes compared to the last year.
The situation has changed in terms of added value, as the share of companies operating in the aforementioned three key regions is 68.1%, by 14% lower than last year. The corrected operating profits of the companies operating in the chemical and energy sector in this region dropped compared to the last year.

The 100 companies generating the highest added value paid corporate tax in the amount of HUF 3.6 billion, which is half of the amount paid in the county, personal income tax in the amount of HUF 17 billion, which is 40% of the amount paid in the county. The TOP 100 companies transfered pension and health insurance contribution in the amount of HUF 40.5 billion, which is 32% of the amount paid in the county. In this way in total these 100 taxpayers paid one third of the taxes (without VAT) in the county.

If also VAT is considered, their share is reduced to 7.7%. The net VAT accounting of these companies changed from HUF -23.7 billion (previous year) to HUF -49.4 billion first of all, due to the increase of the VAT repayments by 32%, compared to the last year . The increase of VAT repayments to the companies was generated on one hand by the significant increase of export sales, on the other hand, based on the decision of the European Union the VAT on purchases financially not settled shall be repayed to the companies. All in all the magnitude of VAT payments was slightly below the base value.
(Q.v. Graphics 17.)

TABLE 18

Structure of small areas

Denomination	County	Developed small areas	Distri-bution	Less developed small areas	Distri-bution
Population, pers.	692 771	358 148	51,7%	334 623	48,3%
Own capital, million HUF	909 096	730 355	80,3%	178 741	19,7%
From this: TOP 100, M HUF	603 553	549 220	91,0%	54 333	9,0%
Net sales revenue, M HUF	2 350 006	1 983 414	84,4%	366 592	15,6%
From this: TOP 100, M HUF	1 555 360	1 444 727	92,9%	110 633	7,1%
Added value, million HUF	397 175	310 018	78,1%	87 157	21,9%
From this: TOP 100, M HUF	255 352	215 309	84,3%	40 043	15,7%

The Chamber of Commerce and Industry as an authoritative representative of the economy actors

The role of the chamber movement – which has historic past (more than a hundred years) in Borsod county – has increased in the last few years. The Borsod-Abaúj-Zemplén Chamber of Commerce and Industry (BOKIK) is an authoritative and standard representative of the economy actors. As a public body the Chamber summarizes each proposal, which serves the enterprises of the county and the quickening and development of the economy. Meanwhile the Chamber takes over more and more tasks form the State.

It may seem contradictory that the BOKIK's positions have become stronger while the economic conditions have deteriorated between 2008 and 2012. The reason definitely can be that the enterprises think they need an organization, which can mediate their interests, opinions for the government on proper level. They need an organization which has a well functioning relationship and professional network with partners from Hungary and abroad. The volunteer membership of the BOKIK did not change significantly in the last few years: in the year 2008 there were 2336 members, and in 2012 the number of the members was 2112. Whit this number the BOKIK is the third largest Chamber in Hungary – Budapest is the largest and Pest County is the second one.

In the years of the economic crisis the Chamber tried and still tries to lead every economic stimulus proposal which serves the enterprises of the county. In this spirit operates for example the North Hungarian Automotive Cluster, the City Center Cluster for Economic Development – which has been established in 2010, and includes the traders and of Miskolc downtown, also the forum of the Central Hotels of Miskolc, and the Forum for Industrial Parks in Borsod.

The applications of the Chamber serve the increasing business relations and information of the enterprises. The Széchenyi Card is an important financial support for the enterprises, and regarding to the number of requests Borsod leads the national ranking. The international relations of the Chamber and the cooperation with the University of Miskolc also serve the economic stimulation, and the support of the SMEs of the County.

To form Vocational trainings and to adapt them to the needs of the market is a strategic task of the Chamber.
The decision makers of the county and the Chamber agree, that the regional enterprises need to be strengthened, and shall make every effort to increase the willingness for regional investment.

The Chambers strategic goals are to improve the county's competitiveness, to develop the most important industrial sectors, to strengthen and catching up the local enterprises, also to decrease the unemployment.

