

Attachment 1.

Reporting period:

1.1.2016

do

31.12.2016

ANNUAL FINANCIAL STATEMENTS OF THE ENTREPRENEUR - GFI-POD

Tax number (MB):	03750272	
Company registration number (MBS):	8000959	
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.igh.hr	
Municipality/city code and name:	133	ZAGREB
County code and name:	133	GRAD ZAGREB
Consolidated report:	YES	
	Number of employees (quarter end)	522
	NKD code:	7219

Companies of the consolidation subject (according to IFR):

Seat:

MB:

IGH MOSTAR D.O.O.	MOSTAR, BIŠĆE POLJE BB	4227060470005
IGH PROJEKTIRANJE D.O.O.	ZAGREB, JANKA RAKUŠE 1	02441918
INCRO D.O.O.	ZAGREB, JANKA RAKUŠE 1	01982516
IGH ENERGIJA D.O.O.	ZAGREB, JANKA RAKUŠE 1	01819585
FORUM CENTAR D.O.O.	ZAGREB, JANKA RAKUŠE 1	01960229
PROJEKT ŠOLTA D.O.O.	ZAGREB, JANKA RAKUŠE 1	02592363
RADELJEVIĆ D.O.O.	ZAGREB, JANKA RAKUŠE 1	01938533
VOĐENJE PROJEKATA D.O.O.	ZAGREB, BIJENIČKA CESTA 8	02427648
EKONOMSKO TEHNIČKI ZAVOD D.D.	OSIJEK, DRINSKA 18	03013669
PROJEKTI BIRO P45 D.O.O.	ZAGREB, PALMOTIĆEVA 45	03222853
IGH KOSOVA Sha	PRIŠTINA, KOSOVO	
IGH CONSULTING D.O.O.	ZAGREB, JANKA RAKUŠE 1	02462478
DP AQUA D.O.O.	ZAGREB, JANKA RAKUŠE 1	01907522
TEHNIČKE KONSTRUKCIJE D.O.O.	ZAGREB, VLAŠKA 79	02405865
MBM TERMOPROJEKT D.O.O.	ZAGREB, NIKOLE PAVIĆA 20	00335967
NOVI ČRNOMEREC CENTAR D.O.O.	ZAGREB, JANKA RAKUŠE 1	04102258
SLAVONIJA CENTAR, POSLOVNA ZONA VELIKA K	ZAGREB, JANKA RAKUŠE 1	02349671
MARTERRA D.O.O.	ZAGREB, JANKA RAKUŠE 1	02814692

Bookkeeping service:

Contact person: ŠPINDERK JADRANKA

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

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Telefax: 01 6125 404

E-mail address: igh@igh.hr

Family name and name: IVAN PALADINA OLIVER KUMRIĆ

(person authorized to represent the company)

Documents for publishing:

1. Audited Annual Financial Statements with Audit Report
2. Management Board Report
3. Statement form persons responsible for preparation of Annual statement.
4. Decision by the authorized body (proposal) on the establishment of Annual F. Stateme
5. Decision on the Proposal for distribution of profit or loss coverage



(signature of the person authorized to represent the company)

