

ENERGOPROJEKT HOLDING CO.

BALANCE SHEET
on September 30, 2009

in 000 RSD

Group accounts account	POSITION	EDP	Note no.	Amount	
				Current year	Previous year
1	2	3	4	5	6
	A. NON-CURRENT ASSETS (002+003+004+005+009)	001	-	4,681,354	4,517,469
00	I. UNPAID SUBSCRIBED CAPITAL	002	-	-	-
012	II. GOODWILL	003	-	-	-
01 w/out 012	III. INTANGIBLE ASSETS	004	16	4,863	4,391
	IV. PROPERTY, PLANT, EQUIPMENT AND BIOLOGICAL ASSETS (006+007+008)	005	-	456,203	332,321
020,022,023, 026,027(part), 028(part), 029	1. Property, plant and equipment	006	17,18	456,203	332,321
024,027(part) 028(part)	2. Investment property	007	-	-	-
021,025,027 (part) and 028(part)	3. Biological assets	008	-	-	-
	V. LONG-TERM FINANCIAL INVESTMENTS (010+011)	009	-	4,220,289	4,180,757
030 to 032, 039(part)	1. Equity share	010	19	4,217,046	4,120,722
033 to 038, 039(part) less 037	2. Other long-term financial investments	011	20	3,243	60,035
	B. CURRENT ASSETS (013+014+015)	012	-	7,052,421	4,372,569
10 to 13,15	I. INVENTORIES	013	21	4,387,082	2,152,654
	II. NON-CURRENT ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS	014	-	-	-
14	III. SHORT-TERM RECEIVABLES, INVESTMENTS AND CASH (016+017+018+019+020)	015	-	2,665,339	2,219,915
20, 21 and 22, except 223	1.Receivables	016	22	776,512	822,226
223	2.Receivables for overpaid income tax	017	-	-	-
23 less 237	3.Short-term financial investments	018	23	583,628	533,404
24	5.Cash equivalents and cash	019	24	639,498	518,718
27 and 28 except 288	4.VAT and accruals	020	25	665,701	345,567
288	C. DEFERRED TAX ASSETS	021	-	-	-
	D. OPERATING ASSETS (001+012+021)	022	-	11,733,776	8,890,038
29	E. LOSS OVER CAPITAL	023	-	-	-
	F. TOTAL ASSETS (022+023)	024	-	11,733,776	8,890,038
88	G. OFF-BALANCE SHEET ITEMS	025	42	14,144,902	5,575,799

Group accounts, account	POSITION	EDP	Note no.	Amount	
				Current year	Previous year
1	2	3	4	5	6
	CAPITAL AND LIABILITIES				
	A. CAPITAL (102+103+104+105+106-107+108-109-110)	101	-	6,262,250	5,857,395
30	I. ISSUED AND OTHER CAPITAL	102	26,27	3,814,302	3,214,790
31	II. UNPAID SUBSCRIBED CAPITAL	103	-	-	-
32	III. RESERVES	104	28	1,672,515	1,651,028
330 i 331	IV. REVALUATION RESERVES	105	29	49,460	94,467
332	V. UNREALIZED GAINS BASED ON SECURITIES AVAILABLE FOR SALE	106	-	28,803	-
333	V. UNREALIZED LOSSES BASED ON SECURITIES AVAILABLE FOR SALE	107	-	3,910	-
34	VII. RETAINED EARNINGS	108	30	707,405	897,110
35	VIII. LOSS	109	-	-	-
037 and 237	IX. REDEEMED OWN SHARES	110	31	6,325	-
	B. NON-CURRENT PROVISIONS AND LIABILITIES (112+113+116)	111	-	5,462,986	3,024,507
40	I. NON-CURRENT PROVISIONS	112	32	262,400	262,831
41	II. NON-CURRENT LIABILITIES (114+115)	113	-	73,645	43,511
414, 415	1. Long-term credits	114	33	-	-
41 w/out 414 and 415	2. Other non-current liabilities	115	34,35	73,645	43,511
	III. CURRENT LIABILITIES (117+118+119+120+121+122)	116	-	5,126,941	2,718,165
42, except 427	1. Short-term financial liabilities	117	36	139,134	419,393
427	2. Liabilities from assets held for sale and assets from discontinued operations	118	-	-	-
43 and 44	3. Liabilities from business operations	119	37	4,948,309	2,201,139
45 i 46	4. Other short-term liabilities	120	38	25,811	24,928
47, 48 except 481 and 49 except 498	5. VAT and other public liabilities and accruals	121	39	12,886	27,985
481	6. Income tax liabilities	122	39	802	44,720
498	C. DEFERRED TAX LIABILITIES	123	40	8,539	8,136
	D. TOTAL CAPITAL AND LIABILITIES (101+111+123)	124	-	11,733,776	8,890,038
89	E. OFF-BALANCE SHEET ITEMS	125	42	14,144,902	5,575,799

ENERGOPROJEKT HOLDING CO.

INCOME STATEMENT
for the period January 1 to September 30 , 2009

in 000 RSD

Group accounts, account	POSITION	EDP	Amount		
			Note no.	Current year	Previous year
1	2	3	4	5	6
	A. BUSINESS REVENUE AND EXPENSES				
	I. BUSINESS REVENUE (202+203+204-205+206)	201	-	2,240,170	1,019,098
60 and 61	1. Sale revenue	202	6	578,208	387,720
62	2. Revenue from undertaking of outputs and goods for own purposes	203	-	163	-
630	3. Increase of inventories	204	7	1,661,105	630,806
631	4. Decrease of inventories	205	7	-	-
64 and 65	5. Other business revenue	206	8	694	572
	II. BUSINESS EXPENSES (208 to 212)	207	-	1,945,672	910,849
50	1. Cost value of sold goods	208	-	-	-
51	2. Cost of material	209	9	12,765	12,139
52	3. Staff costs	210	10	125,451	134,161
54	4. Depreciation and provisions costs	211	11	13,780	16,301
53 and 55	5. Other business expenses	212	12	1,793,676	748,248
	III. PROFIT FROM OPERATIONS (201 - 207)	213	-	294,498	108,249
	IV. LOSS FROM OPERATIONS (207 - 201)	214	-	-	-
66	V. FINANCIAL REVENUE	215	13	465,270	560,586
56	VI. FINANCIAL EXPENSES	216	13	293,166	97,437
67, 68	VII. OTHER REVENUE	217	14	7,670	10,425
57, 58	VIII. OTHER EXPENSES	218	14	1,642	4,419
	IX. PROFIT FROM OPERATIONS BEFORE TAX (213-214+215-216+217-218)	219	-	472,630	577,404
	X. LOSS FROM OPERATIONS BEFORE TAX (214-213-215+216-217+218)	220	-	-	-
69-59	XI. NET PROFIT FROM DISCONTINUED OPERATIONS	221	-	1,258	-
59-69	XII. NET LOSS FROM DISCONTINUED OPERATIONS	222	-	-	-
	B. PROFIT BEFORE TAX (219-220+221-222)	223	-	473,888	577,404
	V. LOSS BEFORE TAX (220-219+222-221)	224	-	-	-
	G. INCOME TAX				
721	1. Tax expenses for the period	225	-	7,217	57,740
722	2. Deferred tax expenses for the period	226	-	-	-
722	3. Deferred tax revenues for the period	227	-	-	-
723	D. EMPLOYER'S EARNINGS PAID	228	-	-	-
	Đ. NET PROFIT (223-224-225-226+227-228)	229	-	466,671	519,664
	E. NET LOSS (224-223+225+226-227+228)	230	-	-	-
	Ž. NET PROFIT BELONGING TO MINORITY INVESTORS	231	-	-	-
	Z. NET PROFIT BELONGING TO EQUITY HOLDERS OF THE PARENT COMPANY	232	-	-	-
	I. EARNINGS PER SHARE				
	1. Basic earnings per share	233	-	-	-
	2. Decreased (diluted) earnings per share	234	-	-	-

ENERGOPROJEKT HOLDING CO.

CASH FLOW STATEMENT
for the period January 1 to September 30 , 2009

in 000 RSD

Position	EDP	Note no.	Amount	
			Current year	Previous year
1	2	3	4	5
A. CASH FLOW FROM BUSINESS ACTIVITIES				
I. Cash flow from business activities (1 to 3)	301		2,497,854	1,606,721
1. Sale and received advance payments	302		2,475,214	1,552,709
2. Received interests from business activities	303		200	36,901
3. Other cash flow from regular operations	304		22,440	17,112
II. Cash outflow from business activities (1 to 5)	305		2,567,361	1,646,625
1. Cash to suppliers and advances paid	306		2,379,811	1,380,295
2. Staff costs	307		127,435	140,879
3. Interests paid	308		4,447	37,999
4. Income tax	309		4,176	10,710
5. Other public duties	310		51,492	76,743
III. Net cash flow from business activities (I-II)	311		-	-
IV. Net cash outflow from business activities (II-I)	312		69,507	39,904
B. CASH FLOW FROM INVESTMENTS				
I. Cash flow from investments (1 to 5)	313		51,281	89,096
1. Sale of shares and stakes (net inflow)	314		3,174	-
2. Sale of intangible assets, property, plant, equipment and biological assets	315		-	1,536
3. Other financial investments (net inflow)	316		6,965	-
4. Interests received from investments	317		24,175	-
5. Dividends received	318		16,967	87,560
II. Cash outflow from investments (1 to 3)	319		133,565	156,140
1. Acquisition of shares and stakes (net outflow)	320		-	17,857
2. Acquisition of intangible assets, property, plant, equipment and biological assets	321		11,972	20,916
3. Other financial investments (net outflow)	322		121,593	117,367
III. Net cash flow from investments (I-II)	323		-	-
IV. Net cash outflow from investments (II-I)	324		82,284	67,044
V. CASH FLOW FROM FINANCING ACTIVITIES				
I. Cash flow from financing activities (1 to 3)	325		-	-
1. Increase of capital assets	326		-	-
2. Long-term and short-term credits (net inflow)	327		-	-
3. Other long-term and short-term liabilities	328		-	-
II. Cash outflow from financing activities (1 to 4)	329		8,434	47,176
1. Acquisition of own shares and stakes	330		4,954	1,714
Long and short-term credits and other liabilities (net outflow)	331		-	38,476
3. Finance leasing	332		3,268	6,578
4. Dividends paid	333		212	408
III. Net cash flow from financing activities (I-II)	334		-	-
IV. Net cash outflow from financing activities (II-I)	335		8,434	47,176
G. TOTAL CASH FLOW (301+313+325)	336		2,549,135	1,695,817
D. TOTAL CASH OUTFLOW (305+319+329)	337		2,709,360	1,849,941
DJ. NET CASH FLOW (336-337)	338		-	-
E. NET CASH OUTFLOW (337-336)	339		160,225	154,124
Z. CASH AT THE BEGINNING OF THE ACCOUNTING PERIOD	340		746,725	629,350
Z. GAINS ON EXCHANGE	341		53,261	57,658
I. LOSS ON EXCHANGE	342		263	14,167
J. CASH AT THE END OF THE ACCOUNTING PERIOD (338-339+340+341-342)	343		639,498	518,718

