

# Institut IGH d.d.

Janka Rakuše 1, 10000 Zagreb, CROATIA  
Tel: +385 1 6125 125, Fax: +385 1 6125 401,  
igh@igh.hr, www.igh.hr



## GENERAL MANAGER'S REPORT ON BUSINESS RESULTS OF THE INSTITUT IGH AND ITS SUBSIDIARIES IN THE PERIOD FROM 1 JANUARY TO 30 JUNE 2012

The INSTITUT IGH, d.d., Zagreb, and its subsidiaries, provide professional services in the field of testing, design and project validation, works supervision and project management in the architectural and civil engineering spheres of design, and also conduct scientific research.

Institut IGH d.d. has 20 subsidiary companies providing services either in its core activity or in associated fields of activity, the exception being one subsidiary company that provides services in the field of hotel industry and tourism.

The registered seat of the mother company Institut IGH, d.d. is situated in Zagreb, Janka Rakuše 1, company registration No.: MB 3750272, personal identification No. OIB 79766124714.

A total of 1035 persons were employed with the Institut IGH d.d. and its subsidiaries on 30 June 2012.

### Supervisory Board and Management Board of Institut IGH, d.d.

The company's Supervisory Board members are:

Franjo Gregorić, PhD, President

Dinko Tvrtković, BSc, Member

Branko Kincl, Academician, Member

Prof. Vlatka Rajčić, PhD, Member

Ante Stojan, BSc, Member

The company's Management Board member is:

Prof. Jure Radić, PhD.CE, General Manager

SPLIT 21 000  
Matice hrvatske 15  
Tel:021/558-666  
Fax:021/465-335

RIJEKA 51 000  
Slavka Tomašića 5  
Tel:051/206-100  
Fax:051/206-106

OSIJEK 31 000  
Drinska 18  
Tel:031/253-101  
Fax:031/253-104

VARAŽDIN 42 000  
Hallerova aleja 7  
Tel:042/210-970,  
042/210-722  
Fax:042/211-285

DUBROVNIK 20 000  
Vukovarska 8  
Tel:020/412-489,  
020/411-628  
Fax:020/412-489

PULA 52 100  
Rizzijska 40  
Tel:052/508-220  
Fax:052/508-221

KARLOVAC 47 000  
Primorska 16  
Tel:047/416-987,  
047/416-988  
Fax:047/416-989

SISAK 44 000  
Ferde Hefelea b.b.  
Tel:044/571-255  
Fax:044/571-256

ZADAR 23 000  
Dobriše Cesarića 1  
Tel:023/220-910,  
023/323-299  
Fax:023/323-225

Djelatnost: 73102  
MB: 3750272  
Poslovna banka:  
Zagrebačka banka d.d.  
Zagreb, Preradovića 2

Žiro-račun:  
2360000-1101243767  
devizni račun  
kod Zagrebačke banke d.d.  
Zagreb: 2100085026  
OIB: 79766124714

Mjesečni sud:  
Izvršni sud u Zagrebu,  
registratori ulazak  
s mrežnim brojem (MBS)  
080000959

Teretni kapital:  
105.668.000,00 kn  
uplaćen u cijelosti  
Broj izdanih dionica:  
264.170, nominalna  
vrijednost dionice 400 kn

Upravo:  
prof. dr.sc. Jure Radić, direktor,  
zastepa društvo pojedinačno i  
samostalno  
Nadzorni odbor:  
dr.sc. Franjo Gregorić, predsjednik



### **Share capital**

In accordance with the Decision adopted on the General Assembly meeting held on 26 April 2012, the share capital of the company increased by 42.236.000 HRK, i.e. from the amount of **63.432.000 HRK** to the amount of **105.668.000 HRK**, and consists of **158.580** ordinary shares mark IGH-R-A, nominal value of 400 HRK, and **105.590** ordinary shares mark IGH-R-B, nominal value of 400 HRK. Increase in the share capital has been registered in the Court register of the Commercial Court in Zagreb on the basis of the Decision no: Tt-12/8912-2 dated 23 May, 2012.

### **Business results of the Institut IGH D.D. and its subsidiaries in the period from 1 January to 30 June, 2012.**

In the period from 1 January to 30 June 2012, the revenues of the Institut IGH and its subsidiaries amounted to HRK 152,1 million, out of which the amount of HRK 19,8 million was earned on foreign markets.

The consolidated revenues amounted to HRK 159,5 million and are 34% lower than the revenues earned in the same period 2011.

