

JEDINSTVO ANNOUNCES NONCONSOLIDATED FINANCIAL STATEMENTS FOR 2013

Jedinstvo ad Sevojno posted nonconsolidated revenues of RSD 4.19bn in 2013, which is 5.9% higher compared to the previous year.

Russia business activities participated with approximately RSD 550m in the consolidated operating revenues in 2013. Revenues from business operations in Slovenia amounted to approximately RSD 315m (EUR 2.7m) out of a EUR 22m contract. The largest part of the implementation of the contract in Slovenia is expected to carry out during the current year. Montenegrin business activities completed during 2013 with revenues of approximately RSD 250m.

Nonconsolidated EBITDA (earnings before interest, tax, depreciation and amortization) amounted to RSD 437.1m (up 34.3%), while operated profit (EBIT) arrived at RSD 279.1m which is 62.7% higher than in 2012. Net profit of the Company reached RSD 249.1m, up 8.5% compared to the previous year.

The Company has been keeping a low level of indebtedness during 2013 with no long-term liabilities at December 31st, 2013. Total liabilities of the Company amounted to RSD 2bn at the end of the year, and this item mainly related to the liabilities from operating activities.

Operating cash flow (OCF) has been increased strongly and reached RSD 505.1m at the end of year. Throughout the financial year, despite of difficulties in collecting of receivables, the Company has managed to maintain adequate liquidity, and even to allocate funds in its own investment - works on gas network in Uzice.

At the end of last year, works on the Olympic University in Sochi have been successfully completed. Works on the project of building a pharmaceutical factory of Hemofarm in Obninsk in Moscow are in progress, while the jobs of construction of the Scientific complex Skolkovo, like as Entertainment Center in Anapa were contracted. A start date for these projects is expected in mid-year. During the last year, the Company signed a contract for Water supply and sanitation Adriatic Coast III, Bar, Montenegro, and preparations to start works are underway.

Given the level of contracts has been already concluded in early 2014, management of the Company plans and expects to increase total revenues and hopes to boost profit compared to the previous year. In any case, the most important thing is that the Company provides full utilization of capacity both in personnel and in equipment, which is, with respect to the environment and a situation in a country, sufficient success in

itself. Management also hopes that the Company will continue the tendency of the last few years and make investments in the modernization of equipment and assets on or about the same level as in previous years.

Nonconsolidated financial statements for 2013 can be downloaded on the Internet address: <http://mppjedinstvo.co.rs/en/investors/financial-reports>, while the consolidated financial statements for 2013, which include the operations of Jedinstvo's subsidiaries, will be announced by the end of April.

Mr. Marko Batakovic
General Manager