

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



MANAGEMENT BOARD REPORT ON BUSINESS RESULTS OF THE INSTITUT IGH d.d. AND ITS SUBSIDIARIES IN THE PERIOD FROM 1 JANUARY TO 30 JUNE 2013

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 18 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., Zagreb is situated in Zagreb, Janka Rakuše 1, company registration No: MB 3750272, personal identification number OIB 79766124714.

A total of 837 persons were employed with the Institut IGH d.d. and its subsidiaries on 30 June, 2013.

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

Company's Supervisory Board members are:

Franjo Gregurić, President
Dušica Kerhač, Member
Branko Kincl, Academician, Member
Vlatka Rajčić, Member
Ante Stojan, Member
Vlado Čović, Member
Ryvkin Grigory Evseevich, Member

The Management Board is formed as follows:

Jure Radić, President
Veniamin Mezhibovskiy, Member
Željko Štromar, Member
Željko Grzunov, Member
Tomislav Alpeza, Member

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
Rizzijeva 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

Mjerodavni sud:
Trgovački sud u Zagrebu,
registarski uložak
s matičnim brojem (MBS)
08000959

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

MB: 3750272
OIB: 79766124714
Poslovna banka:
Zagrebačka banka d.d.
Žiro-račun
2360000-1101243767
Dionični račun kod
Zagrebačke banke d.d. Zagreb
SWIFT kod: ZABAHK2X
IBAN: HR7723600001101243767

Uprava:
prof.dr.sc. Jure Radić, predsjednik Uprave
Veniamin Mezhibovskiy, član Uprave
Željko Grzunov, dipl.oec., član Uprave
mr.sc. Željko Štromar, član Uprave
mr.sc. Tomislav Alpeza, član Uprave

Nadzorni odbor:
dr. sc. Franjo Gregurić, predsjednik



Share capital

The share capital of the Company amounts to **105.668.000 HRK** and consists of **158.580** ordinary shares mark IGH-R-A of nominal value of HRK 400 and **105.590** ordinary shares mark IGH-R-B of nominal value of 400 HRK.

Business results of the Institut IGH d.d. and Institut IGH d.d. Group in the period from 1 January to 30 June 2013

In the first half-year the Institut IGH d.d. realized non-consolidated total revenues in the amount of HRK 144.132.278, which represents an increase by 7.83 % when compared to the same period last year. Particularly positive shift was noticed in the second trimester of the current year when the company realized non-consolidated revenues of HRK 82.821.313, which represents an increase by 33.04% when compared to the same period last year. At the same time, the company significantly reduced its operating expenses and the salaries were lower by 13.94% at half-year non-consolidated level while other material costs were reduced by 18.09%. Therefore, in the period from 1 January to 30 June 2013 the INSTITUT IGH d.d. realized a profit of HRK 5.084.236 at non-consolidated level, unlike the same period last year when loss of HRK 19.244.174 was realized.

At the consolidated level, the company realized a total revenue of HRK 160.803.875, which is by 1.77% lower when compared to the same period last year, which is a result of integral restructuring of group members whose negative effects on the core activity the mother company strived to minimize.

Consolidation excludes the company Centar BundeK d.o.o. The consolidated revenue in the second trimester amounted to HRK 94.965.811 and they were by 26.81% greater than total revenue realized in the same period last year. The process of restructuring was continued at consolidated level as well, and significant savings were achieved in the area of operating expenses. Consequently, salary costs were reduced by 19.81% when compared to the same period last year, while the material costs were reduced by 27.99% with respect to the previous half-year period. Therefore it follows that INSTITUT IGH d.d. significantly reduced loss which amounted to HRK 7.023.795 in the period from 1 January to 30 June 2013, and which in the same period last year amounted to HRK 31.942.408.

Thus, in the first half-year at the non-consolidated level the INSTITUT IGH d.d. realized EBITDA in the amount of HRK 23.078.492 (financial revenue of the company excluded), while EBITDA at the consolidated level amounted to HRK 21.596.693 (financial revenue of the company also excluded). This result is a confirmation of strong business operations of the mother company and the group and considerable potential for continuation of business activity and growth in case of successful and timely restructuring of the company through pre-bankruptcy settlement.

