

ENERGOPROJEKT HOLDING CO.

INCOME STATEMENT
for the period January 1 to Jun 30 , 2010

in 000 RSD

Group accounts, account	POSITION	EDP	Note no.	Amount	
				Current year	Previous year
1	2	3	4	5	6
	A. BUSINESS REVENUE AND EXPENSES				
	I. BUSINESS REVENUE (202+203+204-205+206)	201		1,309,446	1,755,296
60 and 61	1. Sale revenue	202	6	5,812,143	396,744
62	2. Revenue from undertaking of outputs and goods for own purposes	203	6	394	-
630	3. Increase of inventories	204	7	182,601	1,357,955
631	4. Decrease of inventories	205	7	4,685,991	-
64 and 65	5. Other business revenue	206	8	299	597
	II. BUSINESS EXPENSES (208 to 212)	207	-	659,337	1,514,674
50	1. Cost value of sold goods	208	-	-	-
51	2. Cost of material	209	9	15,494	9,511
52	3. Staff costs	210	10	81,888	80,488
54	4. Depreciation and provisions costs	211	11	9,853	12,995
53 and 55	5. Other business expenses	212	12	552,102	1,411,680
	III. PROFIT FROM OPERATIONS (201 - 207)	213	-	650,109	240,622
	IV. LOSS FROM OPERATIONS (207 - 201)	214	-	-	-
66	V. FINANCIAL REVENUE	215	13	284,634	432,655
56	VI. FINANCIAL EXPENSES	216	13	224,531	278,927
67, 68	VII. OTHER REVENUE	217	14	-	268
57, 58	VIII. OTHER EXPENSES	218	14	9,324	318
	IX. PROFIT FROM OPERATIONS BEFORE TAX (213-214+215-216+217-218)	219		700,888	394,300
	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		24	-
	B. PROFIT BEFORE TAX (219-220+221-222)	223		700,864	395,558
	V. LOSS BEFORE TAX (220-219+222-221)	224		-	-
	G. INCOME TAX			-	-
721	1. Tax expenses for the period	225		15,305	4,811
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		685,559	390,747
	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.

BALANCE SHEET
on Jun 30, 2010

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		4,708,766	4,675,891
00	I. UNPAID SUBSCRIBED CAPITAL	002	-	-	-
012	II. GOODWILL	003	-	-	-
01 w/out 012	III. INTANGIBLE ASSETS	004	16	9,862	4,940
	IV. PROPERTY, PLANT, EQUIPMENT AND BIOLOGICAL ASSETS (006+007+008)	005		446,736	454,329
020,022,023, 026,027(part), 028(part),029	1. Property, plant and equipment	006	17	446,736	454,329
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		4,252,168	4,216,622
030 to 032, 039(part)	1. Equity share	010	18	4,249,980	4,213,372
033 to 038, 039(part) less 037	2. Other long-term financial investments	011	19	2,188	3,250
	B. CURRENT ASSETS (013+014+015)	012		2,686,228	6,723,992
10 to 13,15	I. INVENTORIES	013	20	133	4,104,471
14	II. NON-CURRENT ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS	014		-	-
	III. SHORT-TERM RECEIVABLES, INVESTMENTS AND CASH (016+017+018+019+020)	015		2,686,095	2,619,521
20, 21 and 22, except 223	1.Receivables	016	21	997,026	711,435
223	2.Receivables for overpaid income tax	017		-	-
23 less 237	3.Short-term financial investments	018	22	1,182,997	512,757
24	5.Cash equivalents and cash	019	23	496,066	741,004
27 and 28 except 288	4.VAT and accruals	020	24	10,006	654,325
288	C. DEFERRED TAX ASSETS	021		-	-
	D. OPERATING ASSETS (001+012+021)	022		7,394,994	11,399,883
29	E. LOSS OVER CAPITAL	023		-	-
	F. TOTAL ASSETS (022+023)	024		7,394,994	11,399,883
88	G. OFF-BALANCE SHEET ITEMS	025	38	8,562,402	13,552,980

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		6,953,286	6,188,144
30	I. ISSUED AND OTHER CAPITAL	102	25	3,814,302	3,214,790
31	II. UNPAID SUBSCRIBED CAPITAL	103		-	-
32	III. RESERVES	104	26	1,679,506	1,645,432
330 i 331	IV. REVALUATION RESERVES	105	27	57,829	55,240
332	V. UNREALIZED GAINS BASED ON SECURITIES AVAILABLE FOR SALE	106		8,611	15,703
333	V. UNREALIZED LOSSES BASED ON SECURITIES AVAILABLE FOR SALE	107		1,779	264
34	VII. RETAINED EARNINGS	108	28	1,395,127	1,264,037
35	VIII. LOSS	109		-	-
037 and 237	IX. REDEEMED OWN SHARES	110	29	310	6,794
	B. NON-CURRENT PROVISIONS AND LIABILITIES (112+113+116)	111		431,900	5,203,200
40	I. NON-CURRENT PROVISIONS	112	30	261,021	262,400
41	II. NON-CURRENT LIABILITIES (114+115)	113		8,700	154,473
414, 415	1. Long-term credits	114	31	-	-
41 w/out 414 and 415	2. Other non-current liabilities	115	32	8,700	154,473
	III. CURRENT LIABILITIES (117+118+119+120+121+122)	116		162,180	4,786,327
42, except 427	1. Short-term financial liabilities	117	33	2,145	140,468
427	2. Liabilities from assets held for sale and assets from discontinued operations	118		-	-
43 and 44	3. Liabilities from business operations	119	34	128,734	4,570,701
45 i 46	4. Other short-term liabilities	120	35	23,986	22,427
47, 48 except 481 and 49 except 498	5. VAT and other public liabilities and accruals	121	36	4,764	52,731
481	6. Income tax liabilities	122		2,551	-
498	C. DEFERRED TAX LIABILITIES	123	37	9,807	8,539
	D. TOTAL CAPITAL AND LIABILITIES (101+111+123)	124		7,394,994	11,399,883
89	E. OFF-BALANCE SHEET ITEMS	125	38	8,562,402	13,552,980

CASH FLOW STATEMENT
for the period January 1 to Jun 30 , 2010

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		1,099,574	1,842,601
1. Sale and received advance payments	302		1,053,842	1,820,561
2. Received interests from business activities	303		-	200
3. Other cash flow from regular operations	304		45,732	21,840
II. Cash outflow from business activities (1 to 5)	305		690,471	1,838,907
1. Cash to suppliers and advances paid	306		534,482	1,719,441
2. Staff costs	307		83,832	83,142
3. Interests paid	308		2,237	3,263
4. Income tax	309		31,362	3,374
5. Other public duties	310		38,558	29,687
III. Net cash flow from business activities (I-II)	311		409,103	3,694
IV. Net cash outflow from business activities (II-I)	312		-	-
B. CASH FLOW FROM INVESTMENTS				
I. Cash flow from investments (1 to 5)	313		8,407	83,331
1. Sale of shares and stakes (net inflow)	314		-	-
2. Sale of intangible assets, property, plant, equipment and biological assets	315		-	-
3. Other financial investments (net inflow)	316		-	65,387
4. Interests received from investments	317		8,407	17,068
5. Dividends received	318		-	876
II. Cash outflow from investments (1 to 3)	319		386,540	133,565
1. Acquisition of shares and stakes (net outflow)	320		-	-
2. Acquisition of intangible assets, property, plant, equipment and biological assets	321		4,773	11,972
3. Other financial investments (net outflow)	322		381,767	121,593
III. Net cash flow from investments (I-II)	323		-	-
IV. Net cash outflow from investments (II-I)	324		378,133	50,234
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		149,770	7,146
1. Acquisition of own shares and stakes	330		-	4,954
Long and short-term credits and other liabilities (net outflow)	331		147,769	-
3. Finance leasing	332		1,991	2,184
4. Dividends paid	333		10	8
III. Net cash flow from financing activities (I-II)	334		-	-
IV. Net cash outflow from financing activities (II-I)	335		149,770	7,146
G. TOTAL CASH FLOW (301+313+325)	336		1,107,981	1,925,932
D. TOTAL CASH OUTFLOW (305+319+329)	337		1,226,781	1,979,618
DJ. NET CASH FLOW (336-337)	338		-	-
E. NET CASH OUTFLOW (337-336)	339		118,800	53,686
Z. CASH AT THE BEGINNING OF THE ACCOUNTING PERIOD	340		568,353	746,725
Z. GAINS ON EXCHANGE	341		329,938	58,772
I. LOSS ON EXCHANGE	342		283,425	10,807
J. CASH AT THE END OF THE ACCOUNTING PERIOD (338-339+340+341-342)	343		496,066	741,004

