

**OT - Optima
Telekom d.d.
Unconsolidated
Report for the
First Half and
Second Quarter
of 2016.**

20
16

Optima
TELEKOM

I. Business and Financial Overview	6
1 Introduction	7
2 Statement by the Chairman of the Board	8
3 Market Overview	9
4 Economic Environment	9
5 Regulatory Environment	10
6 Business Indicators and Segments	11
a Residential Sales Segment	11
b Business Sales Segment	12
c Infrastructure, Optical Fiber Network and Internal Services Development	13
7 Financial Results of the Group	15
a Consolidated Revenue	16
b Earnings before Interest, Taxation and Depreciation – EBITDA	16
c Net Profit / (Loss)	16
d Capital Investments in 2016	16
e Risk Management	17
II. Financial Reports of the Group	18
1 Profit and Loss Account	19
2 Balance Sheet	20
3 Cash Flow	21
III. Statement by Persons in Charge of Financial Reports	22

Corporate Governance and General Information

SUPERVISORY BOARD	Siniša Đuranović — CHAIRMAN Ariana Bazala-Mišetić — DEPUTY CHAIRMAN Marina Brajković — MEMBER Jasenka Anica Kreković — MEMBER Marko Makek — MEMBER Ana Hanžeković — MEMBER Rozana Grgorinić — MEMBER Maša Serdinšek — MEMBER Ivica Hunjek, Member — EMPLOYEE REPRESENTATIVE
BOARD OF DIRECTORS	Zoran Kežman — CHAIRMAN Irena Domjanović — MEMBER Mirela Šešerko — MEMBER Tomislav Tadić — MEMBER
IBAN	HR3023600001101848050 Zagrebačka banka d.d. Zagreb Commercial Court of Zagreb
OIB	36004425025
MBS	040035070
MB	0820431
SHARE CAPITAL	
AMOUNT	635.568.080,00 HRK
NUMBER OF SHARES	63.556.808, nominal value of HRK 10.00 each

Optima Telekom Group Members and Regional Centers

Headquarters - Company Management

OT-Optima Telekom d.d.
Bani 75a, Buzin
10 000 Zagreb, Hrvatska
TEL +385 1 54 92 699
FAX +385 1 54 92 019

Members of the Optima Telekom Group:
— Optima direct d.o.o,
Trg Josipa Broza Tita 1, 52460 Buje
— OT-Optima Telekom d.o.o, Ulica 15. maja
21, 6 000 Koper, Republika Slovenija
— Optima telekom za upravljanje
nekretninama i savjetovanje d.o.o., Bani
75a, 10 000 Zagreb

Region West

OT-Optima Telekom d.d.
Andrije Kačića Miošića 13
51 000 Rijeka, Hrvatska
TEL +385 51 492 799
FAX +385 51 492 709
OT Centar
TEL +385 51 554 651

Region East

OT-Optima Telekom d.d.
Vinkovačka 2
31 000 Osijek, Hrvatska
TEL +385 31 492 999
FAX +385 31 210 459

Region North

OT-Optima Telekom d.d.
Bani 75a, Buzin
10 000 Zagreb, Hrvatska
TEL +385 1 54 92 301
FAX +385 1 54 92 309

Region South

OT-Optima Telekom d.d.
Vinkovačka ulica 19
21 000 Split, Hrvatska
TEL +385 21 492 899
FAX +385 21 492 829

OT Centar

7. domobranske pukovnije 1/3, Zadar
TEL +385 23 492 860
Ivana Matijaševića 14, Dubrovnik
TEL +385 20 220 640

I. **Business and Financial
Overview**

Introduction

I.1

Optima's corporate culture, the new brand and values promoted and supported by the Company in its business through innovativeness, care about the local community and the achievement of strong ties, have reflected in the work of all employees with heart, which has been recognised by our loyal customers.

In the observed period, the Company continued to duly comply with its obligations arising out of the Pre-bankruptcy Settlement concluded before the Commercial Court of Zagreb, reference number Stpn-354/13.

In this vein, the fifth instalment of the suppliers' receivables arising out of goods and services purchase contracts as well as the receivables of the Republic of Croatia and government bodies for legally imposed levies which have not been converted into the Company's share capital has fallen due and was duly settled on 30 June 2016.

Furthermore, on 30 May 2016, the Company

settled the fourth instalment of interest on bonds, security OPTE-O-142A, issuer OT-Optima Telekom d.d., all pursuant to the CDCC Schedule of 06 May 2016.

The Company is reporting about all actions pertaining to the compliance with the obligations arising out of the Settlement in a timely and transparent way, pursuant to the orders of Article 70, paragraph 4 of the Financial Operations and Pre-bankruptcy Settlement Act.

In the observed half-year period, there were no changes to the Company's governing bodies, and the regular General Assembly took place on 26 April 2016.

Apart from publications on Fina's website, the Company is informing the public on the fulfilment of obligations in a timely and transparent way in accordance with the relevant laws and regulations in the field of capital markets.

I.2

Statement by the Chairman of the Board

Optima Telekom continues to achieve good results in the second quarter of this year as well. We have achieved a further increase in revenue, which is a result of our market activities and the orientation towards service development and innovations, with a goal to satisfy all of our customers' needs. At the same time, thanks to the increase in revenue and additional savings, we have achieved an EBITDA before one time items result which is 1.8% better compared to the same period of the previous year.

After a series of novelties improving our offer of services and packages for residential customers, in the previous period we dedicated ourselves to expanding and improving the corporate customers services and solutions portfolio. In this way, since the beginning of this year, we have been able to provide our customers with ICT solutions, thus covering an extremely broad spectrum of customer needs in the sphere of telecommunications and IT technologies.

We are happy that the customers are responding very well to the novelties we offer and this is a great motivator for further improvements.



Zoran Kežman,
Chairman of the Board

Market Overview

I.3

Fixed Telephony Market

In the fixed telephony market in Croatia there is a negative trend in the use of the service. The total outgoing traffic (in minutes) of all fixed public communications network operators in the first quarter of 2016 was 3.6% lower compared to the previous quarter, while the revenue also dropped by 6.4%.

This negative trend in the fixed telephony market has been present for a while now and is predicted to continue in the future. The ratio between the total outgoing traffic (in minutes) of all fixed public communications network operators in the first quarter of 2015 and the first quarter of 2016 is negative by 11.5%, while the retail income parameter ratio has also dropped significantly, by 13.0%

Broadband Access Market

In the first quarter of 2016, the growing trend in the use of broadband internet access via fixed networks continued. Compared to the fourth quarter of 2015, the number of bro-

adband access via fixed network connections increased by 1.0% in the first quarter of 2016, but the revenue has suffered a mild drop of 1.2%.

Compared to the first quarter of the previous year, in the first quarter of 2016 the number of broadband access connections via fixed networks increased by 4.3%. At the same time, the revenue in this category decreased by 1.4%.

IPTV-a Market

The internet protocol based television (IPTV) market has grown as well. The total number of connections is 0.1% higher in the first quarter of 2016 compared to the previous quarter of 2015.

