

INSTITUT IGH, d.d.

Janka Rakuše 1, 10000 Zagreb, CROATIA
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MANAGEMENT BOARD REPORT

ON BUSINESS RESULTS OF THE COMPANY INSTITUT IGH d.d. AND ITS SUBSIDIARIES IN THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2017

INSTITUT IGH, d.d. Zagreb is the the leading service provider in the field of design, engineering, project management of infrastructure and civil engineering projects and, laboratory services in South and Southeast Europe.

Provision of services in the field of design, project management, technical supervision and laboratory testing, development of Studies and consulting services, together with 17 subsidiary companies, allows for a comprehensive support to infrastructural and investment projects.

In the period from January to September of 2017, INSTITUT IGH d.d. operated at a profit in the amount of HRK 12.8 million, primarily as the result of a 44% increase in operating revenues, which amounted to HRK 160.8 million, out of which 36% relates to operating revenues from international operations. Majority of operating revenues from international operations come from the markets of Georgia, Kosovo and Bosnia and Herzegovina. On the other hand, the operating expenses increased by 19% when compared to the same period of the previous year, which resulted in achieved EBITDA of HRK 25.6 million..

In the period from January to September of 2017, IGH Group achieved a net profit of HRK 9.7 million, also primarily due to a 51% increase in operating revenues, which amounted to HRK 177.8 million, and a positive result from exchange rate differentials. Consolidated operating revenues from international operations represent 32% of total consolidated operating revenues. Consolidated operating expenses amounted to HRK 159.9 million, which is an increase of 28% when compared to the period from January to September of 2016, which, together with a significant increase in revenues resulted in achieved EBITDA of HRK 24.4 million.

RC SPLIT
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Matice hrvatske 15
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RC RIJEKA
KUKULJANOVO 51227
Kukuljanovo 182/2
Tel: 051/206-100
Fax: 051/331-100

RC OSIJEK
OSIJEK 31000
Drinska 18
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Fax: 031/253-104

VARAŽDIN 42000
Hallerova aleja 7
Tel: 042/210-970,
042/210-722
Fax: 042/211-285

DUBROVNIK 20000
Vukovarska 8
Tel: 020/412-489,
020/411-628
Fax: 020/412-489

PULA 52100
Divkovićeveva 2/C
Tel: 052/508-220
Fax: 052/508-221

ZADAR 23000
Dobriše Cesarića 1
Tel: 023/220-910,
023/323-299
Fax: 023/323-225

Mjerodavni sud:
Trgovački sud u Zagrebu,
registrarSKI uložak
s matičnim brojem (MBS)
080000959

Temeljni kapital:
116.604.710,00 kn
uplaćen u cijelosti
Broj izdanih dionica:
IGH-R-A 613.709
Nominalna vrijednost
dionice 190 kn

MB: 3750272
OIB: 79766124714
Poslovna banka:
Zagrebačka banka d.d.
IBAN:
HR7723600001101243767
SWIFT kod: ZABAHR2X

Uprava:
Ivan Paladina, dipl.oec, predsjednik Uprave
mr.sc. Oliver Kumrić, dipl.ing.grad.,
član Uprave

Nadzorni odbor:
Žarko Deskovčić, dipl.ing.grad,
predsjednik Nadzornog odbora



In addition to this, in the period January – September, 2017, IGH d.d. achieved a positive result from exchange rate difference amounting to HRK 2 million, as a result of appreciation of the HRK exchange rate in relation to EURO, but irrespective of this effect, the net result is definitely positive, which is a continuation of an upward business trend according to all indicators.

On 30 September 2017, INSTITUT IGH d.d., had active contracts in progress amounting to HRK 274.5 million, which is 17% less compared to the situation on 31 December 2016. In the period from January to September 2017, IGH d.d. contracted new projects amounting to HRK 72.8 million. IGH d.d. marks positive results in ongoing business operations and this confirms the fact that a positive operating revenue is achieved for five trimesters in a row. Along with this, the active, ongoing contracts per employee is also satisfactory.

