



Zagreb, 30 October 2015



MANAGEMENT REPORT for January -September 2015

Unaudited, unconsolidated

Connecting worlds, building the future.

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Povezujemo svjetove, gradimo budućnost.





I. BUSINESS AND FINANCIAL OVERVIEW

1. Basic Information

MANAGEMENT BOARD

Paško Vela – Chairman of the Management Board

Željko Lakić – Management Board Member

Marko Jurković – Management Board Member

Adrijana Raković – Management Board Member

SUPERVISORY BOARD

Marko Lesić – Chairman of the Supervisory Board

Ivan Peteržilnik – Deputy Chairman of the Supervisory Board

Krešimir Ružđak – Supervisory Board Member

Vlado Čović – Supervisory Board Member

Hrvoje Markovinović – Supervisory Board Member

Uwe Heiland – Supervisory Board Member

Marko Makek – Supervisory Board Member

Mirela Tomljanović Radović – Supervisory Board Member

Anton Pernar – Supervisory Board Member

Dalekovod Dioničko društvo za inženjering, proizvodnju i izgradnju

Marijana Čavića 4, 10 000 Zagreb, Croatia

10001 Zagreb, P.P. 128

URL: www.dalekovod.hr, www.dalekovod.com

E-mail: dalekovod@dalekovod.hr

Share Capital: HRK 247,193,500.00. Number of Shares: 24,719,305

IBAN: HR8323600001101226102 ZABA Zagreb


Reg. No. (MBS): 080010093, Commercial Court in Zagreb

Stat. No. (MB): 3275531

PIN (OIB): 47911242222

Activity Code: 4222 Construction of Utility Projects for Electricity and Telecommunications





2. Statement from the Chairman of the Management Board

Paško Vela

Chairman of the Management Board

Dalekovod is focused on our core business, which primarily includes designing, manufacturing and construction of transmission lines, transformer stations and railway infrastructure. Dalekovod has concentrated on stronger exports and orientation toward international markets where we have achieved increasingly good results.

The past business period fills me with satisfaction because our result after three quarters is consistent with our efforts to fully stabilize the company and focus on improving our performance. We also signed new valuable contracts on international markets. After our long-lasting efforts, we secured our penetration of the Finnish market and have entered into an arrangement in Albania that opens the door wide open for Dalekovod to return to this country.

In Croatia, the tender submitted by the DIV-Dalekovod-Zagreb montaža consortium for the construction of a second railway track on the Dugo Selo-Križevci section was selected as the best one and serious prospects are becoming available in this segment of our business.

The changes we implemented through restructuring and our increased efficiency and cost control are reflected in our business performance figures for Q3. During the first nine months, our EBITDA increased by 92 percent compared to the same period last year.





3. Management Report

A Summary of Business Events in Q3 2015

Significant Active Markets of Dalekovod Group in Q3 2015

- countries where projects are implemented
- countries to which products are exported

Dalekovod Group's Strategy – Focus on Growth and Operational Restructuring

The Group intends to pursue its further internationalization and its revenue obtained from sales on international markets, the primary focus being on the markets of the region, Scandinavia (Norway, Finland), Eastern Europe (Ukraine), and on certain EU markets (Poland, Latvia, Slovenia, Moldova, Germany). These markets have shown a trend of ongoing investments in the reconstruction and enlargement of energy infrastructure for years, which represents potential for long-term presence in project implementation for the Group, subject to effective positioning.



Newly Contracted Projects in 2015

In a very demanding market environment, we managed to contract new projects in the first half of 2015 as well. The total value of the contracts signed to date is EUR 171.8 million (up to the end of August 2015). We signed several contracts as follows:

Market	Investor	Million EUR
Norway	Statnett	60
Norway	BKK	7.7
Kosovo	Kostt	8.5
Ukraine	Ukrenergo	53
Poland	PSE	4
Finland	Fingrid	17.6
Croatia		21
	TOTAL	171.8

In late October of 2015, Dalekovod d.d. participated as part of a consortium in a procedure for the public procurement of works on the reconstruction of the existing and construction of a second railway line track on the Dugo Selo-Križevci section (Ref.: 14-EU/15-JP). The tender submitted by the consortium comprising DIV d.o.o., Dalekovod d.d. and Zagreb-montaža d.o.o. was selected as a valid tender with the lowest price. The client is HŽ Infrastruktura d.o.o. and the value of the works is HRK 1.239 billion, VAT exclusive.

