

**NOTES TO THE INCOME STATEMENT as of December 31, 2009**

<b>NOTE 1 - SALES</b>																													
Company presented in its income statement the amount of RSD 15,949,112 thousand. The stated amount includes:																													
- Merchandise sold	RSD 6,214,531 thousand																												
<p>Major income was gained by sale of following merchandise:</p> <table border="0"> <tr> <td>Corn</td> <td align="right">RSD 495,766 thousand</td> </tr> <tr> <td>Wheat</td> <td align="right">RSD 514,070 thousand</td> </tr> <tr> <td>Sunflower</td> <td align="right">RSD 823,130 thousand</td> </tr> <tr> <td>Fertilizers</td> <td align="right">RSD 1,285,131 thousand</td> </tr> <tr> <td>Soybean and sunflower seeds</td> <td align="right">RSD 99,329 thousand</td> </tr> <tr> <td>Wheat seed</td> <td align="right">RSD 128,925 thousand</td> </tr> <tr> <td>Corn seed</td> <td align="right">RSD 7,296 thousand</td> </tr> <tr> <td>33% and 42% sunflower meal</td> <td align="right">RSD 354,874 thousand</td> </tr> <tr> <td>Fuel for farming</td> <td align="right">RSD 44,079 thousand</td> </tr> <tr> <td>Pesticides</td> <td align="right">RSD 9,410 thousand</td> </tr> <tr> <td>Refined and crude sunflower oil</td> <td align="right">RSD 807,933 thousand</td> </tr> <tr> <td>Rape</td> <td align="right">RSD 492,627 thousand</td> </tr> <tr> <td>Toasted meal merchandise in bulk</td> <td align="right">RSD 358,143 thousand</td> </tr> <tr> <td>Crude rape oil</td> <td align="right">RSD 41,785 thousand</td> </tr> </table> <p>In the course of first quarter of 2009 contracting of oil plants, investments in farming though financing the seeds and intermediaries supplied and procurement and buy-up of agricultural products were transferred to the Company Victoria Logistic DOO Novi Sad within the implemented reorganization and pooling of logistic functions of procurement, transport and storage of goods necessary for operations of the Victoria Group Members. Consequently, seeds and other intermediaries, as well as cereals were sold to Victoria Logistic and other oil plants were sold to VictoriaOil to be processed.</p>		Corn	RSD 495,766 thousand	Wheat	RSD 514,070 thousand	Sunflower	RSD 823,130 thousand	Fertilizers	RSD 1,285,131 thousand	Soybean and sunflower seeds	RSD 99,329 thousand	Wheat seed	RSD 128,925 thousand	Corn seed	RSD 7,296 thousand	33% and 42% sunflower meal	RSD 354,874 thousand	Fuel for farming	RSD 44,079 thousand	Pesticides	RSD 9,410 thousand	Refined and crude sunflower oil	RSD 807,933 thousand	Rape	RSD 492,627 thousand	Toasted meal merchandise in bulk	RSD 358,143 thousand	Crude rape oil	RSD 41,785 thousand
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- Products sold and services provided	RSD 9,734,581 thousand																												
Major income was gained from sale of meal in amount of RSD 5,689,918 thousand; income gained from sale of crude soybean oil amounted to RSD 2,349,486 thousand, and the remaining income was gained from sale of textures, flour, lecithin and other soybean products.																													
<b>NOTE 2 – INCREASE IN VALUE OF FINISHED PRODUCTS ON STOCK</b>																													
<p>As of December 31, 2009 the Company presented increase in value of finished products on stock as compared to the balance as of December 31, 2008 to the amount of RSD 302,960 thousand.</p> <p>Major increase of stocks was presented in crude soybean oil and soybean meal. Volume of soybean oil increased by 646,840 kg and increase of soybean meal by 7,359,893 kg.</p> <p>Value of finished products on stock is carried at their cost, whereas their respective sale prices are considerably higher.</p>																													