A total of 554 employees were employed with INSTITUT IGH d.d. and its subsidiaries on 30 September 2017, of which 14% relates to employees in foreign subsidiaries.

Despite positive trends in operational business and the status of contracts per employee, which provide grounds for optimism for the following period, the fact that the Company continues to record negative equity and that the obligation to repay the senior loan principal commenced in June 2017, in compliance with provisions of the Pre-bankruptcy Settlement and subsequent agreements with creditors of category a), cannot be disregarded. The Company has not paid corresponding principal instalment till the day of this report, but the Management Board gives maximum effort to regulate relationships with the creditors and fulfil its liabilities. We are confident that the outcome will be positive. Furthermore, taking into account all indicators, Management Board is confident that the business operations in the following period will be successful and stable.

Zagreb, 27 October 2017

On behalf of the Management Board of INSTITUT IGH d.d.

Ivan Paladina

Ivan Paladina, President of the Management Board



Attachment 1.

Reporting period:

1.1.2017

do

30.9.2017

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.igh.hr

Municipality/city code and name: 133 ZAGREB

County code and name: 21 GRAD ZAGREB

Number of employees 554

(quarter end)

Consolidated report: YES

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 BUSINESS ADVISORY SERVICES 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
VOĐENJE PROJEKATA D.O.O.	ZAGREB, BIJENIČKA CESTA 8	02427648
EKONOMSKO TEHNIČKI ZAVOD D.D.	OSIJEK, DRINSKA 18	03013669
PROJEKTI BIRO PALMOTIČEVA 45 D.O.O.	ZAGREB, PALMOTIČEVA 45	03222853
IGH KOSOVA Sha	PRIŠTINA, KOSOVO	
IGH CONSULTING D.O.O.	ZAGREB, JANKA RAKUŠE 1	02462478
DP AQUA D.O.O.	ZAGREB, SREDNJACI 16	01907522
MBM TERMOPROJEKT D.O.O.	ZAGREB, NIKOLA PAVIČA 20	00335967
RADELJEVIĆ D.O.O.	ZAGREB, JANKA RAKUŠE 1	01938533
MARTERRA D.O.O.	ZAGREB, JANKA RAKUŠE 1	28983577816
NOVI ČRNOMEREC CENTAR D.O.O.	ZAGREB, JANKA RAKUŠE 1	08291561940
SLAVONIJA CENTAR, POSLOVNA ZONA VELIKA K	ZAGREB, JANKA RAKUŠE 1	81665145943

Bookkeeping service:

Contact person: ŠPINDERK JADRANKA

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

Telephone: 01 6125 444

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E-mail address: igh@igh.hr

Family name and name: IVAN PALADINA OLIVER KUMRIĆ

(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



(signature of the person authorized to represent the company)

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BALANCE SHEET
as of 30.09.2017

