

Dalekovod d.d.
Marijana Čavića 4
10 000 Zagreb



Management Report for Jan-Jun 2013

Unaudited, nonconsolidated

Zagreb, 30 July 2013

TABLE OF CONTENTS:

- I. MANAGEMENT REPORT
- II. DECLARATION
- III. BALANCE SHEET
- IV. COMPREHENSIVE INCOME STATEMENT
- V. CASH FLOW STATEMENT
- VI. STATEMENT OF CHANGES IN EQUITY
- VII. NOTES TO FINANCIAL STATEMENTS

I. MANAGEMENT REPORT

In the first two quarters of 2013, Dalekovod Group ("Group") generated operating revenue of HRK 564 million, EBITDA of HRK 38.6 million, and net income of HRK 18.8 million. During the same period, Dalekovod d.d. ("Company") generated operating revenue of HRK 386 million, EBITDA of HRK 23.4 million, and net income of HRK 5.2 million.

The Company's operations in the first two quarters of 2013 were marked by positive shifts in Company's and Group's business:

- The net income of Dalekovod Group was HRK 18.8 million, which was an increase compared to the same period of 2012 when net income was HRK 16.4 million. The net income of Dalekovod d.d. was HRK 5.2 million, while a net loss of HRK 8.2 million was incurred in 2012.
- The Company reached a settlement with its creditors in the Pre-bankruptcy Settlement process, at the hearing held on 2 April 2013 before FINA's Settlement Council.
- Pursuant to the Financial Operations and Pre-bankruptcy Settlement Act, the Company had significantly lower financial expenses, which resulted in its positive net income.
- The Group restructuring processes were intensified.

After changing the strategy of the Company and the Group, which primarily includes a stronger focus on international markets, the Company and its management are aware it is crucial to continue with further optimization of fixed costs for the Company to adapt to the newly emerged environment of reduced demand on the domicile market and adapted for a significant penetration of international markets.

During the past period, the Company made great efforts toward obtaining projects on international markets, most of which will be implemented this year in the upcoming years. The Company also implements projects in Norway, Ukraine and Slovenia. In addition, the Group and the Company participate in a number of local and international tenders to contract new work and achieve their plan requiring decreased growth in revenue in the upcoming years. The Company has undertaken activities to obtain its position and appear on certain Western European markets for the first time, where the prequalifying process for work contracts is ongoing or has been completed. As a result of Company's strong international activity, new significant contracts are expected to be awarded to the Company abroad, of which the Company will promptly notify its shareholders.

On behalf of the Management Board:



Goran Brajdić
Management Board Member
Dalekovod d.d.

II. DECLARATION

Pursuant to Article 410, paragraph 2, and Article 407, paragraph 2, subparagraph 3, and paragraph 3 of the Capital Market Act, the persons responsible for preparing the Report: Matjaž Gorjup – Chairman of the Management Board, Krešimir Anušić – Management Board member, Marko Jurković – Management Board member, Željko Lekšić – Management Board member, and Goran Brajdić – Management Board member, hereby issue this

DECLARATION

To the best of our knowledge, the summary set of financial statements for DALEKOVOD and the Group, prepared in compliance with the appropriate financial reporting standards, provides a complete and true view of the assets and liabilities and business results of DALEKOVOD and the Group, with a brief comment on the causes of the stated information. The financial statements have not been audited.

On behalf of the Management Board:



Goran Brajdić
Management Board Member
Dalekovod d.d.