When the ratio between the total number of connections is compared at the level of the first quarter of 2015 and the first quarter of 2016, it shows a 0.8% decrease.

Economic Environment

I.4

During the previous year, the gross domestic product trends were within expectations. A 1.9% growth has been achieved at an annual level, which kept the increase rate for the entire year at a level of 1.6%. The export of goods and services, and especially goods had the greatest impact on the increase. There is also an increase in domestic demand, and thanks to income taxation changes, personal consumption increased as well. Government consumption is mildly increasing as well, and there is slight recovery in the field of investing into fixed capital.

Event though the expectations for the current year are relatively pessimistic because the growth is estimated to be smaller than last year, with a series of uncertainties, among which the issue of constituting a new government and possible reforms, the oil price trends or the continuation of geopolitical tensions, any prognosis for 2016 is an extremely thankless job.

The unemployment rate is still following the usual seasonal matrix: out of season there is no employment in tourism, the unemployment rate is increasing for eight months in a row.

The labour active population is at an all time low and has a downward trend. This presupposes that a significant part of the unemployment outflow goes into inactive population, economic emigration and/or grey market.

Consumer prices have decreased in March 2016 by 1.7% compared to one year ago, while the actual gross salary increased by 3.8% at an annual level and the net salary by 3.3%. This continued the growing trend in salaries but, as opposed to the situation in the previous year, this year there has been a somewhat more dynamic increase in gross salaries compared to net salaries, which can be attributed to the cessation of the impact of the base effect of the changes in income taxation.

After the usual seasonal weakening of the HRK during January, the subsequent three months have been characterised by the HRK's strengthening compared to the EUR. Because of this, at the end of April, the HRK was worth 2.1% more than at the beginning of the year and at the same time, 1.5% more than at the end of April of the previous year.

Three months after the new Bankruptcy Act

entered into force, there are visible changes in the outstanding payment titles statistics published by FINA. At the end of February, there were 36.5 thousand business entities with overdrawn bank accounts with just a little over HRK 22 billion debt, which is a 23.9% or HRK 6.9 billion drop compared to the situation one year ago. The value of outstanding obligations thus continued to move down a mildly dropping curve for the third consecutive year.

I.5

Regulatory Environment

Considering that the Croatian Regulatory Authority for Network Industries (hereinafter: HAKOM) rendered final decisions in all relevant market analysis processes in the previous reporting period, in this reporting period HAKOM initiated several proceedings to change the amounts of HT's wholesale prices, being an operator with significant market strength. The Company uses HT's wholesale services in order to provide retail services to its end customers.

Based on the updated cost model, in this reporting period HAKOM calculated the new monthly charge for the wholesale unbundled access to the local loop service (hereinafter: ULL) in the amount of HRK 49.53, which is to apply as of 1 January 2017. HAKOM has calculated the new wholesale monthly charge for wholesale broadband access and initiated a public debate about the decision proposal. The proposed monthly charges are lower than the current ones, while the charge for wholesale broadband access service when the end customer makes basic access to the network via the entrant operator (hereinafter: NBSA service) has been calculated in relation to the new ULL service price which is to be applied as of 1 January 2017. HAKOM has also calculated the new monthly charges for the wholesale high quality access service, the prices for call termination on individual public telephone networks provided at a fixed location, the prices for call origination on individual public telephone network operated by HT, and initia-

ted public debates on decision proposals. At HT's proposal, HAKOM also initiated the process of changing the prices of wholesale line rental services (hereinafter: WLR services). The new WLR service prices were calculated by HT using the "retail price minus" method provided by HAKOM's decision on access to the public telephone network at a fixed location market analysis of 5 November 2014 (CLASS: UP/1-344-01/14-03/05; CONS. NO. 376-11-14-14).

In the upcoming reporting period, we anticipate the rendering of final decisions concerning wholesale service prices. Depending on the contents of these decisions, the Company will adapt its market strategy and presence, in order to optimise the impact of these decisions on the Company's financial results in the upcoming period.

Out of the more relevant changes to legislation in force in the field of electronic communications, one should point out the Ordinance on amendments to the Ordinance on the manner and conditions for provision of electronic communications networks and services. The amendments pertain to customer rights and operator obligations, and shall apply in the upcoming reporting period. One exception is the operator's obligation to ensure that customers have a minimal broadband internet access speed of 70 per cent of the maximum speed agreed for all services signed from 1 January 2017 onwards.

Business Indicators and Segments

I.6

Number of Customers	30.06.2016	31.03.2016	30.06.2016/ 31.03.2016	30.06.2015	30.06.2016/ 30.06.2015
Business					
PVS	15.605	15.720	-0,7%	15.562	0,3%
IPTV	1.100	1.077	2,1%	1.033	6,5%
Internet	11.890	11.867	0,2%	10.873	9,4%
Data	1.401	1.401	0,0%	1.200	16,8%
Residential					
PVS	139.717	139.697	0,0%	136.284	2,5%
IPTV	28.785	28.482	1,1%	23.925	20,3%
Internet	89.423	88.790	0,7%	84.959	5,3%

NOTE: 1

a. Residential Sales Segment

Significant savings achieved during the year through the operative restructuring program made it possible for Optima Telekom to invest in marketing and sales activities aimed at decreasing the outflow of existing customers and increasing the inflow of new customers.

Thanks to this, there was a significant success in the residential segment with respect to developing the customer base for all types of services, while a significant revenue increase was achieved in the field of broadband internet access and IPTV services.

Compared to the number of fixed public voi-

ce service residential customers in the second quarter of 2015, at the end of the second quarter of 2016 Optima Telekom has had a 2.5% increase, while in the second quarter of 2016 compared to the first quarter of 2016 the customer base remains stable. However, the negative trends in revenue from fixed public voice service at the entire market level also reflect on Optima's revenue. Thus the revenue from fixed public voice service residential customers is 14.9% lower in the second quarter of 2016 compared to the second quarter of 2015, and 5.2% lower compared to the first quarter of 2016. However, considering the revenue trends in the first half of 2015, it is

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The data provided differs from previous data published in the Company's financial reports for 2014, solely in respect of the customer base data. This is a consequence of circumstances that occurred after the publication of financial reports but had affected reporting.

Namely, in the structure of providing services to end customers there was a change regarding the used wholesale service. Therefore, instead of the previous practice of performing services using the ULL or WLR+CPS+BSA wholesale services, new services are performed by using the ULL or NBSA wholesale service. In cases when the PVS is performed via ULL or via the wholesale WLR+CPS or WLR+CPS+BSA service, the income from PVS access is included in the category of income from PVS. However, in cases when the voice service is performed using the wholesale NBSA service, the access income is allocated and reported in the Internet income category, given that the whole service (both the voice service and the Internet service) has been provided through broadband Internet access. Regardless of the wholesale service used, the income deriving from voice minutes is always reported as PVS income.

obvious that in 2016 Optima slowed down the revenue drop in this segment compared to the revenue drops in previous periods, thanks to the positive customer base development.

