



ZAGREBAČKA BURZA

*Zagreb Stock Exchange*



# Zagreb Stock Exchange Group

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Consolidated unaudited financial results for

01/01/2016 – 31/12/2016

28 February 2017

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# 1 INTERIM MANAGEMENT REPORT FOR THE PERIOD BETWEEN 01/01/2016 AND 31/12/2016

## 1.1 Significant business events of the Group in the period between 01/01/2016 and 31/12/2016

In 2016, Zagreb Stock Exchange Group (hereinafter: the Group) recorded the following significant business events:

- approval of amendments to the Zagreb Stock Exchange Rules providing for a separation of the Regulated Market and the MTF, introducing the possibility of open-end investment fund (ETF) listing, introducing a mechanism which enables the cancellation of already issued orders from the regulated market and the suspension of new order issuance (so-called Kill Switch Mechanism) for the clearing and settlement system, aligning the term specialist and market maker, altering the term reference price for structured products, and introducing a so-called mistrade rule mechanism;
- approval of amendments to the Price List of Zagreb Stock Exchange Services, amending the price of member seat, defining a fee for ETFs, abolishing a fee payable for listing application processing on the regulated market, and introducing a data delivery fee;
- conclusion of a master framework agreement on the Xetra trading system between the ZSE and the WBAG;
- New Management Board, composed of Mr Aleš Ipavec, President, and Ms Nina Vičar, Member, began their 4-year term-of-office at LJSE
- Ljubljana Stock Exchange adopted a new LJSE Price list, increasing fees for members and listed companies
- Ljubljana Stock Exchange adopted new LJSE Rules which regulate the status of membership with limited trading rights
- Ljubljana Stock Exchange successfully organized 33rd Financial Conference in cooperation with Finance daily with more than 180 participants from financial industry, state institutions and companies
- the SEE Link platform became operational, and SEE Link also launched its first two blue chip equity indices: SEE LinX and SEE LinX EWI;
- since the launch of the SEE Link platform's operational work, the following exchanges have submitted an application to join the platform: Ljubljana, Belgrade, Banja Luka, Montenegro, Athens;
- cooperation between SEE Link and Intercapital company has been agreed and an agreement signed under which Intercapital is to provide end of day reporting covering the Macedonian market too;
- a joint Zagreb and Ljubljana Stock Exchange's Investor Day was held, gathering 27 local and foreign investors who had 217 meetings with 13 issuers;
- in December 2016, Ljubljana Stock Exchange and Belgrade Stock Exchange joined SEE Link platform
- the procedure of accreditation was initiated with the Global Legal Entity Identifier Foundation (GLEIF) for authorisation of Local Operating Units which may issuer LEIs;

- 7<sup>th</sup> course of education for issuers was held under the joint auspices of the Zagreb Stock Exchange, Central Depository and Clearing Company and Croatian Financial Services Supervisory Agency, gathering around 120 representatives of listed companies;
- the 1<sup>st</sup> publication of the Zagreb Stock Exchange – Corporate Governance Manual – was issued;
- issuer and certificates market maker Erste&Steiermärkische Bank d.d. withdrew its certificates from trading on the Zagreb Stock Exchange;
- SME Growth Market, a project of regional SME market development, was launched in cooperation with the European Bank for Reconstruction and Development;
- the 26<sup>th</sup> Zagreb Stock Exchange Conference and the 10<sup>th</sup> Investment Fund Industry Conference were held jointly, attracting more than 350 participants from the financial industry, state authorities and companies;
- in cooperation with Estonian company Funderbeam, Funderbeam SEE d.o.o. (Ltd.) company was established and a platform launched to finance start-ups in this part of Europe.

## 1.2 ZSE and LJSE in 2016

The first half of 2016 was marked by relatively low turnover while the other half saw a recovery of sorts. Order book share trading ended 13.4 % lower than a year earlier; however, handsome bond turnover and block share trades resulted in the 16 % overall turnover growth, while trading intensity is best illustrated by the overall volume growth at a rate of 34 %.

