



REPORT OF THE MANAGEMENT BORD FOR FIRST OUARTER FINANCIAL STATEMENTS

In the first quarter of 2011 Magma Group ("The Group") realised consolidated revenue totalling HRK 205.4m and consolidated comprehensive income of HRK 70.7m, while in the same period last year, the Group realized revenue of HRK159.3m and the loss of HRK 19.6m.

This quarter is also the first reporting period after the transaction of sale 51% stake in Adria Design d.o.o., upon which all revenue related to the self standing Turbo limac stores are no longer part of consolidated revenues of the Group. Therefore, revenue from the first quarter is not comparable with the revenue realized in first quarter last year, since in the first quarter 2010 the Group operated on total area of 64.044m2, while in the first quarter of 2011 the retail network decreased by 50.4% to only 31.784m2.

First quarter has been marked by activities related to establishment of the new business model, restructuring of the retail network, transfer and coordination of all operational and business procedures which resulted in additional costs.

As a result of liquidity problems and lack of adequate supply of stock and services at the end of 2010, the Group entered 2011 with insufficient stock level necessary to achieve the business plan, and first significant improvements in stock level and assortment were achieved in early March 2011, which was too late to compensate for the lost sale in first two months and to meet the quarterly business plan.

However, despite the problems in supply chain and optimal stock level in stores, the Group achieved consolidated comprehensive income of HRK 70.7m in the first quarter, which is traditionally the weakest quarter of the fiscal year. The significant impacts on the positive result were revenues related to the sale transaction of Adria Design.

After restructuring and implementation of new business model in which Turbo limač became a segment in which Magma participates with minority 49% stake, the business operations of the Group continued to perform through 5 programs: Turbo limac (franchise), Magma fashion, Turbo sport, Magma home, Magma Lifestyle program.

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Management Board
Magma d.d.



UNCONSOLIDATED

ATTACH	IMENT 1							
Reporting period:			1.1.2011		to	31.3.2011		
	Quai	rterly fi	nancial	stateme	ent of th	ne entrepre	neur-TFI-POD	
_	ax number (MB):	0220	9015					
1	ax number (Mb).	0328	19015					
Company r	egistration number							
	(MBS):	08004	48595					
Perso	nal identification		i					
1	number (OIB):	MACMA 4						
IS	suing company:	IVIAGIVIA a.c	0. İ		İ			
Postal	l code and place	100	000		Zagreb			
		-						
Street and	house number:	BAŠTIJANO	OVA 52 A					
	E-mail address:	magma@n	nagma.hr					
	Intornat addraga							
	Internet address	<u>www.magn</u>	<u>na.hr</u>					
icipality/city	code and name	133	Zagreb					
, c. p c y, c y			,g					
County	code and name	21	City of Zag	reb			Number of employees:	553
							(quarter end)	
Con	solidated report:	NO					NKD code:	52420
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Deed								
BOOK	keeping service:							
	Contact person:							
		(please en	ter only cont	act person's	family name	e and name)		
	Telephone:		-	·	_	Facsimile:		
	E-mail address:			1				
Familya	ome and name.							
Familyn	name and name:		thorized to re	epresent the	company			
		(person au	unonzeu to re	epiesein uie	company)			
	Documents to b	e published		1				
				profit and los	ss statemer	nt, cash flow staten	nent,	
	statement of ch							
	2. Statement of					cial statements		
	3. Report of the	Managemer	nt Board on t	the Company	Status			
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BALANCE SHEET			
as of 31.3.2011.			
		thousan	ds HRK
Position	AOP	Previous	Current
rosition	AUF	period	period
1	2	3	4
ASSETS			
A) RECEIVABELS FOR SUBSCRIBED NOT PAID CAPITAL	001		
B) NON-CURRENT ASSETS	002	178.141	231.055
I. INTANGIBLE ASSETS	003	10.656	10.461
II. PROPERTY, PLANT AND EQUIPMENT	004	160.468	153.484
III. NON-CURRENT FINANCIAL ASSETS	005	50	59.439
IV. RECEIVABLES	006	6.967	7.671
V. DEFERRED TAX ASSET	007		
C) CURRENT ASSETS	800	363.486	301.350
I. INVENTORIES	009	156.931	137.415
II. RECEIVABLES	010	204.531	162.220
III. CURRENT FINANCIAL ASSETS	011		
IV. CASH AND CASH EQUIVALENTS	012	2.024	1.715
D) PREPAYMENTS AND ACCRUED INCOME	013	3.375	3.785
E) LOSS ABOVE SUBSCRIBED CAPITAL	014		
F) TOTAL ASSETS	015	545.002	536.190
G) OFF BALANCE SHEET ITEMS	016		
EQUITY AND LIABILITIES			
A) ISSUED CAPITAL AND RESERVES	017	28.601	103.828
I. SUBSCRIBED SHARE CAPITAL	018	67.749	67.749
II. CAPITAL RESERVES	019	205.750	205.750
III.LEGAL RESERVES	020		
IV. REVALUATION RESERVES	021	48.879	48.677
V. RETAINED EARNINGS	022		
VI. LOSS CARRIED FORWARD	023	97.330	293.777
VII. NET PROFIT FOR THE PERIOD	024		75.429
VIII. LOSS FOR THE PERIOD	025	196.447	
IX. MINORITY INTEREST	026		
B) PROVISIONS	027		
C) NON-CURRENT LIABILITIES	028	35.544	34.584
D) CURRENT LIABILITIES	029	474.594	396.061
E) ACCRUED EXPENSES AND DEFERRED INCOME	030	6.263	1.717
F) TOTAL EQUITY AND LIABILITIES	031	545.002	536.190
G) OFF BALANCE SHEET ITEMS	032		
ADDITION TO BALANCE SHEET (only for consolidated financial statements)			
ISSUED CAPITAL AND RESERVES			
1. Attributable to majority owners	033		
2. Attributable to minority interest	034		