STATEMENT OF CHANGES IN CAPITAL
for the period January 1 to September 30, 2009

in 000 RSD

No.	DESCRIPTION	EDP	Issued capital (group 30 without 309)	EDP	Other capital (account 309)	EDP	Unpaid sub-scribed capital (group 31)	EDP	Emission premium (account 320)	EDP	Reserves (account 321, 322)	EDP	Revaluation reserves (group 330,331)	EDP	Unrealized gains based on securities available for sale (account 332)	EDP	Unrealized losses based on securities available for sale (account 333)	EDP	Undistributed profit (group 34)	EDP	Loss to the capital value (group 35)	EDP	Redeemed own shares and stakes (account 037, 237)	EDP	Total (quant. 2+3+4+5+6+7+8-9+10-11-12)	EDP	Loss above capital (group 29)
		1	2	3	4	5	6	7	8	9	10	11	12	13	14												
1	Balance on January 1, of the previous year	401	3,066,185	414	27,178	427	-	440	1,595,962	453	40,441	466	125,868	479	-	492	-	505	516,813	518	-	531	-	544	5,372,447	557	-
2	Correction of materially significant errors and changes in accounting policies in the previous year - increase	402	-	415	-	428	-	441	-	454	-	467	-	480	-	493	-	506	-	519	-	532	-	545	-	558	-
3	Correction of materially significant errors and changes in accounting policies in the previous year - decrease	403	-	416	-	429	-	442	-	455	-	468	-	481	-	494	-	507	-	520	-	533	-	546	-	559	-
4	Corrected initial balance on January 1, of the previous year (no.1+2-3)	404	3,066,185	417	27,178	430	-	443	1,595,962	456	40,441	469	125,868	482	-	495	-	508	516,813	521	-	534	-	547	5,372,447	560	-
5	Total increase in the previous year	405	121,427	418	-	431	-	444	-	457	14,625	470	11,837	483	77,295	496	2,281	509	488,886	522	-	535	3,427	548	708,362	561	-
6	Total decrease in the previous year	406	-	419	-	432	-	445	4,009	458	-	471	96,203	484	52,970	497	2,119	510	138,873	523	-	536	-	549	289,936	562	-
7	Balance on December 31, previous year (no.4+5-6)	407	3,187,612	420	27,178	433	-	446	1,591,953	459	55,066	472	41,502	485	24,325	498	162	511	866,826	524	-	537	3,427	550	5,790,873	563	-
8	Correction of materially significant errors and changes in accounting policies in the previous year - increase	408	-	421	-	434	-	447	-	460	-	473	-	486	-	499	-	512	-	525	-	538	-	551	-	564	-
9	Correction of materially significant errors and changes in accounting policies in the previous year - decrease	409	-	422	-	435	-	448	-	461	-	474	-	487	-	500	-	513	-	526	-	539	-	552	-	565	-
10	Corrected initial balance on January 1, of the current year (no.7+8-9)	410	3,187,612	423	27,178	436	-	449	1,591,953	462	55,066	475	41,502	488	24,325	501	162	514	866,826	527	-	540	3,427	553	5,790,873	566	-
11	Total increase in the current year	411	599,512	424	-	437	-	450	2,705	463	24,415	476	22,499	489	5,377	502	3,748	515	954,973	528	-	541	4,647	554	1,601,086	567	-
12	Total decrease in the current year	412	-	425	-	438	-	451	1,624	464	-	477	14,541	490	899	503	-	516	1,114,394	529	-	542	1,749	555	1,129,709	568	-
13	Balance on Jun 30, of the current year (no. 10+11-12)	413	3,787,124	426	27,178	439	-	452	1,593,034	465	79,481	478	49,460	491	28,803	504	3,910	517	707,405	530	-	543	6,325	556	6,262,250	569	-

STATISTICAL ANNEX
for the period January 1 to September 30, 2009

AND GENERAL DATA ON THE LEGAL ENTITY, I.E. ENTREPRENEUR

DESCRIPTION	EDP designation	Current year	Previous year
1	2	3	4
1. Number of business months (designation from 1 to 12)	601	9	9
2. Size designation (from 1 to 3)	602	3	3
3. Ownership designation (from 1 to 5)	603	2	2
4. Number of foreign (legal or physical) entities with equity share	604	-	-
5. Average number of employees based on the balance at the end of each month (whole number)	605	76	79

II GROSS CHANGES OF INTANGIBLE ASSETS AND REAL PROPERTY, PLANT, EQUIPMENT AND BIOLOGICAL ASSETS

Amounts in 000 RSD

Group accounts, account	DESCRIPTION	EDP designation	Gross	Correction of value	Net (col.4-5)
1	2	3	4	5	6
o1	1.Intangible assets				
	1.1. Balance at the beginning of the year	606	5,779	684	5,095
	1.2. Increase (acquisitions) during the year	607	-	-	-
	1.3. Decrease (sale, removal from inventory and impairment) during the year	608		-	232
	1.4.Revaluation during the year	609		-	-
	1.5.Balance at the end of the year (606+607-608+609)	610	5,779	916	4,863
o2	2. Real property, plant, equipment and biological assets				
	2.1. Balance at the beginning of the year	611	754,582	298,036	456,546
	2.2. Increase (acquisitions) during the year	612	12,926	-	12,926
	2.3. Decrease (sale, removal from inventory and ensuring) during the year	613	-	-	13,269
	2.4. Revaluation during the year	614		-	-
	2.5. Balance at the end of the year (611+612-613+614)	615	767,508	311,305	456,203

III STRUCTURE OF INVENTORIES

Amounts in 000 RSD

Group accounts, account	DESCRIPTION	EDP designation	Current year	Previous year
1	2	3	4	5
10	1. Inventories	616	-	-
11	2. Unfinished production	617	4,265,744	1,920,109
12	3. Finished products	618	-	-
13	4. Goods	619	-	-
14	5. Non-current assets held for sale	620	-	-
15	6. Advances given	621	121,338	232,545
	7.TOTAL (616+617+618+619+620+621=013)	622	4,387,082	2,152,654

IV STRUCTURE OF CAPITAL ASSETS

Amounts in 000 RSD

Group accounts, account	DESCRIPTION	EDP designation	Current year	Previous year
1	2	3	4	5
300	1. Share capital	623	3,787,124	3,187,612
	in it: foreign capital	624	-	-
301	2. Share of limited liability company	625	-	-
	in it: foreign capital	626	-	-
302	3. Shares of members of partnership and limited-partnership company	627	-	-
	in it: foreign capital	628	-	-
303	4. State-owned capital	629	-	-
304	5. Socially-owned capital	630	-	-
305	6. Cooperative shares	631	-	-
309	7. Other capital shares	632	27,178	27,178
30	TOTAL: (623+625+627+629+630+631+632=102)	633	3,814,302	3,214,790

V EQUITY STRUCTURE

 Number of shares as a whole number
 Amounts in 000 RSD

Group accounts, account	DESCRIPTION	EDP designation	Current year	Previous year
1	2	3	4	5
	1. Ordinary shares			
	1.1. Number of ordinary shares	634	9,467,810	9,107,463
part 300	1.2. Nominal value of ordinary shares - total	635	3,787,124	3,187,612
	2. Priority shares			
	2.1. Number of priority shares	636	-	-
part 300	2.2. Nominal value of priority shares - total	637	-	-
300	3. TOAL - nominal value of shares (635+637= 623)	638	3,787,124	3,187,612

VI RECEIVABLES AND LIABILITIES

Amounts in 000 RSD

Group accounts, account	DESCRIPTION	EDP designation	Current year	Previous year
1	2	3	4	5
20	1. Sale receivables (balance at the end of the year 639 ≤ 016)	639	633,789	439,961
43	2. Liabilities from operations (balance at the end of the year 640 ≤ 117)	640	4,948,227	2,068,108
part 228	3. Receivables during the year from insurance companies for damages (debt turnover without initial balance)	641	-	-
27	4. VAT paid during acquisition of goods and services (debt turnover without initial balance)	642	286,627	185,338
43	5. Business liabilities (receivables turnover without initial balance)	643	4,599,098	1,971,266
450	6. Liabilities for net income and income compensations (receivables turnover without initial balance)	644	67,366	69,105
451	7. Liabilities for salaries tax and salaries compensations paid by employees (receivables turnover without initial balance)	645	10,337	10,471
452	8. Liabilities for contributions on salaries and salaries compensations paid by employees (receivables turnover without initial balance)	646	13,797	14,332,419
461,462 and 723	9. Liabilities for dividends, profit share and employer's personal earnings (receivables turnover without initial balance)	647	1,545	9,529
465	10. Liabilities toward physical entities for compensations per contracts (receivables turnover without initial balance)	648	2,015	823
47	11. VAT collected during sale of products, goods and services (receivables turnover without initial balance)	649	408,812	268,967
	12. Control summary (from 639 to 649)	650	10,971,613	19,355,987

VII OTHER EXPENSES AND EXPENDITURES

Amounts in 000 RSD

Group accounts, account	DESCRIPTION	DEP designation	Current year	Previous year
1	2	3	4	5
513	1. Fuel and energy costs	651	6,126	5,844
520	2. Salaries and salaries compensations (gross)	652	89,145	90,040
521	3. Tax expenses and contributions on salaries and salaries compensations paid by employer	653	13,412	14,298
522,523,524 and 525	4. Expenses for compensations to physical entities (gross) based on contracts	654	3,035	1,416
526	5. Expenses of compensations to BoD & Supervision Board members (gross)	655	15,516	13,722
529	6. Other personal expenses and compensations	656	4,343	14,685
53	7. Expenses of production services	657	1,744,820	649,629
533, part 540 and part 525	8. Lease expenses	658	-	-
part 533, part 540 & part 525	9. Expenses of land lease	659	-	-
536,537	10. Expenses of research and development	660	-	-
540	11. Depreciation expenses	661	13,500	10,245
552	12. Expenses of insurance premiums	662	7,713	6,864
553	13. Payroll expenses	663	2,144	4,992
554	14. Membership fees	664	599	607
555	15. Tax expenses	665	6,175	7,291
556	16. Contributions	666	-	-
562	17. Interests	667	6,683	38,614
part 560, part 561 and 562	18. Interests expenses and a part of financial expenses	668	6,683	38,614
part 560, part 561 and part 562	19. Interests expenses per credits and banks and dfo	669	6,675	38,614
part 579	20. Expenses for humanitarian, cultural, health, educational, scientific and religious purposes, for protection of the Environment and sports	670	1,222	2,425
	21. Control summary (from 651 to 670)	671	1,927,791	937,900

VIII OTHER REVENUE

Amounts in 000 RSD

Group accounts, account	DESCRIPTION	EDP designation	Current year	Previous year
1	2	3	4	5
60	1. Goods sale revenue	672	-	-
640	2. Revenue from premiums, subsidies, dotations, recourses, compensations and tax duties returns	673	-	-
641	3. Revenue from conditioned donations	674	-	-
part 650	4. Revenue from land lease	675	-	-
651	5. Membership revenue	676	-	-
part 660, part 661, 662	6. Interests revenue	677	31,774	36,534
part 660, part 661, and part 662	7. Revenue from interests per accounts and deposits in banks and other financial organizations	678	23,382	33,534
part 660, part 661 and part 669	8. Revenue from dividends and profit share	679	212,392	409,767
	9. Control summary (from 672 to 679)	680	267,548	479,835

IX OTHER DATA

Amounts in 000 RSD

DESCRIPTION	EDP designation	Current year	Previous year
1	2	3	4
1. Liabilities for accsises (according to annual accsises calculation)	681	-	-
2. Calculated custom duties and other import duties (total annual amount according to calculation)	682	-	-
3. Capital subsidies and other state subsidies for construction and acquisition of capital assets and intangible assets	683	-	-
4. State allocations for premiums, recourses and covering of current operating expenses	684	-	-
5. Other state allocations	685	-	-
6. Received donations from abroad and other non-returnable assets in money or nature from foreign legal and physical entities	686	-	8,065
7. Personal income of entrepreneurs from net profit (filled in by entrepreneurs only)	687	-	-
8. Control summary (from 681 to 687)	688	-	8,065

ENERGOPROJEKT HOLDING CO. BELGRADE

NOTES TO THE FINANCIAL STATEMENTS

AS AT 30 SEPTEMBER 2009

1. COMPANY BACKGROUND

Energoprojekt Holding Co., Belgrade (in further text: the Company) is an open shareholding company for holding operations of joint ownership.

The Company was adjusted to the Law on Companies (Official Gazette of RS no. 125/2004) by adoption of the Decision on Adjustment to the Law on Companies and the Articles of Association at the General Shareholders` Meeting held on September 28, 2006.