STATEMENT OF CHANGES IN CAPITAL
for the period January 1 to Jun 30, 2010

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	Undis-tributed 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	3,187,612	414	27,178	427	-	440	1,591,953	453	55,066	466	41,502	479	24,325	492	162	505	866,826	518	-	531	3,427	544	5,790,873	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	3,187,612	417	27,178	430	-	443	1,591,953	456	55,066	469	41,502	482	24,325	495	162	508	866,826	521	-	534	3,427	547	5,790,873	560	-
5	Total increase in the previous year	405	599,512	418	-	431	-	444	5,736	457	24,415	470	27,519	483	6,227	496	-	509	469,137	522	-	535	4,647	548	1,127,899	561	-
6	Total decrease in the previous year	406	-	419	-	432	-	445	1,679	458	-	471	15,918	484	5,206	497	162	510	626,092	523	-	536	4,156	549	644,577	562	-
7	Balance on December 31, previous year (no.4+5-6)	407	3,787,124	420	27,178	433	-	446	1,596,010	459	79,481	472	53,103	485	25,346	498	-	511	709,871	524	-	537	3,918	550	6,274,195	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	3,787,124	423	27,178	436	-	449	1,596,010	462	79,481	475	53,103	488	25,346	501	-	514	709,871	527	-	540	3,918	553	6,274,195	566	-
11	Total increase in the current year	411	-	424	-	437	-	450	4,084	463	-	476	7,419	489	989	502	1,779	515	1,154,393	528	-	541	-	554	1,165,106	567	-
12	Total decrease in the current year	412	-	425	-	438	-	451	69	464	-	477	2,693	490	17,724	503	-	516	469,137	529	-	542	3,608	555	486,015	568	-
13	Balance on Jun 30, of the current year (no. 10+11-12)	413	3,787,124	426	27,178	439	-	452	1,600,025	465	79,481	478	57,829	491	8,611	504	1,779	517	1,395,127	530	-	543	310	556	6,953,286	569	-

STATISTICAL ANNEX
for the period January 1 to Jun 30, 2010

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

DESCRIPTION	EDP designation	Current year	Previous year
1	2	3	4
1. Number of business months (designation from 1 to 12)	601	6	6
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	74	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	10,581	964	9,617
	1.2. Increase (acquisitions) during the year	607	335	-	335
	1.3. Decrease (sale, removal from inventory and impairment) during the year	608		-	90
	1.4.Revaluation during the year	609		-	-
	1.5.Balance at the end of the year (606+607-608+609)	610	10,916	1,054	9,862
o2	2. Real property, plant, equipment and biological assets				
	2.1. Balance at the beginning of the year	611	767,831	315,281	452,550
	2.2. Increase (acquisitions) during the year	612	3,949	-	3,949
	2.3. Decrease (sale, removal from inventory and ensuring) during the year	613	-	-	9,763
	2.4. Revaluation during the year	614		-	-
	2.5. Balance at the end of the year (611+612-613+614)	615	771,780	325,044	446,736

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	-	3,962,593
12	3. Finished products	618	-	-
13	4. Goods	619	-	-
14	5. Non-current assets held for sale	620	-	-
15	6. Advances given	621	133	141,878
	7.TOTAL (616+617+618+619+620+621=013)	622	133	4,104,471

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	905,139	559,848
43	2. Liabilities from operations (balance at the end of the year 640 ≤ 117)	640	128,046	4,570,616
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	73,625	229,893
43	5. Business liabilities (receivables turnover without initial balance)	643	907,096	3,545,317
450	6. Liabilities for net income and income compensations (receivables turnover without initial balance)	644	41,757	41,866
451	7. Liabilities for salaries tax and salaries compensations paid by employees (receivables turnover without initial balance)	645	6,505	6,455
452	8. Liabilities for contributions on salaries and salaries compensations paid by employees (receivables turnover without initial balance)	646	8,926	9,211
461,462 and 723	9. Liabilities for dividends, profit share and employer's personal earnings (receivables turnover without initial balance)	647	-	-
465	10. Liabilities toward physical entities for compensations per contracts (receivables turnover without initial balance)	648	1,692	899
47	11. VAT collected during sale of products, goods and services (receivables turnover without initial balance)	649	32,100	323,580
	12. Control summary (from 639 to 649)	650	2,104,886	9,287,685

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	11,536	4,017
520	2. Salaries and salaries compensations (gross)	652	56,593	55,902
521	3. Tax expenses and contributions on salaries and salaries compensations paid by employer	653	8,824	8,896
522,523,524 and 525	4. Expenses for compensations to physical entities (gross) based on contracts	654	3,120	1,365
526	5. Expenses of compensations to BoD & Supervision Board members (gross)	655	10,638	10,232
529	6. Other personal expenses and compensations	656	2,713	4,093
53	7. Expenses of production services	657	486,081	1,377,508
533, part 540 and part 525	8. Lease expenses	658	343	324
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	9,853	12,715
552	12. Expenses of insurance premiums	662	4,026	5,580
553	13. Payroll expenses	663	3,346	1,997
554	14. Membership fees	664	682	485
555	15. Tax expenses	665	31,317	4,075
556	16. Contributions	666	-	-
562	17. Interests	667	2,629	4,663
part 560, part 561 and 562	18. Interests expenses and a part of financial expenses	668	2,629	4,663
part 560, part 561 and part 562	19. Interests expenses per credits and banks and dfo	669	2,556	4,651
part 579	20. Expenses for humanitarian, cultural, health, educational, scientific and religious purposes, for protection of the Environment and sports	670	1,630	100
	21. Control summary (from 651 to 670)	671	638,516	1,501,266

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	20,616	25,054
part 660, part 661, and part 662	7. Revenue from interests per accounts and deposits in banks and other financial organizations	678	8,454	16,671
part 660, part 661 and part 669	8. Revenue from dividends and profit share	679	42,630	212,392
	9. Control summary (from 672 to 679)	680	71,700	254,117

IX OTHER DATA

Amounts in 000 RSD

DESCRIPTION	EDP designation	Current year	Previous year
1	2	3	4
1. Liabilities for acscises (according to annual acscises 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	-	-
7. Personal income of entrepreneurs from net profit (filled in by entrepreneurs only)	687	-	-
8. Control summary (from 681 to 687)	688	-	-

**ENERGOPROJEKT HOLDING A.D.
BEOGRAD**

**Notes to the Financial Statements
as at June 30, 2010**

1. COMPANY BACKGROUND

Energoprojekt Holding a.d., Beograd (hereinafter: the Company) is an open joint stock company for holding operations with a mixed ownership structure.

The Company harmonized its operations with the Companies Law (RS Official Gazette No. 125/2004) based on the Resolution of Compliance with the Companies Law and the Articles of Association adopted by the General Meeting on 28/09/2006.

The Company originally registered with the Commercial Court of Belgrade in registry insert number 1-2511-00, and later re-registered with the Serbian Business Registers Agency with Decision BD 8020/2005 of 20/05/2005.

Based on Decision No. VIII Fi 8390/99 issued 30/06/2000 by the Commercial Court of Belgrade, the Company harmonized its operations with the Companies Law (FRY Official Gazette No. 29/96), the Law on Business Classification (FRY Official Gazette No. 31/96) in respect of the company name, registered business, equity and management, and changed its name from “Energoprojekt Holding share based company in mixed ownership for incorporating, financing and managing other companies”, at the time registered by Decision No. FI 5843/91 of 13/06/1991 of the same court, to “Energoprojekt Holding joint stock company for holding operations”.

The legal predecessor of Energoprojekt Holding share based company in mixed ownership is Energoprojekt Holding Korporacija, registered with the District Court of Belgrade by Decision No. Fi 423 of 12/01/1990, a company that was organized under the previous Companies Law (SFRY Official Gazette No. 77/88, 40/89, 46/90 and 60/91) through adoption of the Self-Management Agreement for Organizational Changes in the Composite Organization of Associated Labour “Energoprojekt“ and the associated workers’ organizations, as it was styled at the time, at a referendum held 08/12/1989.

Energoprojekt Group consists of the parent company Energoprojekt Holding a.d., Beograd with its 10 (ten) subsidiaries (9 joint stock companies and 1 limited company) with an equity share of 50% or more, and 2 (two) affiliated companies (1 limited company and 1 joint stock company) with an equity share of 50% or less.

	Name of subsidiary	% Share of equity in subsidiary
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 A.D., BEOGRAD
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	Name of affiliate	% Share of equity in affiliated company
1	Enjub d.o.o.	50,00
2	Energobroker a.d.	28,60

Based on the relevant management resolutions of Energoprojekt Holding a.d. in 2009, Energoprojekt Energodata a.d., Energoprojekt Ingraf d.o.o. and Be company d.o.o. and in accordance with legal requirements and procedures, a merger by fusion absorption was executed whereby Energoprojekt Energodata a.d., as the acquirer, merged with Energoprojekt Ingraf d.o.o. and Be company d.o.o., which ceased to exist.

The Business Registers Agency has approved the deletion of Energoprojekt Ingraf d.o.o. and Be company d.o.o. from the Business Register, and updated the data on Energoprojekt Energodata a.d. and its equity increase.

Accordingly, Energoprojekt Holding a.d. updated its business books to reflect the change of equity share in Energoprojekt Energodata a.d.