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TOP 100 in the county – according to added value

		Net sales revenue, million HUF	Export, million HUF	Added value, million HUF	Staff, persons	Value invested in the current year, million HUF	Favoured tax revenue, million HUF	From this: net VAT, million HUF
1	JABIL CIRCUIT MAGYARORSZÁG KFT.	348 073	341 776	35 138	9 296	1 051	692	-7 681
2	ÉMÁSZ Csoport	121 826	0	19 654	227	10 704	4 810	3 796
3	BORSODCHEM ZRT.	257 765	194 212	18 956	2 681	37 277	-19 546	-26 801
4	BORSODI SÖRGYÁR KFT.	33 243	1 180	16 153	462	946	7 142	5 694
5	ROBERT BOSCH ENERGY AND BODY SYSTEMS KFT.	114 313	113 957	15 724	1 593	12 076	17 766	15 084
6	TVK NYRT.	416 308	197 167	15 134	1 123	6 347	-36 893	-40 719
7	CONTINENTAL DOHÁNYIPARI ZRT.	19 106	5 039	13 718	232	991	-430	-817
8	MODINE KFT.	32 228	30 990	10 266	438	1 697	-865	-1 945
9	ROBERT BOSCH POWER TOOL KFT.	69 074	22 186	9 838	1 493	2 661	12 333	9 585
10	COLUMBIAN TISZAI KOROMGYÁRTÓ KFT.	34 899	27 419	7 381	92	601	-4 036	-4 890
11	TAGHLEEF INDUSTRIES KFT.	27 043	22 542	6 020	204	1 003	-2 388	-3 502
12	PREC-CAST ÖNTÖDEI KFT.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
13	BORSOD VOLÁN ZRT.	9 543	0	4 446	1 729	1 701	2 809	738
14	UNIÓ COOP ZRT.	24 125	n.a.	3 986	1 319	1 267	1 990	711
15	SZEMEREY TRANSPORT ZRT.	11 278	593	3 804	789	0	1 408	807
16	AES TISZAI ERŐMŰ KFT.	41 001	16 009	3 716	152	0	227	-890
17	ÉRV. ÉSZAKMAGYARORSZÁGI REGIONÁLIS VÍZMŰVEK ZRT.	6 186	0	3 528	664	1 376	1 662	704
18	KOVÁCS VEGYESIPARI KERESKEDELMI ÉS SZOLG. KFT.	10 269	119	3 297	313	2 116	2 268	1 742
19	REMY AUTOMOTIVE HUNGARY KFT.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
20	TVK-ERŐMŰ KFT.	16 590	0	3 146	4	74	688	673
21	BC-ENERGIAKERESKEDŐ KFT.	51 989	0	2 773	7	5	2 780	2 751
22	WORK FORCE KFT.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
23	MVK MISKOLC VÁROSI KÖZLEKEDÉSI ZRT.	5 019	0	2 479	887	8 673	1 778	530
24	PR-TELECOM ZRT.	6 945	7	2 477	213	1 799	1 226	834
25	JOHNSON ELECTRIC KFT.	18 204	18 194	2 461	920	782	1 226	414
26	ROSS MOULD NEMZETKÖZI ÖNTVÉNYGYÁRTÓ KFT.	7 433	6 892	2 421	315	447	144	-628
27	TECHNICAL SERVICES HUNGARIA JÁRMŰJAVÍTÓ KFT.	8 891	7 215	2 409	331	583	600	-100
28	BC-ERŐMŰ KFT.	16 770	99	2 373	3	24	874	625
29	FRAMOCHEM FRANCIA-MAGYAR FINOMKÉMIAI KFT.	7 403	7 150	2 366	110	364	-256	-724
30	MIVÍZ MISKOLCI VÍZMŰ KFT.	4 466	0	2 143	321	342	998	473
31	SHINWA MAGYARORSZÁG PRECÍZIÓS KFT.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
32	JABIL HUNGARY LP KFT.	68 743	65 683	1 931	0	0	-4 363	-3 903
33	AVE-MISKOLC KFT.	4 082	0	1 841	257	149	724	373
34	COLAS ÉSZAKKŐ BÁNYÁSZATI KFT.	2 835	2	1 739	152	528	794	305
35	CIRKONT Csoport	3 286	0	1 686	210	518	611	339
36	ÉSZAKERDŐ ERDŐGAZDASÁGI ZRT.	3 610	743	1 679	470	257	982	305
37	TMK-AUTOMATIKA KFT.	3 327	1	1 601	211	24	768	301
38	FIREPLACE GYÁRTÓ ÉS KERESKEDELMI KFT.	4 278	3 957	1 499	173	295	-88	-432
39	EUROFOAM HUNGARY POLIURETAN GYÁRTÓ KFT.	9 001	n.a.	1 495	261	n.a.	n.a.	n.a.
40	MISKOLCI LIKŐRGYÁR ZRT.	1 979	5	1 447	75	12	444	397
41	SZERENCSI MEZŐGAZDASÁGI ZRT.	3 994	796	1 437	382	1 503	288	-115
42	TRANSMETALLBAU IPARI, SZERELŐ ÉS SZOLG. KFT.	1 535	1 530	1 415	141	108	103	-11
43	MVM MIFŰ MISKOLCI FŰTŐERŐMŰ KFT.	9 658	0	1 412	44	291	489	365
44	ONGROPACK KFT.	7 507	6 572	1 398	118	186	-579	-850
45	STAR-PLUS MŰANYAGIPARI KFT.	4 563	2 864	1 372	289	874	5	-280
46	KISCHEMICALS GYÁRTÓ ÉS KERESKEDELMI KFT.	5 227	5 075	1 354	133	765	-491	-729
47	GEO-TIPPTEX KFT.	6 503	5 866	1 305	98	0	-751	-1 041
48	ÉMK ÉSZAK-MAGYARORSZÁGI KÖRNYEZETVÉD. KFT.	2 321	0	1 272	95	447	402	282
49	V-METALBAU GYÁRTÓ, SZERELŐ ÉS KERESKEDŐ KFT.	1 701	1	1 190	108	15	113	22
50	TOKAJ KERESKEDŐHÁZ ZRT.	3 529	1 423	1 174	172	56	403	111