The operating expenses amount to HRK 166,4 million which is a 27% reduction when compared to the same period last year. This particularly concerns reductions made in personnel costs which are lower by 21% with respect to the same period last year, primarily because of reduction in the number of employees based on the surplus employee placement program and a decrease in the employee salaries.

Financial revenues amount to HRK 4,2 million, and are formed of interest amounting to HRK 2,1 million, and net income from positive exchange rate differences in the same amount.

Financial expenses in the period from January to June 2012, amount to HRK 26,7 million out of which HRK 24,7 million are loan interest payments.

The Institut IGH d.d. and its subsidiaries realized in the period from January to June 2012 a consolidated pre-tax loss of HRK 30.4 million.

The consolidated after-tax loss amounts to HRK 31,9 million. The loss to minority interest is HRK 72,000, and the loss to mother-company shareholders is HRK 31,8 million.

The subject period is marked by permanent stagnation of business activities. In such circumstances, the Company marked a loss due to the reduction of consolidated revenues from sale (34% as compared to the same period in 2011), caused by stagnation of activities in the construction sector and a backset in the realization of planned infrastructural projects in the Republic of Croatia.

In the subject period, the Company continued to undertake measures which shall bring a reduction of operating costs, which are in accordance with the Company Restructuring Program initiated in 2010, which resulted in a decrease of costs by 27% as compared to the first half-year of 2011. The costs are decreasing slower than the income, among other, also because of the increase in the price of energy generating products and the change in the tax rules where the deduction of tax pre-payment for certain procurement of goods and services is prevented.

With the aim of financial consolidation of the Company, a procedure for increase of share capital was undertaken in the second quarter by money deposit.

The Company issued convertible bonds in the amount of 10 million EURO which are due on 06 June 2017, which has a positive effect on solvency and the optimization of the balance sheet structure.

In the first six months, the Company contracted works amounting to HRK 92 millions, thus, the present value of contracted works amounts to HRK 613 million.

Since an increase in the tendering procedures in public companies is noticed during July, the Company expects an intensification of business

activity, with simultaneous continuation of the process of rationalization of operation and financial consolidation of the Company. It is therefore to be expected that the second half of the year will have positive financial results. The Company shall continue to upgrade and expand its products and services in order to retain Company's position as leader in the Republic of Croatia and South-Eastern Europe.

Zagreb, 27 July 2012.

Institut IGH, d.d.

Prof. Jure Radić, PhD., CE

General Manager





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## MANAGEMENT'S STATEMENT ON THE RESPONSIBILITY FOR PREPARING CONSOLIDATED REPORTS FOR THE INSTITUT IGH GROUP, JSC

The Company's Management has to ensure that the Group's consolidated financial reports for the first semester of 2012 are prepared in accordance with the Accountancy Law (Official Gazette 146/05) and in keeping with international accounting standards (Official Gazette 136/09, 08/10, 27/10, 65/10, 120/10, 58/11, 140/11) issued by the International Accounting Standards Board (IASB), so that these documents provide a true and unbiased picture of the Group's financial standing, business results, change in capital, and cash flow for the period under consideration.

After making due enquiries, the Management has a reasonable expectation that the Group has adequate resources to continue operation in the foreseeable future. Accordingly, the Group has prepared its financial reports under assumption that the Group will continue operating for an unlimited period of time.

During preparation of financial reports, the Management is responsible:

- for the selection and, thereafter, for consistent use of appropriate accounting policies;
- for giving reasonable and sensible assessments and estimates;
- for applying valid financial reporting standards and for making public and explaining every materially significant discrepancy discovered in financial reports;
- for preparing financial reports under assumption of an unlimited period of operation, except in cases when such assumption is inappropriate.

The Management is responsible for keeping proper accountancy records that will depict, to an acceptable level of accuracy, the financial standing and business results of the Group, in full compliance with the Accountancy Law and international accounting standards issued by the International Accounting Standards Board (IASB). The Management is also responsible for protecting and safeguarding the Group's assets, and hence for undertaking every measure it deems necessary to prevent and discover cases of fraud and other illegal activity.

