

**OT - Optima
Telekom d.d.
Consolidated
Report of the
Group for the
First Quarter
of 2017.**

**20
17**

Optima
TELEKOM

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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

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I. **Management Report**

Introduction

I.1

In the observed quarter, the Company has successfully held the extraordinary General Meeting of 25 January 2017 where the present shareholders adopted, amongst other things, the Decision approving the Merger Agreement between H1 TELEKOM d.d. (the merged company) and OT-Optima Telekom d.d. (the acquiring company) and increasing the share capital to carry out the merger.

Namely, as the Company already reported in 2016, the Company concluded a Merger Agreement with an electronic communications operator, H1 TELEKOM d.d. Split, Dračevac 2/d, OIB: 88551335012, dated 29 July 2016.

Pursuant to the above Agreement, after obtaining the required approvals and consents, H1 as the merged company will be merged with Optima as the acquiring company. Assets, rights and obligations of H1 will be transferred to Optima in their entity, without the need to liquidate the merged company. In consideration for the transferred assets, rights and obligations of H1, Optima shall transfer the appropriate ratio of Optima shares to H1 shareholders. The purpose of the merger is to achieve positive synergies between the companies and to increase Optima's value for its current and new shareholders (former H1 shareholders). The Company has determined that connecting business-wise, organisationally, legally and financially is in the mutual interest of Optima and H1, considering that the merger and achieving the envisaged synergies will increase business efficiency and decrease costs, which could accordingly have a positive impact on the value of Optima as the third respectable operator in the fixed telephony market.

Pursuant to the Competition Act, on 29 July 2016 Optima has filed a Notification of a Proposed Concentration between Optima and H1 with the Croatian Competition Agency. The proceedings are pending.

Considering these circumstances, Hrvatski Telekom d.d., Zagreb, Roberta Frangeša Mihanovića 9, OIB: 81793146560, being the company that gained control over the management of the Company by virtue of AZTN decision Class: UP/I 034-03/2013-02/007 of 19 March 2014, filed a motion dated 29 July 2016 with the AZTN to prolong temporary management until 2021.

AZTN decision is pending.

Pursuant to the relevant provisions of the Companies Act, as well as Statute provisions, the Company has held an extraordinary General Meeting on 25 January 2017. The General Meeting has decided to approve the Merger Agreement and to increase share capital to carry out the merger, and adopted other decisions required for the registration of the merger with the competent Court Registers. Adopted General Meeting decisions will obtain legal effect upon AZTN's positive decision on the clearance of the concentration between the Company and H1 telekom d.d., as well as a positive decision regarding the motion filed by Hrvatski telekom d.d., Zagreb, Roberta Frangeša Mihanovića 9, OIB 81793146560 (hereinafter: HT) to prolong the conditionally approved concentration between HT and OT – OPTIMA Telekom d.d. based on the decision Class: UP/I 034-03/2013-02/007 dated 19 March 2014, for an additional period of three years.

On 9 February 2017 AZTN has issued a conclusion, class: UP/I 034-03/16-02/006, extending the deadline for rendering a decision on clearance of concentration between entrepreneurs resulting from a change in control on a permanent basis – the merger of H1 TELEKOM d.d. for another three months starting from 13 February 2017.

During the observed period, the Supervisory Board has reappointed Ms. Irena Domjanović, a member of the Board of Directors to the same position. According to the above Supervisory Board decision, the term of appointment is two years and shall commence at the end of the previous term.

There were no changes to the Company's supervisory body.

Just as in the period from the execution of the Settlement, the Company continues to duly perform all due obligations undertaken in the Pre-bankruptcy Settlement executed before the Commercial Court of Zagreb on 30 April 2016, case reference Stpn-354/13, and reports to the public regarding the said actions in accordance with the Financial Operations and Pre-bankruptcy Settlement Act via FINA'S

website, www.fina.hr.

Apart from publications on Fina's website regarding the issues related to the implementation of the Pre-bankruptcy Settlement, the

Company is informing the public on the fulfilment of obligations in a timely and transparent fashion in accordance with the relevant laws and regulations in the field of capital markets.

I.2

Statement by the Chairman of the Board

The year's beginning has been characterized by stable financial results, a continued development of services and investments into the telecommunications infrastructure.

We have continued to increase EBITDA results, as well as the EBITDA margin, thanks to excellent results in revenue deriving from multimedia and internet services, despite the slight decrease in overall revenue compared to the previous quarter, which is a consequence of the general decreasing trend of public voice service revenue. Our continued investments into the telecommunications infrastructure are opening the doors to new services, higher internet speeds and better communication.

We wish to be even more successful in building a long-term quality relationship with our customers and so we shall continue to ensure that the customer receives the maximum value for money and strive to achieve an even tighter bond through our behavior towards customers and service quality.



Zoran Kežman,
Chairman of the Board

Market Overview

I.3

Fixed Telephony Market

The fixed telephony market in Croatia is still recording negative trends. Even though the total outgoing traffic (in minutes) with all public communications network operators in the fourth quarter of 2016 has increased by 10.4% compared to the previous quarter, revenue has dropped by 4.7%.

The total outgoing traffic (in minutes) of all fixed public communications network operators in the fourth quarter of 2015 and the fourth quarter of 2016 was 7.2% lower, while retail revenue has dropped significantly, by 11.1% compared to the previous quarter.

