

AD AERODROM "NIKOLA TESLA" BEOGRAD

**BUSINESS REPORT
I - VI 2011**

BELGRADE, JULY 2011

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ENCLOSURE: FINANCIAL REPORTS I – VI 2011

1. TRAFFIC TURNOVER

In the period I-VI 2011 it is achieved total traffic turnover, as follows:

- 20,983 air movements
- 1,335,409 passengers and
- 4,760 tons of cargo and mail.

1.1. AIRCRAFT TURNOVER

Achieved the following number of air movements per traffic types in period from I-VI 2011 is shown in the following table:

Number of air movements per traffic types in I – VI 2011

Traffic types	Achievement 2009	Plan 2010	Achievement 2010	Index	Index	Participation 2009	Participation 2010
1	2	3	4	5(4/2)	6(4/3)	7	8
Domestic traffic	37	39	54	146	138	0,19	0,26
International traffic - domestic carriers	8,940	9,476	9,015	101	95	45.32	42.96
International traffic - foreign carriers	10,749	11,393	11,914	111	105	54.49	56.78
TOTAL:	19,726	20,908	20,983	106	100	100.00	100.00

The data from the table indicate total physical traffic volume of 20,983 in the period from I-VI 2011, which is 6% higher than last year for the same period and is at the same level as number of air movements prescribed in the Business plan for the period I – VI 2011.

Foreign carriers have dominant participation in international traffic, within carrier pattern of the total traffic during the period I -VI 2011, with participation of 56.78%; there are domestic carriers in international traffic with 42.96% and at the end domestic traffic with participation of 0.26%.

Participation of the domestic carriers in international traffic has decreased from 45.32% to 42.96% and foreign carriers in international traffic scored increase from 54.49% to 56.78% in comparison to the same period of the previous year.

In international traffic of domestic carriers total turnover in period I –VI 2011 of 9,015 air movements was achieved, which is the score 1% higher as compared with the same period of the previous year and 5% lower in comparison to the Plan. In the same period international carriers increased the number of air movements by 11% and as result carrier pattern has changed.

Jat Airways with 87.89% of participation in international traffic of domestic carriers has a dominant role in the first half of 2011.

That company has scored 6% decrease of air movements in the period I -VI 2011 as compared with the same period of 2010 with 7,923 air movements and is on the same level in comparison with the Business plan for the period in subject.

Aviogenex – International CG began its operations in the first half of 2010 to the following destinations: Sharm el Sheikh, Hurghada, Bodrum, Palma de Mallorca, Gerona, Cairo, Rhodes, Napoli and Zakynthos.

Aviogenex-International with achieved 119 air movements in the period I –VI 2011, participated with 1.32% in total international air traffic of domestic air carriers, which is 20% less than the achievement of the same period of the previous year and 25% less than in the Plan for the period in subject.

Other carriers in international traffic (Perfekta, Avio Sluzba, Princ Aviation, Pelikan Airways, Pink Air, Verano Motors, Neonukleon and others) with achieved 973 air movements in the period I – VI 2011, participated with 10.79% in total international air traffic of domestic carriers which is 27% lower achievement in comparison to the achievement for the same period of the previous year and 31% less than in the Plan for the period in subject.

In international traffic of foreign carriers in the first half of 2011 there are 11,914 air movements achieved, which is 11% more than the achievement of the same period of the previous year and 5% more than in the Plan for the period in subject.

New foreign air carriers that started their operations in the period I – VI 2011 are Air Memphis (Hurgada, Sharm el Sheikh, Taba) Croatia Airlines (Dubrovnik), Olympic Airlines (Athens), Pegasus Airlines (Antalya) and Nesma Airlines (Hurgada).

The foreign airlines that discontinued its operations in the period I –VI 2011 are Aegean Airlines, British Airways, Nouvelair Tunisie, Korablue and Lotus Air.

From the above mentioned data, we can point out that in the period I – VI 2011 the total number of foreign air carriers remain the same-32, as in the same period of the previous year, as 5 carriers discontinued and 5 new air carriers commenced operations.

In foreign air carrier pattern for the period in subject Lufthansa, with 14.90% has the most significant role, than Montenegro Airlines with 11.06% and Wizz Air with 7.25%. These three carriers achieve 33.21% of international air traffic.

There are few carriers with the participation in this type of traffic in the range from 6.96% to 2.06%, such as: Austrian Airlines, Swiss International, Solin Air, ČSA, Al Italia, Germanwings, Turkish Airlines, Aeroflot, Air France, Adria Airways, Niki Luftfahrt, Malev and Tarom.

Cargo traffic of express mail in the period I - VI 2011 is carried out by two carriers Cityline Hungary and Solin Air.

Low Cost carriers in the same period are: Germanwings, Norwegian Air Shatl, Niki Luftfahrt and Wizz Air.

If we consider individual participation of air carriers in total international air traffic, achieved in the period I – VI 2011, Jat Airways has the greatest participation with participation of 37.76%.

1.2. PASSENGER TURNOVER

The planned and achieved turnover of passengers, in the first half of 2011 and the comparative data on achieved turnover in the same period of 2010 is shown in the table.

Passenger turnover per traffic types in the period I – VI 2011

Carriers	Achievement 2009	Plan 2010	Achievement 2010	Index	Index	Participation 2009	Participation 2010
1	2	3	4	5(4/2)	6(4/3)	7	8
Domestic traffic	38	42	83	218	198	0,00	0,01
International traffic-domestic carriers	461,736	512,527	538,578	117	105	41.54	40.33
International traffic-foreign carriers	649,814	721,294	796,748	123	110	58.46	59.66
TOTAL:	1,111,588	1,233,863	1,335,409	120	108	100.00	100.00

From the shown data we can conclude that the passenger turnover is higher by 20% in the period in subject than the achievement for the same period in 2010 and that is amounts 1,335,409 passengers, which is also 8% higher score than in the Plan for that period.