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PROFIT AND LOSS ST	ATEM	ENT			
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Position	AOP oznaka	Previous	s period	Current	period
		Cummulative	Periodical	Cummulative	Periodical
1	2	3	4	5	6
I. OPERATING INCOME	035	124.580	124.580	197.548	197.548
1. Rendering of services	036	118.348	118.348	88.663	88.663
2. Income from usage of own products, merchandise and services	037				
3. Other operating income	038	6.232	6.232	108.885	108.885
II. OPERATING COSTS	039	144.358	144.358	120.467	120.467
Decrease of work in progress and merchandise	040				
Increase of work in progress and merchandise	041				
3. Material expenses	042	68.509	68.509	78.228	78.228
4. Employee benefits expenses	043	21.327	21.327	10.877	10.877
5. Depreciation and amortisation	044	10.466	10.466	8.589	8.589
6. Other expenses	045	44.056	44.056	22.773	22.773
7. Write down of assets	046				
8. Provisions	047				
9. Other operating costs	048				
III. FINANCIAL INCOME	049	3.615	3.615	5.343	5.343
Interest, foreign exchange differences, dividens and similar income from	050	2.594	2.594	238	238
subsidiaries	030	2.004	2.004	200	
2. Interest, foreign exchange differences, dividens and similar income from third parties	051	1.021	1.021	5.105	5.105
3. Income form investments in associates and joint ventures	052				
4. Unrealised gains (income)	053				
5. Other financial income	054				
IV. FINANCIAL EXPENSES	055	8.439	8.439	6.995	6.995
Interest, foreign exchange differences and similar expenses from subsidiaries	056	2.812	2.812	49	49
2. Interest, foreign exchange differences and similar expenses from third parties	057	5.627	5.627	6.946	6.946
3. Unrealised losses (expenses) from financial assets	058				
4. Other financial expenses	059				
V. EXTRAORDINARY - OTHER INCOME	060				
VI. EXTRAORDINARY - OTHER EXPENSES	061				
VII. TOTAL INCOME	062	128.195	128.195	202.891	202.891
VIII. TOTAL EXPENSES	063	152.797	152.797	127.462	127.462
IX. PROFIT BEFORE TAXES	064			75.429	75.429
X. LOSS BEFORE TAXES	065	-24.602	-24.602		
XI. TAXATION	066				
XII. NET PROFIT FOR THE PERIOD	067				
XIII. LOSS FOR THE PERIOD	068				
ADDITION TO PROFIT AND LOSS ACCOUNT (only for consolidated financial statements)					
XIV.* NET PROFIT ATTRIBUTABLE TO MAJORITY OWNERS	069				
XV.* NET PROFIT ATTRIBUTABLE TO MINORITY INTEREST	070				
XVI.* LOSS ATTRIBUTABLE TO MAJORITY OWNERS	071				
XVII.* LOSS ATTRIBUTABLE TO MINORITY INTEREST	072				