This negative trend in the fixed telephony market has been present for a while now and is predicted to continue in the future.

Broadband Access Market

In the fourth quarter of 2016, the growing trend in the use of broadband Internet access via fixed networks continued. Compared to the third quarter of 2016, the number of broadband access via fixed network conne-

ctions increased by 1.9% in the fourth quarter of 2016, while revenue has increased by 1.1%.

Compared to the fourth quarter of the previous year, in the fourth quarter of 2016 the number of broadband access connections via fixed networks increased by 5.8%. At the same time, revenue increased by 7.3%.

It is predicted that this market will continue to grow at a stable growth rate.

IP TV-a Market

The Internet protocol based television (IPTV) market also continues to grow. Compared to the previous quarter in 2016, the total number of connections in the fourth quarter of 2016 is higher by 1.5%.

Comparing the total number of connections at the level of the fourth quarter of 2015 and the fourth quarter of 2016, it also shows an increase of 3.0%.

Future growth is predicted for this market as well.

Economic Environment

I.4

After a moderate, 1.6% GDP increase in 2015, in the previous year it accelerated to 2.9%. The foreign demand trends, i.e. the export of goods and services continued to have a more significant impact on the increase of GDP, but the increase in growth dynamics was a consequence of significantly accelerated growth of domestic demand. All categories of domestic demand have increased again after eight years, the recovery of personal consumption being most prominent. This category of demand was still influenced by the increase in net salaries and a slight increase in employment rates, as well as enhanced deflation compared to the previous year. Another very

significant factor for the trends in personal consumption was the recovery of proclivity towards consumption, which was significantly reduced during the crisis.

Data for January confirms the cessation of prevalent deflation pressures on consumer prices in Europe which derived from the decrease in prices of raw materials (particularly crude oil and food). The increase in prices of food and oil should persist throughout the year which, along with further recovery of consumption, shall impact the strengthening of inflationary pressures, albeit limited. All EU Member States have recorded an annual price increase in January, which has not been achie-

ved in the past for years. In Croatia, consumer prices have increased at an annual level in the last three (according to the harmonized index) or two months (according to the national index).

Comparing January of this year with January of last year, we can see a better state in the unemployment segment which is down by 2.5% or by 49.1 thousand. As a result of the decrease in the number of unemployed, the unemployment rate has decreased as well, by 2.5 percentiles. However, the employment segment does not share this favorable dynamic – according to incomplete data, the number of employed is still lower than one year ago.

The previous year was characterized by an increase in salaries. Due to deflationary trends, the actual increase of salaries was higher than the nominal increase, while the disappearance of the impact of changes in income taxation from the beginning of 2015 caused the increase of gross salaries to be more dynamic than the increase of net salaries. The average monthly gross salary per employee with legal entities amounted to HRK 7 752 in 2016. At the same time, the average monthly net salary amounted to HRK 5 685.

The salary increase in the previous year contributed to the increase of a household's available income, and thereby to the increase of personal consumption, which in turn contributed to the acceleration of economic growth.

From the beginning of the year until the end of February, the Croatian Kuna grew by 1.7% compared to the common currency of the Euro-zone, which is its highest appreciation

during the aforementioned period in the past ten years. Moreover, most of these ten years have been characterized by a depreciation in January caused by increased payments and repayments abroad, and sometimes this depreciation would continue in February. However, the previous year, as well as the beginning of this one are showing positive economic trends, significant inflow of foreign currency and positive trends in the payment balance. As a result, the trust in the Croatian Kuna is increasing, as well as HRK savings and the demand for HRK loans. Compared to the previous year, HRK value against the Euro at the end of February was as much as 2.5% higher than one year ago, while the average HRK exchange rate for the first two months was higher by 2.0%. The trends recorded at the beginning of the year support the expectations that a moderate appreciation of the Croatian Kuna should continue at the annual level.

At the end of January of this year, there were 29 575 business entities with overdrawn bank accounts and HRK 17.5 billion of outstanding payment titles. A lower amount of outstanding payment titles was last recorded in September of 2008, but then there were 67% (19.4 thousand) more blocked entities. This means that the average debt value of a blocked business entity is much higher now, by as much as 72%, and amounts to HRK 591 thousand. Most business entities (66.6%) have long-term overdrafts (for over 360 days) and hold 79% of the total debt, even though it was anticipated that these entities would have been dealt with by now pursuant to the provisions of the Bankruptcy Act in force since September of 2015.

Regulatory Environment

I.5

Considering that in the previous reporting period, the Croatian Regulatory Authority for Network Industries (hereinafter: HAKOM) rendered final decisions in all proceedings for the change of monthly charges for wholesale services of HT, which the Company uses in order to provide retail services to its end customers, there were no significant changes in the electronic communications market regulation in this reporting period.

Therefore, as of 1 January 2017, new wholesale prices calculated by HAKOM based on its own cost model apply. Compared to the previous prices, the new prices for the unbundled access to the local loop service (hereinafter: ULL) and the wholesale broadband access service when the end customer gains basic access to the network through the user operator (hereinafter: NBSA service) for speeds exceeding 30 Mbit/s are higher, while the price of the NBSA service for speeds up to 30 Mbit/s is lower. New wholesale price of the monthly charge for the wholesale broadband access service and the prices of monthly charges for the wholesale high quality access service also apply, and these new prices are lower than the ones applied in 2016.

