

ENCLOSURE 1

Reporting period:

1 January 2012

to

31 December 2012

Quartely Financial Report TFI-PODTax number (MB): **03586243**Registration number (MBS): **080000604**Personal identification
number (OIB): **27759560625**Issuer: **INA - Industrija nafte d.d.**Postal code and location: **10000****Zagreb**Street and number: **Avenija Većeslava Holjevca 10**

E-mail:

Internet address: www.ina.hrCode and city / municipality: **133** **Zagreb**Code and county: **21** **Grad Zagreb**Number of employees: **8712**
(at the end of year)Consolidated Report: **NO**Business activity code: **1920**

Entities in consolidation (according to IFRS)

Registered seat:

Tax number (MB):

Book-keeping office: **Top računovodstvo servisi d.o.o.; Zagreb; Član INA Grupe**Contact person: **Ratko Marković dipl.oec.**

(Name and surname of contact person)

Telephone: **01 612-3143**Telefaks: **01 612-3115**E-mail: Ratko.Markovic@trs.ina.hrName and surname: **Rozana Šebalj dipl.oec.**

(authorized representatives)

Documents to be published:

1. Financial Statements (Balance Sheet, Profit and Loss Account, Cash Flow Statement, Change in Capital Statement and Notes to Financial Statements)
2. Statement of persons in charge of making Financial Statements
3. Management Board's Report

(seal)

(signature of authorized representative)

Balance Sheet
as at 31 December 2012

Item	AOP	Previous period	Current period
1	2	3	4
A) SUBSCRIBED CAPITAL UNPAID	001		
B) NON CURRENT ASSETS (003+010+020+029+033)	002	22.421.000.000	20.771.000.000
I. INTANGIBLE ASSETS (004 do 009)	003	888.000.000	733.000.000
1. Research & Development expenditure	004		
2. Patents, licences, royalties, trade marks, software&similar rights	005	76.000.000	79.000.000
3. Goodwill	006		
4. Prepayments for intangible assets	007	12.000.000	62.000.000
5. Intangible assets under construction	008	800.000.000	591.000.000
6. Other intangible assets	009		1.000.000
II. TANGIBLE ASSETS (011 do 019)	010	18.576.000.000	17.085.000.000
1. Land	011	987.000.000	1.000.000.000
2. Property	012	7.809.000.000	7.432.000.000
3. Plants and equipment	013	6.542.000.000	5.787.000.000
4. Tools, plants&vehicles	014	385.000.000	311.000.000
5. Biological asset	015		
6. Prepayments for tangible assets	016	21.000.000	22.000.000
7. Assets under construction	017	2.823.000.000	2.524.000.000
8. Other tangible assets	018	3.000.000	3.000.000
9. Investments property	019	6.000.000	6.000.000
III. NON-CURRENT FINANCIAL ASSETS (021 do 028)	020	2.192.000.000	2.333.000.000
1. Investments in subsidiaries	021	1.033.000.000	1.161.000.000
2. Loans to subsidiaries	022	444.000.000	612.000.000
3. Participating interests (stakes)	023	40.000.000	40.000.000
4. Loans to participating interest	024		
5. Investments in securities	025	350.000.000	
6. Loans & deposits	026		180.000.000
7. Other non-current financial assets	027	325.000.000	340.000.000
8. Investment accounted by equity method	028		
IV. TRADE RECEIVABLES (030 do 032)	029	174.000.000	126.000.000
1. Receivables from subsidiaries	030	48.000.000	11.000.000
2. Receivables from credit sales	031	126.000.000	115.000.000
3. Other receivables	032		
V. DEFERRED TAX ASSETS	033	591.000.000	494.000.000
C) CURENT ASSETS (035+043+050+058)	034	7.320.000.000	6.595.000.000
I. INVENTORIES (036 do 042)	035	3.030.000.000	2.485.000.000
1. Raw materials & consumables	036	1.026.000.000	445.000.000
2. Work in progress	037	1.150.000.000	1.156.000.000
3. Products	038		815.000.000
4. Merchandise	039	695.000.000	69.000.000
5. Prepayments for inventories	040	159.000.000	
6. Other available-for-sale assets	041		
7. Biological asset	042	0	
II. RECEIVABLES (044 do 049)	043	3.748.000.000	3.757.000.000
1. Receivables for trade debt of subsidiaries	044	1.588.000.000	2.226.000.000
2. Trade receivables	045	1.781.000.000	1.103.000.000
3. Receivables for trade debts of participating entities	046		
4. Amounts receivable from employees	047	3.000.000	8.000.000
5. Receivables from government agencies	048	234.000.000	311.000.000
6. Other receivables	049	142.000.000	109.000.000
III. CURRENT FINANCIAL ASSETS (051 do 057)	050	313.000.000	83.000.000
1. Investments in subsidiaries	051		54.000.000
2. Loans to subsidiaries	052	239.000.000	
3. Participating interests (stakes)	053		
4. Loans to participating interest	054		
5. Investments in securities	055	4.000.000	
6. Loans & deposits	056	21.000.000	22.000.000
7. Other financial assets	057	49.000.000	7.000.000
IV. CASH ON HAND AND IN THE BANK	058	229.000.000	270.000.000
D) PREPAYMENTS AND ACCRUED INCOME	059	54.000.000	79.000.000
E) TOTAL ASSETS (001+002+034+059)	060	29.795.000.000	27.445.000.000
F) OFF-BALANCE SHEET ITEMS	061		

