

Quarterly report  
Energoprojekt Holding plc  
3rd quarter 2012

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Pursuant to Article 53 of the Capital Market Law („Official Gazette of the Republic of Serbia“ No. 31/2011) and Article 5 of the Regulation of the Form, Contents and Manner of Publication of Annual, Semi-Annual and Quarterly Reports submitted by public companies („Official Gazette of the Republic of Serbia“ No. 14/2012), **Energoprojekt Holding plc from Belgrade, ID No: 07023014 publishes the following:**

## **QUARTERLY REPORT FOR THE 3RD QUARTER 2012**

### C O N T E N T S

1. FINANCIAL STATEMENTS ENERGOPROJEKT HOLDING PLC FOR THE 3<sup>rd</sup> QUARTER 2012  
  
(Balance sheet, Income statement, Cash flow statement, Statement of Changes in Equity, Notes to the Financial Statements)
  
2. BUSINESS REPORT
  
3. STATEMENT OF RESPONSIBILITY (BY PERSONS WHO PREPARED THE REPORT)
  
4. DECISION BY THE RELEVANT DEPARTMENT OF THE COMPANY TO ADOPT THE QUARTERLY REPORT FOR THE 3<sup>rd</sup> QUARTER 2012 \* (Note)

1. FINANCIAL STATEMENTS ENERGOPROJEKT HOLDING PLC FOR THE  
3<sup>rd</sup> QUARTER 2012 (Balance sheet, Income statement, Cash flow statement,  
Statement of Changes in Equity, Notes to the Financial Statements)

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Reporting period:

from

1/1/2012

until

9/30/2012

### Quarterly Financial Statement for Businesses KFI-PD

Business name: **ENERGOPROJEKT HOLDING p.l.c.**

Reg. No.: **07023014**

Postal code, city: **11070**

**NOVI BEOGRAD**

Street and number: **BULEVAR MIHAILA PUPINA 12**

E-mail: **ep@energoprojekt.rs**

Website: **www.energoprojekt.rs**

Consolidated/individual: **INDIVIDUAL**

Approved (yes/no): **Yes**

Audited (yes/no): **No**

Consolidation group:\*

Head office:

Reg. No.:

Contact person: **DIMITRAKI ZIPOVSKI**

(name and surname of contact person)

Phone: **(011) 310 10 44**

Fax: **(011) 213 14 12**

E-mail: **d.zipovski@energoprojekt.rs**

Name and surname: **VLADIMIR MILOVANOVIC**

(authorized officer)

\*Consolidated financial statements for 2nd quarter (half-year) only

## BALANCE SHEET

as at 30.09.2012.

in RSD thousands

Description	ADP	Total	
		end of quarter current year	31-Dec previous year
1	2	3	4
<b>ASSETS</b>			
<b>A. NON-CURRENT ASSETS (002 + 003 + 004 + 005 + 009)</b>	<b>001</b>	6,324,259	6,083,468
I SUBSCRIBED CAPITAL, UNPAID	002		
II GOODWILL	003		
III INTANGIBLES	004	9,492	10,139
<b>IV PROPERTY, PLANT, EQUIPMENT AND NATURAL ASSETS (006 + 007 + 008)</b>	<b>005</b>	1,049,040	815,502
1. Property, plant & equipment	006	450,465	318,804
2. Investment property	007	598,575	496,698
3. Natural assets	008		
<b>V LONG-TERM FINANCIAL INVESTMENTS (010+011)</b>	<b>009</b>	5,265,727	5,257,827
1. Share of Capital	010	4,444,596	4,455,931
2. Other long-term financial investments	011	821,131	801,896
<b>B. CURRENT ASSETS (013 + 014 + 015)</b>	<b>012</b>	2,303,861	1,861,181
I. MATERIAL	013	1,589	707
II. ASSETS HELD FOR TRADING AND SUSPENDED BUSINESS ASSETS	014		
<b>III SHORT-TERM RECEIVABLES, INVESTMENTS AND CASH (016 + 017 + 018 + 019 + 020)</b>	<b>015</b>	2,302,272	1,860,474
1. Receivables	016	832,421	560,254
2. Receivables from prepaid income tax	017		3,784
3. Short-term financial investments	018	1,109,517	1,053,269
4. Cash and cash equivalents	019	354,234	239,998
5. VAT and deferred income	020	6,100	3,169
C. DEFERRED TAX ASSETS	021		
<b>D. BUSINESS PROPERTY (001 + 012 + 021)</b>	<b>022</b>	8,628,120	7,944,649
E. LOSSES OVER CAPITAL	023		
<b>F. TOTAL ASSETS (022 + 023)</b>	<b>024</b>	8,628,120	7,944,649
G. OFF-BALANCE SHEET ASSETS	025	8,668,109	9,665,845
<b>LIABILITIES</b>			
<b>A. CAPITAL (102+103+104+105+106-107+108-109-110)</b>	<b>101</b>	7,697,042	7,167,219
I ORIGINAL CAPITAL	102	5,095,322	4,855,761
II SUBSCRIBED CAPITAL, UNPAID	103		
III RESERVES	104	1,735,366	1,735,366
IV REVALUATION RESERVES	105	43,080	43,080
V UNREALIZED GAINS FROM SECURITIES	106	5,296	9,875
VI UNREALIZED LOSSES FROM SECURITIES	107	11,953	3,170
VII UNDISTRIBUTED PROFIT	108	829,931	526,307
VIII LOSSES	109		
IX REDEEMED TREASURY SHARES	110		
<b>B. LONG-TERM PROVISIONS AND LIABILITIES (112 + 113 + 116)</b>	<b>111</b>	921,485	767,837
I LONG-TERM PROVISIONS	112	264,863	264,863
<b>II LONG-TERM COMMITMENTS (114 + 115)</b>	<b>113</b>	279,682	84,500
1. Long-term loans	114	279,682	84,033
2. Other long-term commitments	115		467
<b>III SHORT-TERM COMMITMENTS (117 + 118 + 119 + 120 + 121 + 122)</b>	<b>116</b>	376,940	418,474
1. Short-term financial commitments	117	308,890	360,950
2. Commitments for assets held for trading and suspended business assets	118		
3. Business commitments	119	30,010	21,158
4. Other short-term commitments and accruals	120	24,580	31,254
5. VAT and other public revenue, accruals	121	11,705	4,620
6. Corporate income tax	122	1,755	492
C. DEFERRED TAX LIABILITIES	123	9,593	9,593
<b>D. TOTAL LIABILITIES (101 + 111 + 123)</b>	<b>124</b>	8,628,120	7,944,649
E. OFF-BALANCE SHEET LIABILITIES	125	8,668,109	9,665,845

P&L ACCOUNT

from 01.01.2012. until 30.09.2012.