Significant Staff Changes in Dalekovod Group Number of Employees in DV Group/Dalekovod d.d.

Q3 2014A d.d.	558	
Q3 2015A d.d.	627	
Q3 2014A Group		1402
Q3 2015A Group	1298	

Note: Achieved in Q3 2015 vs. Q3 2014 vs. Q3 Plan

As of 30 September 2015, Dalekovod d.d. had 627 registered employees (79 more compared to 31 December 2014). As of 30 September 2015, Dalekovod Group had a total of 1,298 registered employees, 4% more compared to 31 December 2014.

A decrease in the number of employees was recorded (-84 employees) as a result of the divestment of TIM Topusko, which was compensated for by new jobs within Dalekovod d.d. (+79 employees) and Dalekovod Proizvodnja (+57 employees).



Financial Operations of Dalekovod Group / Q3 2015

- Dalekovod Group achieved a positive result in Q3 2015. The total operating revenue obtained in Q3 2015 was HRK 894 million, HRK 145 million more than the same period last year.
- Dalekovod Group's positive results achieved with respect to the total operating revenue (HRK 894 million) are mostly a result of higher operating revenue obtained by the Parent and by Dalekovod Proizvodnja (a part of the revenue obtained on a Group level was eliminated).
- Dalekovod Group's EBITDA in Q3 2015 was HRK 86 million >> the Parent produced the greatest effect compared to Q3 2014 (more than last year as a result of the positive international arbitration award for the Albania project). A positive effect on Group' EBITDA was also achieved by Dalekovod Proizvodnja's higher EBITDA than last year.
- The net income obtained by Dalekovod Group in Q3 2015 was HRK 32 million and was lower than the same period last year. As the net income obtained by Dalekovod d.d. in Q3 2014 was a result of a positive effect of an option recorded as financial revenue (arising from a financial derivative in PSN), it is not comparable with Q3 2015.

Dalekovod Group – Q3 2015, HRK THOU

Income Statement	Q3 2014A	Q3 2015A
Total operating revenue	749,470	894,078
Operating costs	696,841	808,164
EBITDA	52,628	85,914
Depreciation	36,149	38,219
EBIT	16,479	47,695
Net operating income	180,832	31,909



Financial Operations of Dalekovod d.d. / Q3 2015

- Positive results were achieved with respect to total operating revenue, mostly on international markets, amounting to HRK 693 million, a significant increase compared to Q3 2014 (+28%).
- EBITDA recorded by Dalekovod d.d. in Q3 2015 was HRK 69 million, which is 92% more than the same period in 2014. This is a result of cost controls, the establishment of central cost management for the Group within Dalekovod d.d., and the restructuring process.
- The net financial effect of the foreign exchange differences with respect to the Ukrainian currency (UAH) worth HRK 8 million also affected the net income in Q3 2015, which was higher than planned.
- The net income obtained in Q3 2014 was a result of a positive effect of an option i.e. a financial derivative in PSN and is therefore not comparable with Q3 2015.
- The factors affecting the operating income obtained in Q3 2014 included the changes resulting from the restructuring process and higher efficiency of business processes.

Dalekovod d.d. – Q3 2015, HRK THOU

Income Statement	Q3 2014A	Q3 2015A
Total revenue	542,131	693,212
Operating costs	506,119	623,768
EBITDA	36,012	69,443
Depreciation	24,940	25,428
EBIT	11,656	44,015
Net income	217,829	41,348



A Business Review for the Most Important Members of the Group (after the Parent)

Dalekovod Proizvodnja d.o.o.