In the broadband internet access segment, Optima is recording further increases in income and customer base expansion. In the second quarter of 2016, the broadband internet access revenue has increased by 20.8% compared to the second quarter of 2015, and by 3.7% compared to the first quarter of 2016. At the same time, the customer base also expanded by 5.3% compared to the second quarter of 2015, and by 0.7% compared to the first quarter of 2016.

There was a customer base increase in the residential customers IPTV segment as well, both at an annual and quarterly level. At an annual level, there is a significant increase in the number of customers by 20.3% with a revenue increase of 11.2%. Compared to the first quarter of 2016, there has been a 1.1% increase in the number of customers, while the revenue is 5.5% higher.

b. Business Sales Segment

In the business sales segment, the first half of 2016 has shown continuing positive trends due to reorganisation, targeted activities of all sales channels towards increasing the inflow of new customers and increasing the value of services to the existing customer base, particularly in the key corporate customers segment.

Compared to the number of active connections for public voice service customers in the business segment in the second quarter of 2015, Optima has concluded the second quarter of 2016 with a mild 0.3% increase in the number of connections with a 6.9% revenue drop. Negative trends in the fixed public voice service business customers segment have been recorded at national level as well, which is the primary cause of the negative trend within Optima Telekom. The negative trends in the fixed public voice service segment at a national level are equally predicted in the future. The 2.2% revenue increase in the second quarter of 2016 compared to the first quarter of 2016 is primarily a result of seasonal effects.

In the broadband internet access segment there has been a 9.4% increase in the number of connections and a 14.4% increase in revenue compared to the second quarter of 2015. In line with the market expansion trend and a growing demand for higher speeds in this segment, in the second quarter of 2016 Optima Telekom has had a 6.5% increase in revenue with a stable number of connections compared to the first quarter of 2016, which is a result of activities aimed at increasing the value of services within the existing customer base.

In the data services segment there was a significant increase in the number of connection, 16.8%, and an 22.2% increase in revenue compared to the second quarter of 2015. The trends are equally positive when compared to the first quarter of 2016, with a 1.8% increase in revenue, owing to the realisation of several major projects of connecting key customer locations into private data networks in line with the demands of business operations, organisation and upgrading infrastructure.

During the second quarter of 2016, activities of offering ICT solutions to business customers have been initiated in the business sales segment in cooperation with several renowned partners and a revenue of HRK 0.8 million has been achieved. In the upcoming period we will work on expanding the internal organisation and partner network, in order to be able to respond to all market demands and to be able to offer the widest possible spectrum of innovative solutions to both existing and new business customers.

In the first six months of 2016, the wholesale sales revenue increased by 8.6% compared to the same period of the previous year. Within these, the wholesale voice services sales (transit) revenue increased by 8.9%. This increase is a result of regulatory changes that entered into force on 1 April 2015, i.e. the deregulation of the interconnections charge in international calls originating outside the EU/EEA. For the same reason, termination revenue went up by 15.9%.

In the first six months of 2016, VAS service sales revenue decreased by 3.0% compared to the same period of the previous year.

Interconnection Income Structure



Data Source: Company's business records

c. Infrastructure, Optical Fiber Network and Internal Services Development

Voice Networks

In the first half of 2016, the internally developed class 5 NGN switchboard, used not only for providing voice service to residential customers, but also as of this half year period, to small business customers, has been upgraded.

The SBC-IC (Session Border Controller – Interconnection) system has been integrated, enabling the technological migration of existing TDM/ISUP IC connections to the IP/SIP IC connection. Technological progress and regulatory changes made it possible to achieve interconnections for voice interconnections by using new technologies and protocols (IP/SIP). The precondition was to introduce a new SessionBorderController system into Optima's voice network. This created the prerequisites for diminishing existing interconnection capacities for voice interconnections using older technologies (TDM/ISUP) to a minimum. During the first half of 2016, within the integration, extensive functionality testing has been carried out when interconnecting voice networks with three domestic operators and the migration of voice traffic from the existing

TDM/ISUP IC connections to the new IP/SIP IC connections for two domestic operators.

Furthermore, a new system for advances supervision and in-depth analysis of the customer and operator voice traffic in Optima's voice network core has been integrated, which provides a higher quality and more detailed analysis of realised calls, a faster and higher quality response to customer and operator issue reports, as well as a prompt analysis and troubleshooting when connecting new customers into the voice network.

Data Networks

In the first quarter of 2016, by upgrading capacities and increasing redundancy of the existing MPLS routing tables to 53 nodes (out of a total of 60), the physical optimisation of the configuration of IP/MPLS routing tables has been carried out in order to enhance reliability. During the first quarter of 2016, the upgrade to the last 7 nodes has been completed.

A new MPLS routing table has been installed in the town of Pag, due to its larger capacity (1GE) and a higher accessibility level.

A new BRAS system has been integrated into the network environment, which increased the capacity to take on new internet users and enhanced the redundancy level within the BRAS systems themselves.

The system for automatic configuration of customer equipment has been upgraded (ACS - Automatic Configuration Server – TRO69) due to the increase in the number of customers.

In the second quarter of 2016 new IPTV channels have been promoted into Optima's IP/MPLS network: Sport klub 4, 5 and 6 (in SD format), Sport klub 1, 2 and 3 (in HD format), HBO3 (SD) and HBO3 (HD), Orlando Kids (SD), Grand TV (SD), Fight Chanel World (HD), HRT2 (HD), Laudato TV (SD), CNBC (SD), Fight Cannel (Pay Per View) (SD).

There has been an upgrade to the telecommunications connections for interconnecting the networks of Hrvatski Telekom and Optima, with a view to exchange bitstream traffic. Multiple interfaces at a 1Gb/s level have been upgraded by multiple interfaces with a capacity of 10Gb/s. The traffic migration from old domains into new interconnection domains is ongoing.

During the first half of 2016, the scope of

VDSL access technology has been additionally expanded.

Network Infrastructure and Optical Fibre Network

Optical infrastructure development, i.e. the construction of the individual optical fibre network in the first half of 2016 consisted primarily of the regular construction of optical feeds to our new end wholesale and retail customers.

In numbers, we are talking about 22.6 km of new optical fibre network in the first quarter, consisting of 80 new optical feeds. Most feeds and cable routes have been built in the Northern Region (42 feeds), followed by regions East and West, with 13 feeds each, and region South, with 12 feeds.

In the second quarter 47 new optical feeds have been constructed (a new 10.6 km). The construction of the optical fibre network was mostly represented by the realisation of optical feeds. Most optical feeds have been constructed in Western Croatia (17), followed by Northern Croatia (15), Eastern Croatia (9) and Southern Croatia (6).

Supervision (NOC)

Through the migration of performance supervision from the old Cacti system to the new Zabbix supervision system (BRAS and CGNAT systems, collocation routing tables, radio systems: Pasoling, Ubiquiti and Mikrotik as well as firewall systems), the supervision of telecommunications systems and services has been expanded and improved in the first half of 2016.