Paladina
Oliver Kumrić

BALANCE SHEET
as of 31.12.2016

Legal entity: INSTITUT IGH D.D.			
Position	AOP	Previous year (net)	Current year (net)
1	2	3	4
A) RECEIVABLES FOR SUBSCRIBED AND NON - PAID CAPITAL	001		
B) LONG - TERM ASSETS (003+010+020+029+033)	002	389.295.436	312.527.859
I. INTANGIBLE ASSETS (004 to 009)	003	4.163.442	4.218.396
1. Assets development	004	0	0
2. Concessions, patents, licence fees, merchandise and service brands, software and other rights	005	1.445.440	1.553.352
3. Goodwill	006	32.350	51.837
4. Prepayments for purchase of intangible assets	007	0	0
5. Intangible assets in preparation	008	2.685.652	2.613.207
6. Other intangible assets	009	0	0
II. TANGIBLE ASSETS (011 to 019)	010	339.570.672	288.096.295
1. Land	011	105.266.746	105.251.572
2. Buildings	012	81.012.007	76.931.551
3. Plant and equipment	013	16.742.933	13.939.974
4. Instruments, plant inventories and transportation assets	014	4.393.290	5.645.218
5. Biological assets	015	0	0
6. Prepayments for tangible assets	016	142.537	335.434
7. Tangible assets in preparation	017	26.158.200	26.158.200
8. Other material assets	018	364.641	364.627
9. Investment in buildings	019	105.490.318	59.469.719
III. LONG-TERM FINANCIAL ASSETS (021 to 028)	020	44.088.140	18.609.008
1. Shares (stocks) in related parties	021	0	0
2. Loans given to related parties	022	0	0
3. Participating interests (shares)	023	1.020.683	0
4. Loans to entrepreneurs in whom the entity hold participating interests	024	0	0
5. Investment in securities	025	753.408	0
6. Loans, deposits and similar assets	026	24.331.495	444.745
7. Other long - term financial assets	027	3.090.850	3.294.942
8. Investments accounted by equity method	028	14.891.704	14.869.321
IV. RECEIVABLES (030 to 032)	029	1.473.182	1.604.160
1. Receivables from related parties	030	0	0
2. Receivables based on trade loans	031	1.455.811	1.204.690
3. Other receivables	032	17.371	399.470
V. DEFERRED TAX ASSETS	033	0	0
C) SHORT TERMS ASSETS (035+043+050+058)	034	246.139.160	260.843.356
I. INVENTORIES (036 to 042)	035	197.760.735	198.297.661
1. Raw material	036	0	0
2. Work in progress	037	89.261.838	90.400.840
3. Finished goods	038	0	0
4. Merchandise	039	568.162	568.162
5. Prepayments for inventories	040	0	0
6. Long - term assets held for sale	041	107.930.735	107.328.659
7. Biological assets	042	0	0
II. RECEIVABLES (044 to 049)	043	41.728.553	44.677.396
1. Receivables from related parties	044	20.187	20.187
2. Accounts receivable	045	38.319.122	40.296.014
3. Receivables from participating entrepreneurs	046	0	0
4. Receivables from employees and shareholders	047	685.702	678.740
5. Receivables from government and other institutions	048	1.397.764	1.743.211
6. Other receivables	049	1.305.778	1.939.244
III. SHORT - TERM FINANCIAL ASSETS (051 to 057)	050	4.979.460	13.265.686
1. Shares (stocks) in related parties	051	0	0
2. Loans given to related parties	052	0	137.720
3. Participating interests (shares)	053	0	0
4. Loans to entrepreneurs in whom the entity hold participating interests	054	0	0
5. Investments in securities	055	0	0
6. Loans, deposits and similar assets	056	4.979.460	13.127.966
7. Other financial assets	057	0	0
IV. CASH AT BANK AND IN CASHIER	058	1.670.412	4.602.613
D) PREPAID EXPENSES AND ACCRUED INCOME	059	10.849.270	8.455.346
E) TOTAL ASSETS (001+002+034+059)	060	646.283.866	581.826.561
F) OFF-BALANCE SHEET NOTES	061	38.870.526	38.462.783