INSTITUT IGH d.d. points out that on 17 May 2013 the company submitted to the Financial Agency, a Proposal for Initiating Regular Pre-Bankruptcy Settlement Procedure pursuant to the article 39 of the Act on Financial Operations and Pre-Bankruptcy Settlement (OG No 108/12 and 114/12) for reasons from art. 16. par. 2. of the Act, together with the Proposal for Determination of Provisional Measures in compliance with art. 48 par. 3 of the Act.

On 23 May, 2013, under UP-I/110/07/13-01/4279, Reg.No: 04-06-13-4279-12, FINA reached a Decision on Provisional Measure on the basis of which suspension of proceedings of execution and insurance of the Issuer was carried out and consequently Issuer's business accounts were unblocked. Upon expiry of the provisional measure, and based on the issuer's proposal, on June 13 2013 the Settlement Council reached a Decision on Extension of Provisional Measure (Class UP-I/110/07/13-01/4279, Reg.No: 04-06-13-4279-18), and extended the provisional measure until 17 June 2013.

On 10 June 2013, the Settlement Council adopted a Decision (Class: UP-I/110/07/13-01/4279, Reg.No: 04-06-13-4279-39) which initiated the pre-bankruptcy settlement procedure over the issuer as debtor.

On 24 July 2013, the hearing for determination of claims was held and FINA determined the creditor claims by its Decision of 26 July, 2013 Reg.No: 04-06-13-4279-562, class: UP-I/110/07/13-01/4279.

The achieved business results at non-consolidated and consolidated level in the first half-year of 2013 indicate sustainability and profitability of company's core activity. The company is completing the process of restructuring and optimization of operating expenses, which was reflected in the business result as a double digit reduction of operating expenses, especially regarding material costs and salaries.

The company emphasises time frame as a key factor within which the pre-bankruptcy settlement procedure will be validly completed. Timely completion of the procedure will

ensure all conditions for successful continuation of business operations, with realization of EBITDA margins and total revenue level in compliance with company's published five-year business plan. The company stresses the risk of extended duration of pre-bankruptcy settlement procedure which partly disables the company to participate in public procurement procedures in the Republic of Croatia, and contracting in foreign markets. Significant prolongation of valid termination of pre-bankruptcy settlement may have an impact on illimitability of business activity and financial stability of the company.

Zagreb, 30 July 2013

On behalf of Institut IGH d.d.:


Prof. Jure Radić, PhD CE,
President of Management Board



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STATEMENT OF MANAGEMENT BOARD ON THE RESPONSIBILITY FOR PREPARING FINANCIAL REPORTS FOR THE INSTITUT IGH, JSC

The Company's Management Board has to ensure that the INSTITUT IGH d.d. financial reports for the first semester of 2013 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 Company's financial standing, business results, change in capital, and cash flow for the period under consideration.

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

During preparation of financial reports, the Management Board 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 Board is responsible for keeping proper accountancy records that will depict, to an acceptable level of accuracy, the financial standing and business results of the Company, in full compliance with the Accountancy Law and international accounting standards issued by the International Accounting Standards Board (IASB). The Management Board is also responsible for protecting and safeguarding the Company'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 Board:

Prof. Jure Radić, Ph.D. (Civ. Eng.), President of Management Board

Željko Grzunov, B.Econ., Management Board Member

Institut IGH, d.d. Zagreb
Janka Rakuše 1
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30 July 2013

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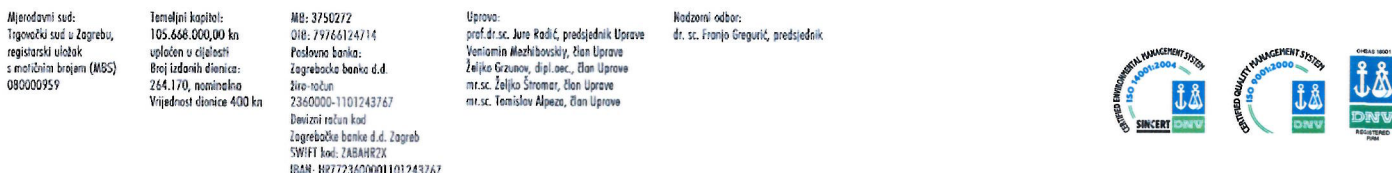
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registrarSKI uložak
s matičnim brojem (MBS)
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IBAN: HR772360001101243767

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Vedran Maziš boskić, član Uprave
Željko Grzunov, dipl.oec., član Uprave
mr.sc. Željko Štramer, član Uprave
mr.sc. Tomislav Alpeze, član Uprave

Nadzorni odbor:
dr. sc. Franjo Gregurić, predsjednik



Attachment 1.