Signed on behalf of the Management:

Prof. Jure Radić, Ph.D. (Civ. Eng.), General Manager

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Janka Rakuše 1  
10000 Zagreb

27 July 2012



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s matičnim brojem (MBS)  
080000959

Temeljni kapital:  
105 668 000,00 kn  
uplaćen u cijelosti  
Broj izdanih dionica:  
264.170, nominalna  
vrijednost dionice 400 kn

Upravo:  
prof. dr.sc. Jure Radić, direktor,  
zastupa društvo pojedinačno i  
samostalno  
Nadzorni odbor:  
dr.sc. Franjo Čeručić, predsjednik



**Attachment 1.**

Reporting period:

01.01.2012

do

30.06.2012

**Quarterly financial statement of the entrepreneur - TFI-POD**

Tax number (MB):	03750272	
Company registration number (MBS):	80000959	
Personal identification number (OIB):	79766124714	
Issuing company:	INSTITUT IGH D.D.	
Postal code and place:	10000	ZAGREB
Street and house number:	JANKA RAKUŠE 1	
E-mail address:	igh@igh.hr	
Internet address:	http://www.institutigh.com	
Municipality/city code and name:	133	ZAGREB
County code and name:	133	GRAD ZAGREB
Consolidated report:	YES	
		Number of employees (quarter end): 1.035
		NKD code: 7219
Companies of the consolidation subject (according to IFRS):	Seat:	MB:
IGH MOSTAR D.O.O.	MOSTAR, BIŠĆE POLJE BB	4227060470005
GEOTEHNIKA INŽENJERING D.O.O.	ZAGREB, GRADIŠĆANSKA 26	01517597
IGH PROJEKTIRANJE D.O.O.	ZAGREB, JANKA RAKUŠE 1	02441918
INCRO D.O.O.	ZAGREB, BRANIMIROVA 71	01982516
IGH ENERGIJA D.O.O.	ZAGREB, JANKA RAKUŠE 1	01819585
FORUM CENTAR D.O.O.	ZAGREB, JAGODNJAK 17	01960229
IGH TURIZAM D.O.O.	ZAGREB, JANKA RAKUŠE 1	01974378
PROJEKT ŠOLTA D.O.O.	ZAGREB, JANKA RAKUŠE 1	02592363
VOĐENJE PROJEKATA D.O.O.	ZAGREB, BIJENIČKA CESTA 8	02427648
EKONOMSKO TEHNIČKI ZAVOD D.D.	OSIJEK, TRG A. STARČEVIĆA 7/II	03013669
PROJEKTI BIRO PALMOTIĆEVA 45 D.O.O.	ZAGREB, PALMOTIĆEVA 45	03222853
IGH KOSOVA Sha	PRIŠTINA, KOSOVO	
ARHITEKTURA THOLOS PROJEKTIRANJE D.O.O.	ZAGREB, LOPAŠIĆEVA 6	01605291
HIDROINŽENJERING D.O.O.	ZAGREB, OKUČANSKA 30	03685110
DP AQUA D.O.O.	ZAGREB, SREDNJACI 16	01907522
TEHNIČKE KONSTRUKCIJE D.O.O.	ZAGREB, VLAŠKA 79	02405865
MBM TERMO PROJEKT D.O.O.	ZAGREB, NIKOLA PAVIĆA 20	00335967
CTP PROJEKT D.O.O.	ZAGREB, SAVSKA CESTA 144A	02396173
RADELJEVIĆ D.O.O.	ZAGREB, JANKA RAKUŠE 1	01938533
MARTERRA D.O.O.	ZAGREB, BRANIMIROVA 71	28983577816

Bookkeeping service: \_\_\_\_\_

Contact person: **ŠPINDERK JADRANKA**

(please enter only contact person's family name and name)

Telephone: **01 6125 444**

Telefax: **01 6125 404**

E-mail address: **igh@igh.hr**

Family name and name: **prof. dr. JURE RADIĆ, dipl. ing. građ.**

(person authorized to represent the company)

**Documents to be published:**

1. Financial statements (balance sheet, profit and loss statement, cash flow statement, statement of changes in equity, and notes to financial statements)
2. Statement of persons responsible for the drawing-up of financial statements
3. Report of the Management Board on the Company Status



M.P.