The greatest participation in achieved passenger turnover in I -VI 2011 per traffic types is 59.66% of foreign carriers in international traffic and there are domestic carriers in international traffic with 40.33%.

The number of the passengers transported by domestic carriers in international traffic in the first half of 2011 is 17% higher than the achievement in the same period of the previous year and also 5% higher in comparison to the Business plan for I – VI 2011.

The number of the passengers transported by foreign carriers in the period I - VI 2011 is 23% higher as compared with the achievement for the same period of the previous year and 10% higher in comparison with the Business plan for the same period.

Passenger turnover in international traffic per air-carriers

No.	Air-carrier	Achievement I – VI 2010	Achievement I – VI 2011	Index
1	2	3	4	5(4/3)
1.	Jat Airways	444,425	526,003	118
2.	Lufthansa	134,528	138,933	103
3.	Wizz Air	2,997	115,853	3,866
4.	Montenegro Airlines	94,456	99,940	106
5.	Swiss International	49,001	76,690	157
6.	Other air carriers	386,143	377,907	98
TOTAL:		1,111,550	1,335,326	120

The greatest participation in total number of passengers transported in international traffic in the period I –VI 2011 has Jat Airways with 39.39% then there is Lufthansa with 10.40%, Wizz Air with 8.68%, Montenegro Airlines with 7.48%, and Swiss International with 5.47%.

1.3. CARGO TURNOVER

In period I-VI 2011 4,760 tons of cargo turnover was achieved, which is 6% more than in the same period of the previous year and 6% more than in the Business plan for the period in subject.

There was no cargo traffic in domestic air traffic in the period I – VI 2011, as well as in the same period of the previous year.

Cargo turnover in international traffic of domestic carriers in the period I – VI 2011 has dropped off as compared with the same period of the previous year by 7% and in comparison to the Business plan by 7%.

Cargo traffic in international traffic of foreign carriers has increase by 11% as compared with the achieved turnover in the same period of the previous year and 11% compared with the Business plan for the period in subject.

Cargo and mail turnover in tons in the period I – VI 2011

Carriers	Achievement 2009	Plan 2010	Achievement 2010	Index	Index	Participation 2009	Participation 2010
1	2	3	4	5(4/2)	6(4/3)	7	8
Domestic air traffic	0	0	0	0	0	0.00	0.00
International traffic- domestic carriers	1,148	1,148	1,071	93	93	25.67	22.50
International traffic- foreign carriers	3,325	3,328	3,689	111	111	74.33	77.50
TOTAL:	4,473	4,476	4,760	106	106	100.00	100.00

2. REVENUES AND EXPENDITURES

2.2. REVENUES

In the period I-VI 2011 AD Aerodrom "Nikola Tesla" achieved the total revenue in amount of RSD 3,093,515,755.97. Thus achieved total revenue is 18% higher than revenues achieved in the same period of the previous year and 5% higher in comparison with planned figures for the same period.

The pattern of the achieved revenues for I-VI 2011 is shown in the table **Revenue pattern per service types**.

In the pattern of achieved revenues in 2011 **Business revenues** have the greatest participation of 94.13% of the total revenues, with RSD 2,911,952,021.22. The achieved revenues are 25% higher than the same in comparison with the same period of the previous year and 1% higher than the planned figures for I - VI 2011.

Within business revenues, RSD 902,166,847.14, which is 29.16% of total achieved revenues regard to air service rendering. These revenues are 9% higher than the same in the same period of the previous year and 5% lower than the planned figures for I - VI 2011.

The revenues from **passenger service and security fee** are achieved in the amount of RSD 1,019,885,987.41 in the period I -VI 2011, which is 32.97% of the total achieved revenues and as compared with the revenues from passenger service in the same period of the previous year, these revenues are 17% higher and 5% lower than the planned figures for the same period.

In the period I-VI 2011 the revenues from **service rendering in cargo-customs warehouse** are achieved in the amount of RSD 75,231,894.44, which is 3% higher than the revenues on this basis in the same period in 2010 and 1% less than the planned figures for the same period.

In the period I-VI 2011 the revenues from **other services** are 17% higher than in the same period of the previous year, 2% higher than the planned figures for I - VI 2011 and are achieved in the amount of RSD of 282,168,281.35. The greatest participation in these revenues refers to: the revenues from public services, the revenues from aircraft de-icing services, the revenues from CUTE system, the revenues from advertising space, the revenues for commercial usage of apron, the revenues from work order services and revenues from advising services to the management in regard to the project Bodrum - Turkey.

The revenues from sales of goods mainly refer to the revenue from the sale of kerosene. In the period I - VI 2011 5,468 tons of kerosene was sold (2,770 tons were sold to the carrier Iran Air); while in the same period it was sold 2,085 tons. Achieved revenue from sales of kerosene and goods in the period I - VI 2011 is 233% higher than in the same period of 2010, whereas it is higher by 66% than the planned figures for the period in subject. It is important to highlight that in the first half of 2011 it is achieved higher revenue from sale of kerosene in comparison to the same period of the previous year and in comparison to the plan, due to the carrier Iran Air, which operated within the period from March 24 2011 till June 18 2011 and which contributed with 50% of total revenue from kerosene.