Reporting period:

01.01.2013

do

30.06.2013

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: 21 GRAD ZAGREB

Number of employees: 689

(quarter end)

Consolidated report: NO

NKD code: 7219

Companies of the consolidation subject (according to IFRS)

Seat:

MB:

Bookkeeping service:

Contact person: ŠPINDERK JADRANKA

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

Telephone: 01 6125 444

Telefaks: 01 6125 404

E-mail address: igh@igh.hr

Family name and name: prof. dr. JURE RADIĆ, dipl. ing. građ., Željko Grzunov, dipl. oec.

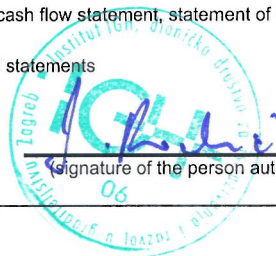
(person authorized to represent the company)

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 30.06.2013.

| INSTITUT IGH D.D. | | | |
|--|------------|-----------------|----------------|
| Position | AOP | Previous period | Current period |
| 1 | 2 | 3 | 4 |
| A) RECEIVABLES FOR SUBSCRIBED AND NON - PAID CAPITAL | 001 | | |
| B) LONG - TERM ASSETS (003+010+020+029+033) | 002 | 615.653.014 | 615.577.683 |
| I. INTANGIBLE ASSETS (004 to 009) | 003 | 6.122.867 | 5.624.658 |
| 1. Assets development | 004 | 0 | 0 |
| 2. Concessions, patents, licence fees, merchandise and service brands, software and other rights | 005 | 3.529.440 | 2.891.707 |
| 3. Goodwill | 006 | 0 | 0 |
| 4. Prepayments for purchase of intangible assets | 007 | 0 | 0 |
| 5. Intangible assets in preparation | 008 | 2.593.427 | 2.732.951 |
| 6. Other intangible assets | 009 | 0 | 0 |
| II. TANGIBLE ASSETS (011 to 019) | 010 | 384.543.616 | 380.403.030 |
| 1. Land | 011 | 106.777.588 | 106.777.588 |
| 2. Buildings | 012 | 188.949.216 | 184.200.131 |
| 3. Plant and equipment | 013 | 822.158 | 710.965 |
| 4. Instruments, plant inventories and transportation assets | 014 | 1.425.935 | 1.246.780 |
| 5. Biological assets | 015 | 0 | 0 |
| 6. Prepayments for tangible assets | 016 | 24.080 | 182.158 |
| 7. Tangible assets in preparation | 017 | 29.518.535 | 30.259.304 |
| 8. Other material assets | 018 | 303.336 | 303.336 |
| 9. Investment in buildings | 019 | 56.722.768 | 56.722.768 |
| III. LONG-TERM FINANCIAL ASSETS (021 to 028) | 020 | 222.831.971 | 227.577.996 |
| 1. Shares (stocks) in related parties | 021 | 166.046.942 | 172.286.600 |
| 2. Loans given to related parties | 022 | 39.991.807 | 40.025.522 |
| 3. Participating interests (shares) | 023 | 0 | 0 |
| 4. Loans to entrepreneurs in whom the entity hold participating interests | 024 | 0 | 0 |
| 5. Investment in securities | 025 | 0 | 0 |
| 6. Loans, deposits and similar assets | 026 | 1.092.825 | 1.034.012 |
| 7. Other long - term financial assets | 027 | 15.700.397 | 14.231.862 |
| 8. Investments accounted by equity method | 028 | 0 | 0 |
| IV. RECEIVABLES (030 to 032) | 029 | 2.154.560 | 1.971.999 |
| 1. Receivables from related parties | 030 | 0 | 0 |
| 2. Receivables based on trade loans | 031 | 2.154.560 | 1.971.999 |
| 3. Other receivables | 032 | 0 | 0 |
| V. DEFERRED TAX ASSETS | 033 | 0 | 0 |
| C) SHORT TERMS ASSETS (035+043+050+058) | 034 | 228.566.151 | 240.465.775 |
| I. INVENTORIES (036 to 042) | 035 | 4.274.005 | 3.462.590 |
| 1. Raw material | 036 | 0 | 0 |
| 2. Work in progress | 037 | 247.493 | 247.493 |
| 3. Finished goods | 038 | 2.646.935 | 2.646.935 |
| 4. Merchandise | 039 | 1.379.577 | 568.162 |
| 5. Prepayments for inventories | 040 | 0 | 0 |
| 6. Long - term assets held for sale | 041 | 0 | 0 |
| 7. Biological assets | 042 | 0 | 0 |
| II. RECEIVABLES (044 to 049) | 043 | 133.661.758 | 142.502.956 |
| 1. Receivables from related parties | 044 | 18.336.501 | 2.467.767 |
| 2. Accounts receivable | 045 | 68.139.070 | 94.467.370 |
| 3. Receivables from participating entrepreneurs | 046 | 146.963 | 146.963 |
| 4. Receivables from employees and shareholders | 047 | 775.907 | 866.077 |
| 5. Receivables from government and other institutions | 048 | 5.515.259 | 3.967.568 |
| 6. Other receivables | 049 | 40.748.058 | 40.587.211 |
| III. SHORT - TERM FINANCIAL ASSETS (051 to 057) | 050 | 89.817.710 | 93.095.742 |
| 1. Shares (stocks) in related parties | 051 | 0 | 0 |
| 2. Loans given to related parties | 052 | 11.608.421 | 13.047.815 |
| 3. Participating interests (shares) | 053 | 0 | 0 |
| 4. Loans to entrepreneurs in whom the entity hold participating interests | 054 | 72.441.725 | 74.048.396 |
| 5. Investment in securities | 055 | 0 | 0 |
| 6. Loans, deposits and similar assets | 056 | 5.767.564 | 5.995.038 |
| 7. Other financial assets | 057 | 0 | 4.493 |
| IV. CASH AT BANK AND IN CASHIER | 058 | 812.678 | 1.404.487 |
| D) PREPAID EXPENSES AND ACCRUED INCOME | 059 | 3.387.336 | 1.049.474 |
| E) TOTAL ASSETS (001+002+034+059) | 060 | 847.606.501 | 857.092.932 |
| F) OFF-BALANCE SHEET NOTES | 061 | 95.998.011 | 71.553.204 |