TOP 100 in the county – according to added value

		Net sales revenue, million HUF	Export, million HUF	Added value, million HUF	Staff, persons	Value invested in the current year, million HUF	Favoured tax revenue, million HUF	From this: net VAT, million HUF
51	KALDERA IPARI KERESKEDELMI ÉS SZOLG. KFT.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
52	„D&D" DRÓTÁRU IPARI ÉS KERESKEDELMI ZRT.	10 678	8 812	1 083	144	75	402	170
53	EXIR HUNGARY IPARI ÉS KERESKEDELMI ZRT.	4 271	3 360	1 071	163	268	-206	-454
54	GÖMÖR-HÚS HÚSIPARI KFT.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
55	MATYÓ AGRÁRTERMELŐ ZRT.	2 033	27	1 000	180	147	374	108
56	TOOLSTYLE SZERSZÁM- ÉS ALKATRÉSZGYÁRTÓ KFT.	3 579	2 542	994	64	0	18	-155
57	CERTA KFT.	2 087	605	988	260	145	424	151
58	MISKOLCI VASIPARI ACÉLSZERKEZETGYÁRTÓ ZRT.	2 586	675	976	227	53	544	223
59	MIK MISKOLCI INGATLANGAZDÁLKODÓ ZRT.	2 680	n.a.	939	195	66	445	161
60	INTERACTIVE NET DESIGN KFT.	2 644	1 200	934	128	0	562	85
61	SANMINA KFT.	n.a.	n.a.	n.a.	658	n.a.	n.a.	n.a.
62	BORSODVÍZ ÖNKORMÁNYZATI KÖZÜZEMI SZOLG. ZRT.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
63	„DIAMIT" ÉPÍTŐ, IPARI, SZOLG. ÉS BEFEKTETÉSI ZRT.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
64	KIS SZERELŐ ÉS KERESKEDŐ KFT.	3 582	0	899	127	0	196	35
65	FUX IPARI, SZOLGÁLTATÓ ÉS KERESKEDELMI ZRT.	7 802	4 286	890	187	149	540	307
66	UNITED CALL CENTERS TANÁCSADÓ KFT.	983	0	880	276	13	452	221
67	TISZATEXTIL MŰANYAGFELDOLGOZÓ ÉS ÉRTÉKESÍTŐ KFT.	4 137	0	876	248	108	-101	-335
68	MISKOLCI PATYOLAT SZOLGÁLTATÓ ZRT.	1 547	0	854	329	111	453	217
69	HÁMOR KOVÁCSOLÓ, MEGMUNKÁLÓ ÉS HŐKEZELŐ ZRT.	4 142	3 029	852	201	8	202	-65
70	SZENTISTVÁNI MEZŐGAZDASÁGI ZRT. CSOPORT	4 038	27	843	160	139	365	118
71	MISKOLCI HŐSZOLGÁLTATÓ KFT.	7 115	0	836	189	198	-519	-870