- In Q3 2015, the company obtained sales revenue 38% higher than the same period last year. In September it continued to supply metal structures in Norway, Slovenia and Croatia – motorway and border crossing equipment.
- As regards suspension and joining equipment, the most substantial supplies were made in Saudi Arabia, Pakistan, Oman, and in Croatia for Dalekovod d.d. Compared to the plan, the revenue structure indicates a higher level of revenue obtained from affiliates, and lower from external customers.
- The total costs up to the EBITDA level were 31% higher than last year and consistent with the sales revenue trends.

Dalekovod Proizvodnja d.o.o. – Q3 2015, HRK THOU

Income Statement	Q3 2014A	Q3 2015A
Total revenue	144,634	200,180
Operating costs	141,196	184,452
EBITDA	3,438	15,729
Depreciation	5,121	5,268
EBIT	-1,638	10,460
Net operating income	-1,314	7,807

Net income before taxes increased compared to the same period last year when a loss of HRK 1.3 million was recorded.



Dalekovod Projekt d.o.o.

In Q3 2015, the company obtained operating revenue of HRK 21 million, which is lower than the same period in 2014 as a result of the following causes affecting its performance:

- A failure (Q3 2015) to meet the tender and project schedule in HOPS (Croatian Power System), a long-lasting administrative proceeding and the resolution of proprietary relations obstructed further project implementation, while continuous interventions in projects largely affected the schedule of designing activities.
- Project implementation was impeded (or prevented in some cases) by the enforcement of the Ordinance for the Required Substance of Conceptual Designs (Official Gazette 55/14) and the Ordinance for the Equipment of Building Projects (Official Gazette 64/14) as a result of unmanaged cadaster and land registries and their mutual nonalignment.
- Cancellation or postponement of certain projects by investors.

Dalekovod Projekt – Q3 2015, HRK THOU

Income Statement	Q3 2014A	Q3 2015A
Total operating revenue	25,378,637	20,950,399
Operating costs	23,024,924	23,996,088
EBITDA	2,353,713	-3,045,689
Depreciation	718,976	678,315
EBIT	1,634,737	-3,724,004
Net operating income	880,425	-3,500,121

Income before taxes dropped, while costs were maintained and managed at a level that does not threaten project profitability and general liquidity of Dalekovod Projekt.

For the Management Board

Paško Vela
Chairman of the Management Board
Dalekovod d.d.





DECLARATION OF THE PERSONS RESPONSIBLE FOR PREPARING THE FINANCIAL STATEMENTS

Pursuant to Article 410, paragraph 1, and Article 407, paragraph 2, subparagraph 3 and paragraph 3 of the Capital Market Act, the persons responsible for preparing the financial statements: Paško Vela, Chairman of the Management Board, Željko Lakić, Management Board Member, Adrijana Raković, Management Board Member, and Marko Jurković, Management Board Member, hereby make this

DECLARATION

To the best of our knowledge, the financial statements for the reporting period, prepared in compliance with the appropriate financial reporting standards, provides a full and true view of the assets, liabilities and income of DALEKOVOD and the companies included in consolidation, with a brief comment on the causes of the information provided. The financial statements have not been audited.

For the Management Board

Paško Vela
Chairman of the Management Board
Dalekovod d.d.