| LIABILITIES AND CAPITAL | | | |
|--|------------|--------------------|--------------------|
| A) CAPITAL AND RESERVES (063+064+065+071+072+075+078) | 062 | 107.892.190 | 113.375.128 |
| I. SUBSCRIBED CAPITAL | 063 | 105.668.000 | 105.668.000 |
| II. CAPITAL RESERVES | 064 | 52.011.040 | 52.011.040 |
| III. RESERVES FROM PROFIT (066+067-068+069+070) | 065 | 8.068.491 | 8.068.491 |
| 1. Reserves prescribed by law | 066 | 3.171.600 | 3.171.600 |
| 2. Reserves for treasury stocks | 067 | 6.343.200 | 6.343.200 |
| 3. Treasury stocks and shares (deduction) | 068 | 1.446.309 | 1.446.309 |
| 4. Statutory reserves | 069 | 0 | 0 |
| 5. Other reserves | 070 | 0 | 0 |
| IV. REVALUATION RESERVES | 071 | 161.382.667 | 161.382.667 |
| V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074) | 072 | 305.182.937 | -218.839.306 |
| 1. Retained earnings | 073 | 305.182.937 | 305.581.639 |
| 2. Accumulated loss | 074 | 0 | 524.420.945 |
| VI. PROFIT / LOSS FOR THE CURRENT YEAR (076-077) | 075 | -524.420.945 | 5.084.236 |
| 1. Profit for the current year | 076 | 0 | 5.084.236 |
| 2. Loss for the current year | 077 | 524.420.945 | 0 |
| VII. MINORITY INTEREST | 078 | 0 | 0 |
| B) PROVISIONS (080 to 082) | 079 | 14.826.843 | 13.674.663 |
| 1. Provisions for pensions, severance pay and similar liabilities | 080 | 1.550.087 | 1.550.087 |
| 2. Reserves for tax liabilities | 081 | 0 | 0 |
| 3. Other reserves | 082 | 13.276.756 | 12.124.576 |
| C) LONG TERM LIABILITIES (084 to 092) | 083 | 260.769.741 | 220.960.189 |
| 1. Liabilities to related parties | 084 | 0 | 0 |
| 2. Liabilities for loans, deposits etc. | 085 | 0 | 0 |
| 3. Liabilities to banks and other financial institutions | 086 | 142.879.410 | 113.931.039 |
| 4. Liabilities for received prepayments | 087 | 0 | 0 |
| 5. Accounts payable | 088 | 245.600 | 118.493 |
| 6. Liabilities arising from debt securities | 089 | 67.910.616 | 67.062.096 |
| 7. Liabilities to entrepreneurs in whom the entity holds participating interests | 090 | 0 | 0 |
| 8. Other long-term liabilities | 091 | 9.885.554 | 0 |
| 9. Deferred tax liability | 092 | 39.848.561 | 39.848.561 |
| D) SHORT - TERM LIABILITIES (094 to 105) | 093 | 456.400.328 | 493.363.308 |
| 1. Liabilities to related parties | 094 | 1.657.261 | 924.047 |
| 2. Liabilities for loans, deposits etc. | 095 | 7.542.636 | 3.668.845 |
| 3. Liabilities to banks and other financial institutions | 096 | 266.904.025 | 283.669.375 |
| 4. Liabilities for received prepayments | 097 | 12.859.124 | 11.822.379 |
| 5. Accounts payable | 098 | 94.880.206 | 90.876.893 |
| 6. Liabilities arising from debt securities | 099 | 7.545.624 | 7.451.344 |
| 7. Liabilities to entrepreneurs in whom the entity holds participating interests | 100 | 0 | 0 |
| 8. Liabilities to employees | 101 | 14.600.048 | 15.966.466 |
| 9. Liabilities for taxes, contributions and similar fees | 102 | 18.310.027 | 43.885.977 |
| 10. Liabilities to share - holders | 103 | 418.051 | 0 |
| 11. Liabilities for long term assets held for sale | 104 | 0 | 0 |
| 12. Other short - term liabilities | 105 | 31.683.326 | 35.097.982 |
| E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD | 106 | 7.717.399 | 15.719.644 |
| F) TOTAL CAPITAL AND LIABILITIES (062+079+083+093+106) | 107 | 847.606.501 | 857.092.932 |
| G) OFF-BALANCE SHEET NOTES | 108 | 95.998.011 | 71.553.204 |
| APPENDIX TO BALANCE SHEET (only for consolidated financial statements) | | | |
| A) CAPITAL AND RESERVES | | | |
| 1. Attributed to equity holders of parent company | 109 | | |
| 2. Attributed to minority interests | 110 | | |