\_\_\_\_\_  
(signature of the person authorized to represent the company)



**BALANCE SHEET**  
as of 30.06.2012.

<b>INSTITUT IGH D.D.</b>			
Position	AOP	Previous period	Current period
1	2	3	4
<b>A) RECEIVABLES FOR SUBSCRIBED AND NON - PAID CAPITAL</b>	<b>001</b>		
<b>B) LONG - TERM ASSETS (003+010+020+029+033)</b>	<b>002</b>	754.059.438	754.163.167
<b>I. INTANGIBLE ASSETS (004 to 009)</b>	<b>003</b>	35.695.420	36.067.526
1. Assets development	<b>004</b>		0
2. Concessions, patents, licence fees, merchandise and service brands, software and other rights	<b>005</b>	4.381.304	3.086.390
3. Goodwill	<b>006</b>	28.720.689	28.720.689
4. Prepayments for purchase of intangible assets	<b>007</b>	0	0
5. Intangible assets in preparation	<b>008</b>	2.593.427	4.260.447
6. Other intangible assets	<b>009</b>	0	0
<b>II. TANGIBLE ASSETS (011 to 019)</b>	<b>010</b>	518.409.354	521.146.159
1. Land	<b>011</b>	91.866.993	91.866.993
2. Buildings	<b>012</b>	265.069.800	258.576.105
3. Plant and equipment	<b>013</b>	23.971.526	22.208.345
4. Instruments, plant inventories and transportation assets	<b>014</b>	6.412.924	5.842.883
5. Biological assets	<b>015</b>	0	0
6. Prepayments for tangible assets	<b>016</b>	171.958	168.850
7. Tangible assets in preparation	<b>017</b>	28.929.001	29.542.745
8. Other material assets	<b>018</b>	1.159.191	1.122.205
9. Investment in buildings	<b>019</b>	100.827.961	111.818.033
<b>III. LONG-TERM FINANCIAL ASSETS (021 to 028)</b>	<b>020</b>	193.958.644	192.547.679
1. Shares (stocks) in related parties	<b>021</b>		
2. Loans given to related parties	<b>022</b>	28.120.000	28.120.000
3. Participating interests (shares)	<b>023</b>	45.648.831	45.648.831
4. Loans to entrepreneurs in whom the entity hold participating interests	<b>024</b>		
5. Investment in securities	<b>025</b>		
6. Loans, deposits and similar assets	<b>026</b>	5.424.438	4.677.045
7. Other long - term financial assets	<b>027</b>	21.181.604	21.325.902
8. Investments accounted by equity method	<b>028</b>	93.583.771	92.775.901
<b>IV. RECEIVABLES (030 to 032)</b>	<b>029</b>	3.849.560	2.255.343
1. Receivables from related parties	<b>030</b>		0
2. Receivables based on trade loans	<b>031</b>	3.849.560	2.255.343
3. Other receivables	<b>032</b>		0
<b>V. DEFERRED TAX ASSETS</b>	<b>033</b>	2.146.460	2.146.460
<b>C) SHORT TERMS ASSETS (035+043+050+058)</b>	<b>034</b>	499.555.281	556.079.093
<b>I. INVENTORIES (036 to 042)</b>	<b>035</b>	127.031.097	138.394.269
1. Raw material	<b>036</b>	900.186	319.147
2. Work in progress	<b>037</b>	120.335.411	131.548.731
3. Finished goods	<b>038</b>	2.646.935	2.646.935
4. Merchandise	<b>039</b>	2.148.565	2.871.832
5. Prepayments for inventories	<b>040</b>	1.000.000	1.007.624
6. Long - term assets held for sale	<b>041</b>		
7. Biological assets	<b>042</b>		0
<b>II. RECEIVABLES (044 to 049)</b>	<b>043</b>	323.767.684	321.155.446
1. Receivables from related parties	<b>044</b>	1.542.048	1.217.735
2. Accounts receivable	<b>045</b>	143.894.900	144.167.397
3. Receivables from participating entrepreneurs	<b>046</b>	146.963	146.963
4. Receivables from employees and shareholders	<b>047</b>	687.947	963.427
5. Receivables from government and other institutions	<b>048</b>	2.377.292	5.023.995
6. Other receivables	<b>049</b>	175.118.534	169.635.929
<b>III. SHORT - TERM FINANCIAL ASSETS (051 to 057)</b>	<b>050</b>	43.726.570	92.723.062
1. Shares (stocks) in related parties	<b>051</b>	0	0
2. Loans given to related parties	<b>052</b>	11.330.142	12.389.236
3. Participating interests (shares)	<b>053</b>	0	0
4. Loans to entrepreneurs in whom the entity hold participating interests	<b>054</b>	7.371.332	69.679.544
5. Investment in securities	<b>055</b>	10.823.215	3.480.189
6. Loans, deposits and similar assets	<b>056</b>	14.201.881	7.174.093
7. Other financial assets	<b>057</b>	0	0
<b>IV. CASH AT BANK AND IN CASHIER</b>	<b>058</b>	5.029.930	3.806.316
<b>D) PREPAID EXPENSES AND ACCRUED INCOME</b>	<b>059</b>	90.265.492	82.583.778
<b>E) TOTAL ASSETS (001+002+034+059)</b>	<b>060</b>	1.343.880.211	1.392.826.038
<b>F) OFF-BALANCE SHEET NOTES</b>	<b>061</b>	91.616.308	98.100.743