III. BALANCE SHEET

Name of position:	AOP	Previous year (net)	Current year (net)	Previous year (net)	Current year (net)
1	2	3	4	5	6
			DALEKOVOD jsc	DALEKOVOD GROUP	
ASSETS					
A) SUBSCRIBED CAPITAL UNPAID	001	0	0	0	0
B) NON CURRENT ASSETS (003+010+020+029+033)	002	1.031.951.829	1.026.533.175	1.203.206.236	1.204.277.598
I. INTANGIBLE ASSETS (004 to 009)	003	10.369.957	8.422.336	17.343.544	15.117.107
1. Research & Development expenditure	004	0	0	0	752.309
2. Patents, licences, royalties, trade marks, software&similar rights	005	10.356.357	8.422.336	12.476.778	9.554.393
3. Goodwill	006	0	0	4.559.000	4.559.000
4. Prepayments for intangible assets	007	0	0	0	0
5. Intangible assets under construction	008	13.600	0	13.600	0
6. Other intangible assets	009	0	0	294.165	251.405
II. TANGIBLE ASSETS (011 to 019)	010	542.590.087	529.274.654	1.035.750.191	1.022.201.304
1. Land	011	164.913.887	164.913.887	212.852.569	212.831.695
2. Property	012	67.252.692	65.846.623	114.703.655	112.665.371
3. Plants and equipment	013	81.475.067	75.273.825	141.331.822	132.173.451
4. Tools, plants&vehicles	014	8.175.967	6.321.788	16.523.933	15.021.762
5. Biological asset	015	0	0	0	0
6. Prepayments for tangible assets	016	0	0	118.952	118.756
7. Assets under construction	017	0	0	329.054.453	332.087.287
8. Other tangible assets	018	0	0	14.224	11.065
9. Investments property	019	220.772.474	216.918.531	221.150.585	217.291.918
III. NON-CURRENT FINANCIAL ASSETS (021 to 028)	020	478.991.785	488.836.185	150.112.501	166.959.186
1. Share in related parties	021	410.524.187	410.580.311	79.730.046	86.927.019
2. Loans to related parties	022	1.384.622	1.367.259	1.384.622	1.367.259
3. Participating interests (stakes)	023	26.436.656	26.436.656	26.436.656	26.436.656
4. Loans to participating interest	024	0	0	0	0
5. Investments in securities	025	36.590.140	36.590.139	36.613.812	36.597.571
6. Loans & deposits	026	4.056.180	13.861.820	5.665.420	15.349.200
7. Other non-current financial assets	027	0	0	281.945	281.480
8. Investment accounted by equity method	028	0	0	0	0
IV. TRADE RECEIVABLES (030 to 032)	029	0	0	0	0
1. Receivables from related parties	030	0	0	0	0
2. Receivables from credit sales	031	0	0	0	0
3. Other receivables	032	0	0	0	0
V. DEFERRED TAX ASSETS	033	0	0	0	0
C) CURENT ASSETS (035+043+050+058)	034	457.783.310	521.270.741	710.536.470	722.894.672
I. INVENTORIES (036 to 042)	035	10.339.440	9.497.779	152.780.132	145.783.847
1. Raw materials & consumables	036	8.147.751	7.624.313	58.374.403	58.743.410
2. Work in progress	037	0	0	32.799.672	20.027.272
3. Products	038	2.145.149	1.873.466	43.776.567	54.166.666
4. Merchandise	039	46.540	0	17.437.858	12.523.099
5. Prepayments for inventories	040	0	0	273.960	205.729
6. Other available-for-sale assets	041	0	0	117.671	117.671
7. Biological asset	042	0	0	0	0
II. RECEIVABLES (044 to 049)	043	372.825.182	409.401.370	526.792.020	539.645.644
1. Receivables from related parties	044	46.948.617	46.200.373	0	0
2. Trade receivables	045	264.682.910	294.603.236	430.942.041	422.623.001
3. Receivables from participating parties	046	494.108	681.720	1.045.495	1.233.107
4. Amounts receivable from employees	047	506.898	768.338	602.781	948.283
5. Receivables from government agencies	048	0	0	843.602	1.757.155
6. Other receivables	049	60.192.649	67.147.703	93.358.101	113.084.098
III. CURRENT FINANCIAL ASSETS (051 to 057)	050	64.926.870	94.179.617	9.810.758	25.481.359
1. Share in related parties	051	0	0	0	0
2. Loans to related parties	052	63.947.039	84.605.212	0	0
3. Participating interests (stakes)	053	0	0	0	0
4. Loans to participating interest	054	334.261	311.737	334.261	311.736
5. Investments in securities	055	28.074	28.074	28.074	28.074
6. Loans & deposits	056	617.496	9.234.594	9.087.557	24.780.683
7. Other financial assets	057	0	0	360.866	360.866
IV. CASH ON HAND AND IN THE BANK	058	9.691.818	8.191.975	21.153.561	11.983.823
D) PREPAYMENTS AND ACCRUED INCOME	059	2.951.921	1.533.438	5.600.231	1.682.181
E) TOTAL ASSETS (001+002+034+059)	060	1.492.687.060	1.549.337.354	1.919.342.937	1.928.854.451
F) OFF-BALANCE SHEET ITEMS	061	1.091.563.126	1.092.253.990	1.756.703.665	1.739.216.099