The Company was registered and transferred into the Registry of the Business Registers Agency, with the Decision BD 8020/2005, from May 20, 2005, from the court registry of the Commercial Court in Belgrade, with previous registration on the registry sheet no. 1-2511-00.

With the Decision of the Commercial Court in Belgrade VIII Fi 8390/99, from June 30, 2000, the Company was adjusted to the Law on Companies (Official Gazette of FRY 29/96), the Law on Classification of Activities (Official Gazette of FRY 31/96) concerning its name, activities, capital assets and bodies, changed its name into Energoprojekt Holding Shareholding Company for Holding Operations, from Energoprojekt Holding Shareholding Company of Joint Ownership for Founding, Funding and Management of Other Companies, up till then registered with the Decision of the same court with the Decision FI 5843/91 from June 13, 1991.

Legal predecessor of Energoprojekt Holding Shareholding Company of Joint Ownership is the Energoprojekt Holding Corporation, registered in the Registry of the District Commercial Court in Belgrade, with the Decision Fi 423 from January 12, 1990, organized per the previous Law on Companies (Official Gazette of SFRY 77/88, 40/89, 46/90 and 60/91) by adoption of the Self-Management Agreement on changes in organization of the previous Complex Organization of Associated Labor Energoprojekt and the associated Work Organizations, at the referendum held on December 8, 1989.

Energoprojekt Holding Co., Belgrade, is a parent company which, with 10 (ten) subsidiaries (9 shareholding companies and 1 limited liability companies), in which its equity share is over 50%, as well as 2 (two) associates (1 limited liability company and 1 shareholding company), in which its equity share is 50% and less, makes a group of companies with the short name Energoprojekt Group.

Names of subsidiaries	% share of the Holding in the equity of subsidiaries
1 EP-Visokogradnja a.d.	92.39
2 EP-Niskogradnja a.d.	93.32
3 EP-Oprema a.d.	67.87
4 EP-Hidroinženjering a.d.	94.84
5 EP-Urbanizam i arhitektura a.d.	94.40
6 EP-Promet d.o.o.	100.00
7 EP-Energodata a.d.	96.43
8 EP-Industrija a.d.	62.77
9 EP-Entel a.d.	86.26
10 EP-Garant a.d.o.	64.13

ENERGOPROJEKT HOLDING CO., BELGRADE
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	Names of associates	% share of the Holding in the equity of associates
1	Enjub d.o.o.	50.00
2	Energobroker a.d.	28.60

Based on decisions of competent bodies of Energoprojekt Holding Co., Energoprojekt Energodata Co., Energoprojekt Ingraf LLC. and Be Company LLC. and after legal procedure conducted, the status change has been performed as merge with joining of Energoprojekt Energodata Co. as a acquirer and Energoprojekt Ingraf LLC. and Be Company LLC., as companies which cease to exist through the merge.

Accordingly, the Business Registry Agency passed the decision on erasing of Energoprojekt Ingraf LLC. and Be Company LLC. from the Registry of Companies, as well as the decision on changing of data of Energoprojekt Energodata Co. in the sense of increase of capital equity.

Based on the above stated, there has been a change in equity investments in shares of Energoprojekt Energodata Co.

In accordance with provisions of Article 7 of the Law on Accounting and Auditing, the Company is classified in the business year 2009 as a large legal entity.

Seat of the Company is at the address Bulevar Mihaila Pupina 12, 11070 Beograd.

Tax identification number of the Company is: 100001513

Statistical number of the Company is: 07023014

Activity code of the Company is: 74150 (110620)

Average number of employees in the third quarter 2009 was: 76 employees (in 2008: 79 employees).

Shares of the Company are traded at the A listing of the Belgrade Stock Exchange.

2. BASIS FOR PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

Financial statements which we are reporting have been prepared in accordance with the Law on Accounting and Auditing (RS Official Gazette no. 46/2006) and the regulations adopted based on that law, with implementation of accounting policies stated in Note 4 to these statements and the generally adopted practice in the Republic of Serbia.

Financial statements of the Company are presented in the format regulated by the Rules on the content and form of templates of financial statements for companies, collectives, other legal entities and entrepreneurs (RS Official Gazette no. 119/08).

2.1. Functional and reporting currency

Amounts in financial statements are stated in thousands of Dinars (RSD). RSD is the functional and the currency for presentation (reporting currency) of the Company. All transactions performed in currencies which are not the functional currency are treated as transactions in foreign currencies.

Amounts in financial statements are stated in thousands of RSD, i.e., in the functional currency, which is a domicile currency, valid on the day of the balance – September 30, 2009.

Comparative data are presented in thousands of RSD valid on September 30, 2008.

Official medium exchange rates of the National Bank of Serbia (NBS) applied for exchange rates of monetary funds and liabilities were as follows:

	September 30, 2009	September 30, 2008
EUR	93.0114	76.5972
USD	63.5975	53.2776

3. ESTIMATES AND ASSESSMENTS BY THE MANAGEMENT

Preparation of financial statements in accordance with IAS and ISFS requires the management to make estimates, assessments and assumptions which are reflected in the reported amounts of the assets, liabilities, income and expenditures. Realized results may differ from the estimates.

4. OVERVIEW OF SIGNIFICANT ACCOUNTING POLICIES

(a) Rules for estimation – principal assumptions

Financial statements are prepared according to the principle of occurrence of a business event (principle of causality) and the principle of continuity.

According to the principle of occurrence of a business event, effects of business changes and other events are recognized at the moment of occurrence (not when cash or its equivalent is received or paid). Financial statements prepared on the principle of occurrence of a business event (except for the Report on Cash Flow) provide information not only on business changes in the previous period, which include payment and receipt of cash, but also on liabilities for payment of cash in the future period and on resources which present cash to be received in the future period.

Financial statements are prepared under the assumption that the Company shall operate in the indefinite period of time and that it shall continue to operate in the foreseeable future as well.

(b) Recognition of elements of financial statements

An asset is recognized in the balance sheet when it is probable that the Company shall have future economic benefits and when the asset has a purchase value, or cost price, or a value which can reliably be measured.

A liability is recognized in the balance sheet when it is probable that outflow of assets which contain economic benefits shall result from settling of present liabilities, and when the amount of the liability to be settled can reliably be measured.

Revenue is recognized in the balance sheet when increase of future economic benefits is linked with the increase of assets or decrease of liabilities which can reasonably be measured, i.e., recognition of revenue occurs simultaneously with recognition of increase of assets or decrease of liabilities.

Expenses are recognized in the income statement when decrease of future economic benefits, which is linked with decrease of assets or increase of liabilities, can reliably be measured, i.e., recognition of expenses occurs simultaneously with recognition of increase of liabilities or decrease of assets.

Equity is stated in accordance with the financial concept of capital as invested money or invested purchase power, and presents net assets of the Company. The concept of preserving of financial assets derives from the financial concept of equity. Preserving of financial assets is measured in nominal monetary units - RSD. According to this concept, income is earned only if financial (or monetary) amount of net assets at the end of the period exceeds the financial (or monetary) amount of net assets at the beginning of the period, after inclusion of all distributions to, or contributions from owners during the year.

(c) Calculation of foreign currencies and accounting of exchange rate differences

Monetary assets and liabilities in foreign currencies are calculated in their RSD counter value per the exchange rate valid on the day of the balance sheet. Positive and negative exchange rate differences deriving from this are expressed as revenues or expenses for the given period.

Calculation of monetary assets and liabilities with the agreed protection through currency clause is done according to the exchange rate valid on the day of the balance sheet, where the effect is accounted in the income statement as financial income, i.e. expense.

(d) Sales return

Sales return is stated in the amount of the invoiced realization, i.e., sale made until the end of the accounting period, provided that that day debtor-creditor relations occurred and such an invoice was delivered. Income is measured per fair value of the received compensation or receivables, taking into account the amount of all trade discounts and quantity rebates which the Company approved. Difference between the fair value and the nominal amount of compensation is recognized as interest income. Sales return is recognized when all requirements are satisfied:

- The Company has transferred all significant risks and benefits from ownership to the buyer;
- Management of the Company does not hold or influence the management in the degree usually linked with ownership, or control of sold products and goods;
- When it is possible to reliably measure the return on sales;
- When it is probable that a business change shall be accompanied with a flow of economic benefits for the Company, and
- When expenses which were incurred or shall be incurred in connection with the business change may be reliably measured.

Income from services is stated proportionally to the degree of completeness of the service on the date of the balance sheet.

(e) Operating expenses

Total operating expenses consist of: cost value of sold goods, expenses of materials, salaries and other personal expenses, depreciation and provisions expenses, expenses of production services and intangible expenses.

Principal elements and principles of recognition of expenses are:

- Expenses are recognized, i.e., recorded and stated when decrease of future economic benefits, linked with decrease of assets or increase of liabilities, may reliably be measured;
- Expenses are recognized based on the direct link of expenses with the income (principle of causality);
- When it is expected that economic benefits shall flow in during several accounting periods, and the link with the income may be established in a broader sense or indirectly, expenses are recognized through the procedure of systemic and reasonable allocation;
- Expenses are recognized when they do not bring about any economic benefits, or when and up to the amount up to which future economic benefits do not satisfy the requirements or have stopped satisfying the requirements for recognition in the balance sheet as an asset;
- Expenses are recognized in cases when a liability occurs without a simultaneous recognition of assets.

(f) Gain and loss

Gain presents an increase of economic benefits, and includes income which occurs in case of a sale of non-current assets per value larger than its accounting value, then unrealized gains based on sale of market securities (in case when valuation of securities is done per their market value), as well as gains occurring during increase of the accounting value of non-current assets because of cease of the effect of requirements on decrease of their value.

Loss occurs based on: sale of assets per prices lower than their accounting value; removal from inventory of unwritten-off capital assets; damages which may be compensated totally or partly from insurance companies; implementation of the principle of imparity (decrease of value of assets).

(g) Financial gain and loss

Financial gain and loss include: income and expenses from interests, income and expenses from exchange rate differences, income and expenses from the relation with the parent, dependent and other associated legal entities and other financial income and expenses.

Income from dividends is recognized as income in the year when the right is established for their payment.

(h) Profit tax

Profit tax is the amount calculated and paid in accordance with Republican regulations. Tax liability is calculated per rate of 10% of taxable income (in 2006: 10%). Taxable income is determined in the tax balance by adjustment of the income stated in the income statement, made in accordance with the accounting regulations, for certain expenses and income, in accordance with tax regulations. Accounting tax is decreased by tax easements (investments in capital assets in own

registered activity and other easements in accordance with tax regulations, for which the Company satisfies requirements).

(i) Deferred income tax

Deferred income tax is reserved in full amount, using the method of liabilities, for temporary differences which occur between the tax basis for the assets and liabilities and their accounting amounts in financial statements.

The amount of deferred income tax is determined based on effective legal tax rates.

Deferred income tax assets are recognized up to the scope in which it is probable that future taxable income, in relation to which temporary differences may be applied, is available. Offsetting of deferred tax assets and liabilities is allowed.

(j) Employee wages

/i/ Contributions for pension insurance and other taxes

The Company pays contributions to the Pension Fund of the Republic of Serbia on behalf of its employees. All employees are members of the said Pension Fund. All contributions for the mandatory pension insurance are recognized as expense and liability at the moment of accounting. Companies within the Group do not have their pension plan, or a plan of compensations upon termination of employment, and, accordingly, no liabilities for pensions.

/ii/ Contributions for health insurance

The Company accounts and settles contributions for health insurance, which at the moment of accounting are recognized as expense and liability.

/iii/ Retirement bonus

The Company pays to employees severance pay for retirement in the triple amount of the salary they realized for the month preceding the month in which severance pay is paid (in accordance with provisions defined in the Individual Collective Agreement), or in the amount defined by the Labor Law, if that is more favorable for employees.