Regardless of changes to wholesale prices, the Company is still required to implement HAKOM's Margin Squeeze Test for every retail price of regulated service (network access services, internet access services with the connected IPTV service), irrespective of whether this service is provided independently or as a part of a package including other electronic communications services. HAKOM has updated the Margin Squeeze Test model with new wholesale prices, but also with new retail costs and the new Margin Squeeze Test Methodology which applies as of 1 January 2017.

Out of the more relevant changes to legislation in force in the field of electronic communications, the entry application of new provisions of the Ordinance on the manner and conditions for provision of electronic communications networks and services has been announced. In particular, this pertains to the obligation that in the event of reported and ascertained failures going on for over 24 hours, the operator is always to offer the customer a discount on the bill or another way of compensation without the need to object to the bill, which applies as of 1 January 2017.

I.6 Business Indicators and Segments

Number of Customers	31.03.2017	31.12.2016	31.03.2017/ 31.12.2016	31.03.2016	31.03.2017/ 31.03.2016
Business					
PVS ¹	13.270	13.324	-0,4%	13.817	-4,0%
IPTV	1.115	1.090	2,3%	1.077	3,5%
Internet	11.821	11.653	1,4%	11.867	-0,4%
Data	1.411	1.424	-0,9%	1.401	0,7%
Residential					
PVS	133.061	136.842	-2,8%	139.697	-4,8%
IPTV	30.810	30.112	2,3%	28.482	8,2%
Internet	87.922	89.027	-1,2%	88.790	-1,0%

NOTE: 1

a. Residential Sales Segment

Optima Telekom continues to invest in marketing and sales activities aimed at the decrease in outflow of existing customers and the increase of the inflow of new customers.

Thanks to this, within the residential segment there was a remarkable success in stopping and stabilizing negative customer base developments from the previous years.

Negative national trends in the segment of residential customers of the fixed public voice service also reflect on the trends within Optima Telekom. Compared to the number of residential customers of the fixed public voice service in the first quarter of 2016, Optima Telekom has concluded the first quarter of 2017 with a 4.8% drop and a 9.6% revenue decrease.

Compared to the end of 2016, the first quarter of 2017 shows a slight, 2.8% decrease in the number of residential customers of the fixed public voice service, with a revenue drop of 0.5%. Slowing down the decrease in the segment of residential customers of the fixed public voice service is a result of intense sales activities Optima Telekom has undertaken during the aforementioned quarter.

In the segment of broadband internet access, compared to the first quarter of 2016, revenue has increased by 10.2% while keeping the number of customers stable, i.e. showing a minimal drop of 1.0%. In line with the market expansion trend in this segment, in the first quarter of 2017 Optima Telekom has recorded an increase in revenue by 2.8% compared to the last quarter of 2016, with a slight decrease

1

"Methodology change: Within the number of business PVS customers, major business customers using only Internet and data services have been factored in. Previous periods have been updated to obtain comparable data."

ase in the number of customers, by 1.2%. The revenue increase in the broadband internet access segment has been achieved because of the increase of the share of packages at VDSL speeds.

In the segment of IPTV residential customers there was an increase in both the number of customers and revenue, equally so at the annual and quarterly level. At the annual level, there was an 8.2% increase in the number of customers, with a significant revenue increase of 14.0%. A 2.3% customer base growth has been recorded in the first quarter of 2017, followed by a 3.1% revenue increase compared to the last quarter of the previous year. Positive trends in the IPTV residential customers segment lean against the implementation of a new offer of packages in Optima Telekom's portfolio.

b. Business Sales Segment

In business sales the key activities of all sales channels in the first quarter of 2017 were aimed at increasing the inflow of new connections, extending the contracts with the existing customer base and offering a wide portfolio of ICT solutions and services.

In the public voice service segment, compared to the previous quarter, we have recorded a 2.6% revenue drop and a slight 0.4% decrease in the number of connections. Compared to the first quarter of the previous year, we have observed a 7.9% revenue drop and a 4.0% decrease in the number of connections as a consequence of further migrations and optimization of the public voice service in large corporate customers by switching to more advanced IP solutions, thus decreasing the number of connections and the use of the service. 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.

In the broadband Internet access segment there has been a slight 1.4% increase in the number of connections and a 3.2% drop in revenue compared to the previous quarter,

which is a result of intense pressure from the competition on service prices, particularly in the segment of mid-sized and large business customers. The increase in the number of connections is a result of intensified acquisition activities in the small business customers segment. Compared to the same period of the previous year, there has been a slight, 0.4% drop in the number of customers and a 5.3% revenue increase.