EQUITY AND LIABILITIES					
A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	133.116.722	138.295.179	188.734.011	207.140.971
I. SHARE CAPITAL	063	286.726.500	286.726.500	286.726.500	286.726.500
II. CAPITAL RESERVES	064	80.478.889	80.478.889	80.478.889	80.478.889
III. RESERVES FROM PROFIT (066+067-068+069+070)	065	157.131.299	157.131.299	162.628.489	161.450.229
1. Legal reserves	066	11.486.600	11.486.600	12.634.367	11.648.421
2. Reserves for own shares	067	7.773.071	7.773.071	7.773.071	7.773.071
3. Own shares and stakes (less)	068	7.773.071	7.773.071	7.773.071	7.773.071
4. Statutory reserves	069	32.881.286	32.881.286	32.613.117	32.602.008
5. Other reserves	070	112.763.413	112.763.413	117.381.006	117.199.801
IV. REVALUATION RESERVES	071	50.020.716	50.020.716	64.209.170	64.137.360
V. RETAINED EARNINGS OR LOSS BROUGHT FORWARD (073-074)	072	0	-441.240.682	23.270.485	-405.771.079
1. Retained earnings	073	0	0	32.730.352	58.058.189
2. Loss brought forward	074	0	441.240.682	9.459.867	463.829.268
VI. PROFIT OR LOSS FOR THE FINANCIAL YEAR (076-077)	075	-441.240.682	5.178.457	-429.923.513	19.010.206
1. Profit for the financial year	076	0	5.178.457	0	19.010.206
2. Loss for the financial year	077	441.240.682	0	429.923.513	0
VII. MINORITY INTEREST	078	0	0	1.343.991	1.108.865
B) PROVISIONS (080 to 082)	079	7.327.727	7.327.727	11.969.904	11.348.434
1. Provisions for pensions, severance pay and similar liabilities	080	7.327.727	7.327.727	10.637.363	10.510.436
2. Provisions for tax obligations	081	0	0	634.831	54.291
3. Other provisions	082	0	0	697.710	783.707
C) NON-CURRENT LIABILITIES (084 to 092)	083	475.194.193	457.498.381	484.089.874	466.180.432
1. Liabilities to related parties	084	0	0	0	0
2. Liabilities for loans, deposits and other	085	0	0	0	0
3. Liabilities towards banks and other financial institutions	086	334.650.265	317.399.224	343.097.933	325.356.729
4. Amounts payable for prepayment	087	0	0	0	0
5. Trade payables	088	140.543.928	140.099.157	140.991.941	140.823.703
6. Amounts payable for securities	089	0	0	0	0
7. Liabilities toward participating interests	090	0	0	0	0
8. Other non-current liabilities	091	0	0	0	0
9. Deferred tax	092	0	0	0	0
D) CURRENT LIABILITIES (094 to 105)	093	877.048.418	946.216.067	1.222.851.788	1.237.333.076
1. Liabilities to related parties	094	95.985.029	120.559.550	0	0
2. Liabilities for loans, deposits and other	095	7.086.640	7.938.939	6.052.021	11.081.403
3. Liabilities towards banks and other financial institutions	096	308.082.205	304.601.457	590.691.325	598.051.313
4. Amounts payable for prepayment	097	31.858.753	38.056.632	34.247.399	41.960.633
5. Trade payables	098	338.410.290	380.574.637	476.938.745	478.519.490
6. Amounts payable for securities	099	57.670.915	57.411.464	45.034.981	44.775.530
7. Liabilities toward participating interests	100	6.464.836	6.370.250	6.464.836	6.370.250
8. Liabilities to employees	101	9.976.064	7.234.321	19.343.663	16.604.695
9. Taxes, contributions and similar liabilities	102	12.454.073	17.212.808	31.713.948	29.255.081
10. Liabilities arising from share in the result	103	1.899.762	1.899.762	1.899.762	1.899.762
11. Liabilities arising from non-current assets held for sale	104	0	0	0	0
12. Other current liabilities	105	7.159.851	4.356.247	10.465.107	8.814.917
E) ACCRUED EXPENSES AND DEFERRED INCOME	106	0	0	11.697.360	6.851.539
F) TOTAL LIABILITIES (062+079+083+093+106)	107	1.492.687.060	1.549.337.354	1.919.342.937	1.928.854.451
G) OFF-BALANCE SHEET ITEMS	108	1.091.563.126	1.092.253.990	1.756.703.665	1.739.216.099
ANNEX TO THE BALANCE SHEET (to be filled in by a company preparing the consolidated annual financial statements)					
A) CAPITAL AND RESERVES					
1. Attributable to equity holders of the parent company's capital	109			187.390.020	206.032.106
2. Attributable to non-controlling interests	110			1.343.991	1.108.864

