



QUARTERLY FINANCIAL REPORT

ĐURO ĐAKOVIĆ GROUP AND
ĐURO ĐAKOVIĆ HOLDING D.D.

I - VI 2016



ĐURO ĐAKOVIĆ

QUARTERLY
FINANCIAL
REPORT OF THE
ĐURO ĐAKOVIĆ
GROUP AND
COMPANY
ĐURO ĐAKOVIĆ
HOLDING D.D.
I – VI 2016

On behalf of the
Management Board

Tomislav Mazal, LLB

President of the
Management Board

Marko Bogdanović, B.Sc.

Member of the
Management Board

In Slavonski Brod,
29 July 2016



Visualisation of the biomass cogeneration plant BE -TO Sisak construction project



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Construction of crude
oil storage tanks



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| Management Report



Cargo wagon type Uacns



1. Introduction

1.1. General information about the Company and the Group

Company Đuro Đaković Holding d.d., as a parent company, has majority shares in 5 (over 50% of votes in the General Assembly) and minority shares in two companies.

Although Group members are legally independent, they are under the control of the parent company in accordance with the Companies Act.

Đuro Đaković Group



1.2. Management Board

The Management Board of Đuro Đaković Holding d.d. has two members:

- **Tomislav Mazal**, President of the Management Board
- **Marko Bogdanović**, member of the Management Board

1.3. Supervisory Board

In accordance with the Articles of Incorporation, the Supervisory Board has seven members. Five members are selected at the General Assembly, one is appointed by the State Property Management Administration (DUUDI), and one in accordance with the Labour Act. In keeping with the provisions of the Companies Act and the Articles of Incorporation of Đuro Đaković Holding d.d., the General Assembly decides on the matters of appointment and recall of the Supervisory Board.

The following Supervisory Board members were appointed at the General Assembly of the Company held on 29 July 2015:

- **Vjekoslav Leko**, President of the Supervisory Board
- **Domagoj Bartek**, member
- **Vjekoslav Galzina**, member
- **Igor Žonja**, member
- **Miroslav Karamarković**, member
- **Milan Stanić**, member
- **Blaženka Luketić**, member

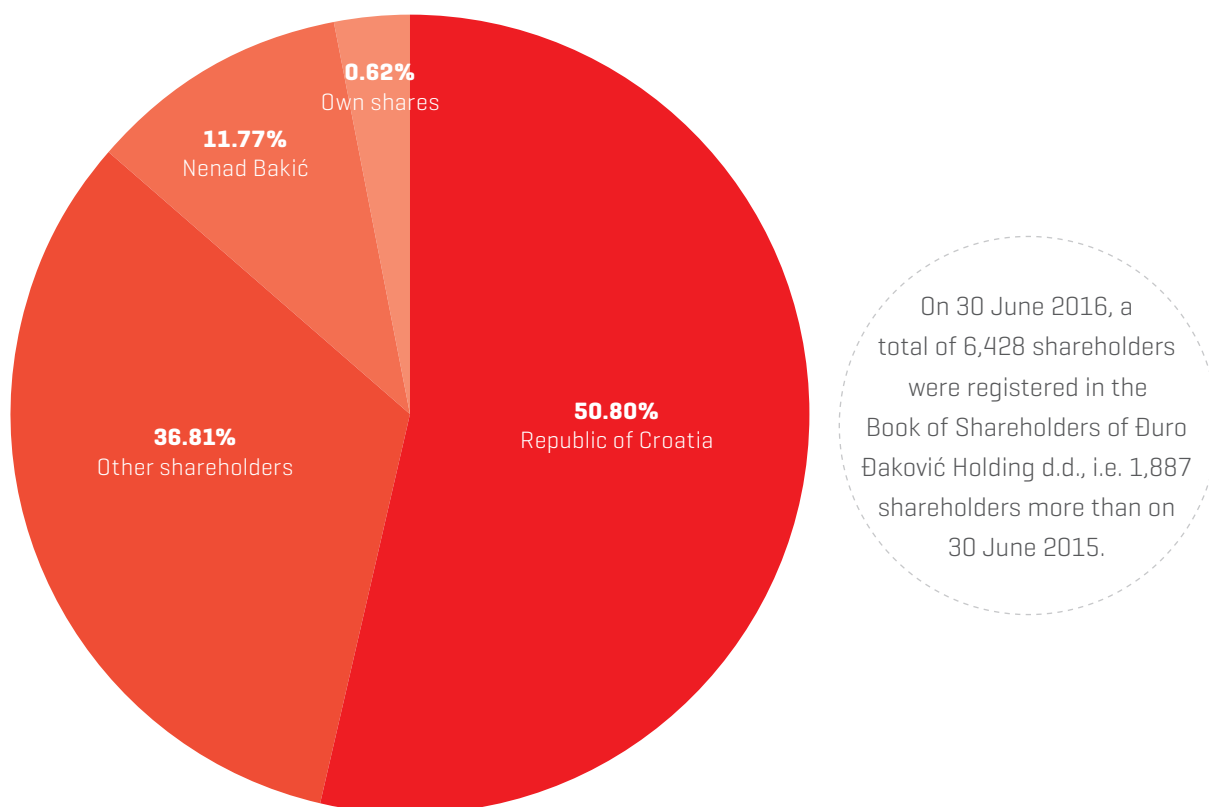
1.4. Share capital and ownership structure of Đuro Đaković Holding d.d.

The share capital of the Company is HRK 151,933,680.00 and consists of 7,596,684 regular shares, each having the nominal value of HRK 20,00. Each share comes with the same set of rights. All Company's shareholders have voting rights, with the number of their votes in the General Assembly corresponding to the number of shares in their possession.

Ownership structure of Đuro Đaković Holding d.d. on 30 June 2016

Shareholder	Number of shares	Capital	% share in the capital
STATE PROPERTY MANAGEMENT ADMINISTRATION (0/1) / REPUBLIC OF CROATIA (1/1)	3,079,233	61,584,646	40.53
BAKIĆ NENAD (1/1)	894,124	17,882,442	11.77
STATE PROPERTY MANAGEMENT ADMINISTRATION (0/1) / CROATIAN PENSION INSURANCE INSTITUTE (HZMO) (1/1)	660,000	13,200,000	8.69
HYPO ALPE-ADRIA-BANK D.D./ PBZ CO OMF - B CATEGORY (1/1)	288,740	5,774,847	3.80
PBZ D.D./PBZ-SP	210,291	4,205,828	2.77
STATE PROPERTY MANAGEMENT ADMINISTRATION (0/1) / STATE AGENCY FOR DEPOSIT INSURANCE AND BANK RESOLUTION (1/1)	104,771	2,095,469	1.38
INTERKAPITAL VRIJEDNOSNI PAPIRI D.O.O./JOINT CUSTODY ACCOUNT FOR DF	48,466	969,337	0.64
ĐURO ĐAKOVIĆ HOLDING D.D. (1/1)	46,993	939,862	0.62
ERSTE & STEIERMARKISCHE BANK D.D./ JOINT CUSTODY ACCOUNT FOR CROATIAN PHYSICAL PERSONS	43,094	861,920	0.57
OTP BANKA D.D./INS683	22,130	442,583	0.29
ENVOX D.O.O.	22,011	440,220	0.29
OTP BANKA D.D./INE805	22,000	440,152	0.29
Small shareholders [others]	2,154,831	43,096,594	28.36
Total	7,596,684	151,933,680	100

Ownership structure of Đuro Đaković Holding d.d.:



Companies in majority ownership of Đuro Đaković Holding d.d. (in HRK)

Company	Subscribed capital	Subscribed capital of the parent company	% ownership of the parent company
ĐĐ Industrijska rješenja d.d.	30,453,900	29,517,600	96.93
ĐĐ Specijalna vozila d.d.	160,351,200	160,086,800	99.83
ĐĐ Strojna obrada d.o.o.	10,307,000	10,307,000	100
ĐĐ Energetika i infrastruktura d.o.o.	31,728,000	30,952,200	97.55
ĐĐ Slobodna zona d.o.o.	1,317,000	1,317,000	100
Total	234,157,100	232,180,600	99.16%

2. Description of products and services

Đuro Đaković Group is characterised by diversified industrial portfolio placed by the Group through the business market segments of Defence, Transport, Industry and Energetics.

2.1. Defence

The business segment Defence is the main Croatian supplier of tanks and combat vehicles, as well as a provider of complete support during the life cycle and all manners of maintenance for the products from its portfolio.

Products and services

- production of armoured modular vehicles AMV 8x8, of open architecture, adjusted to clients' specific demands, including integration of weapon systems and the accompanying special equipment selected by the customer;
- maintenance of AMV 8x8 vehicles,
- development, production and/or integration of new, NATO interoperable systems of new generation, projected for the enhancement of the existing M-84/T-72 tanks and/or integration of new tanks

2.2. Transport

Products and services

- production of cargo cars for various types of goods. The company uses contemporary methods of design and it is equipped for independent development of new types of cars, including the capability of adjustment of the existing cars to the specific needs of the clients (custom-design).
- servicing and maintenance of cargo cars, as well as production of railway wagon components.

2.3. Industry and energetics

The business segment of Industry and energetics offers and performs engineering services: planning, designing and project management, procurement, construction and putting into operation plants, their maintenance and service, as well as making and mounting parts and components. We offer services and we perform works in the fields of:



- Industrial plants for oil and gas
- Chemical and petrochemical industry
- Energy plants
- Food industry
- Cement industry
- Metallurgy

Tank M-84

Apart from the stated above, Đuro Đaković participated in a significant number of projects in Croatia in terms of construction, provision of services and maintenance of metal bridge constructions, viaducts and overpasses, and with the development of the petrochemical industry, the company also participated in the construction of petrochemical plants in the region of South-eastern Europe (Sisak, Rijeka, Bosanski Brod). Today Đuro Đaković offers services of installation of new equipment into oil refineries, as well as reconstruction of existing plants.

Products and services

- services of constructing and mounting electric power plants, petrochemical and industrial plants,
- construction of metal bridges, steel constructions and high rise objects (viaducts, overpasses etc.) and of accompanying infrastructure.

3. Operation of Đuro Đaković Group January - June 2016

Đuro Đaković Group concluded the second quarter with a HRK 633,000 profit after taxation. This is the first net profit to be realized by the Group after the third quarter 2012. Please note that the profit was realized in spite of an exceptionally small share of the most profitable market segment, Defence, in the total production and revenue, as opposed to 2012 [the share of the market segment of Defence in revenue is 11.48%]. In the first six months, total operating revenue was HRK 271,2 mn, positive EBITDA – HRK 7,9 mn, and total loss – HRK 10,85 mn. All these indicators are within the parameters planned for this year [total operating revenue is lower by 2.3%, realized EBITDA by 9.9%, i.e. HRK 782,000, while realized loss was by HRK 27,000 lower than anticipated].

In comparison with the same period last year, operating revenue increased by HRK 94,3 mn [53.1% increase], realized EBITDA is higher by HRK 26,1 mn [in 2015 negative EBITDA HRK 18,2 mn, in 2016 positive EBITDA HRK 7,9 mn] and total loss decreased by HRK 23,1 mn [68% reduction].

Insufficient capacity utilization is the reason behind the negative operation of company ĐĐ Specijalna vozila d.d., operating in the Defence and Transport segments which account for the entire loss of the Đuro Đaković Group. Although the lack of contracts in the Defence segment and the time-shift in contract signing, i.e. beginning of production in the Transport segment resulted in the statement of loss in the first quarter of 2016, the company still significantly improved its operation in the second quarter.

The utilization rate of production capacities in the first six months was 58.1%, which is 8,4% more than in the first quarter. The realized negative EBITDA of HRK 5,9 mn likewise represents an improvement by HRK 1,7 mn in the second quarter.

The contracts concluded are anticipated to mitigate this issue in the ensuing period.

The results of companies from the Industry and energetics segment [ĐĐ Industrijska rješenja d.d. and ĐĐ Strojna obrada d.o.o.] exceeded expectations owing to the restructuring measures in place as of November 2014. All companies realized a positive EBITDA and total results better than anticipated.

The effects of restructuring are most evident in the absolute and relative cost reductions realized by the Group in comparison with the previous year.

Although material expenses with included changes in stocks are HRK 53,4 mn higher than last year, their share in operating revenue is actually 5% lower (62.9% in 2016, 66.2% in 2015), clearly indicating improved utilization of raw materials and materials owing to equipment investments.