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	312.527.859	309.804.224
I. INTANGIBLE ASSETS (004 to 009)	003	4.218.396	4.249.662
1. Assets development	004		0
2. Concessions, patents, licence fees, merchandise and service brands, software and other rights	005	1.553.352	1.523.988
3. Goodwill	006	51.837	51.837
4. Prepayments for purchase of intangible assets	007		0
5. Intangible assets in preparation	008	2.613.207	2.673.837
6. Other intangible assets	009	0	0
II. TANGIBLE ASSETS (011 to 019)	010	288.096.295	284.864.744
1. Land	011	105.251.572	105.237.744
2. Buildings	012	76.931.551	73.361.230
3. Plant and equipment	013	13.939.974	14.212.218
4. Instruments, plant inventories and transportation assets	014	5.645.218	5.841.039
5. Biological assets	015		0
6. Prepayments for tangible assets	016	335.434	264.060
7. Tangible assets in preparation	017	26.158.200	26.174.096
8. Other material assets	018	364.627	304.639
9. Investment in buildings	019	59.469.719	59.469.718
III. LONG-TERM FINANCIAL ASSETS (021 to 028)	020	18.609.008	19.327.363
1. Shares (stocks) in related parties	021	0	0
2. Loans given to related parties	022	0	0
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	951.089
6. Loans, deposits and similar assets	026	444.745	819.479
7. Other long - term financial assets	027	3.294.942	2.881.185
8. Investments accounted by equity method	028	14.869.321	14.675.610
IV. RECEIVABLES (030 to 032)	029	1.604.160	1.362.455
1. Receivables from related parties	030	0	0
2. Receivables based on trade loans	031	1.204.689	1.032.604
3. Other receivables	032	399.471	329.851
V. DEFERRED TAX ASSETS	033		
C) SHORT TERMS ASSETS (035+043+050+058)	034	260.843.356	249.592.123
I. INVENTORIES (036 to 042)	035	198.297.661	183.558.295
1. Raw material	036	0	0
2. Work in progress	037	90.400.840	75.661.474
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	107.328.659	107.328.659
7. Biological assets	042	0	0
II. RECEIVABLES (044 to 049)	043	44.677.396	49.363.663
1. Receivables from related parties	044	20.187	74.685
2. Accounts receivable	045	40.296.014	44.115.311
3. Receivables from participating entrepreneurs	046		
4. Receivables from employees and shareholders	047	678.740	838.659
5. Receivables from government and other institutions	048	1.743.211	1.332.690
6. Other receivables	049	1.939.244	3.002.318
III. SHORT - TERM FINANCIAL ASSETS (051 to 057)	050	13.265.686	14.366.982
1. Shares (stocks) in related parties	051	0	0
2. Loans given to related parties	052	137.720	157.720
3. Participating interests (shares)	053	0	0
4. Loans to entrepreneurs in whom the entity hold participating interests	054	0	0
5. Investment in securities	055	0	0
6. Loans, deposits and similar assets	056	13.127.966	14.209.262
7. Other financial assets	057	0	0
IV. CASH AT BANK AND IN CASHIER	058	4.602.613	2.303.183
D) PREPAID EXPENSES AND ACCRUED INCOME	059	8.455.346	17.929.700