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ATTACHMENT 1							
Reporting period:			1.1.2011		to	31.3.2011	
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Qua	rterly fi	nancial	stateme	ent of th	ne entrepre	neur-TFI-POD	
Tax number (MB):	0329	99015					
Company registration number	0800	48595					
(MBS):					l		
Personal identification							
number (OIB):							
Issuing company:	MAGMA d.	d.					
Postal code and place	10	000		Zagreb	I		
Street and house number:	BAŠTIJAN	OVA 52 A					
E-mail address:	magma@r	magma.hr		ì	i e		
Internet address	www maar	ma hr					
internet address	www.magi	<u> </u>					
icipality/city code and name	133	Zagreb					
			_				
County code and name	21	City of Zagi	reb		I	Number of employees:	865
Consolidated report:	YES					(quarter end) NKD code:	52420
Conconductor reports						1112 66461	02.20
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		Magma d.d.	Dastija	anova 52 a,	Zagreb, Hrvatska	032990	15
Мас	gma Interna	tional d.o.o.	Jurija G	agarina 32 A	A, Beograd, Srbija	1741587	75
							-
	Magr	na -B d.o.o.		M. Tita	38, Sarajevo, BIH	2038102	27
	Mad	gma S d.o.o.	Polis	ska ulica 6,	Maribor, Slovenia	194142	27
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		lagina ir kit	Allalassy a	t 2.4, Baaiii	iposta, Madarska	103320	
Bookkeeping service:							
Contact person:							
		ter only cont	act person's	family name	e and name)		
Telephone:					Facsimile:		
E-mail address:							
L-iliali addiess.							
Family name and name:							
	(person au	thorized to re	epresent the	company)	1		
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Documents to b			profit and lo	ss statemer	nt, cash flow staten	nent.	
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2. Statement of		•		•	cial statements		
3. Report of the	Manageme	nt Board on t	he Compan	y Status	I		
			L.S.		signature of the p	erson authorized to repre	sent the company
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I. INTANGIBLE ASSETS 003 11.385 10.752 II. PROPERTY, PLANT AND EQUIPMENT 004 351.266 342.131 III. NON-CURRENT FINANCIAL ASSETS 005 8.534 59.369 V. RECEIVABLES 006 V. DEFERRED TAX ASSET 007 C. CURRENT ASSETS 008 312.084 245.521 I. INVENTORIES 009 168.911 164.561 II. RECEIVABLES 010 140.075 74.681 III. CURRENT FINANCIAL ASSETS 011 140.075 74.681 III. CURRENT FINANCIAL ASSETS 011 140.075 74.681 III. CURRENT FINANCIAL ASSETS 012 3.098 2.315 D. PREPAYMENTS AND ACCRUED INCOME 013 3.518 3.964 E. LOSS ABOVE SUBSCRIBED CAPITAL 014 51.000 D. TOSS ABOVE SUBSCRIBED CAPITAL 014 51.000 D. TOSS ABOVE SUBSCRIBED CAPITAL 016 686.777 A. JISSUED CAPITAL AND RESERVES 019 205.750 205.750 III. CEAL RESERVES 019 205.750 205.750 III. CEAL RESERVES 020 70.748 III. CAPITAL RESERVES 021 48.880 48.677 V. REVALUATION RESERVES 022 70.748 VII. NET PROJUTI FOR THE PERIOD 025 196.648 VII. NET PROJUTI FOR THE PERIOD 025 196.648 VII. NET PROJUTI FOR THE PERIOD 025 196.648 VII. NET PROJUTI FOR THE PERIOD 026 89.0336 197.829 D. QURRENT LIABILITIES 031 686.777 61.737 G. OFF BALANCE SHEET (TEMS 032 70.748 7	BALANCE SHEET			