/iiii/ Severance pay for terminated employees

Severance pay is also paid in case of a mutually agreed termination of employment, i.e., in case when the employer and the employee conclude an agreement on termination of employment in replacement for a severance pay, on which decision is previously made by the Employer's competent body.

**(k) Intangible assets, property, plant, equipment, natural assets
and investment property**

Intangible investment is a definable non-monetary asset without a physical content, which the Company may control and from which inflow of future economic benefits is expected.

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Intangible assets consist of: goodwill, licenses, concessions, logos, seals, accounting software, franchises, investment in development of new products, processes and devices, copyrights, investments in others` real property, plant and equipment, etc.

Real property, plant and equipment are tangible assets:

- Which the Company keeps for use in production, or for delivery of goods, or rendering of services, for renting to other entities, or for administrative purposes;
- For which it is expected they shall be used longer than one accounting period;

Real property, plant and equipment are recognized as assets:

- When it is probable that future economic benefits based on them shall flow into the Company; and
- When procurement or cost value of the asset may reliably be measured;

Procurement of intangible assets, plant and equipment during the year is recorded per procurement value. Procurement value consists of the invoice value of procured goods, plus all dependent expenses of procurement and all expenses of bringing into the functional condition. Cost value of the said assets in own production consists of direct expenses and the belonging indirect expenses, which relate to that investment.

Procurement value, or cost value, also includes borrowing expenses which may be directly attributed to acquisition, construction or making of assets which are brought into a condition for use in accordance with IAS and ISFS.

Later expense relating to the already recognized intangible assets, real property, plant and equipment, is attributed to the stated amount of the assets, if it is probable that inflow of future economic benefits shall be larger than the originally estimated return rates of the assets.

Later expense is treated as additional investment, if:

- Useful lifetime is extended, including increase of capacity;
- Significant promotion of the product's quality is achieved; and
- Operating expenses are significantly lower in comparison to expenses before investment.

All other later expenses (servicing expenses, technical maintenance, smaller repairs, etc.) are recognized as expenses for the period in which they occurred.

After they are recognized as assets, real property, plant and equipment are stated per procurement or cost value, less total amount of calculated depreciation and total amount of loss because of impairment.

Intangible investment, real property, plant and equipment stop being stated in the balance sheet, after estrangement, or when assets are permanently withdrawn from use and when from their estrangement no future economic benefits are expected.

Gain or loss deriving from removal from inventory or estrangement are determined as a difference between the estimated net sale income and the stated amount of the asset, and recognized as income or expense in the income statement.

Investment real property is real property (land, construction facility, or both, which the Company, as the owner or a leaseholder, based on financial leasing (long term lease) holds for the purpose of realizing income from real property (by leasing), or for the purpose of increasing the value of the property, or both, not for production or supply of goods, or rendering of services, or for administrative operations, or sale within the framework of regular operations. Accordingly, investment property creates cash flows which are in a great degree independent from other property held by the Company.

Initial measuring of investment property during acquiring (procurement) is done per procurement value or cost value. In initial measuring, dependent expenses of procurement are included in the procurement value or cost value.

Later expenses relating to the already recognized investment property are attributed to the stated amount of that investment property if it is probable that inflow of future economic benefits shall be larger than the originally estimated return rate of that investment property. All other later expenses are recognized as expenditures for the period in which they occurred.

After initial recognition, investment property is measured per its fair value. Fair value is measured as the most probable price which can realistically be obtained at the market, on the date of the balance sheet, in accordance with the definition of fair value. That is the best price which the seller may realistically obtain.

Gain or loss because of change of fair value of investment property is included in net profit or net loss for the period in which it occurred.

(I) Depreciation

Basis for depreciation of intangible assets consists of procurement value or cost value after deduction of their remaining value.

The remaining value of intangible assets is considered equal to zero, except when:

- 1) There is a contractual obligation of a third entity to buy off that asset at the end of its remaining useful life, or
- 2) There is an active market for that asset, where the remaining value can be determined, and that market shall continue to the end of the useful life of the asset.

For financial statements, intangible assets are written off through proportional depreciation rate within five years, except for investments whose useful life is determined with a contract, when writing off is done in deadlines deriving from the contract.

Goodwill is not depreciated, but it is mandatory before preparation of financial statements to perform the impairment test in accordance with IAS.

For intangible assets with unlimited lifetime depreciation is not accounted.

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Accounting of depreciation of intangible assets is done from the beginning of the following month in relation to the month when intangible assets were put in use.

For preparing of tax balance, depreciation of intangible assets is done according to valid legal regulations.

Internally occurred goodwill is not recognized as intangible assets.

For preparing of tax balance, depreciation of intangible assets is done according to valid legal regulations.

After initial recognition, real property, plant and equipment are stated per procurement value or cost value, less total amount of accounted depreciation and total amount of loss because of impairment.

Basis for depreciation of real property, plant and equipment consists of procurement value or cost value, after deduction of the remaining value of assets.

Real property, plant and equipment are depreciated on systematic basis during useful lifetime of the assets.

For financial statements, depreciation is accounted with the proportional method during estimated useful lifetime of the asset. The estimated useful lifetime of the asset is reviewed if needed, and if expectations significantly differ from previous estimates, depreciation rates are adjusted for the current and future periods.

For preparing of tax balance, real property, plant and equipment are classified and depreciated per rates in accordance with tax laws.

Accounting of depreciation begins from the following month in relation to the month in which capital assets were put in use.

Implemented depreciation rates are as follows:

	(%)
Buildings	1.3-15.0
Drive equipment	5.0-25.0
Computers and belonging equipment	20.0
Vehicles	12.5-16.0
Intangible assets	20.0

(m) Financial investments

Financial investments present funds which are during initial recognition measured per their procurement value, which presents fair value of compensation given for them. Transaction expenses are included in initial measuring of all funds.

For measuring of a financial asset after initial recognition, funds are classified into four categories:

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- (a) Funds held for trading, initially recognized per fair value through gain or loss;
- (b) Investments held until maturity;
- (c) Loans and receivables deriving from the company which are not held for trading, and
- (d) Funds available for sale.

Funds are classified as funds available for sale if they do not belong totally to either of the other three above stated categories of funds.

Funds are classified as funds held for trading, not as funds available for sale, if they are part of the portfolio of similar assets for which there is a template of trading for realization of gain from short-term fluctuation of prices of dealers` margin.

After initial recognition, the company measures funds (including derivatives which are assets) per their fair value, without any impairment for transaction expenses that may arise during sale or other estrangement, except for:

- Loans and receivables and investments which are held until due which are measured per depreciated price, by implementation of the method of effective interest rate;
- Investments in proprietary securities which are not traded on active market and whose fair value cannot reliably be measured, which are measured per procurement price.

In the Republic of Serbia there is no sufficient market experience, stability and liquidity for purchase and sale of funds, and official market information are not always available. Therefore, fair value most often is not possible to be determined reliably in conditions of nonexistence of an active market, as the ISFS require.

Recognized gain or loss deriving from a change in fair value of a fund or a liability (which is not a part of protection relations) initially recognized per fair value through gain or loss, is recognized as gain or loss in the income statement, and for financial property available for sale on revaluation reserves.

(n) Inventories

Stocks of materials, spare parts, inventories and goods are estimated per procurement value. Procurement value consists of net invoice value and dependent procurement expenses. Dependent expenses imply all direct expenses in the procedure of procurement until storing, including the belonging expenses of own transport, loading and unloading, up to the level of the market price of such a service.

Accounting of spent stocks of materials is done with the method of pondered average price.

(o) Short term receivables and investments

Short-term receivables include receivables from buyers – dependent and other associated legal entities and other buyers at home and abroad on the basis of sale of products, goods and services.

Short-term investments include credits, stocks and bonds and other short-term investments which are due, i.e., which are to be sold up to one year from the day of commitment, i.e., balance.

Short-term receivables from buyers are measured per value from the original invoice. If the value in the invoice is stated in foreign currency, translation into the reporting currency is made per medium exchange rate valid on the day of transaction. Changes in currency exchange rates from the date of transaction until the date of collection of receivables are stated as exchange rate differences in income or expenses. Receivables stated in foreign currency on the day of the balance are calculated according to the valid exchange rate, and exchange rate differences are recognized as income or expense for the period.

Short-term financial investments which are not held for trading are measured per depreciated value, not taking into account intention of the company to hold them until maturity.

If there is a probability that companies shall not be able to collect all amounts due (capital and interest) according to contracted terms for the given credits, receivables or investments which are held until maturity, which are stated per depreciated value, loss has occurred because of impairment or uncollected receivables.

Writing off of short-term receivables and investments for which there is a probability of non-collection is done with indirect writing off, while in cases when impossibility of collection is certain and documented, writing off, in total or partly, is done with direct writing off.

Probability of impossibility of collection is determined in each concrete case based on documented reasons (bankruptcy, i.e., liquidation of the debtor, over indebtedness, estrangement of property, forced settlement, out-of-court settlement, expiration, court decision, administrative body act, as well as in other cases for which the companies own credible documents on impossibility of collection.)

(p) Cash and cash equivalents

Cash and cash equivalents include: money in treasury, deposits at sight in banks, other short-term highly liquid investments which may quickly turn into known cash amounts and which are not under a significant risk of change of value and overdraft on current account. Overdrafts on current accounts are included in the balance sheet as debts for credits within current liabilities, as short-term liabilities.

(r) Leases

Leases in which the leaseholder keeps a significant part of the risk and use from ownership are classified as business leases. Payments made based on business leases are included in the income statement on a proportional basis during the period of the lease.

(s) Financial leasing obligations

Leasing is qualified as financial in case when significant risks and uses which derive from ownership of the object of lease are transferred to the buyer, where formal ownership does not have to be transferred.

Liability based on financial leasing is stated on the day of the balance in value decreased by the interest contained in the lease (present value of the lease payment minimum). Interest is allocated to accounting periods during the lease, in accordance with the plan of payment.

Liabilities based on financial leasing are not calculated as active time accruals liabilities for undue interest, per the plan of payment.

(t) Potential assets and contingencies

Contingencies are disclosed, but are not recognized, except in cases when outflow of resources is probable and when provisions are recognized in financial statements.

Existence of a potential asset is not disclosed, except if inflow of economic benefits is probable. If realization of income is almost certain, an asset may be recognized in financial statements.

(u) Borrowing expenses

Borrowing expenses are interests, commissions and other expenses occurring in the company in connection with borrowing of funds in accordance with IAS and ISFS.

Borrowing expenses which may be directly attributed to acquisition, construction or making of an asset which is brought in condition for use, are included in procurement value or cost price of the asset.

Other borrowing costs are recognized as expenses for the period in which they occurred.

(v) Impairment of assets

If during the year there is impairment of assets, Board of Directors of the company, based on explained proposal of the General Manager/C.E.O. of the company, determines if there are indicators that there was an impairment of assets in accordance with IAS, as well as if there were indicators that decrease occurred of the previously recognized impairment of the assets.

In case of existence of the indicators, the Board of Directors of the Holding makes a decision on the amount of impairment, or the amount by which previously recognized impairments should be abolished.

At the end of the year, the Board of Directors of the Holding, based on explained proposal of the General Manager and the inventory commission, makes a decision on the amount of impairment, or the amount for which previously recognized impairment should be abolished.

(w) Financial liabilities

Financial liabilities are considered long-term liabilities (liabilities toward associated legal entities and legal entities with mutual share, long-term credits, liabilities per long-term securities and other long-term liabilities), short-term financial liabilities (liabilities toward associated legal entities and legal entities with mutual share, short-term credits and other short-term liabilities), short-term liabilities from operations (suppliers and other liabilities from operations) and other short-term liabilities.

Short-term liabilities are considered liabilities which are due within a year, from the date of commitment, i.e., date of the annual balance.

Long-term liabilities are considered liabilities which are due for payment in the period longer than a year from the date of making of financial statements.