EQUITY AND LIABILITIES			
A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	14.282.000.000	15.502.000.000
I. SHARE CAPITAL	063	9.000.000.000	9.000.000.000
II. CAPITAL RESERVES	064		
III. RESERVES FROM PROFIT (066+067-068+069+070)	065	2.239.000.000	2.123.000.000
1. Legal reserves	066		
2. Reserves for own shares	067		
3. Own shares and stakes (less)	068		
4. Statutory reserves	069	287.000.000	171.000.000
5. Other reserves	070	1.952.000.000	1.952.000.000
IV. REVALUATION RESERVES	071	0	13.000.000
V. RETAINED EARNINGS OR LOSS BROUGHT FORWARD (073-074)	072	1.076.000.000	3.043.000.000
1. Retained earnings	073	1.076.000.000	3.043.000.000
2. Loss brought forward	074		
VI. PROFIT OR LOSS FOR THE FINANCIAL YEAR (076-077)	075	1.967.000.000	1.323.000.000
1. Profit for the financial year	076	1.967.000.000	1.323.000.000
2. Loss for the financial year	077		
VII. MINORITY INTEREST	078		
B) PROVISIONS (080 do 082)	079	2.899.000.000	3.020.000.000
1. Provisions for redundancy costs	080	66.000.000	72.000.000
2. Provisions for tax obligations	081		
3. Other provisions	082	2.833.000.000	2.948.000.000
C) NON-CURRENT LIABILITIES (084 do 092)	083	5.662.000.000	1.124.000.000
1. Amounts payable to subsidiaries	084		
2. Liabilities for loans, deposits and other	085		
3. Liabilities towards banks and other financial institutions	086	5.555.000.000	1.053.000.000
4. Amounts payable for prepayment	087		
5. Trade payables	088		
6. Amounts payable for securities	089		
7. Liabilities toward participating interests	090		
8. Other non-current liabilities	091	107.000.000	71.000.000
9. Deferred tax	092		
D) CURRENT LIABILITIES (094 do 105)	093	6.904.000.000	7.765.000.000
1. Amounts payable to subsidiaries	094	646.000.000	383.000.000
2. Liabilities for loans, deposits and other	095		
3. Liabilities towards banks and other financial institutions	096	3.601.000.000	5.705.000.000
4. Amounts payable for prepayment	097	24.000.000	22.000.000
5. Trade payables	098	1.111.000.000	964.000.000
6. Amounts payable for securities	099		
7. Liabilities toward participating interests	100		
8. Amounts payable to employees	101	72.000.000	96.000.000
9. Liabilities for taxes and contributions	102	1.349.000.000	385.000.000
10. Dividend payables	103		
11. Liabilities directly associated with the assets classified as held for sale	104		
12. Other current liabilities	105	101.000.000	210.000.000
E) ACCRUAL AND DEFERRED INCOME	106	48.000.000	34.000.000
F) TOTAL LIABILITIES (062+079+083+093+106)	107	29.795.000.000	27.445.000.000
G) OFF-BALANCE SHEET ITEMS	108		
ANNEX TO THE BALANCE SHEET (to be filled in by entrepreneur submitting consolidated financial report)			
A) CAPITAL AND RESERVES			
1. Attributable to equity holders of the parent company's capital	109		
2. Attributable to minority interest	110		

Note 1.: APPENDIX TO THE BALANCE SHEET (to be filled in by entities who submitting consolidated financial statements).

PROFIT AND LOSS

for the period 01 January 2012 to 31 December 2012

Issuer: INA - Industrija nafte d.d., Avenija Većeslava Holjevca 10, 10000 Zagreb

Item	AOP	Previous period		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
I. OPERATING INCOME (112+113)	111	26.856.000.000	5.929.000.000	26.825.000.000	6.225.000.000
1. Sales revenue	112	26.291.000.000	5.793.000.000	26.404.000.000	6.022.000.000
2. Other operating income	113	565.000.000	136.000.000	421.000.000	203.000.000
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	23.713.000.000	6.432.000.000	25.062.000.000	6.350.000.000
1. Changes in inventories of finished products and work in	115	-349.000.000	489.000.000	-181.000.000	102.000.000
2. Material costs (117 do 119)	116	17.973.000.000	3.473.000.000	18.489.000.000	4.361.000.000
a) Cost of raw materials & consumables	117	13.353.000.000	1.969.000.000	15.628.000.000	3.596.000.000
b) Cost of goods sold	118	2.644.000.000	926.000.000	1.324.000.000	386.000.000
c) Other costs	119	1.976.000.000	578.000.000	1.537.000.000	379.000.000
3. Staff costs (121 do 123)	120	1.452.000.000	368.000.000	1.391.000.000	375.000.000
a) Net salaries	121	839.000.000	215.000.000	807.000.000	216.000.000
b) Employee income tax	122	402.000.000	100.000.000	394.000.000	110.000.000
c) Tax on payroll	123	211.000.000	53.000.000	190.000.000	49.000.000
4. Depreciation and amortisation	124	2.397.000.000	632.000.000	1.835.000.000	509.000.000
5. Other expenditures	125	1.178.000.000	346.000.000	1.429.000.000	410.000.000
6. Value adjustment (127+128)	126	1.306.000.000	1.291.000.000	1.967.000.000	792.000.000
a) non-current assets (without financial assets)	127	709.000.000	694.000.000	784.000.000	646.000.000
b) current assets (without financial assets)	128	597.000.000	597.000.000	1.183.000.000	146.000.000
7. Provisions	129	-244.000.000	-167.000.000	132.000.000	-199.000.000
8. Other operating expenses	130				
III. FINANCIAL INCOME (132 do 136)	131	355.000.000	22.000.000	393.000.000	62.000.000
1. Interest income, foreign exchange differences, dividends and other financial	132	69.000.000	32.000.000	281.000.000	78.000.000
2. Interest income, foreign exchange differences, dividends and	133	91.000.000	-10.000.000	72.000.000	-44.000.000
3. Part of income from associates and participating interests	134				0
4. Unrealized gains (income) from the financial assets	135				0
5. Other financial income	136	195.000.000		40.000.000	28.000.000
IV. FINANCIAL COSTS (138 do 141)	137	933.000.000	537.000.000	487.000.000	49.000.000
1. Interest, foreign exchange differences and other expenses	138	9.000.000	1.000.000	68.000.000	65.000.000
2. Interest, foreign exchange differences and other expenses	139	413.000.000	301.000.000	143.000.000	18.000.000
3. Unrealized loss (expenses) from the financial assets	140				0
4. Other financial expenses	141	511.000.000	235.000.000	276.000.000	-34.000.000
V. SHARE OF INCOME OF ASSOCIATES	142				
VI. SHARE OF LOSS OF ASSOCIATES	143				
VII. EXTRAORDINARY - OTHER INCOME	144				
VIII. EXTRAORDINARY - OTHER EXPENSES	145				
IX. TOTAL INCOME (111+131+142 + 144)	146	27.211.000.000	5.951.000.000	27.218.000.000	6.287.000.000
X. TOTAL EXPENSES (114+137+143 + 145)	147	24.646.000.000	6.969.000.000	25.549.000.000	6.399.000.000
XI. PROFIT OR LOSS BEFORE TAX (146-147)	148	2.565.000.000	-1.018.000.000	1.669.000.000	-112.000.000
1. Profit before tax (146-147)	149	2.565.000.000	0	1.669.000.000	0
2. Loss before tax (147-146)	150	0	1.018.000.000	0	112.000.000
XII. INCOME TAX EXPENSE	151	598.000.000	-85.000.000	346.000.000	3.000.000
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	1.967.000.000	-933.000.000	1.323.000.000	-115.000.000
1. Profit for the period (149-151)	153	1.967.000.000	0	1.323.000.000	0
2. Loss for the period (151-148)	154	0	933.000.000	0	115.000.000

ANNEX TO THE PROFIT AND LOSS ACCOUNT (to be filled in by entities submitting consolidated financial statements)**XIV. PROFIT OR LOSS FOR THE PERIOD**