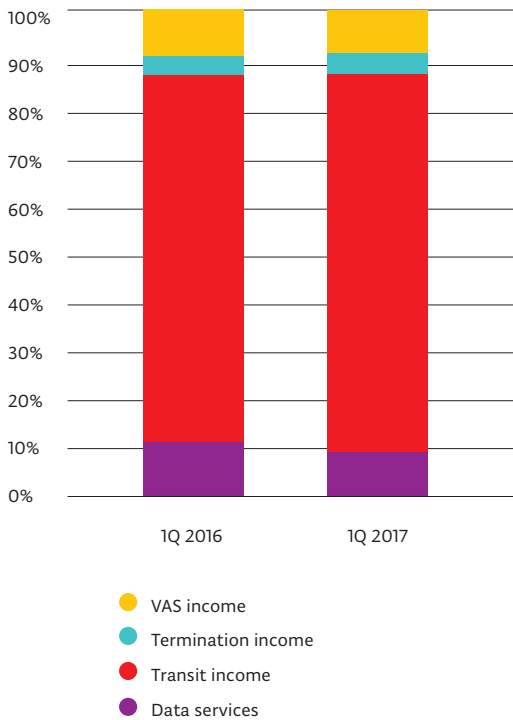
In the data services segment, there has been a 0.9% decrease in the number of connections and a 3.0% revenue drop compared to the previous quarter. Compared to the same period of the previous year, we have recorded a slight, 0.5% decrease of revenue. This service segment is also subject to intense pressure from the competition on service prices, particularly in the segment of mid-sized and large business customers.

During the first quarter of 2017, positive results have been achieved in the sales of ICT solutions and services, which is a result of high focusing sales activities on this market segment in the previous periods and the increased number of sales opportunities which were used successfully. Revenues in the first quarter of 2017 amounted to HRK 0.5 million. In the upcoming period, we anticipate further expansion of internal organization and partner network, enabling us to respond to marked demands and to offer both existing and new customers a broad spectrum of innovative solutions, as well as an increase in revenue from this business segment.

In the first quarter of 2017, revenues from wholesale services are down by 6.8% compared to the same period of the previous year. The revenue decrease relates to the decrease of wholesale data services revenue, which is a result of a higher income in the first quarter of the previous year. Furthermore, the wholesale services revenue drop is contributed to by the 3.5% decrease in revenue from the transit of voice services and is a consequence of reducing the volume of low-profit international transit.

Even though international transit revenue went down by as much as 75% compared to the first quarter of 2017, in the first quarter of 2017 it has been almost entirely replaced

Interconnection Income Structure



Data Source: Company's business records

by another, more profitable traffic flows. This increased the impact on the EBITDA margin from wholesale voice traffic by 12% compared to the same period of the previous year.

In the first quarter of 2017, VAS service revenue is 12.6% lower compared to the previous year, mostly due to market conditions influencing the decline in traffic.

c. Infrastructure, Optical Fiber Network and Internal Services Development

Voice Networks

In the first quarter of 2017, a new SBC-ACC (Session Border Controller – Access) system has been acquired. The system is used to separate the core of the voice network, i.e. telephone switchboards within the core, from user equipment in the access voice network. The new SBC device is to support the anticipated increase in the number of customers of the voice service through the VoIP technology and to ensure full redundancy of the SBC system for the access voice network.

During the first quarter of 2017, voice traffic has been migrated from all telephone switchboards to an internally developed central system for intelligent call management. Additionally, voice traffic has been migrated for three international operators using the IP/SIP IC connections to the SBC-IC (Session Border Controller – Interconnection) systems.

Data Networks

The modernization of the existing DWDM transfer system connecting Osijek, Rijeka and Zagreb to Vienna and Ljubljana has been completed.

This has set the foundations for further capacity enhancements to suit customer needs and the growth of data traffic and wholesale services.

In the first quarter of 2017, the VDSL technology for broadband internet access with speeds of up to 50 Mbit/s is available at 85% of the locations where OT-Optima Telekom is present.

The expansion shall continue in the upcoming quarter as well.

Network Infrastructure and Optical Fibre Network

Optical infrastructure development, i.e. the construction of the individual optical fiber network during the first quarter of 2017 consisted primarily of the construction of optical feeds to our new end wholesale and retail customers.

In numbers, we are talking about 10.2 km of new optical fiber network, consisting of the construction of 50 new optical feeds. Most feeds have been built in Northern Croatia (19 feeds), followed by the West (16 feeds), South (8 feeds) and East with 7 optical feeds.

Supervision (NOC)

During the first quarter of 2017 the supervision of telecommunications systems and services has been extended. For that purpose, all the new systems have been added to the supervision - Session Border Controller – Access System, Huawei MA5605 platform, Eaton SM45 DC system.

Zabbix NMS has been updated to fulfill the obligation of storing measurement data (3-year period).

An application was made for a more precise calculation of the number of customers affected by the failure, tailored to meet the obligation arising from the Ordinance on the manner and conditions for provision of electronic communications networks and services, that in the event of reported and ascertained failures going on for over 24 hours, the operator is always to offer the customer a discount on the bill or another way of compensation without the need to object to the bill amount.

Internal Application Development

A new system for creating security copies has been acquired, providing a significantly larger capacity and faster and safer data storage. The Company's plans envisage the upgrading of the CRM system, which will significantly accelerate the processing of customer queries,

package changes and activation of additional services.

Infrastructure

The project of replacing batteries in collocations which started last year continued, with the aim to secure the system's autonomy in the event of an electrical grid failure. During the first three months, 144 batteries have been replaced at 21 locations and battery tests run at 155 out of 317 locations throughout Croatia.

