

Appendix 1

Reporting period:

01.01.2013.

to

31.03.2013.

Quarterly financial report of entrepreneur TFI-POD

Registration number (MB) 03282635

Identification number of subject
(MBS) 080040936Personal identification
number (OIB) 45050126417

Issuer company: KONČAR - ELECTRICAL INDUSTRY Inc.

Postal code and place 10000 ZAGREB

Street and number FALLEROVO ŠETALIŠTE 22

E-mail address: koncar.finance@koncar.hrInternet address: www.koncar.hr

Code and name of comune/to 133 ZAGREB

Code and county name 21 GRAD ZAGREB

Number of employees 52

Consolidated statement NO

(at quarter end)
NKD/NWC code: 2711

Subsidiaries subject to consolidation (according to IFRS): in appendix Registration number:

Book keeping service:

Contact person: ILIĆ VESNA

(fill in only surname and name of contact person)

Phone number: 01 3667 183

Fascimile: 01 3667 177

E-mail address: vesna.ilic@koncar.hr

Surname and name BAGO DARINKO

(authorised person for representation)

Disclosure documents:

1. Financial statements (balance sheet, profit and loss account, cash flow statement, statement of changes in shareholders' equity and notes to the financial statements)
2. Report of the Management Board on position of the Company
3. Statement of responsible persons for preparation of financial statements

M.P.

(signed by authorised person for representation)

Balance Sheet
as of 31.03.2013.

Company: Končar - Electrical Industry Inc.			
Position	AOP	31.12.2011.	31.12.2012.
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED NOT PAID CAPITAL	001		
B) NON-CURRENT ASSETS (003+010+020+029+033)	002	1.079.639.263	1.091.893.999
I. INTANGIBLE ASSETS (004 do 009)	003	0	0
1. Expenditure for development	004		
2. Concessions, patents, licenses, trademarks, service marks, software and other rights	005		
3. Goodwill	006		
4. Advances for purchase of intangible assets	007		
5. Intangible assets in progress	008		
6. Other intangible assets	009		
II. PROPERTY, PLANT AND EQUIPMENT (011 do 019)	010	345.712.486	343.410.115
1. Land	011	76.201.035	76.464.614
2. Buildings	012	128.856.608	127.454.568
3. Plant and equipment	013	24.476.093	23.439.632
4. Tools, working inventory and transportation assets	014	2.616.150	2.398.955
5. Biological assets	015		
6. Advances for purchase of tangible assets	016	13.387.643	13.414.201
7. Tangible assets in progress	017	446.616	509.804
8. Other tangible assets	018	63.376	63.376
9. Investment in real-estate	019	99.664.965	99.664.965
III. NON-CURRENT FINANCIAL ASSETS (021 do 028)	020	710.371.905	725.619.895
1. Share in related parties	021	706.450.920	721.698.471
2. Loans to related parties	022		
3. Participating interests (shares)	023		
4. Loans to companies with participating interest	024		
5. Investments in securities	025	3.920.985	3.921.424
6. Loans, deposits, etc.	026		
7. Other non-current financial assets	027		
8. Equity-accounted investments	028		
IV. RECEIVABLES (030 do 032)	029	23.554.872	22.863.989
1. Receivables from related parties	030		
2. Receivables arising from sales on credit	031	18.257.005	17.537.264
3. Other receivables	032	5.297.867	5.326.725
V. DEFERRED TAX ASSET	033		
C) CURRENT ASSETS (035+043+050+058)	034	448.202.734	468.421.426
I. INVENTORIES (036 do 042)	035	794.388	404.249
1. Raw materials and supplies	036		
2. Production in progress	037		
3. Finished products	038		
4. Merchandise	039		
5. Advances for inventories	040	794.388	404.249
6. Long term assets held for sale	041		
7. Biological assets	042		
II. RECEIVABLES (044 do 049)	043	38.932.281	62.614.844
1. Receivables from related parties	044	17.992.512	41.999.153
2. Receivables from end-customers	045	612.509	2.043.972
3. Receivables from participating parties	046		
4. Receivables from employees and members of the company	047	43.176	
5. Receivables from government and other institutions	048		
6. Other receivables	049	20.284.084	18.571.719
III. CURRENT FINANCIAL ASSETS (051 do 057)	050	209.553.828	315.531.875
1. Share in related parties	051		
2. Loans to related parties	052	83.018.262	67.837.092
3. Participating interests (shares)	053		
4. Loans to companies with participating interest	054		
5. Investments in securities	055		
6. Loans, deposits, etc.	056		
7. Other financial assets	057	126.535.566	247.694.783
IV. CASH AND CASH EQUIVALENTS	058	198.922.237	89.870.458
D) PREPAYMENTS AND ACCRUED INCOME	059	1.157.065	2.121.384
E) TOTAL ASSETS (001+002+034+059)	060	1.528.999.062	1.562.436.809
F) OFF BALANCE SHEET ITEMS	061	745.924.395	730.229.774