1. Attributable to owners of the company	155				
2. Attributable to non-controlling interests	156				

STATEMENTS OF COMPREHENSIVE INCOME (to be filled by entities who work in compliance with IFRS)

I. PROFIT OR LOSS FOR THE PERIOD (= 152)	157	1.967.000.000	-933.000.000	1.323.000.000	-115.000.000
II. OTHER COMPREHENSIVE INCOME /LOSS BEFORE TAX (159 do	158	260.000.000	430.000.000	-103.000.000	-37.000.000
1. Exchange differences arising from foreign operations	159	287.000.000	400.000.000	-116.000.000	-44.000.000
2. Revaluation of non-current assets and intangible assets	160				0
3. Gains or loss available for sale investments	161	-27.000.000	30.000.000	13.000.000	7.000.000
4. Gains or loss on net movement on cash flow hedges	162				
5. Gains or loss on net investments hedge	163				
6. Share of the other comprehensive income/loss of associates	164				
7. Acturial gain / loss on post employment benefit obligations	165				
III. TAX ON OTHER COMPREHENSIVE INCOME OF THE PERIOD	166				
IV. NET OTHER COMPREHENSIVE INCOME OR LOSS FOR THE YEAR	167	260.000.000	430.000.000	-103.000.000	-37.000.000
V. TOTAL COMPREHENSIVE INCOME/LOSS FOR THE PERIOD	168	2.227.000.000	-503.000.000	1.220.000.000	-152.000.000

APPENDIX Statement of Comprehensive Income (to be filled in by entities submitting consolidated financial statements)**VI. TOTAL COMPREHENSIVE INCOME/LOSS FOR THE PERIOD**

1. Attributable to owners of the company	169				
2. Attributable to non-controlling interests	170				

CASH FLOW STATEMENT - Indirect method
in the period 01 January 2012 to 31 December 2012.

Issuer: INA - Industrija nafte d.d., Avenija Većeslava Holjevca 10, 10000 Zagreb			
Item	AOP	Previous period	Current period
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before taxation	001	2.565.000.000	1.669.000.000
2. Depreciation and amortisation	002	2.397.000.000	1.835.000.000
3. Increase of non-current liabilities	003		
4. Decrease of current receivables	004		
5. Decrease of inventories	005		413.000.000
6. Other increase of cash flow	006	2.450.000.000	2.393.000.000
I. Total increase of cash flow from operating activities (001 do 006)	007	7.412.000.000	6.310.000.000
1. Decrease of non-current liabilities	008	2.600.000.000	247.000.000
2. Increase of current receivables	009	863.000.000	873.000.000
3. Increase of inventories	010	934.000.000	
4. Other decrease of cash flow	011	730.000.000	1.488.000.000
II. Total decrease of cash flow from operating activities (008 do 011)	012	5.127.000.000	2.608.000.000
A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES	013	2.285.000.000	3.702.000.000
A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES	014	0	0
CASH FLOW FROM INVESTMENT ACTIVITIES			
1. Proceeds from sale of non-current assets	015		6.000.000
2. Proceeds from sale of ownership and debt instruments	016		
3. Proceeds from interest rates	017		
4. Proceeds from dividends	018	8.000.000	1.000.000
5. Other proceeds from investment activities	019	164.000.000	34.000.000
III. Total cash proceeds from investment activities (015 do 019)	020	172.000.000	41.000.000
1. Purchase of non-current assets	021	1.388.000.000	1.195.000.000
2. Payments for acquiring ownership and debt financial instruments	022		16.000.000
3. Other payments from investment activities	023	159.000.000	44.000.000
IV. Total cash payments from investment activities (021 do 023)	024	1.547.000.000	1.255.000.000
B1) NET INCREASE OF CASH FLOW FROM INVESTMENT ACTIVITIES	025	0	0
B2) NET DECREASE OF CASH FLOW FROM INVESTMENT ACTIVITIES	026	1.375.000.000	1.214.000.000
CASH FLOW FROM FINANCIAL ACTIVITIES			
1. Proceeds from issuing of ownership and debt financial instruments	027		
2. Proceeds from loan principal, debentures, loans and other borrowing	028	17.751.000.000	15.063.000.000
3. Other proceeds from financial activities	029		45.000.000
V. Total proceeds from financial activities (027 do 029)	030	17.751.000.000	15.108.000.000
1. Repayment of loan principal and bonds	031	18.243.000.000	17.503.000.000
2. Dividends paid	032		
3. Payment of finance lease liabilities	033		
4. Payments from repurchase of treasury shares	034		
5. Other payments from financial activities	035	449.000.000	52.000.000
VI. Total cpayments from financial activities (031 do 035)	036	18.692.000.000	17.555.000.000
C1) NET INCREASE OF CASH FLOW FROM FINANCIAL ACTIVITIES	037	0	0
C2) NET DECREASE OF CASH FLOW FROM FINANCIAL ACTIVITIES	038	941.000.000	2.447.000.000
Total increase of cash flow (013 – 014 + 025 – 026 + 037 – 038)	039	0	41.000.000
Total decrease of cash flow (014 – 013 + 026 – 025 + 038 – 037)	040	31.000.000	0
Cash and cash equivalents at the beginning of the period	041	260.000.000	229.000.000
Increase of cash and cash equivalents	042	0	41.000.000
Decrease of cash and cash equivalents	043	31.000.000	
Cash and cash equivalents at the end of the period	044	229.000.000	270.000.000

CHANGES IN EQUITY

for the period 1.1.2012 to 31.12.2012

Item	AOP	Previous period	Current period
1	2	3	4
1. Share capital	001	9.000.000.000	9.000.000.000
2. Capital reserves	002		
3. Profit reserves	003	2.239.000.000	2.123.000.000
4. Retained earnings or loss carried forward	004	1.556.000.000	3.043.000.000
5. Profit or loss of the current year	005	1.487.000.000	1.323.000.000
6. Revaluation of fixed tangible assets	006		
7. Revaluation of intangible assets	007		
8. Revaluation of financial financial property available for sale	008		13.000.000
9. Other revaluation	009		
10. Total capital and reserves (AOP 001 do 009)	010	14.282.000.000	15.502.000.000
11. Foreign exchange differences from net investments in foreign operations	011	287.000.000	-116.000.000
12. Current and deferred taxes (part)	012		
13. Cash flow hedge	013		
14. Changes in accounting policies	014		
15. Correction of significant mistakes from the previous period	015		
16. Other equity changes	016	1.940.000.000	1.336.000.000
17. Total equity increase or decrease (AOP 011 do 016)	017	2.227.000.000	1.220.000.000
17 a. Attributable to equity holders of the parent company's capital	018		
17 b. Attributable to minority interest	019		

Items that decrease equity have negative sign

Items from 001 to 009 are state of balance sheet date

Bilješke uz financijske izvještaje

(1) Bilješke uz financijske izvještaje sadrže dodatne i dopunske informacije koje nisu prezentirane u bilanci, računu dobiti i gubitka, izvještaju o novčanom tijeku i izvještaju o promjenama kapitala sukladno odredbama odgovarajućih standarda financijskog izvještavanja.