In the period I-VI 2010 revenues from renting of **business facilities** are achieved in the amount of RSD 197,153,724.53, which are 12% higher than in the same period of 2010 and 15% lower than the planned figures for the same period. The greatest portion of these revenues refers to renting of business facilities to Dufry Company.

Financial revenues (group 66) in the period I-VI are disclosed in the amount of RSD 173,018,370.20 and are 40% lower than in the same period of the previous year, because the realised exchange rate differences are significantly lower in this year than in the previous as well as non-realised exchange rate differences.

In the pattern of financial revenues for I – VI 2011, the revenues from non-realised exchange rate differences have the greatest participation (45.46%), with RSD 78,652,049.57, than interest (participation 43.09%) with RSD 74,559,413.53 and realised exchange rate differences (participation 11.45%) with the amount of RSD 19,806,907.10.

During the business year there is no legal obligation of establishment of non-realised exchange rate differences. There is such an obligation only at the end of the year, applying exchange rate on the date of December 31 of the business year, but in purpose of providing of actual data for this year there are established non-realised exchange rate differences, as well as in the business report for I – VI 2010.

Other revenues in the period I-VI 2011 are achieved in the amount of RSD 8,545,364.55 and are 16% higher than in the same period in 2010. The other revenues in the first half of 2011 mostly refer to charged written off receivables from other legal persons and on the revenues from damage compensation from insurance companies.

It is important to note that, considering the revenues per service types, the achieved revenues in the period I – VI 2011 are lower than the planned figures for the same period, above all due to the exchange rate of Euro, and the planned exchange rate is higher than the achieved. The estimated exchange rate of Euro form 2011 is RSD 112.00, and the average achieved middle exchange rate of Euro in the period I – VI 2011 is RSD 101.938.

The achieved revenues are disclosed, according to the Law on accounting and auditing, based on invoiced realisation. The company has no significant problems with recovery except with the charging of receivables from Jat Airways. Total balance of non-charged receivables from Jat Airways on June 30 2011 is RSD 949,533,353.55, whereas RSD 319,846,690.02 refers to the receivables older than 60 days.

2.2. EXPENDITURES

In the period I-VI 2011 **total expenditures** are achieved in the amount of RSD 2.146.867.034.75. Thus achieved expenditures are 23% higher than the expenditures achieved in the same period of the previous year and 4% higher than the figures in the Plan for the period in subject.

The purchase value of sold goods (group 50) almost completely refers to the purchase value of the sold kerosene. The amount of RSD 413,244,173.95 or 265% more than in the same period of the previous year was spent for **the purchase value of sold goods**.

The costs of materials (group 51) participates in total expenditures with 8% and mostly refer to: the costs of electric power, the costs of basic material, the costs of petrol, diesel fuel, heavy fuel oil, as well as for the investment maintenance of working devices.

The most of total expenditures refers to the **costs of salaries, compensations and other personal earnings** (group 52), amounting for the period I-VI 2011 RSD 439,829,131.54. The costs of salaries of employees (gross II) of Aerodrom "Nikola Tesla" Beograd amount RSD 310,575,401.80, whereas the costs for persons engaged through Youth organizations amount RSD 112,509,536.13 (youth organizations Fan, Beograd, Knez, Milenijum, Medijator and Europa). Apart from salaries in the group 52 there are also included compensations per contracts (service contracts), compensations per temporary and occasional jobs, part-time work contract, reimbursements for the members of the Board of Directors and the Supervisory board and members of the Assembly of Shareholders and other personal expenditures (transportation, business trip wages, costs of trips and solidary assistance).

The costs of **amortization and reserving**, (group 54) for the period I – VI 2011, amount RSD 324,363,493.65, and completely refer to the costs of amortization.

The most of the **costs of production services** (group 53) and **intangible costs** (group 55) refers to **the costs of services** of OZB Komerc RSD 358,766,507.69. Adding this amount to total costs for salaries, compensations and other personal earnings of employees (group 52) we come to the amount of RSD 798,595,639.23, which makes 37% of total expenditures of the period.

Pattern of **the costs of production services** includes:

- **The costs of transportation services**, where the most part refers to the costs of services of OZB Komerc for Ground-handling department in the amount of RSD 141,756,592.11, then the costs of passenger check-in the costs of postal services, and others.
- **The cost of maintenance services**, where the most part refers to the cost of services on investment maintenance of basic resources, as well as on the costs of OZB Komerc for Investment department in the amount of RSD 1,610,400.00
- **The costs of other services** mostly referring to the services of OZB Komerc for Security department in the amount of RSD 133,242,304.00, then the costs for water, drainage, the costs of Dufry's services and others,
- **The costs of leasing**, referring to the business leasing.
- **The costs of advertising**.

Pattern of **the intangible costs** includes:

- **The costs of non-production services**, where the most part refers to the costs of services of OZB Komerc for the Technical maintenance, Commercial, Financial and Legal departments in the amount of RSD 82,157,211.58, then the cleaning services, the services of health on work – JAT, the services of newly-incorporated companies –

agricultural operative staff and parking, advocacy services, the costs of advanced trainings and others.

- **The costs of insurance premiums**
- **Tax costs**
- **The costs of payment operations**
- **The costs of membership fees**
- **The representational costs and**
- **Other intangible costs**

The costs of salaries, compensations and other earnings (group 52), the services of OZB Komerc and amortization in total amount of RSD 1122,959,132.88 makes 52% of total expenditures and 36% of total revenues of AD Aerodrom "Nikola Tesla" Beograd is needed to cover them.