Our registered head office address is: Bulevar Mihaila Pupina 12, 11070 Beograd.

Tax registration number: 100001513.

Registration number: 07023014.

Registered business code :74150 (110620).

The company had an average of 74 employees in the first half of 2010 (half-year 2009: 79 employees).

The company's shares are A-listed on the Belgrade Stock Exchange.

2. BASIS FOR PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements on which we are reporting are prepared in accordance with the Law on Accounting and Auditing (RS Official Gazette 46/2006) and the relevant regulations thereunder, applying the accounting policies set out in Note 4 of this Report and according to general practice in Serbia.

The Company's financial statements have been prepared in the form prescribed by the Regulation of the Form and Contents of Financial Statements submitted by companies, cooperatives, other legal entities and entrepreneurs (RS Official Gazette No. 119/08).

2.1. Functional and reporting currency

The figures in the financial statements are shown in thousands of RSD. The RSD represents the functional and reporting currency of the Company. All transactions made in currencies other than the functional currency are treated as FX transactions.

Figures in the financial statements are shown in thousands of RSD (functional currency and domicile currency) as at balance sheet date – 30/06/2010.

Comparative data is shown in RSD thousand as of 30/06/2009.

The official exchange rates for main currencies prescribed by the NBS used in the translation of monetary assets and liabilities denominated in foreign currencies into RSD, were as follows:

	30/06/2010	30/06/2009
EUR	104,3704	93,4415
USD	85,4794	66,2471

3. MANAGEMENT ESTIMATION AND ASSESSMENT

Preparation of the consolidated financial statements in accordance with IAS and IFRS requires that the management performs estimation, ponderation and assumption reflecting on the reporting figures of assets, liabilities, revenues and expenses. The obtained results may differ from estimated.

4. OVERVIEW OF PRINCIPAL ACCOUNTING POLICIES

(a) Principles of valuation – basic assumptions

The financial statements are prepared on the accrual basis of accounting and going concern.

Under this basis, the effects of transactions and other events are recognized when they occur (and not as cash or its equivalent is received or paid). Financial statements prepared on the accrual basis (except Cash Flow Statement) inform users not only of past transactions involving the payment and receipt of cash but also of obligations to pay cash in the future and of resources that represent cash to be received in the future.

The financial statements are prepared on the assumption that the Company is a going concern and will continue in operation for the foreseeable future.

(b) Recognition of the elements of financial statements

An asset is recognized in the balance sheet when it is probable that the future economic benefits will flow to the Company and the asset has a cost or value that can be measured reliably.

A liability is recognized in the balance sheet when it is probable that outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

Income is recognized in the income statement when an increase in the future economic benefits related to an increase in an asset or a decrease of a liability has arisen that can be measured reliably.

Expenses are recognized in the income statement when a decrease in the future economic benefits related to a decrease in an asset or an increase of liability has arisen that can be measured reliably.

Under a financial concept of capital, such as invested money or invested purchasing power, capital is synonymous with the equity of the Company. The concept of capital is shown in the financial capital maintenance. Financial capital maintenance is measured into nominal monetary items-RSD. Under this concept a profit is earned only if the financial (or money) amount of the net assets at the end of period exceed the financial (or money) amount of net assets at the beginning of the period, after excluding any distributions to, and contributions from, owners during the period.

(c) Profits/losses on translation of foreign currencies

Cash, receivables and liabilities in foreign currencies are translated into the functional currency at the official rate of exchange ruling at the balance sheet date. Gains and losses arising on the translation of foreign currency receivables and liabilities into RSD amounts are treated as revenues/expenses of the period.

Cash, receivables and liabilities secured with a currency clause are translated at the official rate of exchange ruling at the balance sheet date, and the effects are recorded in the income statement as a financial revenue or expense.

(d) Sales revenue

Sales revenue is defined based on invoices and completed sales transactions until the end of the accounting period, provided a debtor-creditor relation was created on that date and that an invoice was issued. Revenues are measured at the fair value of the consideration received or receivables taking into account the amount of any trade discount and volume rebates allowed by the company. The difference between the fair value and the nominal amount is recognized as interest revenue. Revenue from the sale of goods is recognized when all of the following conditions have been satisfied:

- the Company has transferred to the buyer any and all significant risks and rewards of ownership of the goods;

- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenues from services rendered are recognized by reference to the stage of completion of the transaction at the balance sheet date.

(e) Operating expenses

Operating expenses comprise of costs of purchase, material used, gross salaries and compensations for salaries, depreciation and provisions, producing costs and non material costs.

The basic elements and principles of expense recognition are:

- expenses are recognized and stated when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably;
- expenses are recognized on the basis of a direct association between the costs incurred and the earnings (going concern);
- when economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined, expenses are recognized on the basis of systematic and rational allocation procedure;
- expenses are recognized immediately when an expenditure produces no future economic benefits or when future economic benefits do not qualify, or cease to qualify, for recognition in the balance sheet as asset;
- expenses are also recognized in those cases when a liability is incurred without the recognition of an asset.

(f) Profit and losses

Profit represents increases in economic benefits, include those arising on sale of fixed assets for price higher than net book value, unrealized gains arising on the sale of securities (when securities measured by their market price) and those resulting from increases in the net book value of fixed assets because of stopping circumstances causing their decreasing.

Losses arising on the sale of assets by prices lower than book value, those arising on the disposal of non write off fixed assets, damages which can be refunded in whole or separately from insurances and by applying principle of decrease in assets value.

(g) Financial revenues and expenses

The financial revenues and expenses include revenue and expenses from interest weather due, paid or added to the amount of receivables or liabilities on the balance sheet date, gains and

losses from exchange, as well as those arising from relation between entity, associates and subsidiaries and others.

Revenues from dividends are recognized as income in the year when they are approved for payment.

(h) Income tax

Income tax represents the amount that is calculated in accordance with Serbian Republic Law. Tax obligation is calculated at 10% on the taxable income (in 2007: 10%). The taxable income represents gross income in the income statement, prepared in accordance with the accounting regulations, less some revenue and expenditure according to the tax regulations. Tax deductions are also applied (investments in fixed assets in the entity's registered line of business and other tax deductions according to the tax regulations for which the Company is eligible).

(i) Deferred income tax

Deferred income tax is reserved entirely, applied liability method, for temporary differences arising from tax base and accounting amounts disclosed in the financial statements.

The amount of deferred income tax is determined by the legal rates in force.

Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities may also be offset against each other.

The Company applies IAS 12 which defines temporary differences and calculated deferred tax liabilities/assets. Temporary differences are the result of different tax bases for calculating depreciation for accounting and tax purposes according to the applicable regulations.

(j) Employee benefits

/i/ Pension insurance and employee benefits

The Company makes payments on behalf of its employees duties to the Pension Fund of the Republic of Serbia. All employees are the members of this pension fund. All contributions arising from said obligation are recognized as an expense/liability at the time of the transaction. Companies within the System do not have their own pension funds or post-employment plans in the event of termination hence there are no pension duties.

/ii/ Health insurance

The Company pays health insurance contributions which are recognized as an expense/liability when calculated.

/iii/ Retirement bonus

The Company pays to its employees a retirement bonus equal to three salaries obtained in the month preceding the retirement month (according to the terms of the Particular Collective Agreement) or the legal minimum if higher.

/iiii/ Post-employment benefits

A severance wage is payable in cases of consensual termination of an employment contract when the employer and employee agree on termination of employment in exchange for a severance wage, subject to management approval.

(k) Intangible assets, property, plant and equipment, biological assets and investment property

Intangible assets are identifiable non monetary assets without physical substance controlled by the Company if it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise.

Intangible assets comprise of: goodwill, licenses, concession, trademarks, accounting software, franchises, design and implementation of new products, processes or systems, copyrights, investment in other properties, plants and equipment, etc.

Property, plant and equipment are:

- tangible assets that are held by a company for use in the production or supply of goods or services, for rental to others, or for administrative purpose;
- tangible assets that are expected to be used during more than one period;

An item of property, plant and equipment is recognized as an asset:

- if it is probable that future economic benefits associated with the item will flow to the entity; and
- if the cost of the item can be measured reliably.

An item of property, plant and equipment are initially measured at its cost – purchase price. The cost price consists of the invoiced amount plus any directly attributable costs of bringing the asset to working condition for its intended use. Cost price of aforementioned assets produced in the own production comprises of direct and indirect costs relating to this investment.

The purchase cost or price cost includes borrowing costs which may be indirectly added to the purchase, construction or production the asset available for use in accordance with IAS/IFRS.

Subsequent expenses relating to an item of intangible asset, property, plant and equipment that has already been recognized is added to the carrying amount if the asset when it is probable that

future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the company.

Subsequent expenses are treated as subsequent investment:

- if the item's useful life is extended, including an increase in its capacity;
- if a substantial improvement in the quality of output is achieved; and
- if a substantial reduction in previously assessed operating costs is achieved.