PROFIT AND LOSS ACCOUNT
for period 01.01.2013. to 30.06.2013.

INSTITUT IGH D.D.

| Position | AOP | Previous period | | Current period | |
|---|------------|-----------------|-------------|----------------|------------|
| | | Cummulative | Periodical | Cummulative | Periodical |
| 1 | 2 | 3 | 4 | 5 | 6 |
| I. OPERATING REVENUES (112+113) | 111 | 127.193.565 | 59.309.611 | 134.919.641 | 77.944.239 |
| 1. Sales revenues | 112 | 121.977.552 | 56.754.943 | 127.411.815 | 71.147.360 |
| 2. Other operating revenues | 113 | 5.216.013 | 2.554.668 | 7.507.826 | 6.796.879 |
| II. OPERATING EXPENSES (115+116+120+124+125+126+129+130) | 114 | 127.749.073 | 69.488.925 | 117.518.315 | 67.629.228 |
| 1. Changes in the value of work in progress and finished goods | 115 | | | | |
| 2. Material costs (117 to 119) | 116 | 43.334.069 | 27.581.496 | 35.451.172 | 19.014.928 |
| a) Raw material and material costs | 117 | 5.826.428 | 3.931.904 | 6.150.100 | 3.220.543 |
| b) Costs of goods sold | 118 | 0 | 0 | 811.415 | 811.415 |
| c) Other external costs | 119 | 37.507.641 | 23.649.592 | 28.489.657 | 14.982.970 |
| 3. Staff costs (121 to 123) | 120 | 61.248.158 | 28.858.500 | 52.708.753 | 27.038.418 |
| a) Net salaries and wages | 121 | 34.756.309 | 16.703.247 | 30.438.440 | 15.568.976 |
| b) Costs for taxes and contributions from salaries | 122 | 17.716.747 | 8.139.095 | 15.242.703 | 7.853.708 |
| c) Contributions on gross salaries | 123 | 8.775.102 | 4.016.158 | 7.027.610 | 3.615.734 |
| 4. Depreciation | 124 | 6.928.005 | 3.225.637 | 5.677.166 | 2.342.563 |
| 5. Other costs | 125 | 14.297.910 | 9.823.292 | 15.020.739 | 10.574.508 |
| 6. Impairment (127+128) | 126 | 248.910 | 0 | 6.542.084 | 6.542.084 |
| a) Impairment of long-term assets (excluding financial assets) | 127 | 0 | 0 | 0 | 0 |
| b) Impairment of short-term assets (excluding financial assets) | 128 | 248.910 | 0 | 6.542.084 | 6.542.084 |
| 7. Provisions | 129 | 0 | 0 | 138.472 | 138.472 |
| 8. Other operating expenses | 130 | 1.692.021 | 0 | 1.979.929 | 1.978.255 |
| III. FINANCIAL INCOME (132 to 136) | 131 | 6.475.805 | 2.943.690 | 9.212.637 | 4.877.074 |
| 1. Interest income, foreign exchange gains, dividends and similar income from related | 132 | 2.899.723 | 1.481.516 | 3.384.970 | 1.595.853 |
| 2. Interest income, foreign exchange gains, dividends and similar income from non-related | 133 | 2.224.898 | 764.723 | 4.882.738 | 2.363.382 |
| 3. Share in income from affiliated entrepreneurs and participating interests | 134 | 1.154.440 | 529.103 | 0 | 0 |
| 4. Unrealized gains (income) from financial assets | 135 | 0 | 0 | 0 | 0 |
| 5. Other financial income | 136 | 196.744 | 168.348 | 944.929 | 917.839 |