<b>LIABILITIES AND CAPITAL</b>			
<b>A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)</b>	<b>062</b>	463.555.790	506.981.202
I. SUBSCRIBED CAPITAL	<b>063</b>	63.432.000	105.668.000
II. CAPITAL RESERVES	<b>064</b>	13.998.640	52.011.040
III. RESERVES FROM PROFIT (066+067-068+069+070)	<b>065</b>	8.068.491	4.671.291
1. Reserves prescribed by law	<b>066</b>	3.171.600	3.171.600
2. Reserves for treasury stocks	<b>067</b>	6.343.200	6.343.200
3. Treasury stocks and shares (deduction)	<b>068</b>	1.446.309	4.843.509
4. Statutory reserves	<b>069</b>	0	0
5. Other reserves	<b>070</b>	0	0
IV. REVALUATION RESERVES	<b>071</b>	58.873.603	58.794.703
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	<b>072</b>	251.421.550	252.124.655
1. Retained earnings	<b>073</b>	251.421.550	252.124.655
2. Accumulated loss	<b>074</b>		
VI. PROFIT / LOSS FOR THE CURRENT YEAR (076-077)	<b>075</b>	1.673.409	-31.870.412
1. Profit for the current year	<b>076</b>	1.673.409	0
2. Loss for the current year	<b>077</b>	0	31.870.412
VII. MINORITY INTEREST	<b>078</b>	66.088.097	65.581.925
<b>B) PROVISIONS (080 to 082)</b>	<b>079</b>	5.949.307	5.749.308
1. Provisions for pensions, severance pay and similar liabilities	<b>080</b>	2.360.607	2.360.607
2. Reserves for tax liabilities	<b>081</b>	0	0
3. Other reserves	<b>082</b>	3.588.700	3.388.701
<b>C) LONG TERM LIABILITIES (084 to 092)</b>	<b>083</b>	329.343.101	462.214.881
1. Liabilities to related parties	<b>084</b>	0	0
2. Liabilities for loans, deposits etc.	<b>085</b>	0	0
3. Liabilities to banks and other financial institutions	<b>086</b>	319.563.481	378.832.185
4. Liabilities for received prepayments	<b>087</b>	0	0
5. Accounts payable	<b>088</b>	4.061.301	2.567.232
6. Liabilities arising from debt securities	<b>089</b>	1.428.572	76.525.717
7. Liabilities to entrepreneurs in whom the entity holds participating interests	<b>090</b>	0	0
8. Other long-term liabilities	<b>091</b>	80.788	80.788
9. Deferred tax liability	<b>092</b>	4.208.959	4.208.959
<b>D) SHORT - TERM LIABILITIES (094 to 105)</b>	<b>093</b>	542.130.443	414.616.737
1. Liabilities to related parties	<b>094</b>	1.305	805
2. Liabilities for loans, deposits etc.	<b>095</b>	55.408.315	17.040.776
3. Liabilities to banks and other financial institutions	<b>096</b>	162.029.926	166.589.277
4. Liabilities for received prepayments	<b>097</b>	5.194.320	9.307.815
5. Accounts payable	<b>098</b>	132.343.244	121.091.350
6. Liabilities arising from debt securities	<b>099</b>	98.432.756	11.557.000
7. Liabilities to entrepreneurs in whom the entity holds participating interests	<b>100</b>	0	0
8. Liabilities to employees	<b>101</b>	14.289.387	14.994.384
9. Liabilities for taxes, contributions and similar fees	<b>102</b>	34.053.799	40.953.538
10. Liabilities to share - holders	<b>103</b>	418.052	418.052
11. Liabilities for long term assets held for sale	<b>104</b>		
12. Other short - term liabilities	<b>105</b>	39.959.339	32.663.740
<b>E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD</b>	<b>106</b>	2.901.570	3.263.910
<b>F) TOTAL CAPITAL AND LIABILITIES (062+079+083+093+106)</b>	<b>107</b>	1.343.880.211	1.392.826.038
<b>G) OFF-BALANCE SHEET NOTES</b>	<b>108</b>	91.616.308	98.100.743
<b>APPENDIX TO BALANCE SHEET (only for consolidated financial statements)</b>			
<b>A) CAPITAL AND RESERVES</b>			
1. Attributed to equity holders of parent company	<b>109</b>	397.467.693	441.399.277
2. Attributed to minority interests	<b>110</b>	66.088.097	65.581.925

**PROFIT AND LOSS ACCOUNT**  
for period 01.01.2012. to 30.06.2012

INSTITUT IGH D.D.