For that same purpose, new systems have been added to the supervision (Session Border Controller – systems for SIP/IP interconnection of voice networks, GFAST pilot device, new VDSL Iskratel cards, supervision of IPTV flow traffic received from provider, telecommunications 10Gbps connections for bitstream interconnections with HT, HaloSurf optical user interfaces).

The system has been upgraded with new functionalities with a view to discover the source and destination of DDoS attacks, expanding the active supervision of the number of customers (Bitstream and big business customers) by county, controlling

the execution of automatic configuration of IPTV channels on DSLAM systems and adding the function of selecting individual parameters that are supervised for reporting purposes as to their quality level to either the end customer or internally for business purposes.

Technical Services

In the technical services segment, hard-copy work orders have been abolished. Being ecologically aware, Optima has switched to electronic assignment distribution only. This has increased internal efficiency and contributed towards preserving the environment.

Internal Application Development

During the first half of 2016, the databases have been migrated to new servers and a new disc system, which creates greater stability and faster query response in databases (faster account processing, getting reports, faster query response in CRM, etc.).

Pilot projects for the campaigning application have been initiated (higher quality and more efficient filtering of potential customers), as well as for machine learning (an artificial intelligence system for more accurate prediction of malfunctions with customers), and a powerBI which will enable clearer and more efficient reporting.

A new work order tracking system has been internally developed and redesigned, which enables a better overview and satisfies new business standards. Furthermore, after an extended testing period, the internally developed oMail system has been put in production. It diminishes the possibility of blacklisting customer email addresses.

In line with modern IT sector trends, the Company transferred to the Microsoft Office365 cloud, which enhanced business efficiency, data safety and better collaboration.

Infrastructure

In the first half of 2016, the project of switching batteries in collocations started to secure the system's autonomy in the event of an electrical grid failure.

ICT Solutions

As of the first quarter of this year, a new business process known as ICT solutions, i.e. special ICT solutions for end customers, has been

put in motion.

Through ICT solutions, a complete business solution has been offered to customers alongside Optima Telekom's standard services, which creates added value to the same.

Optima Telekom's partner base will expand through

this business segment, which will enhance the Company's presence in the market. The first ICT solution projects have been realised successfully, and we are planning to expand the solution portfolio in the upcoming quarters.

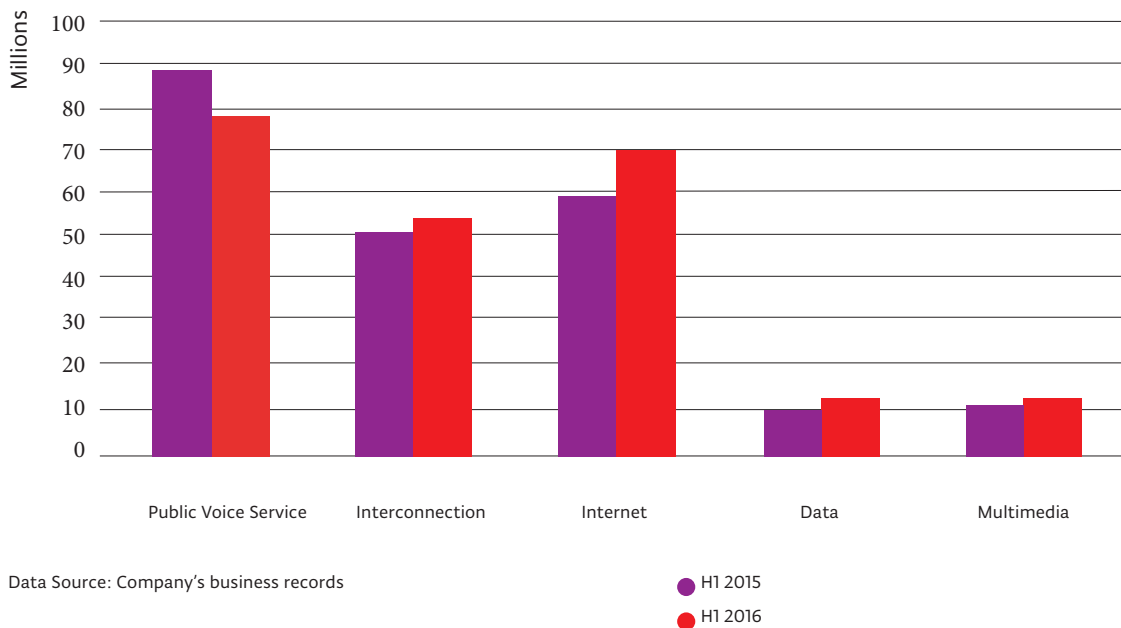
Financial Results of the Group

I.7

Summary (<i>in tsd HRK</i>)	H1 2015	H1 2016	H1 2016 / H1 2015	Q2 2015	Q2 2016	Q2 2016 / Q2 2015
Total income	223.490	228.174	2,1%	115.844	116.125	0,2%
Total expenses	177.441	180.078	1,5%	92.252	91.169	(1,2%)
EBITDA	46.048	48.096	4,4%	23.592	24.956	5,8%
One times items	3.408	528	(84,5%)	1.228	301	(75,5%)
EBITDA before one times items	49.456	48.624	(1,7%)	24.821	25.257	1,8%
EBITDA margin (before one times items)	22,1%	21,3%	(3,7%)	21,4%	21,7%	1,5%
Depretiation	36.664	32.671	(10,9%)	18.117	16.624	(8,2%)
Financial result (net)	(9.650)	(9.114)	(5,6%)	(3.336)	(6.041)	81,1%
Net profit/(loss) before income taxes	(266)	6.312		2.140	2.290	
Net profit/(loss) before income taxes and one time items	3.142	6.839		3.368	2.591	

**THE RETROACTIVE DISCOUNT OF FINANCIAL OBLIGATIONS AND IPTV RIGHTS HAS BEEN INCLUDED IN 2015, AS WELL AS THE RECLASSIFICATION OF MCL EFFECTS INTO CAPITAL

Telecommunication Services Revenue



a. Consolidated Revenue

Total telecommunications services revenue in the first six months of 2016 is 2.4% higher compared to the same period of the previous year.

The increase in revenue compared to the previous year is primarily a result of the internet revenue increase, as well as interconnection revenue, data revenue and multimedia revenue.

As a positive impact of the customer base expansion, internet revenue increased and is 18.7% higher, as well as data traffic revenue which is 15.6% higher.

Multimedia revenue is 10.4% higher, even though the market has dropped compared to the previous year.

The interconnection revenue is 7.9% higher as a consequence of higher transit income increased by deregulation of termination charges for international calls originating outside the EU/EEA.

On the other hand, the revenue increase is offset by the 14.0% revenue drop in public voice service, as a consequence of the general declining trend in the use of the public voice service at a global level.

b. Earnings before Interest, Taxation and Depreciation – EBITDA

The consolidated EBITDA is 4.4% higher compared to the first six months of 2015, mostly due to lower special items in 2016.