in RSD thousands

Description	ADP	Total			
		current period		previous period	
		quarter	cumulative	quarter	cumulative
1	2	3	4	5	6
<b>A. BUSINESS INCOME AND EXPENDITURE</b>					
<b>I. BUSINESS INCOME (202+203+204-205+206)</b>	<b>201</b>	110,088	320,902	93,546	280,813
1. Sales revenue	202	103,536	301,747	87,784	263,517
2. Own use of products, services and merchandise	203	121	362	150	449
3. Increase of finished goods, WIP and services in progress	204				
4. Decrease of finished goods, WIP and services in progress	205				
5. Other business revenues	206	6,431	18,793	5,612	16,847
<b>II. BUSINESS EXPENDITURE (208 to 212)</b>	<b>207</b>	84,357	269,324	83,963	271,023
1. Cost of merchandise sold	208				
2. Cost of material	209	6,105	16,760	4,954	15,264
3. Costs of salaries, fringe benefits and other personal expenses	210	42,137	137,232	45,667	136,656
4. Costs of depreciation and provisions	211	5,489	16,019	4,930	14,996
5. Other business expenses	212	30,626	99,313	28,412	104,107
<b>III BUSINESS PROFIT (201 - 207)</b>	<b>213</b>	25,731	51,578	9,583	9,790
<b>IV BUSINESS LOSSES (207 - 201)</b>	<b>214</b>				
V FINANCIAL INCOME	215	10,271	568,051	37,302	392,122
VI FINANCIAL EXPENDITURE	216	6,115	54,398	40,602	133,856
VII OTHER INCOME	217	523	669	51,355	71,769
VIII OTHER EXPENDITURE	218	1,491	4,126	443	1,124
<b>IX OPERATING REVENUE BEFORE TAX (213 - 214 + 215 - 216 + 217 - 218)</b>	<b>219</b>	28,919	561,774	57,195	338,701
<b>X OPERATING LOSSES BEFORE TAX (214 - 213 - 215 + 216 - 217 + 218)</b>	<b>220</b>				
XI NET PROFIT FROM SUSPENDED OPERATIONS	221				
XII NET LOSSES FROM SUSPENDED OPERATIONS	222	238	915	21	161
<b>B. PROFIT BEFORE TAX (219 - 220 + 221 - 222)</b>	<b>223</b>	28,681	560,859	57,174	338,540
<b>C. LOSSES BEFORE TAX (220 - 219 + 222 - 221)</b>	<b>224</b>				
<b>D. INCOME TAX</b>					
1. Tax liabilities for the period	225	5,267	15,800	1,476	23,181
2. Deferred tax liabilities for the period	226				
3. Deferred tax income for the period	227				
E. Salaries paid to employer	228				
<b>F. NET PROFIT (223 - 224 - 225 - 226 + 227 - 228)</b>	<b>229</b>	23,414	545,059	55,698	315,359
<b>G. NET LOSS (224 - 223 + 225 + 226 - 227 + 228)</b>	<b>230</b>				
H. NET PROFIT PAYABLE TO MINORITY STAKEHOLDERS	231				
I. NET PROFIT PAYABLE TO PARENT COMPANY OWNERS	232				
<b>J. EARNINGS PER SHARE</b>					
1. Basic earnings per share	233				
2. Diluted earnings per share	234				

## CASH FLOW STATEMENT

from 01.01.2012. until 30.09.2012.

in RSD thousands

Description 1	ADP 2	Total	
		cumulative for current year quarter 3	cumulative for previous year quarter 4
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>I Cash proceeds from operating activities (1 to 3)</b>	<b>301</b>	405,764	652,631
1. Proceeds from sale and prepayments	302	405,075	648,652
2. Proceeds from received interest from operating activities	303		
3. Other proceeds from operating activities	304	689	3,979
<b>II Cash outflows from operating activities (1 to 5)</b>	<b>305</b>	366,673	460,727
1. Suppliers and given prepayments	306	167,194	190,125
2. Salaries, fringe benefits and other staff expenses	307	138,156	139,285
3. Payment of interests	308	3,042	7,470
4. Payment of income taxes	309	10,758	75,074
5. Payment of other public revenue expenses	310	47,523	48,773
<b>III Net cash receipts from operating activities (I-II)</b>	<b>311</b>	39,091	191,904
<b>IV Net cash payments from operating activities (II-I)</b>	<b>312</b>		
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
<b>I Proceeds from investing activities (1 to 5)</b>	<b>313</b>	236,798	319,620
1. Proceeds from sale of shares and equity (net receipts)	314		
2. Proceeds from sale of intangibles, property, plant, equipment, and natural assets	315		173,503
3. Other financial investments (net receipts)	316	194,021	
4. Proceeds from interests	317	8,718	19,469
5. Proceeds from dividends	318	34,059	126,648
<b>II Cash outflow from investing activities (1 to 3)</b>	<b>319</b>	254,644	972,716
1. Purchase of shares and equity (net payments)	320		32,970
2. Purchase of intangibles, property, plant, equipment, and natural assets	321	254,644	520,112
3. Other financial investments (net payments)	322		419,634
<b>III Net cash receipts from investing activities (I-II)</b>	<b>323</b>		
<b>IV Net cash payments from investing activities (II-I)</b>	<b>324</b>	17,846	653,096
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>I Cash receipts from financing activities (1 to 3)</b>	<b>325</b>	89,000	198,132
1. Increase in share capital	326		771
2. Long term and short term loans (net receipts)	327	89,000	197,361
3. Other long term and short term commitments	328		
<b>II Cash payments from financing activities (1 do 4)</b>	<b>329</b>	2,765	3,975
1. Purchase of treasury shares and equity	330		
2. Long term and short term loans and other liabilities (net payments)	331		
3. Finance lease	332	2,459	3,974
4. Payment of dividends	333	306	1
<b>III Net cash receipts from financing activities (I-II)</b>	<b>334</b>	86,235	194,157
<b>IV Net cash payments from financing activities (II-I)</b>	<b>335</b>		
<b>D. TOTAL CASH RECEIPTS (301 + 313 + 325)</b>	<b>336</b>	731,562	1,170,383
<b>E. TOTAL CASH PAYMENTS (305 + 319 + 329)</b>	<b>337</b>	624,082	1,437,418
<b>F. NET CASH RECEIPTS (336 - 337)</b>	<b>338</b>	107,480	
<b>G. NET CASH PAYMENTS (337 - 336)</b>	<b>339</b>		267,035
H. CASH AT BEGINNING OF REPORTING PERIOD	340	239,998	469,938
I. EXCHANGE RATE GAINS FROM CASH TRANSLATION	341	6,756	
J. EXCHANGE RATE LOSSES FROM CASH TRANSLATION	342		6,848
<b>K. CASH AT END OF REPORTING PERIOD (338 - 339 + 340 + 341 - 342)</b>	<b>343</b>	354,234	196,055