	2015	2016	%
<b>Total turnover (HRK)</b>	3,329,516,515	3,864,406,130	16.07
Stocks	2,205,962,331	1,909,490,857	-13.44
Bonds	294,910,882	438,402,122	48.66
Structured products	79,256,167	51,903,393	-35.51
Equity block turnover	541,436,967	1,209,431,180	123.37
Debt block turnover	207,950,168	255,178,578	22.71
<b>Average daily turnover (HRK)</b>	13,425,470	15,396,040	14.68
<b>Market capitalisation – shares (mil. HRK)</b>	122,928.10	143,188.90	16.48
<b>Most active stock by turnover</b>	HT (14.7 %)	HT (18.7 %)	
<b>CROBEX - 31. 12. 2016</b>	1.689,63	1.994.84	18.06

All indices without exception closed the year on a positive note, with as many as seven of the nine share indices recording double-digit growth. CROBEXtulist, up 28 %, led the way and was followed by CROBEXindustrija (+23.6 %), as well as CROBEXplus and CROBEXtransport advancing approximately 21 %. The main CROBEX index strengthened 18 % and, at one point in 2016, closed the trading day above its psychological ceiling of 2,000 points for the first time in five years. The return on investment, viewed through the CROBEXtr index dividend yield, was even better (+ 21.1 %).

	2015	2016	%
CROBEX®	1,689,63	1,994.84	18.10
CROBEX10®	989,28	1,158.18	17.10
CROBEXplus®	969.58	1,181.83	21.90
CROBEXindustrija®	965.06	1,192.90	23.60
CROBEXkonstrukt®	480.09	517.7	7.80
CROBEXnutris®	782.23	856.31	9.50
CROBEXtr®	1,010.22	1,222.89	21.10
CROBEXtransport®	889.38	1,077.12	21.10
CROBEXturist®	2,559.02	3,271.93	27.90
CROBIS®	105.08	108.82	3.60
CROBIStr®	144.61	157.08	8.60

Daily turnover on the Ljubljana Stock Exchange also shrank in 2016 compared to 2015. Share turnover was 6.2 % lower and bond turnover declined 66.7 %, leading to a decline in total turnover by 15 %. The most liquid share of 2016 was that of Krka d.d. once again, accounting for 37 % of the total turnover (it had a 35 %-share in turnover in 2015). The SBI TOP index rose 3.08 % over 2015.

### 1.3 Expected future development of the Group

In 2017, the Group will press on with previously initiated projects. The Zagreb Stock Exchange will put the greatest emphasis on implementing the new trading system and LEI accreditation on the Zagreb Stock Exchange.

The Group will focus on the project of regional SME capital market development, as well as the project of developing a new platform for the financing of start-ups (Funderbeam).

### 1.4 Research & Development activities

The Group invests constant efforts into developing and improving the trading platform and associated external services.

### 1.5 Information on repurchase of own shares

As at 31 December 2016, the companies in the Group held no own shares. They did not acquire own shares between 1 January 2016 and 31 December 2016.

### 1.6 Zagreb Stock Exchange Group

SEE Link d.o.o., a company domiciled in Skopje. The issued share capital of SEE LINK is EUR 80,000, in which the Zagreb Stock Exchange, Inc. participates with 33.33 %.

The Ljubljana Stock Exchange, Inc., a company domiciled in Ljubljana. The issued share capital of the Ljubljana Stock Exchange is EUR 1,401,000, in which the Zagreb Stock Exchange, Inc. participates with 100 %.

Funderbeam SEE d.o.o., a company domiciled in Zagreb. The issued share capital of Funderbeam SEE is EUR 20,000, and the Zagreb Stock Exchange, Inc. participates with 20 %.

#### **1.7 Financial instruments used by the Group**

The Companies in the Group are fully funded by its own capital and, in addition to trade receivables and accounts payable, the majority of their financial instruments relates to investing in investment funds and deposits.

#### **1.8 Group's objectives and policies related to financial risk management**

All employees of the companies in the Group, including their Management and Supervisory Board, are involved in the implementation of internal control and risk management systems.

The companies in the Group manage risks, including financial risks, particularly through cooperation and coordination of two mutually independent control functions that exist at Zagreb Stock Exchange and Ljubljana Stock Exchange: monitoring of compliance with relevant regulations and internal audit function.

