

Zagreb, 28 October 2016

MANAGEMENT REPORT
FOR JAN-SEP 2016
Unaudited, consolidated



TABLE OF CONTENTS:

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

I. MANAGEMENT BOARD'S REPORT

KEY INDICATORS

The business results recorded in Q3 2016 show further strong recovery in Company's and Group's business after completing the pre-bankruptcy settlement.

The financial stability of the Group and the Company relies on four key segments – Profitable Growth, Cost-Effectiveness, Cash Flow, and Risk Management.

According to the final unaudited information for the first three quarters of 2016, Dalekovod Group's (the "Group") EBITDA was HRK 99.0 million. In the same period last year, the Group recorded EBITDA of HRK 91.2 million. In the first three quarters of 2016, the Group obtained net income of HRK 44.4 million compared to HRK 31.9 million in the same period in 2015, which is an increase by 39.2 percent.

During the same period, Dalekovod d.d. (the "Company") obtained unaudited EBITDA of HRK 89.1 million, compared to HRK 77.5 million in the first three quarters of 2015. Net income obtained in the first three quarters of 2016 was HRK 48.4 million compared to HRK 41.3 million in the same period in 2015, which is an increase by 17.1 percent.

In addition to the one-time item relating to the income obtained by selling rights to the Ministry of Finance, the projects contracted on foreign markets (Norway, Ukraine, Kosovo, Finland) had the greatest impact on Group's and Company's performance.

As regards our future important activities undertaken in the first three quarters of 2016, a local joint-venture comprising the Croatian companies Dalekovod d.d., DIV d.o.o. and Zagreb-Montaža d.o.o signed a contract in April for the reconstruction of the existing and construction of a second track on the Dugo Selo-Križevci line and the project is already being implemented. In early June, we signed contracts with Statnett of Norway for the construction of a 420 kV Namsos – Hofstad – Åfjord transmission line and a 420 kV Snilldal – Surna transmission having a total length of almost 200 km.

In addition, Dalekovod d.d. decided to proceed to sell its subsidiary Dalekovod Ulaganja d.o.o. to Officium Partner d.o.o. and reclassify it as an asset held for sale, which resulted in an



Također odlukom društva Dalekovod d.d. odlučeno je da se pristupi prodaji ovisnog društva Dalekovod Ulaganja d.o.o. društvu Officium Partner d.o.o. te njihovom klasifikacijom u Imovinu namijenjenu prodaji što je za posljedicu imalo smanjenje određenih stavki bilance u odnosu na 2015.godinu i to kod pozicija dugotrajne imovine Ulaganja u nekretnine (AOP 019) i kratkoročnih obveza prema bankama i drugim financijskim institucijama (AOP 096). Uprava namjerava dovršiti navedenu transakciju u roku 3 mjeseca do najviše godinu dana što je sukladno Međunarodnom Standardu Financijskog Izvještavanja 5 (MSFI 5).

Na razini Grupe poslovni rashodi su pali u odnosu na isto razdoblje za 56,5 milijuna HRK dok je EBITDA marža 12,8 posto a u istom razdoblju prethodne godine iznosila je 11,0 posto. Na razini Društva poslovni rashodi su manji u odnosu na isto razdoblje za 92,8 milijuna HRK dok je EBITDA marža 16,4 posto a u istom razdoblju prethodne godine iznosila je 12,3 posto.

Za Upravu Društva:

Aten Premužak

Predsjednik Uprave

Dalekovod d.d.





II. IZJAVA

Na temelju članka 410. stavka 1. i članka 407. stavka 2. točke 3. i stavka 3. Zakona o tržištu kapitala, odgovorne osobe za sastavljanje izvještaja: Alen Premužak – predsjednik Uprave, Branimir Alujević – član Uprave, Helena Jurčić Šestan – član Uprave, Marko Jurković – član Uprave, Mirko Leko – član Uprave, Ivica Kranjčić – član Uprave, daju

IZJAVU

Prema našem najboljem saznanju, financijska Izvešća za izvještajno razdoblje sastavljena su uz primjenu odgovarajućih standarda financijskog izvještavanja, daju cjelovit i istinit prikaz imovine i obveza, te rezultat poslovanja DALEKOVOD-a, kao i društava uključenih u konsolidaciju uz kratki osvrt na uzročnike iskazanih podataka. Financijski izvještaji nisu revidirani.