72	UNI-FLEXYS EGYETEMI INNOVÁCIÓS KUTATÓ ÉS FEJL. KÖZHASZNÚ NONPROFIT KFT.	595	11	827	71	0	-20	-114
73	FK-RASZTER ÉPÍTŐ ZRT.	7 289	0	806	195	145	-242	-580
74	FRAISA HUNGÁRIA KFT.	2 941	2 242	792	81	0	75	-92
75	TISZA AUTOMOTIVE KFT.	2 402	743	790	227	17	351	169
76	KÜPPER HUNGÁRIA FÉMFELDOLGOZÓ ÉS ÖNTÖDEI KFT.	4 409	4 376	748	62	86	78	-99
77	NORDA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
78	TISZASZOLG 2004 KFT.	2 423	0	734	179	431	156	-101
79	BOSS2006 HUNGÁRIA PRECÍZIÓSSZERSZÁMGYÁRTÓ KFT.	1 500	1 329	732	187	495	114	-69
80	ORLANDO-GB ÉPÍTŐIPARI ÉS SZOLGÁLTATÓ KFT.	886	0	721	103	14	45	-5
81	ELEKTROVIT KERESKEDELMI ÉS IPARI KFT.	2 019	664	691	96	0	142	53
82	EUROLUX TRANS KFT.	1 839	543	683	71	306	262	172
83	REMAT HULLADÉKHASZNOSÍTÓ ZRT.	2 810	1 370	676	116	0	172	27
84	RAJNA-MONTAGE KFT.	815	784	675	73	9	37	0
85	DIPA DIÓSGYŐRI PAPÍRGYÁR Zrt.	1 398	339	n.a.	100	n.a.	n.a.	n.a.
86	GRÁF-ÁLLVÁNYZAT KERESKEDELMI ÉS SZOLGÁLTATÓ KFT.	2 462	432	672	153	53	-120	-277
87	ECLIPSE PRINT KERESKEDELMI KFT.	1 474	471	658	64	261	261	144
88	IMO HUNGARIA MS IPARI SZERELŐ KFT.	1 223	626	656	102	1	69	-8
89	ABAÚJ COOP KERESKEDELMI ÉS SZOLGÁLTATÓ ZRT.	4 234	0	654	248	54	384	158
90	ZEMPLÉN VÍZMŰ KFT.	1 175	0	647	165	80	321	143
91	FRANK-HUNGARIA KFT.	2 487	2 155	618	115	170	109	-58
92	ONGROELEKTRO KFT.	1 830	2	613	85	12	220	52
93	BÉM ZRT.	1 945	1 059	608	175	53	286	97
94	KV ÉPÍTŐIPARI KERESKEDELMI ÉS SZOLGÁLTATÓ KFT.	2 180	6	582	194	9	9	-139
95	CEMGÉP 50' IPARI ZRT.	585	581	577	78	1	43	0
96	ÉSZAK-MAGYARORSZÁGI MÉH NYERSANYAGHASZNOSÍTÓ ZRT.	7 779	2 241	572	88	282	-32	-184
97	HB LOGISTIC ZRT.	640	0	566	85	0	27	1
98	NARIVO ÁLLATTENYÉSZTŐ ÉS NÖVÉNYTERMESZTŐ KFT.	1 442	0	560	101	570	112	-2
99	GEO MILK KFT.	1 051	0	547	111	504	88	-87
100	ÉSZAK-KELET PRO-COOP ZRT.	22 262	19	543	274	65	415	181