## STATEMENT ON CHANGE IN EQUITY

from 01.01.2012. until 30.09.2012.

in RSD thousands

Description	ADP	Shareholders equity (group 30 w/out 309)	ADP	Other capital (no. 309)	ADP	Subscribed capital, unpaid (group 31)	ADP	Issue premium (no. 320)	ADP	Reserves (no. 321, 322)	ADP	Revaluation reserves (accounts 330 and 331)	ADP	Unrealized gains from securities (account 332)	ADP	Unrealized losses from securities (account 333)	ADP	Undistributed profit (group 34)	ADP	Losses up to capital (group 35)	ADP	Redeemed treasury shares and equity (no. 037, 237)	ADP	Total (col. 2+3+4+5+6+7+8+9+10+11-12)	ADP	Losses over capital (group 29)
1		2		3		4		5		6		7		8		9		10		11		12		13		14
Balance on 01-Jan previous year ____	401	4,165,836	414	27,178	427	-	440	1,600,056	453	102,923	466	43,080	479	15,902	492	2,008	505	943,386	518	-	531	341	544	6,896,012	557	-
Adjustment for material errors and changes in accounting policies in previous year - increase	402	-	415	-	428	-	441	-	454	-	467	-	480	-	493	-	506	-	519	-	532	-	545	-	558	-
Adjustment for material errors and changes in accounting policies in previous year - decrease	403	-	416	-	429	-	442	-	455	-	468	-	481	-	494	-	507	-	520	-	533	-	546	-	559	-
Restated balance on 01-Jan previous year ____ (no. 1+2-3)	404	4,165,836	417	27,178	430	-	443	1,600,056	456	102,923	469	43,080	482	15,902	495	2,008	508	943,386	521	-	534	341	547	6,896,012	560	-
Total increase in previous year	405	662,747	418	-	431	-	444	434	457	31,958	470	-	483	3,971	496	1,189	509	916,786	522	-	535	-	548	1,614,707	561	-
Total decrease in previous year	406	-	419	-	432	-	445	5	458	-	471	-	484	9,998	497	27	510	1,333,865	523	-	536	341	549	1,343,500	562	-
Balance on 31-Dec previous year ____ (no. 4+5-6)	407	4,828,583	420	27,178	433	-	446	1,600,485	459	134,881	472	43,080	485	9,875	498	3,170	511	526,307	524	-	537	-	550	7,167,219	563	-
Adjustment for material errors and changes in accounting policies in current year - increase	408	-	421	-	434	-	447	-	460	-	473	-	486	-	499	-	512	-	525	-	538	-	551	-	564	-
Adjustment for material errors and changes in accounting policies in current year - decrease	409	-	422	-	435	-	448	-	461	-	474	-	487	-	500	-	513	-	526	-	539	-	552	-	565	-
Restated balance on 01-Jan current year ____ (no. 7+8-9)	410	4,828,583	423	27,178	436	-	449	1,600,485	462	134,881	475	43,080	488	9,875	501	3,170	514	526,307	527	-	540	-	553	7,167,219	566	-
Total increase in current year	411	239,561	424	-	437	-	450	-	463	-	476	-	489	-	502	8,783	515	860,418	528	-	541	-	554	1,091,196	567	-
Total decrease in current year	412	-	425	-	438	-	451	-	464	-	477	-	490	4,579	503	-	516	241,435	529	-	542	-	555	246,014	568	-
Balance at end quarter current year ____ (no. 10+11-12)	413	5,068,144	426	27,178	439	-	452	1,600,485	465	134,881	478	43,080	491	5,296	504	11,953	517	1,145,290	530	-	543	-	556	8,012,401	569	-

**ENERGOPROJEKT HOLDING PLC  
BEOGRAD**

**NOTES TO THE FINANCIAL STATEMENTS  
as at September 30, 2012**

## **1. COMPANY BACKGROUND**

Energoprojekt Holding plc, Beograd (hereinafter: the Company) is a joint stock company for holding operations.

The Company harmonized its operations with the Companies Law (RS Official Gazette No. 36/2011 and 99/2012) based on the Resolution of Compliance with the Companies Law and the Memorandum of Association adopted by the General Meeting on 16/03/2012 and the Articles of Association adopted by the General Meeting on 12/01/2012.

In the process of harmonizing with the new Companies Law, the business information of Energoprojekt Holding plc with the Serbian Business Registers Agency was modified based on the Resolution of the Serbian Business Registers Agency BD 49189/2012, dated 18/04/2012, under which the Company's new Memorandum and Articles of Association, management bodies, members of the Executive Board and the Chairman and members of the Supervisory Board were registered.

By adopting and registering the Resolution on the compliance of the Memorandum of Association of Energoprojekt Holding plc with the Articles of Association of the Company adopted pursuant to provisions of the new Companies Law, the Resolution on compliance with the Companies Law and the Articles of Association of the Company from 2006 ceased to apply.

The Company is registered and re-registered in the Register kept by the Serbian Business Registers Agency, pursuant to the Decision BD 8020/2005 of 20/05/2005 from the Commercial Court of Belgrade with previous registration on the registry insert, number 1-2511-00.

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 Corporation, 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 Labor “Energoprojekt“ and the associated workers’ organizations, as it was styled at the time, at a referendum held 08/12/1989.

### Basic data on the Company

<i>Head office</i>	Belgrade, Bulevar Mihaila Pupina 12
<i>Registration number</i>	07023014
<i>Registered business code and name of the activity</i>	6420 (74150 and 110620) - holding company
<i>Tax registration number</i>	100001513

The Company is the parent company that forms with a large number of subsidiaries and affiliated companies in the country and abroad a **group of companies referred to as The Energoprojekt Group**.

**Subsidiaries and affiliated companies in the country** are as follows:

- Energoprojekt Visokogradnja a.d.,
- Energoprojekt Niskogradnja a.d.,
- Energoprojekt Oprema a.d.,
- Energoprojekt Hidroinženjering a.d.,
- Energoprojekt Urbanizam i arhitektura a.d.,
- Energoprojekt Energodata a.d.,
- Energoprojekt Industrija a.d.,
- Energoprojekt Entel a.d.,
- Energoprojekt Garant a.d.,
- Energoprojekt Promet d.o.o. and
- Enjub d.o.o.

The following table contains data on the ownership share in these subsidiaries.

<i>Equity investments in subsidiaries</i>	
<i>Subsidiary</i>	<i>% ownership</i>
Energoprojekt Visokogradnja a.d.	92,39
Energoprojekt Niskogradnja a.d.	93,32
Energoprojekt Oprema a.d.	67,87
Energoprojekt Hidroinženjering a.d.	94,84
Energoprojekt Urbanizam i arhitektura a.d.	94,40
Energoprojekt Energodata a.d.	96,43
Energoprojekt Industrija a.d.	62,77

ENERGOPROJEKT HOLDING PLC, BEOGRAD  
NOTES TO THE FINANCIAL STATEMENTS

Energoprojekt Entel a.d.	86,26
Energoprojekt Garant a.d.o.	92,94
Energoprojekt Promet d.o.o.	100,00

Ownership share of the Company in the domestic affiliated company is indicated in the following table.