III. FINANCIAL STATEMENTS

ASSETS

Name of position:	AOP	Previous year (net)	Current year (net)	Previous year (net)	Current year (net)
1	2	3	4	5	6
DALEKOVOD js c				DALEKOVOD GROUP	
ASSETS					
A) SUBSCRIBED CAPITAL UNPAID	001	0	0	0	0
B) NON CURRENT ASSETS (003+010+020+029+033)	002	1.068.950.323	1.060.684.569	1.214.364.820	1.185.033.029
I. INTANGIBLE ASSETS (004 to 009)	003	19.142.919	15.853.832	22.182.740	18.817.155
1. Research & Development expenditure	004	0	0	0	0
2. Patents, licences, royalties, trade marks, software&similar rights	005	19.141.032	15.471.500	20.969.740	17.077.224
3. Goodwill	006	0	0	1.213.000	1.213.000
4. Prepay ments for intangible assets	007	0	0	0	0
5. Intangible assets under construction	008	1.887	382.332	0	526.607
6. Other intangible assets	009	0	0	0	324
II. TANGIBLE ASSETS (011 to 019)	010	497.507.434	492.005.564	962.099.614	935.985.581
1. Land	011	164.913.887	166.071.529	246.325.821	246.493.842
2. Property	012	53.740.411	55.828.976	229.547.969	207.885.230
3. Plants and equipment	013	61.144.279	53.233.605	95.808.778	92.762.128
4. Tools, plants&vehicles	014	2.062.782	556.074	11.720.396	10.089.528
5. Biological asset	015	0	0	0	0
6. Prepay ments for tangible assets	016	0	0	0	45.199
7. Assets under construction	017	0	0	12.861.258	19.142.522
8. Other tangible assets	018	0	0	0	0
9. Investments property	019	215.646.075	216.315.380	365.835.392	359.567.132
III. NON-CURRENT FINANCIAL ASSETS (021 to 028)	020	485.835.440	477.639.911	157.986.706	152.654.848
1. Share in related parties	021	287.780.917	285.996.508	0	0
2. Loans to related parties	022	13.921.127	13.739.318	0	127
3. Participating interests (stakes)	023	20.238.100	20.241.520	14.653.574	14.669.355
4. Loans to participating interest	024	0	0	0	0
5. Investments in securities	025	9.856.565	4.591.543	10.269.173	5.002.002
6. Loans & deposits	026	2.680.872	2.552.030	5.568.987	6.195.004
7. Other non-current financial assets	027	151.357.859	150.518.992	127.494.972	126.788.360
8. Investment accounted by equity method	028	0	0	0	0
IV. TRADE RECEIVABLES (030 to 032)	029	66.464.530	75.185.262	72.095.760	77.575.445
1. Receiv ables from related parties	030	0	0	0	0
2. Receiv ables from credit sales	031	0	0	0	0
3. Other receiv ables	032	66.464.530	75.185.262	72.095.760	77.575.445
V. DEFERRED TAX ASSETS	033	0	0	0	0
C) CURENT ASSETS (035+043+050+058)	034	549.810.001	606.097.957	816.682.971	869.397.825
I. INVENTORIES (036 to 042)	035	20.313.480	22.916.641	211.669.333	201.462.497
1. Raw materials & consumables	036	19.725.812	21.871.174	83.113.674	75.805.109
2. Work in progress	037	0	0	14.574.519	14.490.077
3. Products	038	580.545	539.531	39.548.664	30.397.687
4. Merchandise	039	7.123	505.936	8.534.589	10.240.616
5. Prepay ments for inventories	040	0	0	855.040	459.540
6. Other available-for-sale assets	041	0	0	65.042.847	70.069.468
7. Biological asset	042	0	0	0	0
II. RECEIVABLES (044 to 049)	043	412.815.574	459.378.634	470.425.942	521.891.936
1. Receiv ables from related parties	044	55.330.944	20.667.475	0	0
2. Trade receiv ables	045	302.117.479	372.461.507	405.747.748	437.250.626
3. Receiv ables from participating parties	046	1.108.572	722.936	1.335.788	1.359.354
4. Amounts receivable from employ ees	047	99.610	351.710	176.622	421.693
5. Receiv ables from government agencies	048	15.489.948	20.463.975	24.771.624	25.594.149
6. Other receiv ables	049	38.669.021	44.711.031	38.394.160	57.266.114
III. CURRENT FINANCIAL ASSETS (051 to 057)	050	74.918.463	83.770.317	68.200.482	88.060.471
1. Share in related parties	051	0	0	0	0
2. Loans to related parties	052	17.702.151	18.093.494	0	0
3. Participating interests (stakes)	053	0	0	0	0
4. Loans to participating interest	054	2.000.000	0	2.000.000	0
5. Investments in securities	055	40.177.710	30.331.035	40.679.848	30.331.035
6. Loans & deposits	056	15.038.602	35.345.788	25.520.634	57.728.798
7. Other financial assets	057	0	0	0	638
IV. CASH ON HAND AND IN THE BANK	058	41.762.484	40.032.365	66.387.214	57.982.922
D) PREPAYMENTS AND ACCRUED INCOME	059	243.351	774.992	6.802.740	15.681.231
E) TOTAL ASSETS (001+002+034+059)	060	1.619.003.675	1.667.557.518	2.037.850.531	2.070.112.085
F) OFF-BALANCE SHEET ITEMS	061	441.662.074	661.519.750	479.622.013	699.281.438