Total costs of human resources in the first six months of 2016 decreased by HRK 6,95 mn, i.e. 13.2%. The share of costs of human resources in business revenue decreased from 29.72% in 2015 to 16.8% in 2016.

In 2016, the number of employees decreased by 15.

Other operating expenses increased by HRK 22,7 mn, primarily owing to higher reservations based on construction contracts in compliance with MRS 11. The increase in these expenses was anticipated owing to the greater number of large-scale investment contracts concluded this than last year (investors: HEP, JANAF, INA).

Depreciation is HRK 1,8 mn higher than in the preceding period (19.5% increase) owing to equipment investments made over the past two years.

Net financial costs increased by HRK 1,1 mn, as could be expected due to higher operation funding needs and correspond to higher revenue realized in 2016.

The Đuro Đaković Group realized its business goals for the first half of 2016. The Industry and energetics segment is realizing profit, losses in the Defence and Transport segments have been cut, production calculations of the program have been significantly improved and restructuring costs greatly reduced. In the next period, the Management Bord will mainly focus on market appearance, to be realized through the conclusion of planned contracts which will improve the utilization of production capacities, and financial restructuring, i.e. creation of economically sounder sources of operating funds.

4. Significant events in the 2nd quarter 2016

05/04/2016 Đuro Đaković Specijalna vozila d.d., member of the Đuro Đaković Group, and the principal, Ministry of Defence of the Republic of Croatia, concluded a Contract on the continued general inspection of M-84 tanks in 2016. The total value of the aforementioned contract is HRK 10 mn. The inspected tanks are scheduled to be delivered in the fourth quarter of 2016.

14/04/2016 Đuro Đaković Specijalna vozila d.d., member of the Đuro Đaković Group, and the Finnish principal, Patria Land Systems, member of the Patria Group, concluded a contract on the production and delivery of armoured modular vehicles Patria AMV 8x8, worth EUR 26 mn for third markets.

14/04/2016 Notification supplement: Đuro Đaković Specijalna vozila d.d., member of the Đuro Đaković Group, and the Finnish principal, Patria Land Systems, member of the Patria Group, concluded a contract on the production and delivery of armoured modular vehicles Patria AMV 8x8 on 8 April 2016. The production of armoured modular vehicles envisaged by the contract shall commence in 2016, with delivery scheduled throughout 2017.

14/04/2016 At its 35th session held on 14 April 2016, the Supervisory Board of ĐURO ĐAKOVIĆ Holding d.d. adopted a unanimous decision to reappoint Chief Executive Officer Mr. Tomislav Mazal from Zagreb, Ivana Cankara 19, PIN: 11789667620 for an additional 1-year period, i.e. until 30 April 2017. In compliance with the aforementioned decision of the Supervisory Board, Company Management members are Mr. Tomislav Mazal, CEO, and Mr. Marko Bogdanović, member of Management.

29/04/2016 NOTIFICATION ON VOTING RIGHT CHANGES – In accordance with Article 428 of the Capital Market Act (OG 88/8; 146/08; 74/09; 54/13; 159/13; 18/15; 110/15), please be informed that on 29 April 2016, company Đuro Đaković Holding d.d. received e-mail notification from shareholder Restructuring and Sale Center, PIN: 38083028711, Ivana Lučića 6, Zagreb, hereinafter CERP, dated 11 April 2016, that the CERP, in the capacity of a legal representative of the Republic of Croatia ceded a total of 459.899 shares of the Issuer/Company, traded under designation DDJH-R-A, each having the nominal value of HRK 20,00, to the Croatian disabled Homeland War veterans free of charge, in the period 1 May 2015 - 1 October 2015, i.e. 6.05% of the total voting rights of the Issuer.

Following the discharge of shares, on 11 April 2016, the Republic of Croatia, represented by CERP, owns 61,479 shares of the Issuer, i.e. 0.81% of the total

voting rights in the Issuer, and the Restructuring and Sale Center 3,447 shares of the Issuer, i.e. 0.05% of the total voting rights in the Issuer.

13/06/2016 NOTIFICATION ON THE TERMINATION OF CONTRACT ON THE PERFORMANCE OF SPECIALIST TASKS – Đuro Đaković Holding d.d., Dr. Mile Budaka 1, Slavonski Brod, PIN:58828286397 [hereinafter: Issuer] states that the consensual termination of the contract on the performance of specialist tasks between the Issuer and ERSTE&STEIERMARKISCHE, Jadranski trg 3A, Rijeka, PIN:23057039320, shall enter into force and effect on 15 July 2016.

13/06/2016 In accordance with Article 7 of the Articles of Incorporation and Article 49 of the Stock Exchange Rules, the Management of Zagrebačka burza d.d. with seat in Zagreb, Ivana Lučića 2a/22 [hereinafter: Stock Exchange] adopted the following DECISION on 13 June 2016:

1. The status of specialist for the shares of issuer Đuro Đaković Holding d.d. with seat in Slavonski Brod, Dr. Mile Budaka 1, designation: DDJH-R-A, ISIN: HRDDJHRA0007 of Stock Exchange member ERSTE&STEIERMÄRKISCHE BANK d.d. with seat in Rijeka, Jadranski trg 3/a, shall expire on 15 July 2016.
2. Stock Exchange member ERSTE&STEIERMÄRKISCHE BANK d.d. is obligated to perform the tasks of the specialist for the share indicated in item 1 of this Decision until the closing of the trading day on 15 July 2016.
3. This Decision shall enter into force on the day of its adoption.

17/06/2016 NOTIFICATION OF CONTRACT CONCLUSION – Đuro Đaković Specijalna vozila d.d., member of the Đuro Đaković Group, executed the contract on the production and delivery of freight wagons worth HRK 20 mn with a French principal on 16 June 2016.

The execution of this contract re-affirms the quality of the freight assortment of Đuro Đaković Specijalna vozila d.d. on the European market.

The delivery of the freight wagons will be finalized in late 2016 and is a symbol of continued successful cooperation with the French client.

5. Significant events following the end of the 2nd quarter

12/07/2016 INVITATION TO GENERAL ASSEMBLY – In accordance with Article 56 of the Articles of Incorporation of Đuro Đaković Holding d.d. and Management decision to convoke a General Assembly, dated 11 July 2016, in connection with Article 277 of the Companies Act, Company Management hereby publishes an invitation to the:

GENERAL ASSEMBLY OF

ĐURO ĐAKOVIĆ HOLDING d.d., Slavonski Brod, Dr. Mile Budaka 1.

to be held on 31 August 2016 [Wednesday], at 1 p.m.

in Slavonski Brod, Dr. Mile Budaka 1

in the management building, great meeting hall

The proposed Order of Business for the General Assembly is as follows:

Order of Business:

1. Management report on Company operation and standing in 2015
2. Report of the Supervisory Board on supervision conducted in 2015
3. Auditor's report for 2015
4. Adoption of decision to adopt annual financial reports for 2015, namely:
 - 4.1. Basic financial reports for ĐĐ Holding d.d. – parent company and
 - 4.2. Consolidated financial report for the Group
5. Adoption of decision on the distribution of profits for 2015
6. Adoption of decision to accept the final report of Company Management for 2015
7. Adoption of decision to accept the final report of the Supervisory Board Management for 2015
8. Deciding on the selection of audit agency to audit financial reports for the business year 2016
9. Adoption of decision to dismiss the Chairwoman of the General Assembly from duty following the expiry of her term of office
10. Adoption of decision to reappoint the Chairwoman of the General Assembly for a new term
11. Adoption of decision to change the name of the Company
12. Adoption of decision to amend the Articles of Incorporation of the Company

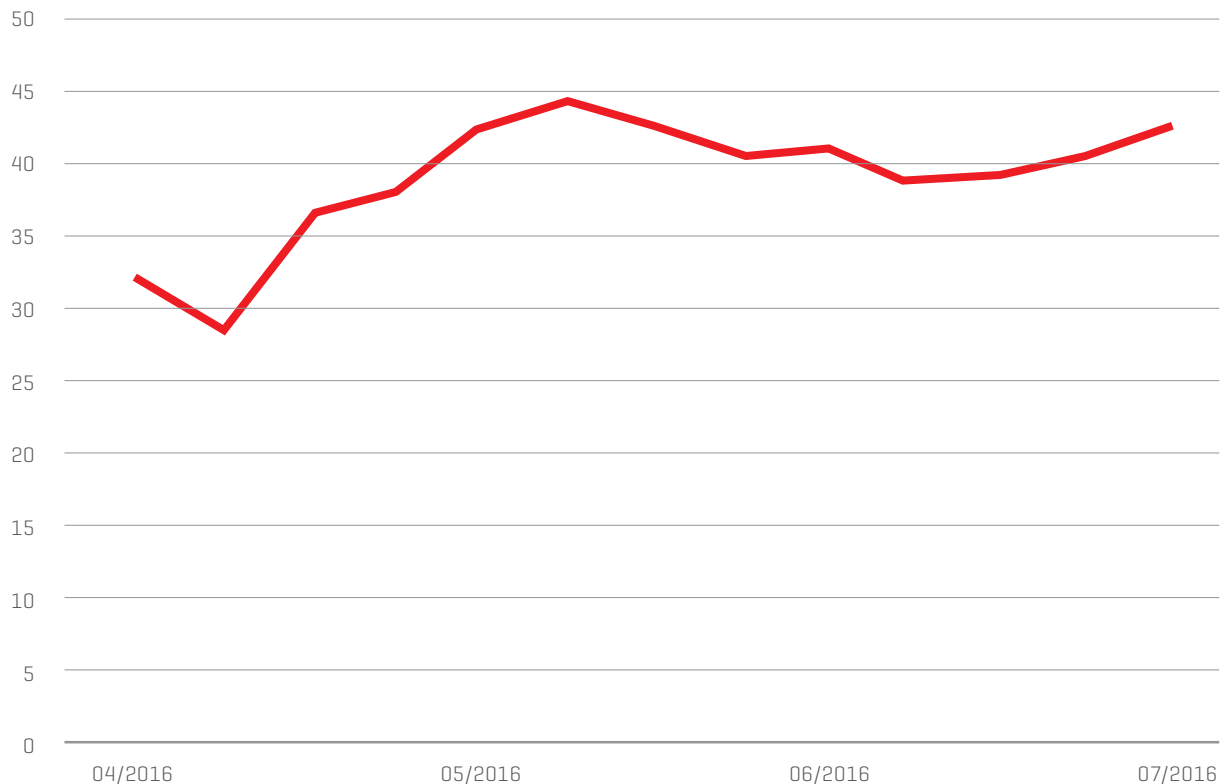
6. Share

The shares of Đuro Đaković Holding d.d. (designation DDJH-R-A) are listed on the Zagreb Stock Exchange (ZSE) and traded on a regular basis. A total of 7,596,684 shares with the nominal value of HRK 20.00 have been issued.

The second quarter of 2016 brought an increased volume of trading, total trading and higher average share price. The total volume of trading in Company's shares in the second quarter was HRK 13,092,602, which is 24% more than in the first quarter. Consequently, the average share price in the second quarter was HRK 38.61, which is 17.3% more than in the previous quarter. A total of 339,126 shares have been traded, which is 6.6% more than in the first quarter of 2016.

The lowest average price of HRK 29.02 was recorded on 7 April and the highest daily average price of HRK 46.41, corresponding to the publication of operating report for the first quarter of 2016, on 3 May. The closing average share price in the second quarter 2016, recorded on 30 June 2016, was HRK 42.72.

Share price fluctuations (average price of share DDJH-R-A)



7. Expectations until close of 2016

Having realized its objectives for the first half of 2016, the Group is now faced with a new set of challenges in its second half.

Since the client delayed the delivery of armoured modular vehicles until 2017, the Group will revise the planned revenue for 2016 to reflect the client's decision.

The delay in the beginning of performance of military contracts may result in the non-realization of a part of the planned revenue and corresponding profit in 2016, the effects of which will be manifested in 2017.