The EBITDA before special items for the first six months of 2016 amounts to HRK 48.6 million, which represents a 1.7% decrease compared to the previous year. The aforementioned decrease is a consequence of more intense marketing activities and an enhanced customer acquisition in 2016.

However, in the second quarter there is a positive trend in the EBITDA before special items, which is 1.8% higher compared to the previous year, thanks to the continuous increase in revenue and savings on the cost side.

c. Net profit/(loss)

Excluding special items and considering the financial costs related to the pre-bankruptcy settlement, the discounting effect for financial obligations and lower depreciation costs in 2016, the net result before special items is HRK 3.7 million higher compared to the previous year.

	Q2 2016 (u 000 kn)	share %
General Investments	1.080	5%
Capital Technical Investments	22.586	95%
ACCESS Network	14.238	60%
CORE Network	1.531	6%
Telecommunications Center	6.817	29%
TOTAL	23.666	100%

d. Capital Investments in 2016

Consolidated capital investments in the first half of 2016 amounted to HRK 23.7 million. Out of this, HRK 14.2 million has been invested in the development of access fibre optic network, expanding the collocations network, user equipment for providing the IPTV and internet service for residential customers, as well as the equipment to connect new business customers. HRK 1.5 million has been invested into the core network, while HRK 6.8 million have been invested in expanding the range of customer services.

e. Risk Management

Currency Risk Management

The currency risk is the risk that the value of financial instruments will change due to exchange rate changes. The Company's highest exposure to currency risk arises out of long-term loans, denominated in foreign currencies and recalculated into HRK applying the relevant exchange rates as per the balance sheet date. Any exchange rate divergences shall be attributed to operating costs or recorded in the profit and loss account, but do not influence the cash flow.

Interest Risk

The Company's exposure to interest risk is not significant, given that the Company's liabilities have not been agreed subject to variable interest rates.

The remaining assets and liabilities, including issued bonds, are not exposed to interest risk.

Credit Risk

The credit risk is the risk that the other party will fail to meet its contractual obligations arising out of potential financial losses of the Group. The Group does not have a significant credit risk concentration with contractual parties possessing similar characteristics and has adopted procedures it applies in buyer transactions. The Group receives sufficient collaterals, if necessary, as a means to mitigate the risk of financial loss due to unfulfilled obligations and offers no guarantees for third party liabilities.

The Group sees its maximum exposure as reflecting in the amount of receivables from debtors, minus value depreciation reservations recognized at the financial position report date.

Apart from this, the Group is exposed to the risk of money deposits in banks. Management of this risk is focused on dealing with the most reputable banks, both domestic and international, and in both the domestic and international markets, and based on daily contact with the banks.

Liquidity Risk Management

The Board of Directors has the responsibility for liquidity risk management and sets the appropriate framework for liquidity risk management, with a view to manage short-term, mid-term and long-term financing and liquidity requirements. The Company manages the liquidity risk by maintaining adequate reserves and credit lines, continuously comparing the planned and achieved cash flow and monitoring the receivables and liabilities due dates.

II.

Financial Reports of the Group

Profit and Loss Account

II. 1

Position name	<i>In thousand HRK</i>	30.06.2016.	30.06.2015. <i>Restated</i>
Sales		227.380	222.752
Other operating income		794	738
		228.174	223.490
Merchandise, material and energy expenses		(3.798)	(3.016)
Interconnection fee expenses		(83.648)	(77.605)
Rent of telecommunication equipment		(12.434)	(13.437)
Customer attraction expenses		(2.794)	(1.260)
Other service expenses		(31.491)	(32.148)
Staff costs		(25.620)	(30.862)
Own work capitalized		1.718	-
Depreciation, amortisation and impairment charges		(32.671)	(36.664)
Impairment charge on non-current and current receivables - net		(1.735)	(2.458)
Net loss on disposal of assets and equipment		(22)	(3)
Other operating expenses		(20.253)	(16.653)
		(212.748)	(214.106)
OPERATING PROFIT		15.426	9.384
Finance income		3.833	3.031
Finance costs		(12.947)	(12.681)
Finance costs - net		(9.114)	(9.650)
PROFIT/(LOSS) BEFORE TAXATION		6.312	(266)
Income tax expense		-	(41)
PROFIT/(LOSS) FOR THE YEAR		6.312	(307)
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME/(LOSS)		6.312	(307)

Data Source: Company's business records

Balance Sheet

II. 2

ASSETS	<i>In thousand HRK</i>	30.06.2016.	31.12.2015.
Intangible assets		41.836	45.221
Property, plant and equipment		301.788	307.584
Given loans		288	312
Deposits		3.542	3.598
Available-for-sale financial assets		35	35
Other non-current assets		9.000	9.500
Non-current assets		356.489	366.250
Inventories		123	109
Trade and other receivables		80.294	71.140
Given loans		10.763	10.767
Deposits		63	88
Prepaid expenses and accrued income		2.950	2.586
Cash and cash equivalents		7.308	20.418
Current assets		101.501	105.108
TOTAL ASSETS		457.990	471.358
EQUITY AND LIABILITIES			
Issued share capital		635.568	635.568
Capital gains		194.354	194.354
Other equity (MCL)		24.677	32.904
Accumulated losses		(816.235)	(819.787)
EQUITY		38.364	43.039
Long-term borrowings		202.420	209.303
Issued bonds		71.364	71.085
Trade payables		6.137	10.155
Provisions		62	62
Deferred income		20.803	21.835
Non-current liabilities		300.786	312.440
Short-term borrowings		4.364	434
Issued bonds		-	-
Trade payables		87.286	91.514
Provisions		509	509
Accrued expenses and deferred income		20.276	17.406
Other current liabilities		6.405	6.016
Current liabilities		118.840	115.879
TOTAL EQUITY AND LIABILITIES		457.990	471.358

Cash Flow

II.3

Position name	30.06.2016.	30.06.2015.
Operating activities		
Total profit for the year	6.312	(266)
Depreciation and amortisation	32.671	36.664
Decrease/(increase) in inventories	(14)	1.034
Decrease/(increase) in trade and other receivables	(9.216)	(4.138)
Increase/(decrease) in trade payables and other liabilities	(3.839)	(9.634)
Other cash increase/(decrease)	1.971	8.661
Cash generated from operating activities	27.885	32.321
Cash flows from investing activities		
Payments for property, plant and equipment	(23.490)	(13.049)
Cash receipt from sale of ownership and debt instruments	-	2.909
Net cash used in investing activities	(23.490)	(10.140)
Cash flows from financing activities		
Other proceeds from financing activities	171	1.308
Repayment of finance lease liability and borrowings	(17.676)	(29.689)
Net cash used in financing activities	(17.505)	(28.381)
Net (decrease)/increase in cash and cash equivalents	(13.110)	(6.200)
Cash and cash equivalents at 1 January	20.418	25.954
Cash and cash equivalents at 30 June	7.308	19.754

Data Source: Company's business records

III.