E) TOTAL ASSETS (001+002+034+059)	060	581.826.561	577.326.047
F) OFF-BALANCE SHEET NOTES	061	38.462.783	52.614.077

LIABILITIES AND CAPITAL

A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	-23.799.420	-16.304.584
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	-2.479.608	-5.583.987
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	3.925.917	7.030.296
4. Statutory reserves	069	0	0
5. Other reserves	070	0	0
IV. REVALUATION RESERVES	071	147.356.786	144.638.234
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	-228.039.382	-280.746.071
1. Retained earnings	073		
2. Accumulated loss	074	228.039.382	280.746.071
VI. PROFIT / LOSS FOR THE CURRENT YEAR (076-077)	075	-56.280.307	9.423.747
1. Profit for the current year	076	0	9.423.747
2. Loss for the current year	077	56.280.307	0
VII. MINORITY INTEREST	078	-961.619	-641.217
B) PROVISIONS (080 to 082)	079	9.097.176	6.851.514
1. Provisions for pensions, severance pay and similar liabilities	080	768.473	768.473
2. Reserves for tax liabilities	081	0	0
3. Other reserves	082	8.328.703	6.083.041
C) LONG TERM LIABILITIES (084 to 092)	083	324.153.781	307.358.436
1. Liabilities to related parties	084	151.545	60.199
2. Liabilities for loans, deposits etc.	085	70.500	70.500
3. Liabilities to banks and other financial institutions	086	280.626.784	269.692.316
4. Liabilities for received prepayments	087	0	0
5. Accounts payable	088	6.322.152	3.366.856
6. Liabilities arising from debt securities	089		
7. Liabilities to entrepreneurs in whom the entity holds participating interests	090		
8. Other long-term liabilities	091	4.464.873	2.246.341
9. Deferred tax liability	092	32.517.927	31.922.224
D) SHORT - TERM LIABILITIES (094 to 105)	093	240.199.294	243.260.553
1. Liabilities to related parties	094	294.235	323.081
2. Liabilities for loans, deposits etc.	095	2.622.731	2.634.059
3. Liabilities to banks and other financial institutions	096	88.156.492	88.946.583
4. Liabilities for received prepayments	097	3.222.927	7.541.406
5. Accounts payable	098	26.155.383	27.711.273
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		
8. Liabilities to employees	101	9.417.958	7.910.302
9. Liabilities for taxes, contributions and similar fees	102	13.280.559	13.217.540
10. Liabilities to share - holders	103		
11. Liabilities for long term assets held for sale	104		
12. Other short - term liabilities	105	26.075.768	24.003.068
E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD	106	32.175.730	36.160.128
F) TOTAL CAPITAL AND LIABILITIES (062+079+083+093+106)	107	581.826.561	577.326.047
G) OFF-BALANCE SHEET NOTES	108	38.462.783	52.614.077
APPENDIX TO BALANCE SHEET (only for consolidated financial statements)			
A) CAPITAL AND RESERVES			
1. Attributed to equity holders of parent company	109	-22.837.801	-15.663.367
2. Attributed to minority interests	110	-961.619	-641.217