Contracted jobs

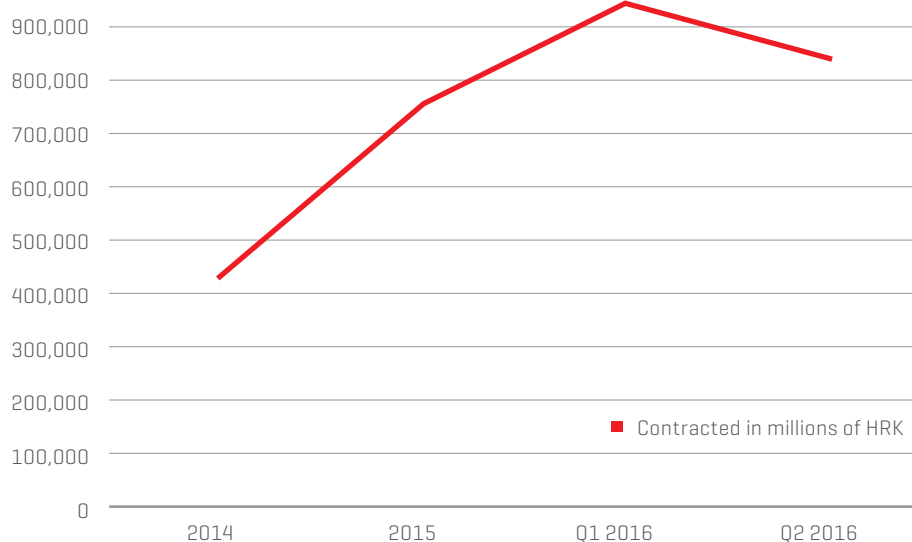
On 30 June 2016, the Đuro Đaković Group had HRK 656 mn worth of signed contracts. An increase in the number of signed contracts since the beginning of the year and the status of potential jobs promise optimum utilization of production capacities in the remainder of 2016.

Overview of the largest contracts in amounts remaining for realization

Market segment	Investor/Project	Contract value in HRK 000
DEFENCE	military assortment	203,011
TRANSPORT	freight wagons	148,794
INDUSTRY AND ENERGETICS	JANAF d.d. / "Omišalj"	131,208
INDUSTRY AND ENERGETICS	HEP d.d. / "BE TO Sisak"	58,725
INDUSTRY AND ENERGETICS	HEP d.d. / "BE TO Osijek"	44,420
INDUSTRY AND ENERGETICS	Viadukt d.d. / "Most Čiovo"	9,703
INDUSTRY AND ENERGETICS	INA d.d. / "Vukanovec"	4,683
INDUSTRY AND ENERGETICS	INA d.d. / "Vučkovec"	3,940
INDUSTRY AND ENERGETICS	smaller contracts total	21,971
ĐĐ STROJNA OBRADA	smaller orders total	19,500
ĐĐ ENERGETIKA I INFRASTRUKTURA	smaller contracts total	9,785
TOTAL CONTRACTED		655,740

Apart from contracted jobs, the Group is also an active participant in several large-scale tender procedures and shortly expects an increase in the value of signed contracts in all market segments.

Contract status overview



Financial restructuring

In the past periods, high losses resulted in an exceptionally unfavourable structure of the sources of operating funds in the balance sheet (total capital negative). One of the primary focuses of the Đuro Đaković Group in the next period will be the improvement of the sources of funds, i.e. the optimization of structure of the balance sheet of Đuro Đaković Group to ensure stable, sustainable, long-term operation.

In spite of certain deviations from the business plan for 2016, the Đuro Đaković Group still expects to yield positive business results in 2016 and create the conditions for stable long-term operation at Group level.

8. Other matters

8.1. Product and production development

The development and/or introduction of new products developed either by own efforts or in cooperation with business partners, as well as the adoption of new manufacturing technologies, is an integral part of the long-term business policy of the Đuro Đaković Group.

8.2. Exposure to risks and risk management

The Company monitors exchange rate, interest rate, credit and liquidity risks in an attempt to curtail their potential influence on the Company's financial exposure.

Under the current Group management system, some of the companies are monitored against major contract realization risks, especially material and equipment costs and costs of external services.

The Company makes use of mortgages, promissory notes and other payment securities of relevance for risk assessment.

8.3. Human resources

On 30 June 2016, members of the Đuro Đaković Group had a total of 925 employees.

8.4. Quality, environment, health and safety

We are continuously striving to raise the quality of our products, the satisfaction of our customers and all the interested parties, paying special attention to environmental protection, health and safety at work, and energy consumption, as verified by management system certificates [EN ISO 9001, EN ISO 14001 and BS OHSAS 18001] obtained by all constituent companies of the ĐĐ Group. Activities intended to have the energy management system certified under the ISO 50001 norm are underway. The companies also have all the required specialist certificates for the processes they engage in and which are required in their line of business, as well as for any products for which such certificates are required by the market.

Delivery and
installation of
equipment at the
Vukanovec Gas
Field Facility



II Analysis of Operating Results of Đuro Đaković Holding d.d. and The Đuro Đaković Group



Armoured wheeled vehicle Patria



1. Key indicators

In the first half of 2016, the Đuro Đaković Group realized the total operating revenue of HRK 271,2 mn and positive EBITDA in the amount of HRK 7,9 mn, i.e. EBITDA margin of 3.09%. It is worth noting that the EBITDA was HRK 26,1 mn higher than in 2015.

Key indicators January- June 2016

The total revenue

for I-VI 2016 is HRK 94,3 mn higher **[an 53.1% increase]** than in I-VI 2015

EBITDA I-VI positive

HRK 7.9 mn - EBITDA margin 3.09%

EBTIDA I-VI

higher by HRK 26.1 mn than in 2015.
In period I-VI, realized profit after tax was HRK 633,000

Loss structure I-VI 2016:

Insufficient level of utilization of capacities of $\text{\textcircled{D}}$ Specijalna vozila - **HRK 13.9 mn**

Export reduced in comparison with 2015, HRK 7.2 mn **[10.9% reduction]**

21.7% share of export in total operating revenue

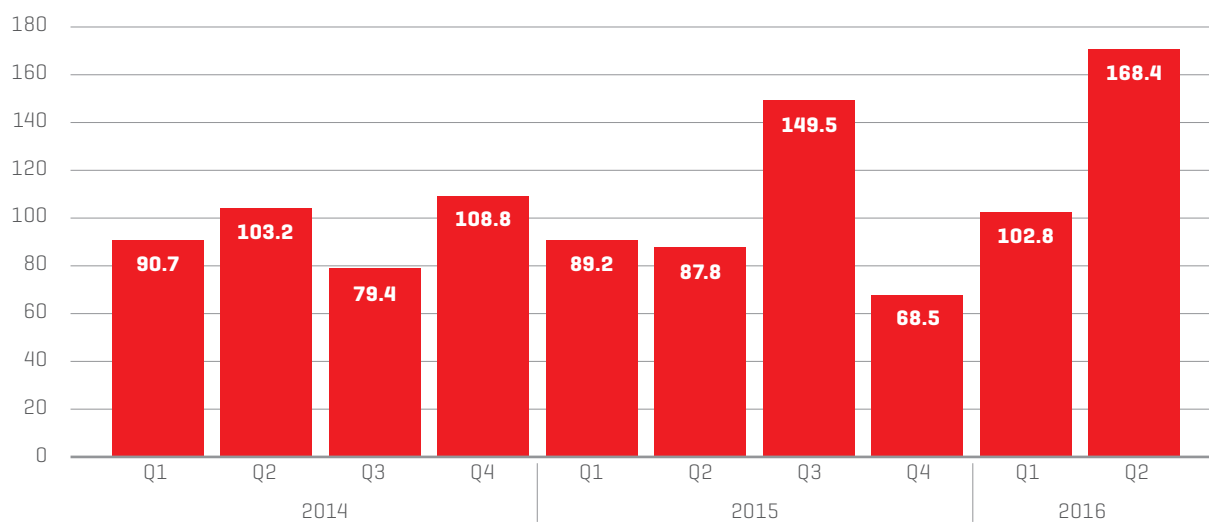
HRK 6.95 mn reduction in human resource expenses in comparison with 2015 **[13.2%]**

Unfavourable sources of funding - total own capital - **HRK 10.35 mn**

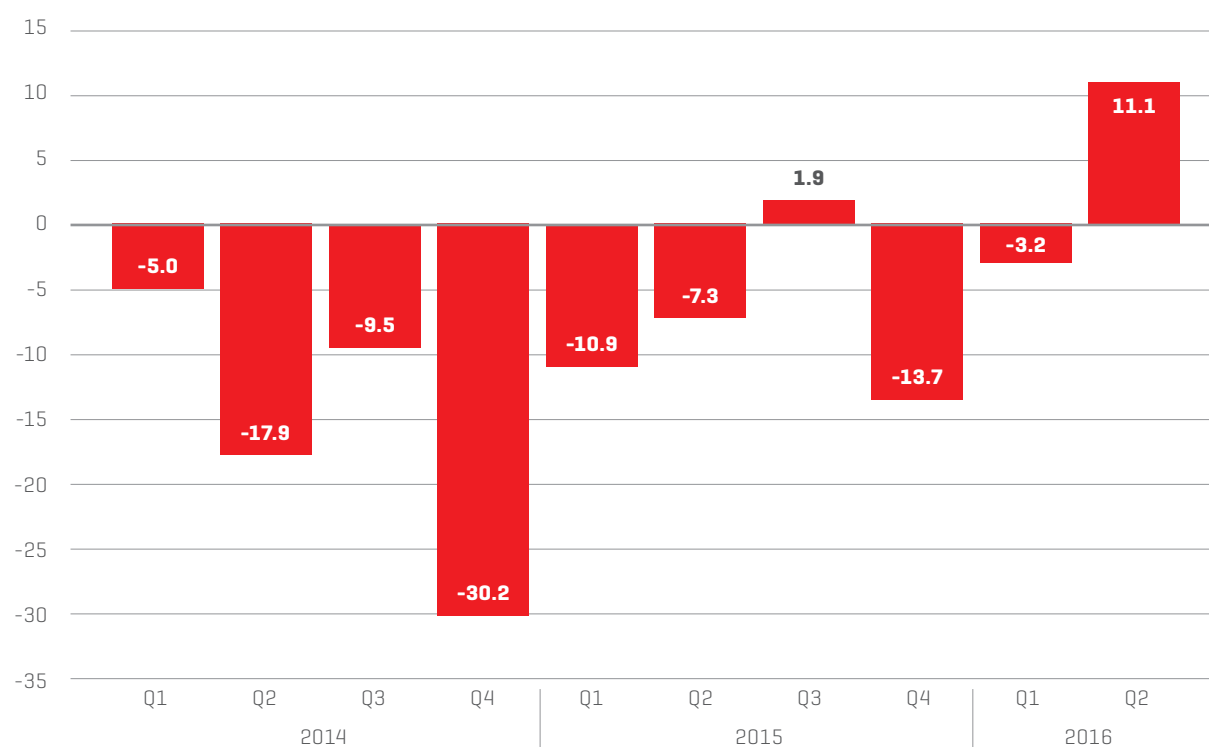
Term of payment for liabilities improved [long-term liabilities **50%** of total liabilities]

Overview of operating revenue and EBITDA fluctuations by quarters for 2014, 2015 and 2016

Operating revenue fluctuations in mn HRK



EBITDA fluctuations in mn HRK



Please note the huge upward EBITDA fluctuation of HRK 11.1 mn [EBITDA margin for the II quarter 6.6%] recorded in the II quarter 2016. The Group's revenue likewise increased in comparison with the same period of the previous years.

Key indicators January-June 2015 / January-June 2016

Revenue, EBITDA, EBIT [in mn HRK]

DD GROUP	I- VI 2015	I-VI 2016
OPERATING REVENUE	176.9	271.2
EBITDA	-18.2	7.9
EBITDA [%]	-10.29%	3.09%
EBIT	-27.6	-3.36
EBIT [%]	-15.60%	-1.24%

Equity ratio [in mn HRK]

	30/06/2015	30/06/2016
Own capital	30,399	-10,357
Own sources	5.59%	-1.73%
Long-term liabilities	224,064	260,640
Short-term liabilities	289,348	348,481
External sources	94.41%	101.73%
Total liabilities	543,811	598,764

Working capital [in mn HRK]

Working capital	30/06/2015	30/06/2016
Stocks	111,917	119,888
Receivables from buyers	81,615	115,716
Cash	62,025	49,086
Liabilities towards suppliers	129,770	139,917
Short-term liabilities towards financial institutions	86,057	109,711
Working capital	39,730	35,062
Other receivables	23,248	32,802
Other current assets	694	1,104
Other short-term liabilities	56,878	73,618
Accrued expenses and deferred revenue	16,374	25,235
Net working capital	-9,580	-29,885



Construction
of heat
accumulator and
reconstructing
the heating
system of the
thermal power
plant -TE- TO
Zagreb

Production of
renewable energy
components

The Group improved all EBIT and EBITDA margin-related indicators, which are many times better than in the same period last year.