All other subsequent expenses (maintenance costs, technical service, minor repairs etc.) are recognized as an expense when incurred.

After initial recognition as an asset, property, plant and equipment is carried at its purchase cost or cost less any accumulated depreciation and any accumulated impairment losses.

An item of intangible asset, property, plant and equipment is eliminated from the balance sheet on disposal or when the asset is permanently withdrawn from use and no future economic benefits are expected from its disposal.

Gains or losses arising from retirement or disposal is determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the income statement.

Investment property is property (land or a building – or part of a building – or both) held by the owner or by the lessee under a finance lease (long-term lease) to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purpose or sale in the ordinary course of business. Investment property therefore generates cash flows which are largely independent from other property held by the Company.

An investment property should be measured initially at its cost. Transaction costs are included in the initial measurement.

Subsequent expenditure relating to an investment property that has already been recognized is added to the carrying amount of the investments property when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment property will flow to the enterprise. All other subsequent expenditure is recognized as an expense in the period in which it is incurred.

After initial recognition the investment property is measured by their fair value. Fair value is usually its market value. Fair value is measured as the most probable price reasonably obtainable in the market at the balance sheet date in keeping with the fair value definition. It is the best price reasonably obtainable by the seller.

A gain or loss arising from a change in the fair value of investment property is included in net profit or loss for the period in which it arises.

(I) Depreciation

Depreciation base presents acquisition cost after determination of residual and retirement amount.

The residual value of an intangible asset is assumed to be zero unless:

1. there is a commitment by a third party to purchase the asset at the end of its useful life, or
2. there is an active market for the asset and residual value can be determined by reference to that market and it is probable that such a market will exist at the end of the asset's useful life.

For the purposes of financial statements preparation, intangible assets are written off by the proportional method of amortization over a period of five years, excluding investments used over a fixed period, which are written off in accordance with the dates agreed in the contract.

Goodwill is not amortized but is subject to an impairment test conducted before the preparation of the financial reports in accordance with IAS.

Intangible assets with unlimited lifetime are not amortized.

Accounting of depreciation of intangible assets is applied from the beginning of the following month in relation to the month when the asset was put in use.

For tax balance purposes, depreciation of intangible assets is applied according to the relevant regulations.

Internally generated goodwill is not recognized as an intangible asset.

After initial recognition, property, plant & equipment is disclosed at cost value less total depreciation and impairment losses.

The basis for depreciation of property, plant & equipment consists of cost less residual value of the asset.

Property, plant & equipment is systematically depreciated over the useful life of the asset.

For financial reporting purposes, depreciation is accounted for using the proportional method over the estimated useful life of the asset. The estimated useful life 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 tax balance purposes, property, plant and equipment are classified and depreciated according to rates prescribed under tax laws.

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

The applicable depreciation rates are:

	(%)
Buildings	1,3-15,0
Plants	5,0-25,0
Computers and accessories	20,0
Vehicles	12,5-16,0
Intangible investments	20,0

(m) Financial investments

Financial investments represent financial assets initially measured at its cost, which is fair value of the consideration given for it. Transaction costs are included in the initial measurement of all financial assets.

For the purpose of measuring a financial asset subsequent to initial recognition financial assets are classified into four categories:

- a) financial assets held for trading, initially recognized at its fair value through profit or loss;
- b) held-to-maturity investments;
- c) loans and receivables originated by the company and not held for trading;
- d) available-for-sale financial assets.

A financial asset is classified as available for sale if it cannot be grouped into any of the other three categories of financial assets.

A financial asset is classified as hold to maturity, and not as available for sale, if the asset is part of portfolio of similar assets for which the trading model exists in order to obtain profit from short-term changes in price or dealer margins.

After initial recognition, the company measured financial assets, including derivatives that are assets, at their fair values, without any deduction for transaction costs it may incur on sale or other disposal, except for the following financial assets:

- loans and receivables, and investments held-to-maturity measured at amortized cost using the effective interest method;
- investment in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, and it is measured at cost.

There is insufficient market stability, experience and liquidity in Serbia in the process of financial assets trading and official information from the market is not available. Therefore it is usually not possible to measure the fair value as required by IFRS.

A recognized gain or loss arising from a change in the fair value of financial asset or financial liability that is not part of a hedging relationship, initially recognized at fair value through the

profit or loss, now is recognized profit or loss in the income statement and for financial asset available for sale in the revaluation reserves.

(n) Inventories

Inventories of goods and material are measured at their cost value. The cost of inventories comprise all costs of purchase incurred in bringing the inventories to their present location and condition. These costs also include all direct costs incurred in the purchase plus storage and transport, handling and other costs directly attributable to the cost of purchase.

Subtraction of material inventories spent is performed by the benchmark treatment of weighted average cost formulas.

(o) Short term receivables and investments

Short term receivables comprise trade receivables from related parties, domestic and foreign buyers in the moment of sold products and performed services.

Short term investments refer to loans, securities and other short term investments with maturity date of one year from due date or balance sheet date.

Short term trade receivables are measured by the cost stated in issued invoice. If the cost on the invoice is stated in the foreign currency, translation to the reporting currency is done by applying the average exchange rate ruling on the date of transaction. Changes in exchange rate from the date of transaction to the collection date are stated as gains and losses from exchange posted in the favor of revenues or against expenses. Receivables stated in the foreign currency as at the balance sheet date are translated by the ruling exchange rate and gains and losses arose are booked as revenue or expense for period.

Short term financial investments held for trading are measured by cumulated depreciation, notwithstanding the company's tendency to hold them to maturity.

If it is probable that the Company will not be able to collect all due receivables (principal plus interest) in accordance with the contractual terms for the issued loans, receivables or investments held to maturity, stated by cumulated depreciation, loss appears caused by depreciation or uncollectible receivables.

Indirect write off is applied to short term receivables and investments where recovery is uncertain, while direct write off is applied in duly documented cases when recovery is not possible.

The probability of recovery is evaluated in each specific case based on the relevant supporting documents (e.g. bankruptcy or liquidation of the debtor, excessive debt, disposal of property, forced or out-of-court settlement, obsolescence, court order, board resolution and other cases

where non-collectability is supported by credible documents).

(p) Cash and cash equivalents

Cash and cash equivalents consist of: petty cash, demands deposits with banks, other short term highly liquidity investments which may be transferred in the known cash that are not under the influence of significant risk of value changes and bank overdrafts. Bank overdrafts are included in the Balance sheet as the figure liabilities for loans – under item current liabilities as short term financial liabilities.

(r) Rentals

Rentals, in which lesser keeps a significant part of risk and ownership profit, are classified as business rentals. Payments made from business rentals are charged against income statement on the proportional base during the rental period.

(s) Finance lease liabilities

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. Title may or may not eventually be transferred.

The liability for finance lease is stated at the balance sheet date deducted for the interest comprising in the lease (net value of minimum lease repayment). The interest is allocated to the accounting periods in lease period and in accordance with the repayment schedule.

Finance lease liabilities are not charged against accrued liabilities for non-due interests according to the repayment schedule.

(t) Commitment and contingencies

Contingent liability is disclosed, but not recognized, only by the occurrence or non-occurrence of one or more uncertain future events and when it is provision recognized in the financial statements.

A contingent asset is not disclosed, unless an economic benefit is probable in the future. If the inflow is certain it can be recognized in the financial statement.

(u) Borrowing costs

Other borrowing costs include interests, charges and other costs arose in the company as relate in accordance with IAS/IFRS.

Borrowing costs that are directly attributable to the acquisition, construction or production of a

qualifying asset should be capitalized as part of the cost of that asset.

Borrowing costs are recognized as expenses in the period in which they are incurred.

(v) Impairment

If an asset is impaired during the year the board of directors, based on a reasoned proposal of the managing director, assesses whether there are indications of asset impairment in accordance with IAS, or if there are indications of a reduction in the earlier recognized amortization of these assets.

If the indicators are present, the board of directors issues a resolution of the impairment amount or the amount deductible from previously recognized impairments.

At the end of the year, based on a reasoned proposal from the managing director and ALCO, the board of directors issues a resolution of the impairment amount or the amount deductible from previously recognized impairments.

(w) Financial liabilities

Financial liabilities comprise long term liabilities (liabilities to the associates and legal bodies with interactive participation, long term loans, liabilities from long term securities and other), short term financial liabilities (liabilities to the associates and legal bodies with interactive participation, short term loans and other short term financial liabilities), short term liabilities from operating activities (suppliers and other commitments) and other short term liabilities.

Short term liabilities represent those maturing one year from the maturity date, or from the balance sheet date.

Long term liabilities represent those maturing over one year from the financial statements date. Long term liabilities maturing in up to one year from the financial statements date are disclosed as short term liabilities.

Financial liabilities are recognized initially by their purchase cost which represents their fair price paid for them. Transaction charges are included in the beginning measurement of all financial liabilities.

Direct write off is applied for decreasing liabilities based on legal provisions or under an out-of-court settlement etc.