Statement by Persons in Charge of Financial Reports

In accordance with Article 410 of the Capital Markets Act, the members of the Board of Directors, Mr. Zoran Kežman as Chairman of the Board, Ms. Mirela Šešerko, as Member of the Board, Ms. Irena Domjanović, as Member of the Board, and Mr. Tomislav Tadić, as Member of the Board jointly declare that, to the best of their knowledge, financial statements for the reporting period have been prepared in accordance with applicable financial reporting standards and that they contain an overall and true presentation of assets and liabilities, losses and profits, financial status and operation of the Company and other companies included in the consolidation.

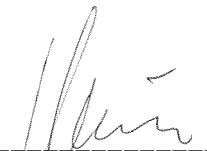
The financial report contains a true presentation of development, results and position

of the Company and its subsidiaries, as well as a description of the most significant risk factors and uncertainties which the group is exposed to.

The Board of Directors would like to emphasize that the above report contains certain statements on future events relative to the financial status, electronic communications market trends, results of activities the company and the group are currently undertaking with the purpose of improving their position on the market. The said statements are based on the best of knowledge and expectations at present, but cannot represent any guarantee of their realization.

Additional information and significant changes have been made available by the company at its website: www.optima.hr/investitori.hr.

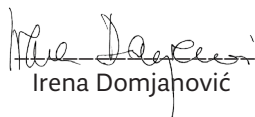
(Signatures of Board members)



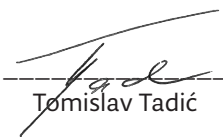
Zoran Kežman



Mirela Šešerko



Irena Domjanović



Tomislav Tadić

Optima
OT – OPTIMA TELEKOM D.D.
ZAGREB

Enclosure 1		
Reporting period:	1 Jan 2016	to 30 Jun 2016
Quarterly Financial Report-TFI-POD		
Tax Number (MB):	0820431	
Registration Number (MBS):	040035070	
Personal Identification Number (OIB):	36004425025	
Issuer:	OT-OPTIMA TELEKOM d.d.	
Postal Code and Location:	10010	BUZIN
Street and number:	BANI 75A	
e-mail address:	info@optima.hr	
Internet address:	www.optima.hr	
and name for municipality/city	133	
Code and name for county	21	Number of employees (at the year's end) 332
Consolidated Report	NO	Business activity code: 6110
Entities in consolidation (according to IFRS)	Registered seat:	Tax number (MB):
Book-keeping firm		
Contact person	Svetlana Kundović (unosí se samo prezime i ime osobe za kontakt)	
Telephone	01/5492 027	Telefaks: 01/5492 019
e-mail address	svetlana.kundovic@optima-telekom.hr	
Surname and name	ZORAN KEŽMAN, MIRELA ŠEŠERKO, TOMISLAV TADIĆ, IRENA DOMJANOVIĆ (osoba ovlaštene za zastupanje)	
Documents for publication		
1. Financial Statements (balance sheet, profit and loss account, cash flow statement, change in capital statement and notes)		
2. Management report		
3. Statements for persons responsible for composing financial statements		
M.P.	_____ (signature of authorized person)	

PROFIT AND LOSS ACCOUNT
for the period from 01 Jan 2016 to 30 Jun 2016

Issuer: OT - Optima Telekom d.d.

Item	EDP	Previous period		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
I. OPERATING INCOME (112+113)	111	223.430.569	115.818.623	228.124.567	116.096.984
1. Sales income	112	222.750.008	115.717.887	227.323.102	115.706.179
2. Other operating income	113	680.561	100.736	801.465	390.805
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	213.698.672	110.640.643	212.628.560	107.745.253
1. Changes in the value of inventories of ongoing production and finished goods	115	0	0	0	0
2. MATERIAL COSTS (117 do 119)	116	125.247.260	67.034.047	130.194.814	67.290.098
a) Costs of raw material and supplies	117	2.906.431	1.338.934	2.929.056	1.498.715
b) Costs of goods sold	118	31.334	7.881	688.394	481.221
c) Other external costs	119	122.309.495	65.687.232	126.577.364	65.310.162
3. Staff costs (121 do 123)	120	25.926.893	12.854.300	24.907.005	12.633.120
a) Net salaries and wages	121	15.034.127	7.863.752	14.260.739	7.194.527
b) Expenses of taxes and contributions from salaries	122	7.232.365	3.191.166	7.111.949	3.644.931
c) Contributions to salaries	123	3.660.401	1.799.381	3.534.317	1.793.662
4. Amortization	124	36.279.235	17.929.578	31.919.075	16.250.707
5. Other costs	125	20.805.780	10.544.766	23.345.369	11.235.642
6. Value adjustment (127+128)	126	2.457.980	1.304.511	1.734.556	34.556
a) fixed assets (apart from financial assets)	127	0	0	0	0
b) current assets (apart from financial assets)	128	2.457.980	1.304.511	1.734.556	34.556
7. Provisions	129	2.981.524	973.441	527.741	301.130
8. Other operating expenses	130	0	0	0	0
III. FINANCIAL INCOME (132 through 136)	131	3.293.465	2.697.987	4.373.269	732.300
1. Interests income, foreign exchange gains, dividends and other income related to affiliated undertakings	132	211.258	103.686	123.223	54.495
2. Interests income, foreign exchange gains, dividends and other income related to unaffiliated undertakings and other persons	133	3.082.207	2.594.301	4.250.046	677.805
3. Income from affiliated undertakings and participating interests	134	0	0	0	0
4. Unrealized income of the financial assets	135	0	0	0	0
5. Other financial income	136	0	0	0	0
IV. FINANCIAL EXPENSES (138 do 141)	137	12.793.584	5.916.385	12.947.179	6.365.933
1. Interest, foreign exchange differences and other expenses related to affiliated undertakings	138	0	0	0	0
2. Interest, foreign exchange differences and other expenses related to unaffiliated undertakings and other persons	139	12.793.584	5.916.385	12.947.179	6.365.933
3. Unrealized losses (expenses) of the financial assets	140	0	0	0	0
4. Other financial expenses	141	0	0	0	0
V. SHARE IN PROFIT OF AFFILIATED UNDERTAKINGS	142	0	0	0	0
VI. SHARE IN LOSS OF AFFILIATED UNDERTAKINGS	143	0	0	0	0
VII. EXTRAORDINARY - OTHER INCOME	144	0	0	0	0
VIII. EXTRAORDINARY - OTHER EXPENSES	145	0	0	0	0
IX. TOTAL INCOME (111+131+142 + 144)	146	226.724.034	118.516.610	232.497.836	116.829.284
X. TOTAL EXPENSES (114+137+143 + 145)	147	226.492.256	116.557.028	225.575.739	114.111.186
XI. PROFIT / LOSS BEFORE TAXATION (146-147)	148	231.778	1.959.582	6.922.097	2.718.098
1. Profit before taxation (146-147)	149	231.778	1.959.582	6.922.097	2.718.098
2. Loss before taxation (147-146)	150	0	0	0	0
XII. PROFIT TAX	151	0	0	0	0
XIII. PROFIT / LOSS FOR THE PERIOD (148-151)	152	231.778	1.959.582	6.922.097	2.718.098
1. Profit for the period (149-151)	153	231.778	1.959.582	6.922.097	2.718.098
2. Loss for the period (151-148)	154	0	0	0	0
ANEX TO P&L (to be filled in by entrepreneur submitting consolidated financial report)					
XIV. PROFIT OR LOSS FOR THE CURRENT PERIOD					
1. Assigned to the holders of parent company's capital	155	0	0	0	0
2. Assigned to minority interest	156	0	0	0	0
OTHER COMPREHENSIVE INCOME STATEMENT (popunjava poduzetnik obveznik primjene MSFI-a)					
I. PROFIT / LOSS FOR THE PERIOD (= 152)	157	231.778	1.959.582	6.922.097	2.718.098
II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX (159 do 165)	158	0	0	0	0
1. Exchange differences on translating foreign operations	159	0	0	0	0
2. Changes in revaluation reserves of fixed 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. Profit or loss on effective cash flow protection	162	0	0	0	0
5. Profit or loss on effective hedge of a net foreign investment	163	0	0	0	0
6. Share of other comprehensive income / loss of associated companies	164	0	0	0	0
7. Actuarial income / loss on defined benefit plans	165	0	0	0	0
III. COMPREHENSIVE INCOME TAX	166	0	0	0	0
IV. OTHER COMPREHENSIVE INCOME / LOSS FOR THE PERIOD (158-166)	167	0	0	0	0
V. COMPREHENSIVE INCOME / LOSS FOR THE PERIOD (157+167)	168	231.778	1.959.582	6.922.097	2.718.098
ANEX to other comprehensive income statement (to be filled in by entrepreneur submitting consolidated financial report)					
VI. COMPREHENSIVE INCOME / LOSS FOR THE PERIOD					
1. Assigned to the holders of parent company's capital	169	0	0	0	0
2. Assigned to minority interest	170	0	0	0	0