While the working capital of the Group is at the level of the preceding period, its net working capital is lower.

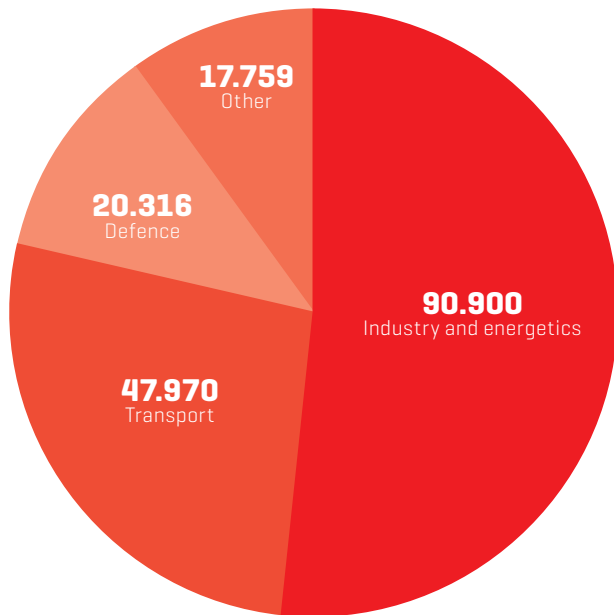
Simultaneously, the losses resulted in the poor makeup of the sources of funds, due to which the Group has no own funds in the sources. The ratio of long-term and short-term liabilities is similar to the ratio stated in the last period.



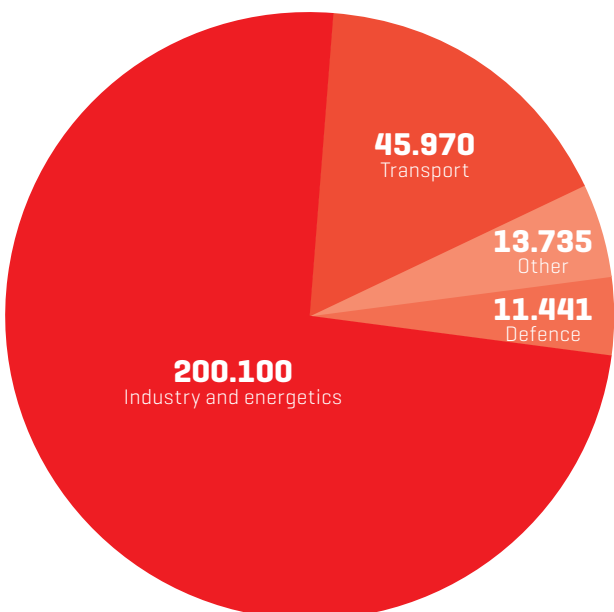
2. Revenue structure

In the first half of 2016, ĐĐ Group continued the trend of significant increase in revenue in comparison with the previous periods. The greatest revenue increase occurred in the Industry and energetics segment, with other segments reporting decreasing revenues. Based on concluded contracts, the revenue of the other two segments is also expected to increase in the second half of the year.

Revenue structure I-VI 2015 (in 000 HRK)



Revenue structure I-VI 2016 (in 000 HRK)



The share of revenue in the Defence segment dropped from 11.48% in I-VI 2015 to 4.22% in I-VI 2016.

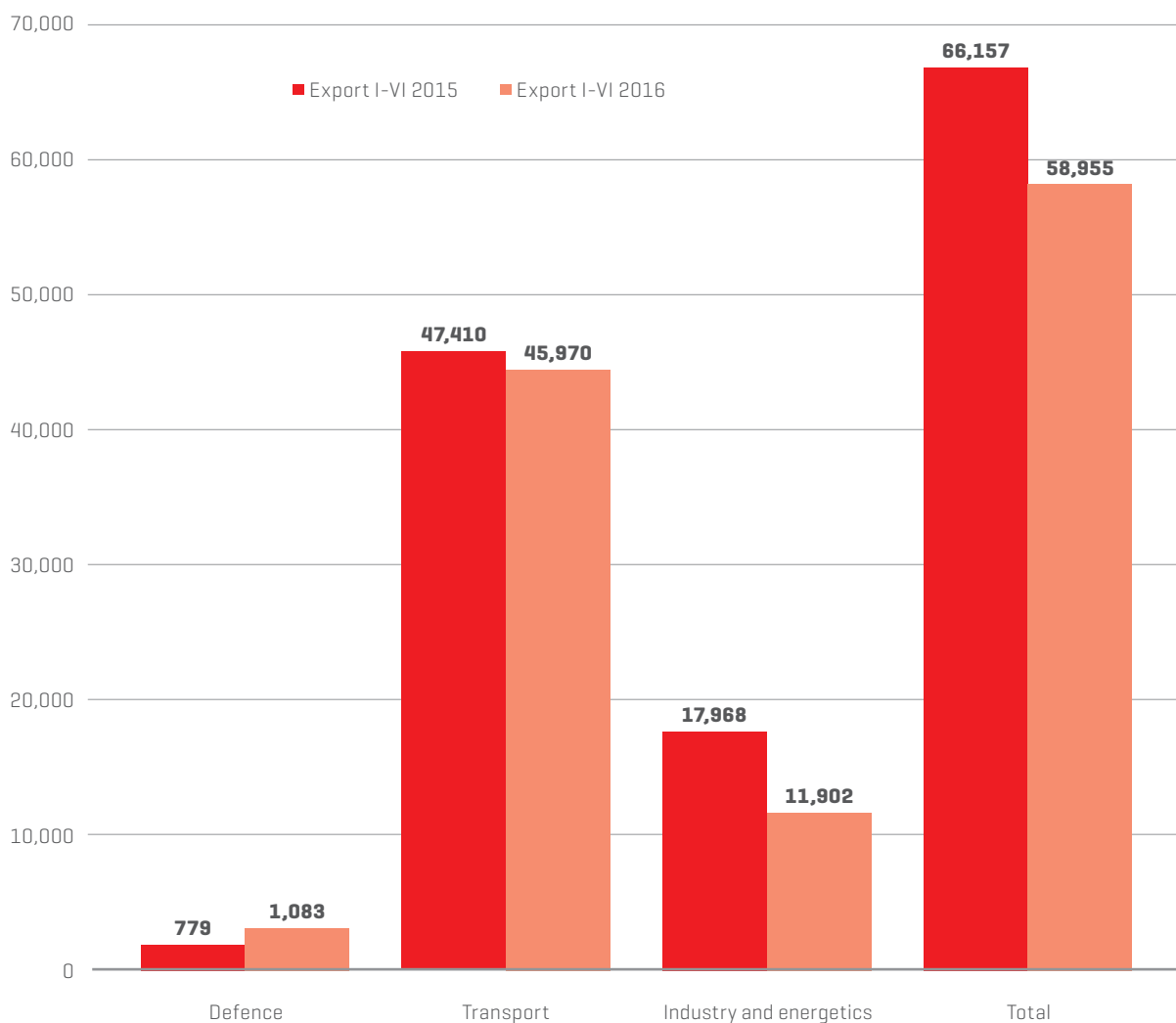
Although the Transport segment also recorded decreased revenue in the first half of 2016, the number of signed contracts leads us to believe it will be compensated.

In the first quarter of 2016 the revenue of the Industry and energetics segment was by HRK 109 mn higher than in 2015 (over 100% increase), and its share in total revenue increased to 73.77%.

The increase is mostly due to work on large-scale projects (investors: HEP, INA, JANAF).

Total export was lower than in the same period last year, as anticipated owing to high revenues realized by the Industry and energetics segment in Croatia. Based on deliveries scheduled during the year, total exports are expected to exceed 2015 levels as early as in the third quarter of 2016.

Overview of export by market segments (in 000 HRK)



3. Cash flow

Minimum increase in total net money flow due to increased revenue from financial activities realized in the first half of 2016. [in 000 kn]

	I-VI 2015	I-VI 2016
Profit	-33,960	-10,853
Change in money flow from business activities	-33,154	-12,051
Net money flow from business activities	-67,114	-22,904
Net money flow from investments	-16,888	-9,494
Net money flow from financial activities	92,787	44,050
Total net money flow	8,785	11,652
Cash and equivalents at the beginning of the period	53,240	37,434
Total increase in money flow	8,785	11,652
Cash and equivalents at the end of the period	62,025	49,086

4. Assets

Owing to the end of the investment cycle, the assets of the Group are higher than in the same period last year.

Basic overview of total fixed assets [in 000 HRK]

Asset type	30/06/2015	30/06/2016
Intangible assets	25,109	25,716
Tangible assets	171,383	195,653
Tangible assets in preparation	47,091	41,881
Other fixed assets	12,364	10,361
Total fixed tangible assets	255,947	273,611



Cargo wagon type Zaens

5. Human resources

The total number of employees on 30 June 2016 was 925. The number of employees was reduced by 15 in comparison with the same period last year.

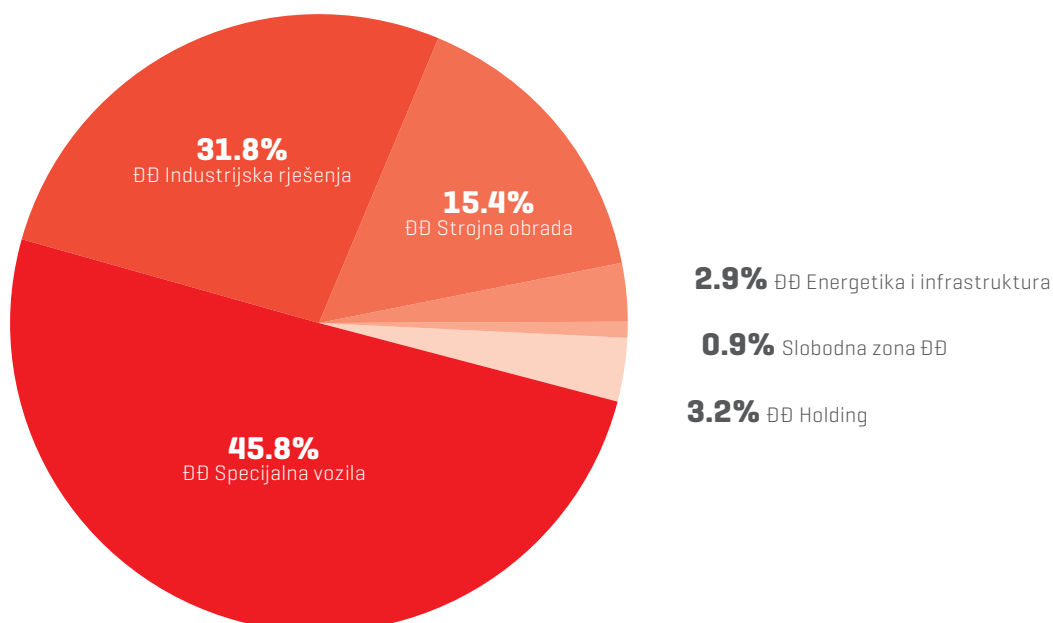
Due to pending large-scale projects, the Group hired approximately forty temporary employees in the second quarter.

While company ĐĐ Specijalna vozila boasts the largest number of employees (45.8% of the Group's workforce), company ĐĐ Industrijska rješenja recorded the greatest reduction of the number of employees in comparison with last year levels.

Structure and number of employees on 30/06/2015 / 30/06/2016

Company	Number of employees Q2 2015	Number of employees Q2 2016
ĐĐ Specijalna vozila	423	424
ĐĐ Industrijska rješenja	317	294
ĐĐ Strojna obrada	131	142
ĐĐ Energetika i infrastruktura	28	27
Slobodna zona ĐĐ	9	8
ĐĐ Holding	32	30
Total	940	925

Note: the 2015 data for ĐĐ Industrijska rješenja are collective data for ĐĐ Inženjering, ĐĐ Elektromont and ĐĐ Proizvodnja opreme



Spherical tank for storage
of liquid oil gas



6. Notes

6.1. Profit and loss account

The profit and loss account is an overview of financial results of operation of ĐURO ĐAKOVIĆ Holding d.d. and the Đuro Đaković Group realized 1 January- 30 June 2016.