EQUITY AND LIABILITIES

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	
EQUITY AND LIABILITIES					
A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	322.063.966	363.412.386	326.829.285	358.342.536
I. SHARE CAPITAL	063	247.193.050	247.193.050	247.193.050	247.193.050
II. CAPITAL RESERVES	064	86.141.670	86.141.670	86.141.670	86.141.670
III. RESERVES FROM PROFIT (066+067-068+069+070)	065	44.368.886	44.368.886	74.098.665	82.281.633
1. Legal reserves	066	11.486.600	11.486.600	11.651.984	11.652.346
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	32.882.286	32.882.286	32.882.286	32.924.976
5. Other reserves	070	0	0	29.564.395	37.704.311
IV. REVALUATION RESERVES	071	40.014.573	40.014.573	40.014.627	40.014.573
V. RETAINED EARNINGS OR LOSS BROUGHT FORWARD (073-074)	072	-159.390.318	-95.654.213	-116.247.569	-128.245.441
1. Retained earnings	073	0	0	0	0
2. Loss brought forward	074	159.390.318	95.654.213	116.247.569	128.245.441
VI. PROFIT OR LOSS FOR THE FINANCIAL YEAR (076-077)	075	63.736.105	41.348.420	-3.724.072	32.172.791
1. Profit for the financial year	076	63.736.105	41.348.420	0	32.172.791
2. Loss for the financial year	077	0	0	3.724.072	0
VII. MINORITY INTEREST	078	0	0	-647.086	-1.215.739
B) PROVISIONS (080 to 082)	079	6.172.600	6.172.600	9.458.957	9.048.117
1. Provisions for pensions, severance pay and similar liabilities	080	6.172.600	6.172.600	7.029.074	9.007.286
2. Provisions for tax obligations	081	0	0	0	0
3. Other provisions	082	0	0	2.429.883	40.832
C) NON-CURRENT LIABILITIES (084 to 092)	083	704.461.778	699.972.416	672.770.303	650.980.069
1. Liabilities to related parties	084	59.201.247	59.866.420	0	0
2. Liabilities for loans, deposits and other	085	0	0	0	0
3. Liabilities towards banks and other financial institutions	086	407.616.798	407.616.799	429.230.879	418.373.594
4. Amounts payable for prepayment	087	0	0	0	150
5. Trade payables	088	204.382.993	201.604.109	210.278.684	201.721.237
6. Amounts payable for securities	089	20.144.118	20.144.118	20.144.118	20.144.118
7. Liabilities toward participating interests	090	3.112.479	736.827	3.112.479	736.827
8. Other non-current liabilities	091	0	0	0	0
9. Deferred tax	092	10.004.143	10.004.143	10.004.143	10.004.143
D) CURRENT LIABILITIES (094 to 105)	093	574.108.756	592.556.153	1.016.595.411	1.046.253.999
1. Liabilities to related parties	094	31.312.674	23.730.653	0	0
2. Liabilities for loans, deposits and other	095	0	434.614	0	479.196
3. Liabilities towards banks and other financial institutions	096	220.519.103	220.380.701	541.119.870	551.202.854
4. Amounts payable for prepayment	097	100.166.424	83.559.940	103.831.552	87.150.223
5. Trade payables	098	177.131.926	214.313.500	232.025.669	271.719.601
6. Amounts payable for securities	099	0	0	0	0
7. Liabilities toward participating interests	100	0	0	586.699	1.175.760
8. Liabilities to employees	101	6.086.482	12.906.553	29.010.192	31.311.344
9. Taxes, contributions and similar liabilities	102	23.654.904	20.819.583	33.287.319	30.876.303
10. Liabilities arising from share in the result	103	1.899.762	100.985	1.899.762	100.985
11. Liabilities arising from non-current assets held for sale	104	0	0	0	0
12. Other current liabilities	105	13.337.481	16.309.624	74.834.348	72.237.732
E) ACCRUED EXPENSES AND DEFERRED INCOME	106	12.196.575	5.443.963	12.196.575	5.487.364
F) TOTAL LIABILITIES (062+079+083+093+106)	107	1.619.003.675	1.667.557.518	2.037.850.531	2.070.112.085
G) OFF-BALANCE SHEET ITEMS	108	441.662.074	661.519.750	479.622.013	699.281.438
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			327.476.371	359.558.275
2. Attributable to non-controlling interests	110			-647.086	-1.215.739