<i>Equity investments in affiliated companies</i>	
<i>Affiliated company</i>	<i>% ownership</i>
Enjub d.o.o.	50,00

The Company is, according to criteria defined by the Law on accounting and auditing, classified as a **middle-sized legal entity**.

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

Financial statements for the first nine months that are the subject of these Notes are **separate financial statements** of the Company, approved by the Board of Directors of the Company on 05.11.2012.

## 2. MANAGEMENT STRUCTURE

**The key management of the Company in 2012** included the following persons:

- Vladimir Milovanović - General Manager;
- Dimitraki Zipovski - Executive Manager for finances, accounting and plan;
- Zoran Radosavljević - Executive Manager for corporate projects, development and quality;
- Zoran Jovanović - Executive Manager for legal affairs and
- Dragan Tadić - Executive Manager for „Real Estate“ projects.

## 3. OWNERSHIP STRUCTURE

According to records of the Central Securities Depository, the ownership structure of Energoprojekt Holding plc shares on 30/09/2012 is presented in the Note No. 24 - Equity.

## 4. BASIS FOR THE PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

These Financial statements of the Company were prepared according to the *Law on Accounting and Auditing* and regulations that were adopted based on this Law.

Financial statements of the Company are disclosed in the form as prescribed by the Regulation of the Form and Contents of Annual, Semi-Annual and Quarterly Financial Statements submitted by public companies.

### **Functional and reporting currency**

The figures in the financial statements have been prepared in thousand of RSD. The RSD represents functional and reporting currency. All transactions made in the currencies which are not the functional are treated as foreign currency transactions.

The figures in the financial statements are shown in RSD thousand, in the functional and domicile currency as at balance sheet date 30/09/2012.

The official NBS middle exchange rates used in the translation of monetary assets and liabilities were as follows:

	30.09.2012	30.09.2011
EUR	115,0320	101,1732
USD	88,9377	74,6776

## **5. MANAGEMENT ESTIMATION AND ASSESSMENT**

The 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.

## **6. OVERVIEW OF PRINCIPAL ACCOUNTING POLICIES**

The principal accounting policies and calculation methods used in the preparation of the financial statement for the first nine months of 2012 are consistent with those applied in financial statements for the year ending 31/12/2011.

## 7. REVENUES FROM SALES

	<b>30.09.2012</b> <u>RSD 000</u>	<b>30.09.2011</b> <u>RSD 000</u>
Revenues from services rendered to subsidiaries	301.671	263.171
Revenues from services rendered to other affiliates	-	286
Revenues from services sold on the local market	76	60
<b>TOTAL</b>	<b>301.747</b>	<b>263.517</b>

Revenue from services rendered to subsidiaries on 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 the respective documentation and amount to 301,671 thousand RSD.

Income from the own use of products, services and merchandise (362 thousand RSD, in 2011: 449 thousand RSD) is attributed to automobile use for business travel.

## 8. OTHER OPERATING INCOME

	<b>30.09.2012</b> <u>RSD 000</u>	<b>30.09.2011</b> <u>RSD 000</u>
Rents	18.793	16.847
Other operating income		
<b>Total</b>	<b>18.793</b>	<b>16.847</b>

Rents comprise of income generated mostly by EP Visokogradnja a.d. (18.064 thousand RSD) from the renting of the bachelor's hotel in Batajnicki drum (Contract No. 40, dated 31/01/2011), other operating income is generated from renting the roof terrace in an office building to Telekom a.d.

## 9. MATERIAL COST

	<b>30.09.2012</b> <u>RSD 000</u>	<b>30.09.2011</b> <u>RSD 000</u>
Material cost for the production		103
Other material cost (overheads)	4,684	6,758
Fuel and energy	12,076	8,403
<b>Total</b>	<b>16,760</b>	<b>15,264</b>

## 10. STAFF COSTS

	<b>30.09.2012</b>	<b>30.09.2011</b>
	<u>RSD 000</u>	<u>RSD 000</u>
Salaries and fringe benefits (gross)	102.851	97.125
Taxes and contributions on salaries and fringe benefits charged to employer	14.917	14.995
Temporary service contracts	1.623	1.226
Copyright agreements		578
Temporary and provisional contracts	739	
Board of Directors and Supervisory Board	10.181	18.501
Other personal expenses remunerations	6.921	4.231
<b>Total</b>	<b><u>137.232</u></b>	<b><u>136.656</u></b>

## 11. DEPRECIATION AND PROVISION EXPENSES

	<b>30.09.2012</b>	<b>30.09.2011</b>
	<u>RSD 000</u>	<u>RSD 000</u>
Depreciation of property, plant, equipment	16.019	14.996
Provision for fringe and other employee benefits	-	-
<b>Total</b>	<b><u>16.019</u></b>	<b><u>14.996</u></b>

## 12. OSTALI POSLOVNI RASHODI

	<b>30.09.2012</b>	<b>30.09.2011</b>
	RSD 000	RSD 000
<b><u>Costs of production services</u></b>		
Transportation costs	3,247	3,596
Maintenance costs	29,123	48,900
Rental costs	768	500
Cost for participation in trade fairs	573	
Advertising costs	1,974	10,423
Costs of other services	1,990	2,563
<b>Total</b>	<b>37,675</b>	<b>65,982</b>
<b><u>Non-production costs</u></b>		
Costs of non-production services	34,198	15,745
Expense accounts	2,457	4,303
Insurance premium costs	665	787
Payment operation costs	4,709	2,360
Membership fees	983	474
Tax duties	7,563	7,798
Other intangible expenses	11,063	6,658
<b>Subtotal</b>	<b>61,638</b>	<b>38,125</b>
<b>Total</b>	<b>99,313</b>	<b>104,107</b>

The most important costs in the costs of production services (37.675 thousand RSD) are maintenance costs that amount to 29.123 thousand RSD and include ongoing maintenance of the office building and fixed assets.

Non-production costs amount to 61.638 thousand RSD, out of which 34.198 thousand RSD refer to auditor's and attorney fees, consulting services, intellectual services, professional training, etc.