PROFIT AND LOSS ACCOUNT
for period 01.01.2017 to 30.09.2017

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	117.588.321	43.233.286	177.838.870	75.228.237
1. Sales revenues	112	112.223.783	41.571.959	165.209.419	67.618.189
2. Other operating revenues	113	5.364.538	1.661.327	12.629.451	7.610.048
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	125.206.139	44.223.042	159.958.984	71.987.839
1. Changes in the value of work in progress and finished goods	115	-401.820	-150.683	12.561.493	12.587.493
2. Material costs (117 to 119)	116	33.548.146	13.701.588	53.342.690	24.752.470
a) Raw material and material costs	117	5.100.737	1.598.134	6.192.953	2.253.128
b) Costs of goods sold	118	0	0	0	0
c) Other external costs	119	28.447.409	12.103.454	47.149.737	22.499.342
3. Staff costs (121 to 123)	120	64.721.444	20.436.582	68.043.827	23.722.556
a) Net salaries and wages	121	38.170.089	12.352.085	36.314.534	12.051.631
b) Costs for taxes and contributions from salaries	122	17.088.102	5.075.510	22.862.277	8.919.521
c) Contributions on gross salaries	123	9.463.253	3.008.987	8.867.016	2.751.404
4. Depreciation	124	6.365.106	2.106.192	6.495.429	2.206.767
5. Other costs	125	14.527.343	4.510.625	13.038.294	4.147.705
6. Impairment (127+128)	126	1.468.199	246.773	2.726.300	1.018.181
a) Impairment of long-term assets (excluding financial assets)	127	0	0	0	0
b) Impairment of short-term assets (excluding financial assets)	128	1.468.199	246.773	2.726.300	1.018.181
7. Provisions	129	3.665.397	2.994.536	0	0
8. Other operating expenses	130	1.312.324	377.429	3.750.951	3.552.667
III. FINANCIAL INCOME (132 to 136)	131	6.495.209	210.177	3.617.179	-3.175.021
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	5.779.749	210.177	3.493.298	-3.194.474
3. Share in income from affiliated entrepreneurs and participating interests	134	0	0	22.075	425
4. Unrealized gains (income) from financial assets	135	0	0	0	0
5. Other financial income	136	715.460	0	101.806	19.028
IV. FINANCIAL EXPENSES (138 to 141)	137	13.732.758	4.416.010	12.019.143	4.176.573
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	11.800.730	3.900.498	10.678.513	3.748.632
3. Unrealized losses (expenses) on financial assets	140	0	0	198.800	130.189
4. Other financial expenses	141	1.932.028	515.512	1.141.830	297.752
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	14.615	3.235	193.710	80.275
VII. EXTRAORDINARY - OTHER INCOME	144				
VIII. EXTRAORDINARY - OTHER EXPENSES	145				
IX. TOTAL INCOME (111+131+142 + 144)	146	124.083.530	43.443.463	181.456.049	72.053.216
X. TOTAL EXPENSES (114+137+143 + 145)	147	138.953.512	48.642.287	172.171.837	76.244.687
XI. PROFIT OR LOSS BEFORE TAXATION (146-147)	148	-14.869.982	-5.198.824	9.284.212	-4.191.471
1. Profit before taxation (146-147)	149	0	0	9.284.212	0
2. Loss before taxation (147-146)	150	14.869.982	5.198.824	0	4.191.471
XII. PROFIT TAX	151	-548.302	-633.705	-453.198	-214.884
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	-14.321.680	-4.565.119	9.737.410	-3.976.587
1. Profit for the period(149-151)	153	0	0	9.737.410	0
2. Loss for the period (151-148)	154	14.321.680	4.565.119	0	3.976.587
XIV. PROFIT OR LOSS FOR THE PERIOD					
1. Attributed to equity holders of parent company	155	-14.271.832	-4.594.484	9.423.747	-3.987.227
2. Attributed to minority interests	156	-49.848	29.365	313.663	10.640
STATEMENT OF COMPREHENSIVE INCOME (IFRS)					
I. PROFIT OR LOSS FOR THE PERIOD (= 152)	157	-14.321.680	-4.565.119	9.737.410	-3.976.587
II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX(159 to 165)	158	-54.726	-104.261	54.448	54.448
1. Exchange differences on translation of foreign operations	159	-54.726	-104.261	54.448	144.777
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	10.945	1.038	-9.800	-26.059
IV. NET OTHER COMPREHENSIVE INCOME/ LOSS FOR THE PERIOD (158-166)	167	-43.781	-83.409	44.648	118.718
V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD(157+167)	168	-14.365.461	-4.648.528	9.782.058	-3.857.869
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	-14.315.613	-4.677.893	9.468.395	-3.868.509
2. Attributed to minority interests	170	-49.848	29.365	313.663	10.640