Financial expenditures (group 56) in period I-VI 2011 are disclosed in the amount of RSD 157,133,629.65 and are 22% lower than in the same period of the previous year.

In the pattern of financial expenditures, expenditures realised from interest participate with 23%, amounts RSD 36,681,551.25 and are 22% lower than in the same period of the previous year. The mentioned expenditures from interest refer to the interests for long-term liabilities per loans (EIB – reconstruction of the Terminal, Westergaard – vehicles for aircraft de-icing, housing loans and financial leasing).

Realised negative exchange rate differences are achieved in the amount of RSD 119,689,068.48 and participate with 76% in the pattern of financial expenditures.

Non-realised exchange rate differences are achieved in the amount of RSD 754,010.00.

Other expenditures (group 57 and 58) in the period I –VI 2011 are achieved in the amount of RSD 19,258,884.09, are 4% lower than in the same period of the previous year and mainly refer to: donations, the costs per judicial decisions and losses from sale of plants and equipment.

2.3. SALARIES

In the period January – June 2011a total amount of RSD 244,649,155.15 was paid off for salaries of employees, which is almost at the level of the planned amount for the first half of the current year. The summary of paid off salaries (gross I) to employees in the period I – VI of the current year is given per months in the table:

Month	Achieved 2010	Plan 2011	Achieved 2011	Index	
				5(4/2)	6(4/3)
1	2	3	4		
January	37,305,912.81	40,663,444.96	40,561,514.13	108.73	99.75
February	36,034,687.64	39,868,559.04	39,596,585.00	109.88	99.32
March	35,201,171.02	39,832,530.35	39,582,129.00	112.45	99.37
April	37,795,660.50	42,900,880.35	41,996,815.02	111.12	97.89
May	37,189,541.01	42,132,430.35	41,695,362.00	112.12	98.96
June	35,856,735.83	42,625,306.87	41,216,750.00	114.95	96.70
Total I-VI	219,383,708.81	248,023,151.92	244,649,155.15	111.52	98.64

Apart from the indicated salary amounts, paid off according to individual contracts of employment, all employees received one-time payments of the same net amount of RSD 15,000.00 each, as presents for the Christmas and the Easter, provided in the Business plan. Considering that this payment, from the point of taxes and contributions has a character of salary, the expenditures of the company and the average paid off salary are increased by the total paid off amount of RSD 21,216,870.85 (gross II).

In the first half of the current year average gross salary of the company was RSD 104,716.00 and is 18.73% higher than the same for the previous year. Average net salary in the company amounted RSD 74,346.00. Average gross salary flow in the company is shown in the table:

Month	AD ANT
1	2
January	118,527
February	94,057
March	95,147
April	121,598
May	99,907
June	99,060
Average I-VI 2011	104,716

2.4. FINANCIAL RESULT IN I-VI 2011

In the period I-VI 2011 **gross profit** of the company is disclosed in the amount of RSD 946,648,721.00. Thus disclosed gross profit is 8% higher than gross profit in the same period of the previous year and 6% higher than the planned figure for I -VI 2011.

Profit income is established at the end of year on tax base and cannot be accurately and precisely calculated at this moment.

FINANCIAL RESULT

No.	Position	Achieved I-VI 2010	Plan I-VI 2011	Achieved I-VI 2011	Index	
					6(5/3)	7(5/4)
1	2	3	4	5		
1	Business revenues	2,325,208,558.31	2,874,826,652.65	2,911,952,021.22	125	101
2	Business expenditures	1,520,297,526.00	1,991,709,137.40	1,970,474,521.01	130	99
3	Business profit (1-2)	804,911,032.31	883,117,515.25	941,477,500.21	117	107
4	Financial revenues	286,618,678.19	73,906,953.22	173,018,370.20	60	234
5	Financial expenditures	201,658,873.82	40,439,878.04	157,133,629.65	78	389
6	Financial profit (4-5)	84,959,804.37	33,467,075.18	15,884,740.55	19	47
7	Other revenues	7,395,461.23	0.00	8,545,364.55	116	0
8	Other expenditures	20,112,425.11	22,606,984.56	19,258,884.09	96	85
9	Other profit (7-8)	-12,716,963.88	-22,606,984.56	-10,713,519.54	84	47
10	Total revenues (1+4+7)	2,619,222,697.73	2,948,733,605.87	3,093,515,755.97	118	105
11	Total expenditures (2+5+8)	1,742,068,824.93	2,054,756,000.00	2,146,867,034.75	123	104
12	Total gross profit (10-11)	877,153,872.80	893,977,605.87	946,648,721.22	108	106

3. CONCLUSION

In the period I-VI of business year of 2011 AD Aerodrom "Nikola Tesla" Beograd has achieved the following:

1. Traffic flow

Traffic volume has increased in comparison with the same period of the previous year as follows: air movements by 6%, passenger by 20% and cargo by 6%.

2. Revenues

Total revenues have increased in comparison with the previous year by 18%. Business revenues are 25% higher than in the previous year.

3. Expenditures

Expenditures are 23% higher than the achieved expenditures in the same period of the previous year.

4. Gross profit

Gross profit is 8% higher than the achieved gross profit in the same period of the previous year and 6% higher than in the Plan for I – VI 2011.