Position AOP	as of 31.3.2011			
Position AOP			thousan	ds HRK
Name				
1 2 3 4 ASSETS A) RECEIVABELS FOR SUBSCRIBED NOT PAID CAPITAL B) NON-CURRENT ASSETS LINTANGIBLE ASSETS	Position	AOB.	Previous	Current
ASSETS A) RECEIVABELS FOR SUBSCRIBED NOT PAID CAPITAL B) NON-CURRENT ASSETS 002 371.175 412.252 L. INTANGIBLE ASSETS 003 11.385 10.752 II. PROPERTY, PLANT AND EQUIPMENT 004 351.256 342.131 III. NON-CURRENT FINANCIAL ASSETS 005 8.534 59.369 IV. RECEIVABLES 006 V. DEFERRED TAX ASSETS 007 007 007 007 007 007 007 007 007 007	FOSILIOII	AUP	period	period
A) RECEIVABELS FOR SUBSCRIBED NOT PAID CAPITAL 10.001 18.001 19.001	1	2	3	4
B) NON-CURRENT ASSETS	ASSETS			
I. INTANGIBLE ASSETS 003 11.385 10.752 II. PROPERTY, PLANT AND EQUIPMENT 004 351.266 342.131 III. NON-CURRENT FINANCIAL ASSETS 005 8.534 59.369 V. RECEIVABLES 006 V. DEFERRED TAX ASSET 007 C. CURRENT ASSETS 008 312.084 245.521 I. INVENTORIES 009 168.911 164.561 II. RECEIVABLES 010 140.075 74.681 III. CURRENT FINANCIAL ASSETS 011 140.075 74.681 III. CURRENT FINANCIAL ASSETS 011 140.075 74.681 III. CURRENT FINANCIAL ASSETS 012 3.098 2.315 D. PREPAYMENTS AND ACCRUED INCOME 013 3.518 3.964 E. LOSS ABOVE SUBSCRIBED CAPITAL 014 51.000 D. TOSS ABOVE SUBSCRIBED CAPITAL 014 51.000 D. TOSS ABOVE SUBSCRIBED CAPITAL 016 686.777 A. JISSUED CAPITAL AND RESERVES 019 205.750 205.750 III. CEAL RESERVES 019 205.750 205.750 III. CEAL RESERVES 020 70.748 III. CAPITAL RESERVES 021 48.880 48.677 V. REVALUATION RESERVES 022 70.748 VII. NET PROJUTI FOR THE PERIOD 025 196.648 VII. NET PROJUTI FOR THE PERIOD 025 196.648 VII. NET PROJUTI FOR THE PERIOD 025 196.648 VII. NET PROJUTI FOR THE PERIOD 026 89.0336 197.829 D. QURRENT LIABILITIES 031 686.777 61.737 G. OFF BALANCE SHEET (TEMS 032 70.748 7	A) RECEIVABELS FOR SUBSCRIBED NOT PAID CAPITAL	001		
II. PROPERTY, PLANT AND EQUIPMENT	B) NON-CURRENT ASSETS	002	371.175	412.252
III. NON-CURRENT FINANCIAL ASSETS 006 1	I. INTANGIBLE ASSETS	003	11.385	10.752
V. RECEIVABLES 006 V. DEFERRED TAX ASSET 007 C. CURRENT ASSETS 008 312.084 245.521 1.1 164.561 1.1 1.2 1	II. PROPERTY, PLANT AND EQUIPMENT	004	351.256	342.131
V. DEFERRED TAXASSET 008 312.084 245.521 1. INVENTORIES 009 168.911 164.561 1. IRECEIVABLES 010 140.075 74.681 1. IRECEIVABLES 010 140.075 74.681 1. IRECEIVABLES 011 1. IRECEIVABLES 012 3.098 2.315 1. IRECEIVABLE 013 3.518 3.964 1. IRECEIVABLE 014 IRECEIVABLE 014 IRECEIVABLE 014 IRECEIVABLE 015 686.777 661.737 661.737 6. IRECEIVABLE 016 IRECEIVABLE 016 IRECEIVABLE 016 IRECEIVABLE 016 IRECEIVABLE 016 IRECEIVABLE 017 IRECEIVABLE 018 67.749 67.749 1. IRECEIVABLE 019 205.750 205.7	III. NON-CURRENT FINANCIAL ASSETS	005	8.534	59.369
C) CURRENT ASSETS	IV. RECEIVABLES	006		