TOP 100 in the county – according to net sales revenue

		Net sales revenue, million HUF
1	TVK NYRT.	416 308
2	JABIL CIRCUIT MAGYARORSZÁG KFT .	348 073
3	BORSODCHEM ZRT.	257 765
4	ÉMÁSZ Csoport	121 826
5	ROBERT BOSCH ENERGY AND BODY SYSTEMS KFT.	114 313
6	ROBERT BOSCH POWER TOOL KFT.	69 074
7	JABIL HUNGARY LP KFT.	68 743
8	BC-ENERGIAKERESKEDŐ KFT.	51 989
9	AES TISZAI ERŐMŰ KFT.	41 001
10	COLUMBIAN TISZAI KOROMGYÁRTÓ KFT.	34 899
11	BORSODI SÖRGYÁR KFT.	33 243
12	MODINE KFT.	32 228
13	TAGHLEEF INDUSTRIES KFT.	27 043
14	INNO-COMP IPARI ÉS KERESKEDELMI KFT.	24 881
15	UNIÓ COOP ZRT.	24 125
16	REMY AUTOMOTIVE HUNGARY KFT.	n.a.
17	ÉSZAK-KELET PRO-COOP ZRT.	22 262
18	ÓZDI ACÉLMŰVEK KFT.	n.a.
19	CONTINENTAL DOHÁNYIPARI ZRT.	19 106
20	JOHNSON ELECTRIC KFT.	18 204
21	BC-ERŐMŰ KFT.	16 770
22	TVK-ERŐMŰ KFT.	16 590
23	PREC-CAST ÖNTÖDEI KFT.	n.a.
24	ÖKOIL ALAPANYAG ELŐÁLLÍTÓ ÉS KERESKEDELMI KFT.	14 462
25	SZEMEREY TRANSPORT FUVAROZÁSI ÉS SZÁLLÍTMÁNYOZÁSI ZRT.	11 278
26	„VIRIDIS-PHARMA" GYÓGYSZER-NAGYKERESKEDELMI KFT.	10 952
27	„D&D" DRÓTÁRU IPARI ÉS KERESKEDELMI ZRT.	10 678
28	KOVÁCS VEGYESIPARI KERESKEDELMI ÉS SZOLGÁLTATÓ KFT.	10 269
29	MVM MIFŰ MISKOLCI FŰTŐERŐMŰ KFT.	9 658
30	BORSOD VOLÁN ZRT.	9 543
31	SHINWA MAGYARORSZÁG PRECÍZIÓS KFT.	n.a.
32	EUROFOAM HUNGARY POLIURETÁN GYÁRTÓ KFT.	9 001
33	TECHNICAL SERVICES HUNGARIA JÁRMŰJAVÍTÓ KFT.	8 891
34	KALDERA IPARI KERESKEDELMI ÉS SZOLG. KFT.	n.a.
35	FUX IPARI, SZOLGÁLTATÓ ÉS KERESKEDELMI ZRT.	7 802
36	ÉSZAK-MAGYARORSZÁGI MÉH NYERSANYAGHASZNOSÍTÓ ZRT.	7 779
37	ONGROPACK MŰANYAG FÓLIAGYÁRTÓ FELDOLGOZÓ ÉS KER. KFT.	7 507
38	ROSS MOULD NEMZETKÖZI ÖNTVÉNYGYÁRTÓ KFT.	7 433
39	FRAMOCHEM FRANCIA-MAGYAR FINOMKÉMIAI KFT.	7 403
40	FK-RASZTER ÉPÍTŐ ZRT.	7 289
41	ELMIB ELSŐ MAGYAR INFRASTRUKTÚRA BEFEKTETÉSI ZRT.	7 173
42	MISKOLCI HŐSZOLGÁLTATÓ KFT.	7 115
43	PR-TELECOM TÁVKÖZLÉSI, KERESKEDELMI ÉS SZOLGÁLTATÓ ZRT.	6 945
44	„ITALKERESKEDŐ-HÁZ" KERESKEDELMI ÉS SZOLGÁLTATÓ ZRT.	6 851
45	GEO-TIPPTEX KFT.	6 503
46	ÉRV. ÉSZAKMAGYARORSZÁGI REGIONÁLIS VÍZMŰVEK ZRT.	6 186
47	KISCHEMICALS GYÁRTÓ ÉS KERESKEDELMI KFT.	5 227
48	MVK MISKOLC VÁROSI KÖZLEKEDÉSI ZRT.	5 019
49	HÚSCENTRUM FRISSÁRU LOGISZTIKA KFT.	5 012
50	DYNEA HUNGARY TERMELŐ ÉS KERESKEDELMI EGYSZEMÉLYES KFT.	4 705