#### **1.9 Group's exposure to price risk, credit risk, liquidity risk and cash flow risk**

The companies in the Group, Zagreb Stock Exchange and Ljubljana Stock Exchange, place their excess cash on deposits and invest in open-end money market and bond investment funds. Their investments are carried at fair value. Zagreb Stock Exchange and Ljubljana Stock Exchange mitigate the price risk by diversifying their portfolio of open-end investment funds by investing in different types of funds managed by different fund management companies, and by investing in low-risk funds.

SEE Link and Funderbeam SEE are not exposed to the risks mentioned in this paragraph.

The companies in the Group have no loans received, rather their cash and financial assets exceed substantially the liabilities of the companies in the Group, consequently, their liquidity position is satisfactory.

#### **1.10 Statement of transactions and transfers within the Group and between the Group and its shareholders**

The Group confirms that there were no transactions within the Group and between the Group and its shareholders in excess of EUR 100,000 in 2016.

### **1.11 Statement of events which might have an adverse effect on Group operations**

The Group confirms that there were no events which might have an adverse effect on Group operations in 2016.

### **1.12 Business results for 01/01/2016 – 31/12/2016**

The Group operating income in 2016 amounted to HRK 24,474,760, down 6.6 % compared to 2015. Listing fees recorded the steepest income decline (-35.6 %) due to fewer new securities listings on the Exchanges, while a turnover decrease pushed commissions income down by -4.2 %. Other operating income, constituting almost 12 % of the total operating income, rose 19 %. Other income categories that also recorded an increase include: LEI issuance income (267 %), listing maintenance fees (4.3 %), data dissemination income (3.4 %) and conference income (29.6 %).

In 2016, total operating expenses decreased 7.3 % compared to the previous year to stand at HRK 28,168,083. All expenses were reduced, except software cost rising at a rate of 17.6 % to account for 24 % of total operating expenses, and other operating expenses, up 0.4 %. Personnel expenses declined 15.9 % and the cost of lease of office space 11.4 %, with depreciation down 22.4 % and the cost of administrative fees 3.2 %.

The 2016 Group financial income rose 4.4 % year-on-year, with financial expenses down 18 %.

In the year under review, total result of the Group stood at HRK -3,292,109, which is 10.1 % less compared to 2015. Operating profit was negative and amounted to HRK -1,479,903.

Please note that 2015 P&L includes pro forma consolidation of Ljubljana Stock Exchange although Ljubljana Stock Exchange was acquired on December 30<sup>th</sup>, 2015.

## 2 Declaration of responsibility for the preparation of financial statements

The financial statements of the Group prepared for the period between 01/01/2016 and 31/12/2016 give a fair and true account of facts in accordance with the International Standards of Financial Reporting and the Croatian Accounting Act.

Consolidated financial statements for the period between 01/01/2016 and 31/12/2016 give an objective, complete and true statement of assets and liabilities, financial position and operations of the Group.

The management report for the year 2016 contains a true and fair view of the development and results of operations, with a description of the principal risks and uncertainties to which the Group is exposed.

We make note of the fact that this is an unaudited result, so any changes in the final statement to be published by the Exchange in the statutory time limit will reflect audit findings. However, we expect no major discrepancies in relation to the current statement.

  
Ivana Gažić  
President of the Management Board

  
Tomislav Gračan  
Member of the Management Board



### **Contact**

Zagreb Stock Exchange, Inc.  
Ivana Lučića 2a/22  
10000 Zagreb  
Croatia

Phone number: +385/ 1 468 6806

E-mail: [ir@zse.hr](mailto:ir@zse.hr)



**Consolidated unaudited financial statements of the  
Company for 01/01/2016 – 31/12/2016**

**Annex 1.**

Reporting period

1.1.2016

to

31.12.2016.

**Quarterly financial report TFI-POD**

Tax number (MB): 3749606

Company registration number (MBS): 080034217

Personal identification number (OIB): 84368186611

Issuing company: ZAGREBAČKA BURZA d.d.

Postal code and place: 10000

Zagreb

Street and house number: Ivana Lučića 2a

E-mail address: \_

Internet address: \_

Municipality/city code and name: 133 ZAGREB

County code and name: 21 GRAD ZAGREB

Number of employees: 20

NKD code: 6611

Consolidated report: YES

Companies of the consolidation subject (according to IFRS):

Seat:

MB:

LJUBLJANSKA BORZA d.d.