6.1.1. Profit and loss account of Đuro Đaković Holding d.d. (in HRK)

Item	Realized I - VI 2015	Realized I - VI 2016
Operating revenue	61,787,802	167,980,328
Operating expenses	63,067,821	167,286,247
Results from business activities	-1,280,018	694,081
Financial revenue	6,359,034	4,779,785
Financial expenses	1,820,859	4,204,566
Results from financial activities	4,538,175	575,219
Total revenue	68,146,836	172,760,113
Ukupni expenses	64,888,680	171,490,813
Profit before taxation	3,258,156	1,269,300
Loss before taxation		
Profit tax		
Profit after taxation	3,258,156	1,269,300
Loss after taxation		
Profit / loss in fiscal year	3,258,156	1,269,300

6.1.2. Revenue

In January-June 2016, Đuro Đaković Holding d.d. realized the total revenue of HRK 172,760,113, which is HRK 104,613,277 or 153.51% more than in the same period last year, when the total revenue was HRK 68,146,836.

Operating revenue realized in 1 January-June 2016 is HRK 167,980,328, corresponding to 97.23% of total revenue. In comparison with the previous year, operating revenue increased by 171.87% or HRK 106,192,526.

Revenue from realization amounts to HRK 161,660,475, while the remaining HRK 6,319,853 pertain to other revenue from the main line of business. In the same period last year, the total revenue from realization was HRK 46,280,451, while other revenue from the main line of business accounted for HRK 15,507,352.

In January-June 2016, HRK 4,779,785 of financial revenue were realized, accounting for 2.77% of total revenue. Financial revenue consists of interests and exchange rate differentials, and is by HRK 1,579,249, i.e. 24.83% lower than in the same period last year.

6.1.3. Expenses

In January-June 2016, HRK 171,490,813 of total expenses were realized, which is HRK 106,602,133, i.e. 164.28% more than in the same period last year.

Operating expenses realized in In January-June 2016 amount to HRK 167,286,247, which is HRK 104,218,426 or 165.25% more than in the same period last year. Operating expenses account for 97.55% of total expenses.

Financial expenses amount to HRK 4,204,566, which is HRK 2,383,707 or 130.91% more than in the same period last year. Financial expenses account for 2.45% of total expenses, and consist of interests and exchange rate differentials by loans.

6.1.4. Profit and loss account of Đuro Đaković Group (in HRK)

Item	Realized I - VI 2015	Realized I - VI 2016
Operating revenue	176,944,784	271,245,677
Operating expenses	204,587,215	274,602,047
Results from business activities	-27,642,431	-3,356,370
Financial revenue	814,652	885,883
Financial expenses	7,132,542	8,382,949
Results from financial activities	-6,317,890	-7,497,066
Total revenue	177,759,436	272,131,560
Ukupni expenses	211,719,757	282,984,996
Profit before taxation		
Loss before taxation	-33,960,321	-10,853,436
Profit tax		
Profit after taxation		
Loss after taxation	-33,960,321	-10,853,436
Profit / loss in fiscal year	-33,960,321	-10,853,436

6.1.5. Revenue

Total consolidated revenue of companies forming the Đuro Đaković Group realized in January-June 2016 amounts to HRK 272,131,560, which is HRK 94,372,124 or 53.09% more than in the same period last year, when the total revenue was HRK 177,759,436.

Operating revenue realized in January-June 2016 amounts to HRK 271,245,677, accounting for 99.67% of total revenue. Operating revenue is 53.29% or HRK 94,300,893 higher than last year.

Revenue from realization amounts to HRK 257,784,478, while the remaining HRK 13,461,199 pertains to other revenue from the main line of business. In the same period last year, total revenue from realization amounted to HRK 169,094,645, while other revenue from the main line of business accounted for HRK 7,850,139.

In January-June 2016, revenue from sale on the Croatian market totalled to HRK 198,829,289, i.e. 77.13% of the revenue from sale. 22.87%, or HRK 58,955,388 of revenue from realization was realized abroad.

Financial revenue realized in January-June 2016 amounts to HRK 885,883, i.e. 0.3% of total revenue, which is HRK 71,231 or 8.74% more than last year. Financial revenue consists of interests and exchange rate differentials.

6.1.6. Expenses

Total consolidated expenses realized in January-June 2016 amount to HRK 282,984,996, which is HRK 71,265,239 or 33.66% more than in the same period last year.

Operating expenses realized in January-June 2016 amount to HRK 274,602,047, which is by HRK 70,014,832 or 34.22% more than in the same period last year. Operating expenses account for 97.04% of total expenses.

Financial expenses realized in January-June 2016 amount to HRK 8,382,949, which is by HRK 1,250,407 or 17.53% more than in the same period last year. Financial expenses account for 2.96% of total expenses, and consist of interests and exchange rate differentials by loans.

6.2. Balance sheet

The balance sheet of ĐURO ĐAKOVIĆ Holding d.d. and Đuro Đaković Group indicates resources available on 30 June 2016, results of business activities realized in previous years, financial standing, liquidity, ability to settle liabilities and finance assets from own or external sources.

6.2.1. Balance sheet of Đuro Đaković Holding d.d.

Assets of Đuro Đaković Holding d.d.

Total assets of ĐURO ĐAKOVIĆ Holding d.d. were worth HRK 492,209,819 on 30 June 2016, which is HRK 87,320,059 more than on 31 December 2015.

Assets are structured as follows:

ĐĐ Holding d.d. A	31/12/2015		30/06/2016	
Fixed assets	168,328,656	41.57%	167,072,471	33.94%
- tangible and intangible assets	110,794,380	65.82%	109,513,849	65.55%
- financial assets and receivables	57,534,276	34.18%	57,558,622	34.45%
Current assets	218,162,538	53.88%	319,120,460	64.83%
Paid deferred expenses and calculated revenue	18,398,567	4.54%	6,016,888	1.22%
Total	404,889,761	100.00%	492,209,819	100.00%

Fixed assets were worth HRK 167,072,471 on 30 June 2016, accounting for 33.94% of total assets, which is HRK 1,256,185 or 0.75% less than last year.

Current assets account for 64.83% of total assets and were worth HRK 319,120,460 on 30 June 2016, which is HRK 100,957,923 or 46.28% more than in the same period last year.

Liabilities of Đuro Đaković Holding d.d.

Total liabilities of ĐURO ĐAKOVIĆ Holding d.d. on 30 June 2016 amount to HRK 492,209,819, which is HRK 87,320,059 more than on 31 December 2015.

Liabilities are structured as follows:

ĐĐ Holding d.d. P	31/12/2015		30/06/2016	
Capital and reserves	173,428,139	42.83%	174,697,440	35.49%
Long-term reservations	15,301	0.00%	15,301	0.00%
Long-term liabilities	139,476,091	34.45%	152,104,916	30.90%
Short-term liabilities	91,970,230	22.71%	146,828,193	29.83%
Accrued expenses and deferred revenue		0.00%	18,563,969	3.77%
Total	404,889,761	100.00%	492,209,819	100.00%

Capital and reserves amounted to HRK 174,697,440 on 30 June 2016, accounting for 35.49% of total liabilities, and consisting of HRK 151,933,680 of subscribed capital, HRK 12,257,035 of capital reserves, HRK 939,860 of reserves for own shares (deductible item), HRK 9,237,424 of retained profit/loss brought forward, and HRK 1,269,300 of current year profit.

Long-term reservations amount to HRK 15,301 and pertain to old-age pension, severance pay and similar reservations.

Long-term liabilities amounted to HRK 152,104,916 on 30 June 2016, accounting for 30.90% of total liabilities, which is HRK 12,628,825 or 9.05% more than last year.

Short-term liabilities stated in the balance sheet amounted to HRK 146,828,193 on 30 June 2016, accounting for 29.83% of total liabilities, which is HRK 54,857,963 or 59.65% more than last year.

6.2.2. Balance sheet of Đuro Đaković Group

Assets of Đuro Đaković Group

Total assets of Đuro Đaković Group were worth HRK 598,763,602 on 30 June 2016, which is HRK 89,097,270 or 17.48% more than on 31 December 2015.

Assets are structured as follows:

ĐĐ Group A	31/12/2015		30/06/2016	
Fixed assets	276,240,761	54.20%	273,611,344	45.70%
- tangible and intangible assets	265,718,955	96.19%	263,249,566	96.21%
- financial assets and receivables	10,521,806	3.81%	10,361,778	3.79%
Current assets	214,946,236	42.17%	318,596,429	53.21%
Paid deferred expenses and calculated revenue	18,479,335	3.63%	6,555,829	1.09%
Total	509,666,332	100.00%	598,763,602	100.00%

Fixed assets were worth HRK 273,611,344 on 30 June 2016, accounting for 45.70% of total assets, which is HRK 2,629,417 or 0.95% less than last year.

Current assets accounted for 53.21% of total assets and were worth HRK 318,596,429 on 30 June 2016, which is HRK 103,650,193 or 48.22% more than last year.

Liabilities of Đuro Đaković Group

Total liabilities of Đuro Đaković amounted to HRK 598,763,602 on 30 June 2016, which is HRK 89,097,270 or 17.48% more than on 31 December 2015.

Liabilities are structured as follows:

ĐĐ Group P	31/12/2015		30/06/2016	
Capital and reserves	496,132	0.10%	-10,357,304	-1.73%
Long-term reservations	15,549,651	3.05%	10,980,378	1.83%
Long-term liabilities	239,700,129	47.03%	249,659,293	41.70%
Short-term liabilities	249,289,114	48.91%	323,245,981	53.99%
Accrued expenses and deferred revenue	4,631,306	0.91%	25,235,254	4.21%
Total	509,666,332	100.00%	598,763,602	100.00%

Capital and reserves amounted to HRK -10,357,304 on 30 June 2016, which is -1.73% of total liabilities, and consist of HRK 151,933,680 of subscribed capital, HRK 15,686,933 of capital reserves, HRK 939,860 of reserves for own shares (deductible item), HRK 162,035,249 of loss brought forward and HRK 10,888,743 of loss. Minority interest in capital, reserves, profit and loss is HRK -5,035,925.

Long-term reservations amounted to HRK 10,980,378 or 1.83% of total liabilities on 30 June 2016, and pertain to old-age pension, severance pay and similar reservations.

Long-term liabilities amounted to HRK 249,659,293 or 41.70% of total liabilities on 30 June 2016, which is HRK 9,959,164 or 4.15% more than last year.

Short-term liabilities stated in the balance sheet amounted to HRK 323,245,981 or 53.99% of total liabilities on 30 June 2016, which is HRK 73,956,867 or 29.67% more than last year.

Accrued expenses and deferred revenue stated in the balance sheet amounted to HRK 23,235,254 or 4.21% of total liabilities on 30 June 2016, which is HRK 20,603,948 or 444.87% more than last year.

Trial assembly of bridge structure sections for Mainland - Čiovo island bridge



Quarterly financial report of entrepreneur TFI-POD

Reporting period: 1/1/2016 to 6/30/2016

Appendix 1

Reporting period: 1/1/2016 to 6/30/2016

Quarterly financial report of entrepreneur TFI-POD

Registration number [MB]	3635112		
Identification number of subject [MBS]	05002378		
Personal identification number [OIB]	58828286397		
Issuer company:	ĐURO ĐAKOVIĆ Holding d.d.		
Postal code and place	35000	SLAVONSKI BROD	
Street and number	Dr. MILE BUDAKA 1		
E-mail address:	uprava@duro-dakovic.com		
Internet address:	www.duro-dakovic.com		
Code and name of comune/town	396	SLAVONSKI BROD	
Code and county name	12	BRODSKO POSAVSKA	Number of employees 29 [at quarter end]
Consolidated statement	NO	NKD/NWC code: 7010	
Subsidiaries subject to consolidation [according to IFRS]:	Residence	Registration number:	
Book keeping service:			
Contact person:	POSAVAC SLAVEN [fill in only surname and name of contact person]		
Phone number:	035/446 256	Fax: 035/444 108	
E-mail address:	uprava @duro-dakovic.com		
Surname and name	MAZAL TOMISLAV [authorised person for representation]		

Disclosure documents:

1. Financial statements [balance sheet, profit and loss account, cash flow statement, statement of changes in shareholders' equity and notes to the financial statements]
2. Report of the Management Board on position of the Company
3. Statement of responsible persons for preparation of financial statements

M.P.