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FINANCIAL STATEMENTS FOR I – VI 2011

1. BALANCE SHEET ON 31/12/2010
2. INCOME SHEET FOR 2010
3. CASH FLOW STATEMENT FOR 2010
4. CAPITAL CHANGE STATEMENT FOR 2010
5. STATISTICAL ANNEX FOR 2010

Belgrade, July 26 2011


BALANCE SHEET on 30/06/2011

in thousand RSD

Group of accounts, account	POSITION	ADP	Note no.	Amount	
				Current year June 30 2011	Previous year December 31 2010
1	2	3	4	5	6
	ASSETS				
	A. NON-CURR. ACT. PROPER. (002+003+004+005+009	001		20,547,396	20,737,783
0 0	I. NON-PAID UP SUBSCRIBED CAPITAL	002			
012		003			
01 without 012	III. INTANGIBLE INVESTMENTS	004		3,887	861
	IV. REAL ESTATES, PLANTS , EQUIPMENT AND BIOLOGICAL AGENCIES (006+007+008)	005		20,433,045	20,626,125
020,022,023,026, 027 (part), 028 (part), 029	1. Real estates, plants and equipment	006		20,418,245	20,611,274
024,027 (part), 028 (part)	2. Investment real estates	007		14,332	14,332
021,025,027 (part) and 028 (part)	3. Biological agencies	008		468	519
	V. LONG-TERM FINANCIAL INVESTMENTS (010+011)	009		110,464	110,797
030 to 032, 039 (part)	1. Share in capital	010		389	389
033 to 038, 039 (part) minus 037	2. Other long-term financial investments	011		110,075	110,408
	B. TURNOVER PROPERTY (013+014+015)	012		4,993,005	3,944,369
10 to 13, 15	I. STOCKS	013		153,875	117,010
14	II. NON-CURRENT ASSETS INTENDED FOR SALE AND ASSETS OF OPERATION DICONTINUED	014		-	-
	III. SHORT-TERM RECEIVABLES, INVESTMENTS AND CASH (016+017+018+019+020)	015		4,839,130	3,827,359
20,21 and 22, except 223	1. Receivables	016		1,643,276	1,336,942
223	2. Receivables of amount paid above income-tax	017		-	-
23 minus 237	3. Short-term financial investments	018		2,857,414	2,180,671
24	4. Cash and cash equivalents	019		328,876	259,206
27 and 28 except 288	5. VAT and prepayments and accrued income	020		9,564	50,540
288	V. DEFERRED TAX LIABILITIES	021		-	-
	G. BUSINESS PROPERTY (001+012 +021)	022		25,540,401	24,682,152
29	D. LOSS ABOVE CAPITAL AMOUNT	023			
	Dj. TOTAL ASSETS (022+023)	024		25,540,401	24,682,152
88	E. OFF-BALANCE ASSETS	025		261,178	132,322
	OBLIGATIONS				
	A. CAPITAL (102+103+104+105+106-107+108-109-110				
	I. CORE CAPITAL	101		23,384,912	22,510,860
30		102		20,573,610	20,573,610
31	II. NON-PAID UP SUBSCRIBED CAPITAL	103		-	-
32	III. RESERVES	104		-	-
330 and 331	IV. REVALUATION RESERVES	105		-	-
332	V. NON-REALISED INCOMES FROM SECURITIES	106		-	-
333	VI. NON-REALISED LOSSES FROM SECURITIES	107		73	73
34	VII. NON-DISTRIBUTED PROFIT	108		2,811,375	1,937,323
35	VIII. LOSS	109		-	-
037 and 237	IX. REPURCHASED OWN SHARES	110		-	-
	B. LONG-TERM RESERVES AND LIABILITIES (112+113+116)	111		1,858,561	1,874,364
40	I. LONG-TERM RESERVES	112		137,975	140,576
41	II. LONG-TERM LIABILITIES (114+115)	113		1,281,866	1,327,920
414,415	1. Long-term loans	114		1,106,003	1,138,765
41 without 414 and 415	2. Other long-term liabilities	115		175,863	189,155
	III. Short-term liabilities (117+118+119+120+121+122)	116		438,720	405,868
42, except 427	1. Short term liabilities	117		89,088	186,835
427	2. Liabilities from assets intended for sale and assets of operation discontinued	118			-
43 and 44	3. Business liabilities	119		103,414	138,346
45 and 46	4. Other short-term liabilities	120		34,702	566
47,48 except 481 and 49 except 498	5. Liabilities from VAT and other public revenues and accrued costs and deferred revenues	121		199,417	45,867
481	6. Liabilities from profit-tax	122		12,099	34,254
498	V DEFERRED TAX LIABILITIES	123		296,928	296,928
	G. TOTAL OBLIGATIONS (101+111+123)	124		25,540,401	24,682,152
89	D. OFF-BALANCE SHEET LIABILITES	125		261,178	132,322