Q1-Q4 2012 – REPORT INA, D.D. NON-CONSOLIDATED

INA, d.d. financial results (IFRS)

HRK mln.	Q3 2012	Q4 2012	Q4 2011	%	2011	2012	%
Net sales revenues	7,615	6,022	5,793	4	26,291	26,404	0
EBITDA reported ⁽¹⁾	1,693	977	1,253	(22)	6,602	5,697	(14)
EBITDA excl. special items ⁽²⁾	1,731	1,061	1,296	(18)	6,752	5,990	(11)
Operating profit reported	1,208	(125)	(503)	(75)	3,143	1,763	(44)
Operating profit excl. special items ⁽²⁾	1,254	584	149	292	4,019	3,125	(22)
Net financial expenses	78	13	(515)	n.a.	(578)	(94)	(84)
Net profit/(loss) ⁽³⁾	1,071	(115)	(933)	(88)	1,967	1,323	(33)
Net profit/(loss) excl. special items ⁽²⁾	1,107	452	(411)	n.a.	2,668	2,413	(10)
Operating cash flow	1,442	258	159	62	2,285	3,702	62
Earnings per share							
Basic and diluted earnings/(loss) per share (kunas per share)	107.1	(11.5)	(93.3)	(88)	196.7	132.3	(33)
Net gearing	28.15	29.50	38.47	(23)	38.47	29.50	(23)
USD mln ⁽⁴⁾	Q3 2012	Q4 2012	Q4 2011	%	2011	2012	%
Net sales revenues	1,274	1,038	1,043	(0)	4,920	4,513	(8)
EBITDA reported ⁽¹⁾	283	168	226	(25)	1,236	974	(21)
EBITDA excl. special items ⁽²⁾	289	183	233	(22)	1,264	1,024	(19)
Operating profit reported	202	(22)	(91)	(76)	588	301	(49)
Operating profit excl. special items ⁽²⁾	210	101	27	275	752	534	(29)
Net financial expenses	13	2	(93)	n.a.	(108)	(16)	(85)
Net profit/(loss) ⁽³⁾	179	(20)	(168)	(88)	368	226	(39)
Net profit/(loss) excl. special items ⁽²⁾	185	78	(74)	n.a.	499	412	(17)
Operating cash flow	241	44	29	55	428	633	48
Earnings per share							
Basic and diluted earnings/(loss) per share (USD per share)	17.9	(2.0)	(16.8)	(88)	36.8	22.6	(39)

⁽¹⁾ EBITDA = EBIT + Depreciation + Impairment + Provisions

⁽²⁾ Excludes special items related to asset impairment, provision and severance payments. The 2012 EBIT was negatively influenced by HRK 1,362 million special items

⁽³⁾ INA d.d. net income attributable to equity holder

⁽⁴⁾ In converting HRK figures into US Dollars, the following average CNB (HNB) rates were used: for Q3 2012 – 5.9788 HRK/USD; Q4 2012 – 5.8038 HRK/USD; Q4 2011 - 5.5564; Q1-Q4 2011 – 5.3435 HRK/USD; Q1-Q4 2012 – 5.8509 HRK/USD

2012 vs 2011 results

In 2012, INA d.d. has achieved EBITDA excluding special items of HRK 5,990 million and operating profit excluding special items of HRK 3,125 million. Depressed market demand for key oil derivatives and natural gas resulting from the prolonged economic slowdown in the Company's core markets as well as the lack of Syrian revenues influenced the results. Exploration and Production segment remained the main contributor to the positive overall results. At the same time, despite the continued negative contribution from the Refining and Marketing segment caused by declining demand favourably offset by further improvement in operating efficiency, the performance of this business improved during the year mainly reflecting a healthier environment characterized by improved crack spreads.

At the net profit level, INA d.d., realised strong result of HRK 1,323 mln, which, together with constant management efforts in consolidating the Company's financial position, resulted in gearing level improvement compared to the same period last year. INA d.d. realised operating cash flow in 2012 at the level of over HRK 3.7 billion, which is by 62% higher compared to the 2011, also indicating healthy financial position of the company.

Capital expenditures amounted to HRK 1,143 million with majority spent on Exploration and Production activities (HRK 610 million) related to 2D/3D seismic acquisition in the South Adriatic Sea, the acceleration of our EOR project and an intensified onshore drilling campaign. The temporary suspension of all Syrian exploration activities decreased international spending and placed stronger emphasis on domestic exploration. Refining and Marketing capital expenditures were HRK 226 million, mostly related to HSE and energy efficiency projects aimed at improving internal operational efficiency and a deep conversion project at the Rijeka refinery. However, major refinery projects are subject to approvals, which in some cases, have been subject to delays. Retail accounted for HRK 229 million related to modernization program of INA's retail network, the so called "Blue Concept".

INA d.d. Exploration and Production

EBITDA excl. special items amounted to HRK 6,669 million (USD 1,140 million) in 2012 and was 18% lower compared to 2011, as a result of lack of Syrian production volumes and revenues, lower offshore volumes, and a 35% lower total production. These negative drivers were slightly moderated by improved average realized hydrocarbon prices.

INA d.d. Refining and Marketing

In 2012, the segment reported a HRK 647 million improvement in EBITDA excluding special items compared to 2011 related to improved crack spread environment with higher motorfuel sales and improved yield structure of the refineries, as well as initiatives introduced to improve overall efficiency levels. While optimized feedstock selection and plant utilization contributed to shifting to valuable motor fuels and reducing heavy fuel oil sales, inventory management and optimization of refineries' operations aimed at lower own consumption and loss further supported the performance of this segment. However, higher energy costs and continually declining demand in the region negatively affected results.

INA d.d. Retail segment

Despite adverse market conditions during 2012, the segment reported a 4% higher EBITDA (excluding special items) year-on-year at HRK 135 million (USD 23 million). A decline in the operating profit excluding special items to HRK 7 million was mainly a result of 8% lower sales volumes reflecting reduced economic activity, higher prices and depressed customer purchasing power. These negative trends were partially offset by lower operating costs, the introduction of diesel fuel with bio component and further network optimization. Within the network modernization program, aimed at strengthening brand identity and customer satisfaction levels, modernization of 92 filling stations was completed by the end of 2012, with a further 23 stations currently in construction and tendering phases.

INA d.d. Corporate Functions

The segment delivered an operating loss excluding special items of HRK 517 million (USD 88 million) in 2012, improved by HRK 664 million compared to the last year demonstrating the success of our initiatives in the areas of process optimization and cost control.