Position	AOP	Previous period		Current period	
		Cummulative	Periodical	Cummulative	Periodical
1	2	3	4	5	6
<b>I. OPERATING REVENUES (112+113)</b>	<b>111</b>	242.428.643	143.450.744	159.509.937	74.210.111
1. Sales revenues	112	229.644.283	133.857.246	152.138.892	70.847.594
2. Other operating revenues	113	12.784.360	9.593.498	7.371.045	3.362.517
<b>II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)</b>	<b>114</b>	227.210.184	125.489.939	166.481.370	87.792.391
1. Changes in the value of work in progress and finished goods	115	12.377.745	6.460.288	-136.000	0
2. Material costs (117 to 119)	116	79.937.736	50.986.810	60.698.775	35.606.415
a) Raw material and material costs	117	18.182.838	11.774.239	11.834.454	6.903.227
b) Costs of goods sold	118	31.350	31.350	1.085	0
c) Other external costs	119	61.723.548	39.181.221	48.863.236	28.703.188
3. Staff costs (121 to 123)	120	98.264.050	47.884.336	75.382.120	35.814.738
a) Net salaries and wages	121	54.941.734	27.938.207	42.767.901	20.601.073
b) Costs for taxes and contributions from salaries	122	28.979.387	12.857.879	21.800.979	10.215.629
c) Contributions on gross salaries	123	14.342.929	7.088.250	10.813.240	4.998.036
4. Depreciation	124	11.124.965	4.607.653	10.306.566	4.910.799
5. Other costs	125	21.349.640	13.632.912	18.075.630	11.348.281
6. Impairment (127+128)	126	3.124.691	1.017.812	259.270	0
a) Impairment of long-term assets (excluding financial assets)	127	0	0	0	0
b) Impairment of short-term assets (excluding financial assets)	128	3.124.691	1.017.812	259.270	0
7. Provisions	129	0	0	0	0
8. Other operating expenses	130	1.031.357	900.148	1.895.009	112.158
<b>III. FINANCIAL INCOME (132 to 136)</b>	<b>131</b>	19.480.657	2.476.822	4.189.207	676.620
1. Interest income, foreign exchange gains, dividends and similar income from related parties	132	0	0	0	0
2. Interest income, foreign exchange gains, dividends and similar income from non-related	133	2.642.957	1.766.552	2.858.854	0
3. Share in income from affiliated entrepreneurs and participating interests	134	1.356.756	682.126	1.154.440	529.103
4. Unrealized gains (income) from financial assets	135	0	0	0	0
5. Other financial income	136	15.480.944	28.144	175.913	147.517
<b>IV. FINANCIAL EXPENSES (138 to 141)</b>	<b>137</b>	25.452.677	15.277.320	26.867.404	15.120.878
1. Interest expenses, foreign exchange losses and similar expenses from related parties	138	0	0	0	0
2. Interest expenses, foreign exchange losses and similar expenses from non - related	139	25.077.940	14.902.583	26.237.802	14.778.242
3. Unrealized losses (expenses) on financial assets	140	0	0	0	0
4. Other financial expenses	141	374.737	374.737	629.602	342.636
<b>V. INCOME FROM INVESTMENT SHARE IN PROFIT OF ASSOCIATED ENTREPRENEURS</b>	<b>142</b>	0	0	0	0