LIABILITIES AND CAPITAL			
A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	29.411.618	-23.799.420
I. SUBSCRIBED CAPITAL	063	116.604.710	116.604.710
II. CAPITAL RESERVES	064	0	0
III. RESERVES FROM PROFIT (066+067-068+069+070)	065	-2.419.225	-2.479.608
1. Reserves prescribed by law	066		
2. Reserves for treasury stocks	067	1.446.309	1.446.309
3. Treasury stocks and shares (deduction)	068	3.865.534	3.925.917
4. Statutory reserves	069	0	0
5. Other reserves	070	0	0
IV. REVALUATION RESERVES	071	148.880.230	147.356.786
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	-151.943.469	-228.039.382
1. Retained earnings	073	0	0
2. Accumulated loss	074	151.943.469	228.039.382
VI. PROFIT / LOSS FOR THE CURRENT YEAR (076-077)	075	-81.748.614	-56.280.307
1. Profit for the current year	076	0	0
2. Loss for the current year	077	81.748.614	56.280.307
VII. MINORITY INTEREST	078	37.986	-961.619
B) PROVISIONS (080 to 082)	079	12.165.789	9.097.176
1. Provisions for pensions, severance pay and similar liabilities	080	1.709.611	768.473
2. Reserves for tax liabilities	081	0	0
3. Other reserves	082	10.456.178	8.328.703
C) LONG TERM LIABILITIES (084 to 092)	083	338.598.967	324.153.781
1. Liabilities to related parties	084	365.388	151.545
2. Liabilities for loans, deposits etc.	085	64.800	70.500
3. Liabilities to banks and other financial institutions	086	280.038.174	280.626.784
4. Liabilities for received prepayments	087	0	0
5. Accounts payable	088	11.979.016	6.322.152
6. Liabilities arising from debt securities	089	0	0
7. Liabilities to entrepreneurs in whom the entity holds participating interests	090	0	0
8. Other long-term liabilities	091	8.959.814	4.464.873
9. Deferred tax liability	092	37.191.775	32.517.927
D) SHORT - TERM LIABILITIES (094 to 105)	093	243.040.967	240.199.294
1. Liabilities to related parties	094	284.859	294.235
2. Liabilities for loans, deposits etc.	095	2.779.699	2.622.731
3. Liabilities to banks and other financial institutions	096	93.019.922	88.156.492
4. Liabilities for received prepayments	097	3.234.476	3.222.927
5. Accounts payable	098	31.042.871	26.155.383
6. Liabilities arising from debt securities	099	70.973.241	70.973.241
7. Liabilities to entrepreneurs in whom the entity holds participating interests	100	0	0
8. Liabilities to employees	101	5.905.096	9.417.957
9. Liabilities for taxes, contributions and similar fees	102	11.587.660	13.280.559
10. Liabilities to share - holders	103	1.733.004	0
11. Liabilities for long term assets held for sale	104	0	0
12. Other short - term liabilities	105	22.480.139	26.075.769
E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD	106	23.066.525	32.175.730
F) TOTAL CAPITAL AND LIABILITIES (062+079+083+093+106)	107	646.283.866	581.826.561
G) OFF-BALANCE SHEET NOTES	108	38.870.526	38.462.783
APPENDIX TO BALANCE SHEET (only for consolidated financial statements)			
A) CAPITAL AND RESERVES			
1. Attributed to equity holders of parent company	109	29.373.632	-22.837.801
2. Attributed to minority interests	110	37.986	-961.619

Note 1: Annex to the Balance Sheet to be filled in by entrepreneurs preparing the Consolidated Annual Financial Statements.