INCOME SHEET in the period from 01/01/2011 till 06/30/2011

in thousands RSD

Account group, account	POSITION	ADP	Note no.	Amount	
				Current year (I-VI 2011)	Previous year (I-VI 2010)
1	2	3	4	5	6
A. REVENUES AND EXPENDITURES FOR REGULAR BUSINESS					
I. BUSINESS REVENUES (202+203+204-205+206)		201		2,911,952	2,325,208
60 and 61	1. Sale revenues	202		2,714,798	2,149,023
62	2. Revenue from consumption of own products	203		-	-
630	3. Increase in value of inventories	204		-	-
631	4. Decrease in value of inventories	205		-	-
64 and 65	5. Other operating revenues	206		197,154	176,185
II. BUSINESS EXPENDITURES (208 to 212)		207		1,970,474	1,520,298
50	1. Purchase value	208		413,493	113,315
51	2. Material expenses	209		179,316	161,034
52	3. Costs of salaries, salary compensations, and other personal	210		439,829	352,929
54	4. Costs of amortization and reservations	211		324,363	354,407
53 and 55	5. Other business expenditures	212		613,473	538,613
III. BUSINESS PROFIT (201-207)		213		941,478	804,910
IV. BUSINESS LOSS (207-201)		214			
66	V. FINANCIAL REVENUES	215		173,019	286,619
56	VI. FINANCIAL EXPENDITURES	216		157,134	201,659
67 and 68	VII. OTHER REVENUES	217		8,545	7,395
57 and 58	VIII. OTHER EXPENDITURES	218		19,259	20,112
IX. PROFIT FROM PRE-TAXING REGULAR OPERATING (213-214+215-216+217-218)		219		946,649	877,153
X. LOSS FROM PRE-TAXING REGULAR OPERATING (214-213-215+216-217+218)		220			
69 - 59	XI. NET PROFIT OF OPERATIONS DISCONTINUED	221			
59 - 69	XII. NET LOSS OF OPERATIONS DISCONTINUED	222			
B. PRE-TAXING PROFIT (219-220+221-222)		223		946,649	877,153
V. PRE-TAXING LOSS (220-219+222-221)		224			
G. PROFIT TAX					
721	1. Period tax expenditure (Profit tax liability is disclosed on the basis of established and paid advance payment)	225		72,597	50,670
722	2. Deferred period tax expenditure	226			
722	3. Deferred period tax revenue	227			
723	D. Paid-up personal receivings to employer	228			
Đ. NET PROFIT (223-224-225-226+227-228)		229		874,052	826,483
E. NET LOSS (224-223+225+226-227+228)		230			
Ž. NET PROFIT FOR MINORITY INVESTORS		231			
Z. NET PROFIT FOR OWNERS OF PARENT LEGAL ENTITY		232			
I. PROFIT PER SHARE					
	1. Basic profit per share	233			
	2. Diluted profit per share	234			
TOTAL REVENUES (201+215+217)				3,093,516	2,619,222
TOTAL EXPENDITURES (207+216+218)				2,146,867	1,742,069

In Belgrade, July 26 2011



CASH FLOW STATEMENT in the period from 01/01/2011 till 06/30/2011

in thousands RSD

POSITION	ADP	Amount	
		Current year (I-VI 2011)	Previous year (I-VI 2010)
1	2	3	4
A. CASH FLOWS FROM BUSINESS ACTIVITY			
I. Cash inflow from business activities (1 to 3)	301	2,920,016	2,170,411
1. Sale and received advance payments	302	2,645,408	1,968,488
2. Interests received from business activity	303	1,136	618
3. Other inflows from regular operations	304	273,472	201,305
II. Cash outflow from business activities (1 to 5)	305	1,921,542	1,486,880
1. Payments for suppliers and given advance payments	306	1,246,937	929,234
2. Costs of salaries, salary compensations, and other personal expenses	307	409,341	359,203
3. Paid interest	308	37,976	47,842
4. Income-tax	309	94,752	70,671
5. Payment from other public revenues	310	132,536	79,930
III. Net cash inflow from business activities (I - II)	311	998,474	683,531
IV. Net cash outflow from business activities (II - I)	312	0	0
B. CASH FLOW FROM INVESTMENT ACTIVITIES			
I. Cash inflow from investment activity (1 to 5)	313	62,234	82,793
1. Sale of shares and portions (net inflows)	314	0	0
2. Sale of intangible investments, properties, plants, equipment and biological agencies	315	1,617	48
3. Other financial investments (net inflows)	316	0	22,410
4. Interests received from investment activities	317	60,617	60,335
5. Dividends received	318	0	0
II. Cash outflows from business activities (1 to 3)	319	892,540	196,687
1. Purchase of shares and portions (net outflows)	320	0	0
2. Purchase of intangible investments, properties, plants, equipment and biological agencies	321	153,250	196,687
3. Other financial investments (net outflows)	322	739,290	0
III. Cash net inflow from investment activities (I - II)	323		
IV. Cash net outflow from investment activities (II - I)	324	830,306	113,894
V. CASH FLOWS FROM FINANCING ACTIVITIES			
I. Cash inflow from financing activities (1 to 3)	325	0	0
1. Core capital increase	326	0	0
2. Long-term and short-term loans (net inflows)	327	0	0
3. Other long-term and short-term liabilities	328	0	0
II. Cash outflow from financing activities (1 to 4)	329	93,492	518,214
1. Redemption of own shares and portions	330	0	0
2. Long-term and short-term loans (net outflows)	331	47,773	131,725
3. Financial leasing	332	45,719	59,048
4. Paid-up dividends	333	0	327,441
III. Cash net inflow from financing activities (I - II)	334	0	0
IV. Cash net outflow from financing activities (II - I)	335	93,492	518,214
G. OVERALL CASH INFLOW (301+313+325)	336	2,982,250	2,253,204
D. OVERALL CASH OUTFLOW (305+319+329)	337	2,907,574	2,201,781
Đ. NET CASH INFLOW (336-337)	338	74,676	51,423
E. NET CASH OUTFLOW (337-336)	339	0	0
Z. CASH AT THE BEGINNIGN OF ACCOUNTING PERIOD	340	259,206	121,175
Z. POSITIVE EXCHANGE RATE DIFFERENCES FROM CASH CONVERSION	341	150	12,242
I. NEGATIVE EXCHANGE RATE DIFFERENCES FROM CASH CONVERSION	342	5,156	2,438
J. CASH AT THE END OF ACCOUNTING PERIOD (339+340+341-342)	343	328,876	182,402