(x) Long term provisions

A provision is recognized when:

1. the Company has a present obligation (legal or constructive) as a result of a past event,
2. it is probable that an outflow of resources will be required to settle the obligation, and
3. a reliable estimate can be made of the amount of the obligation.

If these conditions are not met, no provision is recognized.

Long term provisions consist of: provisions for costs during the warranty period, provisions for recovery of natural resources, provisions for retained deposits and caution money, provisions for restructuring costs, provisions for fees and other employee benefits and other long term provisions for liabilities covering (legal or constructive) as a result of a past event, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation which can be reliably estimated (e.g. lawsuits in progress), as well as reservations for issued guarantees.

Long term provision for expenses and risks are tracked by sorts and their reduction/cancellation is credited as income.

Provisions are not recognized for future operational losses.

Provisions are distinguished from other liabilities because there is uncertainty about the timing or amount of the future expenditure required in settlement.

The amount recognized as a provision is the estimate of the expenditure expected to be required to settle the obligation.

Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

Decisions regarding individual provisions are resolved by the Holding's board of directors.

(y) Effects of changes in accounting policies, new accounting estimates and correction of fundamental errors

Correction of the additionally determined material significant errors is one influence on the financial statements relating to one or several prior accounting periods whereby those financial statements may not be considered as reliable at the date of their issuing.

Correction of the prior years material significant errors is done by the restating prior years undistributed profit/loss opening balance.

Materially significant effects and correction of fundamental errors are corrected retroactively with the adoption of the comparative data disclosed in the financial statements, if it is practically impossible (than the changes in accounting policy is applied prospect). All corrections arising are disclosed as a correction in the figure of opening balance's undistributed profit item.

(z) Foreign exchange rates

Official exchange rates significant for the Company's operations and translations of the figures in the financial statement into RSD were as follows:

	30/06/2010	30/06/2009
EUR	104,3704 RSD	93,4415 RSD
USD	85,4794 RSD	66,2471 RSD
GBP	128,5508 RSD	110,0347 RSD
CHF	78,9668 RSD	61,2169 RSD
RUB	2,72745 RSD	2,1545 RSD
LYD	63,6579 RSD	55,0818 RSD

5. FINANCIAL RISK MANAGEMENT

5.1. Financial risk factors

The Company's activities expose it to variety of financial risks: market risk (including currency risk, fair value interest risk and price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company uses derivate financial instruments to hedge certain risk exposures.

Risk management is carried out by the Financial Department of the Company under policies approved by the Board of Directors. The Financial Department identifies, evaluates and hedges financial risks in close co-operation with the operating units.

The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, use of financial instruments and the investment of excess liquidity.

(a) Market risk

/i/ Foreign exchange risk

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the EUR and USD. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.

/ii/ Fair value risk

The Company has in its portfolio securities available for sale recognized by the fair value. Considering the fact that the market on the stock exchange is uncertain there is a possibility for fair value risk appearance.

/iii/ Interest rate risk

The Company borrows assets on the financial market by the changeable interest rates, connected with Euribor, Belibor and reference interest rate issued by the NBS on the rep transactions. With an aim to avoid/limit risk of significant changes in the financial markets, the Company borrows assets over short-term periods while insisting on receiving the bank's lowest margin with a mandatory clause allowing early repayment without additional penalties.

The Company has policy that limit the amount of credit exposure to any financial institution.

(b) Credit risk

The Company is exposed to credit risk through trade receivables as disclosed in the balance sheet. These receivables can be reasonably viewed as non-risk claims since these are dispersed mostly across customers who are Energoprojekt Group members (subsidiaries), and are based on on-going business arrangements.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of adequate sources of funding due to the dynamic nature of the business. The Company aims to maintain flexibility in funding by collecting their funds from buyers and investments of available funds.

6. REVENUES FROM SALES

	31/06/2010 (RSD 000)	30/06/2009 (RSD 000)
Lokal market		
Revenues from services rendered to subsidiaries	219.877	211.184
Revenues from services rendered to other affiliates	83	
Revenues from services sold on the local market	5.592.183	185.560
TOTAL	5.812.143	396.744
Foreign market		
Revenues from services rendered to subsidiaries		
TOTAL		
TOTAL	5.812.143	396.744

Revenue from services rendered to subsidiaries (219.877 thousand RSD) in the local market is generated by services rendered by the Company under contracts which were approved and endorsed by the boards of directors of the Company and the respective subsidiaries, in accordance with their respective Articles of Association.

Revenue from services sold on the local market includes income from the completed sales contract for an unfinished building in Blok 26 (5.302.842 thousand RSD), income under Annex XIV of the Contract for the Reconstruction of the Prokop Station 5th and 6th railway tracks (289.339 thousand RSD), and commission income from airline ticket sales (2 thousand RSD).

Income from the own use of products, services and merchandise (394 thousand RSD) is attributed to automobile use for business travel.

7. INCREASE/(DECREASE) IN INVENTORIES

The posted increase of work in progress (182.601 thousand RSD) relates to a sales contract for an unfinished building (Block 26, Unit I) while the work in progress decrease of 4.685.991 thousand RSD results from the completion of the same contract on 31/03/2010.

	30.06.2010	30.06.2009
	<u>RSD 000</u>	<u>RSD 000</u>
Inventories increase	182,601	1,357,955
Inventories decrease	(4,685,991)	
Total	<u><u>(4,503,390)</u></u>	<u><u>1,357,955</u></u>

8. OTHER OPERATING INCOME

	30/06/2010	30/06/2009
	<u>RSD 000</u>	<u>RSD 000</u>
Rents	299	597
Other		
Total	<u><u>299</u></u>	<u><u>597</u></u>

ENERGOPROJEKT HOLDING A.D., BEOGRAD
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9. MATERIAL COST

	<u>30/06/2010</u>	<u>30/06/2009</u>
	RSD 000	RSD 000
Raw material		31
Other material cost (overheads)	3,958	5,463
Fuel and energy	11,536	4,017
Total	<u>15,494</u>	<u>9,511</u>

10. STAFF COSTS

	<u>30/06/2010</u>	<u>30/06/2009</u>
	RSD 000	RSD 000
Salaries and fringe benefits (gross)	56,593	55,901
Taxes and contributions on salaries and fringe benefits charged to employer	8,824	8,896
Temporary service contracts	2,435	1,355
Copyright agreements	558	11
Temporary and provisional contracts	127	
Board of Directors and Supervisory Board	10,638	10,232
Other personal expenses remunerations	2,713	4,093
Total	<u>81,888</u>	<u>80,488</u>

11. DEPRECIATION AND PROVISION EXPENSES

	<u>30/06/2010</u>	<u>30/06/2009</u>
	RSD 000	RSD 000
Depreciation of property, plant, equipment	9,853	12,715
Provision for fringe and other employee benefits		280
Total	<u>9,853</u>	<u>12,995</u>

The current half-year depreciation costs totalled 9.853 thousand RSD (half-year 2009: 12.715 thousand RSD) and include depreciation of property, plant, equipment in accordance with Note 4(1).

12. OTHER OPERATING EXPENSES

	30/06/2010	30/06/2009
	RSD 000	RSD 000
<u>Costs of production services</u>		
Service costs of outputs	461,035	1,352,034
Transportation costs	2,466	3,300
Maintenance costs	20,512	18,430
Rental costs	343	324
Advertising costs	227	1,835
Costs of other services	1,498	1,585
Subtotal	486,081	1,377,508
<u>Non-production costs</u>		
Costs of non-production services	22,531	15,810
Expense accounts	2,099	1,584
Insurance premium costs	4,026	5,581
Payment operation costs	3,346	1,997
Membership fees	682	486
Tax duties	31,317	4,075
Other intangible expenses	2,020	4,639
Subtotal	66,021	34,172
Total	552,102	1,411,680

Other operating expenses include:

- ❖ Execution of a sales contract for an unfinished building Block 26, Unit I (208.188 thousand RSD) of which:
 - Service costs of outputs 177.483 thousand RSD,
 - Property tax: 27.326 thousand RSD,
 - Insurance premiums: 2.158 thousand RSD,
 - Payment transactions: 1.197 thousand RSD,
 - Telephone services: 24 thousand RSD,

- ❖ Execution of Annex XIV of the Contract for the Reconstruction of the Prokop Station 5th and 6th railway tracks (285.914 thousand RSD) of which:
 - Service costs of outputs 283.552 thousand RSD,
 - Insurance premiums: 1.086 thousand RSD,
 - Payment transactions: 1.276 thousand RSD,

13. FINANCIAL REVENUES AND EXPENSES

	30/06/2010	30/06/2009
	<u>RSD 000</u>	<u>RSD 000</u>
<u>Financial revenues</u>		
Financial income from transactions with parent company and subsidiaries	182,254	255,558
Financial income from other subsidiaries	5,079	56
Income from interest	8,454	16,680
FX gains	87,560	155,050
Gains on foreign currency clause	4	21
Other financial revenues	1,283	5,290
Total	<u>284,634</u>	<u>432,655</u>
<u>Financial expenses</u>		
Financial expenses from transactions with parent company and subsidiaries	5,075	35,763
Costs of interest	2,629	4,663
FX losses	215,913	238,265
Losses on foreign currency clause	914	236
Total	<u>224,531</u>	<u>278,927</u>

The Company posted financial revenue of 41.347 thousand RSD from the profits generated by subsidiary Energoprojekt Garant a.d.o.