		Net sales revenue, million HUF
51	STAR-PLUS MŰANYAGIPARI KFT.	4 563
52	WEINBERG '93 ÉPÍTŐ KFT.	4 547
53	AGROSTEEL INNOVATION MEZŐGAZDASÁGI KFT.	4 512
54	KISPATAK-2000 KERESKEDELMI KFT.	4 491
55	SAJT KALMÁR KERESKEDELMI KFT.	4 488
56	MIVÍZ MISKOLCI VÍZMŰ KFT.	4 466
57	KÜPPER HUNGÁRIA FÉMFELDOLGOZÓ ÉS ÖNTÖDEI KFT.	4 409
58	ZEMPLÉNKŐ KELET-MAGYARORSZÁGI ÉPÍTŐIPARI FŐVÁLLALK. ÉS BÁNYÁSZATI KFT.	4 403
59	FIREPLACE GYÁRTÓ ÉS KERESKEDELMI KFT.	4 278
60	EXIR HUNGARY IPARI ÉS KERESKEDELMI ZRT.	4 271
61	ABAÚJ COOP KERESKEDELMI ÉS SZOLGÁLTATÓ ZRT.	4 234
62	HÁMOR KOVÁCSOLÓ, MEGMUNKÁLÓ ÉS HŐKEZELŐ ZRT.	4 142
63	TISZATEXTIL MŰANYAGFELDOLGOZÓ ÉS ÉRTÉKESÍTŐ KFT.	4 137
64	BORSODCEM-KREMS CHEMIE FORMALIN KFT.	4 101
65	AVE-MISKOLC KFT.	4 082
66	ILKOTRADE KERESKEDELMI ÉS SZOLGÁLTATÓ KFT.	4 042
67	SZENTISTVÁNI MEZŐGAZDASÁGI ZRT. CSOPORT	4 038
68	SZERENCSI MEZŐGAZDASÁGI ZRT.	3 994
69	SÁROSPATAK-HUNGÁRIA ÉDESIPARI KFT.	3 975
70	HEGYALJA-TÁR MEZŐGAZDASÁGI SZOLGÁLTATÓ ÉS KER. KFT.	3 961
71	AICHER BETON ÉPÍTŐANYAG ÉS IPARI KŐZET KFT.	3 695
72	ÉSZAKERDŐ ERDŐGAZDASÁGI ZRT.	3 610
73	„DIAMIT" ÉPÍTŐ, IPARI, SZOLGÁLTATÓ ÉS BEFEKTETÉSI ZRT.	n.a.
74	KIS SZERELŐ ÉS KERESKEDŐ KFT.	3 582
75	TOOLSTYLE SZERSZÁM- ÉS ALKATRÉSZGYÁRTÓ KFT.	3 579
76	TOKAJ KERESKEDŐHÁZ ZRT.	3 529
77	ALBIS PLASTIC KERESKEDELMI KFT.	3 443
78	VASBETA KERESKEDELMI ÉS SZOLGÁLTATÓ KFT.	3 415
79	AD-VESZ KERESKEDELMI KFT.	3 347
80	TMK-AUTOMATIKA IPARI SZOLGÁLTATÓ ÉS FŐVÁLLALKOZÓ KFT.	3 327
81	CIRKONT Csoport	3 286
82	COMGAME „576" SZÁMITÁSTECHNIKAI ÉS SZOLGÁLTATÓ KFT.	n.a.
83	FÉMKER EAST FÉM- ÉS FÉMHULLADÉK-KERESKEDELMI KFT.	3 095
84	SANMINA KFT.	n.a.
85	WORK FORCE SZEMÉLYZETI TANÁCSADÓ ÉS SZOLGÁLTATÓ KFT.	n.a.
86	FRAISA HUNGÁRIA KFT.	2 941
87	ST-LOGISTIC SZÁLLÍTMÁNYOZÁSI KFT.	n.a.
88	HUNLAND FOOD KERESKEDELMI ÉS SZOLGÁLTATÓ KFT.	2 848
89	COLAS ÉSZAKKŐ BÁNYÁSZATI KFT.	2 835
90	ABAÚJTEJ TEJFELVÁSÁRLÓ FELDOLGOZÓ KÖZÖS VÁLLALAT	2 817
91	REMAT HULLADÉKHASZNOSÍTÓ ZRT.	2 810
92	MIK MISKOLCI INGATLANGAZDÁLKODÓ ZRT.	2 680
93	KAZINC-THERM FŰTŐERŐMŰ KFT.	2 672
94	INTERACTIVE NET DESIGN KERESKEDELMI ÉS SZOLGÁLTATÓ KFT.	2 644
95	MISKOLCI VASIPARI ACÉLSZERKEZETGYÁRTÓ ZRT.	2 586
96	FOR YOU-2 KERESKEDELMI ÉS SZOLGÁLTATÓ KFT.	2 572
97	BORSODVÍZ ÖNKORMÁNYZATI KÖZÜZEMI SZOLGÁLTATÓ ZRT.	n.a.
98	ROCK OIL KERESKEDELMI ÉS SZOLGÁLTATÓ KFT.	2 553
99	FRANK-HUNGARIA KFT.	2 487
100	VINYL KERESKEDELMI ÉS SZOLGÁLTATÓ KFT.	2 482