EQUITY AND LIABILITIES			
A) ISSUED CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	1.376.809.504	1.411.045.695
I. SUBSCRIBED SHARE CAPITAL	063	1.028.847.600	1.028.847.600
II. CAPITAL RESERVES	064	719.579	719.579
III. RESERVES FROM PROFIT (066+067-068+069+070)	065	197.000.749	275.032.609
1. Legal reserves	066	17.997.220	23.454.999
2. Reserve for own shares	067	265.600	27.200
3. Treasury shares and shares (deductible items)	068	265.600	27.200
4. Statutory reserves	069	102.458.881	138.879.053
5. Other reserves	070	76.544.648	112.698.557
IV. REVALUATION RESERVES	071		
V. RETAINED EARNINGS OR LOSS CARRIED FORWARD (073-074)	072	41.085.994	72.274.854
1. Retained earnings	073	41.085.994	72.274.854
2. Loss carried forward	074		
VI. NET PROFIT OR LOSS FOR THE PERIOD (076-077)	075	109.155.582	34.171.053
1. Net profit for the period	076	109.155.582	34.171.053
2. Net loss for the period	077		
VII. MINORITY INTEREST	078		
B) PROVISIONS (080 do 082)	079	137.873.197	137.866.169
1. Provisions for pensions, severance pay and similar liabilities	080	1.187.395	1.187.395
2. Provisions for tax liabilities	081		
3. Other provisions	082	136.685.802	136.678.774
C) NON-CURRENT LIABILITIES (084 do 092)	083	0	0
1. Liabilities to related parties	084		
2. Liabilities for loans, deposits, etc.	085		
3. Liabilities to banks and other financial institutions	086		
4. Liabilities for advances	087		
5. Trade payables	088		
6. Commitments on securities	089		
7. Liabilities to companies with participating interest	090		
8. Other non-current liabilities	091		
9. Deferred tax liabilities	092		
D) CURRENT LIABILITIES (094 do 105)	093	14.316.361	13.524.945
1. Liabilities to related parties	094	2.088.311	1.319.201
2. Liabilities for loans, deposits, etc.	095	170.000	170.000
3. Liabilities to banks and other financial institutions	096		
4. Liabilities for advances	097		
5. Trade payables	098	1.579.536	1.046.299
6. Commitments on securities	099		
7. Liabilities to companies with participating interest	100		
8. Liabilities to employees	101	2.062.985	2.035.562
9. Taxes, contributions and similar liabilities	102	8.188.912	8.652.191
10. Liabilities arising from share in the result	103	97.692	188.112
11. Liabilities arising from non-current assets held for sale	104		
12. Other current liabilities	105	128.925	113.580
E) ACCRUED EXPENSES AND DEFERRED INCOME	106		
F) TOTAL EQUITY AND LIABILITIES (062+079+083+093+106)	107	1.528.999.062	1.562.436.809
G) OFF BALANCE SHEET ITEMS	108	745.924.395	730.229.774
ADDITION TO BALANCE SHEET (only for consolidated financial statements)			
ISSUED CAPITAL AND RESERVES			
1. Attributable to majority owners	109		
2. Attributable to minority interest	110		

Income statement
period 01.01.2013. to 31.03.2013.

Company: Končar -Electrical Industry Inc.