Za Upravu društva

Alen Premužak

Predsjednik Uprave

Dalekovod d.d.



III. BALANCE SHEET (unaudited)

ASSETS

Name of position:	AOP	Previous year (net)	Current year (net)	Previous year (net)	Current year (net)
		DALEKOVOD jsc		DALEKOVOD GROUP	
1	2	3	4	5	6
ASSETS					
A) SUBSCRIBED CAPITAL UNPAID	001	0	0	0	0
B) NON CURRENT ASSETS (003+010+020+029+033)	002	1.014.003.782	1.038.630.244	1.139.406.819	788.870.166
I. INTANGIBLE ASSETS (004 to 009)	003	14.869.072	11.112.413	17.711.383	14.362.892
1. Research & Development expenditure	004	0	0	0	0
2. Patents, licences, royalties, trade marks, software&similar rights	005	14.139.000	10.382.341	15.640.602	11.854.267
3. Goodwill	006	0	0	1.213.000	1.213.000
4. Prepayments for intangible assets	007	0	0	0	0
5. Intangible assets under construction	008	730.072	730.072	857.781	1.295.625
6. Other intangible assets	009	0	0	0	0
II. TANGIBLE ASSETS (011 to 019)	010	487.578.808	474.890.494	928.166.467	559.949.616
1. Land	011	166.071.529	166.071.529	246.495.442	246.428.495
2. Property	012	55.173.659	53.269.621	206.978.652	198.378.540
3. Plants and equipment	013	49.865.075	42.608.486	88.906.744	80.906.912
4. Tools, plants&vehicles	014	2.286.758	5.159.851	11.640.831	17.124.370
5. Biological asset	015	0	0	0	0
6. Prepayments for tangible assets	016	0	0	0	0
7. Assets under construction	017	0	0	10.712.208	10.652.208
8. Other tangible assets	018	0	0	0	0
9. Investments property	019	214.181.787	207.781.007	363.432.590	6.459.091
III. NON-CURRENT FINANCIAL ASSETS (021 to 028)	020	482.783.323	513.564.625	161.524.337	173.571.874
1. Share in related parties	021	285.996.508	286.865.919	0	0
2. Loans to related parties	022	13.729.680	29.307.773	0	0
3. Participating interests (stakes)	023	20.241.100	20.241.100	14.667.309	15.284.398
4. Loans to participating interest	024	0	0	0	0
5. Investments in securities	025	4.254.377	3.875.870	4.537.472	4.158.965
6. Loans & deposits	026	8.331.640	23.923.826	15.178.127	27.731.735
7. Other non-current financial assets	027	150.230.018	149.350.137	127.141.429	126.396.776
8. Investment accounted by equity method	028	0	0	0	0
IV. TRADE RECEIVABLES (030 to 032)	029	28.772.579	39.062.712	32.004.632	40.985.784
1. Receivables from related parties	030	0	0	720.774	1.289.699
2. Receivables from credit sales	031	0	0	0	0
3. Other receivables	032	28.772.579	39.062.712	31.283.857	39.696.085
V. DEFERRED TAX ASSETS	033	0	0	0	0
C) CURENT ASSETS (035+043+050+058)	034	695.998.212	581.555.214	950.046.366	874.136.865
I. INVENTORIES (036 to 042)	035	20.488.561	10.176.612	182.776.062	190.954.585
1. Raw materials & consumables	036	18.474.196	8.788.499	68.599.673	67.723.150
2. Work in progress	037	0	0	13.132.497	18.693.020
3. Products	038	266.435	244.119	25.926.563	32.898.020
4. Merchandise	039	1.747.930	1.143.994	9.016.213	6.807.362
5. Prepayments for inventories	040	0	0	1.058.270	652.633
6. Other available-for-sale assets	041	0	0	65.042.846	64.180.400
7. Biological asset	042	0	0	0	0
II. RECEIVABLES (044 to 049)	043	506.497.579	427.260.302	582.682.800	532.894.312
1. Receivables from related parties	044	34.476.796	37.705.524	0	0
2. Trade receivables	045	300.959.133	190.436.436	397.230.328	297.813.768
3. Receivables from participating parties	046	715.227	523.032	798.643	795.334
4. Amounts receivable from employees	047	255.351	254.452	322.613	340.013
5. Receivables from government agencies	048	20.992.331	13.464.825	29.432.856	21.036.319
6. Other receivables	049	149.098.741	184.876.033	154.898.360	212.908.878
III. CURRENT FINANCIAL ASSETS (051 to 057)	050	87.163.048	92.068.798	82.510.264	78.686.753
1. Share in related parties	051	0	0	0	0
2. Loans to related parties	052	31.585.316	3.841.729	0	0
3. Participating interests (stakes)	053	0	0	0	0
4. Loans to participating interest	054	0	0	0	0
5. Investments in securities	055	30.377.143	30.471.766	30.377.143	30.471.766
6. Loans & deposits	056	25.200.589	57.755.303	52.133.120	48.214.987
7. Other financial assets	057	0	0	0	0
IV. CASH ON HAND AND IN THE BANK	058	81.849.024	52.049.502	102.077.241	71.601.215
D) PREPAYMENTS AND ACCRUED INCOME	059	1.897.912	2.517.272	2.401.002	2.842.270
E) TOTAL ASSETS (001+002+034+059)	060	1.711.899.906	1.622.702.730	2.091.854.187	1.665.849.301
F) OFF-BALANCE SHEET ITEMS	061	652.402.930	765.907.664	680.360.486	831.998.260