A part of long-term liabilities which are due for payment in the period shorter than a year from the date of making of financial statements are stated as short-term liabilities.

In initial recognition, the Company ensures financial liabilities per their procurement value, which presents fair value of compensation received for it. Transaction expenses are included in initial measuring of all financial liabilities.

Decrease of liabilities based on the law, out-of-court settlements and similar, is done through direct writing off.

(x) Long-term provisions

Long-term provisions are recognized when:

1. The Company has a liability (legal or real) which is a result of a past event,
2. There is a probability that outflow of resources shall be needed for settlement of liabilities, and
3. Amount of the liability may reliably be estimated.

If these terms are not fulfilled, provisions are not recognized.

Long-term provisions include provisions for expenses within the warranty period, provisions for expenses of renewal of natural resources, provisions for securities and deposits kept, provisions for restructuring of the company,

provisions for compensations and other benefits for employees and other long-term provisions for covering of liabilities (legal or real), deriving from past events, for which it is probable they shall cause outflow of resources which contain economic benefits, for their settlement and which can be reliably estimated (for example, litigations in process), as well as provisions for issued guarantees and other warranties.

Long-term provisions for expenses and risks are followed by types, and their decreasing i.e., abolishing is done in favor of income.

Provisions are not recognized for future operating losses.

Provisions differ from other liabilities because of the uncertainty concerning the date of occurrence, or amounts of future expenses needed for settlement.

Measuring of provisions is done in the amount of expected expenses for settlement of liabilities.

Provisions are reviewed on the day of each balance sheet and corrected to reflect the best present estimate. If it is no more probable that outflow of resources shall be needed for settlement of liability, provisions are abolished.

Decision on individual provisions is made by the Board of Directors of the Holding.

(y) Effects of accounting policy changes, changes in accounting estimates and errors from previous periods

Correction of later established materially significant mistakes is the one which has such a significant impact on financial statements for one or more previous periods that those financial statements may no longer be considered reliable on the day of their issuing.

Correction of materially significant mistakes from previous periods is done through correction of initial balance of undistributed profit or loss from previous years.

Materially significant effects of changes in accounting policies and later established mistakes are corrected retroactively with adjustment of comparable data in financial statements, except if it is practically unfeasible (then a change of accounting policy is implemented prospectively). Each correction deriving from it is stated as correction of the amount of undistributed profit at the beginning of the period.

(z) Foreign currency exchange rates

Official exchange rates of currencies which are significant for operations of the Company and which were used for calculation of foreign currency positions in financial statements into RSD, were as follows:

	<u>30/09/2009</u>	<u>30/09/2008</u>
EUR	93.0114 RSD	76.5972 RSD
USD	63.5975 RSD	53.2776 RSD
GBP	101.8968 RSD	96.0707 RSD
CHF	61.5073 RSD	48.6609 RSD
RUB	2.1311 RSD	2.1355 RSD
LYD	53.7389 RSD	44.6162 RSD

5. FINANCIAL RISK MANAGEMENT

5.1. Financial risk factors

Operations of the Company are exposed to various financial risks: market risk (which includes risk from changes in foreign currency exchange rates, risk of changes in fair value, risk of changes of interest rates and risk of prices), credit risk and risk of liquidity. Risk management in the Company is oriented toward attempting, in a situation of unpredictability of financial markets, to reduce potential negative impacts to financial operations of the Company to a minimum. The Company uses derived financial instruments in order to protect itself from some forms of risks.

Risk management is performed by the Financial Department of the Company based on policies approved by the Board of Directors. Financial Department of the Company identifies and estimates financial risks and defines ways for protection from risks closely cooperating with business units of the Company.

Risk management is performed based on policies of the Board of Directors, which include fields such as: foreign currency risk, interest risk, use of financial instruments and investing of surplus of liquid assets.

(a) Market risk

/i/ Foreign currency risk

The Company operates in international framework and is exposed to a foreign currency exchange rate risk, which derives from operation with different currencies, primarily EUR and USD. The risk derives from future trade transactions, recognized assets and liabilities and net investments in operations abroad.

/ii/ Change of fair value risk

The Company in its portfolio has stocks and bonds available for sale per fair value. Bearing in mind the "shallow" market and possibilities of significant oscillations on the stock market, there is a risk from a change of fair value.

/iii/ Change of interest rates risk

The Company gets indebted at the financial market per changeable interest rates, linked with Euribor, Belibor and the Referent interest rate of NBS to repo transactions. In the aim of avoiding/limiting the risk of significant changes at financial markets, the Company gets indebted for shorter time periods, insisting on lower margin of banks with a mandatory clause on the possibility of early return of credits without additional penalties.

(b) Credit risk

The Company is not substantially exposed to credit risk from financial institutions. The Company has a policy which limits exposure to credit risks toward each individual financial institution. There is, however, some level of risk regarding collection from buyers primarily as a result of poor overall economic liquidity. To mitigate this form of credit risk, the Company has secured sufficient collateral from all its debtors.

(c) Liquidity risk

Careful management of liquidity risk implies maintenance of a sufficient cash amount and securities intended for sale, as well as ensuring of adequate sources of funds because of the dynamic nature of operations of the Company. The Company attempts to maintain the flexibility of funding through collection from buyers and investing of free monetary assets.

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NOTES TO THE FINANCIAL STATEMENTS

6. SALES REVENUE

<u>Domestic market</u>	30.09.2009 <u>RSD.000</u>	30.09.2008 <u>RSD.000</u>
Revenue from sale of services to subsidiaries	318.010	294.104
Revenue from sale of services to associates		
<u>Revenue from sale of services at the domestic market</u>	<u>260.198</u>	<u>93.616</u>
Total	<u>578.208</u>	<u>387.720</u>

Foreign markets

Revenue from sale of services to subsidiaries

Total

Total	<u>578.208</u>	<u>387.720</u>
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Most of the revenue from sale of services to subsidiaries at domestic market is based on rendering of Company's services based on contracts approved and adopted by the Board of Directors of the Company and Boards of Directors of dependent companies, in accordance with the Articles of Association of the Company and Articles of Association of dependent companies, and totaled 318.010 thousand RSD.

Revenue from sale of services at the domestic market relates to the revenue from realization of the Sale Contract for the building in construction, in the amount of RSD 260.141 thousand (Note 15), and revenue from commission for sale of airline tickets, in the amount of RSD 57 thousand.

7. REVENUE FROM INCREASE / (DECREASE) OF VALUE OF INVENTORIES OF PRODUCTS AND SERVICES

	30.09.2009 <u>RSD 000</u>	30.09.2008 <u>RSD 000</u>
Work in progress on September 30	4,265,744	1,920,109
Total	4,265,744	1,920,109
Less		
Work in progress on January 1	2,604,639	1,289,303
Total	2,604,639	1,289,303
Total	<u>1,661,105</u>	<u>630,806</u>

Revenue from increase of value of inventories of products and services relates to realization of the Sale Contract for the building in construction (Note 15).

ENERGOPROJEKT HOLDING CO., BELGRADE
NOTES TO THE FINANCIAL STATEMENTS

8. OTHER OPERATING REVENUES

	30.09.2009	30.09.2009
	<u>RSD 000</u>	<u>RSD 000</u>
Lease income	694	572
Other operating revenues		
Total	<u>694</u>	<u>572</u>

9. COST OF MATERIALS

	30.09.2009	30.09.2008
	<u>RSD 000</u>	<u>RSD 000</u>
Expenses for materials for making	30	955
Expenses for other materials (overhead)	6,609	5,340
Expenses for fuel and energy	6,126	5,844
Total	<u>12,765</u>	<u>12,139</u>

10. STAFF COSTS

	30.09.2009	30.09.2008
	<u>RSD 000</u>	<u>RSD 000</u>
Expenses for salaries and compensations (gross)	89,145	90,040
Expenses for taxes and contributions on salaries and compensations paid by employer	13,412	14,298
Expenses for compensation per temporary service contracts	3,035	1,264
Expenses for compensations per copyright contracts		152
Expenses for compensations per contracts on temporary and occasional		
Expenses for compensations to members of the BoD and Supervisory	15,516	13,722
Other personal expenses and compensations	4,343	14,685
Total	<u>125,451</u>	<u>134,161</u>

11. EXPENSES OF DEPRECIATION AND PROVISIONS

	30.09.2009	30.09.2008
	<u>RSD 000</u>	<u>RSD 000</u>
Expenses of depreciation of real property, plant and equipment	13,500	10,245
Provisions for compensations and other employees` benefits	280	6,056
Total	<u>13,780</u>	<u>16,301</u>

ENERGOPROJEKT HOLDING CO., BELGRADE
NOTES TO THE FINANCIAL STATEMENTS

Expenses of depreciation in the third quarter 2009, in the amount of RSD 13.500 thousand (in the third quarter 2008: RSD 10.245 thousand) relate to depreciation of real property, plant and equipment, in accordance with Note 4(l).

The appraised cost of provisions for wages and other employee benefits of RSD 280 thousand relates to the implementation of IAS 19.

12. OTHER OPERATING EXPENSES

	30.09.2009	30.09.2008
	RSD 000	RSD 000
<u>Production services expenses</u>		
Expenses of services for making of products and services	1,705,232	619,998
Expenses of transport services	4,974	4,333
Expenses of maintenance services	29,595	18,428
Lease expenses	617	237
Expenses of advertising and propaganda	1,987	3,682
Expenses of other services	2,415	2,951
Total	1,744,820	649,629
<u>Intangible expenses</u>		
Expenses of non-production services	22,466	69,051
Entertainment expenses	2,267	2,687
Expenses of insurance premium	7,713	6,864
Expenses of payment operations	2,143	4,992
Membership expenses	599	607
Tax expenses	6,175	7,291
Other intangible expenses	7,493	7,127
Total	48,856	98,619
Grand total	1,793,676	748,248

The sum of RSD 1.661.106 thousand included in other operating expenses pertains to expenses associated with performance of the Sales Contract for the building under construction in Block 26, and includes:

- Cost of production services: RSD 1.652.981 thousand
- Cost of insurance premiums: RSD 6.318 thousand
- Cost of payment transactions: RSD 1.490 thousand
- Cost of postal/telephone services: RSD 222 thousand
- Other intangibles: RSD 95 thousand

ENERGOPROJEKT HOLDING CO., BELGRADE
NOTES TO THE FINANCIAL STATEMENTS

13. FINANCIAL REVENUES AND EXPENSES

	30.09.2009	30.09.2008
	<u>RSD 000</u>	<u>RSD 000</u>
<u>Financial revenues</u>		
Financial revenues from subsidiaries	255,962	409,770
Financial revenues from associates	56	12,761
Revenue from interests	23,392	33,664
Positive exchange rate differences	180,450	97,942
Revenue based on effects of currency clause	120	3,570
Other financial revenue	5,290	2,879
Total	<u>465,270</u>	<u>560,586</u>
<u>Financial expenses</u>		
Financial expenses from relations with subsidiaries	40,186	
Expenses of interests	6,683	38,614
Negative exchange rate differences	246,007	58,761
Expenses based on effects of the currency clause	290	62
Total	<u>293,166</u>	<u>97,437</u>

The Company has realized financial revenue from share in profit of dependent companies (dividends) in the amount of RSD 207,102 thousand, these being:

	<u>RSD 000</u>
Energoprojekt Garant a.d.o.	108.917
Energoprojekt Oprema a.d.	32.927
Energoprojekt Industrija a.d.	32.822
Energoprojekt Entel a.d.	32.436
Total	<u>207.102</u>

14. OTHER REVENUES AND EXPENSES, REVENUE FROM ASSET VALUE ADJUSTMENT, AND ASSET IMPAIRMENT COSTS

	30.09.2009	30.09.2008
	<u>RSD 000</u>	<u>RSD 000</u>
<u>Other revenue and revenue from adjustment of value of assets</u>		
Gain from sale of intangible assets, real property, plant and equipment		806
Gain from sale of share and long-term securities		
Collected written-off receivables	340	440
Revenue from effects of contracted protection against risks	114	22
Revenue from decrease of liabilities		
Other not mentioned revenues	7,216	9,157
Total	<u>7,670</u>	<u>10,425</u>

ENERGOPROJEKT HOLDING CO., BELGRADE
NOTES TO THE FINANCIAL STATEMENTS

	30.09.2009	30.09.2008
<u>Other expenses and expenses for impairment of assets</u>	<u>RSD 000</u>	<u>RSD 000</u>
Loss based on removal from inventory and sale of intangible assets, real property, plant and equipment		
Shortages		
Expenses based on effects of contracted protection against risks		
Expenses based on direct writing off of receivables		
Other not mentioned expenses	1,642	4,419
Impairment of long-term financial investments and other securities available for sale		
Impairment of receivables and short-term financial investments		
Impairment of other assets		
Total	1,642	4,419

15. CONSTRUCTION CONTRACTS

Revenue from fixed price construction contracts is recognized per the method of percentages of completion, contracted activities on the balance sheet.