The Company also generated interest income from subsidiaries in the amount of 10.575 thousand RSD, specifically: 7.698 thousand RSD (Energoprojekt Visokogradnja), 1.694 thousand RSD (Energoprojekt Urbanizam i arhitektura), 658 thousand RSD (Energoprojekt Energodata) and 525 thousand RSD (Energoprojekt Niskogradnja).

Income based on foreign currency clauses from operations with subsidiaries totalled 130.095 thousand RSD, and are based on service contracts between the Holding and its subsidiaries.

Financial income from mother affiliates include interest income and exchange rate gains on an extended loan to Enjub.

**14. OTHER REVENUES AND EXPENSES, ADJUSTMENT GAINS
AND IMPAIRMENT COSTS**

	30/06/2010	30/06/2009
	<u>RSD 000</u>	<u>RSD 000</u>
<u>Other revenues and property value adjustment gains</u>		
Gains on disposals of intangibles and PP&E		
Gains on disposals of LT investments and securities		
Previously written-off claims recovered		
Income from positive hedging effects		114
Income from reduction of liabilities		
Other		154
Total	<u>0</u>	<u>268</u>
	<u>30/06/2010</u>	<u>30/06/2009</u>
	<u>RSD 000</u>	<u>RSD 000</u>
<u>Other expenses and property impairment costs</u>		
Disposal and write-off of intangibles and PP&E		
Shortages		
Direct receivables write-off		
Other expenses	9,324	318
Impairment of receivables and ST financial investments		
Impairment of other property		
Total	<u>9,324</u>	<u>318</u>

15. CONSTRUCTION CONTRACTS

Revenue from fixed price construction contracts is recognized in percent according to the degree of completion of the contracted work on the balance sheet date.

The degree of completion of the contracted work is calculated as the ratio of contractual expenses incurred for the executed work to date against the most recent estimate of total contract cost.

The Company signed a sales contract for the construction of a class A office building in Block 26, Unit I, on October 12, 2007 (effective as of November 09, 2007) with “Blue Center d.o.o.” for the sum of 61,630 mil EUR plus VAT, totalling 72,72 mil. EUR.

The sales contract for an unfinished building in Block 26, Unit I was finalized in the 1st quarter of this year.

	30.06.2010. <u>RSD 000</u>	30.06.2009 <u>RSD 000</u>	<u>Note:</u>
Revenue from increased value of products and services	182,601	1,357,955	7
Revenue from decreased value of products and services	4,685,991		7
Revenue recognized as revenue for the given period	5,302,842	185,505	6
Degree of contract completion	100%	83,76%	
Expenses incurred in the given period	208,188	1,357,955	12
Advances received		4,385,124	34
Uninvoiced contractual revenue		576,117	24
Work in progress		3,962,593	23

ENERGOPROJEKT HOLDING A.D., BEOGRAD
NOTES TO THE FINANCIAL STATEMENTS

16. INTANGIBLE INVESTMENTS

	Intangible investments in			Total
	Other intangibles	progress	Advances on intangibles	
<u>Cost value</u>	RSD 000	RSD 000	RSD 000	RSD 000
Balance on 01/01/2010	1,600	8,981		10,581
Restated opening				0
Transfer from/to		(320)	(206)	(526)
Acquisitions	320	176	365	861
Balance on 31/06/2010	1,920	8,837	159	10,916
 <u>Value adjustment</u>				
Balance on 01/01/2010	964			964
Restated balance				0
Depreciation	90			90
Balance on 31/06/2010	1054	0	0	1054
 <u>Net book value</u>				
30/06/2010	866	8,837	159	9,862
30/06/2009	766	4,174	0	4,940

17. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Plants, equipment	Investment property	Capital assets in progress	Advances on capital assets	Total
	RSD 000	RSD 000	RSD 000	RSD 000	RSD 000	RSD 000	RSD 000
Balance on 1/1/2010		548,530	96,810		122,160	331	767,831
Restated opening							0
Transfers					(3,315)	(1,062)	(4,377)
Additions			3,315		3,628	1,383	8,326
Disposals							0
Balance on 30/06/2010	0	548,530	100,125	0	122,473	652	771,780
 <u>Value adjustment</u>							
Balance on 1/1/2010		272,602	42,679				315,281
Restated balance							0
Depreciation		3,578	6,185				9,763
Disposals							0
Balance on 30/06/2010	0	276,180	48,864	0	0	0	325,044
 <u>Net book value</u>							
30/06/2010	0	272,350	51,261	0	122,473	652	446,736
30/06/2009	0	279,506	44,221	0	130,431	171	454,329

17(a). EQUIPMENT UNDER LEASE

Leasing

Group	30/06/2010		Group	30/06/2009	
	Net book value			Net book value	
Cars	11,887		Cars	14,916	
Copying machines	215		Copying machines	287	
Other			Other		
Total	12,102			15,203	

18. EQUITY INVESTMENTS

Equity investments represent long term investments in shares and in subsidiaries and affiliates, banks and insurance companies (available for sale securities).

Equity investments in other companies and investments in available for sale securities are estimated at fair value.

Equity investments pertain to shares of:

ENERGOPROJEKT HOLDING A.D., BEOGRAD
NOTES TO THE FINANCIAL STATEMENTS

SUBSIDIARIES	Company name	% share	30.06.2010	30.06.2009
			Present value	Present value
	EP Visokogradnja a.d.	92.39%	1,704,254	1,704,254
	EP Niskogradnja a.d.	93.32%	855,506	855,506
	EP Oprema a.d.	67.87%	121,316	121,316
	EP Hidroinzenjering a.d.	94.84%	399,230	399,230
	EP Urbanizam i arh. a.d.	94.40%	146,455	146,455
	EP Promet d.o.o.	100.00%	295	295
	EP Energodata a.d.	96.43%	191,438	164,016
	EP Industrija a.d.	62.77%	61,209	61,209
	EP Entel a.d.	86.26%	216,422	216,422
	EP Ingraf d.o.o.	100.00%		360,026
	EP Garant a.d.o.	64.13%	401,371	25,575
	EP Montenegro d.o.o.	100.00%	10	9
	BE Company d.o.o.	100.00%		1,848
	Inec Eng. Ltd.	100.00%	72,123	70,752
	Encom GmbH	100.00%	5,101	4,778
	Nana off shore	100.00%	1,488	1,325
	Total		4,176,218	4,133,016

OTHER AFFILIATES

Company name	% share	Present value	Present value
Enjub d.o.o.	50.00%	13,550	13,550
Energobroker a.d.	26.60%	4,371	4,371
Energó Ghana Ltd.	80.00%	6,686	5,955
United Cons.Botswana	100.00%	4,363	3,886
Zecco Zambia	100.00%	799	712
Total		29,769	28,474

OTHER COMPANIES AND AVAILABLE FOR SALE SECURITIES

Company name	Present value	Present value
Dunav a.d.o	1,160	1,581
Jubmes banka a.d.	19,552	19,884
Hypo Alpe-Adria bank	3,366	3,366
Hipotekarna banka Podg.	5,694	10,891
FIMA SEE Activist	14,221	16,160
Total	43,993	51,882

T O T A L **4,249,980** **4,213,372**

The equity share change in EP Energodata a.d., EP Ingraf d.o.o. and Be company d.o.o. are due to a merger as detailed in Section I: Company Background.

19. OTHER LONG TERM FINANCIAL INVESTMENTS

Other long term financial investments include:

	30/06/2010 RSD 000	30/06/2009 RSD 000
a) Long term loans approved		
- local market		
- foreign market		
Total	-	-
b) Foreign currency savings bonds		
c) Staff housing loans	2,188	1,648
d) Long term loans to subsidiaries		
e) Other long-term investments		1,602
Total	<u>2,188</u>	<u>3,250</u>

20. INVENTORIES

	30/06/2010 RSD 000	30/06/2009 RSD 000
Work in progress		3,962,593
Paid advances	133	141,878
Total	<u>133</u>	<u>4,104,471</u>

The Company posted reduced work in progress on 30/06/2010 as a result of completion of the sales contract for an unfinished building in Block 26, New Belgrade (Note 15).