In Belgrade, July 26 2011



in thousands RSD

STATEMENT ON CHANGES IN EQUITY in the period from 01/01 till 06/30/2011

No.	Description	Core capital (309)	Other capital (309)	Non-paid subscribed capital (31)	Issue premium (320)	Reserves (321 and 322)	Revaluation reserves (330 and 331)	Non-realised profits from securities (332)	Non-realised losses from securities (333)	Non- distributed profit (34)	Loss below capital amount (35)	Repurchased own shares and portions (037 and 237)	Total (2+3+4+5+6+7+ 8-9+10-11-12)
	1	2	3	4	5	6	7	8	9	10	11	12	13
1	Balance on 01/01 of the previous year of 2010	7,157,362	95,193	0	0	234,941	3,255,688	0	127	2,792,568	0	0	13,535,625
2	Correction of materially significant errors and changes of accounting policies in previous year-increase	13,416,248	0	0	0	0	8,236,839	0	0	212,153	0	0	21,867,240
3	Correction of materially significant errors and changes of accounting policies in previous year-decrease	0	95,193	0	0	234,941	11,494,527	0	127	1,591,714	0	0	13,416,248
4	Corrected initial balance on January 1st of the previous year of 2010. (1+2-3)	20,573,610	0	0	0	0	0	0	0	1,413,007	0	0	21,986,617
5	Total increase in previous year	0	0	0	0	0	0	0	73	1,937,323			1,937,250
6	Total decrease in previous year	0	0	0	0	0	0	0	0	1,413,007			1,413,007
7	Balance on December 31 of the previous year of 2010. (4+5-6)	20,573,610	0	0	0	0	0	0	73	1,937,323	0	0	22,510,860
8	Correction of materially significant errors and changes of accounting policies in previous year-increase	0	0	0	0	0	0	0	0	0	0	0	0
9	Correction of materially significant errors and changes of accounting policies in previous year-decrease	0	0	0	0	0	0	0	0	0	0	0	0
10	Corrected initial balance on January 1 of the current year of 2011. (7+8-9)	20,573,610	0	0	0	0	0	0	73	1,937,323	0	0	22,510,860
11	Total increases in current year	0	0	0	0	0	0	0	0	874,052			874,052
12	Total decreases in current year	0	0	0	0	0	0	0	0	0			0
13	Balance on June 30 of the current year of 2011. (10+11-12)	20,573,610	0	0	0	0	0	0	73	2,811,375	0	0	23,384,912

In Belgrade, July 26 2011



STATISTICAL ANNEX
for I-VI 2011

I GENERAL DATA ON LEGAL PERSON/ ENTREPRENEUR

DESCRIPTION	ADP	Current year	Previous year
1	2	3	4
1. Number of months of operating (mark from 1 to 12)	601	6	6
2. Size mark (mark from 1 to 3)	602	3	3
3. Mark for ownership (mark from 1 to 5)	603	4	5
4. Number of foreign (legal or physical) persons having share in capital	604		
5. Average number according to balance at the end of each month (round number)	605	419	419

II GROSS CHANGE OF INTANGIBLE INVESTMENTS AND REAL ESTATES, PLANTS EQUIPMENT AND BIOLOGICAL AGENCIES

amounts in 000 RSD

Account group, account	DESCRIPTION	ADP	Gross	Value correction	Net (kol. 4 - 5)
1	2	3	4	5	6
1	1. Intangible investments				
	1.1. Balance at the beginning of the year	606	21,175	20,314	861
	1.2. Increase (of purchase) during the year	607	3,599	xxxxxxxxxxxx	0
	1.3. Decrease during the year	608		xxxxxxxxxxxx	573
	1.4. Revaluation	609		xxxxxxxxxxxx	0
	1.5. Balance at the end of year (606 + 607 - 608 + 609)	610	24,774	20,887	3,887
2	2. Real estates, plants, equipment and biological agencies				
	2.1. Balance at beginning of the year	611	21,350,410	724,285	20,626,125
	2.2. Increase (of purchase) during the year	612	132,857	xxxxxxxxxxxx	132,857
	2.3. Decrease during the year	613	3,501	xxxxxxxxxxxx	325,937
	2.4. Revaluation	614		xxxxxxxxxxxx	
	2.5. Balance at the end of year (611 + 612 - 613 + 614)	615	21,479,766	1,046,721	20,433,045

III STOCKS PATTERN

amounts in 000 RSD

Account group, account	DESCRIPTION	ADP	Current year 06/30	Previous year 12/31
1	2	3	4	5
10	1. Stock of materials	616	67,850	69,334
11	2. Unfinished production	617	0	0
12	3. Finished products	618	0	0
13	4. Goods	619	50,496	34,240
14	5. Non-current resources intended for sale	620	0	0
15	6. Given advancements	621	35,529	13,436
	7. TOTAL (616 + 617 + 618 + 619 + 620 + 621 = 013 + 014)	622	153,875	117,010

IV CORE CAPITAL PATTERN

amounts in 000 RSD

Account group, account	DESCRIPTION	ADP	Current year 06/30	Previous year 12/31
1	2	3	4	5
300	1. Share capital	623	20,573,610	20,573,610
	included : foreign capital	624		0
301	2. Portions of Companies with limited liabilities	625		
	included : foreign capital	626		
302	3. Portions of members of partnerships and limited partnerships	627		
	included : foreign capital	628		
303	4. State capital	629		
304	5. Social capital	630		
305	6. Joint portions	631		
309	7. Other core capital	632		
30	TOTAL (623 + 625 + 627 + 629 + 630 + 631 + 632 = 102)	633	20,573,610	20,573,610