I. INVENTORIES 009 168.911 164.561 II. RECEIVABLES 010 140.075 74.681 III. CURRENT FINANCIAL ASSETS 011 140.075 74.681 III. CURRENT FINANCIAL ASSETS 011 011 012 3.098 2.315 015 016	V. DEFERRED TAX ASSET	007		
I. RECEIVABLES	C) CURRENT ASSETS	800	312.084	245.521
III. CURRENT FINANCIAL ASSETS 011 1 1 1 1 1 1 1 1	I. INVENTORIES	009	168.911	164.561
V. CASH AND CASH EQUIVALENTS 012 3.098 2.315 D. PREPAYMENTS AND ACCRUED INCOME 013 3.518 3.964 E. LOSS ABOVE SUBSCRIBED CAPITAL 014 F. TOTAL ASSETS 015 686.777 661.737 G. OFF BALANCE SHEET ITEMS 016 EQUITY AND LIABILITIES 017 -49.284 13.797 I. SUBSCRIBED SHARE CAPITAL 018 67.749 67.749 II. CAPITAL RESERVES 019 205.750 205.750 III.LEGAL RESERVES 020 148.880 48.677 V. REVALUATION RESERVES 021 48.880 48.677 V. REVALUATION RESERVES 022 175.015 379.127 VII. NET PROFIT FOR THE PERIOD 025 196.648 V. MINORITY INTEREST 026 196.648 V. MINORITY INTEREST 026 196.648 V. MINORITY INTEREST 026 196.364 D. CONCURRENT LIABILITIES 027 196.470 D. CURRENT LIABILITIES 029 540.520 447.307 E. ACCRUED EXPENSES AND DEFERRED INCOME 030 5.205 2.804 F. TOTAL EQUITY AND LIABILITIES 031 686.777 661.737 G. OFF BALANCE SHEET ITEMS 032 10.306 197.829 D. OUTRENT LIABILITIES 031 686.777 661.737 G. OFF BALANCE SHEET ITEMS 032 10.306	II. RECEIVABLES	010	140.075	74.681
D) PREPAYMENTS AND ACCRUED INCOME 013 3.518 3.964 E) LOSS ABOVE SUBSCRIBED CAPITAL 014 F) TOTAL ASSETS 015 686.777 661.737 G) OFF BALANCE SHEET ITEMS 016 EQUITY AND LIABILITIES 017 -49.284 13.797 I. SUBSCRIBED SHARE CAPITAL 018 67.749 67.749 II. CAPITAL RESERVES 019 205.750 205.750 III. LEGAL RESERVES 019 205.750 205.750 III. LEGAL RESERVES 020 48.880 48.677 V. REVALUATION RESERVES 021 48.880 48.677 V. REVALUATION RESERVES 022 70.748 VI. LOSS CARRIED FORWARD 023 175.015 379.127 VII. NET PROFIT FOR THE PERIOD 024 70.748 VIII. LOSS FOR THE PERIOD 025 196.648 V. MINORITY INTEREST 026 89 PROVISIONS 027 C) NON-CURRENT LIABILITIES 028 190.336 197.829 D) CURRENT LIABILITIES 029 540.520 447.307 E) ACCRUED EXPENSES AND DEFERRED INCOME 030 5.205 2.804 F) TOTAL EQUITY AND LIABILITIES 031 686.777 661.737 G) OFF BALANCE SHEET (only for consolidated financial statements) ISSUED CAPITAL AND RESERVES 033 033 035 LAttributable to majority owners 033 033 035 0	III. CURRENT FINANCIAL ASSETS	011		
E) LOSS ABOVE SUBSCRIBED CAPITAL F) TOTAL ASSETS G) OFF BALANCE SHEET ITEMS O16 EQUITY AND LIABILITIES A) ISSUED CAPITAL AND RESERVES II. SUBSCRIBED SHARE CAPITAL II. CAPITAL RESERVES O19 III. CAPITAL RESERVES O19 III. LEGAL RESERVES O19 IV. REVALUATION RESERVES O20 IV. REVALUATION RESERVES O21 VI. LOSS CARRIED FORWARD O23 VII. NOSS CARRIED FORWARD O24 VIII. LOSS FOR THE PERIOD O25 III. CSPOTT FOR THE PERIOD O26 III. CSPOTT FOR THE PERIOD O27 C) NON-CURRENT LIABILITIES O28 IP OVER THE PERIOD O29 C) NON-CURRENT LIABILITIES O29 D) CURRENT LIABILITIES O29 D) CURRENT LIABILITIES O29 D) CURRENT LIABILITIES O30 E86.777 661.737 G) OFF BALANCE SHEET (only for consolidated financial statements) ISSUED CAPITAL AND RESERVES 1. Attributable to majority owners	IV. CASH AND CASH EQUIVALENTS	012	3.098	2.315