ICT Solutions

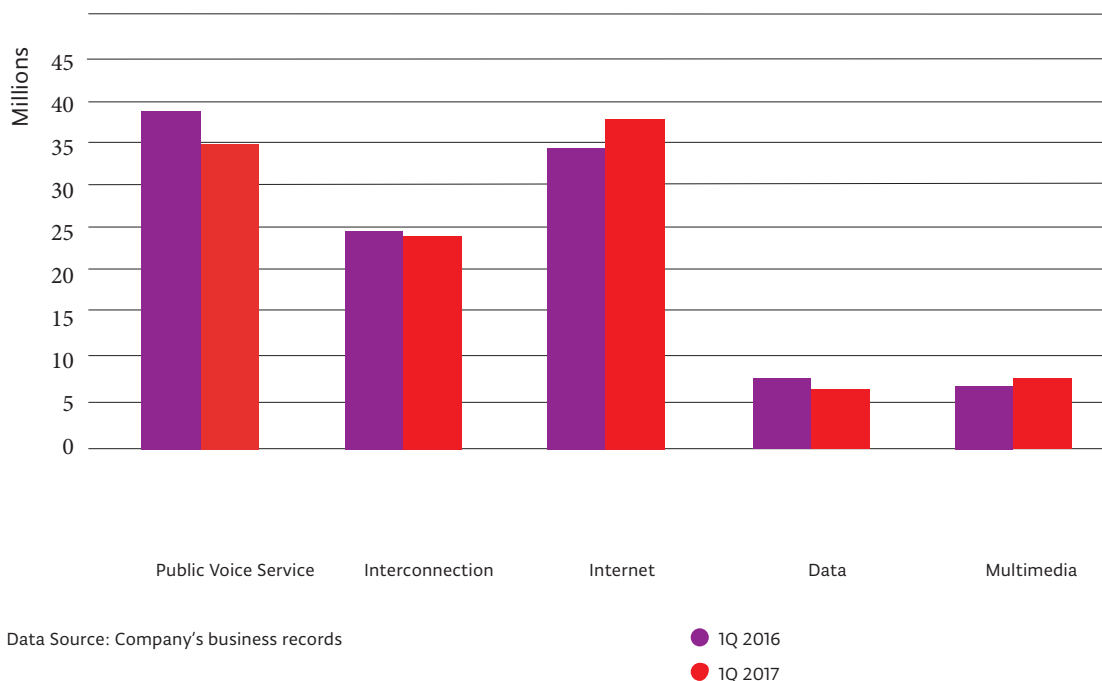
Through ICT solutions, a complete business solution has been offered to customers alongside Optima's standard services, which creates added value to the same. Optima's partner base is expanding constantly, which has resulted in enhancing the Company's presence in the market, and the expansion of the ICT solutions portfolio.

I.7

Financial Results of the Group

Summary (<i>in tsd HRK</i>)	Q1 2016	Q1 2017	Q1 2017/ Q1 2016
Total income	112.049	111.081	(0,9%)
Total expenses	88.909	87.521	(1,6%)
EBITDA	23.140	23.560	1,8%
One times items	227	0	(100,0%)
EBITDA before one times items	23.367	23.560	0,8%
EBITDA margin (before one times items)	20,9%	21,2%	1,7%
Depretiation	16.046	17.632	9,9%
Financial result (net)	(3.072)	(2.446)	(20,4%)
Net profit/(loss) before income taxes	4.022	3.482	
Net profit/(loss) before income taxes and one time item	4.248	3.482	

Telecommunication Services Revenue



a. Consolidated Revenue

Total telecommunications services revenue in the first quarter of 2017 is 0.9% lower compared to the same period of the previous year. The revenue decrease compared to the previous year is mostly due to the decrease in revenues from the public voice service by 9.9%, thus continuing the general downward trend in the use of the public voice service as a reflection of global trends.

The negative trend is additionally contributed by the 14.1% decrease in data revenue and the 3.8% decrease in interconnection revenue.

The revenue decrease pertains to the decrease in revenue from wholesale data services, which originates from a higher income in the first quarter of the previous year. Interconnection revenue is lower because of the drop in revenue from the transit of voice services by 3.5% and is a consequence of reducing the volume of low-profit international transit.

On the other hand, the above mentioned negative trends have been compensated by the 12.9% higher multimedia revenue and 6.5% higher internet revenue, being the segments focused on by the Company.

b. Earnings before Interest, Taxation and Depreciation – EBITDA

In the first quarter of 2017, the consolidated EBITDA is 1.8% higher compared to the previous year, mostly due to lower operating costs which successfully compensated the decrease of operating income.

The EBITDA before special items amounts to HRK 23.6 million, thus being 0.8% higher compared to the previous year.

The successful EBITDA achievements in the first quarter of 2017 represent the continuation of positive trends from 2016.

c. Net profit/(loss)

Taking into account the higher depreciation costs in the first quarter of 2017, the net result is HRK 0.5 million lower, which has been partly compensated by a better operative and net financial result.

d. Capital Investments in 2017

Consolidated capital investments in the first quarter of 2017 amounted to HRK 14.6 million.

	Q1 2017 (HRK 000)	share %
General Investments	80	0,5%
Capital Technical Investments	14.481	99,5%
ACCESS Network	11.647	80,0%
CORE Network	1.670	11,5%
Telecommunications Center	1.164	8,0%
TOTAL	14.561	100,0%

Out of this, HRK 11.6 million has been invested in the development of access fiber 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 1.7 million has been invested into the core network, while HRK 1.2 million has 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.