TOP 100 in the county – according to the number of employees

		Number of employed			Number of employed
1	JABIL CIRCUIT MAGYARORSZÁG KFT.	9 296	51	SEVER ÉS TÁRSA KIS- ÉS NAGYKERESKEDELMI KFT.	199
2	BORSODCHEM ZRT.	2 681	52	MIK MISKOLCI INGATLANGAZDÁLKODÓ ZRT.	195
3	BORSOD VOLÁN ZRT.	1 729	53	FK-RASZTER ÉPÍTŐ ZRT.	195
4	ROBERT BOSCH ENERGY AND BODY SYSTEMS KFT.	1 593	54	MEZŐKÖVESDI VG VÁROSGAZDÁLKODÁSI ZRT.	194
5	ROBERT BOSCH POWER TOOL KFT.	1 493	55	KV ÉPÍTŐIPARI KERESKEDELMI ÉS SZOLGÁLTATÓ KFT.	194
6	UNIÓ COOP ZRT.	1 319	56	MISKOLCI HŐSZOLGÁLTATÓ KFT.	189
7	WORK FORCE SZEMÉLYZETI TANÁCSADÓ ÉS SZOLGÁLTATÓ KFT.	n.a.	57	FUX IPARI, SZOLGÁLTATÓ ÉS KERESKEDELMI ZRT.	187
8	TVK NYRT.	1 123	58	BOSS2006 HUNGÁRIA PRECÍZIÓSSZERSZÁMGYÁRTÓ KFT.	187
9	PREC-CAST ÖNTÖDEI KFT.	n.a.	59	ÓZDSZOLG SZOLGÁLTATÓ NONPROFIT KFT.	183
10	JOHNSON ELECTRIC KFT.	920	60	KÜBLER HUNGARY KFT.	182
11	MVK MISKOLC VÁROSI KÖZLEKEDÉSI ZRT.	887	61	MATYÓ AGRÁRTERMELŐ ZRT.	180
12	MISKOLCI VÁROSGAZDA VÁROSGAZDÁLKODÁSI KÖZHASZNÚ NONPROFIT KFT.	821	62	TISZASZOLG 2004 KÖZSZOLGÁLTATÓ, VAGYONKEZELŐ ÉS GAZDASÁGFEJLESZTŐ KFT.	179
13	SZEMEREY TRANSPORT FUVAROZÁSI ÉS SZÁLLÍTMÁNYOZÁSI ZRT.	789	63	BÉM BORSODI ÉRC ÁSVÁNY- ÉS NYERSANYAG FELDOLGOZÓ ZRT.	175
14	B + N REFERENCIA IPARI, KERESKEDELMI ÉS SZOLGÁLTATÓ ZRT.	n.a.	64	FIREPLACE GYÁRTÓ ÉS KERESKEDELMI KFT.	173
15	REMY AUTOMOTIVE HUNGARY KFT.	n.a.	65	TOKAJ KERESKEDŐHÁZ ZRT.	172
16	ÉRV. ÉSZAKMAGYARORSZÁGI REGIONÁLIS VÍZMŰVEK ZRT.	664	66	ZEMPLÉNI VÍZMŰ KFT.	165
17	SANMINA KFT.	658	67	EXIR HUNGARY IPARI ÉS KERESKEDELMI ZRT.	163
18	SHINWA MAGYARORSZÁG PRECÍZIÓS KFT.	n.a.	68	DÉL-BORSODI REHAB. ÉS KÖRNYEZETVÉD. NONPROFIT KFT.	161
19	ÉSZAKERDŐ ERDŐGAZDASÁGI ZRT.	470	69	SZENTISTVÁNI MEZŐGAZDASÁGI ZRT. CSOPORT	160
20	BORSODI SÖRGYÁR KFT.	462	70	KISPATAK-2000 KERESKEDELMI KFT.	159
21	MODINE KFT.	438	71	"ITALKERESKEDŐ-HÁZ" KERESKEDELMI ÉS SZOLGÁLTATÓ ZRT.	158
22	ÓZDI ACÉLMŰVEK KFT.	n.a.	72	LISA-TRICOT TEXTILIPARI ÉS KERESKEDELMI KFT.	154
23	SZERENCSI MEZŐGAZDASÁGI ZRT.	382	73	SZOCIO-PRODUKT SZOLGÁLTATÓ KFT.	n.a.
24	TECHNICAL SERVICES HUNGARIA JÁRMŰJAVÍTÓ KFT.	331	74	GRÁF-ÁLLVÁNYZAT KERESKEDELMI ÉS SZOLGÁLTATÓ KFT.	153
25	MISKOLCI PATYOLAT SZOLGÁLTATÓ ZRT.	329	75	AES TISZAI ERŐMŰ KFT.	152