Degree of completion of contracts is calculated through proportion between arisen contractual expenses for executed work up to the given date according to last estimated total contracted expenses.

The Company has signed a sale contract for construction of a business building of class "A" in Block 26, Bay I, on October 12, 2007 (operative from November 09, 2007) with "Blue Center d.o.o" for the amount of EUR 61,63 mil, plus VAT, which amounts to EUR 72,72 mil. Deadline for realization of the Contract is 24 months, i.e., November 9, 2009.

Collection of the sale price is in advance in three installments: the first of EUR 12,000 mil + VAT (paid within a month from signing of the contract), the second of EUR 43,63 mil + VAT (during 19 months - period of construction in accordance with the dynamics of construction) and the third installment of EUR 6,00 mil + VAT after registering the building in the cadastre.

Mortgage was registered for the building as security for payment by the Buyer in the amount of paid funds. Guarantee was issued for good completion of works in the contractor domain in the amount of EUR 2.00 mil.

ENERGOPROJEKT HOLDING CO., BELGRADE
NOTES TO THE FINANCIAL STATEMENTS

	30.09.2009 <u>RSD 000</u>	30.09.2008 <u>RSD 000</u>	<u>Napomene br.</u>
Revenue from increase of value of inventories of products and services	1,661,105	630,806	7
Revenue recognized as revenue for the given period	260,141	93,522	6
Degree of completion of the contract	93.7144%	44.7184%	
Expenses arisen in the given period	1,661,105	630,806	12
Received advance payments	4,878,910	2,100,819	37
Uninvoiced contractual revenue	650,753	290,215	25
Unfinished production	4,265,744	1,920,109	21

16. INTANGIBLE INVESTMENTS

	Investments in development	Concessions, patents, etc.	Goodwill	Other intangible investments	Intangible investments in progress	Advances on intangible investments	Total
	RSD 000	RSD 000	RSD 000	RSD 000	RSD 000	RSD 000	RSD 000
<u>Cost value</u>							
Balance 01/01/2009				1,605	4,174		5,779
Correction of initial balance							0
New acquisitions							0
Transfer from/to							0
Estrangement & removal fm inventory							0
Revaluation - estimate							0
Other							0
Balance 30/09/2009	0	0	0	1,605	4,174	0	5,779
<u>Correction of value</u>							
Balance 01/01/2009				684			684
Correction of initial balance							0
Depreciation for 30/09/2009				232			232
Estrangement & removal from inv.							0
Impairments							0
Revaluation - estimate							0
Other							0
Balance 30/06/2009	0	0	0	916	0	0	916
<u>Unwritten-off value</u>							
30.09.2009	0	0	0	689	4,174	0	4,863
30.09.2008	0	0	0	213	4,178	0	4,391

ENERGOPROJEKT HOLDING CO., BELGRADE
NOTES TO THE FINANCIAL STATEMENTS

17. PROPERTY, PLANT, EQUIPMENT AND INVESTMENT PROPERTY

	Land	Property	Plant and equipment	Investment property	Capital assets in preparation	Advances on cap. assets	Total
	RSD 000	RSD 000	RSD 000	RSD 000	RSD 000	RSD 000	RSD 000
Cost value							
Balance 01/01/2009		548,530	83,687		122,193	171	754,581
Correction of initial balance							0
Transfer from one form into another					(12,959)	(6,351)	(19,310)
New acquisitions			12,959		12,926	6,351	32,236
Estrangement & removal fm inventory							0
Exchange rate differences							0
Other, estimate of values							0
Balance on 30/09/2009	0	548,530	96,646	0	122,160	171	767,507
Correction of value							
Balance 01/01/2009		265,446	32,590				298,036
Correction of initial balace							0
Depreciation for 30/09/2009		5,367	7,901				13,268
Estrangement & removal fm inventory							0
Impairments							0
Revaluation - estimate							0
Other							0
Balance on 30/09/2009	0	270,813	40,491	0	0	0	311,304
Unwritten-off value							
30.09.2009	0	277,717	56,155	0	122,160	171	456,203
30.09.2008	0	286,663	45,412	0	0	246	332,321

18. LEASED EQUIPMENT

Leasing	30.09.2009		RSD 000	
	Net accounting value		30.09.2008	
Asset groups		Asset groups		Net accounting value
Cars	14,159	Cars		19,143
Xerox machine	259	Xerox machine		269
Other		Other		
Total	14,418			19,412

ENERGOPROJEKT HOLDING CO., BELGRADE
NOTES TO THE FINANCIAL STATEMENTS

19. EQUITY SHARE

Equity shares present long-term financial investments in shares and equity in subsidiaries and associates, banks and insurance companies (securities available for sale).

Equity share in subsidiaries and associates are valued per the method per which the Company states its investment per cost value.

The Company recognizes revenue only in the degree in which it receives its part from distribution of undistributed net income of the user of investment, which occurs after the day when the Company acquired it.

Equity share in other legal entities and securities available for sale are valued per their market (fair) value.

Equity share relate to shares (equity) in:

SUBSIDIARIES		30.09.2009	<u>000 RSD</u>
Company	% share	Present value	30.09.2008
			Present value
EP Visokogradnja	92.39%	1,704,254	1,704,254
EP Niskogradnja	93.32%	855,506	855,506
EP Oprema	67.87%	121,316	121,316
EP Hidroinzenjering	94.84%	399,230	399,230
EP Urbanizam i arhitektura	94.40%	146,456	146,456
EP Promet	100.00%	295	295
EP Energodata	96.43%	191,438	164,016
EP Industrija	62.77%	61,208	61,208
EP Entel	86.26%	216,422	216,422
EP Garant	64.13%	360,026	251,109
EP Ingraf		0	25,575
EP Montenegro	100.00%	8	8
BE Company		0	0
Inec Eng.	100.00%	65,520	64,104
Encom GmbH	100.00%	4,756	4,038
Nana off shore	100.00%	1,272	0
Total		4,127,707	4,013,537
ASSOCIATES		Present value	Present value
Company	% share		
Enjub	50.00%	13,550	13,550
Energobroker	28.60%	4,371	4,371
Energo Ghana	80.00%	5,717	4,495
United Cons.Botswana	100.00%	3,731	2,934
Zecco Zambia	100.00%	683	537
Total		28,052	25,887
OTHER LEGAL ENTITIES AND SECURITIES HELD FOR SALE			
Company		Present value	Present value
Dunav		2,003	1,633
Jubmes banka		32,563	51,371
Hypo Alpe-Adria bank		3,366	3,366
Hipotekarna banka Podg.		10,841	8,928
FIMA SEE Activist		12,514	16,000
Total		61,287	81,298
 <u>TOTAL</u>		 <u>4,217,046</u>	 <u>4,120,722</u>

ENERGOPROJEKT HOLDING CO., BELGRADE
NOTES TO THE FINANCIAL STATEMENTS

Change of equity share in EP Energodata Co., EP Ingraf LLC. and Be Company LLC. occurred because of the status change through merge with joining, which was explained in more details in Chapter I - Company background.

20. OTHER LONG-TERM FINANCIAL INVESTMENTS

Other long-term financial investments relate to:

	30.09.2009	30.09.2008
	<u>RSD 000</u>	<u>RSD 000</u>
a) Given long-term credits		
at home		
abroad		
Total		
b) Foreign currency savings bonds		
c) Housing loans to employees	1,648	1,565
d) Approved long-term loans to subsidiaries		58,470
e) Other long-term provisions	1,595	
Total	<u><u>3,243</u></u>	<u><u>60,035</u></u>

21. INVENTORIES

	30.09.2009	30.09.2008
	<u>RSD 000</u>	<u>RSD 000</u>
Material, spare parts, tools and inventories		
Work in progress	4,265,744	1,920,109
Finished products		
Goods		
Non-current assets intended for sale		
Given advance payments	121,338	232,545
Total	<u><u>4,387,082</u></u>	<u><u>2,152,654</u></u>

Work in progress in the amount of RSD 4.265.744 thousand relates to realization of the contracts on sale of the building under construction in Block 26 (Note 15).

ENERGOPROJEKT HOLDING CO., BELGRADE
NOTES TO THE FINANCIAL STATEMENTS

22. RECEIVABLES

	30.09.2009	30.09.2008
	<u>RSD 000</u>	<u>RSD 000</u>
<u>Receivables based on sale</u>		
Buyers – subsidiaries	664,493	434,751
Buyers – associates		
Buyers at home	105	90
Buyers abroad		16,942
Less: Correction of value	(30,809)	(10,535)
Total	<u>633,789</u>	<u>441,248</u>
<u>Receivables from specific projects</u>		
Receivables from exporters		
Receivables based on import for others		
Receivables from consignment and sale on commission		
Other receivables from specific projects	39,467	30,131
Less: Correction of value	(511)	(469)
Total	<u>38,956</u>	<u>29,662</u>
<u>Other receivables</u>		
Receivables for interests and dividends	130,664	347,640
Receivables from employees	1,324	615
Receivables from governmental bodies and organizations		
Receivables for prepaid income tax		
Receivables for other prepaid taxes and contributions		373
Other receivables	2,348	2,688
Less: Correction of value	(30,569)	
Total	<u>103,767</u>	<u>351,316</u>
Total	<u><u>776,512</u></u>	<u><u>822,226</u></u>
	30.09.2009	30.09.2008
	<u>RSD 000</u>	<u>RSD 000</u>
<u>Buyers at home</u>		
Beograd	643,192	434,841
Vojvodina		
Serbia proper		
Less: Correction of value	(10,850)	(10,535)
Total	<u>632,342</u>	<u>424,306</u>
<u>Buyers abroad</u>		
Former Yugoslav republics	1,447	
Europe	19,864	16,867
Africa	95	75
Less: Correction of value	(19,959)	
Total	<u>1,447</u>	<u>16,942</u>
Total	<u><u>633,789</u></u>	<u><u>441,248</u></u>

ENERGOPROJEKT HOLDING CO., BELGRADE
NOTES TO THE FINANCIAL STATEMENTS

The Company has some unresolved internal relations issues with Energoprojekt Energodata a.d., Energoprojekt Niskogradnja a.d. and Energoprojekt Visokogradnja a.d. inherited from earlier periods.