STATEMENT OF COMPREHENSIVE INCOME

Name of position	AOP	3Q 2014	3Q 2015	3Q 2014	3Q 2015	
1	2	3	4	5	6	
			DALEKOVOD J.S.C.		DALEKOVOD GROUP	
I. OPERATING INCOME (112+113)	111	542.130.915	693.211.527	749.469.586	894.077.721	
1. Sales revenue	112	528.298.979	683.046.747	718.665.316	878.596.941	
2. Other operating income	113	13.831.936	10.164.780	30.804.270	15.480.781	
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	531.059.468	649.196.154	732.990.213	846.382.853	
1. Changes in inventories of finished products and work in progress	115	72.713	40.367	-14.135.293	7.466.986	
2. Material costs (117 to 119)	116	326.486.886	440.463.693	438.534.759	515.368.438	
a) Cost of raw materials & consumables	117	62.789.466	119.464.778	98.275.278	173.527.723	
b) Cost of goods sold	118	28.065.548	50.606.777	73.856.665	56.147.729	
c) Other costs	119	235.631.872	270.392.138	266.402.815	285.692.986	
3. Staff costs (121 to 123)	120	87.868.461	99.384.100	158.373.287	169.093.799	
a) Net salaries	121	61.125.002	68.329.383	103.451.742	110.360.909	
b) Employee income tax	122	17.022.286	19.735.109	35.785.584	37.264.499	
c) Tax on payroll	123	9.721.173	11.319.608	19.135.961	21.468.392	
4. Depreciation and amortisation	124	24.940.092	25.428.069	36.148.843	38.218.859	
5. Other expenditures	125	72.592.801	83.535.001	90.519.699	108.039.396	
6. Value adjustment (127+128)	126	15.796.767	33.336	15.855.299	33.336	
a) non-current assets (without financial assets)	127	0	0	0	0	
b) current assets (without financial assets)	128	15.796.767	33.336	15.855.299	33.336	
7. Provisions	129	500.000	0	500.000	0	
8. Other operating expenses	130	2.801.748	311.588	7.193.619	8.162.039	
III. FINANCIAL INCOME (132 to 136)	131	238.655.965	92.546.757	214.171.235	89.571.766	
1. Interest income, foreign exchange differences, dividends and other financial income related to subsidiaries	132	29.498.557	13.589.668	0	0	
2. Interest income, foreign exchange differences, dividends and other financial income related to third parties	133	30.498.316	78.957.089	35.487.028	89.556.777	
3. Part of income from associates and participating interests	134	0	0	0	0	
4. Unrealized gains (income) from the financial assets	135	0	0	0	0	
5. Other financial income	136	178.659.092	0	178.684.207	14.989	
IV. FINANCIAL COSTS (138 to 141)	137	31.897.741	86.489.112	45.408.303	99.660.635	
1. Interest, foreign exchange differences and other expenses related to subsidiaries	138	837.896	1.341.072	0	0	
2. Interest, foreign exchange differences and other expenses related to third parties	139	26.105.114	79.239.270	40.353.527	93.738.814	
3. Unrealized loss (expenses) from the financial assets	140	240.903	0	240.903	0	
4. Other financial expenses	141	4.713.828	5.908.770	4.813.873	5.921.821	
V. SHARE OF INCOME OF ASSOCIATES	142	0	0	0	5.037.830	
VI. SHARE OF LOSS OF ASSOCIATES	143	0	0	3.297.171	965	
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	780.786.880	785.758.284	963.640.822	988.687.318	
X. TOTAL EXPENSES (114+137+143 + 145)	147	562.957.209	735.685.266	781.695.687	946.044.453	
XI. PROFIT OR LOSS BEFORE TAX (146-147)	148	217.829.671	50.073.018	181.945.135	42.642.865	
1. Profit before tax (146-147)	149	217.829.671	50.073.018	181.945.135	42.642.865	
2. Loss before tax (147-146)	150	0	0	0	0	
XII. INCOME TAX EXPENSE	151	1.022	8.724.598	1.113.332	10.733.514	
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	217.828.649	41.348.420	180.831.802	31.909.350	
1. Profit for the period (149-151)	153	217.828.649	41.348.420	180.831.802	31.909.350	
2. Loss for the period (151-148)	154	0	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	180.865.160	32.172.791	
2. Attributable to non-controlling interests	156	0	0	-33.357	-263.440	
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	217.828.649	41.348.420	180.831.802	31.909.350	
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	217.828.649	41.348.420	180.831.802	31.909.350	
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	180.865.160	32.172.791	
2. Attributable to non-controlling interests	170	0	0	-33.357	-263.440	