F) TOTAL ASSETS	D) PREPAYMENTS AND ACCRUED INCOME	013	3.518	3.964
G OFF BALANCE SHEET ITEMS D16	E) LOSS ABOVE SUBSCRIBED CAPITAL	014		
### EQUITY AND LIABILITIES A) ISSUED CAPITAL AND RESERVES I. SUBSCRIBED SHARE CAPITAL II. CAPITAL RESERVES III. CAPITAL RESERVES III. LEGAL RESERVES I	F) TOTAL ASSETS	015	686.777	661.737
A) ISSUED CAPITAL AND RESERVES 017 -49.284 13.797 I. SUBSCRIBED SHARE CAPITAL 018 67.749 67.749 II. CAPITAL RESERVES 019 205.750 205.750 III.LEGAL RESERVES 020 021 48.880 48.677 V. REVALUATION RESERVES 021 48.880 48.677 V. RETAINED EARNINGS 022 022 024 70.748 VI. LOSS CARRIED FORWARD 023 175.015 379.127 07.748 VIII. LOSS FOR THE PERIOD 024 70.748 025 196.648 026 026 026 026 026 027 026 027 026 027 026 027 026 028 190.336 197.829 029 540.520 447.307 029 540.520 447.307 029 540.520 447.307 026 029 540.520 447.307 026 029 540.520 447.307 026 029 540.520 447.307 026 029 540.520 447.307 026 029 540.520 447.307 026 029 540.520	G) OFF BALANCE SHEET ITEMS	016		
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II. CAPITAL RESERVES 019 205.750 205.7	A) ISSUED CAPITAL AND RESERVES	017	-49.284	13.797
III.LEGAL RESERVES	I. SUBSCRIBED SHARE CAPITAL	018	67.749	67.749
IV. REVALUATION RESERVES 021 48.880 48.677 V. RETAINED EARNINGS 022 VI. LOSS CARRIED FORWARD 023 175.015 379.127 VII. NET PROFIT FOR THE PERIOD 024 70.748 VIII. LOSS FOR THE PERIOD 025 196.648 VIII. LOSS FOR THE PERIOD 025 196.648 V. MINORITY INTEREST 026 IV. MINORITY INTEREST 027 IV. DO CONNON-CURRENT LIABILITIES 028 190.336 197.829 IV. DO CURRENT LIABILITIES 029 540.520 447.307 IV. DO CONNON-CURRENT LIABILITIES 031 686.777 661.737 IV. DO CONNON-CURRENT LIABILITIES 032 IV. DO CONNON-CURRENT LIABILITIES 031 686.777 661.737 IV. DO CONNON-CURRENT LIABILITIES 031 686.777 661.737 IV. DO CONNON-CURRENT LIABILITIES 031 686.777 661.737 IV. DO CONNON-CURRENT LIABILITIES 032 IV. DO CONNON-CURRENT LIABILITIES 031 686.777 661.737 IV. DO CONNON-CURRENT LIABILITIES 032 190.336 190.336 IV. DO CONNON-CUR	II. CAPITAL RESERVES	019	205.750	205.750
V. RETAINED EARNINGS 022 VI. LOSS CARRIED FORWARD 023 175.015 379.127 VII. NET PROFIT FOR THE PERIOD 024 70.748 VIII. LOSS FOR THE PERIOD 025 196.648 IX. MINORITY INTEREST 026 B) PROVISIONS 027 C) NON-CURRENT LIABILITIES 028 190.336 197.829 D) CURRENT LIABILITIES 029 540.520 447.307 E) ACCRUED EXPENSES AND DEFERRED INCOME 030 5.205 2.804 F) TOTAL EQUITY AND LIABILITIES 031 686.777 661.737 G) OFF BALANCE SHEET ITEMS 032 032 ADDITION TO BALANCE SHEET (only for consolidated financial statements) ISSUED CAPITAL AND RESERVES 1. Attributable to majority owners 033 033	III.LEGAL RESERVES	020		
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VII. NET PROFIT FOR THE PERIOD 024 70.748 VIII. LOSS FOR THE PERIOD 025 196.648 IX. MINORITY INTEREST 026	V. RETAINED EARNINGS	022		***************************************