| IV. FINANCIAL EXPENSES (138 to 141) | 137 | 23.944.673 | 14.224.312 | 21.529.727 | 9.778.707 |
| 1. Interest expenses, foreign exchange losses and similar expenses from related parties | 138 | 134.988 | 70.255 | 50.507 | 50.507 |
| 2. Interest expenses, foreign exchange losses and similar expenses from non - related | 139 | 23.293.170 | 13.890.442 | 21.277.553 | 9.526.533 |
| 3. Unrealized losses (expenses) on financial assets | 140 | 0 | 0 | 0 | 0 |
| 4. Other financial expenses | 141 | 516.515 | 263.615 | 201.667 | 201.667 |
| V. INCOME FROM INVESTMENT SHARE IN PROFIT OF ASSOCIATED ENTREPRENEURS | 142 | 0 | 0 | 0 | 0 |
| VI. LOSS FROM INVESTMENT SHARE IN LOSS OF ASSOCIATED ENTREPRENEURS | 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 | 133.669.370 | 62.253.301 | 144.132.278 | 82.821.313 |
| X. TOTAL EXPENSES (114+137+143 + 145) | 147 | 151.693.746 | 83.713.237 | 139.048.042 | 77.407.935 |
| XI. PROFIT OR LOSS BEFORE TAXATION (146-147) | 148 | -18.024.376 | -21.459.936 | 5.084.236 | 5.413.378 |
| 1. Profit before taxation (146-147) | 149 | 0 | 0 | 5.084.236 | 5.413.378 |
| 2. Loss before taxation (147-146) | 150 | 18.024.376 | 21.459.936 | 0 | 0 |
| XII. PROFIT TAX | 151 | 1.219.798 | 0 | 0 | 0 |
| XIII. PROFIT OR LOSS FOR THE PERIOD (148-151) | 152 | -19.244.174 | -21.459.936 | 5.084.236 | 5.413.378 |
| 1. Profit for the period (149-151) | 153 | 0 | 0 | 5.084.236 | 5.413.378 |
| 2. Loss for the period (151-148) | 154 | 19.244.174 | 21.459.936 | 0 | 0 |
| APPENDIX to Profit and Loss Account (only for consolidated financial statements) | | | | | |
| XIV. PROFIT OR LOSS FOR THE PERIOD | | | | | |
| 1. Attributed to equity holders of parent company | 155 | | | | |
| 2. Attributed to minority interests | 156 | | | | |
| STATEMENT OF COMPREHENSIVE INCOME (IFRS) | | | | | |
| I. PROFIT OR LOSS FOR THE PERIOD (= 152) | 157 | -19.244.174 | -21.459.936 | 5.084.236 | 5.413.378 |
| II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX (159 to 165) | 158 | 0 | 0 | 0 | 0 |
| 1. Exchange differences on translation of foreign operations | 159 | 0 | 0 | 0 | 0 |
| 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 |
| III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD | 166 | 0 | 0 | 0 | 0 |
| IV. NET OTHER COMPREHENSIVE INCOME/ LOSS FOR THE PERIOD (158-166) | 167 | 0 | 0 | 0 | 0 |
| V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD(157+167) | 168 | -19.244.174 | -21.459.936 | 5.084.236 | 5.413.378 |
| APPENDIX to Statement of comprehensive income (only for consolidated financial statements) | | | | | |
| VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD | | | | | |
| 1. Attributed to equity holders of parent company | 169 | | | | |
| 2. Attributed to minority interests | 170 | | | | |