Position	AOP	Previous period		Current period	
		Cummulative	Quarter	Cummulative	Quarter
1	2	3	4	5	6
I. OPERATING INCOME (112 do 113)	111	13.319.020	13.319.020	13.469.066	13.469.066
1. Rendering of services	112	13.121.824	13.121.824	13.252.868	13.252.868
2. Other operating income	113	197.196	197.196	216.198	216.198
II. OPERATING COSTS (115+116+120+124+125+126+129+130)	114	16.648.298	16.648.298	18.421.884	18.421.884
1. Change in inventories of work in progress	115				
2. Material expenses (117 do 119)	116	5.895.888	5.895.888	6.134.328	6.134.328
a) Costs of raw materials	117	1.541.047	1.541.047	1.996.363	1.996.363
b) Cost of goods sold	118				
c) Other material expenses	119	4.354.841	4.354.841	4.137.965	4.137.965
3. Employee benefits expenses (121 do 123)	120	5.103.681	5.103.681	5.387.259	5.387.259
a) Net salaries	121	2.440.585	2.440.585	2.548.008	2.548.008
b) Tax and contributions from salary expenses	122	1.914.092	1.914.092	2.128.470	2.128.470
c) Contributions on salary	123	749.004	749.004	710.781	710.781
4. Depreciation and amortisation	124	2.402.263	2.402.263	2.734.504	2.734.504
5. Other expenses	125	3.245.004	3.245.004	4.165.433	4.165.433
6. Write down of assets (127+128)	126	0	0	0	0
a) non-current assets (except financial assets)	127				
b) current assets (except financial assets)	128				
7. Provisions	129				
8. Other operating costs	130	1.462	1.462	360	360
III. FINANCIAL INCOME (132 do 136)	131	25.985.207	25.985.207	39.531.089	39.531.089
1. Interest, foreign exchange differences, dividends and similar income from related parties	132	24.503.457	24.503.457	37.827.053	37.827.053
2. Interest, foreign exchange differences, dividends and similar income from third parties	133	1.481.750	1.481.750	1.704.036	1.704.036
3. Income from investments in associates and joint ventures	134				
4. Unrealised gains (income) from financial assets	135				
5. Other financial income	136				
IV. FINANCIAL EXPENSES (138 do 141)	137	1.176.039	1.176.039	407.218	407.218
1. Interest, foreign exchange differences, dividends and similar income from related parties	138				
2. Interest, foreign exchange differences, dividends and similar income from third parties	139	1.176.039	1.176.039	407.218	407.218
3. Unrealised losses (expenses) from financial assets	140				
4. Other financial expenses	141				
V. SHARE OF PROFIT FROM ASSOCIATED COMPANIES	142				
VI. SHARE OF LOSS FROM ASSOCIATED COMPANIES	143				
VII. EXTRAORDINARY - OTHER INCOME	144				
VIII. EXTRAORDINARY - OTHER EXPENSES	145				
IX. TOTAL INCOME (111+131+144)	146	39.304.227	39.304.227	53.000.155	53.000.155
X. TOTAL EXPENSES (114+137+143+145)	147	17.824.337	17.824.337	18.829.102	18.829.102
XI. PROFIT OR LOSS BEFORE TAXES (146-147)	148	21.479.890	21.479.890	34.171.053	34.171.053
1. Profit before taxes (146-147)	149	21.479.890	21.479.890	34.171.053	34.171.053
2. Loss before taxes (147-146)	150	0	0	0	0
XII. TAXATION	151				
XII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	21.479.890	21.479.890	34.171.053	34.171.053
1. Profit for the period (149-151)	153	21.479.890	21.479.890	34.171.053	34.171.053
2. Loss for the period (151-148)	154	0	0	0	0
ADDITION TO PROFIT AND LOSS ACCOUNT (only for consolidated financial statements)					
XIV. PROFIT OR LOSS FOR THE PERIOD					
1. Attributable to majority owners	155				
2. Attributable to minority interest	156				
STATEMENT OF OTHER COMPREHENSIVE INCOME (only for IFRS adopters)					
I. PROFIT OR LOSS FOR THE PERIOD (=152)	157	21.479.890	21.479.890	34.171.053	34.171.053
II. OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAXES (159 TO 165)	158	41.810	41.810	-12.620	-12.620
1. Exchange differences from international settlement	159	41.810	41.810	-12.620	-12.620
2. Changes in revaluation reserves of long-term tangible and intangible assets	160				
3. Profit or loss from re-evaluation of financial assets held for sale	161				
4. Profit or loss from cash flow hedging	162				
5. Profit or loss from hedging of foreign investments	163				
6. Share of other comprehensive income/loss from associated companies	164				
7. Actuarial gains/losses from defined benefit plans	165				
III. TAXATION OF OTHER COMPREHENSIVE INCOME FOR THE PERIOD	166				
IV. NET OTHER COMPREHENSIVE INCOME FOR THE PERIOD (158 TO 166)	167	41.810	41.810	-12.620	-12.620
V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)	168	21.521.700	21.521.700	34.158.433	34.158.433
ADDITION TO STATEMENT OF OTHER COMPREHENSIVE INCOME (only for consolidated financial statements)					
VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD					
1. Attributable to majority owners	169				
2. Attributable to minority interest	170				

STATEMENT OF CASH FLOWS - Direct method
period 01.01.2013. to 31.03.2013.