STATEMENT OF CASH FLOWS - Indirect method
period 01.01.2017. to 30.09.2017

INSTITUT IGH D.D.			
Position	AOP	Previous period	Current period
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before tax	001	-14.869.982	9.284.212
2. Depreciation	002	6.365.106	6.495.429
3. Increase in short-term liabilities	003	1.720.727	544.900
4. Decrease in short term receivables	004		
5. Decrease in inventories	005		14.739.367
6. Other cash flow increases	006		
I. Total increase in cash flow from operating activities (001 to 006)	007	-6.784.149	31.063.908
1. Decrease in short - term liabilities	008	0	0
2. Increase in short - term receivables	009	4.990.271	13.918.918
3. Increase in inventories	010	636.379	0
4. Other cash flow decreases	011	1.196.141	14.321.179
II. Total decrease in cash flow from operating activities (008 to 011)	012	6.822.791	28.240.097
A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES (007-012)	013	0	2.823.811
A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES (012-007)	014	13.606.940	0
CASH FLOW FROM INVESTING ACTIVITIES			
1. Cash flow from sale of long - term tangible and intangible assets	015	76.563	284.523
2. Cash inflows from sale of equity and debt financial instruments	016	1.337.838	0
3. Interest receipts	017	552.266	172.258
4. Dividend receipts	018	0	21.651
5. Other cash inflows from investing activities	019	20.888.668	900.000
III. Total cash inflows from investing activities(015 to 019)	020	22.855.335	1.378.432
1. Cash outflows for purchase of long - term tangible and intangible assets	021	1.835.543	2.871.230
2. Cash outflows for purchase of equity and debt financial instruments	022	1.369.000	0
3. Other cash outflows from investing activities	023	1.770.000	420.000
IV. Total cash outflows from investing activities (021 to 023)	024	4.974.543	3.291.230
B1) NET INCREASE OF CASH FLOW FROM INVESTING ACTIVITIES(020-024)	025	17.880.792	0
B2) NET DECREASE OF CASH FLOW FROM INVESTING ACTIVITIES(024-020)	026	0	1.912.798
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	0
3. Other cash inflows from financing activities	029	0	0
V. Total cash inflows from financing activities (027 to 029)	030	0	0
1. Cash outflows for repayment of loans and bonds	031	963.834	656.250
2. Dividends paid	032	0	0
3. Cash outflows for finance lease	033	455.068	286.646
4. Cash outflows for purchase of own stocks	034	0	2.267.547
5. Other cash outflows from financing activities	035	0	0
VI. Total cash outflows from financing activities (031 do 035)	036	1.418.902	3.210.443
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	1.418.902	3.210.443
Total increases of cash flows (013 – 014 + 025 – 026 + 037 – 038)	039	2.854.950	0
Total decreases of cash flows (014 – 013 + 026 – 025 + 038 – 037)	040	0	2.299.430
Cash and cash equivalents at the beginning of period	041	1.670.412	4.602.613
Increase in cash and cash equivalents	042	2.854.950	0
Decrease in cash and cash equivalents	043	0	2.299.430
Cash and cash equivalents at the end of period	044	4.525.362	2.303.183

STATEMENT OF CHANGES IN EQUITY
from 1.1.2017 to 30.9.2017

Position	AOP	Previous year	Current year
1	2	3	4
1. Subscribed capital	001	116.604.710	116.604.710
2. Capital reserves	002	0	0
3. Reserves from profit	003	-2.479.608	-5.583.987
4. Retained earnings or accumulated loss	004	-228.039.382	-280.746.071
5. Profit / loss for the current year	005	-56.280.307	9.423.747
6. Revaluation of long - term tangible assets	006	147.371.922	144.583.786
7. Revaluation of intangible assets	007	0	0
8. Revaluation of financial assets available for sale	008	0	0
9. Other revaluation	009	0	0
10. Total capital and reserves (AOP 001 to 009)	010	-22.822.665	-15.717.815
11. Currency gains and losses arising from net investments in foreign operations	011	-15.136	54.448
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	-15.136	54.448
17 a. Attributed to equity holders of parent company	018	-22.837.801	-15.663.367
17 b. Attributed to minority interest	019	-961.619	-641.217

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

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

The Company's Management Board has to ensure that the Group's consolidated financial reports for the third quarter of 2017 are prepared in accordance with the Accountancy Law (Official Gazette 78/15, 133/15, 120/16) and International Financial Reporting Standards as adopted by the European Union, 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 Board 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 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 Group, in full compliance with the Accountancy Law and International Financial Reporting Standards issued by the International Accounting Standards Board (IASB). The Management Board 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 Board:

Ivan Paladina
Ivan Paladina, President of Management Board


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27 October 2017



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Mjerodavni sud:
Trgovački sud u Zagrebu,
registarski uložak
s matičnim brojem (MBS)
080000959

Temeljni kapital:
116.604.710,00 kn
uplaćen u cijelosti
Broj izdanih dionica:
IGH-R-A 613.709
Nominalna vrijednost
dionice 190 kn

MB: 3750272
OIB: 79766124714
Poslovna banka:
Zagrebačka banka d.d.
IBAN:
HR7723600001101243767
SWIFT kod: ZABAHZ2X

Uprava:
Ivan Paladina, dipl.oec., predsjednik Uprave
mr.sc. Oliver Kumić, dipl.ing.grad.,
član Uprave

Nadzorni odbor:
Žarko Dešković, dipl.ing.grad.,
predsjednik Nadzornog odbora