Purchase of Own Shares

I.8

During the first quarter of 2017 and the previous 2016 there were no purchases of the Company's own shares.

II. **Financial Reports of the Group**

Profit and Loss Account

II. 1

Position name	<i>In thousand HRK</i>	31.03.2017.	31.03.2016.
Sales		110.417	111.617
Other operating income		664	432
		111.081	112.049
Merchandise, material and energy expenses		(1.898)	(1.734)
Interconnection fee expenses		(36.907)	(39.862)
Rent of telecommunication equipment		(5.797)	(6.077)
Customer attraction expenses		(790)	(1.698)
Other service expenses		(17.728)	(15.759)
Staff costs		(12.681)	(12.833)
Own work capitalized		1.038	1.006
Depreciation, amortisation and impairment charges		(17.632)	(16.046)
Impairment charge on non-current and current receivables - net		(2.005)	(1.700)
Net loss on disposal of assets and equipment		(50)	(34)
Other operating expenses		(10.703)	(10.218)
		(105.153)	(104.955)
OPERATING PROFIT		5.928	7.094
Finance income		3.405	3.530
Finance costs		(5.851)	(6.602)
Finance costs - net		(2.446)	(3.072)
PROFIT/(LOSS) BEFORE TAXATION		3.482	4.022
Income tax expense		-	-
PROFIT/(LOSS) FOR THE YEAR		3.482	4.022
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME/(LOSS)		3.482	4.022

Data Source: Company's business records

II. 2

Balance Sheet

ASSETS	<i>In thousand HRK</i>	31.03.2017.	31.12.2016.
Intangible assets		37.566	42.110
Property, plant and equipment		292.001	290.632
Given loans		395	396
Deposits		3.508	3.563
Available-for-sale financial assets		35	35
Other non-current assets		8.250	8.500
Non-current assets		341.755	345.236
Inventories		65	119
Trade and other receivables		70.306	70.499
Given loans		10.766	10.772
Deposits		-	24
Prepaid expenses and accrued income		1.752	1.913
Cash and cash equivalents		7.311	9.670
Current assets		90.200	92.997
TOTAL ASSETS		431.955	438.233
EQUITY AND LIABILITIES			
Issued share capital		635.568	635.568
Capital gains		194.354	194.354
Other equity (MCL)		16.452	24.677
Accumulated losses		(807.354)	(808.729)
EQUITY		39.020	45.570
Long-term borrowings		187.708	200.216
Issued bonds		64.811	64.597
Trade payables		1.340	2.226
Provisions		58	58
Deferred income		18.991	19.595
Non-current liabilities		272.908	286.692
Short-term borrowings		17.930	8.674
Issued bonds		8.010	7.060
Trade payables		70.433	68.256
Provisions		109	109
Accrued expenses and deferred income		15.306	12.450
Other current liabilities		8.239	9.122
Current liabilities		120.027	105.671
TOTAL EQUITY AND LIABILITIES		431.955	438.233

Cash Flow

II. 3

Position name	<i>In thousand HRK</i>	31.03.2017.	31.03.2016.
Operating activities			
Total profit for the year		3.482	4.022
Depreciation and amortisation		17.632	16.046
Decrease/(increase) in inventories		54	(3)
Decrease/(increase) in trade and other receivables		192	(7.303)
Increase/(decrease) in trade payables and other liabilities		1.294	6.067
Other cash increase/(decrease)		2.664	1.349
Cash generated from operating activities		25.318	20.178
Cash flows from investing activities			
Payments for property, plant and equipment		(14.457)	(11.824)
Cash receipt from sale of ownership and debt instruments		-	-
Net cash used in investing activities		(14.457)	(11.824)
Cash flows from financing activities			
Other proceeds from financing activities		-	-
Repayment of finance lease liability and borrowings		(13.220)	(12.862)
Net cash used in financing activities		(13.220)	(12.862)
Net (decrease)/increase in cash and cash equivalents		(2.359)	(4.508)
Cash and cash equivalents at 1 January		9.670	20.418
Cash and cash equivalents at 31 March		7.311	15.910

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.

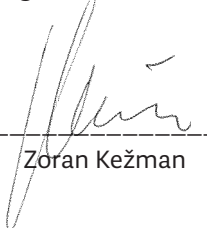
The financial report contains a true presentation of development, results and position of the Company and its subsidiaries, as well

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.

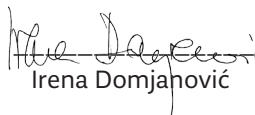
(Signatures of Board members)




Zoran Kežman



Mirela Šešerko



Irena Domjanović



Tomislav Tadić

Optima
OT - OPTIMA TELEKOM D.D.
ZAGREB

Enclosure 1

Reporting period:

1 Jan 2017

to

31 Mar 2017

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 **332**
(at the year's end)

Consolidated Report **YES**

Business activity code: **6110**

Entities in consolidation (according to IFRS)

Registered seat:

Tax number (MB):

OPTIMA DIRECT d.o.o.

Buje

03806014

OPTIMA TELEKOM d.o.o.

Koper, Republika Slovenija

02236133

OPTIMA TELEKOM za upravljanje nekretninama i savjetovanje d.o.o.