21. RECEIVABLES

	30.06.2010	30.06.2009
	<u>RSD 000</u>	<u>RSD 000</u>
<u>Trade receivables</u>		
Trade receivables (parent and subsidiaries)	798,584	590,444
Trade receivables - other affiliates	98	
Trade receivables (domestic)	103,855	287
Trade receivables (foreign)	2,602	
Less: value adjustment		(30,883)
Subtotal	905,139	559,848
<u>Receivables from specific business operations</u>		
Other receivables from specific operations	47,362	32,941
Less: value adjustment		(511)
Subtotal	47,362	32,430
<u>Other</u>		
Interest and dividends	40,993	146,761
Staff claims	2,125	851
Receivables from state institutions		
Prepaid income tax		
Other prepaid taxes and contributions		3
Other receivables	2,129	2,117
Less: value adjustment	(722)	(30,575)
Subtotal	44,525	119,157
Total	997,026	711,435
	<hr/> <hr/>	<hr/> <hr/>
	30/06/2010	30/06/2009
	<u>RSD 000</u>	<u>RSD 000</u>
<u>Trade receivables (domestic)</u>		
Belgrade	902,537	570,242
Less: value adjustment		(10,828)
Subtotal	902,537	559,414
<u>Trade receivables (foreign)</u>	2,602	434
Europe		19,956
Africa		99
Less: value adjustment		(20,055)
Subtotal	2,602	434
Total	905,139	559,848
	<hr/> <hr/>	<hr/> <hr/>

The company still has some unresolved internal relations with Energoprojekt Energodata a.d., Energoprojekt Visokogradnja a.d. and Energoprojekt Entel a.d., inherited from previous years.

22. SHORT TERM FINANCIAL INVESTMENTS

Short term financial investments include:

	30.06.2010	30.06.2009
	<u>RSD 000</u>	<u>RSD 000</u>
<u>Short term loans and investments - parent company, subsidiaries and affiliates</u>		
Subsidiaries	1,084,028	573,539
Affiliates	55,699	4,672
Maturing obligations - long term loans		
Less: value adjustment	(66,389)	(65,494)
Subtotal	<u>1,073,338</u>	<u>512,717</u>
<u>Short term loans - domestic</u>		
Loans to workers		
Maturing obligations - long term loans	70	40
Less: value adjustment		
Subtotal	<u>70</u>	<u>40</u>
<u>Other short term financial investments</u>		
Alpha Bank -special purpose term deposit	109,589	
Less: value adjustment		
Subtotal	<u>109,589</u>	<u>-</u>
Total	<u><u>1,182,997</u></u>	<u><u>512,757</u></u>

23. CASH AND CASH EQUIVALENTS

	30/06/2010	30/06/2009
	<u>RSD 000</u>	<u>RSD 000</u>
<u>RSD</u>		
Current accounts	981	7,758
Treasury	2	50
Subtotal	<u>983</u>	<u>7,808</u>
<u>Foreign currency</u>		
Foreign currency accounts	494,654	733,059
Treasury	429	137
Subtotal	<u>495,083</u>	<u>733,196</u>
Total	<u><u>496,066</u></u>	<u><u>741,004</u></u>

The Company's foreign currency assets are term deposited (short-term) at rates varying from 1,05% up to 3,8% p.a. (EUR) and 2,2% p.a. (USD).

24. VAT AND ACCRUALS

	30/06/2010	30/06/2009
	<u>RSD 000</u>	<u>RSD 000</u>
<u>Value added tax-accrued</u>	4,698	70,152
<u>Accrued income</u>		
Prepayments	1,061	2,320
Uninvoiced income receivables		576,117
Accrued commitments		
Other accruals	4,247	5,736
Subtotal	<u>5,308</u>	<u>584,173</u>
Total	<u><u>10,006</u></u>	<u><u>654,325</u></u>

The Company posted less receivables from uninvoiced income on 30/06/2010 as a result of completion of the sales contract for an unfinished building in Block 26, New Belgrade.

25. SHARE CAPITAL

The share capital consists of:

	30/06/2010	30/06/2009
	<u>RSD 000</u>	<u>RSD 000</u>
Share capital		
Ordinary shares	3,787,124	3,187,612
Preferred shares		
Principal capital	<u>3,787,124</u>	<u>3,187,612</u>
Other share capital	27,178	27,178
Total principal and other capital	<u><u>3,814,302</u></u>	<u><u>3,214,790</u></u>

ENERGOPROJEKT HOLDING A.D., BEOGRAD
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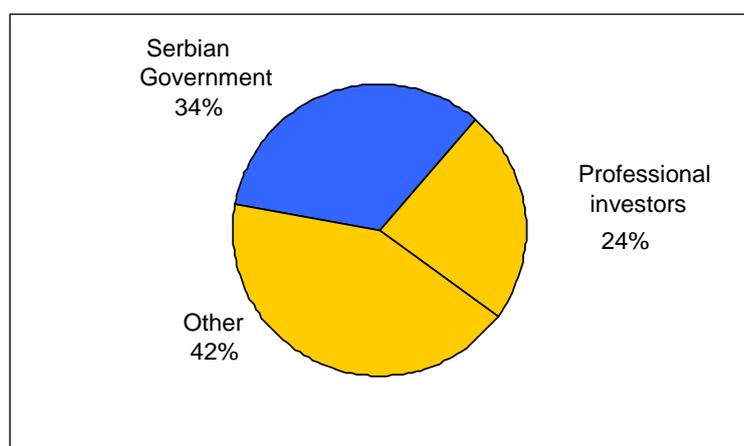
According to records of the Central Securities Depository, the ownership structure of shares of Energoprojekt Holding a.d. on 30/06/2010 is as follows:

	no. of shares	% of total emission
Shares held by private shareholder:	3,023,293	31,93%
Shares held by legal entities	4,753,697	50,21%
- Share Fund and Pension/Disability Insurance Fund	3,178,533	33.57%
- Other legal entities	1,575,164	16.64%
Summary (custody) account	1,690,820	17.86%
Total shares	9,467,810	100%

Number of shareholders with equity share	number of entities			number of shares			% of total emission		
	domestic	foreign	total	domestic	foreign	total	domestic	foreign	total
to 5%	8,619	267	8,886	4,833,939	955,655	5,789,594	51.06%	10.09%	61.15%
from 5% to 10%	1	0	1	499,683	0	499,683	5.28%	0.00%	5.28%
over 10% to 25%	0	0	0	0	0	0	0.00%	0.00%	0.00%
over 25% to 33%	0	0	0	0	0	0	0%	0.00%	0%
over 33% to 50%	1	0	1	3,178,533	0	3,178,533	33.57%	0.00%	33.57%
over 50% to 66%	0	0	0	0	0	0	0%	0.00%	0%
over 66% to 75%	0	0	0	0	0	0	0%	0.00%	0%
over 75%	0	0	0	0	0	0	0%	0.00%	0%
Total shares	8,621	267	8,888	8,512,155	955,655	9,467,810	89.91%	10.09%	100.00%

List of top 10 shareholders by total shares held:

Name	no. of shares	% of total issued
Serbian Government	3,178,533	33.57%
Hypo kastodi 4	499,683	5.28%
East capital asset manag.	406,522	4.29%
GP Napred a.d. Beograd	306,009	3.23%
Privredna banka Zagreb d.d.	237,712	2.51%
Raiffeisen zentralbank	223,679	2.36%
Gustavus capital asset mngt.	179,204	1.89%
Unicredit Bank Austria AG	159,927	169.00%
NLB clients	113,822	1.20%
Erste bank custody 00001	104,075	1.10%



Structure of share capital on 30/06/2010:

- Share capital	6.289.277
- Serbian Government	3.178.533
Total	9.467.810

The share capital consists of 9.467.810 ordinary shares each with a nominal value of 400 RSD (3.787.124 thousand RSD), or a specific book value of 734,48 RSD.

Share capital – the ordinary shares include founding shares and closely held (management) shares issued during operations which carry rights to a share of the profit and a part of the estate in case of bankruptcy, in accordance with the memorandum of association and the share issue resolution.

As of 2007 the company's shares are listed on the A-list of the Belgrade Stock Exchange.

Other equity was created through the reposting of sources of non-business assets in 2005 in the total of 27.178 thousand RSD.

26. RESERVES

The reserves consist of:

	30/06/2010	30/06/2009
	RSD 000	RSD 000
Issuing premium	1,600,025	1,590,366
Legal reserves	23,185	23,185
Statutory and other	56,296	31,881
Total	<u>1,679,506</u>	<u>1,645,432</u>

Issuing premium represents the positive difference between the obtained selling price per share and the share's nominal value.

Until 2004 legal reserves were mandatory and were formed by allocating at least 5% of the profit each year until the reserves reach at least 10% of the capital assets.

The Company's internal legislation defines the statutory reserves, which are prescribed by the General Meeting at the Board's proposal and cannot be less than 5% of the net profit.

27. REVALUATION RESERVES, UNREALIZED PROFIT/LOSS FROM SECURITIES

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

	30.06.2010	30.06.2009
	RSD 000	RSD 000
Revaluation reserves	57,829	55,240
Unrealized profit from available for sale securities	8,611	15,703
Unrealized losses from available for sale securities	(1,779)	(264)
Total	<u>64,661</u>	<u>70,679</u>

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 on reporting date (30/06/2010).