VIII. LOSS FOR THE PERIOD 025 196.648 IX. MINORITY INTEREST 026 B) PROVISIONS 027 C) NON-CURRENT LIABILITIES 028 190.336 197.829 D) CURRENT LIABILITIES 029 540.520 447.307 E) ACCRUED EXPENSES AND DEFERRED INCOME 030 5.205 2.804 F) TOTAL EQUITY AND LIABILITIES 031 686.777 661.737 G) OFF BALANCE SHEET ITEMS 032 032 ADDITION TO BALANCE SHEET (only for consolidated financial statements) ISSUED CAPITAL AND RESERVES 1. Attributable to majority owners 033 033	VI. LOSS CARRIED FORWARD	023	175.015	379.127
IX. MINORITY INTEREST 026	VII. NET PROFIT FOR THE PERIOD	024		70.748
B) PROVISIONS	VIII. LOSS FOR THE PERIOD	025	196.648	***************************************
C) NON-CURRENT LIABILITIES 028 190.336 197.829 D) CURRENT LIABILITIES 029 540.520 447.307 E) ACCRUED EXPENSES AND DEFERRED INCOME 030 5.205 2.804 F) TOTAL EQUITY AND LIABILITIES 031 686.777 661.737 G) OFF BALANCE SHEET ITEMS 032 032 ADDITION TO BALANCE SHEET (only for consolidated financial statements) ISSUED CAPITAL AND RESERVES 1. Attributable to majority owners 033	IX. MINORITY INTEREST	026		
D) CURRENT LIABILITIES E) ACCRUED EXPENSES AND DEFERRED INCOME 7) TOTAL EQUITY AND LIABILITIES G) OFF BALANCE SHEET ITEMS ADDITION TO BALANCE SHEET (only for consolidated financial statements) ISSUED CAPITAL AND RESERVES 1. Attributable to majority owners	B) PROVISIONS	027		
D) CURRENT LIABILITIES 029 540.520 447.307 E) ACCRUED EXPENSES AND DEFERRED INCOME 030 5.205 2.804 F) TOTAL EQUITY AND LIABILITIES 031 686.777 661.737 G) OFF BALANCE SHEET ITEMS 032 032 ADDITION TO BALANCE SHEET (only for consolidated financial statements) ISSUED CAPITAL AND RESERVES 1. Attributable to majority owners 033	C) NON-CURRENT LIABILITIES	028	190.336	197.829
E) ACCRUED EXPENSES AND DEFERRED INCOME F) TOTAL EQUITY AND LIABILITIES G) OFF BALANCE SHEET ITEMS ADDITION TO BALANCE SHEET (only for consolidated financial statements) ISSUED CAPITAL AND RESERVES 1. Attributable to majority owners 030 5.205 2.804 661.737 661.737 67 686.777 67 67 67 67 68 68 78 78 78	D) CURRENT LIABILITIES	029		447.307
F) TOTAL EQUITY AND LIABILITIES G) OFF BALANCE SHEET ITEMS ADDITION TO BALANCE SHEET (only for consolidated financial statements) ISSUED CAPITAL AND RESERVES 1. Attributable to majority owners 033 686.777 661.737 661.737	E) ACCRUED EXPENSES AND DEFERRED INCOME	030	5.205	2.804
ADDITION TO BALANCE SHEET (only for consolidated financial statements) ISSUED CAPITAL AND RESERVES 1. Attributable to majority owners 033		031	686.777	661.737
ADDITION TO BALANCE SHEET (only for consolidated financial statements) ISSUED CAPITAL AND RESERVES 1. Attributable to majority owners 033	G) OFF BALANCE SHEET ITEMS			
1. Attributable to majority owners 033	ADDITION TO BALANCE SHEET (only for consolidated financial statements)		•	
1. Attributable to majority owners 033	ISSUED CAPITAL AND RESERVES			
2. Attributable to minority interest 034		033		
y	2. Attributable to minority interest	034		