»ĐURO ĐAKOVIĆ«
HOLDING d.d.
SLAV. BROD, Dr. M. Budaka 1
2



[signed by authorised person for representation]

BALANCE SHEET

as on day June 30, 2016 / Company: ĐURO ĐAKOVIĆ Holding d.d.

Position	AOP	Previous period	Current period
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED NOT PAID CAPITAL	001		
B) NON-CURRENT ASSETS [003+010+020+029+033]	002	168.328.656	167.072.470
I INTANGIBLE ASSETS [004 do 009]	003	38.188	29.954
1. Expenditure for development	004		
2. Concessions, patents, licenses, trademarks, service marks, software and other rights	005		
3. Goodwill	006		
4. Advances for purchase of intangible assets	007		
5. Intangible assets in progress	008		
6. Other intangible assets	009	38.188	29.954
II PROPERTY, PLANT AND EQUIPMENT [011 do 019]	010	110.756.192	109.483.894
1. Land	011	7.222.038	7.222.038
2. Buildings	012	26.891.772	26.232.717
3. Plant and equipment	013		
4. Tools, working inventory and transportation assets	014	16.726.950	37.551.371
5. Biological assets	015		
6. Advances for purchase of tangible assets	016		
7. Tangible assets in progress	017	59.857.454	38.419.790
8. Other tangible assets	018		
9. Investment in real-estate	019	57.978	57.978
III NON-CURRENT FINANCIAL ASSETS [021 do 028]	020	53.907.005	54.192.594
1. Share in related parties	021	48.668.721	49.068.721
2. Loans to related parties	022	4.236.124	4.236.124
3. Participating interests [shares]	023	505.862	505.862
4. Loans to companies with participating interest	024		
5. Investments in securities	025		
6. Loans, deposits, etc.	026	458.248	344.248
7. Other non-current financial assets	027	38.050	37.639
8. Equity-accounted investments	028		
IV RECEIVABLES [030 do 032]	029	3.627.271	3.366.028
1. Receivables from related parties	030		
2. Receivables arising from sales on credit	031	3.627.271	3.366.028
3. Other receivables	032		
V DEFERRED TAX ASSET	033		
C) CURRENT ASSETS [035+043+050+058]	034	218.162.537	319.120.461
I INVENTORIES [036 do 042]	035	1.322.906	1.322.906
1. Raw materials and supplies	036	1.886	1.886
2. Production in progress	037		
3. Finished products	038		
4. Merchandise	039	1.321.020	1.321.020
5. Advances for inventories	040		
6. Long term assets held for sale	041		
7. Biological assets	042		
II RECEIVABLES [044 do 049]	043	119.183.560	161.967.387
1. Receivables from related parties	044	74.964.261	78.880.892
2. Receivables from end-customers	045	38.269.110	58.730.348
3. Receivables from participating parties	046		
4. Receivables from employees and members of the company	047	110.122	112.705
5. Receivables from government and other institutions	048	1.499.236	1.273.766
6. Other receivables	049	4.340.831	22.969.676
III CURRENT FINANCIAL ASSETS [051 do 057]	050	90.917.232	115.478.869
1. Share in related parties	051		
2. Loans to related parties	052	90.567.232	114.778.869
3. Participating interests [shares]	053		
4. Loans to companies with participating interest	054		
5. Investments in securities	055		
6. Loans, deposits, etc.	056	350.000	700.000
7. Other financial assets	057		
IV CASH AND CASH EQUIVALENTS	058	6.738.839	40.351.299
D) PREPAYMENTS AND ACCRUED INCOME	059	18.398.567	6.016.888
E) TOTAL ASSETS [001+002+034+059]	060	404.889.760	492.209.819
F) OFF BALANCE SHEET ITEMS	061		

EQUITY AND LIABILITIES			
A) ISSUED CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	173.428.140	174.697.440
I SUBSCRIBED SHARE CAPITAL	063	151.933.680	151.933.680
II CAPITAL RESERVES	064	12.257.035	12.257.035
III RESERVES FROM PROFIT (066+067-068+069+070)	065	0	0
1. Legal reserves	066		
2. Reserve for own shares	067	939.960	939.960
3. Treasury shares and shares (deductible items)	068	939.960	939.960
4. Statutory reserves	069		
5. Other reserves	070		
IV REVALUATION RESERVES	071		
V RETAINED EARNINGS OR LOSS CARRIED FORWARD (073-074)	072	3.654.052	9.237.425
1. Retained earnings	073	3.654.052	9.237.425
2. Loss carried forward	074		
VI NET PROFIT OR LOSS FOR THE PERIOD (076-077)	075	5.583.373	1.269.300
1. Net profit for the period	076	5.583.373	1.269.300
2. Net loss for the period	077		
VII MINORITY INTEREST	078		
B) PROVISIONS (080 do 082)	079	15.301	15.301
1. Provisions for pensions, severance pay and similar liabilities	080	15.301	15.301
2. Provisions for tax liabilities	081		
3. Other provisions	082		
C) NON-CURRENT LIABILITIES (084 do 092)	083	139.476.090	152.104.916
1. Liabilities to related parties	084		
2. Liabilities for loans, deposits, etc.	085		
3. Liabilities to banks and other financial institutions	086	133.735.648	146.475.804
4. Liabilities for advances	087		
5. Trade payables	088		
6. Commitments on securities	089		
7. Liabilities to companies with participating interest	090		
8. Other non-current liabilities	091	5.740.442	5.629.112
9. Deferred tax liabilities	092		
D) CURRENT LIABILITIES (094 do 105)	093	91.970.229	146.828.194
1. Liabilities to related parties	094	2.281.416	30.661.331
2. Liabilities for loans, deposits, etc.	095		
3. Liabilities to banks and other financial institutions	096	7.753.746	22.222.856
4. Liabilities for advances	097	20.432.508	21.942.638
5. Trade payables	098	60.604.651	71.405.248
6. Commitments on securities	099		
7. Liabilities to companies with participating interest	100		
8. Liabilities to employees	101	295.288	284.058
9. Taxes, contributions and similar liabilities	102	575.292	285.427
10. Liabilities arising from share in the result	103		
11. Liabilities arising from non-current assets held for sale	104		
12. Other current liabilities	105	27.328	26.636
E) ACCRUED EXPENSES AND DEFERRED INCOME	106		18.563.968
F) TOTAL EQUITY AND LIABILITIES (062+079+083+093+106)	107	404.889.760	492.209.819
G) OFF BALANCE SHEET ITEMS	108		
ADDITION TO BALANCE SHEET (only for consolidated financial statements)			
ISSUED CAPITAL AND RESERVES			
1. Attributable to majority owners	109		
2. Attributable to minority interest	110		

PROFIT AND LOSS ACCOUNT

for period January 1, 2016 to June 30, 2016 / Company: ĐURO ĐAKOVIĆ Holding d.d.

Position	AOP	Previous period		Current period	
		Cummulative	Quarter	Cummulative	Quarter
1	2	3	4	5	6
I OPERATING INCOME [112 do 113]	111	61.787.802	31.728.844	167.980.328	100.746.695
1. Rendering of services	112	46.280.451	26.178.837	161.660.475	98.861.511
2. Other operating income	113	15.507.352	5.550.008	6.319.853	1.885.184
II OPERATING COSTS [115+116+120+124+125+126+129+130]	114	63.067.821	30.746.320	167.286.246	100.877.210
1. Change in inventories of work in progress	115				
2. Material expenses [117 do 119]	116	45.215.541	26.535.734	125.630.847	81.966.451
a) Costs of raw materials	117	1.481.223	739.331	920.589	375.851
b) Cost of goods sold	118	41.033.138	23.957.438	121.314.303	79.138.983
c) Other material expenses	119	2.701.180	1.838.965	3.395.955	2.451.617
3. Employee benefits expenses [121 do 123]	120	3.309.043	1.604.332	3.015.812	1.484.441
a) Net salaries	121	1.881.032	916.011	1.660.460	817.229
b) Tax and contributions from salary expenses	122	920.090	441.192	894.094	440.046
c) Contributions on salary	123	507.922	247.130	461.258	227.166
4. Depreciation and amortisation	124	1.522.076	1.032.059	2.856.066	1.523.682
5. Other expenses	125	12.730.339	1.488.990	35.609.580	15.854.310
6. Write down of assets [127+128]	126	0	0	157	157
a) non-current assets [except financial assets]	127				
b) current assets [except financial assets]	128			157	157
7. Provisions	129				
8. Other operating costs	130	290.822	85.205	173.784	48.169
III FINANCIAL INCOME [132 do 136]	131	6.359.034	3.301.454	4.779.785	2.564.571
1. Interest, foreign exchange differences, dividends and similar income from related parties	132	6.236.088	3.201.151	4.315.622	2.280.257
2. Interest, foreign exchange differences, dividends and similar income from third parties	133	122.946	100.303	464.163	284.314
3. Income from investments in associates and joint ventures	134				
4. Unrealised gains [income] from financial assets	135				
5. Other financial income	136				
IV FINANCIAL EXPENSES [138 do 141]	137	1.820.859	1.380.634	4.204.567	3.480.624
1. Interest, foreign exchange differences, dividends and similar income from related parties	138	586	206	52	25
2. Interest, foreign exchange differences, dividends and similar income from third parties	139	1.820.274	1.380.429	4.204.515	3.480.599
3. Unrealised losses [expenses] from financial assets	140				
4. Other financial expenses	141				
V SHARE OF PROFIT FROM ASSOCIATED COMPANIES	142				
VI SHARE OF LOSS FROM ASSOCIATED COMPANIES	143				
VII EXTRAORDINARY - OTHER INCOME	144				
VIII EXTRAORDINARY - OTHER EXPENSES	145				
IX TOTAL INCOME [111+131+144]	146	68.146.836	35.030.298	172.760.113	103.311.266
X TOTAL EXPENSES [114+137+143+145]	147	64.888.680	32.126.954	171.490.813	104.357.834
XI PROFIT OR LOSS BEFORE TAXES [146-147]	148	3.258.156	2.903.344	1.269.300	-1.046.568
1. Profit before taxes [146-147]	149	3.258.156	2.903.344	1.269.300	0
2. Loss before taxes [147-146]	150				
XII TAXATION	151				
XII PROFIT OR LOSS FOR THE PERIOD [148-151]	152	3.258.156	2.903.344	1.269.300	-1.046.568
1. Profit for the period [149-151]	153	3.258.156	2.903.344	1.269.300	0
2. Loss for the period [151-148]	154			0	1.046.568
ADDITION TO PROFIT AND LOSS ACCOUNT [only for consolidated financial statements]					
XIV PROFIT OR LOSS FOR THE PERIOD					
1. Attributable to majority owners	155				
2. Attributable to minority interest	156				
STATEMENT OF OTHER COMPREHENSIVE INCOME [only for IFRS adopters]					
I PROFIT OR LOSS FOR THE PERIOD [=152]	157	3.258.156	2.903.344	1.269.300	-1.046.568
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAXES [159 TO 165]	158	0	0	0	0
1. Exchange differences from international settlement	159				
2. Changes in revaluation reserves of long-term tangible and intangible assets	160				
3. Profit or loss from re-evaluation of financial assets held for sale	161				
4. Profit or loss from cash flow hedging	162				
5. Profit or loss from hedging of foreign investments	163				
6. Share of other comprehensive income/loss from associated companies	164				
7. Actuarial gains/losses from defined benefit plans	165				
III TAXATION OF OTHER COMPREHENSIVE INCOME FOR THE PERIOD	166				
IV NET OTHER COMPREHENSIVE INCOME FOR THE PERIOD [158 TO 166]	167	0	0	0	0
V COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD [157+167]	168	3.258.156	2.903.344	1.269.300	-1.046.568
ADDITION TO STATEMENT OF OTHER COMPREHENSIVE INCOME [only for consolidated financial statements]					
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD					
1. Attributable to majority owners	169				
2. Attributable to minority interest	170				

CASH FLOW STATEMENT - Indirect method

for period January 1, 2016 to June 30, 2016 / Company: ĐURO ĐAKOVIĆ Holding d.d.