CASH FLOW STATEMENT

Name of position:	AOP	Previous period	Current period	Previous period	Current period
1	2	3	4	5	6
			DALEKOVOVOD jsc		
CASH FLOW FROM OPERATING ACTIVITIES					
1. Pre-tax profit	001	217.829.671	50.073.018	181.945.135	42.642.865
2. Depreciation	002	24.940.092	25.428.069	36.148.843	38.218.859
3. Increase in short-term liabilities	003	0	38.324.151	0	38.113.715
4. Decrease in short-term receivables	004	0	0	0	0
5. Reduction of stocks	005	0	0	0	10.206.836
6. Other increase in cash flow	006	497.107.876	0	807.994.831	0
I. Total increase in cash flow from operating activities (001 to 006)	007	739.877.639	113.825.238	1.026.088.809	129.182.275
1. Decrease in short-term liabilities	008	70.315.426	0	343.044.524	0
2. Increase in short-term receivables	009	111.306.142	54.906.664	98.109.813	51.465.994
3. Increase in stocks	010	4.003.559	2.603.161	36.171.571	0
4. Other decrease in cash flow	011	589.167.405	22.591.916	589.167.405	17.342.772
II Total decrease in cash flow from operating activities (008 to 011)	012	774.792.532	80.101.741	1.066.493.313	68.808.766
A1) NET INCREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES (007-012)	013	0	33.723.497	0	60.373.509
A2) NET DECREASE IN CASH FLOW FROM OPERATING ACTIVITIES (012-007)	014	34.914.893	0	40.404.504	0
CASH FLOW FROM INVESTMENT ACTIVITIES					
1. Cash receipts from sale of fixed tangible and intangible assets	015	0	76.443	0	86.225
2. Cash receipts from sale of treasury and debt financial instruments	016	0	1.830.822	0	5.331.858
3. Cash receipts from interests	017	28.290	1.223.912	32.807	314.313
4. Cash receipts from dividends	018	0	8.343.604	0	0
5. Other cash receipts from investment activities	019	196.487.043	6.334.677	207.777.170	6.800.000
III. Total cash receipts from investment activities (015 to 019)	020	196.515.333	17.809.458	207.809.977	12.532.396
1. Expenditures for buying fixed assets and intangible assets	021	17.336.560	16.637.112	35.225.654	8.739.241
2. Expenditures for purchasing treasury and debt financial instruments	022	0	46.413	0	46.413
3. Other expenditures from investment activities	023	71.676.153	35.867.452	74.597.518	36.506.334
IV. Total expenditures from investment activities (021 to 023)	024	89.012.713	52.550.977	109.823.172	45.291.988
B1) NET INCREASE IN CASH FLOW FROM INVESTMENT ACTIVITIES (020-024)	025	107.502.620	0	97.986.805	0
b2) NET DECREASE IN CASH FLOW FROM INVESTMENT ACTIVITIES (024-020)	026	0	34.741.519	0	32.759.592
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	0	7.387.593	0	14.949.847
3. Total cash receipts from financial activities	029	0	0	16.967.918	0
V. Total cash receipts from financial activities (027 to 029)	030	0	7.387.593	16.967.918	14.949.847
1. Expenditures for repayment of loan principal and bonds	031	0	0	6.018.596	15.967.355
2. Expenditures for payment of dividends	032	0	0	0	0
3. Expenditures for financial leasing	033	9.507.811	6.627.113	9.739.620	6.791.195
4. Expenditures for redemption of treasury shares	034	0	0	0	0
5. Other expenditures from financial activities	035	0	1.472.577	0	19.865.902
VI. Total expenditures from financial activities (031 to 035)	036	9.507.811	8.099.690	15.758.216	50.968.056
C1) NET INCREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES (030-036)	037	0	0	1.209.702	0
C2) NET DECREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES (036-030)	038	9.507.811	712.097	0	36.018.209
Total increase in cash flow (013 – 014 + 025 – 026 + 037 – 038)	039	63.079.916	0	58.792.003	0
Total decrease in cash flow (014 – 013 + 026 – 025 + 038 – 037)	040	0	1.730.119	0	8.404.292
Cash and cash equivalents at the beginning of the period	041	5.546.106	41.762.484	30.068.631	66.387.214
Increase in cash and cash equivalents	042	63.079.916	0	58.792.003	0
Decrease in cash and cash equivalents	043	0	1.730.119	0	8.404.292
Cash and cash equivalents at the end of the period	044	68.626.022	40.032.365	88.860.634	57.982.922