### 13. FINANCIAL REVENUES AND EXPENSES

	<b>30.09.2012</b>	<b>30.09.2011</b>
	RSD 000	RSD 000
<b><u>Financial revenues</u></b>		
Financial income from transactions with parent company and subsidiaries	522,061	354,322
Financial income from other affiliates	22,386	6,994
Income from interest	4,721	6,971
FX gains	16,719	22,537
Gains on foreign currency clause	124	384
Other financial revenues	2,040	914.00
<b>Total</b>	<b>568,051</b>	<b>392,122</b>
<b><u>Financial expenses</u></b>		
subsidiaries	1,167	93,420
Financial expenses from transactions with other affiliates		5,538
Costs of interest	14,401	18,196
FX losses	5,718	16,670
Losses on foreign currency clause	33,112	32
<b>Total</b>	<b>54,398</b>	<b>133,856</b>

The most important figures under Financial revenues are revenues from sharing of profits (dividends) from parent companies and subsidiaries in the amount of 255.194 thousand RSD, FX gains from transactions with subsidiaries (203.071 thousand RSD) and interests (63.796 thousand RSD) from subsidiaries. The most important losses in Financial expenses are Losses on foreign currency clause (33.112 thousand RSD) and Costs of interest (14.401 thousand RSD) mostly related to loans approved by the Development Fund and the Alpha Bank.

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

	<b>30.09.2012</b>	<b>30.09.2011</b>
	RSD 000	RSD 000
<b><u>Other revenues and property value adjustment gains</u></b>		
Gains on disposals of intangibles and PP&E	510	51.457
Previously written-off claims recovered		5.115
Income from positive hedging effects		
Value adjustment of claims and short-term financial investments		15.037
Other	159	160
<b>Total</b>	<b>669</b>	<b>71.769</b>

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<b><u>Other expenses and property impairment costs</u></b>	<b>30.09.2012</b> RSD 000	<b>30.09.2011</b> RSD 000
Disposal and write-off of intangibles and PP&E	58	
Losses on disposals of equity investments and securities	8	
Shortages		
Direct receivables write-off	435	198
Other	3.625	926
<b>Total</b>	<b>4.126</b>	<b>1.124</b>

The most figures under Other expenses are donations in the amount of 3.532 thousand RSD (to the Tennis Federation of Serbia, Clinical Center of Serbia for the adaptation of the Intensive-Care Unit and to other institutions).

## 15. INTANGIBLE INVESTMENTS

	<b>Other intangibles</b>	<b>Intangible investments in progress</b>	<b>Advances on intangibles</b>	<b>Total</b>
<b><u>Cost value</u></b>	RSD 000	RSD 000		RSD 000
<b>Balance 1.1.2012</b>	<b>2,326</b>	<b>8,837</b>	<b>419</b>	<b>11,582</b>
Restated balance			(419 )	(419 )
New purchases				-
Transfers				0
Disposals and write-off				0
Revaluation - assessment				0
Other				0
<b>Balance on 30.09.2012</b>	<b>2,326</b>	<b>8,837</b>	<b>-</b>	<b>11,163</b>
 <b><u>Value adjustment</u></b>				
<b>Balance on 1.1.2012</b>	<b>1,443</b>			<b>1,443</b>
Restated balance				-
Depreciation	228			228
Disposals and write-off				0
Impairment				0
Revaluation - assessment				0
Other				0
<b>Balance on 30.09.2012</b>	<b>1,671</b>	<b>-</b>	<b>-</b>	<b>1,671</b>
 <b><u>Net book value</u></b>				
<b>30.09.2012</b>	<b>655</b>	<b>8,837</b>	<b>-</b>	<b>9,492</b>

## 16. PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTY

	Buildings	Plant and equipment	Investment property	Property in progress	Advances on property	Total
	RSD 000	RSD 000	RSD 000	RSD 000	RSD 000	RSD 000
<b>Cost value</b>						
<b>Balance 1.1.2012</b>	<b>581,801</b>	<b>97,261</b>	<b>496,698</b>		-	<b>1,175,760</b>
Restated balance						-
Transfers	199,621	3,754	101,877	(305,080 )	(4,074 )	(3,902 )
New purchases				305,080	4,074	309,154
Disposal and write-off		(8,274 )				(8,274 )
FX exchange gains and losses						-
Other, value assessment						-
<b>Balance on 30.09.2012</b>	<b>781,422</b>	<b>92,741</b>	<b>598,575</b>	-	<b>0</b>	<b>1,472,738</b>
<b>Value adjustment</b>						
<b>Balance on 1.1.2012</b>	<b>296,938</b>	<b>63,321</b>				<b>360,259</b>
Restated balance						-
Depreciation	61,542	8,930				70,472
Disposal and write-off		(7,033 )				(7,033 )
Impairment						-
Revaluation - assessment						-
Other						-
<b>Balance on 30.09.2012</b>	<b>358,480</b>	<b>65,218</b>	-	-	-	<b>423,698</b>
<b>Net book value</b>						
<b>30.09.2012</b>	<b>422,942</b>	<b>27,523</b>	<b>598,575</b>	-	<b>0</b>	<b>1,049,040</b>

On 31.03.2012, the purchase agreement No. 92/263/1 was concluded with Energoprojekt Urbanizam i arhitektura a.d. that sold business premises in the Energoprojekt office building covering 2.704 m<sup>2</sup>, purchase price 199.621 thousand RSD, written-off value 54.553 thousand RSD and present value 145.068 thousand RSD.

On 08.06.2012, the purchase agreement No. 176/547 was concluded with Energoprojekt Visokogradnja a.d. covering the purchase of business premises (investment property) on the third floor of the building No. 2, separate part of the building No. 235, Palmira Toljatija street No. 5 (old Mercator), covering an area of 643 m<sup>2</sup>, on the cadastral plot No. 254, registered in the Registry of Immovable Property No. 3132 Cadastral Municipality New Belgrade, purchase price 80.688 thousand RSD. Pursuant to Contract No. 8/17, dated 13/01/2012, investment maintenance works were performed on the accommodation complex „Pavilions“ in Zemun, Batajnicki drum No. 24 (investment property) in the amount of 21.142 thousand RSD.

## **17. 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 subsidiaries and affiliates are disclosed according to the method used by the Company for disclosing its investment at purchase cost. The Company recognizes revenues in the amount received from the distribution of retained earnings of the investment user incurred after the date of acquisition.