<b>VI. LOSS FROM INVESTMENT SHARE IN LOSS OF ASSOCIATED ENTREPRENEURS</b>	<b>143</b>	2.660.292	2.397.916	787.870	515.555
<b>VII. EXTRAORDINARY - OTHER INCOME</b>	<b>144</b>	0	0	0	0
<b>VIII. EXTRAORDINARY - OTHER EXPENSES</b>	<b>145</b>	0	0	0	0
<b>IX. TOTAL INCOME (111+131+142 + 144)</b>	<b>146</b>	261.909.300	145.927.566	163.699.144	74.886.731
<b>X. TOTAL EXPENSES (114+137+143 + 145)</b>	<b>147</b>	255.323.153	143.165.175	194.136.644	103.428.824
<b>XI. PROFIT OR LOSS BEFORE TAXATION (146-147)</b>	<b>148</b>	6.586.147	2.762.391	-30.437.500	-28.542.093
1. Profit before taxation (146-147)	149	6.586.147	2.762.391	0	0
2. Loss before taxation (147-146)	150	0	0	30.437.500	28.542.093
<b>XII. PROFIT TAX</b>	<b>151</b>	2.350.388	1.294.240	1.504.908	67.399
<b>XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)</b>	<b>152</b>	4.235.759	1.468.151	-31.942.408	-28.609.492
1. Profit for the period(149-151)	153	4.235.759	1.468.151	0	0
2. Loss for the period (151-148)	154	0	0	31.942.408	28.609.492
<b>XIV. PROFIT OR LOSS FOR THE PERIOD</b>					
1. Attributed to equity holders of parent company	155	3.619.175	1.259.479	-31.870.412	-28.649.023
2. Attributed to minority interests	156	616.584	208.672	-71.996	39.531
<b>STATEMENT OF COMPREHENSIVE INCOME (IFRS)</b>					
<b>I. PROFIT OR LOSS FOR THE PERIOD (= 152)</b>	<b>157</b>	4.235.759	1.468.151	-31.942.408	-28.609.492
<b>II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX (159 to 165)</b>	<b>158</b>	-35.348	-11.154	-24.655	-31.096
1. Exchange differences on translation of foreign operations	159	-35.348	-11.154	-24.655	-31.096
2. Movements in revaluation reserves of long-term tangible and intangible assets	160	0	0	0	0
3. Profit or loss from revaluation of financial assets available for sale	161	0	0	0	0
4. Gains or losses on efficient cash flow hedging	162	0	0	0	0
5. Gains or losses on efficient hedge of a net investment in foreign countries	163	0	0	0	0
6. Share in other comprehensive income / loss of associated companies	164	0	0	0	0
7. Actuarial gains / losses on defined benefit plans	165	0	0	0	0
<b>III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>166</b>	0	0	-4.931	-6.219
<b>IV. NET OTHER COMPREHENSIVE INCOME/ LOSS FOR THE PERIOD (158-166)</b>	<b>167</b>	-35.348	-11.154	-19.724	-24.877
<b>V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD(157+167)</b>	<b>168</b>	4.200.411	1.456.997	-31.962.132	-28.634.369
APPENDIX to Statement of comprehensive income (only for consolidated financial statements)					
<b>VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD</b>					
1. Attributed to equity holders of parent company	169	3.583.827	1.248.325	-31.890.136	-28.673.900
2. Attributed to minority interests	170	616.584	208.672	-71.996	39.531