<b>NOTE 3 – COST OF GOODS SOLD</b>	
Company presented in its income statement the cost of merchandise sold in amount of RSD 6,171,961 thousand. A share of the cost relates to procurement of intermediaries that were sold to Victoria Logistic and earmarked for delivery to farmers. Most significant costs are the costs of procured mineral fertilizers in total amount of RSD 1,291,121 thousand, seeds in amount of RSD 236,212 thousand, wheat - RSD 541,457 thousand, mercantile corn - RSD 490,744 thousand, sunflower - RSD 900,297 thousand, fuel for farming - RSD 44,182 thousand, pesticides - RSD 9,410 thousand, refined and crude sunflower oil – RSD 807,933 thousand, rape - RSD 492,473 thousand, 33% and 42% sunflower meal - RSD 297,024 thousand.	
<b>NOTE 4 – MATERIAL COST</b>	
Company presented in its income statement the material cost in amount of RSD 7,807,981 thousand. Share of the basic raw material (soybean grain) was RSD 7,272,187 thousand. All material cost was carried at their respective average procurement prices.	RSD 7,807,981 thousand
<b>NOTE 5 – OTHER OPERATING EXPENSES</b>	
Company presented other operating expenses in the amount of RSD 423,527 thousand. Structure of these expenses is as follows:	
- Maintenance services	RSD 59,897 thousand
Major share relates to maintenance of building facilities and equipment and amounted to RSD 15,701 thousand, licensed information system maintenance services amounted to RSD 8,305 thousand, maintenance of transportation means amounted to RSD 4,212 thousand and maintenance services provided by other Members within the Group amounted to RSD 30,020 thousand.	
- Services provided in production of finished goods	RSD 264 thousand
- Transportation services	RSD 45,710 thousand
Major share of transport costs relates to the transport of finished products both, in the country and abroad.	
- Other services: Major costs within the item 'Other Services' are as follows: Laboratory services RSD 48,245 thousand Deratization RSD 5,742 thousand Water and sewerage and waste disposal services RSD 16,224 thousand.	RSD 78,339 thousand
- Non-production services: Major costs include: Brokerage services RSD 16,775 thousand Consulting services RSD 11,811 thousand Monitoring services RSD 4,212 thousand Phyto-Certificates RSD 1,643 thousand	RSD 59,897 thousand
- Payment transaction fee, commissions and fees to banks	RSD 97,320 thousand
- Other costs:	RSD 97,396 thousand

Insurance premiums	RSD 1,170 thousand	
Other intangible costs	RSD 29,294 thousand	
Taxes, contributions and membership fees	RSD 19,529 thousand	
Warehouse rent	RSD 22,205 thousand	
Fairs, advertising and promotion costs	RSD 5,198 thousand	
<b>NOTE 6 – FINANCIAL INCOME</b>		
Company presented in its income statement the amount of RSD 455,347 thousand. Major share relates to the exchange rate differentials amounting to RSD 371,636 thousand, interest gains in amount of RSD 28,542 thousand and currency clause effects in amount of RSD 36,941 thousand.		
<b>NOTE 7 – FINANCIAL EXPENSES</b>		
Company presented in its income statement the amount of RSD 1,555,292 thousand. Major items are as follows:		
- Interest on credits granted		RSD 358.188 thousand
- Currency rate losses		RSD 1,152.007 thousand
<b>NOTE 8 – OTHER REVENUES</b>		
Company presented in its income statement the amount of RSD 187,750 thousand.		
Major revenues within the item 'Other Revenues' relate to disposal of fixed assets in amount of RSD 2,798 thousand, disposal of intangible investments ("Soprofish" and "Fishfood co.rs" trademarks) in amount of RSD 47,276 thousand, gains from disposal of stakes and long-term securities amounting to RSD 23,016 thousand, share of assigned know-how and experience related to the production in amount of RSD 47,389 thousand and gains from reconciliation of receivables in amount of RSD 15,641 thousand.		
<b>NOTE 9 – OTHER EXPENSES</b>		
Company presented in its income statement the amount of RSD 78,271 thousand. Major item is:		
- Debasement of receivables in amount of:		RSD 39,560 thousand
<b>NOTE 10 – PROFIT BEFORE TAX</b>		
Data on operations until December 31, 2009 are as follows:		
Total revenues		RSD 17,084,232 thousand
Total expenses		RSD 16,558,422 thousand
Profit before tax		RSD 525,810 thousand
Profit tax		RSD 29,815 thousand
Differed tax liabilities of the period		RSD 7,766 thousand
NET PROFIT		RSD 488,229 thousand

Becej, December 31, 2009

*LEGAL REPRESENTATIVE*

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Pavlovic Branislava