Position	AOP	Previous period	Current period
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before taxes	001	5.583.373	1.269.300
2. Amortization	002	3.765.417	2.856.066
3. Increase of current liabilities	003	5.756.292	58.745.323
4. Decrease of receivables	004		
5. Decrease of inventories	005		
6. Other increase of cash flow	006	611.255	372.963
I Total increase in cash flow from operating activities [001 to 006]	007	15.716.337	63.243.652
1. Decrease of current liabilities	008		
2. Increase of receivables	009	92.885.398	55.018.556
3. Increase of inventories	010		
4. Other decrease of cash flow	011		
II Total decrease in cash flow from operating activities [008 to 011]	012	92.885.398	55.018.556
A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES	013	0	8.225.096
A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES	014	77.169.061	0
CASH FLOW FROM INVESTING ACTIVITIES			
1. Cash flow from sale of long - term tangible and intangible assets	015	21.954.194	2.697.433
2. Cash inflows from sale of equity and debt financial instruments	016		
3. Interest receipts	017		
4. Dividend receipts	018		
5. Other cash inflows from investing activities	019		
III Total cash inflows from investing activities[015 to 019]	020	21.954.194	2.697.433
1. Cash outflows for purchase of long - term tangible and intangible assets	021	39.262.867	4.253.357
2. Cash outflows for purchase of equity and debt financial instruments	022		
3. Other cash outflows from investing activities	023		
IV Total cash outflows from investing activities [021 to 023]	024	39.262.867	4.253.357
B1) NET INCREASE OF CASH FLOW FROM INVESTING ACTIVITIES	025	0	0
B2) NET DECREASE OF CASH FLOW FROM INVESTING ACTIVITIES	026	17.308.673	1.555.924
CASH FLOW FROM FINANCING ACTIVITIES			
1. Cash receipts from issuance of equity and debt financial instruments	027		
2. Cash inflows from loans, debentures, credits and other borrowings	028	120.618.387	38.973.734
3. Other cash inflows from financing activities	029	91.324.166	114.000
V Total cash inflows from financing activities [027 to 029]	030	211.942.553	39.087.734
1. Cash outflows for repayment of loans and bonds	031	32.063.824	11.744.447
2. Dividends paid	032		
3. Cash outflows for finance lease	033	145.139	
4. Cash outflows for purchase of own stocks	034	106.713.407	400.000
5. Other cash outflows from financing activities	035	20.584.024	
VI Total cash outflows from financing activities [031 to 035]	036	159.506.394	12.144.447
C1) NET INCREASE OF CASH FLOW FROM FINANCING ACTIVITIES	037	52.436.159	26.943.287
C2) NET DECREASE OF CASH FLOW FROM FINANCING ACTIVITIES	038	0	0
Total increases of cash flows [013-014 + 025-026 + 037-038]	039	0	33.612.459
Total decreases of cash flows [014-013 + 026-025 + 038-037]	040	42.041.575	0
Cash and cash equivalents at the beginning of period	041	48.780.414	6.738.839
Decrease in cash and cash equivalents	042		
Increase in cash and cash equivalents	043	42.041.575	33.612.459
Cash and cash equivalents at the end of period	044	6.738.839	40.351.298

STATEMENT OF CHANGES IN EQUITY

for period January 1, 2016 to June 30, 2016 / Company: ĐURO ĐAKOVIĆ Holding d.d.

Position	AOP	Previous year	Current year
1	2	3	4
1. Subscribed share capital	001	151.933.680	151.933.680
2. Capital reserves	002	12.257.035	12.257.035
3. Reserves from profit	003		
4. Retained earnings or loss carried forward	004	3.654.052	9.237.425
5. Net profit or loss for the period	005	5.583.373	1.269.300
6. Revaluation of tangible assets	006		
7. Revaluation of intangible assets	007		
8. Revaluation of available for sale assets	008		
9. Other revaluation	009		
10. Total equity and reserves (AOP 001 to 009)	010	173.428.140	174.697.440
11. Foreign exchange differences from foreign investments	011		
12. Current and deferred taxes	012		
13. Cash flow hedge	013		
14. Change of accounting policies	014		
15. Correction of significant mistakes of prior period	015		
16. Other changes	016	5.583.373	1.269.300
17. Total increase or decrease of equity (AOP 011 to 016)	017	5.583.373	1.269.300
17 a. Attributable to majority owners	018		
17 b. Attributable to minority interest	019		

Quarterly financial report of entrepreneur TFI-POD

Reporting period: 1/1/2016 to 6/30/2016

Appendix 1

Reporting period: 1/1/2016 to 6/30/2016

Quarterly financial report of entrepreneur TFI-POD

Registration number [MB]	3635112		
Identification number of subject [MBS]	05002378		
Personal identification number [OIB]	58828286397		
Issuer company:	ĐURO ĐAKOVIĆ Holding d.d.		
Postal code and place	35000	SLAVONSKI BROD	
Street and number	Dr. MILE BUDAKA 1		
E-mail address:	uprava@duro-dakovic.com		
Internet address:	www.duro-dakovic.com		
Code and name of comune/town	396	SLAVONSKI BROD	
Code and county name	12	BRODSKO POSAVSKA	Number of employees [at quarter end] 925
Consolidated statement	YES	NKD/NWC code:	7010
Subsidiaries subject to consolidation [according to IFRS]:		Residence	Registration number:
ĐURO ĐAKOVIĆ Specijalna vozila d.d.	Dr. Mile Budaka 1, Slavonski Brod		3386066
ĐURO ĐAKOVIĆ Industrijska rješenja d.d.	Dr. Mile Budaka 1, Slavonski Brod		3411281
ĐURO ĐAKOVIĆ Strojna obrada d.o.o.	Dr. Mile Budaka 1, Slavonski Brod		1648527
ĐURO ĐAKOVIĆ Energetika i infrastruktura d.o.o.	Dr. Mile Budaka 1, Slavonski Brod		0288527
ĐURO ĐAKOVIĆ Slobodna zona d.o.o.	Dr. Mile Budaka 1, Slavonski Brod		1577921

Book keeping service:

Contact person:	POSAVAC SLAVEN [fill in only surname and name of contact person]		
Phone number:	035/446 256	Fax:	035/444 108
E-mail address:	uprava @duro-dakovic.com		
Surname and name	MAZAL TOMISLAV [authorised person for representation]		

Disclosure documents:

1. Financial statements [balance sheet, profit and loss account, cash flow statement, statement of changes in shareholders' equity and notes to the financial statements]
2. Report of the Management Board on position of the Company
3. Statement of responsible persons for preparation of financial statements

M.P.

ĐURO ĐAKOVIĆ
HOLDING d.d.
SLAV. BROD, Dr. M. Budaka 1
2



[signed by authorised person for representation]

CONSOLIDATED BALANCE SHEET

as on day June 30, 2016 / Company: ĐURO ĐAKOVIĆ Holding d.d.

Position	AOP	Previous period	Current period
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED NOT PAID CAPITAL	001		
B) NON-CURRENT ASSETS (003+010+020+029+033)	002	276.240.761	273.611.344
I INTANGIBLE ASSETS (004 do 009)	003	25.425.886	25.715.542
1. Expenditure for development	004	6.883.374	6.958.485
2. Concessions, patents, licenses, trademarks, service marks, software and other rights	005	3.889.144	3.320.794
3. Goodwill	006		
4. Advances for purchase of intangible assets	007		
5. Intangible assets in progress	008	14.607.850	15.397.418
6. Other intangible assets	009	45.518	38.845
II PROPERTY, PLANT AND EQUIPMENT (011 do 019)	010	240.293.069	237.534.024
1. Land	011	15.472.391	15.472.391
2. Buildings	012	101.740.982	100.341.400
3. Plant and equipment	013	33.715.854	35.473.683
4. Tools, working inventory and transportation assets	014	20.038.054	40.627.033
5. Biological assets	015		
6. Advances for purchase of tangible assets	016	434.698	126.155
7. Tangible assets in progress	017	65.242.278	41.881.450
8. Other tangible assets	018		8.252
9. Investment in real-estate	019	3.648.812	3.603.660
III NON-CURRENT FINANCIAL ASSETS (021 do 028)	020	1.455.795	2.059.099
1. Share in related parties	021		
2. Loans to related parties	022		
3. Participating interests (shares)	023	794.422	794.422
4. Loans to companies with participating interest	024		
5. Investments in securities	025	87.808	87.808
6. Loans, deposits, etc.	026	535.515	1.139.230
7. Other non-current financial assets	027	38.050	37.639
8. Equity-accounted investments	028		
IV RECEIVABLES (030 do 032)	029	9.066.011	8.302.679
1. Receivables from related parties	030		
2. Receivables arising from sales on credit	031	8.772.054	6.174.172
3. Other receivables	032	293.957	2.128.507
V DEFERRED TAX ASSET	033		
C) CURRENT ASSETS (035+043+050+058)	034	214.946.236	318.596.429
I INVENTORIES (036 do 042)	035	96.017.061	119.888.056
1. Raw materials and supplies	036	33.258.822	52.127.611
2. Production in progress	037	46.599.471	49.348.971
3. Finished products	038	11.700.238	11.854.454
4. Merchandise	039	1.817.068	1.817.068
5. Advances for inventories	040	2.641.462	4.739.952
6. Long term assets held for sale	041		
7. Biological assets	042		
II RECEIVABLES (044 do 049)	043	80.609.971	148.517.725
1. Receivables from related parties	044		
2. Receivables from end-customers	045	72.220.727	115.716.165
3. Receivables from participating parties	046		
4. Receivables from employees and members of the company	047	163.993	184.261
5. Receivables from government and other institutions	048	3.107.355	4.679.450
6. Other receivables	049	5.117.896	27.937.849
III CURRENT FINANCIAL ASSETS (051 do 057)	050	884.770	1.104.444
1. Share in related parties	051		
2. Loans to related parties	052		
3. Participating interests (shares)	053		
4. Loans to companies with participating interest	054		
5. Investments in securities	055		
6. Loans, deposits, etc.	056	754.770	974.444
7. Other financial assets	057	130.000	130.000
IV CASH AND CASH EQUIVALENTS	058	37.434.434	49.086.204
D) PREPAYMENTS AND ACCRUED INCOME	059	18.479.335	6.555.829
E) TOTAL ASSETS (001+002+034+059)	060	509.666.332	598.763.602
F) OFF BALANCE SHEET ITEMS	061	149.966.185	174.206.344

EQUITY AND LIABILITIES			
A) ISSUED CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	496.132	-10.357.304
I SUBSCRIBED SHARE CAPITAL	063	151.933.680	151.933.680
II CAPITAL RESERVES	064	15.686.933	15.686.933
III RESERVES FROM PROFIT (066+067-068+069+070)	065	0	0
1. Legal reserves	066		
2. Reserve for own shares	067	939.960	939.960
3. Treasury shares and shares (deductible items)	068	939.960	939.960
4. Statutory reserves	069		
5. Other reserves	070		
IV REVALUATION RESERVES	071		
V RETAINED EARNINGS OR LOSS CARRIED FORWARD (073-074)	072	-95.048.722	-162.035.249
1. Retained earnings	073		
2. Loss carried forward	074	95.048.722	162.035.249
VI NET PROFIT OR LOSS FOR THE PERIOD (076-077)	075	-67.864.446	-10.888.743
1. Net profit for the period	076		
2. Net loss for the period	077	67.864.446	10.888.743
VII MINORITY INTEREST	078	-4.211.313	-5.053.925
B) PROVISIONS (080 do 082)	079	15.549.651	10.980.378
1. Provisions for pensions, severance pay and similar liabilities	080	2.409.776	2.409.776
2. Provisions for tax liabilities	081		
3. Other provisions	082	13.139.875	8.570.602
C) NON-CURRENT LIABILITIES (084 do 092)	083	239.700.129	249.659.293
1. Liabilities to related parties	084		
2. Liabilities for loans, deposits, etc.	085		
3. Liabilities to banks and other financial institutions	086	227.773.962	237.985.973
4. Liabilities for advances	087		
5. Trade payables	088		
6. Commitments on securities	089		
7. Liabilities to companies with participating interest	090		
8. Other non-current liabilities	091	11.926.167	11.673.320
9. Deferred tax liabilities	092		
D) CURRENT LIABILITIES (094 do 105)	093	249.289.114	323.245.981
1. Liabilities to related parties	094		
2. Liabilities for loans, deposits, etc.	095		
3. Liabilities to banks and other financial institutions	096	74.610.730	109.710.680
4. Liabilities for advances	097	48.880.943	63.316.806
5. Trade payables	098	111.294.466	139.917.191
6. Commitments on securities	099		
7. Liabilities to companies with participating interest	100		
8. Liabilities to employees	101	6.339.171	5.914.270
9. Taxes, contributions and similar liabilities	102	7.593.919	4.084.338
10. Liabilities arising from share in the result	103		
11. Liabilities arising from non-current assets held for sale	104		
12. Other current liabilities	105	569.885	302.696
E) ACCRUED EXPENSES AND DEFERRED INCOME	106	4.631.306	25.235.254
F) TOTAL EQUITY AND LIABILITIES (062+079+083+093+106)	107	509.666.332	598.763.602
G) OFF BALANCE SHEET ITEMS	108	149.966.185	174.206.344
ADDITION TO BALANCE SHEET (only for consolidated financial statements)			
ISSUED CAPITAL AND RESERVES			
1. Attributable to majority owners	109	4.707.445	-5.303.379
2. Attributable to minority interest	110	-4.211.313	-5.053.925

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for period January 1, 2016 to June 30, 2016 / Company: ĐURO ĐAKOVIĆ Holding d.d.