23. SHORT-TERM FINANCIAL INVESTMENTS

Short-term financial investments include:

Currency	Interest %	<u>30.09.2009</u> RSD 000	<u>30.09.2008</u> RSD 000
<u>Short-term credits and investments – subsidiaries and associates</u>			
Subsidiaries		631,662	210,713
Associates		17,440	
Current maturity of long-term credits			
Less: Correction of value		(65,494)	(38,250)
Total		583,608	172,463
<u>Short-term credits at home</u>			
Credits given to employees			26
Current maturity of long-term credits		20	13
Less: Correction of value			
Total		20	39
<u>Short-term credits abroad</u>			
Given credits			
Current maturity of long-term credits			
Less: Correction of value			
Total		-	-
<u>Securities held until due</u>			
Less: Correction of value			
Total		-	-
<u>Securities traded</u>			
Subsidiary - Energodata a.d.			
Other legal entities - Stankom banka			
Less: Correction of value			
Total		-	-
<u>Other short-term financial investments</u>			
Alpha bank a.d.-short fixed term foreign currency deposits			355,403
Vojvodjanska banka a.d. - earmarked term deposit			
Other			5,499
Less: Correction of value			
Total		-	360,902
Total		583,628	533,404

ENERGOPROJEKT HOLDING CO., BELGRADE
NOTES TO THE FINANCIAL STATEMENTS

24. CASH AND CASH EQUIVALENTS

	30.09.2009	30.09.2008
	<u>RSD 000</u>	<u>RSD 000</u>
<u>In RSD</u>		
Current accounts	1,901	2,502
Treasury	124	63
Securities		
Short fixed term deposits		
Other		
Total	<u>2,025</u>	<u>2,565</u>
<u>In foreign currency</u>		
Foreign currency accounts	637,450	516,075
Treasury	23	78
Letters of credit		
Other		
Funds whose use is limited or value decreased		
Total	<u>637,473</u>	<u>516,153</u>
Total	<u>639,498</u>	<u>518,718</u>

Funds of the Company in foreign currency are short fixed deposited at varying rates between 0.65% and 4.8% p.a. for EUR, and 2.2% p.a. for USD.

25. VALUE ADDED TAX AND ACTIVE TIME ACCRUALS

	30.09.2009	30.09.2008
	<u>RSD 000</u>	<u>RSD 000</u>
<u>Value added tax</u>	8,124	43,654
<u>Deferred income</u>		
Expenses paid in advance	1,739	199
Uninvoiced receivables for unaccounted income	650,753	290,215
Accrual expenses for liabilities		
Other deferred income	5,085	11,499
Total	<u>657,577</u>	<u>301,913</u>
Total	<u><u>665,701</u></u>	<u><u>345,567</u></u>

Receivables for uninvoiced income in the amount of RSD 1.739 thousand relate to realization of the sale contract for the building under construction (Note 15).

ENERGOPROJEKT HOLDING CO., BELGRADE
NOTES TO THE FINANCIAL STATEMENTS

26. CAPITAL ASSETS

Capital assets include the following capital forms:

	30.09.2009	30.09.2008
	RSD 000	RSD 000
Share capital		
ordinary shares	3,787,124	3,187,612
preferential shares		
Capital assets	3,787,124	3,187,612
Other capital assets	27,178	27,178
Total capital assets and other capital	3,814,302	3,214,790

According to the records of the Central Securities Registry, the registered balance of ownership of the Company`s shares on September 30, 2009 was:

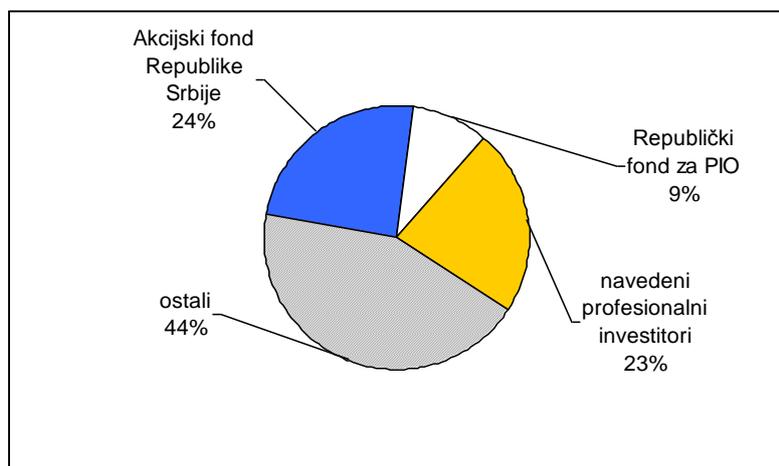
	broj akcija	% od ukupne emisije
Akcije u vlasništvu fizičkih lica	3.072.566	32,45%
Akcije u vlasništvu pravnih lica	4.719.691	49,85%
- <i>Akcijski i PIO fond</i>	3.178.533	33,57%
- <i>Ostala pravna lica</i>	1.541.158	16,28%
Zbirni (kastodi) račun	1.675.553	17,70%
Ukupan broj akcija	9.467.810	100%

Broj akcionara sa učešćem u kapitalu	broj lica			broj akcija			% od ukupne emisije		
	domaća	strana	total	domaća	strana	total	domaća	strana	total
do 5%	8.671	265	8.936	5.370.136	919.141	6.289.277	56,72%	9,71%	66,43%
od 5% do 10%	1	0	1	891.556	0	891.556	9,42%	0,00%	9,42%
preko 10% do 25%	1	0	1	2.286.977	0	2.286.977	24,16%	0%	24,16%
preko 25% do 33%	0	0	0	0	0	0	0%	0%	0%
preko 33% do 50%	0	0	0	0	0	0	0%	0%	0%
preko 50% do 66%	0	0	0	0	0	0	0%	0%	0%
preko 66% do 75%	0	0	0	0	0	0	0%	0%	0%
preko 75%	0	0	0	0	0	0	0%	0%	0%
Ukupan broj akcija	8.673	265	8.938	8.548.669	919.141	9.467.810	90,29%	9,71%	100,00%

Redosled prvih 10 akcionara po broju akcija/glasova:

Naziv	broj akcija	% od ukupne emisije
Akcijski fond Republike Srbije	2.286.977	24,16%
PIO fond Republike Srbije	891.556	9,42%
Hypo kastodi 4	426.495	4,50%
East capital asset manag.	375.992	3,97%
GP Napred a.d. Beograd	306.009	3,23%
Raiffeisen zentralbank	255.262	2,70%
Privredna banka Zagreb d.d.	243.562	2,57%
Unicredit Bank Austria AG	231.837	2,45%
Gustavus capital asset mngt.	160.362	1,69%
Erste&Steiermarkische bank d.d.	81.452	0,86%
Erste bank custody 00001	80.169	0,85%

ENERGOPROJEKT HOLDING CO., BELGRADE
NOTES TO THE FINANCIAL STATEMENTS



Share capital – ordinary shares include founding shares and shares issued during operations with the right of management, right on participation in profit of the shareholding company and apart of the bankrupt's estate in accordance with the Memorandum of Association, i.e., decision on share issue.

Resolutions were taken at the 33rd General Meeting held 14 July 2009 under item 5 of the agenda on the matters of:

- a) Distribution of Energoprojekt Holding's annual profits for 2008,
- b) Organization of the VI issue of ordinary shares without a public offer for the purpose of converting undistributed profit to equity, and the replacement of shares on the same grounds in order to increase their nominal value, and
- c) Organization of the VII issue of ordinary shares without a public offer for the purpose of converting undistributed profit to equity.

The total net profit of RSD 488.301.716,68 which according to the final account was generated in 2008, according to the General Meeting's resolution is to be allocated as follows:

1. 5% (RSD 24.415.085,83) into the company's reserves
2. the sum of RSD 463.886.630,85 into undistributed profit

The combined undistributed profit, including undistributed profits from previous years (RSD 377.939.900,78) and undistributed profit from 2008 (RSD 463.886.630,85), amounts to a total of RSD 841.826.531,63.

The above undistributed profit is allocated as follows:

- a) A portion of the undistributed profit in the sum of RSD 455.373.150 (9.107.463 shares * 50 RSD) will be used to increase the company's equity pro rata of each shareholder's share of the Holding's equity, in accordance with the General Meeting's resolution, taken under item 5b, on the VI issue of ordinary shares without a public offer for the purpose of converting undistributed profit to equity, and the replacement of shares on the same grounds in order to increase their nominal value from 350,00 to 400,00 RSD.
- b) A portion of the undistributed profit in the sum of RSD 145.719.408,00 will be used for dividend payment in shares RSD 144.138.800,00, representing the RSD equivalent of 360.347 shares with a nominal value of 400,00 RSD per share, in accordance with the General Meeting's resolution, taken under item 5c, on the VII issue of ordinary shares without a public offer for the purpose of converting undistributed profit to equity.

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A portion of the undistributed profit in the sum of RSD 1.580.608, which cannot be paid out in full shares, will be paid to shareholders in cash for the appropriate amount which exceeds the full share price.

The remaining sum of RSD 240.733.973,63 is allocated as undistributed profit.

On 23 July 2009 the Securities Committee issued its Decision No. 4/0-24-4188/3-09 whereby it approved the issue of securities without a public offer for the purpose of converting undistributed profit to equity, and the replacement of existing shares on the same grounds in the amount of RSD 3.642.985.200,00, or the equivalent of 9.107.463 ordinary shares with a nominal value of 400,00 RSD, and on 30 July 2009 the committee issued its Decision No. 4/0-24-4245/3-09 whereby it approved the issue of securities without a public offer for the purpose of converting undistributed profit to equity in the amount of RSD 144.138.800, or the equivalent of 360.347 ordinary shares with a nominal value of 400,00 RSD.

The Central Securities Depository and Clearing House on the day of 04th August 2009 registered VII shares emission in accordance with the Decision of the Central Securities Depository and Clearing House no. 4/0-24/4245/3-09 from 30th July 2009, in that way 9.467.810 shares, face value 400,00 Rsd per each share, CIF code, ESVUFR and ISN: RSHOLDE58279 are registered on the emission account of Energoprojekt Holding Co., Belgrade.

As of 2007 the Company's shares are traded on the A-listing of the Belgrade Stock Exchange.

27. OTHER CAPITAL ASSETS

Other capital assets were made by reposting of sources of non-operational assets in 2005 and amount to RSD 27,178 thousand.

28. RESERVES

Reserves comprise of:

	30.09.2009	30.09.2008
	RSD 000	RSD 000
Emission premium	1,593,034	1,595,962
Legal reserves	23,185	23,185
Statutory and other reserves	56,296	31,881
Total	1,672,515	1,651,028

Emission premium presents a positive difference between the achieved sale value of shares and their nominal value.

The legal reserves had to be formed by 2004, by bringing each year from the profit at least 5% in, until a minimum amount reaches 10% of issued capital.

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Memorandum of Association of the Company defines Statutory reserves whose amount is decided by the General Shareholders` Meeting at proposal of the Board of Directors, which may not be smaller than 5% of the realized net profit.

Based on the GM resolution of July 14, 2009, a total of 5% of the profits according to financial reports for 2008, or the equivalent of 24,415 thousand RSD, was allocated to the company reserves, which will be recorded in company books after the reporting date (Note 26).

29. REVALUATION RESERVES, UNREALIZED PROFIT AND LOSSES BASED ON SECURITIES

Revaluation reserves, unrealized profit and losses based on available-for-sale securities include:

	<u>30.09.2009</u>	<u>30.09.2008</u>
	RSD 000	RSD 000
Revaluation reserves	49,460	94,467
Unrealized profit from available for sale securities	28,803	
Unrealized losses from available for sale securities	(3,910)	
Total	<u><u>74,353</u></u>	<u><u>94,467</u></u>

Based on the amendments of the Regulation of account framework and contents of an account within the account framework for business companies, cooperatives, other legal entities and entrepreneurs, which was adopted in end-2008 to ensure compliance with the revised IAS 39, a number of new accounts were introduced among which 332 – Unrealized profits from available for sale securities, and 333 – Unrealized losses from available for sale securities. As a result, some of the positions which in previous years were posted in the corresponding analytic records within the group 330 – Revaluation reserves, were transferred to these new accounts in 2008.

The change in revaluation reserves resulted from the adjustment of the value of securities from the Company's portfolio with their fair value on the secondary market at reporting date (30 September 2009).

Changes in revaluation reserves can also occur based on exchange rate differences associated with share of capital of dependent and other related legal entities operating abroad.