LJUBLJANA

5316081

Bookkeeping service: 03603946

DATA-LINK d.o.o.

Contact person: POPOVIĆ MAJA  
(only surname and name)

Telephone: 016389309

Telefaks: 013822700

E-mail address: [maja.popovic@data-link.hr](mailto:maja.popovic@data-link.hr)Family name and name: Gažić Ivana, Gračan Tomislav  
(person authorized to represent the company)

L.S.

(signature of the person authorized to represent the company)

<b>Balance Sheet</b>			
<b>as of 31.12.2016.</b>			
<b>Company: ZAGREBAČKA BURZA d.d.</b>			
Position	AOP	Previous period	Current period
1	2	3	4
<b>ASSETS</b>			
<b>A) RECEIVABLES FOR SUBSCRIBED NOT PAID CAPITAL</b>	<b>001</b>	0	0
<b>B) NON-CURRENT ASSETS (003+010+020+029+033)</b>	<b>002</b>	<b>16.962.513</b>	<b>15.904.107</b>
<b>I. INTANGIBLE ASSETS (004 do 009)</b>	<b>003</b>	<b>5.543.902</b>	<b>4.569.151</b>
1. Expenditure for development	004	0	0
2. Concessions, patents, licenses, trademarks, service marks, software and other rights	005	3.914.829	2.696.374
3. Goodwill	006	1.629.073	1.629.073
4. Advances for purchase of intangible assets	007	0	0
5. Intangible assets in progress	008	0	243.704
6. Other intangible assets	009	0	0
<b>II. PROPERTY, PLANT AND EQUIPMENT (011 do 019)</b>	<b>010</b>	<b>10.270.417</b>	<b>10.232.572</b>
1. Land	011	0	0
2. Buildings	012	9.166.107	8.810.105
3. Plant and equipment	013	1.079.985	1.311.308
4. Tools, working inventory and transportation assets	014	0	0
5. Biological assets	015	0	0
6. Advances for purchase of tangible assets	016	0	0
7. Tangible assets in progress	017	0	86.834
8. Other tangible assets	018	24.325	24.325
9. Investment in real-estate	019	0	0
<b>III. NON-CURRENT FINANCIAL ASSETS (021 do 028)</b>	<b>020</b>	<b>842.595</b>	<b>819.054</b>
1. Share in related parties	021	0	0
2. Loans to related parties	022	0	0
3. Participating interests (shares)	023	197.125	201.125
4. Loans to companies with participating interest	024	0	0
5. Investments in securities	025	196.861	196.861
6. Loans, deposits, etc.	026	249.890	249.890
7. Other non-current financial assets	027	2.925	2.896
8. Equity-accounted investments	028	195.794	168.282
<b>IV. RECEIVABLES (030 do 032)</b>	<b>029</b>	<b>157.679</b>	<b>127.675</b>
1. Receivables from related parties	030	0	0
2. Receivables arising from sales on credit	031	0	0
3. Other receivables	032	157.679	127.675
<b>V. DEFERRED TAX ASSET</b>	<b>033</b>	<b>147.920</b>	<b>155.655</b>
<b>C) CURRENT ASSETS (035+043+050+058)</b>	<b>034</b>	<b>36.079.510</b>	<b>33.669.739</b>
<b>I. INVENTORIES (036 do 042)</b>	<b>035</b>	<b>0</b>	<b>13.810</b>
1. Raw materials and supplies	036	0	0
2. Production in progress	037	0	0
3. Finished products	038	0	0
4. Merchandise	039	0	13.810
5. Advances for inventories	040	0	0
6. Long term assets held for sale	041	0	0
7. Biological assets	042	0	0