Income statement

Total sales revenues in 2012 amounted to HRK 26,404 million which is almost the same level as in the last year. Lower crude oil and natural gas sales volumes were offset by higher realized oil derivatives and natural gas prices compared to the last year.

Costs of raw materials and consumables increased by 13% to the amount of HRK 15,628 million, resulting from increased VGO processing as well as 12% higher average import price of crude, while volumes of imported crude were 11% lower.

Costs of goods sold decreased by 50% to the amount of HRK 1,324 million compared to the same period last year.

Within the **other operating costs** realised 2012:

- Other material costs slightly increased by 1% to the amount of HRK 1,536 million.
- Service costs in the amount of HRK 1,204 million recorded an increase of 25% mainly due to higher royalty costs compared to 2011 as well as costs related to exiting service contract in Iran.
- Depreciation was lower by 23% and amounted to HRK 1,835 million mainly due to "force majeure" announced in February 2012 that reduced Exploration and Production depreciation
- Adjustments and provisions amounted to HRK 2,099 million and were related to international operations as well as Refining and Marketing assets impairment as the segment planned performance is strongly impacted by low conversion of refinery assets and high distribution network costs.

Staff costs amounted to HRK 1,617 million, which is a decrease of 3% resulting from workforce optimization. INA terminated the contracts of 594 employees and severance payments in the total amount of HRK 179 million were made (the number of workers includes 127 employees who were gone on 31 December 2011 and 117 employees who were gone on 31 December 2012, because the costs of their severance payments were included in 2012 costs).

Net financial expenses in the amount of HRK 94 million were recorded in 2012, compared to the net financial expenses of HRK 578 million in the same period 2011.

In 2012 **income tax expense** decreased by HRK 252 million to the amount of HRK 346 million.

Balance sheet

INA d.d. **total assets** amounted to HRK 27,445 million as at 31 December 2012 and were 8% lower compared to 31 December 2011. **Property, plant and equipment** decreased by 8% and amounted to HRK 17,063 million.

Trade receivables amounted to HRK 1,103 million and were 38% lower compared to 31 December 2011 as a result of management efforts to collect overdue receivables and decreased sales volumes.

Total liabilities amounted to HRK 11,943 million (23% lower than on 31 December 2011), mainly as an effect of lower indebtedness compared to 31 December 2011 level.

INA d.d. **net indebtedness** was HRK 6,488 million as at 31 December 2012, which is a decrease of 27% compared to the end of 2011 primarily because INA managed to reduce its long-term debt as a result of higher own cash generating capabilities. **Gearing ratio**¹ was 29.5% as at 31 December 2012, decreasing from 38.5% as at 31 December 2011.

Trade payables amounted to HRK 964 million and were 13% lower compared to the end of 2011 as a result of lower amount of purchased crude oil products.

Cash flow

The operating cash-flow before changes in working capital amounted to HRK 5,653 million in 2012, representing a decrease of 15% compared to 2011, mainly as a result of lower EBITDA.

Changes in working capital affected the operating cash flow negatively by HRK 707 million, due to:

- Decreased value of inventories by HRK 413 million
- Lower liabilities by HRK 247 million
- Higher receivables by HRK 873 million

Tax payment affected operating cash flow by HRK 1,244 million. Mentioned factors resulted in HRK 3,702 million net cash inflow from operating activities that INA d.d. generated in 2012.

¹ Net debt / net debt plus equity incl. minority interests

INA—INDUSTRIJA NAFTE d.d. ZAGREB
INA, d.d. Unconsolidated Income Statement
For the period ended 31 December 2011 and 2012
(HRK millions)

Q3 2012	Q4 2012	Q4 2011	%		2011	2012	%
				Sales revenue			
4,876	3,986	4,187	(5)	a) domestic	15,820	17,188	9
2,739	2,036	1,606	27	b) exports	10,471	9,216	(12)
7,615	6,022	5,793	4	Total sales revenue	26,291	26,404	0
1	(1)	3	n.a.	Income from own consumption of products and services	5	2	(60)
42	204	133	53	Other operating income	560	419	(25)
7,658	6,225	5,929	5	Total operating income	26,856	26,825	(0)
				Changes in inventories of finished products and work in progress	349	181	(48)
(77)	(102)	(489)	(79)	Cost of raw materials and consumables	(13,814)	(15,628)	13
(4,582)	(3,596)	(2,112)	70	Depreciation and amortization	(2,397)	(1,835)	(23)
(352)	(509)	(632)	(19)	Other material costs	(1,514)	(1,536)	1
(389)	(378)	(435)	(13)	Service costs	(965)	(1,204)	25
(235)	(319)	(289)	10	Staff costs	(1,666)	(1,617)	(3)
(369)	(467)	(425)	10	Cost of other goods sold	(2,644)	(1,324)	(50)
(313)	(386)	(926)	(58)	Impairment and charges (net)	(1,306)	(1,967)	51
(159)	(792)	(1,291)	(39)	Provisions for charges and risks (net)	244	(132)	n.a.
26	199	167	19				
(6,450)	(6,350)	(6,432)	(1)	Operating expenses	(23,713)	(25,062)	6
1,208	(125)	(503)	(75)	Profit from operations	3,143	1,763	(44)
				Share in the profit of associated companies			
98	62	22	182	Finance income	355	393	11
(20)	(49)	(537)	(91)	Finance costs	(933)	(487)	(48)
78	13	(515)	n.a.	Net loss from financial activities	(578)	(94)	(84)
1,286	(112)	(1,018)	(89)	Profit before tax	2,565	1,669	(35)
(215)	(3)	85	n.a.	Income tax expense	(598)	(346)	(42)
1,071	(115)	(933)	(88)	Profit for the year	1,967	1,323	(33)
				Attributable to			
1,071	(115)	(933)	(88)	Owners of the Company	1,967	1,323	(33)
-	-	-	n.a.	Non-controlling interests	-	-	n.a.
1,071	(115)	(933)	(88)		1,967	1,323	(33)
				Earnings per share			
107.1	(11.5)	(93.3)	(88)	Basic and diluted earnings/(loss) per share (kunas per share)	196.7	132.3	(33)

INA—INDUSTRIJA NAFTE d.d. ZAGREB
INA, d.d. Unconsolidated Statement of Comprehensive Income
For the period ended 31 December 2011 and 2012
(HRK millions)

Q3 2012	Q4 2012	Q4 2011	%		2011	2012	%
1,071	(115)	(933)	(88)	Profit/(loss) for the year	1,967	1,323	(33)
				Other comprehensive income:			
(273)	(44)	400	n.a.	Exchange differences arising from foreign operations	287	(116)	n.a.
(2)	7	30	(77)	Gains/(loss) on available-for-sale investments, net	(27)	13	n.a.
(275)	(37)	430	n.a.	Other comprehensive income, net	260	(103)	n.a.
796	(152)	(503)	(70)	Total comprehensive income/(loss) for the year	2,227	1,220	(45)