STATEMENT OF CASH FLOWS - Indirect method
period 01.01.2013. to 30.06.2013.

| Legal entity : INSTITUT IGH D.D. | | | |
|---|------------|--------------------|-------------------|
| Position | AOP | Previous period | Current period |
| 1 | 2 | 3 | 4 |
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| 1. Profit before tax | 001 | -18.024.376 | 5.084.236 |
| 2. Depreciation | 002 | 6.928.005 | 5.677.166 |
| 3. Increase in short-term liabilities | 003 | 0 | 36.962.980 |
| 4. Decrease in short term receivables | 004 | 8.371.241 | 0 |
| 5. Decrease in inventories | 005 | 0 | 811.415 |
| 6. Other cash flow increases | 006 | 89.765.082 | 0 |
| I. Total increase in cash flow from operating activities (001 to 006) | 007 | 87.039.952 | 48.535.797 |
| 1. Decrease in short - term liabilities | 008 | 143.500.725 | 0 |
| 2. Increase in short - term receivables | 009 | 0 | 6.503.336 |
| 3. Increase in inventories | 010 | 0 | 0 |
| 4. Other cash flow decreases | 011 | 0 | 27.428.622 |
| II. Total decrease in cash flow from operating activities (008 to 011) | 012 | 143.500.725 | 33.931.958 |
| A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES (007-012) | 013 | 0 | 14.603.839 |
| A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES (012-007) | 014 | 56.460.773 | 0 |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| 1. Cash flow from sale of long - term tangible and intangible assets | 015 | 180.942 | 307.479 |
| 2. Cash inflows from sale of equity and debt financial instruments | 016 | 0 | 2.840.209 |
| 3. Interest receipts | 017 | 605.358 | 297.721 |
| 4. Dividend receipts | 018 | 0 | 0 |
| 5. Other cash inflows from investing activities | 019 | 309.030 | 5.271.448 |
| III. Total cash inflows from investing activities(015 to 019) | 020 | 1.095.330 | 8.716.857 |
| 1. Cash outflows for purchase of long - term tangible and intangible assets | 021 | 2.936.741 | 832.083 |
| 2. Cash outflows for purchase of equity and debt financial instruments | 022 | 4.187.209 | 8.162.661 |
| 3. Other cash outflows from investing activities | 023 | 68.741.320 | 2.961.613 |
| IV. Total cash outflows from investing activities (021 to 023) | 024 | 75.865.270 | 11.956.357 |
| B1) NET INCREASE OF CASH FLOW FROM INVESTING ACTIVITIES(020-024) | 025 | 0 | 0 |
| B2) NET DECREASE OF CASH FLOW FROM INVESTING ACTIVITIES(024-020) | 026 | 74.769.940 | 3.239.500 |
| CASH FLOW FROM FINANCING ACTIVITIES | | | |
| 1. Cash receipts from issuance of equity and debt financial instruments | 027 | 155.770.260 | 0 |
| 2. Cash inflows from loans, debentures, credits and other borrowings | 028 | 138.160.174 | 2.106.625 |
| 3. Other cash inflows from financing activities | 029 | 0 | 0 |
| V. Total cash inflows from financing activities (027 to 029) | 030 | 293.930.434 | 2.106.625 |
| 1. Cash outflows for repayment of loans and bonds | 031 | 152.906.182 | 12.819.383 |
| 2. Dividends paid | 032 | 0 | 0 |
| 3. Cash outflows for finance lease | 033 | 419.946 | 59.772 |
| 4. Cash outflows for purchase of own stocks | 034 | 0 | 0 |
| 5. Other cash outflows from financing activities | 035 | 0 | 0 |
| VI. Total cash outflows from financing activities (031 do 035) | 036 | 153.326.128 | 12.879.155 |
| C1) NET INCREASE OF CASH FLOW FROM FINANCING ACTIVITIES (030-036) | 037 | 140.604.306 | 0 |
| C2) NET DECREASE OF CASH FLOW FROM FINANCING ACTIVITIES (036-030) | 038 | 0 | 10.772.530 |
| Total increases of cash flows (013 – 014 + 025 – 026 + 037 – 038) | 039 | 9.373.593 | 591.809 |
| Total decreases of cash flows (014 – 013 + 026 – 025 + 038 – 037) | 040 | 0 | 0 |
| Cash and cash equivalents at the beginning of period | 041 | 12.942.441 | 812.678 |
| Increase in cash and cash equivalents | 042 | 0 | 591.809 |
| Decrease in cash and cash equivalents | 043 | 9.373.593 | 0 |
| Cash and cash equivalents at the end of period | 044 | 3.568.848 | 1.404.487 |