Kuzminečka 8, Zagreb

21017859228

Book-keeping firm

Contact person **Svetlana Kundović**

(unosi 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 2017 to 31 Mar 2017

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	112.049.063	112.049.063	111.080.879	111.080.879
1. Sales income	112	111.616.923	111.616.923	110.417.226	110.417.226
2. Other operating income	113	432.139	432.139	663.653	663.653
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	104.955.394	104.955.394	105.153.393	105.153.393
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	62.561.930	62.561.930	61.385.713	61.385.713
a) Costs of raw material and supplies	117	1.455.806	1.455.806	1.411.308	1.411.308
b) Costs of goods sold	118	207.173	207.173	433.350	433.350
c) Other external costs	119	60.898.951	60.898.951	59.541.055	59.541.055
3. Staff costs (121 do 123)	120	12.273.885	12.273.885	12.192.884	12.192.884
a) Net salaries and wages	121	7.066.212	7.066.212	7.221.209	7.221.209
b) Expenses of taxes and contributions from salaries	122	3.467.018	3.467.018	3.253.688	3.253.688
c) Contributions to salaries	123	1.740.655	1.740.655	1.717.987	1.717.987
4. Amortization	124	16.046.431	16.046.431	17.632.274	17.632.274
5. Other costs	125	12.146.537	12.146.537	11.937.895	11.937.895
6. Value adjustment (127+128)	126	1.700.000	1.700.000	2.004.627	2.004.627
a) fixed assets (apart from financial assets)	127	0	0	0	0
b) current assets (apart from financial assets)	128	1.700.000	1.700.000	2.004.627	2.004.627
7. Provisions	129	226.611	226.611		
8. Other operating expenses	130	0	0	0	0
III. FINANCIAL INCOME (132 through 136)	131	3.530.484	3.530.484	3.405.377	3.405.377
1. Interests income, foreign exchange gains, dividends and other income related to affiliated undertakings	132	0	0	0	0
2. Interests income, foreign exchange gains, dividends and other income related to unaffiliated undertakings and other persons	133	3.530.484	3.530.484	3.405.377	3.405.377
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	6.602.584	6.602.584	5.851.242	5.851.242
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	6.602.584	6.602.584	5.851.242	5.851.242
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	115.579.547	115.579.547	114.486.256	114.486.256
X. TOTAL EXPENSES (114+137+143 + 145)	147	111.557.978	111.557.978	111.004.635	111.004.635
XI. PROFIT / LOSS BEFORE TAXATION (146-147)	148	4.021.568	4.021.568	3.481.621	3.481.621
1. Profit before taxation (146-147)	149	4.021.568	4.021.568	3.481.621	3.481.621
2. Loss before taxation (147-146)	150	0	0	0	0
XII. PROFIT TAX	151	0	0	0	0
XIII. PROFIT / LOSS OF THE PERIOD (148-151)	152	4.021.568	4.021.568	3.481.621	3.481.621
1. Profit of the period (149-151)	153	4.021.568	4.021.568	3.481.621	3.481.621
2. Loss of 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 OF THE CURRENT PERIOD					
1. Assigned to the holders of parent company's capital	155	4.021.568	4.021.568	3.481.621	3.481.621
2. Assigned to minority interest	156	0	0	0	0
OTHER COMPREHENSIVE INCOME STATEMENT (popunjava poduzetnik obveznik primjene MSFI-a)					
I. PROFIT / LOSS OF THE PERIOD (= 152)	157	4.021.568	4.021.568	3.481.621	3.481.621
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 revalorization 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	4.021.568	4.021.568	3.481.621	3.481.621
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	4.021.568	4.021.568	3.481.621	3.481.621
2. Assigned to minority interest	170	0	0	0	0

BALANCE SHEET
as at 31 Mar 2017

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	336.736.062	333.505.195
I. INTANGIBLE ASSETS (004 through 009)	003	42.110.430	37.566.411
1. Development expenses	004	0	0
2. Concessions, patents, licences, goods and services trademarks, software and other rights	005	42.110.430	37.566.411
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	290.632.017	292.000.958
1. Land	011	23.269	23.269
2. Building objects	012	13.038.371	12.897.923
3. Facilities and equipment	013	272.055.881	268.848.440
4. Tools, production inventory and transport assets	014	803.660	741.208
5. Biological assets	015	0	0
6. Advances for tangible assets	016	0	0
7. Tangible assets in preparation	017	4.464.148	9.274.477
8. Other tangible assets	018	46.822	46.822
9. Real estate investments	019	199.866	168.819
III. FIXED FINANCIAL ASSETS (021 through 028)	020	3.993.615	3.937.826
1. Shares (stock) in affiliated entrepreneurs	021	0	0
2. Loans granted to affiliated entrepreneurs	022	0	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	3.958.615	3.902.826
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	91.083.607	88.448.652
I. INVENTORY (036 do 042)	035	118.664	64.711
1. Raw material and supplies	036	0	0
2. Ongoing production	037	0	0
3. Finished products	038	0	0
4. Trading goods	039	118.664	64.711
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	70.499.339	70.307.028
1. Receivables from affiliated entrepreneurs	044	0	0
2. Receivables from buyers	045	68.919.153	69.551.595
3. Receivables from participating entrepreneurs	046	0	0
4. Receivables from employees and members of the entrepreneur	047	28.713	29.694
5. Receivables from the state and other institution	048	189.720	100.667
6. Other receivables	049	1.361.753	625.072
III. CURRENT FINANCIAL ASSETS (051 through 057)	050	10.795.139	10.765.942
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	10.795.139	10.765.942
7. Other financial assets	057	0	0
IV. CASH IN BANK AND REGISTER	058	9.670.465	7.310.971
D) PREPAYMENTS AND ACCRUED INCOME	059	10.412.975	10.001.536
E) TOTAL ASSETS (001+002+034+059)	060	438.232.644	431.955.383
F) OFF-BALANCE RECORDS	061	319.189.241	319.842.709