IV. COMPREHENSIVE INCOME STATEMENT

ITEM	AOP	1H 2012	1H 2013	1H 2012	1H 2013
1	2	3	4	5	6
DALEKOVOD J.S.C.					
I. OPERATING INCOME (112+113)	111	501.573.600	385.581.769	690.900.750	563.934.467
1. Sales revenue	112	498.302.186	380.262.618	687.724.100	558.104.645
2. Other operating income	113	3.271.414	5.319.151	3.176.650	5.829.822
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	475.178.616	380.690.088	640.611.679	549.733.953
1. Changes in inventories of finished products and work in progress	115	2.514.780	184.684	7.157.049	2.605.603
2. Material costs (117 to 119)	116	348.495.809	245.864.913	436.032.441	346.044.447
a) Cost of raw materials & consumables	117	77.569.932	75.614.323	159.115.236	107.965.593
b) Cost of goods sold	118	64.033.222	31.179.713	61.083.236	56.398.846
c) Other costs	119	206.892.655	139.070.877	215.833.969	181.680.008
3. Staff costs (121 to 123)	120	60.355.155	68.088.140	111.146.328	115.490.810
a) Net salaries	121	40.253.527	45.839.524	71.040.746	74.952.112
b) Employee income tax	122	11.015.861	11.572.224	24.634.739	24.284.534
c) Tax on payroll	123	9.085.767	10.676.392	15.470.843	16.254.164
4. Depreciation and amortisation	124	19.601.834	17.255.517	25.178.256	23.175.651
5. Other expenditures	125	41.028.420	45.020.861	57.096.706	57.624.914
6. Value adjustment (127+128)	126	0	1.205.371	0	1.205.371
a) non-current assets (without financial assets)	127	0	0	0	0
b) current assets (without financial assets)	128	0	1.205.371	0	1.205.371
7. Provisions	129	0	0	0	0
8. Other operating expenses	130	3.182.618	3.070.602	4.000.899	3.587.157
III. FINANCIAL INCOME (132 to 136)	131	1.963.555	7.695.937	7.300.479	8.486.966
1. Interest income, foreign exchange differences, dividends and other financial income related to subsidiaries	132	1.167.484	1.394.968	6.397.282	1.367.984
2. Interest income, foreign exchange differences, dividends and other financial income related to third parties	133	426.091	6.004.283	527.224	6.737.953
3. Part of income from associates and participating interests	134	369.980	296.686	369.980	380.847
4. Unrealized gains (income) from the financial assets	135	0	0	0	0
5. Other financial income	136	0	0	5.993	183
IV. FINANCIAL COSTS (138 to 141)	137	35.573.149	7.408.163	36.314.462	9.129.394
1. Interest, foreign exchange differences and other expenses related to subsidiaries	138	246.897	623.109	247.100	623.229
2. Interest, foreign exchange differences and other expenses related to third parties	139	33.454.564	6.230.930	34.148.741	7.339.905
3. Unrealized loss (expenses) from the financial assets	140	0	0	0	0