PROFIT AND LOSS ACCOUNT
for period 01.01.2016 to 31.12.2016

Legal entity: INSTITUT IGH D.D.			
Position	AOP	Previous year	Current year
1	2	3	4
I. OPERATING REVENUES (112+113)	111	202.207.704	186.884.806
1. Sales revenues	112	164.765.108	169.355.794
2. Other operating revenues	113	37.442.596	17.529.012
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	268.721.915	229.276.183
1. Changes in the value of work in progress and finished goods	115	-2.420.893	-401.820
2. Material costs (117 to 119)	116	59.321.617	53.688.622
a) Raw material and material costs	117	8.692.862	7.631.062
b) Costs of goods sold	118	0	0
c) Other external costs	119	50.628.755	46.057.560
3. Staff costs (121 to 123)	120	98.078.859	91.672.728
a) Net salaries and wages	121	57.214.290	52.976.555
b) Costs for taxes and contributions from salaries	122	26.438.584	25.348.638
c) Contributions on gross salaries	123	14.425.985	13.347.535
4. Depreciation	124	9.594.709	8.605.963
5. Other costs	125	23.067.962	22.656.677
6. Impairment (127+128)	126	49.061.291	48.838.274
a) Impairment of long-term assets (excluding financial assets)	127	38.867.743	46.075.600
b) Impairment of short-term assets (excluding financial assets)	128	10.193.548	2.762.674
7. Provisions	129	1.919.860	3.244.016
8. Other operating expenses	130	30.098.510	971.723
III. FINANCIAL INCOME (132 to 136)	131	4.686.326	4.633.071
1. Interest income, foreign exchange gains, dividends and similar income from related	132	3.911	7.369
2. Interest income, foreign exchange gains, dividends and similar income from non-related	133	3.100.845	4.552.536
3. Share in income from affiliated entrepreneurs and participating interests	134	0	0
4. Unrealized gains (income) from financial assets	135	67.003	0
5. Other financial income	136	1.514.567	73.166
IV. FINANCIAL EXPENSES (138 to 141)	137	20.278.067	19.565.766
1. Interest expenses, foreign exchange losses and similar expenses from related parties	138	0	0
2. Interest expenses, foreign exchange losses and similar expenses from non - related	139	17.396.258	16.216.370
3. Unrealized losses (expenses) on financial assets	140	9.658	142.298
4. Other financial expenses	141	2.872.151	3.207.098
V. INCOME FROM INVESTMENT SHARE IN PROFIT OF ASSOCIATED ENTREPRENEURS	142	0	0
VI. LOSS FROM INVESTMENT SHARE IN LOSS OF ASSOCIATED ENTREPRENEURS	143	48.010	22.383
VII. EXTRAORDINARY - OTHER INCOME	144	0	0
VIII. EXTRAORDINARY - OTHER EXPENSES	145	0	0
IX. TOTAL INCOME (111+131+142 + 144)	146	206.894.030	191.517.877
X. TOTAL EXPENSES (114+137+143 + 145)	147	289.047.992	248.864.332
XI. PROFIT OR LOSS BEFORE TAXATION (146-147)	148	-82.153.962	-57.346.455
1. Profit before taxation (146-147)	149	0	0
2. Loss before taxation (147-146)	150	82.153.962	57.346.455
XII. PROFIT TAX	151	-147.546	-804.206
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	-82.006.416	-56.542.249
1. Profit for the period(149-151)	153	0	0
2. Loss for the period (151-148)	154	82.006.416	56.542.249

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	-81.748.614	-56.280.307
2. Attributed to minority interests	156	-257.802	-261.942
STATEMENT OF COMPREHENSIVE INCOME (IFRS)			
I. PROFIT OR LOSS FOR THE PERIOD (= 152)	157	-82.006.416	-56.542.249
II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX(159 to 165)	158	18.080.654	2.994.232
1. Exchange differences on translation of foreign operations	159	141.440	-301.536
2. Movements in revaluation reserves of long-term tangible and intangible assets	160	17.939.214	3.295.768
3. Profit or loss from revaluation of financial assets available for sale	161	0	0
4. Gains or losses on efficient cash flow hedging	162	0	0
5. Gains or losses on efficient hedge of a net investment in foreign countries	163	0	0
6. Share in other comprehensive income / loss of associated companies	164	0	0
7. Actuarial gains / losses on defined benefit plans	165	0	0
III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	166	3.616.131	598.846
IV. NET OTHER COMPREHENSIVE INCOME/ LOSS FOR THE PERIOD (158-166)	167	14.464.523	2.395.386
V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD(157+167)	168	-67.541.893	-54.146.863
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	-67.284.091	-53.884.921
2. Attributed to minority interests	170	-257.802	-261.942