BALANCE SHEET
on 30 Jun 2016

Issuer: OT - Optima Telekom d.d.			
Item	EDP	Previous period	Current period
1	2	3	4
ASSETS			
A) SUBSCRIBED CAPITAL UNPAID	001	0	0
B) FIXED ASSETS (003+010+020+029+033)	002	348.629.661	340.150.746
I. INTANGIBLE ASSETS (004 through 009)	003	45.221.033	41.835.923
1. Development expenses	004	0	0
2. Concessions, patents, licences, goods and services trademarks, software and other rights	005	45.221.033	41.835.923
3. Goodwill	006	0	0
4. Advances for procurement of intangible assets	007	0	0
5. Intangible assets in preparation	008	0	0
6. Other intangible assets	009	0	0
II. TANGIBLE ASSETS (011 through 019)	010	299.261.426	294.363.837
1. Land	011	23.269	23.269
2. Building objects	012	9.094.176	8.950.071
3. Facilities and equipment	013	274.374.227	272.688.047
4. Tools, production inventory and transport assets	014	910.792	840.552
5. Biological assets	015	0	0
6. Advances for tangible assets	016	0	0
7. Tangible assets in preparation	017	14.453.640	11.543.458
8. Other tangible assets	018	46.822	46.822
9. Real estate investments	019	358.501	271.618
III. FIXED FINANCIAL ASSETS (021 through 028)	020	4.147.202	3.950.986
1. Shares (stock) in affiliated entrepreneurs	021	86.907	85.835
2. Loans granted to affiliated entrepreneurs	022	115.782	0
3. Participating interests (shares)	023	35.000	35.000
4. Loans given to entrepreneurs with participating interests	024	0	0
5. Securities investments	025	0	0
6. Granted loans, deposits and such	026	3.909.513	3.830.151
7. Own stocks and shares	027	0	0
8. Other fixed financial assets	028	0	0
IV. RECEIVABLES (030 through 032)	029	0	0
1. Receivables from affiliated entrepreneurs	030	0	0
2. Receivables pertaining to sale on credit	031	0	0
3. Other receivables	032	0	0
V. DEFERRED TAX ASSETS	033	0	0
C) CURRENT ASSETS (035+043+050+058)	034	107.835.344	103.694.531
I. INVENTORY (036 do 042)	035	108.795	122.991
1. Raw material and supplies	036	0	0
2. Ongoing production	037	0	0
3. Finished products	038	0	0
4. Trading goods	039	108.795	122.991
5. Inventory advances	040	0	0
6. Assets intended for sale	041	0	0
7. Biological assets	042	0	0
II. RECEIVABLES (044 do 049)	043	71.034.332	79.826.368
1. Receivables from affiliated entrepreneurs	044	0	0
2. Receivables from buyers	045	70.120.974	78.815.465
3. Receivables from participating entrepreneurs	046	0	0
4. Receivables from employees and members of the entrepreneur	047	33.083	27.711
5. Receivables from the state and other institution	048	181.396	141.461
6. Other receivables	049	698.879	841.731
III. CURRENT FINANCIAL ASSETS (051 through 057)	050	16.322.932	16.540.286
1. Shares (stock) in affiliated entrepreneurs	051	0	0
2. Loans granted to affiliated entrepreneurs	052	0	0
3. Participating interests (shares)	053	0	0
4. Loans given to entrepreneurs with participating interests	054	0	0
5. Securities investments	055	0	0
6. Granted loans, deposits and such	056	16.322.932	16.540.286
7. Other financial assets	057	0	0
IV. CASH IN BANK AND REGISTER	058	20.369.286	7.204.887
D) PREPAYMENTS AND ACCRUED INCOME	059	12.083.297	11.947.400
E) TOTAL ASSETS (001+002+034+059)	060	468.548.302	455.792.677
F) OFF-BALANCE RECORDS	061	328.151.090	329.294.535