CONSOLIDATED

PROFIT AND LOSS ST	ATEM	ENT			
for peroid 1.1.2011 to		1.3.2011			
ioi peroid 1.1.2011 to	3	1.3.2011		th a a a .	de UDIZ
				thousan	as HKK
Position	AOP oznaka	Previous	s period	Current	period
		Cummulative	Periodical	Cummulative	Periodical
1	2	3	4	5	6
I. OPERATING INCOME	035	159.283	159.283	205.388	205.388
1. Rendering of services	036	152.733	152.733	94.930	94.930
2. Income from usage of own products, merchandise and services	037				
3. Other operating income	038	6.550	6.550	110.458	110.458
II. OPERATING COSTS	039	171.638	171.638	132.165	132.165
Decrease of work in progress and merchandise	040				
Increase of work in progress and merchandise	041				
3. Material expenses	042	80.022	80.022	76.989	76.989
4. Employee benefits expenses	043	25.153	25.153	15.438	15.438
5. Depreciation and amortisation	044	14.434	14.434	11.224	11.224
6. Other expenses	045	52.029	52.029	28.514	28.514
7. Write down of assets	046				
8. Provisions	047				
9. Other operating costs	048				
III. FINANCIAL INCOME	049	4.317	4.317	7.263	7.263
1. Interest, foreign exchange differences, dividens and similar income from	050				
subsidiaries	050				
2. Interest, foreign exchange differences, dividens and similar income from third parties	051	4.317	4.317	7.263	7.263
Income form investments in associates and joint ventures	052				
4. Unrealised gains (income)	053				
5. Other financial income	054				
IV. FINANCIAL EXPENSES	055	11.579	11.579	9.738	9.738
1. Interest, foreign exchange differences and similar expenses from subsidiaries	056				
2. Interest, foreign exchange differences and similar expenses from third parties	057	11.579	11.579	9.738	9.738
3. Unrealised losses (expenses) from financial assets	058				
4. Other financial expenses	059				
V. EXTRAORDINARY - OTHER INCOME	060				
VI. EXTRAORDINARY - OTHER EXPENSES	061				
VII. TOTAL INCOME	062	163.600	163.600	212.651	212.651
VIII. TOTAL EXPENSES	063	183.217	183.217	141.903	141.903
IX. PROFIT BEFORE TAXES	064			70.748	70.748
X. LOSS BEFORE TAXES	065	-19.617	-19.617		
XI. TAXATION	066				
XII. NET PROFIT FOR THE PERIOD	067				
XIII. LOSS FOR THE PERIOD	068				
ADDITION TO PROFIT AND LOSS ACCOUNT (only for consolidated financial statements)					
XIV.* NET PROFIT ATTRIBUTABLE TO MAJORITY OWNERS	069				
XV.* NET PROFIT ATTRIBUTABLE TO MINORITY INTEREST	070				
XVI.* LOSS ATTRIBUTABLE TO MAJORITY OWNERS	071				
XVII.* LOSS ATTRIBUTABLE TO MINORITY INTEREST	072				



03/05/2011

STATEMENT OF LIABILITY OF FINANCIAL REPORTS

Non-consolidated and consolidated financial reports of Magma d.d. on 31st March 2011 were made by using appropriate standards of financial reports, they give a complete and truthful presentation of assets and obligations, losses and profit, financial position and business operations of the publisher and the companies included in consolidation as a whole.

Interim report of the management contains a truthful review of development and results of business operations and the position of the publisher and the companies included in consolidation, with the description of the most important risks and uncertainties that Magma was exposed to.

President of the Management Board: Goranko Fižulić