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

Equity investments pertain to shares of:

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SUBSIDIARIES		<u>000 RSD</u>	<u>000 RSD</u>
		30.09.2012	31.12.2011
	% share	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	191,438
EP Industrija a.d.	62.77%	61,209	61,209
EP Entel a.d.	86.26%	216,422	216,422
EP Garant a.d.o.	92.94%	597,545	597,545
EP Montenegro d.o.o.	100.00%	-	8
Inec Eng. Ltd.	100.00%	62,359	62,359
Encom GmbH	100.00%	3,493	3,493
Zecco Zambia	100.00%	587	587
Nana off shore	100.00%	1,258	1,258
<b>Total</b>		<b>4,361,367</b>	<b>4,361,375</b>
<b>AFFILIATED COMPANY</b>			
	% share	Present value	Present value
Enjub d.o.o.	50.00%	13,549	13,550
<b>Total</b>		<b>13,549</b>	<b>13,550</b>
<b>OTHER COMPANIES AND AVAILABLE FOR SALE SECURITIES</b>			
		Present value	Present value
Dunav a.d.o		341	515
Jubmes banka a.d.		35,349	46,835
Aik banka a.d.		691	824
Hipotekarna banka Podg.		8,901	8,434
Energobroker a.d.		4,371	4,371
Hotel Bela lađa Bečej		5,947	5,947
FIMA SEE Activist		14,080	14,080
<b>Total</b>		<b>69,680</b>	<b>81,006</b>
<b>TOTAL</b>		<b>4,444,596</b>	<b>4,455,931</b>

## 18. OTHER LONG TERM FINANCIAL INVESTMENTS

Other long term financial investments include:

	<b>30.09.2012</b>	<b>31.12.2011</b>
	RSD 000	RSD 000
Staff housing loans	1.983	2.087
Long term loans to subsidiaries	819.148	799.809
<b>Total</b>	<b>821.131</b>	<b>801.896</b>

Long term loans to subsidiaries relate to the following companies: Energoprojekt Visokogradnja a.d. (88.663 thousand RSD) and Energoprojekt Niskogradnja a.d. (730.485 thousand RSD).

## 19. INVENTORIES AND ADVANCES

	<b>30.09.2012</b>	<b>31.12.2011.</b>
	RSD 000	RSD 000
Paid advances	1.589	707
<b>Total</b>	<b>1.589</b>	<b>707</b>

## 20. RECEIVABLES

	<b>30.09.2012</b>	<b>31.12.2011</b>
	RSD 000	RSD 000
<b><u>Trade receivables</u></b>		
Trade receivables (parent and subsidiaries)	512.955	425.491
Trade receivables - other affiliates	705	705
Trade receivables (domestic)	20	13
Less: value adjustment		
<b>Subtotal</b>	<b>513.680</b>	<b>426.209</b>
<b><u>Receivables from specific business operations</u></b>		
Other receivables from specific operations	46.943	61.795
Less: value adjustment	-	-
<b>Subtotal</b>	<b>46.943</b>	<b>61.795</b>
<b><u>Other</u></b>		
Interest and dividends	271.552	71.969
Staff claims	174	101
Receivables from state institutions	595	662
Prepaid income tax	-	3.784
Other prepaid taxes and contributions	-	41
Other receivables	-	-
Less: value adjustment	(523)	(523)
<b>Subtotal</b>	<b>271.798</b>	<b>76.034</b>
<b>Total</b>	<b>832.421</b>	<b>564.038</b>

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Receivables are presented in detail in the following table.

Short-terms receivables structure	<i>in 000 dinars</i>	
	<i>30.09.2012</i>	<i>31.12.2011</i>
<i>Domestic buyers</i>		
Energoprojekt Visokogradnja a.d.	88.947	74.557
Energoprojekt Niskogradnja a.d.	221.031	186.016
Energoprojekt Hidroinženjering a.d.	74.492	65.094
Energoprojekt Entel a.d.	8.397	7.290
Energoprojekt Energodata a.d.	61.271	50.874
Energoprojekt Industrija a.d.	41.769	31.854
Energoprojekt Oprema a.d.	8.901	6.464
Energoprojekt Urbanizam i arhitektura a.d.	4.472	-
Other	895	871
<b>Subtotal</b>	<b>510.175</b>	<b>423.020</b>
Energoprojekt Montenegro d.o.o.	3.506	3.189
Other		-
<b>Subtotal</b>	<b>3.506</b>	<b>3.189</b>
Energoprojekt Visokogradnja a.d.	34.277	63.934
Energoprojekt Niskogradnja a.d.	10.918	19.183
Energoprojekt Hidroinženjering a.d.	30.743	24.070
Energoprojekt Entel a.d.	143.855	386
Energoprojekt Energodata a.d.	6.728	8.453
Energoprojekt Industrija a.d.	677	171
Energoprojekt Urbanizam i arhitektura a.d.	628	-
Energoprojekt Oprema a.d.	77.679	178
Other	13.235	21.454
<b>Subtotal</b>	<b>318.740</b>	<b>137.829</b>
<b>TOTAL</b>	<b>832.421</b>	<b>564.038</b>

## 21. SHORT TERM FINANCIAL INVESTMENTS

Short term financial investments include:

	<u>30.09.2012</u> RSD 000	<u>31.12.2011</u> RSD 000
<b><u>Short term loans and investments - parent company, subsidiaries and affiliates</u></b>		
Subsidiaries	954.851	925.811
Affiliates	153.613	126.999
Maturing obligations - long term loans		
Less: value adjustment		
<b>Subtotal</b>	<b><u>1.108.464</u></b>	<b><u>1.052.810</u></b>
<b><u>Short term loans - domestic</u></b>		
Loans to workers	900	320
Maturing obligations - long term loans	153	139
Less: value adjustment		
<b>Subtotal</b>	<b><u>1.053</u></b>	<b><u>459</u></b>
<b><u>Other short term financial investments</u></b>		
Alpha Bank -short-term FX deposit		
Other short term financial investmets - Visokogradnja		
<b>Subtotal</b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Total</b>	<b><u><u>1.109.517</u></u></b>	<b><u><u>1.053.269</u></u></b>

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Loans to subsidiaries and other affiliates are presented in detail in the following table.

No	Borrower and contract no.	Borrowed amount in currency (000 EUR)	Receivables due based on the loan in (000 EUR)	Receivables due based on the loan in (000 RSD)	Maturity	Loan terms and conditions
<b>1</b>	<b>EP Visokogradnja a.d.</b>					
	Debt Reprogramming Agreement No. 70/17	5,266	5,266	605,769	31.12.2012	4,5% annually
	Debt Reprogramming Agreement No. 69/18/V	1,518	1,518	174,584	31.12.2012	one month EURIBOR + 5 %
	<b>Total EP Visokogradnja a.d.</b>	<b>6,784</b>	<b>6,784</b>	<b>780,353</b>		
<b>2</b>	<b>EP Niskogradnja a.d.</b>					
	Debt Reprogramming Agreement No. 71/509-RSD	1,053	1,053	121,977	31.12.2012	two-week repo +1.5%
	<b>Total EP Niskogradnja a.d.</b>	<b>1,053</b>	<b>1,053</b>	<b>121,977</b>		
<b>3</b>	<b>EP Energodata a.d.</b>					
	Debt Reprogramming Agreement No. 72/18	304	304	35,022	31.12.2012	annual EURIBOR+4,5%
	<b>Total EP Energodata a.d.</b>	<b>304</b>	<b>304</b>	<b>35,022</b>		
	<b>EP Urbanizam i arhitektura a.d.</b>					
	Loan Agreement No. 232/2646			17,500	31.12.2012	two-week repo +1.5%
	<b>Total EP Urbanizam i arhitektura a.d.</b>			<b>17,500</b>		
<b>TOTAL SUBSIDIARIES</b>		<b>8,141</b>	<b>8,141</b>	<b>954,852</b>		
<b>4</b>	<b>EP Enjub d.o.o.</b>					
	Loan Reprogramming Agreement No. 82,26,80,510	1,198	1,198	137,796	31.12.2012	three months EURIBOR+6,5%
	Annex No.4 to Loan Agreement No. 367	138	138	15,817	31.12.2012	three months EURIBOR+6,5%
	<b>Total EP Enjub d.o.o.</b>	<b>1,336</b>	<b>1,336</b>	<b>153,613</b>		
<b>TOTAL AFFILIATES</b>		<b>1,336</b>	<b>1,336</b>	<b>153,613</b>		
<b>5</b>	<b>TOTAL</b>	<b>9,477</b>	<b>9,477</b>	<b>1,108,464</b>		