LIABILITIES			
A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	45.870.097	39.020.244
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	24.677.448	16.451.632
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	24.677.448	16.451.632
IV. REVALORIZATION RESERVES	071	0	0
V. RETAINED EARNINGS OR LOSS CARRIED FORWARD (073-074)	072	-822.546.802	-810.835.089
1. Retained earnings	073	0	0
2. Loss carried forward	074	822.546.802	810.835.089
VI. PROFIT OR LOSS OF THE YEAR (076-077)	075	13.817.371	3.481.621
1. Profit of the year	076	13.817.371	3.481.621
2. Loss of the year	077	0	0
VII. MINORITY INTEREST	078	0	0
B) PROVISIONS (080 through 082)	079	166.832	166.832
1. Provisions for pensions, severance payments and similar obligations	080	166.832	166.832
2. Provisions for tax liabilities	081	0	0
3. Other provisions	082	0	0
C) FIXED LIABILITIES (084 through 092)	083	267.039.455	253.858.833
1. Liabilities towards affiliated entrepreneurs	084	0	0
2. Liabilities for loans, deposits and similar	085	0	0
3. Liabilities towards banks and other financial institutions	086	200.215.904	187.707.947
4. Liabilities for advances	087	0	0
5. Liabilities towards suppliers	088	2.226.404	1.339.448
6. Liabilities as per securities	089	64.597.147	64.811.438
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	93.111.947	104.612.760
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	8.673.864	17.930.509
4. Liabilities for advances	097	0	0
5. Liabilities towards suppliers	098	68.256.781	70.433.015
6. Liabilities as per securities	099	7.060.062	8.010.022
7. Liabilities towards entrepreneur with participating interests	100	0	0
8. Liabilities towards employees	101	3.306.646	3.227.911
9. Liabilities for taxes, contributions and similar levies	102	4.774.534	3.835.670
10. Liabilities as per share in results	103	0	0
11. Liabilities as per longterm assets intended for sale	104	0	0
12. Other current liabilities	105	1.040.060	1.175.633
E) DEFERRED SETTLEMENT OF CHARGES AND INCOME OF FUTURE PERIOD	106	32.044.313	34.296.713
F) TOTAL – LIABILITIES (062+079+083+093+106)	107	438.232.644	431.955.383
G) OFF – BALANCE RECORDS	108	319.189.241	319.842.709
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	45.870.097	39.020.244
2. Assigned to minority interest	110	0	0

Note 1.: anex 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 2017 to 31 Mar 2017

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	4.021.568	3.481.621
2. Depreciation	002	16.046.431	17.632.274
3. Increase of short-term liabilities	003	6.067.281	1.294.208
4. Decrease of short-term receivables	004		192.310
5. Decrease of inventories	005		53.953
6. Other increase of cash flow	006	1.348.787	2.663.840
I. Total increase of cash flow from operating activities (001 through 006)	007	27.484.067	25.318.206
1. Decrease of short-term liabilities	008		
2. Increase of short-term receivables	009	7.302.523	
3. Increase of inventories	010	3.293	
4. Other decrease of cash flow	011		
II. Total decrease of cash flow from operating activities (008 through 011)	012	7.305.816	0
A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES (007-012)	013	20.178.251	25.318.206
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	0	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	0	0
1. Cash expenditure for buying tangible and intangible fixed assets	021	11.824.091	14.457.196
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	11.824.091	14.457.196
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	11.824.091	14.457.196
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	0	0
V. Total cash receipt from financial activities (027 through 029)	030	0	0
1. Cash expenditure for the payment of loan principal and bonds	031	1.875.464	2.889.239
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	10.986.424	10.331.265
VI. Total cash expenditure from financial activities (031 through 035)	036	12.861.888	13.220.504
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	12.861.888	13.220.504
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	4.507.728	2.359.494
Cash and cash equivalents at the beginning of the period	041	20.418.032	9.670.465
Increase of cash and cash equivalents	042	0	0
Decrease of cash and cash equivalents	043	4.507.728	2.359.494
Cash and cash equivalents at the end of the period	044	15.910.304	7.310.971

CHANGE IN CAPITAL STATEMENT
for the period from 01.01.2017 to 31.03.2017

Item 1	EDP 2	Previous year 3	Current year 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	24.677.448	16.451.632
4. Retained profit or loss carried forward	004	-822.546.802	-810.835.089
5. Profit or loss of the current year	005	4.021.568	3.481.621
6. Revaluation of fixed tangible assets	006		
7. Revaluation of intangible assets	007		
8. Revaluation of financial property available for sale	008		
9. Other revaluation	009		
10. Total capital and reserves (EDP 001 through 009)	010	36.074.294	39.020.244
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	36.074.294	39.020.244
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