LIABILITIES			
A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	40.237.248	36.173.261
I. BASE (registered) capital	063	635.568.080	635.568.080
II. CAPITA RESERVES	064	194.354.000	194.354.000
III. PROFIT RESERVES (066+067-068+069+070)	065	30.685.674	19.699.590
1. Legal reserves	066	0	0
2. Own stock reserves	067	0	0
3. Own stocks and shares (deductable item)	068	0	0
4. Statutory reserves	069	0	0
5. Other reserves	070	30.685.674	19.699.590
IV. REVALORIZATION RESERVES	071	0	0
V. RETAINED EARNINGS OR LOSS CARRIED FORWARD (073-074)	072	-832.593.134	-820.370.506
1. Retained earnings	073	0	0
2. Loss carried forward	074	832.593.134	820.370.506
VI. PROFIT OR LOSS OF THE YEAR (076-077)	075	12.222.628	6.922.097
1. Profit of the year	076	12.222.628	6.922.097
2. Loss of the year	077	0	0
VII. MINORITY INTEREST	078	0	0
B) PROVISIONS (080 through 082)	079	571.259	571.259
1. Provisions for pensions, severance payments and similar obligations	080	571.259	571.259
2. Provisions for tax liabilities	081	0	0
3. Other provisions	082	0	0
C) FIXED LIABILITIES (084 through 092)	083	290.542.948	279.921.603
1. Liabilities towards affiliated entrepreneurs	084	0	
2. Liabilities for loans, deposits and similar	085		
3. Liabilities towards banks and other financial institutions	086	209.302.544	202.419.997
4. Liabilities for advances	087	0	0
5. Liabilities towards suppliers	088	10.155.207	6.137.122
6. Liabilities as per securities	089	71.085.197	71.364.483
7. Liabilities towards entrepreneur with participating interests	090	0	0
8. Other fixed liabilities	091	0	0
9. Deferred tax liabilities	092	0	0
D) CURRENT LIABILITIES (094 do 105)	093	97.955.429	98.048.393
1. Liabilities towards affiliated entrepreneurs	094	0	0
2. Liabilities for loans, deposits and similar	095	0	0
3. Liabilities towards banks and other financial institutions	096	433.586	4.364.393
4. Liabilities for advances	097	0	
5. Liabilities towards suppliers	098	91.510.561	87.275.342
6. Liabilities as per securities	099	0	0
7. Liabilities towards entrepreneur with participating interests	100	0	0
8. Liabilities towards employees	101	3.181.491	2.379.203
9. Liabilities for taxes, contributions and similar levies	102	2.827.744	4.029.456
10. Liabilities as per share in results	103	0	
11. Liabilities as per longterm assets intended for sale	104	0	
12. Other current liabilities	105	2.047	
E) DEFERRED SETTLEMENT OF CHARGES AND INCOME OF FUTURE PERIOD	106	39.241.420	41.078.161
F) TOTAL – LIABILITIES (062+079+083+093+106)	107	468.548.302	455.792.677
G) OFF – BALANCE RECORDS	108	328.151.090	329.294.535
ANNEX TO THE BALANCE SHEET (to be filled in by entrepreneur submitting consolidated financial report)			
A) CAPITAL AND RESERVES			
1. Assigned to the holders of parent company's capital	109	0	0
2. Assigned to minority interest	110	0	0

Note 1.: annex to the balance sheet to be filled in by entrepreneur submitting consolidated financial report

CASH FLOW STATEMENT - Indirect method
in the period from 01 Jan 2016 to 30 Jun 2016

Issuer: OT - Optima Telekom d.d.			
Item	EDP	Previous period	Current period
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before taxation	001	231.778	6.922.097
2. Depreciation	002	36.279.235	31.919.075
3. Increase of short-term liabilities	003		
4. Decrease of short-term receivables	004		
5. Decrease of inventories	005	1.034.270	
6. Other increase of cash flow	006	8.659.915	1.972.560
I. Total increase of cash flow from operating activities (001 through 006)	007	46.205.198	40.813.732
1. Decrease of short-term liabilities	008	9.634.300	3.839.262
2. Increase of short-term receivables	009	4.137.886	9.216.312
3. Increase of inventories	010		14.196
4. Other decrease of cash flow	011		
II. Total decrease of cash flow from operating activities (008 through 011)	012	13.772.186	13.069.770
A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES (007-012)	013	32.433.012	27.743.962
A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES (012-007)	014	0	0
CASH FLOW FROM INVESTMENT ACTIVITIES			
1. Cash receipt from sale of tangible and intangible assets	015		
2. Cash receipt from sale of ownership and debt instruments	016	2.908.890	0
3. Cash receipt from interest rates	017		
4. Cash receipt from dividends	018		
5. Other cash receipts from investment activities	019		
III. Total cash receipts from investment activities (015 through 019)	020	2.908.890	0
1. Cash expenditure for buying tangible and intangible fixed assets	021	13.048.557	23.489.833
2. Cash expenditure for acquiring ownership and debt financial instruments	022		
3. Other expenditures from investment activities	023		
IV. Total cash expenditures from investment activities (021 through 023)	024	13.048.557	23.489.833
B1) NET INCREASE OF CASH FLOW FROM INVESTMENT ACTIVITIES (020-024)	025	0	0
B2) NET DECREASE OF CASH FLOW FROM INVESTMENT ACTIVITIES (024-020)	026	10.139.667	23.489.833
CASH FLOW FROM FINANCIAL ACTIVITIES			
1. Cash receipt from issuing of ownership and debt financial instruments	027	0	0
2. Cash receipt from loan principal, debentures, loans and other borrowing	028	0	0
3. Other receipt from financial activities	029	1.186.764	258.094
V. Total cash receipt from financial activities (027 through 029)	030	1.186.764	258.094
1. Cash expenditure for the payment of loan principal and bonds	031	29.688.778	17.676.622
2. Cash expenditure for the payment of dividend	032	0	0
3. Cash expenditure for financial lease	033	0	0
4. Cash expenditure for own shares buy-off	034	0	0
5. Other expenditures from financial activities	035	0	0
VI. Total cash expenditure from financial activities (031 through 035)	036	29.688.778	17.676.622
C1) NET INCREASE OF CASH FLOW FROM FINANCIAL ACTIVITIES (030-036)	037	0	0
C2) NET DECREASE OF CASH FLOW FROM FINANCIAL ACTIVITIES (036-030)	038	28.502.014	17.418.528
Total increase of cash flow (013 – 014 + 025 – 026 + 037 – 038)	039	0	0
Total decrease of cash flow (014 – 013 + 026 – 025 + 038 – 037)	040	6.208.669	13.164.399
Cash and cash equivalents at the beginning of the period	041	25.920.120	20.369.286
Increase of cash and cash equivalents	042	0	0
Decrease of cash and cash equivalents	043	6.208.669	13.164.399
Cash and cash equivalents at the end of the period	044	19.711.451	7.204.887

CHANGE IN CAPITAL STATEMENT
for the period from 1.1.2016 to 30.6.2016

Item 1	EDP 2	Previous period 3	Current period 4
1. Subscribed capital	001	635.568.080	635.568.080
2. Capital reserves	002	194.354.000	194.354.000
3. Profit reserves	003	29.417.694	19.699.590
4. Retained profit or loss carried forward	004	-832.593.134	-820.370.506
5. Profit or loss of the current year	005	231.778	6.922.097
6. Revaluation of fixed tangible assets	006	0	
7. Revaluation of intangible assets	007	0	
8. Revaluation of financial property available for sale	008	0	
9. Other revaluation	009	0	
10. Total capital and reserves (EDP 001 through 009)	010	26.978.418	36.173.261
11. Foreign exchange differences from net investments in foreign operations	011	0	0
12. Current and deferred taxes (part)	012	0	0
13. Cash flow protection	013	0	0
14. Changes in accounting policies	014	0	0
15. Correction of significant mistakes from the previous period	015	0	0
16. Other equity changes	016	0	0
17. Total increase or decrease of capital (EDP 011 through 016)	017	0	0
17 a. Assigned to holders of parent company's capital	018	0	0
17 b. Assigned to minority interest	019	0	0

Items that reduce capital entered with a negative sign

Data under EDP codes 001-009 to be input balance sheet as at date