STATEMENT OF CHANGES IN EQUITY

Name of position:	AOP	Previous period	Current period	Previous period	Current period
		DALEKOVOD jsc		DALEKOVOD GROUP	
1	2	3	4	5	6
1. Share capital	001	247.193.050	247.193.050	247.193.050	247.193.050
2. Capital reserves	002	86.141.670	86.141.670	86.141.670	86.141.670
3. Reserves from profit	003	44.368.886	44.368.886	74.098.665	82.281.633
4. Retained profit or loss carried forward	004	-159.390.318	-95.654.213	-116.247.569	-128.245.441
5. Profit or loss of current year	005	63.736.105	41.348.420	-3.724.072	32.172.791
6. Revaluation of longterm tangible assets	006	40.014.573	40.014.573	40.014.573	40.014.573
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	322.063.966	363.412.386	327.476.371	359.558.275
11. Foreign exchange differences arising from the titles of net	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			327.476.371	359.558.275
17 b. Attributed to minority interest	019			-647.086	-1.215.739



IV. NOTES

1. SHAREHOLDING (as at 30 September 2015):

Individuals	3,606,427
Pension funds	3,832,485
Banks	1,272,434
Konsolidator d.o.o.	15,000,000
Others	964,025
Own shares	43,934
TOTAL	24,719,305

2. MERGERS AND CONSOLIDATIONS

There were no mergers or consolidations in the first nine months of 2015.

3. UNCERTAINTY

No items of doubtful and disputable debt affecting business continuity were identified in the first nine months of 2015.

4. DESCRIPTION OF PRODUCTS AND SERVICES

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

- electrical facilities, especially transmission lines between 0.4 and 500 kV
- transformer stations of all levels and voltages up to 500 kV
- air, underground and underwater cables 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 transformer stations between 0.4 and 500 kV
- production and installation of all metal parts for roads, especially for road lighting, security barriers and traffic signals
- tunnel lighting and traffic management
- electrification of railway tracks and tramways

5. CHANGES IN ACCOUNTING POLICIES

There are no new accounting policies.