LIABILITIES

Name of position:	AOP	Previous year (net)	Current year (net)	Previous year (net)	Current year (net)
		DALEKOVOD jsc		DALEKOVOD GROUP	
1	2	3	4	5	6
EQUITY AND LIABILITIES					
A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	325.083.979	372.834.057	302.298.711	345.633.425
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	44.324.747	43.675.007	76.306.051	75.206.683
1. Legal reserves	066	11.486.600	11.486.600	11.652.410	11.652.410
2. Reserves for own shares	067	7.816.210	8.465.950	7.816.210	8.465.950
3. Own shares and stakes (less)	068	7.816.210	8.465.950	-7.816.210	-8.465.950
4. Statutory reserves	069	32.838.147	32.188.407	32.838.147	32.188.407
5. Other reserves	070	0	0	31.815.494	31.365.866
IV. REVALUATION RESERVES	071	40.016.573	40.016.573	40.014.627	40.014.627
V. RETAINED EARNINGS OR LOSS BROUGHT FORWARD (073-074)	072	-123.741.931	-92.592.061	-150.679.460	-146.660.818
1. Retained earnings	073	0	0	0	0
2. Loss brought forward	074	123.741.931	92.592.061	150.679.460	146.660.818
VI. PROFIT OR LOSS FOR THE FINANCIAL YEAR (076-077)	075	31.149.870	48.399.818	4.018.643	44.431.841
1. Profit for the financial year	076	31.149.870	48.399.818	4.018.643	44.431.841
2. Loss for the financial year	077	0	0	0	0
VII. MINORITY INTEREST	078	0	0	-695.870	-693.628
B) PROVISIONS (080 to 082)	079	26.468.723	10.190.349	29.625.995	13.297.944
1. Provisions for pensions, severance pay and similar liabilities	080	3.841.498	2.791.000	6.794.225	5.785.849
2. Provisions for tax obligations	081	0	0	0	0
3. Other provisions	082	22.627.225	7.399.349	22.831.770	7.512.095
C) NON-CURRENT LIABILITIES (084 to 092)	083	648.462.527	616.360.290	600.227.570	568.604.795
1. Liabilities to related parties	084	49.488.201	49.651.591	0	0
2. Liabilities for loans, deposits and other	085	0	0	0	0
3. Liabilities towards banks and other financial institutions	086	372.246.507	367.360.347	372.750.778	368.555.969
4. Amounts payable for prepayment	087	0	0	0	0
5. Trade payables	088	46.557.538	19.387.431	46.606.037	19.316.918
6. Amounts payable for securities	089	169.497.514	169.497.514	170.197.988	170.197.988
7. Liabilities toward participating interests	090	668.624	459.264	668.624	529.777
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	697.378.551	617.496.247	1.145.195.785	732.491.350
1. Liabilities to related parties	094	51.323.164	31.057.399	0	0
2. Liabilities for loans, deposits and other	095	402.220	0	0	0
3. Liabilities towards banks and other financial institutions	096	174.210.871	134.307.745	517.160.260	173.299.175
4. Amounts payable for prepayment	097	105.548.698	152.657.587	109.296.214	159.194.418
5. Trade payables	098	209.940.651	154.030.113	274.679.369	215.759.914
6. Amounts payable for securities	099	58.509.271	58.509.271	58.509.272	58.509.272
7. Liabilities toward participating interests	100	0	0	1.571.520	1.044.281
8. Liabilities to employees	101	17.605.673	21.147.605	41.690.867	44.615.746
9. Taxes, contributions and similar liabilities	102	12.063.713	25.072.425	18.832.466	31.778.326
10. Liabilities arising from share in the result	103	100.985	100.985	100.985	100.985
11. Liabilities arising from non-current assets held for sale	104	0	0	0	0
12. Other current liabilities	105	67.673.305	40.613.117	123.354.833	48.189.233
E) ACCRUED EXPENSES AND DEFERRED INCOME	106	14.506.126	5.821.787	14.506.127	5.821.787
F) TOTAL LIABILITIES (062+079+083+093+106)	107	1.711.899.906	1.622.702.730	2.091.854.187	1.665.849.301
G) OFF-BALANCE SHEET ITEMS	108	652.402.930	765.907.664	680.360.486	831.998.260
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			302.994.580	346.327.053
2. Attributable to non-controlling interests	110			-695.870	-693.628