Position	AOP	Previous period		Current period	
		Cummulative	Quarter	Cummulative	Quarter
1	2	3	4	5	6
I OPERATING INCOME [112 do 113]	111	176.944.784	87.756.191	271.245.677	168.439.781
1. Rendering of services	112	169.094.645	80.806.913	257.784.478	158.133.566
2. Other operating income	113	7.850.139	6.949.278	13.461.199	10.306.215
II OPERATING COSTS [115+116+120+124+125+126+129+130]	114	204.587.215	100.196.470	274.602.047	163.133.918
1. Change in inventories of work in progress	115	718.990	-8.360.383	-4.289.917	-782.422
2. Material expenses [117 do 119]	116	116.421.755	69.280.625	174.808.302	113.365.469
a) Costs of raw materials	117	73.036.255	40.205.567	64.611.814	42.847.400
b) Cost of goods sold	118	24.107.717	16.314.477	88.558.330	56.227.487
c) Other material expenses	119	19.277.783	12.760.581	21.638.158	14.290.582
3. Employee benefits expenses [121 do 123]	120	52.600.240	26.246.531	45.652.367	23.074.835
a) Net salaries	121	34.436.088	17.309.694	28.946.618	14.716.334
b) Tax and contributions from salary expenses	122	11.201.264	5.500.813	10.082.910	4.971.906
c) Contributions on salary	123	6.962.888	3.436.024	6.622.839	3.386.595
4. Depreciation and amortisation	124	9.395.403	5.137.361	11.230.854	5.746.577
5. Other expenses	125	22.839.518	7.022.290	45.500.214	20.607.149
6. Write down of assets [127+128]	126	3.063	0	2.076	217
a) non-current assets [except financial assets]	127				
b) current assets [except financial assets]	128	3.063		2.076	217
7. Provisions	129	1.205.031			
8. Other operating costs	130	1.403.215	870.046	1.698.151	1.122.093
III FINANCIAL INCOME [132 do 136]	131	814.652	590.863	885.883	661.334
1. Interest, foreign exchange differences, dividends and similar income from related parties	132				
2. Interest, foreign exchange differences, dividends and similar income from third parties	133	810.231	588.564	882.246	661.334
3. Income from investments in associates and joint ventures	134				
4. Unrealised gains [income] from financial assets	135				
5. Other financial income	136	4.421	2.299	3.637	
IV FINANCIAL EXPENSES [138 do 141]	137	7.132.542	3.689.979	8.382.949	5.334.015
1. Interest, foreign exchange differences, dividends and similar income from related parties	138				
2. Interest, foreign exchange differences, dividends and similar income from third parties	139	7.130.758	3.688.885	8.382.949	5.334.015
3. Unrealised losses [expenses] from financial assets	140				
4. Other financial expenses	141	1.784	1.094		
V SHARE OF PROFIT FROM ASSOCIATED COMPANIES	142				
VI SHARE OF LOSS FROM ASSOCIATED COMPANIES	143				
VII EXTRAORDINARY - OTHER INCOME	144				
VIII EXTRAORDINARY - OTHER EXPENSES	145				
IX TOTAL INCOME [111+131+144]	146	177.759.436	88.347.054	272.131.560	169.101.115
X TOTAL EXPENSES [114+137+143+145]	147	211.719.757	103.886.449	282.984.996	168.467.933
XI PROFIT OR LOSS BEFORE TAXES [146-147]	148	-33.960.321	-15.539.395	-10.853.436	633.182
1. Profit before taxes [146-147]	149	0	0	0	633.182
2. Loss before taxes [147-146]	150	33.960.321	15.539.395	10.853.436	0
XII TAXATION	151				
XII PROFIT OR LOSS FOR THE PERIOD [148-151]	152	-33.960.321	-15.539.395	-10.853.436	633.182
1. Profit for the period [149-151]	153	0	0	0	633.182
2. Loss for the period [151-148]	154	33.960.321	15.539.395	10.853.436	0
ADDITION TO PROFIT AND LOSS ACCOUNT [only for consolidated financial statements]					
XIV PROFIT OR LOSS FOR THE PERIOD					
1. Attributable to majority owners	155				
2. Attributable to minority interest	156				
STATEMENT OF OTHER COMPREHENSIVE INCOME [only for IFRS adopters]					
I PROFIT OR LOSS FOR THE PERIOD [=152]	157	-33.960.321	-15.539.395	-10.853.436	633.182
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAXES [159 TO 165]	158	0	0	0	0
1. Exchange differences from international settlement	159				
2. Changes in revaluation reserves of long-term tangible and intangible assets	160				
3. Profit or loss from re-evaluation of financial assets held for sale	161				
4. Profit or loss from cash flow hedging	162				
5. Profit or loss from hedging of foreign investments	163				
6. Share of other comprehensive income/loss from associated companies	164				
7. Actuarial gains/losses from defined benefit plans	165				
III TAXATION OF OTHER COMPREHENSIVE INCOME FOR THE PERIOD	166				
IV NET OTHER COMPREHENSIVE INCOME FOR THE PERIOD [158 TO 166]	167	0	0	0	0
V COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD [157+167]	168	-33.960.321	-15.539.395	-10.853.436	633.182
ADDITION TO STATEMENT OF OTHER COMPREHENSIVE INCOME [only for consolidated financial statements]					
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD					
1. Attributable to majority owners	169	-33.315.577	-15.186.460	-10.888.743	520.511
2. Attributable to minority interest	170	-644.744	-352.935	35.307	112.671

CONSOLIDATE CASH FLOW STATEMENT - Indirect method

for period January 1, 2016 to June 30, 2016 / Company: ĐURO ĐAKOVIĆ Holding d.d.

Position	AOP	Previous period	Current period
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before taxes	001	-63.863.597	-10.853.436
2. Amortization	002	19.903.894	11.230.854
3. Increase of current liabilities	003		74.869.478
4. Decrease of receivables	004		
5. Decrease of inventories	005	3.206.619	
6. Other increase of cash flow	006	3.853.833	
I Total increase in cash flow from operating activities [001 to 006]	007	-36.899.251	75.246.896
1. Decrease of current liabilities	008	11.900.638	
2. Increase of receivables	009	10.297.817	68.504.861
3. Increase of inventories	010		21.853.288
4. Other decrease of cash flow	011	2.488.593	7.792.853
II Total decrease in cash flow from operating activities [008 to 011]	012	24.687.048	98.151.002
A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES	013	0	0
A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES	014	61.586.299	22.904.106
CASH FLOW FROM INVESTING ACTIVITIES			
1. Cash flow from sale of long - term tangible and intangible assets	015	23.436.182	245.786
2. Cash inflows from sale of equity and debt financial instruments	016		
3. Interest receipts	017		922
4. Dividend receipts	018		
5. Other cash inflows from investing activities	019		
III Total cash inflows from investing activities[015 to 019]	020	23.436.182	246.708
1. Cash outflows for purchase of long - term tangible and intangible assets	021	55.511.482	9.741.144
2. Cash outflows for purchase of equity and debt financial instruments	022		
3. Other cash outflows from investing activities	023		
IV Total cash outflows from investing activities [021 to 023]	024	55.511.482	9.741.144
B1) NET INCREASE OF CASH FLOW FROM INVESTING ACTIVITIES	025	0	0
B2) NET DECREASE OF CASH FLOW FROM INVESTING ACTIVITIES	026	32.075.300	9.494.436
CASH FLOW FROM FINANCING ACTIVITIES			
1. Cash receipts from issuance of equity and debt financial instruments	027		
2. Cash inflows from loans, debentures, credits and other borrowings	028	178.688.696	100.532.498
3. Other cash inflows from financing activities	029	89.144.369	114.000
V Total cash inflows from financing activities [027 to 029]	030	267.833.065	100.646.498
1. Cash outflows for repayment of loans and bonds	031	168.850.543	56.172.373
2. Dividends paid	032		
3. Cash outflows for finance lease	033	458.342	23.814
4. Cash outflows for purchase of own stocks	034		400.000
5. Other cash outflows from financing activities	035	20.667.852	
VI Total cash outflows from financing activities [031 to 035]	036	189.976.737	56.596.187
C1) NET INCREASE OF CASH FLOW FROM FINANCING ACTIVITIES	037	77.856.328	44.050.311
C2) NET DECREASE OF CASH FLOW FROM FINANCING ACTIVITIES	038	0	0
Total increases of cash flows [013-014 + 025-026 + 037-038]	039	0	11.651.769
Total decreases of cash flows [014-013 + 026-025 + 038-037]	040	15.805.271	0
Cash and cash equivalents at the beginning of period	041	53.239.705	37.434.434
Decrease in cash and cash equivalents	042		11.651.769
Increase in cash and cash equivalents	043	15.805.271	
Cash and cash equivalents at the end of period	044	37.434.434	49.086.203

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for period January 1, 2016 to June 30, 2016 / Company: ĐURO ĐAKOVIĆ Holding d.d.

Position	AOP	Previous year	Current year
1	2	3	4
1. Subscribed share capital	001	151.933.680	151.933.680
2. Capital reserves	002	15.686.933	15.686.933
3. Reserves from profit	003		
4. Retained earnings or loss carried forward	004	-95.048.722	-162.035.249
5. Net profit or loss for the period	005	-72.075.759	-15.942.668
6. Revaluation of tangible assets	006		
7. Revaluation of intangible assets	007		
8. Revaluation of available for sale assets	008		
9. Other revaluation	009		
10. Total equity and reserves (AOP 001 to 009)	010	496.132	-10.357.304
11. Foreign exchange differences from foreign investments	011		
12. Current and deferred taxes	012		
13. Cash flow hedge	013		
14. Change of accounting policies	014		
15. Correction of significant mistakes of prior period	015		
16. Other changes	016	-67.864.446	-10.888.743
17. Total increase or decrease of equity (AOP 011 to 016)	017	-67.864.446	-10.888.743
17 a. Attributable to majority owners	018	4.707.445	-5.303.379
17 b. Attributable to minority interest	019	-4.211.313	-5.053.925

**STATEMENT OF PERSONS ACCOUNTABLE FOR COMPOSING
NON-CONSOLIDATING AND CONSOLIDATED FINANCIAL REPORTS
OF ĐURO ĐAKOVIĆ Holding d.d.**

FOR THE PERIOD 1 January 2016 - 30 June 2016

**In line with the Capital Market Act, Article 403 [Official Gazette no. 88/08; 146/08;
74/09; 54/13; 159/13; 18/15; 110/15] Management Board of ĐURO ĐAKOVIĆ Holding d.d.,
Dr. Mile Budaka 1, Slavonski Brod states:**

The Management Board of Đuro Đaković Holding d.d. is obligated to secure that non-consolidated and consolidated financial reports for the period 1 - 6 of 2016 are composed in line with the Accounting Act and also in line with international standards of financial reporting. The management boards of companies which are in the system of Đuro Đaković Holding d.d. and which are subject to consolidation, are responsible for those companies' financial reports.

According to our best knowledge, the presented financial reports provide a wholesome and truthful display of assets and liabilities, profit and loss, financial position and business activities of Đuro Đaković Holding d.d. and the companies included in the consolidation as a whole.

The financial reports for the period 1 - 6 2016 have not been revised.

Signed on behalf of the Management Board:

Tomislav Mazal, LLB, President of the Management Board

Marko Bogdanović, B.Sc., Member of the Management Board

In Slavonski Brod, 29 July 2016

»ĐURO ĐAKOVIĆ«
HOLDING d.d.
SLAV. BROD, Dr. M. Budaka 1
2



ĐURO ĐAKOVIĆ