V SHARE CAPITAL PATTERN

 number of shares as round number
 amounts in 000 RSD

Account group, account	DESCRIPTION	ADP	Current year 06/30	Previous year 12/31
1	2	3	4	5
	1. Ordinary shares			
	1.1. Number of ordinary shares	634	34,289,350	34,289,350
part 300	1.2. Nominal value of ordinary shares - total	635	20,573,610	20,573,610
	2. Priority shares			
	2.1. Number of priority shares	636	0	0
part 300	2.2. Nominal value of priority shares - total	637	0	0
300	3. TOTAL - nominal Value of shares (635 + 637 = 623)	638	20,573,610	20,573,610

VI RECEIVABLES AND LIABILITIES

amounts in 000 RSD

Account group, account	DESCRIPTION	ADP	Current year	Previous year
1	2	3	4	5
20	1. Receivables from sale (balance at the end of year 639 ≤ 016)	639	1,565,618	1,260,046
43	2. Receivables form operation (balance at the end of year 640 ≤ 119)	640	105,305	138,346
part 228	3. Receivables during the year from companies for insurance for indemnity (debt turnover without initial balance)	641	1,825	1,032
27	4. VAT - previous tax (annual amount per tax reports)	642	140,351	129,485
43	5. Liabilities from operation (credit turnover without initial balance)	643	1,470,972	1,110,398
450	6. Liabilities for net salaries and compensations for salaries (credit turnover without initial balance)	644	186,429	155,988
451	7. Liabilities for tax for salaries and compensation for salaries at cost of employer (credit turnover without initial balance)	645	29,336	24,389
452	8. Liabilities for contributions for salaries and salary compensation at cost of employer (credit turnover without initial balance)	646	46,821	39,007
461, 462 and 723	9. Liabilities for dividends, income participation and personal earnings of employer (credit turnover without initial balance)	647	0	1,413,007
465	10. Liabilities for physical persons for contract compensations (credit turnover without initial balance)	648	1,075	1,865
47	11. VAT liabilities (annual amount from tax reports)	649	270,839	235,954
	12. Control sum (from 639 to 649)	650	3,818,571	4,509,517

VII OTHER COSTS AND EXPENDITURES

amounts in 000 RSD

Account group, account	DESCRIPTION	ADP	Current year	Previous year
1	2	3	4	5
513	1. Costs of fuel and energy	651	105,253	74,436
520	2. Costs of salaries and salary compensation (gross)	652	262,586	219,384
521	3. Costs of taxes and contributions for salaries and salary compensations at cost of employer	653	46,821	39,007
522, 523, 524 and 525	4. Costs of compensations for physical persons (gross) from contracts	654	114,101	79,972
526	5. Costs of compensations for members of supervisory and board of directors (gross)	655	4,774	3,672
529	6. Other personal expenditures and compensations	656	11,551	10,894
53	7. Costs of producing services	657	409,337	324,673
533, part 540 and part 525	8. Costs of lease	658	2,262	2,223
part 533, part 540	9. Costs of land lease	659	79	79
536, 537	10. Costs of research and development	660	0	0
540	11. Costs of amortization	661	324,363	354,407
552	12. Costs of insurance	662	10,394	24,671
553	13. Costs of payment system	663	3,771	2,915
554	14. Costs of memberships	664	1,686	2,385
555	15. Cost of taxes	665	36,874	36,494
556	16. Costs of contributions	666	0	0
562	17. Tax expenditures	667	36,682	46,878
part 560, part 561 and part 560, part 561 and part	18. Interest expenditures and part of financial expenditures	668	36,682	46,878
part 561 and part	19. Interest expenditures per loans from banks and other fin. liab	669	33,880	46,243
part 579	20. Expenditures for humanitarian, cultural, health, education, science and religion intentions, for environment protection and sport intentions	670	10,267	8,387
	21. Control sum (from 651 to 670)	671	1,451,363	1,323,598

VIII OTHER REVENUES

amounts in 000 RSD

Account group, account	DESCRIPTION	ADP	Current year	Previous year
1	2	3	4	5
60	1. Revenues from sale of goods	672	435,345	130,791
640	2. Revenues from premiums, subsidies, donations, recourse, and return of tax duties	673	0	0
641	3. Revenues from conditioned donations	674	0	0
part 650	4. Revenues from land leases	675	641	634
651	5. Membership revenues	676	0	0
part 660, part 661, 662	6. Interest revenues	677	74,559	78,070
part 660, part 661 and part 662	7. Interest revenues per invoices and deposits in banks and other financial organizations	678	73,902	77,443
part 660, part 661 and part 669	8. Revenues from dividends and profit portions	679	0	0
	9. Control sum (from 672 to 679)	680	584,447	286,938

IX OTHER DATA

amounts in 000 RSD

DESCRIPTION	ADP	Current year	Previous year
1	2	3	4
1. Liabilities for accise (according to annual accise calculation)	681	0	0
2. Calculated customs duties and other export duties (total annual amount according to calculation)	682	369	2,323
3. Capital subsidies and other state allotments for construction and purchase of basic resources and intangible investments	683	0	0
4. State allotments for premiums, recourses and coverage of current operating expenses	684	0	0
5. Other state allotments	685	0	0
6. Received donations from abroad and other returnless resources in money or in kind from foreign legal or physical persons	686	0	0
7. Personal earning of entrepreneurs from net income(only for entrepreneurs)	687	0	0
8. Control sum (from 681 to 687)	688	369	2,323

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