28. UNDISTRIBUTED PROFIT

The undistributed profit relates to:

	30.06.2010.	30.06.2009
	RSD 000	RSD 000
Retained earnings from previous years	709,871	866,826
Correction of revenue from income tax	(303)	(584)
Distribution of profits (dividends)		
Distribution of profits (increase of nominal value per share)		
Allocation to statutory reserves		
Other adjustments		7,048
Current year's profit	685,559	390,747
Total	1,395,127	1,264,037

The 34th General Meeting of Energoprojekt Holding a.d., which was scheduled for 30/06/2010, was postponed when the professional departments decided there was insufficient quorum for the meeting to be valid.

29. REDEEMED SHARES

A total of 9.796 treasury shares are redeemed as of 31/12/2009 with a nominal value of 3.918 thousand RSD. In 2010, 9.020 treasury shares were sold, and so on 30/06/2010 the Company holds a total of 776 treasury shares with a nominal value of 310 thousand RSD.

30. LONG TERM PROVISIONS

Long term provisions are recognized when:

- an enterprise has a present obligation (legal or constructive) as a result of past events;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

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Long term provisions consist of:

	<u>30/06/2010</u>	<u>30/06/2009</u>
	RSD 000	RSD 000
Provisions for fringe and other employee benefits	1,021	2,400
Other	260,000	260,000
Total	<u>261,021</u>	<u>262,400</u>

Provisions for fringe and other employee benefits totalled 1.021 thousand RSD and were formed in accordance with IAS 19.

31. LONG TERM LOANS

Commitments on long term loans mature in more than one year from the performance date or the annual balance sheet date.

There are no long term loans.

32. OTHER LONG TERM LIABILITIES

Other long term liabilities relate to:

	<u>30/06/2010</u>	<u>30/06/2009</u>
	RSD 000	RSD 000
Payables to parent company and subsidiaries		143,145
Long term finance lease	8,700	11,328
Total	<u>8,700</u>	<u>154,473</u>

The reduced obligations to parent and subsidiaries as of 30/06/2010 are related to the completion of the sales contract for an unfinished building in Block 26, New Belgrade.

32(a) LONG TERM LEASING OBLIGATIONS

	<u>RSD 000</u>				<u>RSD 000</u>	
	<u>30/06/2010</u>				<u>30/06/2009</u>	
	Minimum future leasing payments	Interest	Minimum future leasing payments	Interest	Present value of minimum payment	Present value of minimum payment
Up to 1 year	2,019	405	1,657	521		
1-5 years	8,700	769	11,327	1,477		
5+ years						
Total	<u>10,719</u>	<u>1,174</u>	<u>0</u>	<u>12,984</u>	<u>1,998</u>	<u>0</u>

33. SHORT TERM FINANCIAL LIABILITIES

Short term financial liabilities consist of:

	CCY	<u>30/06/2010</u> RSD 000	<u>30/06/2009</u> RSD 000
<u>Short term loans domestic</u>			
<i>Societe Generale Bank Serbia</i>	<i>Eur</i>		138,812
Other			
Subtotal		<u>0</u>	<u>138,812</u>
<u>Other short term financial liabilities</u>			
Short term liabilities maturing in one year or less- Raiffeisen Leasing	<i>Eur</i>	302	234
Short term liabilities maturing in one year or less- Intesa Leasing	<i>Eur</i>	1,717	1,422
Other ST financial liabilities-VISA accounts		126	
Subtotal		<u>2,145</u>	<u>1,656</u>
Total		<u><u>2,145</u></u>	<u><u>140,468</u></u>

34. LIABILITIES FROM OPERATIONS

	<u>30/06/2010</u>	<u>30/06/2009</u>
	RSD 000	RSD 000
<u>Liabilities from business operations</u>		
Received advances, short-term and safety deposits	200	4,385,124
Suppliers-parent and subsidiaries	115,138	172,846
Suppliers-affiliates	1,181	999
Suppliers-domestic	12,048	11,647
Suppliers-foreign		
Subtotal	128,567	4,570,616
<u>Liabilities from specific operations</u>		
Other	167	85
Subtotal	167	85
Total	<u>128,734</u>	<u>4,570,701</u>

The reduction of received advance payments as of 30/06/2010 is related to the completion of the sales contract for an unfinished building in Block 26, New Belgrade.

Geographical distribution of suppliers:

	<u>30/06/2010</u>	<u>30/06/2009</u>
	RSD 000	RSD 000
<u>Local suppliers</u>		
Belgrade	121,059	179,716
Less: value adjustment		
Subtotal	121,059	179,716
<u>Foreign suppliers</u>		
Europe-subsidiaries	6,197	4,911
Africa-other entities	81	
Asia-other affiliates	1,031	865
Less: value adjustment		
Subtotal	7,309	5,776
Total	<u>128,368</u>	<u>185,492</u>

35. OTHER SHORT TERM LIABILITIES

	<u>30/06/2010</u> RSD 000	<u>30/06/2009</u> RSD 000
<u>Salaries and fringe benefits</u>	11,470	11,259
<u>Other obligations</u>		
Dividends	6,087	4,959
Profit sharing	4,309	4,309
Employees	146	125
Members of the Board of Directors and Supervisory Board	1,193	1,096
Service contracts	246	231
Other	535	448
Total	<u>23,986</u>	<u>22,427</u>

36. LIABILITIES FOR VAT, OTHER PUBLIC REVENUES AND ACCRUALS

	<u>30/06/2010</u> RSD 000	<u>30/06/2009</u> RSD 000
<u>Value added tax</u>		51,890
<u>Other taxes, contributions and duties</u>		
Liabilities for income tax	2,551	
Liabilities for taxes, customs and other duties charged to costs	4,041	181
Other liabilities for taxes, contributions and other duties	684	624
Subtotal	<u>7,276</u>	<u>805</u>
<u>Accruals and deferred income</u>		
Accrued expenses	39	36
Deferred income		
Collected VAT		
Subtotal	<u>39</u>	<u>36</u>
Total	<u>7,315</u>	<u>52,731</u>

37. DEFERRED TAX ASSETS AND LIABILITIES

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

ENERGOPROJEKT HOLDING A.D., BEOGRAD
NOTES TO THE FINANCIAL STATEMENTS

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

	30/06/2010 RSD 000	30/06/2009 RSD 000
Deferred tax assets		
Deferred tax liabilities	9,807	8,539
Net tax assets/liabilities	9,807	8,539

38. OFF-BALANCE SHEET ITEMS

The Company's off-balance sheet assets and liabilities (8.562.402 thousand RSD) include sureties from issued guarantees and approved credit lines based on loans and guarantees issued in favor of subsidiaries for a total sum of 7.594.509 thousand RSD (the Company has concluded contracts with subsidiaries for the issued guarantees and has secured satisfactory collateral), obligations for Enjub dividends (30,442 thousand RSD) and rights to use city building land (937.451 thousand RSD).

39. LAWSUITS

N r	Petitioner	Respondent	Grounds for lawsuit and value	Court of jurisdiction	Outcome
1.	Civil lawsuit (4 petitioners)	EP Holding a.d.	Employment and wages 1.292,00USD, 2.444,40EUR and 5.206.086,41 RSD	Belgrade Court	Uncertain
2.	Land Development Agency	EP Holding a.d.	Fee for Hyatt, 15.459.728,80 RSD	Commercial Court	Settlement in process
3.	EP Holding a.d. & EP Visokogradnja a.d.	City of Belgrade, Serbia, Belgrade Arena, Land Development Agency	8.399.218,81 USD in debts		Success
4.	EP Oprema a.d.- EP Holding a.d.	Belgrade Arena	4.817.705,05 RSD in debts	Commercial Court	Founded
5.	Milan Raonić	EP Holding a.d., EP Visokogradnja a.d. i EP Urbanizam i arhitektura a.d.	Copyright infringement, 7.000.000,00 RSD	District Court of Belgrade	Uncertain
6.	EP Holding a.d.	MV Inženjering. Čačak	5.524.202,40 RSD in debts	Commercial Court of Čačak	Execution procedure

40. POST BALANCE SHEET EVENTS

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

Belgrade,
July 16, 2010

Statements approved by:

Managing Director

*This is an English translation of Report on Review of
Interim Financial Information issued in the Serbian language*

"ENERGOPROJEKT HOLDING" AD, BELGRADE

Report on Review of Interim Financial Information

To the shareholders of "Energoprojekt Holding" a.d., Belgrade

Introduction

We have reviewed the accompanying balance sheet of "Energoprojekt Holding" a.d., Belgrade (referred to in the further text also as the Company) as of June 30, 2010 and the related statements of income, changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with the current accounting regulations in effect in the Republic of Serbia. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view the financial position of the "Energoprojekt Holding" a.d., Belgrade as at June 30, 2010, and of its financial performance and its cash flows for the six-month period then ended in accordance with the current accounting regulations in effect in the Republic of Serbia.

Belgrade, August 2, 2010


MOORE STEPHENS
Revizija i Računovodstvo d.o.o., Beograd

Bogoljub Aleksić
Certified Auditor