Legal entity: Končar Electrical Industry INC.			
Position	AOP	Previous period	Current period
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Cash receipts from customers	001	11.314.825	14.415.839
2. Cash receipts from royalties, fees, commissions, etc.	002		
3. Cash receipts from insurance for damages compensation	003		
4. Cash receipts arising from tax refunds	004		
5. Other cash receipts	005	1.713.096	1.989.025
I. Total increase in cash flow from operating activities (001 to 005)	006	13.027.921	16.404.864
1. Cash paid to suppliers	007	10.277.671	13.342.499
2. Cash paid to employees	008	3.784.199	5.433.588
3. Cash outflows for insurance for damages compensation	009		
4. Interest paid	010	87	1.847
5. Tax paid	011		1.451.312
6. Other cash outflows	012	2.305.871	1.696.382
II. Total decrease in cash flow from operating activities (007 to 012)	013	16.367.828	21.925.628
A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES	014	0	0
A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES	015	3.339.907	5.520.764
CASH FLOW FROM INVESTING ACTIVITIES			
1. Cash flow from sale of long - term tangible and intangible assets	016	478.470	567.802
2. Cash inflows from sale of equity and debt financial instruments	017		1.470
3. Interest receipts	018	678.635	1.622.483
4. Dividend receipts	019		
5. Other cash inflows from investing activities	020		
III. Total cash inflows from investing activities(016 to 020)	021	1.157.105	2.191.755
1. Cash outflows for purchase of long - term tangible and intangible assets	022	7.779.238	429.223
2. Cash outflows for purchase of equity and debt financial instruments	023		100.170
3. Other cash outflows from investing activities	024		
IV. Total cash outflows from investing activities (022 to 024)	025	7.779.238	529.393
B1) NET INCREASE OF CASH FLOW FROM INVESTING ACTIVITIES	026	0	1.662.362
B2) NET DECREASE OF CASH FLOW FROM INVESTING ACTIVITIES	027	6.622.133	0
CASH FLOW FROM FINANCING ACTIVITIES			
1. Cash receipts from issuance of equity and debt financial instruments	028		
2. Cash inflows from loans, debentures, credits and other borrowings	029		
3. Other cash inflows from financing activities	030	20.965.990	24.563.300
V. Total cash inflows from financing activities (028 to 030)	031	20.965.990	24.563.300
1. Cash outflows for repayment of loans and bonds	032		
2. Dividends paid	033	8.808	7.582
3. Cash outflows for finance lease	034		
4. Cash outflows for purchase of own stocks	035		
5. Other cash outflows from financing activities	036	6.002.126	129.749.095
VI. Total cash outflows from financing activities (032 to 036)	037	6.010.934	129.756.677
C1) NET INCREASE OF CASH FLOW FROM FINANCING ACTIVITIES	038	14.955.056	0
C2) NET DECREASE OF CASH FLOW FROM FINANCING ACTIVITIES	039	0	105.193.377
Total increases of cash flows (014 – 015 + 026 – 027 + 038 – 039)	040	4.993.016	0
Total decreases of cash flows (015 – 014 + 027 – 026 + 039 – 038)	041	0	109.051.779
Cash and cash equivalents at the beginning of period	042	42.538.972	198.922.237
Decrease in cash and cash equivalents	043	4.993.016	
Increase in cash and cash equivalents	044		109.051.779
Cash and cash equivalents at the end of period	045	47.531.988	89.870.458

STATEMENT OF CHANGES IN EQUITY

period 01.01.2013. to 31.03.2013.

Position	AOP	Previous year	Current year
1	2	3	4
1. Subscribed share capital	001	1.028.847.600	1.028.847.600
2. Capital reserves	002	719.579	719.579
3. Reserves from profit	003	197.000.749	275.032.609
4. Retained earnings or loss carried forward	004	41.085.994	72.274.854
5. Net profit or loss for the period	005	109.155.582	34.171.053
6. Revaluation of tangible assets	006		
7. Revaluation of intangible assets	007		
8. Revaluation of available for sale assets	008		
9. Other revaluation	009		
10. Total equity and reserves (AOP 001 to 009)	010	1.376.809.504	1.411.045.695
11. Foreign exchange differences ffrom foreign investments	011	58.642	-12.620
12. Current and deferred taxes	012		
13. Cash flow hedge	013		
14. Change of accounting policies	014		
15. Correction of significant mistakes of prior period	015		
16. Other changes	016	79.383.840	34.248.811
17.Total increase or decrease of equity (AOP 011 to 016)	017	79.442.482	34.236.191
17 a. Attributable to majority owners	018		
17 b. Attributable to minority interest	019		