**STATEMENT OF CASH FLOWS - Indirect method**  
**period 01.01.2012. to 30.06.2012**

INSTITUT IGH D.D.			
Position	AOP	Previous period	Current period
1	2	3	4
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
1. Profit before tax	001	6.586.247	-30.437.500
2. Depreciation	002	11.124.965	10.306.566
3. Increase in short-term liabilities	003	0	0
4. Decrease in short term receivables	004	0	2.612.238
5. Decrease in inventories	005	10.852.583	0
6. Other cash flow increases	006	57.844.150	71.365.460
<b>I. Total increase in cash flow from operating activities (001 to 006)</b>	<b>007</b>	<b>86.407.945</b>	<b>53.846.764</b>
1. Decrease in short - term liabilities	008	31.355.867	127.513.706
2. Increase in short - term receivables	009	83.934.714	0
3. Increase in inventories	010	0	11.363.172
4. Other cash flow decreases	011	0	0
<b>II. Total decrease in cash flow from operating activities (008 to 011)</b>	<b>012</b>	<b>115.290.581</b>	<b>138.876.878</b>
<b>A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES (007-012)</b>	<b>013</b>	<b>0</b>	<b>0</b>
<b>A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES (012-007)</b>	<b>014</b>	<b>28.882.636</b>	<b>85.030.114</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
1. Cash flow from sale of long - term tangible and intangible assets	015	199.650	235.616
2. Cash inflows from sale of equity and debt financial instruments	016	31.300.000	0
3. Interest receipts	017	1.084.986	455.548
4. Dividend receipts	018	0	0
5. Other cash inflows from investing activities	019	2.048.795	4.240.498
<b>III. Total cash inflows from investing activities(015 to 019)</b>	<b>020</b>	<b>34.633.431</b>	<b>4.931.662</b>
1. Cash outflows for purchase of long - term tangible and intangible assets	021	4.964.276	2.936.741
2. Cash outflows for purchase of equity and debt financial instruments	022	31.300.000	0
3. Other cash outflows from investing activities	023	0	66.658.548
<b>IV. Total cash outflows from investing activities (021 to 023)</b>	<b>024</b>	<b>36.264.276</b>	<b>69.595.289</b>
<b>B1) NET INCREASE OF CASH FLOW FROM INVESTING ACTIVITIES(020-024)</b>	<b>025</b>	<b>0</b>	<b>0</b>
<b>B2) NET DECREASE OF CASH FLOW FROM INVESTING ACTIVITIES(024-020)</b>	<b>026</b>	<b>1.630.845</b>	<b>64.663.627</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
1. Cash receipts from issuance of equity and debt financial instruments	027	75.719.107	155.770.260
2. Cash inflows from loans, debentures, credits and other borrowings	028	17.787.203	149.137.276
3. Other cash inflows from financing activities	029	0	0
<b>V. Total cash inflows from financing activities (027 to 029)</b>	<b>030</b>	<b>93.506.310</b>	<b>304.907.536</b>
1. Cash outflows for repayment of loans and bonds	031	110.674.874	158.325.007
2. Dividends paid	032	52.725	118.640
3. Cash outflows for finance lease	033	1.151.296	1.939.588
4. Cash outflows for purchase of own stocks	034	0	3.397.200
5. Other cash outflows from financing activities	035	0	0
<b>VI. Total cash outflows from financing activities (031 do 035)</b>	<b>036</b>	<b>111.878.895</b>	<b>163.780.435</b>
<b>C1) NET INCREASE OF CASH FLOW FROM FINANCING ACTIVITIES (030-036)</b>	<b>037</b>	<b>0</b>	<b>141.127.101</b>
<b>C2) NET DECREASE OF CASH FLOW FROM FINANCING ACTIVITIES (036-030)</b>	<b>038</b>	<b>18.372.585</b>	<b>0</b>
Total increases of cash flows (013 – 014 + 025 – 026 + 037 – 038)	039	0	0
Total decreases of cash flows (014 – 013 + 026 – 025 + 038 – 037)	040	48.886.066	8.566.640
Cash and cash equivalents at the beginning of period	041	73.679.933	15.853.145
Increase in cash and cash equivalents	042	0	0
Decrease in cash and cash equivalents	043	48.886.066	8.566.640
Cash and cash equivalents at the end of period	044	24.793.867	7.286.505

**STATEMENT OF CHANGES IN EQUITY**  
**from 01.01.2012 to 30.06.2012**

Position	AOP	Previous year	Current year
1	2	3	4
1. Subscribed capital	001	63.432.000	105.668.000
2. Capital reserves	002	13.998.640	52.011.040
3. Reserves from profit	003	8.068.491	4.671.291
4. Retained earnings or accumulated loss	004	251.421.550	252.124.655
5. Profit / loss for the current year	005	1.673.409	-31.870.412
6. Revaluation of long - term tangible assets	006	52.379.202	52.332.798
7. Revaluation of intangible assets	007	0	0
8. Revaluation of financial assets available for sale	008	6.472.994	6.472.994
9. Other revaluation	009	0	0
<b>10. Total capital and reserves (AOP 001 to 009)</b>	<b>010</b>	<b>397.446.286</b>	<b>441.410.366</b>
11. Currency gains and losses arising from net investments in foreign operations	011	21.407	-11.089
12. Current and deferred taxes (part)	012	0	0
13. Cash flow hedging	013	0	0
14. Changes in accounting policies	014	0	0
15. Correction of significant errors in prior periods	015	0	0
16. Other changes in capital	016	0	0
<b>17. Total increase or decrease in capital (AOP 011 to 016)</b>	<b>017</b>	<b>21.407</b>	<b>-11.089</b>
17 a. Attributed to equity holders of parent company	018	397.467.693	441.399.277
17 b. Attributed to minority interest	019	66.088.097	65.581.925

Items decreasing the capital are entered with a negative number sign

Data entered under AOP marks 001 to 009 are entered as situation on the Balance Sheet date