IV. STATEMENT OF COMPREHENSIVE INCOME (unaudited)

Name of position	AOP	1H 2015	1H 2016	1H 2015	1H 2016
1	2	3	4	5	6
DALEKOVOD J.S.C.					
DALEKOVOD GROUP					
I. OPERATING INCOME (112+113)	111	691.611.390	610.289.154	890.755.415	844.103.224
1. Sales revenue	112	631.373.617	541.464.609	826.859.733	771.807.280
2. Other operating income	113	60.237.773	68.824.545	63.895.682	72.295.944
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	639.568.997	546.800.843	837.746.935	781.221.708
1. Changes in inventories of finished products and work in progress	115	40.367	30.049	7.466.986	-12.526.721
2. Material costs (117 to 119)	116	440.466.001	345.900.932	507.099.790	485.489.237
a) Cost of raw materials & consumables	117	126.625.472	142.574.974	187.877.458	199.938.259
b) Cost of goods sold	118	50.606.777	47.504.208	56.067.060	99.458.691
c) Other costs	119	263.233.752	155.821.750	263.155.272	186.092.287
3. Staff costs (121 to 123)	120	99.394.409	120.471.343	168.932.802	191.223.410
a) Net salaries	121	68.339.692	90.213.704	110.539.768	133.196.662
b) Employee income tax	122	19.735.109	19.338.986	39.257.073	37.629.926
c) Tax on payroll	123	11.319.608	10.918.653	19.135.961	20.396.822
4. Depreciation and amortisation	124	25.428.069	25.567.997	38.218.859	36.124.775
5. Other expenditures	125	10.399.658	7.727.212	19.030.567	15.346.920
6. Value adjustment (127+128)	126	1.146	9.763	83.756	31.914
a) non-current assets (without financial assets)	127	1.146	9.763	83.756	31.914
b) current assets (without financial assets)	128	0	0	0	0
7. Provisions	129	0	0	171.436	0
8. Other operating expenses	130	63.839.347	47.093.547	96.742.739	65.532.173
III. FINANCIAL INCOME (132 to 136)	131	15.777.958	4.042.577	2.098.785	7.944.841
1. Interest income, foreign exchange differences, dividends and other financial income related to subsidiaries	132	13.589.668	2.569.159	0	0
2. Interest income, foreign exchange differences, dividends and other financial income related to third parties	133	2.188.290	1.473.418	2.058.854	7.950.973
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	0	0	39.931	-6.132
IV. FINANCIAL COSTS (138 to 141)	137	17.747.333	15.888.051	17.501.266	23.330.595
1. Interest, foreign exchange differences and other expenses related to subsidiaries	138	1.341.072	946.441	0	0
2. Interest, foreign exchange differences and other expenses related to third parties	139	16.406.261	14.941.610	17.499.694	23.327.830
3. Unrealized loss (expenses) from the financial assets	140	0	0	0	0
4. Other financial expenses	141	0	0	1.572	2.765
V. SHARE OF INCOME OF ASSOCIATES	142	0	0	5.036.865	617.089
VI. SHARE OF LOSS OF ASSOCIATES	143	0	0	0	0
VII. EXTRAORDINARY - OTHER INCOME	144	0	0		
VIII. EXTRAORDINARY - OTHER EXPENSES	145	0	0		
IX. TOTAL INCOME (111+131+142 + 144)	146	707.389.348	614.331.731	897.891.065	852.665.154
X. TOTAL EXPENSES (114+137+143 + 145)	147	657.316.330	562.688.894	855.248.201	804.552.303
XI. PROFIT OR LOSS BEFORE TAX (146-147)	148	50.073.018	51.642.837	42.642.864	48.112.851
1. Profit before tax (146-147)	149	50.073.018	51.642.837	42.642.864	48.112.851
2. Loss before tax (147-146)	150	0	0	0	0
XII. INCOME TAX EXPENSE	151	8.724.598	3.243.019	10.733.514	3.681.010
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	41.348.420	48.399.818	31.909.350	44.431.841
1. Profit for the period (149-151)	153	41.348.420	48.399.818	31.909.350	44.431.841
2. Loss for the period (151-148)	154			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	32.172.790	44.431.841
2. Attributable to non-controlling interests	156	0	0	-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	41.348.420	48.399.818	31.909.350	44.431.841
II. OTHER COMPREHENSIVE INCOME /LOSS BEFORE TAX (159 to 165)	158			0	-447.689
1. Exchange differences arising from foreign operations	159				-447.689
2. Revaluation of non-current assets and intangible assets	160				
3. Gains or loss available for sale investments	161				
4. Gains or loss on net movement on cash flow hedges	162				
5. Gains or loss on net investments hedge	163				
6. Share of the other comprehensive income/loss of associates	164				
7. Actuarial gain / loss on post employment benefit obligations	165				
III. TAX ON OTHER COMPREHENSIVE INCOME OF THE PERIOD	166				
IV. NET OTHER COMPREHENSIVE INCOME OR LOSS FOR THE YEAR (158-166)	167				-447.689
V. TOTAL COMPREHENSIVE INCOME/LOSS FOR THE PERIOD (157+167)	168	41.348.420	48.399.818	31.909.350	43.984.152
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		43.986.394
2. Attributable to non-controlling interests	170	0	0		-2.242