INA-INDUSTRIJA NAFTE, d.d.
INA, d.d. Unconsolidated Statement of Financial Position
At 31 December 2011 and 2012
(HRK millions)

	1 January 2012	31 Dec 2012	%
Assets			
Non-current assets			
Intangible assets	876	671	(23)
Property, plant and equipment	18,555	17,063	(8)
Goodwill	-	-	n.a.
Investments in subsidiaries	1,033	1,161	12
Investments in associates and joint ventures	34	34	(0)
Other investments	799	798	(0)
Long-term receivables	207	210	1
Derivative financial instruments	-	-	n.a.
Deferred tax	592	494	(17)
Available for sale assets	325	340	5
Total non-current assets	22,421	20,771	(7)
Current assets			
Inventories	3,030	2,485	(18)
Trade receivables net	1,781	1,103	(38)
Intercompany receivables	1,588	2,226	40
Other receivables	379	428	13
Derivative financial instruments	-	-	n.a.
Other current assets	313	83	(73)
Prepaid expenses and accrued income	54	79	46
Cash and cash equivalents	229	270	18
Current assets	7,374	6,674	(9)
Assets classified as held for sale	-	-	n.a.
Total current assets	7,374	6,674	(9)
Total assets	29,795	27,445	(8)
Equity and liabilities			
Capital and reserves			
Share capital	9,000	9,000	0
Revaluation reserve	-	13	n.a.
Other reserves	2,239	2,123	(5)
Retained earnings / (Deficit)	3,043	4,366	43
Total equity	14,282	15,502	9
Non-controlling interests	-	-	n.a.
Total equity	14,282	15,502	9
Non-current liabilities			
Long-term loans	5,556	1,053	(81)
Other non-current liabilities	106	71	(33)
Employee benefits obligation	61	67	10
Provisions	2,665	2,663	(0)
Total non-current liabilities	8,388	3,854	(54)
Current liabilities			
Bank loans and overdrafts	1,784	1,057	(41)
Current portion of long-term loans	1,817	4,648	156
Calculated derivative agreements	-	-	n.a.
Intercompany payables	646	383	(41)
Trade payables	1,111	964	(13)
Taxes and contributions	1,349	385	(71)
Other current liabilities	197	328	66
Accruals and deferred income	48	34	(29)
Employee benefits obligation	5	6	20
Provisions	168	284	69
Current liabilities	7,125	8,089	14
Liabilities directly associated with assets classified held for sale	-	-	n.a.
Total current liabilities	7,125	8,089	14
Total liabilities	15,513	11,943	(23)
Total equity and liabilities	29,795	27,445	(8)

INA—INDUSTRIJA NAFTE d.d. ZAGREB
INA, d.d. Unconsolidated Statement of Cash Flow
For the period ended 31 December 2011 and 2012
(HRK millions)

Q3 2012	Q4 2012	Q4 2011	%		2011	2012	%
1,071	(115)	(933)	(88)	Profit/(loss) for the year	1,967	1,323	(33)
				Adjustments for:			n.a.
352	509	632	(19)	Depreciation and amortisation	2,397	1,835	(23)
215	3	(85)	n.a.	Income tax (benefit)/expenses recognized in (loss)/profit	598	346	(42)
194	846	1,409	(40)	Impairment charges	1,838	2,156	17
(35)	(54)	(118)	(54)	Reversal of impairment	(532)	(189)	(64)
-	1	-	n.a.	Gain on sale of property, plant and equipment	(3)	(6)	100
(57)	(14)	196	n.a.	Foreign exchange loss/(gain)	50	(29)	n.a.
(14)	54	264	(80)	Interest expense	231	(16)	n.a.
8	(94)	250	n.a.	Other financial expense recognised in profit	195	(4)	n.a.
3	(344)	(152)	126	(Decrease)/increase in provisions	(161)	121	n.a.
-	-	(34)	n.a.	Merger of Proplin	(34)	-	n.a.
26	39	32	22	Decommissioning interests	118	113	(4)
(3)	(7)	(18)	(61)	Other non-cash items	18	3	(83)
1,760	824	1,443	(43)	Operating cash flow before working capital changes	6,682	5,653	(15)
				Movements in working capital			
(6)	754	869	(13)	(Increase)/decrease in inventories	(934)	413	n.a.
(659)	883	(1,215)	n.a.	(Increase)/decrease in receivables and prepayments	(863)	(873)	1
567	(2,014)	(867)	132	(Decrease)/increase in trade and other payables	(2,125)	(247)	(88)
1,662	447	230	94	Cash generated from operations	2,760	4,946	79
(220)	(189)	(71)	166	Taxes paid	(475)	(1,244)	162
1,442	258	159	62	Net cash inflow from operating activities	2,285	3,702	62
				Cash flows used in investing activities			
(286)	(495)	(504)	(2)	Payments for property, plant and equipment	(1,267)	(1,048)	(17)
(48)	(44)	(67)	(34)	Payment for intangible assets	(121)	(147)	21
-	(1)	(6)	(83)	Proceeds from sale of non-current assets	-	6	n.a.
-	(2)	-	n.a.	Proceeds from sale of investments	-	-	n.a.
-	2	-	n.a.	Acquisition of investments in associates and joint ventures and other companies	-	(16)	n.a.
-	-	-	n.a.	Dividends received from companies classified under available for sale and other companies	8	1	(88)
1	-	-	n.a.	Proceeds from profit of companies	164	33	(80)
78	(78)	(53)	47	Interest received and other financial income	-	-	n.a.
(71)	(49)	813	n.a.	Investments and loans to third parties	(159)	(43)	(73)
(326)	(667)	183	n.a.	Net cash (outflow) used for investing activities	(1,375)	(1,214)	(12)
				Cash flows from financing activities			
46	-	55	n.a.	Additional long-term borrowings	80	168	110
(197)	-	30	n.a.	Repayment of long-term borrowings	(1,261)	(1,808)	43
3,204	3,850	3,263	18	Additional short-term borrowings	17,727	14,894	(16)
(4,033)	(3,711)	(3,821)	(3)	Repayment of short term borrowings	(16,818)	(15,612)	(7)
-	-	-	n.a.	Payment dividends	(480)	-	n.a.
(19)	(17)	(56)	(70)	Interest paid on long-term loans	(56)	(82)	46
(3)	(29)	(3)	867	Other long-term liabilities	(9)	(36)	300
(86)	151	(60)	n.a.	Interest paid on short term loans and other financing charges	(135)	44	n.a.
(1,088)	244	(592)	n.a.	Net cash from financing activities	(952)	(2,432)	155
28	(165)	(250)	(34)	Net (decrease)/increase in cash and cash equivalents	(42)	56	n.a.
418	435	482	(10)	At 1 January	260	229	(12)
(11)	-	(3)	n.a.	Effect of foreign exchange rate changes	11	(15)	n.a.
435	270	229	18	At the end of period	229	270	18