26	MIVÍZ MISKOLCI VÍZMŰ KFT.	321	76	COLAS ÉSZAKKŐ BÁNYÁSZATI KFT.	152
27	ROSS MOULD NEMZETKÖZI ÖNTVÉNYGYÁRTÓ KFT.	315	77	„D&D" DRÓTÁRU IPARI ÉS KERESKEDELMI ZRT.	144
28	KOVÁCS VEGYESIPARI KERESKEDELMI ÉS SZOLGÁLTATÓ KFT.	313	78	TRANSMETALLBAU IPARI, SZERELŐ ÉS SZOLGÁLTATÓ KFT.	141
29	STAR-PLUS MŰANYAGIPARI KFT.	289	79	ABAÚJTEJ TEJFELVÁSÁRLÓ FELDOLGOZÓ KÖZÖS VÁLLALAT	133
30	BORSODVÍZ ÖNKORMÁNYZATI KÖZÜZEMI SZOLGÁLTATÓ ZRT.	n.a.	80	KISCHEMICALS GYÁRTÓ ÉS KERESKEDELMI KFT.	133
31	UNITED CALL CENTERS TANÁCSADÓ KERESKEDELMI ÉS SZOLG. KFT.	276	81	HALBO MCE TERVEZŐ ÉS FŐVÁLLALKOZÓ ZRT.	132
32	ÉSZAK-KELET PRO-COOP ZRT.	274	82	INTERACTIVE NET DESIGN KERESKEDELMI ÉS SZOLGÁLTATÓ KFT.	128
33	EUROFOAM HUNGARY POLIURETÁN GYÁRTÓ KFT.	261	83	KIS SZERELŐ ÉS KERESKEDŐ KFT.	127
34	CERTA ZÁRGYÁRTÓ, PRÉSÖNTŐ ÉS SZERSZÁMKÉSZÍTŐ KFT.	260	84	TIMPANON VAGYONKEZELŐ ÉS SZOLGÁLTATÓ ZRT.	127
35	AVE-MISKOLC KFT.	257	85	X-TÉ KERESKEDELMI ÉS SZOLGÁLTATÓ KFT.	125
36	NORPAN Csoport	255	86	„ABAÚJ" BÚTORIPARI ZRT.	124
37	TISZATEXTIL MŰANYAGFELDOLGOZÓ ÉS ÉRTÉKESÍTŐ KFT.	248	87	WEINBERG '93 ÉPÍTŐ KFT.	123
38	ABAÚJ COOP KERESKEDELMI ÉS SZOLGÁLTATÓ ZRT.	248	88	ORSZAK-BORSOD SZAKIPARI ÉS ÉPÍTŐIPARI KIVITELEZŐ KFT.	121
39	CONTINENTAL DOHÁNYIPARI ZRT.	232	89	BÓDVA-SZUHA VÖLGYI TERÜLETFEJLESZTÉSI NONPROFIT KÖZH. KFT.	120
40	ÉMÁSZ Csoport	227	90	ONGROPACK MŰANYAG FÓLIAGYÁRTÓ FELDOLGOZÓ ÉS KER. KFT.	118
41	MISKOLCI VASIPARI ACÉLSZERKEZETGYÁRTÓ ZRT.	227	91	REMAT HULLADÉKHASZNOSÍTÓ ZRT.	116
42	TISZA AUTOMOTIVE KFT.	227	92	FRANK-HUNGARIA TALAJMŰVELŐ KOPÓALKATRÉSZEKET GYÁRTÓ KFT.	115
43	GÖMÖR - HÚS HÚSIPARI KFT.	n.a.	93	BÜKKVIDÉKI VENDÉGLÁTÓ ZRT.	n.a.
44	PR-TELECOM TÁVKÖZLÉSI, KERESKEDELMI ÉS SZOLGÁLTATÓ ZRT.	213	94	SZERENCSI VÁROSGAZDA NON-PROFIT KFT.	112
45	TMK-AUTOMATIKA IPARI SZOLGÁLTATÓ ÉS FŐVÁLLALKOZÓ KFT.	211	95	GEO MILK KFT.	111
46	BARBEN CIPŐIPARI ÉS KERESKEDELMI KFT.	211	96	FRAMOCHEM FRANCIA-MAGYAR FINOMKÉMIAI KFT.	110
47	CIRKONT Csoport	210	97	CSAVAR- ÉS HÚZOTTÁRU ZRT.	110
48	TAGHLEEF INDUSTRIES KFT.	204	98	„MIÉLKER" MISKOLCI ÉLELMISZERKERESKEDELMI ZRT.	110
49	BARCIKA PARK VÁROSÜZEMELTETÉSI NONPROFIT KFT.	204	99	TANODA SÜTŐIPARI KERESKEDELMI ÉS SZOLGÁLTATÓ KFT.	110
50	HÁMOR KOVÁCSOLÓ, MEGMUNKÁLÓ ÉS HŐKEZELŐ ZRT.	201	100	V-METALBAU GYÁRTÓ,SZERELŐ ÉS KERESKEDŐ KFT.	108