V. CASH FLOW STATEMENT (unaudited)

Name of position:	AOP	Previous period	Current period	Previous period	Current period
1	2	3	4	5	6
DALEKOVOD jsc				DALEKOVOD GROUP	
CASH FLOW FROM OPERATING ACTIVITIES					
1. Pre-tax profit	001	50.073.018	51.642.837	42.642.865	48.112.851
2. Depreciation	002	25.428.069	25.567.997	38.218.859	36.124.775
3. Increase in short-term liabilities	003	38.324.151	0	38.113.715	0
4. Decrease in short-term receivables	004	0	107.486.164	0	99.419.869
5. Reduction of stocks	005	0	10.311.949	10.206.836	0
6. Other increase in cash flow	006	0	0	0	0
I. Total increase in cash flow from operating activities (001 to 006)	007	113.825.238	195.008.947	129.182.275	183.657.494
1. Decrease in short-term liabilities	008	0	76.176.303	0	59.446.693
2. Increase in short-term receivables	009	54.906.664	0	51.465.994	0
3. Increase in stocks	010	2.603.161	0	0	8.178.523
4. Other decrease in cash flow	011	22.591.916	53.720.117	17.342.772	77.083.739
II Total decrease in cash flow from operating activities (008 to 011)	012	80.101.741	129.896.420	68.808.766	144.708.955
A1) NET INCREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES (007-012)	013	33.723.497	65.112.527	60.373.509	38.948.539
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	76.443	0	86.225	6.828.113
2. Cash receipts from sale of treasury and debt financial instruments	016	1.830.822	0	5.331.858	0
3. Cash receipts from interests	017	1.223.912	0	314.313	0
4. Cash receipts from dividends	018	8.343.604	0	0	0
5. Other cash receipts from investment activities	019	6.334.677	378.507	6.800.000	411.449
III. Total cash receipts from investment activities (015 to 019)	020	17.809.458	378.507	12.532.396	7.239.561
1. Expenditures for buying fixed assets and intangible assets	021	16.637.112	8.399.789	8.739.241	23.929.926
2. Expenditures for purchasing treasury and debt financial instruments	022	46.413	869.411	46.413	0
3. Other expenditures from investment activities	023	35.867.452	35.090.703	36.506.334	16.282.895
IV. Total expenditures from investment activities (021 to 023)	024	52.550.977	44.359.903	45.291.988	40.212.821
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	34.741.519	43.981.396	32.759.592	32.973.260
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	7.387.593	0	14.949.847	44.673.374
3. Total cash receipts from financial activities	029	0	0	0	0
V. Total cash receipts from financial activities (027 to 029)	030	7.387.593	0	14.949.847	44.673.374
1. Expenditures for repayment of loan principal and bonds	031	0	0	15.967.355	30.059.134
2. Expenditures for payment of dividends	032	0	0	0	0
3. Expenditures for financial leasing	033	6.627.113	10.377.787	6.791.195	10.512.680
4. Expenditures for redemption of treasury shares	034	0	649.740	0	649.740
5. Other expenditures from financial activities	035	1.472.577	39.903.126	19.865.902	39.903.126
VI. Total expenditures from financial activities (031 to 035)	036	8.099.690	50.930.653	50.968.056	81.124.679
C1) NET INCREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES (030-036)	037	0	0	0	0
C2) NET DECREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES (036-030)	038	712.097	50.930.653	36.018.209	36.451.305
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	1.730.119	29.799.522	8.404.292	30.476.026
Cash and cash equivalents at the beginning of the period	041	41.762.484	81.849.024	66.387.214	102.077.241
Increase in cash and cash equivalents	042	0	0	0	0
Decrease in cash and cash equivalents	043	1.730.119	29.799.522	8.404.292	30.476.026
Cash and cash equivalents at the end of the period	044	40.032.365	52.049.502	57.982.922	71.601.215