INA – INDUSTRIJA NAFTE, d.d.
INA d.d. Unconsolidated Statement of Changes in Equity
For the period ended 31 December 2011 and 2012
(HRK million)

	Share capital	Other reserves	Revaluation reserves	Retained profits / (Accumulated deficit)	Total
Balance as at 1 January 2011	9,000	1,952	27	1,556	12,535
Profit for the year	-	-	-	1,967	1,967
Other comprehensive loss, net	-	287	(27)	-	260
Total comprehensive profit for the year	-	287	(27)	1,967	2,227
Dividends payable	-	-	-	(480)	(480)
Balance as at 31 December 2011	9,000	2,239	-	3,043	14,282
	Share capital	Other reserves	Revaluation reserves	Retained profits / (Accumulated deficit)	Total
Balance as at 1 January 2012	9,000	2,239	-	3,043	14,282
Profit for the year	-	-	-	1,323	1,323
Other comprehensive loss net	-	(116)	13	-	(103)
Total comprehensive income for the year	-	(116)	13	1,323	1,220
Balance as at 31 December 2012	9,000	2,123	13	4,366	15,502

Related party transactions

The company has dominant positions in Croatia in oil and gas exploration and production, oil refining and the sale of gas and petroleum products. As a result of the Company's strategic position within the Croatian economy, a substantial portion of its business and the business of its subsidiaries is transacted with the Croatian Government, its departments and agencies, and the companies with the Republic of Croatia being their majority shareholder. Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on Group level consolidation. Details of transactions between INA, d.d. and the Group companies and other related parties are disclosed below.

Product sales between related parties were made at the usual prices of the Group, reduced by discounts and rebates depending on each particular relationship. Purchases of products between related parties were made at market prices, including appropriate discounts depending on each particular relationship. INA d.d. generally seeks collateral for oil product sold to its related parties, except from customers who are state budget beneficiaries or fully owned by the state. The liabilities of the related parties to INA, d.d. are presented net of impairment of for bad and doubtful receivables.

INA, d.d. HRK mln	Amounts owed from related parties	Amounts owed to related parties	INA, d.d. HRK mln	Sales of goods	Purchase of goods
	31 December 2012	31 December 2012		31 December 2012	31 December 2012
Foreign related companies			Foreign related companies		
Holdina Sarajevo	180	12	Holdina Sarajevo	1,552	-
INA – Crna Gora d.o.o. Podgorica	22	1	INA – Crna Gora d.o.o. Podgorica	139	-
INA – Beograd d.o.o. Beograd	7	-	Interina d.o.o. Ljubljana	23	-
Interina d.o.o. Ljubljana	5	-			
Domestic related companies			Domestic related companies		
Prirodni plin d.o.o. Zagreb	3,132	35	Prirodni plin d.o.o. Zagreb	4,872	741
Osijek Petrol d.d.	32	1	Osijek Petrol d.d.	122	-
Maziva Zagreb d.o.o. Zagreb	9	10	Maziva Zagreb d.o.o. Zagreb	101	62
STSI d.o.o. Zagreb	8	179	STSI d.o.o. Zagreb	24	430
Crosco Grupa	1	68	Crosco Grupa	11	239
TOP Računovodstvo servisi d.o.o. Zagreb	1	4	TOP Računovodstvo servisi d.o.o. Zagreb	8	54
ITR d.o.o. Zagreb	-	7	Sinaco d.o.o. Zagreb	3	66
Sinaco d.o.o. Zagreb	-	2	ITR d.o.o. Zagreb	1	23
Companies available for sale			Companies available for sale		
JANAF d.d. Zagreb	-	22	JANAF d.d. Zagreb	-	75
Strategic partner			Strategic partner		
MOL Plc	28	90	MOL Plc	371	644
Companies controlled by strategic partner			Companies controlled by strategic partner		
Tifon d.o.o.	32	1	Tifon d.o.o.	866	6
Energopetrol d.d.	4	-	Energopetrol d.d.	282	1
MOL SLOVENIJA d.o.o.	2	-	Intermol d.o.o.	61	-
			MOL SLOVENIJA d.o.o.	31	-
			IES-Italiana Energia e Servizi s.p.a.	15	9
			Moltrade Mineralimpex Zrt.	-	102
			Slovnaft, a.s.	-	84
Companies controlled by the State			Companies controlled by the State		
Hrvatske željeznice	69	8	Croatia Airlines	257	-
Croatia Airlines	30	-	Jadrolinija	159	6
Jadrolinija	30	1	Hrvatske željeznice	138	67
Hrvatska elektroprivreda	7	8	Hrvatska elektroprivreda	96	158
			Petrokemija Kutina	9	-

INA, d.d. Summary Segmental Results of Operations

Q3 2012	Q4 2012	Q4 2011	%	(HRK mln)	2011	2012	%
Sales							
1,901	1,973	2,503	(21)	Exploration & Production	9,516	8,432	(11)
5,829	4,527	4,049	12	Refining & Marketing	17,450	19,412	11
2,253	1,639	1,674	(2)	Retail	7,057	7,193	2
4	30	5	500	Corporate and Other	21	52	148
(2,372)	(2,147)	(2,438)	(12)	Inter-segment revenue	(7,753)	(8,685)	12
7,615	6,022	5,793	4	Sales	26,291	26,404	0
Operating expenses, net other income from operating activities							
(661)	(682)	(847)	(19)	Exploration & Production	(2,969)	(4,300)	45
(5,799)	(5,773)	(5,457)	6	Refining & Marketing	(19,688)	(21,228)	8
(2,192)	(1,670)	(1,630)	2	Retail	(6,996)	(7,183)	3
(127)	(169)	(800)	(79)	Corporate and Other	(1,248)	(615)	(51)
2,372	2,147	2,438	(12)	Inter-segment eliminations	7,753	8,685	12
(6,407)	(6,147)	(6,296)	(2)	Expenses	(23,148)	(24,641)	6
Profit (loss) from operations							
1,240	1,291	1,656	(22)	Exploration & Production	6,547	4,132	(37)
30	(1,246)	(1,408)	(12)	Refining & Marketing	(2,238)	(1,816)	(19)
61	(31)	44	n.a.	Retail	61	10	(84)
(123)	(139)	(795)	(83)	Corporate and Other	(1,227)	(563)	(54)
1,208	(125)	(503)	(75)	Profit from operations	3,143	1,763	(44)
Share in the profit of associate companies							
78	13	(515)	n.a.	Net loss from financial activities	(578)	(94)	(84)
1,286	(112)	(1,018)	(89)	Profit/(loss) before taxation	2,565	1,669	(35)
(215)	(3)	85	n.a.	Income tax	(598)	(346)	(42)
1,071	(115)	(933)	(88)	Profit/(loss) for the year	1,967	1,323	(33)