## 22. CASH AND CASH EQUIVALENTS

	<b>30.09.2012</b>	<b>31.12.2011</b>
	RSD 000	RSD 000
<b><u>RSD</u></b>		
Current accounts	244.921	2.344
Treasury	114	110
<b>Subtotal</b>	<b>245.035</b>	<b>2.454</b>
<b><u>Foreign currency</u></b>		
Foreign currency accounts	3.856	165.544
Short-term time deposits and other funds	105.343	72.000
<b>Subtotal</b>	<b>109.199</b>	<b>237.544</b>
<b>Total</b>	<b>354.234</b>	<b>239.998</b>

## 23. VAT AND ACCRUALS

	<b>30.09.2012</b>	<b>31.12.2011</b>
	RSD 000	RSD 000
<b><u>Value added tax</u></b>	-	-
<b><u>Accruals</u></b>		
Prepayments	2.368	1.291
Uninvoiced income receivables	147	134
VAT prepayments	240	527
Other accruals	3.345	1.217
<b>Subtotal</b>	<b>6.100</b>	<b>3.169</b>
<b>Total</b>	<b>6.100</b>	<b>3.169</b>

## 24. SHARE CAPITAL

The principal capital consists of:

	<b>30.09.2012</b>	<b>31.12.2011</b>
	RSD 000	RSD 000
Share capital		
ordinary shares	5.068.144	4.828.583
preferred shares		
Principal capital	<b>5.068.144</b>	<b>4.828.583</b>
Other principal capital	27.178	27.178
<b>Total principal and other capital</b>	<b><u>5.095.322</u></b>	<b><u>4.855.761</u></b>

At the XXXIX General Meeting of Energoprojekt Holding plc held on 29.06.2012, a Resolution was adopted on the X issue of ordinary shares without public offering for the purpose of converting undistributed profit to equity amounting to 239.561 thousand RSD, 469.728 shares with nominal value per share of 510,00 din. The remaining amount of the full nominal value of a share pursuant to this Resolution (1.868 thousand RSD), will be paid by the Company to shareholders in cash. This Resolution is recorded in accounting books on 29/06/2012 and registered in the Serbian Business Registers Agency on 20/07/2012.

### **Present ownership structure of Energoprojekt Holding plc, 30.09.2012**

According to the records of the Central Securities Depository, the registered shares ownership structure of Energoprojekt Holding plc (30/09/2012) was as follows:

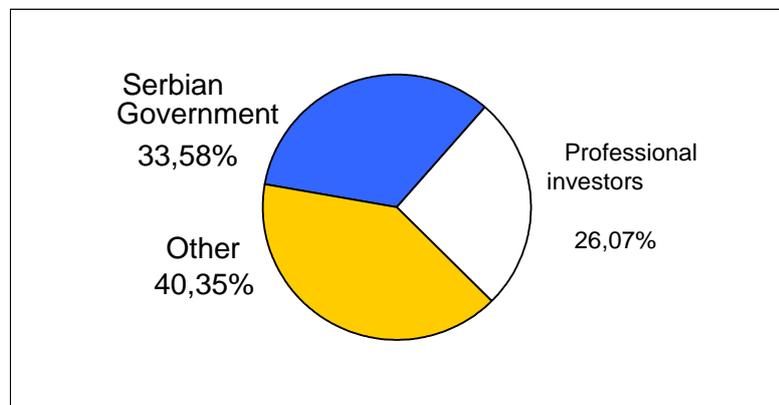
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	number of shares	% of total issue
<b>Shares held by private shareholders</b>	<b>3.138.006</b>	<b>31,58%</b>
<b>Shares held by legal entities</b>	<b>5.234.139</b>	<b>52,67%</b>
- Serbian Government	3.337.459	33,58%
- Other legal entities	1.896.680	19,09%
<b>Summary (custody) account</b>	<b>1.565.393</b>	<b>15,75%</b>
<b>Total shares</b>	<b>9.937.538</b>	<b>100%</b>

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%	8.059	249	8.308	5.017.418	372.091	5.389.509	50,49%	3,74%	54,23%
from 5% to 10%	0	0	0	0	0	0	0,00%	0,00%	0,00%
over 10% to 25%	1	0	1	1.210.570	0	1.210.570	12,18%	0%	12,18%
over 25% to 33%	0	0	0	0	0	0	0,00%	0,00%	0,00%
over 33% to 50%	1	0	1	3.337.459	0	3.337.459	33,58%	0,00%	33,58%
over 50% to 66%	0	0	0	0	0	0	0,00%	0,00%	0,00%
over 66% to 75%	0	0	0	0	0	0	0,00%	0,00%	0,00%
over 75%	0	0	0	0	0	0	0,00%	0,00%	0,00%
<b>Total shares</b>	<b>8.061</b>	<b>249</b>	<b>8.310</b>	<b>9.565.447</b>	<b>372.091</b>	<b>9.937.538</b>	<b>96,26%</b>	<b>3,74%</b>	<b>100,00%</b>

List of top 10 shareholders by total shares held:

Name	No. of shares	% of total issues
Serbian Government	3.337.459	33,58%
Napred Razvoj a.d. Novi Beograd	1.210.570	12,18%
Unicredit Bank Srbija AD - custody	362.934	3,65%
Raiffeisenbank AD Beograd - custody	243.297	2,45%
Unicredit Bank Srbija AD - custody	187.578	1,89%
Gustaviadavegardh fonder aktie	152.250	1,53%
Raiffeisenbank AD Beograd - custody	120.429	1,21%
Erste bank AD Novi Sad - custody	117.400	1,18%
Raiffeisenbank AD Beograd - custody	99.397	1,00%
Erste bank AD Novi Sad - custody	96.479	0,97%



## 25. RESERVES

The reserves consist of:

	<b>30.09.2012</b>	<b>31.12.2011</b>
	RSD 000	RSD 000
Issuing premium	1.600.485	1.600.485
Legal reserves	23.185	23.185
Statutory and other	111.696	111.696
<b>Total</b>	<b>1.735.366</b>	<b>1.735.366</b>

## 26. REVALUATION RESERVES, UNREALIZED PROFIT/LOSS FROM SECURITIES

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

	<b>30.09.2012</b>	<b>31.12.2011</b>
	RSD 000	RSD 000
Revaluation reserves	43,080	43,080
Unrealized profit from available for sale securities	5,296	9,875
Unrealized losses from available for sale securities	(11,953 )	(3,170 )
<b>Total</b>	<b>36,423</b>	<b>49,785</b>

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 (30/09/2012).