STATEMENT OF CASH FLOWS - Indirect method
period 01.01.2016 to 31.12.2016

Legal entity: INSTITUT IGH D.D.			
Position	AOP	Previous year	Current year
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before tax	001	-82.153.963	-57.346.437
2. Depreciation	002	9.594.710	8.605.963
3. Increase in short-term liabilities	003	0	0
4. Decrease in short term receivables	004	26.337.210	
5. Decrease in inventories	005		
6. Other cash flow increases	006	46.222.043	53.611.688
I. Total increase in cash flow from operating activities (001 to 006)	007	0	4.871.214
1. Decrease in short - term liabilities	008	1.146.207	1.277.837
2. Increase in short - term receivables	009	0	20.544.054
3. Increase in inventories	010	3.104.919	536.926
4. Other cash flow decreases	011		
II. Total decrease in cash flow from operating activities (008 to 011)	012	4.251.126	22.358.817
A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES (007-012)	013	0	0
A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES (012-007)	014	4.251.126	17.487.603
CASH FLOW FROM INVESTING ACTIVITIES			
1. Cash flow from sale of long - term tangible and intangible assets	015	9.365.091	547.504
2. Cash inflows from sale of equity and debt financial instruments	016	0	1.337.838
3. Interest receipts	017	329.243	968.340
4. Dividend receipts	018	0	3.541
5. Other cash inflows from investing activities	019	3.699.588	24.899.921
III. Total cash inflows from investing activities(015 to 019)	020	13.393.922	27.757.144
1. Cash outflows for purchase of long - term tangible and intangible assets	021	4.056.237	2.356.842
2. Cash outflows for purchase of equity and debt financial instruments	022	173.100	1.802.000
3. Other cash outflows from investing activities	023	2.791.500	1.770.000
IV. Total cash outflows from investing activities (021 to 023)	024	7.020.837	5.928.842
B1) NET INCREASE OF CASH FLOW FROM INVESTING ACTIVITIES(020-024)	025	6.373.085	21.828.302
B2) NET DECREASE OF CASH FLOW FROM INVESTING ACTIVITIES(024-020)	026	0	0
CASH FLOW FROM FINANCING ACTIVITIES			
1. Cash receipts from issuance of equity and debt financial instruments	027	0	0
2. Cash inflows from loans, debentures, credits and other borrowings	028	0	3.378.043
3. Other cash inflows from financing activities	029	0	0
V. Total cash inflows from financing activities (027 to 029)	030	0	3.378.043
1. Cash outflows for repayment of loans and bonds	031	8.032.379	1.337.203
2. Dividends paid	032		
3. Cash outflows for finance lease	033	692.778	551.870
4. Cash outflows for purchase of own stocks	034	0	0
5. Other cash outflows from financing activities	035	0	2.897.468
VI. Total cash outflows from financing activities (031 do 035)	036	8.725.157	4.786.541
C1) NET INCREASE OF CASH FLOW FROM FINANCING ACTIVITIES (030-036)	037	0	0
C2) NET DECREASE OF CASH FLOW FROM FINANCING ACTIVITIES (036-030)	038	8.725.157	1.408.498
Total increases of cash flows (013 – 014 + 025 – 026 + 037 – 038)	039	0	2.932.201
Total decreases of cash flows (014 – 013 + 026 – 025 + 038 – 037)	040	6.603.198	0
Cash and cash equivalents at the beginning of period	041	8.273.610	1.670.412
Increase in cash and cash equivalents	042	0	2.932.201
Decrease in cash and cash equivalents	043	6.603.198	0
Cash and cash equivalents at the end of period	044	1.670.412	4.602.613

STATEMENT OF CHANGES IN EQUITY

from 1.1.2016 to 31.12.2016

	Position 1	AOP 2	Previous year 3	Current year 4
1. Subscribed capital		001	116.604.710	116.604.710
2. Capital reserves		002	0	0
3. Reserves from profit		003	-2.419.226	-2.479.608
4. Retained earnings or accumulated loss		004	-151.943.469	-228.039.382
5. Profit / loss for the current year		005	-81.748.614	-56.280.307
6. Revaluation of long - term tangible assets		006	148.767.078	147.371.922
7. Revaluation of intangible assets		007		
8. Revaluation of financial assets available for sale		008		
9. Other revaluation		009		
10. Total capital and reserves (AOP 001 to 009)		010	29.260.479	-22.822.665
11. Currency gains and losses arising from net investments in foreign operations		011	113.152	-15.136
12. Current and deferred taxes (part)		012		
13. Cash flow hedging		013		
14. Changes in accounting policies		014		
15. Correction of significant errors in prior periods		015		
16. Other changes in capital		016		
17. Total increase or decrease in capital (AOP 011 to 016)		017	113.152	-15.136
17 a. Attributed to equity holders of parent company		018	29.373.631	-22.837.801
17 b. Attributed to minority interest		019	37.986	-961.619

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