INA, d.d. Summary Segmental Results of Operations

Q3 2012	Q4 2012	Q4 2011	%	Operating Profit Excluding Special Items (HRK mln)	2011	2012	%
1,266	1,325	1,665	(20)	Exploration & Production	6,613	4,762	(28)
37	(571)	(798)	(28)	Refining & Marketing	(1,532)	(1,127)	(26)
64	(47)	68	n.a.	Retail	119	7	(94)
(113)	(123)	(786)	(84)	Corporate and Other	(1,181)	(517)	(56)
1,254	584	149	292	Total	4,019	3,125	(22)
Q3 2012	Q4 2012	Q4 2011	%	Depreciation (HRK mln)	2011	2012	%
166	306	384	(20)	Exploration & Production	1,765	1,066	(40)
155	165	199	(17)	Refining & Marketing	447	613	37
21	24	21	14	Retail	83	89	7
10	14	28	(50)	Corporate and Other	102	67	(34)
352	509	632	(19)	Total	2,397	1,835	(23)
Q3 2012	Q4 2012	Q4 2011	%	EBITDA* (HRK mln)	2011	2012	%
1,507	1,561	2,026	(23)	Exploration & Production	8,119	6,499	(20)
229	(438)	(614)	(29)	Refining & Marketing	(1,059)	(415)	(61)
76	(8)	(10)	(20)	Retail	89	110	24
(119)	(138)	(149)	(7)	Corporate and Other	(547)	(497)	(9)
1,693	977	1,253	(22)	Total	6,602	5,697	(14)
Q3 2012	Q4 2012	Q4 2011	%	EBITDA Excluding Special Items* (HRK mln)	2011	2012	%
1,524	1,564	2,032	(23)	Exploration & Production	8,155	6,669	(18)
236	(402)	(600)	(33)	Refining & Marketing	(1,021)	(374)	(63)
84	(2)	8	n.a.	Retail	130	135	4
(113)	(99)	(144)	(31)	Corporate and Other	(512)	(440)	(14)
1,731	1,061	1,296	(18)	Total	6,752	5,990	(11)

* EBITDA = EBIT + Depreciation + Impairment + Provisions

INA, d.d. Summary Segment Information

31 December 2012	Exploration and production	Refining and marketing	Retail	Corporate and other	Elimination	Total
Assets and liabilities						
Property, plant and equipment	10,357	5,244	1,047	415	-	17,063
Intangible assets	563	12	2	94	-	671
Investments in subsidiaries	706	145	18	292	-	1,161
Investments in associates and joint ventures	34	-	-	-	-	34
Inventories	192	2,127	47	119	-	2,485
Trade receivables, net	2,296	727	282	24	(2,226)	1,103
Not allocated assets						4,928
Total assets						27,445
Trade payables	336	580	219	212	(383)	964
Not allocated liabilities						10,979
Total liabilities						11,943
Other segment information						
Capital expenditure:	610	226	229	78	-	1,143
Property, plant and equipment	569	219	229	29	-	1,046
Intangible assets	41	7	-	49	-	97
Depreciation and amortisation	1,066	614	88	67	-	1,835
Impairment losses/(income) PP&E, net recognized in profit and loss	(38)	663	(1)	-	-	624
Other impairment losses/(income), net recognized in profit and loss	150	1	8	-	-	159
Total impairment losses/(income), net	112	664	7	-	-	783
31 December 2011						
Assets and liabilities						
Property, plant and equipment	11,124	6,297	916	218	-	18,555
Intangible assets	780	13	4	79	-	876
Investments in subsidiaries	648	169	-	216	-	1,033
Investments in associates and joint ventures	34	-	-	-	-	34
Inventories	349	2,511	50	120	-	3,030
Trade receivables, net	2,037	965	348	19	(1,588)	1,781
Not allocated assets						4,486
Total assets						29,795
Trade payables	325	1,015	166	251	(646)	1,111
Not allocated liabilities						14,402
Total liabilities						15,513
Other segment information						
Capital expenditure:	659	577	106	47	-	1,389
Property, plant and equipment	586	569	105	8	-	1,268
Intangible assets	73	8	1	39	-	121
Depreciation and amortisation	1,765	447	83	102	-	2,397
Impairment losses/(income) PP&E, net recognized in profit and loss	(33)	655	(79)	-	-	543
Other impairment losses/(income), net recognized in profit and loss	679	(693)	840	(63)	-	763
Total impairment losses/(income), net	646	(38)	761	(63)	-	1,306

INA, d.d. Shareholders structure by number of shares

	31 Dec 06	31 Dec 07	31 Dec 08	31 Dec 09	31 Dec 10	31 Dec 11	31 Dec 12
MOL Plc.	2,500,001	2,500,001	4,715,538	4,715,538	4,715,538	4,725,620	4,908,207
Government of the Rep. of Croatia	5,180,367	4,484,918	4,483,552	4,483,552	4,483,552	4,483,552	4,483,552
Private and institutional investors	2,319,632	3,015,081	800,910	800,910	800,910	790,828	608,241
Total	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000

Source: Central Clearing Depository Company.

Changes in organisation, Management Board or Supervisory Board

Supervisory Board

On the Extraordinary General Shareholders' Assembly of INA, d.d. held on 18 December 2012. Mr. Szabolcs Ferencz I., Mr. Ferenc Horváth, Mr. József Molnár, Mr. György Mosonyi, Ms. Gordana Sekulić, Mr. Davor Štern, Mr. Damir Vandelić and Mr. Oszkár Világi were resolved from the duty of the Supervisory Board member. On the same General Assembly Mr. Szabolcs Ferencz I., Mr. Ferenc Horváth, Mr. József Molnár, Mr. György Mosonyi, Mr. Željko Perić, Mr. Siniša Petrović, Mr. Mladen Proštenik and Mr. Oszkár Világi were appointed INA, d.d. Supervisory Board members for the mandate of 4 years.

Management Board

During the fourth quarter there was no change in the Management Board.

Board of Executive Directors

During the fourth quarter there was no change in the Board of Executive Directors.

Management representation

INA Group's consolidated financial statements for Q4 and Q1-Q4 2012 have been prepared in accordance with the International Financial Reporting Standards (IFRS), i.e. they present fairly, in all material aspects, the financial position of the company, results of its operations and cash flows.

Management Board:

Zoltán Áldott	President of INA, d.d. Board
Niko Dalić	Member
Pál Zoltán Kara	Member
Ivan Krešić	Member
Davor Mayer	Member
Péter Ratatics	Member