VI. STATEMENT OF CHANGES IN EQUITY (unaudited)

Name of position:	AOP	Previous period	Current period	Previous period	Current period
1	2	3	4	5	6
DALEKOVOD jsc				DALEKOVOD GROUP	
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	44.324.747	43.675.007	76.306.051	75.206.683
4. Retained profit or loss carried forward	004	-123.741.931	-92.592.061	-151.375.330	-147.354.446
5. Profit or loss of current year	005	31.149.870	48.399.818	4.018.643	44.431.841
6. Revaluation of longterm tangible assets	006	40.016.573	40.016.573	40.014.627	40.014.627
7. Revaluation of intangible assets	007				
8. Revaluation of financial assets available for sale	008				
9. Other revaluations	009				
10. Total equity and reserves (AOP 001 to 009)	010	325.083.979	372.834.057	302.298.711	345.633.425
11. Foreign exchange differences arising from the titles of net	011			-632.000	-447.689
12. Current and deferred taxes (part)	012				
13. Cash flow protection	013				
14. Changes in accounting policies	014				
15. Correction of significant errors in the previous period	015	0	0		
16. Other changes in equity	016	0	0	3.591.581	43.784.645
17. Total increase or decrease in equity (AOP 011 to 016)	017	0	0	2.959.581	43.336.956
17 a. Attributed to parent company equity holders	018			2.910.711	43.334.714
17 b. Attributed to minority interest	019			48.870	2.242

VII. NOTES TO FINANCIAL STATEMENTS

1. BASIC DETAILS

MANAGEMENT BOARD

Alen Premužak – Chairman of the Management Board

Branimir Alujević – Management Board Member

Helena Jurčić Šestan – Management Board Member

Marko Jurković – Management Board Member

Mirko Leko – Management Board Member

Ivica Kranjčić – 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 247,193,050.00. Number of shares: 24,719,305

IBAN: HR8323600001101226102 ZABA Zagreb

REG. NO.: (MBS): 080010093, Commercial Court in Zagreb

Stat. No.: 3275531

PIN: 47911242222

Activity code: 4222 (Construction of utility projects for electricity and telecommunications)

2. SHAREHOLDINGS (as at 30 September 2016):

Individuals	4,183,921
Financial institutions	4,409,596
Konsolidator d.o.o.	15,000,000
Others	1,026,947
Own shares	98,841
TOTAL	24,719,305

3. MERGERS AND CONSOLIDATIONS

There were no mergers or consolidations in the first nine months of 2016.

4. UNCERTAINTY

No items of doubtful and bad debt affecting business continuity were identified in the first nine months of 2016.

5. DESCRIPTION OF PRODUCTS AND SERVICES

Over time, Dalekovod jsc 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 trams

6. CHANGES IN ACCOUNTING POLICIES

There are no new accounting policies.