<b>II. RECEIVABLES (044 do 049)</b>	<b>043</b>	<b>2.811.046</b>	<b>3.941.066</b>
1. Receivables from related parties	044	0	0
2. Receivables from end-customers	045	2.531.395	2.765.822
3. Receivables from participating parties	046	0	0
4. Receivables from employees and members of the company	047	2.029	8.374
5. Receivables from government and other institutions	048	0	1.108.489
6. Other receivables	049	277.622	58.381
<b>III. CURRENT FINANCIAL ASSETS (051 do 057)</b>	<b>050</b>	<b>30.146.005</b>	<b>17.553.483</b>
1. Share in related parties	051	0	0
2. Loans to related parties	052	0	0
3. Participating interests (shares)	053	0	0
4. Loans to companies with participating interest	054	0	0
5. Investments in securities	055	0	0
6. Loans, deposits, etc.	056	30.146.005	17.553.483
7. Other financial assets	057	0	0
<b>IV. CASH AND CASH EQUIVALENTS</b>	<b>058</b>	<b>3.122.459</b>	<b>12.161.380</b>
<b>D) PREPAYMENTS AND ACCRUED INCOME</b>	<b>059</b>	<b>3.676.734</b>	<b>4.047.464</b>
<b>E) TOTAL ASSETS (001+002+034+059)</b>	<b>060</b>	<b>56.718.757</b>	<b>53.621.310</b>
<b>F) OFF BALANCE SHEET ITEMS</b>	<b>061</b>	<b>0</b>	<b>0</b>
<b>EQUITY AND LIABILITIES</b>			
<b>A) ISSUED CAPITAL AND RESERVES (063+064+065+071+072+075+078)</b>	<b>062</b>	<b>46.512.612</b>	<b>42.991.961</b>
<b>I. SUBSCRIBED SHARE CAPITAL</b>	<b>063</b>	<b>46.357.000</b>	<b>46.357.000</b>
<b>II. CAPITAL RESERVES</b>	<b>064</b>	<b>0</b>	<b>290.699</b>
<b>III. RESERVES FROM PROFIT (066+067-068+069+070)</b>	<b>065</b>	<b>14.001.181</b>	<b>14.001.181</b>
1. Legal reserves	066	141.000	141.000
2. Reserve for own shares	067	13.860.181	13.860.181
3. Treasury shares and shares (deductible items)	068	0	0
4. Statutory reserves	069	0	0
5. Other reserves	070	0	0
<b>IV. REVALUATION RESERVES</b>	<b>071</b>	<b>0</b>	<b>0</b>
<b>V. RETAINED EARNINGS OR LOSS CARRIED FORWARD (073-074)</b>	<b>072</b>	<b>-10.711.913</b>	<b>-13.837.569</b>
1. Retained earnings	073	0	0
2. Loss carried forward	074	10.711.913	13.837.569
<b>VI. NET PROFIT OR LOSS FOR THE PERIOD (076-077)</b>	<b>075</b>	<b>-3.133.656</b>	<b>-3.819.350</b>
1. Net profit for the period	076	0	0
2. Net loss for the period	077	3.133.656	3.819.350
<b>VII. MINORITY INTEREST</b>	<b>078</b>	<b>0</b>	<b>0</b>
<b>B) PROVISIONS (080 do 082)</b>	<b>079</b>	<b>0</b>	<b>0</b>
1. Provisions for pensions, severance pay and similar liabilities	080	0	0
2. Provisions for tax liabilities	081	0	0
3. Other provisions	082	0	0
<b>C) NON-CURRENT LIABILITIES (084 do 092)</b>	<b>083</b>	<b>0</b>	<b>138.875</b>
1. Liabilities to related parties	084	0	0
2. Liabilities for loans, deposits, etc.	085	0	0
3. Liabilities to banks and other financial institutions	086	0	138.875
4. Liabilities for advances	087	0	0
5. Trade payables	088	0	0
6. Commitments on securities	089	0	0
7. Liabilities to companies with participating interest	090	0	0
8. Other non-current liabilities	091	0	0
9. Deferred tax liabilities	092	0	0
<b>D) CURRENT LIABILITIES (094 do 105)</b>	<b>093</b>	<b>5.217.361</b>	<b>6.030.694</b>