4. Other financial expenses	141	1.871.688	554.124	1.918.621	1.166.260
V. SHARE OF INCOME OF ASSOCIATES	142	0	0	0	7.140.850
VI. SHARE OF LOSS OF ASSOCIATES	143	0	0	0	0
VII. EXTRAORDINARY - OTHER INCOME	144	0	0	0	0
VIII. EXTRAORDINARY - OTHER EXPENSES	145	0	0	0	0
IX. TOTAL INCOME (111+131+142 + 144)	146	503.537.155	393.277.706	698.201.229	579.562.283
X. TOTAL EXPENSES (114+137+143 + 145)	147	510.751.765	388.098.251	676.926.141	558.863.347
XI. PROFIT OR LOSS BEFORE TAX (146-147)	148	-7.214.610	5.179.455	21.275.088	20.698.936
1. Profit before tax (146-147)	149	0	5.179.455	21.275.088	20.698.936
2. Loss before tax (147-146)	150	7.214.610	0	0	0
XII. INCOME TAX EXPENSE	151	988.011	998	4.833.419	1.922.847
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	-8.202.621	5.178.457	16.441.669	18.776.089
1. Profit for the period (149-151)	153	0	5.178.457	16.441.669	18.776.089
2. Loss for the period (151-148)	154	8.202.621	0	0	0
ANNEX TO THE PROFIT AND LOSS ACCOUNT (to be filled in by entities submitting consolidated financial statements)					
XIV. PROFIT OR LOSS FOR THE PERIOD					
1. Attributable to owners of the company	155	0	0	16.469.016	19.010.206
2. Attributable to non-controlling interests	156	0	0	-27.347	-234.116
STATEMENTS OF COMPREHENSIVE INCOME (to be filled in by entities who work in compliance with IFRS)					
I. PROFIT OR LOSS FOR THE PERIOD (= 152)	157	-8.202.621	5.178.457	16.441.669	18.776.089
II. OTHER COMPREHENSIVE INCOME /LOSS BEFORE TAX (159 to 165)	158	0	0	0	0
1. Exchange differences arising from foreign operations	159	0	0	0	0
2. Revaluation of non-current assets and intangible assets	160	0	0	0	0
3. Gains or loss available for sale investments	161	0	0	0	0
4. Gains or loss on net movement on cash flow hedges	162	0	0	0	0
5. Gains or loss on net investments hedge	163	0	0	0	0
6. Share of the other comprehensive income/loss of associates	164	0	0	0	0
7. Actuarial gain / loss on post employment benefit obligations	165	0	0	0	0
III. TAX ON OTHER COMPREHENSIVE INCOME OF THE PERIOD	166	0	0	0	0
IV. NET OTHER COMPREHENSIVE INCOME OR LOSS FOR THE YEAR (158-166)	167	0	0	0	0
V. TOTAL COMPREHENSIVE INCOME/LOSS FOR THE PERIOD (157+167)	168	-8.202.621	5.178.457	16.441.669	18.776.089
APPENDIX Statement of Comprehensive Income (to be filled in by entities submitting consolidated financial statements)					
VI. TOTAL COMPREHENSIVE INCOME/LOSS FOR THE PERIOD					
1. Attributable to owners of the company	169	0	0	16.469.016	19.010.206
2. Attributable to non-controlling interests	170	0	0	-27.347	-234.116