30. UNDISTRIBUTED PROFIT

Undistributed profit relates to:

	30.09.2009	30.09.2008
	RSD 000	RSD 000
Undistributed profit of earlier years	866,826	516,813
Correction of profit based on materially significant mistakes		
Correction of profit based on changes of accounting policies		
Correction of profit based on acquiring and sale of own shares		
Correction of profit based on realized revaluation reserves		
Correction of profit based on income tax	(584)	(1,600)
Correction of profit based on intangible assets		
Correction of profit based on revaluation of equity share in banks		
Correction of profit based on accumulated revaluation reserves		
Correction of profit based on revaluation income		
Correction of profit based on goodwill		
Correction of profit based on first implementation of IAS 19		
Correction of profit based on first implementation of IAS 12		
Profit distribution (dividends)	(601,093)	(122,648)
Profit distribution share issue		
Profit distribution in statutory reserves	(24,415)	(14,625)
Other adjustments		(494)
Current year`s profit	466,671	519,664
Total	707,405	897,110

At the 33rd General Meeting of Energoprojekt Holding a.d. held 14 July 2009 resolution was taken under item 5 of the agenda on the distribution of undistributed profit.

31. REDEEMED SHARES

In 2008 and 2009 the company repurchased 19,410 own shares, whose nominal value amounts to RSD 7,764 thousand. Based on distribution of profit, the number of shares was increased by 776 own shares, whose nominal value amounts to RSD 310 thousand. In 2009 Company sold 4,373 own shares, whose nominal value amounts to RSD 1,749 thousand, so that in the third quarter of 2009 total number of repurchased own shares amounts to 15,813 of nominal value of RSD 6,325 thousand.

32. LONG-TERM PROVISIONS

Long-term provisions are recognized when:

- The company has an obligation (legal or real) which is the result of a past event;
- It is probable that outflow of resources which contains economic benefits shall be needed for settlement of the liability; and
- Amount of the liability may reliably be measured.

Long-term provisions include:

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	30.09.2009 RSD 000	30.09.2008 RSD 000
Provisions for expenses with the warranty period		
Provisions for kept securities and deposits		
Provisions for expenses of restructuring		
Provisions for compensations and other benefits for employees	2,400	2,831
Other long-term provisions	260,000	260,000
Total	262,400	262,831

33. LONG-TERM CREDITS

Liabilities per long-term credits are due in a deadline longer than a year from the day of commitment, i.e., from the day of the annual balance sheet.
The Company does not have long-term credits.

34. OTHER LONG-TERM LIABILITIES

Other long-term liabilities relate to:

	30.09.2009 RSD 000	30.09.2008 RSD 000
Liabilities which can be converted into capital		
Liabilities toward parent and dependent legal entities	62,370	28,913
Liabilities toward other associated legal entities		
Liabilities per emitted stocks in the period longer than a year		
Liabilities based on long-term financial leasing	11,275	14,598
Other long-term liabilities		
Total	73,645	43,511

Increase of liabilities toward dependent companies occurred based on the performance of the construction contract for the building in Block 26, Bay I, and relates to Energoprojekt Visokogradnja a.d. – 5% guarantee deposit per interim certificates.

35. LIABILITIES BASED ON LONG-TERM LEASE

	RSD 000		RSD 000			
	30.09.2009		30.09.2008			
	Future minimal payment of the lease	Interest	Present value of minimal payments	Future minimal payments of the lease	Interest	Present value of minimal payments
Up to one year	833	262	638	285		
Between one and five years	11,275	1,492	12,315	2,283		
Longer than five years						
Total	12,108	1,754	0	12,953	2,568	0

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36. SHORT-TERM FINANCIAL LIABILITIES

Short-term financial liabilities include:

	Currency	Interest %	<u>30.09.2009</u> RSD 000	<u>30.09.2008</u> RSD 000
<u>Short-term credits at home</u>				
		<i>6 months</i>		
		<i>Belibor+</i>		
<i>Hypo Alpe-Adria Bank AD</i>		<i>1,5% p.a.</i>		
		<i>Ref. IR</i>		
		<i>NBS.+0,8 %</i>		
<i>Alpha Bank</i>		<i>p.a.</i>		300,000
		<i>1 month</i>		
		<i>Belibor+ 2%</i>		
<i>Unicredit Bank</i>		<i>p.a.</i>		
		<i>3months</i>		
		<i>Euribor+3,85</i>		
<i>Societe Generale Bank Serbia</i>		<i>%</i>	138,173	118,470
Other				
Current maturity of long-term credits				
Total			<u>138,173</u>	<u>418,470</u>
<u>Other short-term financial liabilities</u>				
Liabilities per short-term securities				
Other short-term financial liabilities			128	
Liabilities for non-current assets and assets from discontinued operations intended for sale				
A part of other long-term liabilities which are due up to one year -Raiffeisen leasing			119	153
A part of other long-term liabilities which are due up to one year -Intesa leasing			714	770
Other short-term financial liabilities - VISA accounts				
Total			<u>961</u>	<u>923</u>
Grand total			<u><u>139,134</u></u>	<u><u>419,393</u></u>

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37. LIABILITIES FROM BUSINESS OPERATIONS

	30.09.2009	30.09.2008
	<u>RSD 000</u>	<u>RSD 000</u>
<u>Operating liabilities</u>		
Received advance payments, deposits and securities	4,879,625	2,049,997
Suppliers-subsiidiaries	57,295	142,433
Suppliers-associates	980	147
Suppliers at home	10,327	8,377
Suppliers abroad		
Other operating liabilities		
Total	<u>4,948,227</u>	<u>2,200,954</u>
<u>Liabilities from specific operations</u>		
Liabilities toward importers		
Liabilities based on export on behalf of others		
Liabilities based on consignment and sale on commission		
Other liabilities from specific operations	82	185
Total	<u>82</u>	<u>185</u>
Grand total	<u><u>4,948,309</u></u>	<u><u>2,201,139</u></u>

Received advance payment in the amount of RSD 4.878.910 thousand relates to the collected advance payment per the sale contract for a building in construction (Note 15).

The largest part of the amount of RSD 57.295 thousand at position Suppliers –parent and dependent companies, relates to Energoprojekt Visokogradnja a.d., the amount of RSD 46.634 thousand relates to the liability per XXII Interim Progress Certificate for September 2009 for the construction of the building in Block 26, Bay I.

Geographical distribution of suppliers is as follows:

	30.09.2009	30.09.2008
	<u>RSD 000</u>	<u>RSD 000</u>
<u>Suppliers at home</u>		
Beograd	63,017	145,777
Less: Correction of value		
Total	<u>63,017</u>	<u>145,777</u>
<u>Suppliers abroad</u>		
Europe-dependent legal entities	4,737	5,133
Africa-other legal entities		47
Asia-other related legal entities	848	
Less: Correction of value		
Total	<u>5,585</u>	<u>5,180</u>
Grand total	<u><u>68,602</u></u>	<u><u>150,957</u></u>

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38. OTHER SHORT-TERM LIABILITIES

	30.09.2009	30.09.2008
	<u>RSD 000</u>	<u>RSD 000</u>
<u>Liabilities for salaries and compensations</u>	12,297	13,898
<u>Other liabilities</u>		
Liabilities for interests and expenses of funding		
Liabilities for dividends	6,291	5,221
Liabilities for share in profit	4,309	4,309
Liabilities toward employees	145	101
Liabilities toward members of BoD and Supervising board	1,259	1,267
Liabilities toward physical entities for compensations per contracts	903	53
Other liabilities	607	79
Total	<u>25,811</u>	<u>24,928</u>

39. VAT AND OTHER PUBLIC REVENUE LIABILITIES AND ACCRUALS

	30.09.2009	30.09.2008
	<u>RSD 000</u>	<u>RSD 000</u>
<u>VAT liability</u>	<u>11,293</u>	<u>24,112</u>
<u>Liability for other taxes, contributions and other duties</u>		
Excise tax		
Tax liability based on business results	802	44,720
Taxes, customs and other duties from purchases or charged to expenses	513	3,162
Other liabilities for taxes, contributions and other duties	1,044	711
Subtotal	<u>2,359</u>	<u>48,593</u>
<u>Accruals</u>		
Expenses accounted in advance	36	
Accounting income of future period		
Collected VAT		
Accrued income from effects of agreed risk protection		
Accrued dependent purchase costs		
Deferred income and received donations		
Accrued income based on receivables		
Other accruals		
Subtotal	<u>36</u>	<u>0</u>
Total	<u>13,688</u>	<u>72,705</u>

40. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets are amounts of income tax which may be compensated in future periods, which relate to deductible temporary differences, unused tax losses and credits transferred in advance. They are recognized in the degree in which it is probable that future taxable profit shall be realized.

Deferred tax liabilities are amounts of income tax which shall be paid in future period based on taxable temporary differences.

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	30.09.2009	30.09.2008
	RSD 000	RSD 000
Deferred tax assets		
Deferred tax liabilities	8,539	8,136
Net tax assets/liabilities	8,539	8,136

As of 30 September 2009, no assessment has been made of the deferred tax assets and liabilities due to their intangible nature.

41. LAWSUITS

No	Claimant	Defendant	Basis	Litigation value	Court	Expected outcome
1.	Jovanović Vlada	EP Holding a.d.	Income payment	1,292.00 USD 27,000.00 RSD	District Court	Uncertain
2.	Office for Building Land	EP Holding a.d.	Compensation for HYATT	15,459,728.80 RSD	Commercial Court	Settlement in progress
3.	EP Holding a.d. and Visokogradnja a.d.	City of Belgrade, RS, Bel.Arena, Office for Building Land	Debt	8,399,218.81 USA \$	Commercial Court	Founded
4.	EP Oprema a.d. Holding a.d.	Belgrade Arena	Debt	4,817,705.05 RSD	Commercial Court	Appealed
5.	Ljiljana Bakić	EP Holding a.d. & Urbanizam i arhitektura a.d. EP Holding a.d.		389,703.54 RSD	IV Municipal Court	Uncertain
6.	Dragoljub Bakić	EP Holding a.d. & Urbanizam i arhitektura a.d.		389,382.87 RSD	IV Municipal Court	Uncertain
7.	EP Holding a.d. & GP Napred	Limes	Voiding of entry of change of founder		Commercial Court	Uncertain
8.	EP Holding a.d.	Epsturs et al.	Establishment of ownership rights		Basic Court of Kotor	Founded
9.	Milan Raonić	EP Holding, Visokog. & Urb. i arh.	Copyright infringement	7,000,000.00 RSD	District Court of Belgrade	Uncertain
10.	NEW Company	GP Napred & EP Holding a.d.	Contract performance / establishment of ownership rights		Commercial Court of Belgrade	Partly founded
11.	EP Holding a.d.	MV Inženjering Čačak	Debt	5,524,202.40 RSD	Commercial Court of Čačak	Execution procedure
12.	EP Holding a.d.	Municipality of Stari Grad	Procedure for establishment		1 st Municipal Court of Belgrade	Uncertain

42. OFF-BALANCE SHEET ASSETS AND LIABILITIES

Off-balance sheet assets and liabilities of the Company in the amount of RSD 14.144.902 thousand relate to surety from issued guarantees and approved credit lines based on credits and guarantees for affiliated companies in the amount of RSD 6.735.180 thousand (based on issued guarantees the Company has concluded contracts with affiliated companies for which it guarantees and from the same it has received adequate collateral), payment guarantee to IATA for the sum of RSD 2.511 thousand, performance bonds for the building under construction in Block 26 in the amount of RSD 186,023 thousand, mortgage on the building in construction in the amount of RSD 6.098.638 thousand, and the right on use of the city building land in the amount of RSD 1,122,550 thousand.

43. EVENTS AFTER THE BALANCE SHEET

There were no events after balance sheet date which would have any significant impact the credibility of the financial reports.

Belgrade,
02 November 2009.

Statements approved by:

Managing Director