1. Liabilities to related parties	094	0	0
2. Liabilities for loans, deposits, etc.	095	0	0
3. Liabilities to banks and other financial institutions	096	0	60.747
4. Liabilities for advances	097	6.798	39.656
5. Trade payables	098	3.736.964	4.629.634
6. Commitments on securities	099	0	0
7. Liabilities to companies with participating interest	100	0	0
8. Liabilities to employees	101	492.561	409.307
9. Taxes, contributions and similar liabilities	102	971.980	882.653
10. Liabilities arising from share in the result	103	0	0
11. Liabilities arising from non-current assets held for sale	104	0	0
12. Other current liabilities	105	9.058	8.697
<b>E) ACCRUED EXPENSES AND DEFERRED INCOME</b>	<b>106</b>	<b>4.988.784</b>	<b>4.459.780</b>
<b>F) TOTAL EQUITY AND LIABILITIES (062+079+083+093+106)</b>	<b>107</b>	<b>56.718.757</b>	<b>53.621.310</b>
<b>G) OFF BALANCE SHEET ITEMS</b>	<b>108</b>	<b>0</b>	<b>0</b>
<b>ADDITION TO BALANCE SHEET (only for consolidated financial statements)</b>			
<b>ISSUED CAPITAL AND RESERVES</b>			
1. Attributable to majority owners	109	46.512.612	42.991.961
2. Attributable to minority interest	110	0	0

Income statement					
period 01.01.2016. to 31.12.2016.					
Company: ZAGREBAČKA BURZA d.d.					
Position	AOP	Previous period	Previous period	Current period	Current period
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
<b>I. OPERATING INCOME (112 do 113)</b>	<b>111</b>	<b>26.209.346</b>	<b>7.171.753</b>	<b>24.474.760</b>	<b>7.657.856</b>
1. Rendering of services	112	25.544.622	6.822.853	23.077.191	6.876.006
2. Other operating income	113	664.724	348.900	1.397.569	781.850
<b>II. OPERATING COSTS (115+116+120+124+125+126+129+130)</b>	<b>114</b>	<b>30.395.418</b>	<b>9.911.152</b>	<b>28.168.083</b>	<b>8.507.780</b>
1. Change in inventories of work in progress	115	0	0	0	0
2. Material expenses (117 do 119)	116	11.028.419	3.150.659	11.406.958	3.427.636
a) Costs of raw materials	117	865.258	217.273	665.401	159.769
b) Cost of goods sold	118	0	0	5.695	195
c) Other material expenses	119	10.163.161	2.933.386	10.735.862	3.267.672
3. Employee benefits expenses (121 do 123)	120	9.767.179	2.551.980	9.583.512	2.464.057
a) Net salaries	121	6.342.298	1.574.502	6.297.061	1.644.995
b) Tax and contributions from salary expenses	122	2.574.623	735.059	2.474.407	617.425
c) Contributions on salary	123	850.258	242.419	812.044	201.637
4. Depreciation and amortisation	124	2.882.947	667.012	2.213.420	567.335
5. Other expenses	125	4.085.839	1.392.967	4.471.350	1.669.727
6. Write down of assets (127+128)	126	706.167	546.228	441.512	362.800
a) non-current assets (except financial assets)	127	0	0	0	0
b) current assets (except financial assets)	128	706.167	546.228	441.512	362.800
7. Provisions	129	1.693.079	1.546.875	0	0
8. Other operating costs	130	231.788	55.431	51.331	16.225
<b>III. FINANCIAL INCOME (132 do 136)</b>	<b>131</b>	<b>488.211</b>	<b>114.416</b>	<b>510.363</b>	<b>-84.949</b>
1. Interest, foreign exchange differences, dividends and similar income from related parties	132	2.398	856	40.335	-183.210
2. Interest, foreign exchange differences, dividends and similar income from third parties	133	398.091	98.891	379.812	86.022
3. Income from investments in associates and joint ventures	134	0	0	49.215	0
4. Unrealised gains (income) from financial assets	135	87.689	14.667	36.135	12.231
5. Other financial income	136	33	2	4.866	8
<b>IV. FINANCIAL EXPENSES (138 do 141)</b>	<b>137</b>	<b>94.769</b>	<b>58.456</b>	<b>77.571</b>	<b>-521.948</b>
1. Interest, foreign exchange differences, dividends and similar income from related parties	138	39.132	36.764	6.064	-539.129
2. Interest, foreign exchange differences, dividends and similar income from third parties	139	55.191	21.682	71.468	17.154
3. Unrealised losses (expenses) from financial assets	140	0	0	0	0
4. Other financial expenses	141	446	10	39	27
<b>V. SHARE OF PROFIT FROM ASSOCIATED COMPANIES</b>	<b>142</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VI. SHARE OF LOSS FROM ASSOCIATED COMPANIES</b>	<b>143</b>	<b>7.482</b>	<b>1.855</b>	<b>33.450</b>	<b>-10.184</b>
<b>VII. EXTRAORDINARY - OTHER INCOME</b>	<b>144</b>	<b>12.273</b>	<b>5</b>	<b>1.872</b>	<b>7</b>
<b>VIII. EXTRAORDINARY - OTHER EXPENSES</b>	<b>145</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>IX. TOTAL INCOME (111+131+144)</b>	<b>146</b>	<b>26.709.830</b>	<b>7.286.174</b>	<b>24.986.995</b>	<b>7.572.914</b>
<b>X. TOTAL EXPENSES (114+137+143+145)</b>	<b>147</b>	<b>30.497.669</b>	<b>9.971.463</b>	<b>28.279.104</b>	<b>7.975.648</b>
<b>XI. PROFIT OR LOSS BEFORE TAXES (146-147)</b>	<b>148</b>	<b>-3.787.839</b>	<b>-2.685.289</b>	<b>-3.292.109</b>	<b>-402.734</b>
1. Profit before taxes (146-147)	149	0	0	0	0