V. CASH FLOW STATEMENT

ITEM	AOP	Previous period	Current period	Previous period	Current period
1	2	3	4	5	6
			DALEKOVOD jsc		
CASH FLOW FROM OPERATING ACTIVITIES					
1. Pre-tax profit	001	-7.214.610	5.179.455	21.275.088	20.698.936
2. Depreciation	002	19.601.834	17.255.517	25.178.256	23.175.651
3. Increase in short-term liabilities	003	149.541.336	54.152.603	217.450.368	0
4. Decrease in short-term receivables	004	0	0	0	0
5. Reduction of stocks	005	1.944.621	841.661	0	6.996.285
6. Other increase in cash flow	006	7.774.075	0	903.425	927.771
I. Total increase in cash flow from operating activities (001 to 006)	007	171.647.256	77.429.236	264.807.137	51.798.643
1. Decrease in short-term liabilities	008	0	0	0	15.551.578
2. Increase in short-term receivables	009	143.534.359	36.991.485	206.058.171	12.674.234
3. Increase in stocks	010	0	0	2.898.326	0
4. Other decrease in cash flow	011	0	1.418.483	0	0
II Total decrease in cash flow from operating activities (008 to 011)	012	143.534.359	38.409.968	208.956.497	28.225.812
A1) NET INCREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES (007-012)	013	28.112.897	39.019.268	55.850.640	23.572.831
A2) NET DECREASE IN CASH FLOW FROM OPERATING ACTIVITIES (012-007)	014	0	0	0	0
CASH FLOW FROM INVESTMENT ACTIVITIES					
1. Cash receipts from sale of fixed tangible and intangible assets	015	261.525	22.818	261.525	0
2. Cash receipts from sale of treasury and debt financial instruments	016	8.185.505	0	24.206.361	0
3. Cash receipts from interests	017	212.201	140.154	224.267	0
4. Cash receipts from dividends	018	0	0	0	0
5. Other cash receipts from investment activities	019	0	0	10.089.459	0
III. Total cash receipts from investment activities (015 to 019)	020	8.659.231	162.972	34.781.612	0
1. Expenditures for buying fixed assets and intangible assets	021	1.140.922	1.992.463	3.062.206	7.400.327
2. Expenditures for purchasing treasury and debt financial instruments	022	54.140.335	56.124	54.140.335	7.196.973
3. Other expenditures from investment activities	023	0	39.041.024	54.310.785	25.337.018
IV. Total expenditures from investment activities (021 to 023)	024	55.281.257	41.089.611	111.513.326	39.934.318
B1) NET INCREASE IN CASH FLOW FROM INVESTMENT ACTIVITIES (020-024)	025	0	0	0	0
b2) NET DECREASE IN CASH FLOW FROM INVESTMENT ACTIVITIES (024-020)	026	46.622.026	40.926.639	76.731.714	39.934.318
CASH FLOW FROM FINANCIAL ACTIVITIES					
1. Cash receipts from issuance of treasury and debt financial instruments	027	0	0	0	0
2. Cash receipts from loan principal, bonds, borrowings and other loans	028	29.069.730	852.299	30.889.976	7.359.988
3. Total cash receipts from financial activities	029	0	0	800.000	0
V. Total cash receipts from financial activities (027 to 029)	030	29.069.730	852.299	31.689.976	7.359.988
1. Expenditures for repayment of loan principal and bonds	031	11.442.863	0	12.006.390	0
2. Expenditures for payment of dividends	032	0	0	0	0
3. Expenditures for financial leasing	033	7.054.575	444.771	7.103.244	168.238
4. Expenditures for redemption of treasury shares	034	0	0	0	0
5. Other expenditures from financial activities	035	0	0	2.285.000	0
VI. Total expenditures from financial activities (031 to 035)	036	18.497.438	444.771	21.394.634	168.238
C1) NET INCREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES (030-036)	037	10.572.292	407.528	10.295.342	7.191.750
C2) NET DECREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES (036-030)	038	0	0	0	0
Total increase in cash flow (013 – 014 + 025 – 026 + 037 – 038)	039	0	0	0	0
Total decrease in cash flow (014 – 013 + 026 – 025 + 038 – 037)	040	7.936.837	1.499.843	10.585.732	9.169.737
Cash and cash equivalents at the beginning of the period	041	30.113.902	9.691.818	45.934.735	21.153.561
Increase in cash and cash equivalents	042	0	0	0	0
Decrease in cash and cash equivalents	043	7.936.837	1.499.843	10.585.732	9.169.737
Cash and cash equivalents at the end of the period	044	22.177.065	8.191.975	35.349.003	11.983.824