STATEMENT OF CHANGES IN EQUITY
from 01.01.2013 to 30.06.2013

| | 1 | 2 | 3 | 4 |
|--|--------------------|--------------------|--------------------|--------------------|
| | AOP | Previous year | Current year | Current year |
| | 001 | 002 | 003 | 004 |
| 1. Subscribed capital | 105.668.000 | 105.668.000 | 105.668.000 | 105.668.000 |
| 2. Capital reserves | 52.011.040 | 52.011.040 | 52.011.040 | 52.011.040 |
| 3. Reserves from profit | 8.068.491 | 8.068.491 | 8.068.491 | 8.068.491 |
| 4. Retained earnings or accumulated loss | 305.182.937 | 305.182.937 | -218.839.306 | -218.839.306 |
| 5. Profit / loss for the current year | -524.420.945 | -524.420.945 | 5.084.236 | 5.084.236 |
| 6. Revaluation of long - term tangible assets | 159.394.244 | 159.394.244 | 159.394.244 | 159.394.244 |
| 7. Revaluation of intangible assets | 0 | 0 | 0 | 0 |
| 8. Revaluation of financial assets available for sale | 1.988.423 | 1.988.423 | 1.988.423 | 1.988.423 |
| 9. Other revaluation | 0 | 0 | 0 | 0 |
| 10. Total capital and reserves (AOP 001 to 009) | 107.892.190 | 107.892.190 | 113.375.128 | 113.375.128 |
| 11. Currency gains and losses arising from net investments in foreign operations | | | | |
| 12. Current and deferred taxes (part) | | | | |
| 13. Cash flow hedging | | | | |
| 14. Changes in accounting policies | | | | |
| 15. Correction of significant errors in prior periods | | | | |
| 16. Other changes in capital | | | | |
| 17. Total increase or decrease in capital (AOP 011 to 016) | 0 | 0 | 0 | 0 |
| 17 a. Attributed to equity holders of parent company | 018 | | | |
| 17 b. Attributed to minority interest | 019 | | | |

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