2. Loss before taxes (147-146)	150	3.787.839	2.685.289	3.292.109	402.734
<b>XII. TAXATION</b>	<b>151</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>XII. PROFIT OR LOSS FOR THE PERIOD (148-151)</b>	<b>152</b>	<b>-3.787.839</b>	<b>-2.685.289</b>	<b>-3.292.109</b>	<b>-402.734</b>
1. Profit for the period (149-151)	153	0	0	0	0
2. Loss for the period (151-148)	154	3.787.839	2.685.289	3.292.109	402.734
<b>ADDITION TO PROFIT AND LOSS ACCOUNT (only for consolidated financial statements)</b>					
<b>XIV. PROFIT OR LOSS FOR THE PERIOD</b>					
1. Attributable to majority owners	155	-3.135.138	-1.358.279	-3.292.109	-402.734
2. Attributable to minority interest	156	-652.701	-1.327.010	0	0
<b>STATEMENT OF OTHER COMPREHENSIVE INCOME (only for IFRS adopters)</b>					
<b>I. PROFIT OR LOSS FOR THE PERIOD (=152)</b>	<b>157</b>	<b>-3.787.839</b>	<b>-2.685.289</b>	<b>-3.292.109</b>	<b>-402.734</b>
<b>II. OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAXES (159 TO 165)</b>	<b>158</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
1. Exchange differences from international settlement	159	0	0	0	0
2. Changes in revaluation reserves of long-term tangible and intangible assets	160	0	0	0	0
3. Profit or loss from re-evaluation of financial assets held for sale	161	0	0	0	0
4. Profit or loss from cash flow hedging	162	0	0	0	0
5. Profit or loss from hedging of foreign investments	163	0	0	0	0
6. Share of other comprehensive income/loss from associated companies	164	0	0	0	0
7. Actuarial gains/losses from defined benefit plans	165	0	0	0	0
<b>III. TAXATION OF OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>166</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>IV. NET OTHER COMPREHENSIVE INCOME FOR THE PERIOD (158 TO 166)</b>	<b>167</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)</b>	<b>168</b>	<b>-3.787.839</b>	<b>-2.685.289</b>	<b>-3.292.109</b>	<b>-402.734</b>
<b>ADDITION TO STATEMENT OF OTHER COMPREHENSIVE INCOME (only for consolidated financial statements)</b>					
<b>VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD</b>					
1. Attributable to majority owners	169	-3.135.138	-1.358.279	-3.292.109	-402.734
2. Attributable to minority interest	170	-652.701	-1.327.010	0	0