VI. STATEMENT OF CHANGES IN EQUITY

	AOP	Previous period	Current period	Previous period	Current period
		DALEKOVOD jsc		DALEKOVOD GROUP	
1. Share capital	001	286.726.500	286.726.500	286.726.500	286.726.500
2. Capital reserves	002	80.478.889	80.478.889	80.478.889	80.478.889
3. Reserves from profit	003	157.131.299	157.131.299	162.628.489	161.450.229
4. Retained profit or loss carried forward	004	0	-441.240.682	23.270.485	-405.771.079
5. Profit or loss of current year	005	-441.240.682	5.178.457	-429.923.513	19.010.206
6. Revaluation of longterm tangible assets	006	50.020.716	50.020.716	64.209.170	64.137.360
7. Revaluation of intangible assets	007	0	0	0	0
8. Revaluation of financial assets available for sale	008	0	0	0	0
9. Other revaluations	009	0	0	0	0
10. Total equity and reserves (AOP 001 to 009)	010	133.116.722	138.295.179	187.390.020	206.032.105
11. Foreign exchange differences arising from the titles of net investment in foreign operations	011	0	0	0	0
12. Current and deferred taxes (part)	012	0	0	0	0
13. Cash flow protection	013	0	0	0	0
14. Changes in accounting policies	014	0	0	0	0
15. Correction of significant errors in the previous period	015	0	0	0	0
16. Other changes in equity	016	0	0	0	0
17. Total increase or decrease in equity (AOP 011 to 016)	017	0	0	0	0
17 a. Attributed to parent company equity holders	018			187.390.020	206.032.105
17 b. Attributed to minority interest	019			1.343.991	1.108.865

VII. NOTES TO FINANCIAL STATEMENTS

1. MANAGEMENT BOARD MEMBERS

1. Chairman: Matjaž Gorjup, M-Mech.Eng.
2. Member: Krešimir Anušić, M-EI.Eng.
3. Member: Marko Jurković, M-EI.Eng
4. Member: M-Econ. Željko Lekšić, M-Mech.Eng.
5. Member: Goran Brajdić, M-Econ.

2. SUPERVISORY BOARD MEMBERS

Chairman: Marijan Pavlović, LLM
Member: Nataša Ivanović, M-Econ.
Member: Dubravko Štimac, MSc, M-Econ.
Member: Davor Doko, M-Econ.
Member: Ante Ćurković, PhD, M-Eng.
Member: Viktor Miletić

3. SHAREHOLDING STRUCTURE (as at 30.6.2013):

NATURAL PERSONS	1.476.490
PENSION FUNDS	643.575
BANKS	329.030
TELEGRA d.o.o.	164.753
OTHERS	209.483
OWN SHARES	43.934
TOTAL	2.867.265

4. MERGERS AND ACQUISITIONS

There were no mergers and acquisitions in first half of 2013.

5. UNCERTAINTY

There were no dubious and disputed receivables identified in first half of 2013.

6. DESCRIPTION OF PRODUCTS AND SERVICES

Over time, Dalekovod d.d. has become specialized in performing turnkey contracts in the following areas:

- electrical facilities, especially transmission lines between 0.4 and 500 kV
- substations of all types and voltage levels of up to 500 kV
- air, underground and underwater cables of up to 110 kV
- telecommunication facilities
- all types of networks and antennas
- production of suspension and joining equipment for all types of transmission lines and substations of 0.4 to 500 kV
- production and installation of all metal components for roadways, especially for road lighting, crash barriers and traffic signalization
- tunnel lighting and traffic management
- electrification of railways and tramways

7. CHANGES IN ACCOUNTING POLICIES

There are no new accounting policies.