Cash flow statement - indirect method			
period 01.01.2016. to 31.12.2016.			
Company: ZAGREBČKA BURZA d.d.			
Position	AOP	Previous period	Current period
1	2	3	4
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
1. Profit before tax	001	-3.787.839	-3.292.109
2. Depreciation and amortisation	002	2.882.947	2.213.420
3. Decrease of current liabilities	003	3.598.282	580.306
4. Decrease of current receivables	004	378.511	0
5. Decrease of inventories	005	0	5.695
6. Other cash flow increases	006	1.669.093	802.198
<b>I. Total increase of cash flow from operating activities</b>	<b>007</b>	<b>4.740.994</b>	<b>309.510</b>
1. Decrease of current liabilities	008	611.031	0
2. Increase of current receivables	009	0	1.002.719
3. Increase of inventories	010	0	13.810
4. Other cash flow decreases	011	5.617.001	2.208.795
<b>II. Total decrease of cash flow from operating activities</b>	<b>012</b>	<b>6.228.032</b>	<b>3.225.324</b>
<b>A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>013</b>	<b>0</b>	<b>0</b>
<b>A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>014</b>	<b>1.487.038</b>	<b>2.915.814</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
1. Proceeds from sale of non-current assets	015	0	788
2. Proceeds from sale of non-current financial assets	016	10	0
3. Interest received	017	280.622	288.228
4. Dividend received	018	0	49.215
5. Other proceeds from investing activities	019	8.720.245	11.944.134
<b>III. Total cash inflows from investing activities</b>	<b>020</b>	<b>9.000.877</b>	<b>12.282.365</b>
1. Purchase of non-current assets	021	688.987	1.200.824
2. Purchase of non-current financial assets	022	19.415.462	4.820
3. Other cash outflows from investing activities	023	0	7.469.883
<b>IV. Total cash outflows from investing activities</b>	<b>024</b>	<b>20.104.449</b>	<b>8.675.527</b>
<b>B1) NET INCREASE OF CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>025</b>	<b>729.407</b>	<b>11.635.665</b>
<b>B2) NET DECREASE OF CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>026</b>	<b>11.832.979</b>	<b>8.028.827</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
1. Proceeds from issue of equity securities and debt securities	027	14.872.500	0
2. Proceeds from loans and borrowings	028	0	199.622
3. Other proceeds from financing activities	029	0	0
<b>V. Total cash inflows from financing activities</b>	<b>030</b>	<b>14.872.500</b>	<b>199.622</b>
1. Repayment of loans and bonds	031	0	0
2. Dividends paid	032	0	0
3. Repayment of finance lease	033	0	0
4. Purchase of treasury shares	034	0	0
5. Other cash outflows from financing activities	035	0	0
<b>VI. Total cash outflows from financing activities</b>	<b>036</b>	<b>0</b>	<b>0</b>
<b>C1) NET INCREASE OF CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>037</b>	<b>14.872.500</b>	<b>199.622</b>
<b>C2) NET DECREASE OF CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>038</b>	<b>0</b>	<b>0</b>
Total increases of cash flows	039	2.283.748	8.968.780
Total decreases of cash flows	040	1.858	8.078.134
Cash and cash equivalents at the beginning of period	041	840.569	11.270.734



Increase of cash and cash equivalents	042	2.283.748	8.968.780
Decrease of cash and cash equivalents	043	1.858	8.078.134
Cash and cash equivalents at the end of period	044	3.122.459	12.161.380

**STATEMENT OF CHANGES IN EQUITY**

period 1.1.2016 to 31.12.2016

Position	AOP	Previous year	Current year
1	2	3	4
1. Subscribed share capital	001	46.357.000	46.357.000
2. Capital reserves	002	0	290.699
3. Reserves from profit	003	14.001.181	14.001.181
4. Retained earnings or loss carried forward	004	-10.711.913	-13.837.569
5. Net profit or loss for the period	005	-3.133.656	-3.819.350
6. Revaluation of tangible assets	006	0	
7. Revaluation of intangible assets	007	0	
8. Revaluation of available for sale assets	008	0	
9. Other revaluation	009	0	
<b>10. Total equity and reserves (AOP 001 to 009)</b>	<b>010</b>	<b>46.512.612</b>	<b>42.991.961</b>
11. Foreign exchange differences from foreign investments	011	0	
12. Current and deferred taxes	012	0	
13. Cash flow hedge	013	0	
14. Change of accounting policies	014	0	
15. Correction of significant mistakes of prior period	015	0	
16. Other changes	016	0	
<b>17. Total increase or decrease of equity (AOP 011 to 016)</b>	<b>017</b>	<b>0</b>	
17 a. Attributable to majority owners	018	46.512.612	42.991.961
17 b. Attributable to minority interest	019	0	0