## 27. UNDISTRIBUTED PROFIT

The undistributed profit relates to:

	<b>30.09.2012</b>	<b>31.12.2011</b>
	RSD 000	RSD 000
<b>Balance on 01.01.</b>	<b>526.307</b>	<b>943.386</b>
Adjustment of income tax revenues	(6)	1
Distribution of profits (dividends)	(1.868)	
Distribution of profits (increase of nominal value per share)	(239.561)	(662.747)
Allocation to statutory reserves		(31.958)
<b>Current year's profit</b>	<b>545.059</b>	<b>277.625</b>
<b>Total</b>	<b>829.931</b>	<b>526.307</b>

## 28. 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.

Long term provisions consist of:

	<b>30.09.2012</b>	<b>31.12.2011</b>
	RSD 000	RSD 000
Provisions for fringe and other employee benefits	4.863	1.021
Other long-term provisions	260.000	260.000
<b>Total</b>	<b>264.863</b>	<b>261.021</b>

## 29. LONG TERM LOANS

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

	Currency	Interest %	<b>30.09.2012</b>	<b>31.12.2011</b>
			RSD 000	RSD 000
<b><u>In currency</u></b>				
Republic of Serbia				
Development Fund	<i>EUR</i>	<i>4.5% p.a.</i>	187.374	84.033
<b>Subtotal</b>			<b>187.374</b>	<b>84.033</b>
Erste bank	EUR	<i>2.5% p.a.</i>	92.308	
<b>Subtotal</b>			<b>92.308</b>	
<b>Total</b>			<b>279.682</b>	<b>84.033</b>

The Republic of Serbia Development Fund approved a long-term permanent capital assets loan of 321.174.000,00 RSD (3.040.225,67 EUR) on 30/12/2010.

On 14.05.2012, the Annex 1 to the Loan agreement was concluded under the following terms and conditions:

- Loan repayment in 2 years with a grace period until 30/09/2012. During the grace period intercalary interest is calculated per quarter retrospectively and applied to the principal debt.
- Interest rate 4,5 % per annum.

- Loan repayment in quarterly annuities starting from 31.12.2012. Annuities maturing till 30.09.2013 are 142.664 thousand RSD (925 thousand EUR) and they are disclosed under short-term financial commitments maturing in less than one year.

The loan will be secured by bills of exchange issued by Energoprojekt Holding plc and guarantees from Energoprojekt Niskogradnja a.d., Energoprojekt Oprema a.d., Energoprojekt Entel a.d., Energoprojekt Industrija a.d. and Energoprojekt Hidroinženjering a.d. The principal loan amount is determined by applying a currency clause so that the debt is calculated in EUR according to the NBS middle rate on the date of disbursement of the loan and then translated into RSD based on the middle rate on the due date.

Erste Bank approved a long-term permanent capital assets loan (Contract No. 10815200-5101219056) of 200.000 RSD (1.738.647 EUR) on 28/09/2012 under the following terms and conditions:

- Loan repayment in 18 months with a grace period of 5 months.
- Interest rate 2,5 % per annum.
- Loan repayment in monthly installments starting from 27.04.2013.
- Installments due till 30.09.2013 (107.692 thousand RSD or 936 thousand EUR) are disclosed under short-term financial commitments maturing in less than one year.

The principal loan amount is determined by applying a currency clause so that the debt is calculated in EUR according to the NBS middle rate on the date of disbursement of the loan and then translated into RSD based on the middle rate on the due date.

### 30. OTHER LONG TERM LIABILITIES

Other long term liabilities relate to:

	<b>30.09.2012</b>	<b>31.12.2011</b>
	RSD 000	RSD 000
	<hr/>	<hr/>
Long term finance lease	-	467
<b>Total</b>	<hr/> <b>-</b> <hr/>	<hr/> <b>467</b> <hr/>

### 31. SHORT TERM FINANCIAL LIABILITIES

Short term financial liabilities consist of:

	<b>30.09.2012</b>	<b>31.12.2011</b>
	RSD 000	RSD 000
Short term loans domestic	57.600	117.222
Part of long-term loans maturing in one year	250.357	241.198
<b>Subtotal</b>	<b>307.957</b>	<b>358.420</b>
<b><u>Other short term financial liabilities</u></b>		
Part of long-term liabilities maturing in one year	867	2.460
Other ST financial liabilities-VISA accounts	66	70
<b>Subtotal</b>	<b>933</b>	<b>2.530</b>
<b>Total</b>	<b>308.890</b>	<b>360.950</b>

### 32. LIABILITIES FROM OPERATIONS

	<b>30.09.2012</b>	<b>31.12.2011</b>
	RSD 000	RSD 000
<b><u>Liabilities from business operations</u></b>		
Received advances, short-term and safety deposits	883	603
Suppliers-parent and subsidiaries	9.701	3.136
Local suppliers	15.599	17.052
Foreign suppliers	3.163	367
<b>Subtotal</b>	<b>29.346</b>	<b>21.158</b>
<b><u>Liabilities from specific operations</u></b>		
Other	664	-
<b>Subtotal</b>	<b>664</b>	<b>-</b>
<b>Total</b>	<b>30.010</b>	<b>21.158</b>

ENERGOPROJEKT HOLDING PLC, BEOGRAD  
NOTES TO THE FINANCIAL STATEMENTS

Geographical distribution of suppliers is as follows:

	<b>30.09.2012</b>	<b>31.12.2011</b>
	<u>RSD 000</u>	<u>RSD 000</u>
<b><u>Local suppliers</u></b>		
Belgrade	22.843	20.188
Less: value adjustment	-	-
<b>Total</b>	<b>22.843</b>	<b>20.188</b>
<b><u>Foreign suppliers</u></b>		
Europe - subsidiaries	5.464	367
Evropa-other subsidiaries		
Africa - other subsidiaries	-	-
Asia - other affiliates	-	-
USA-other subsidiaries	156	
Less: value adjustment	-	-
<b>Subtotal</b>	<b>5.620</b>	<b>367</b>
<b>Total</b>	<b>28.463</b>	<b>20.555</b>

### 33. OTHER SHORT TERM LIABILITIES

	<b>30.09.2012</b>	<b>31.12.2011</b>
	<u>RSD 000</u>	<u>RSD 000</u>
<b><u>Salaries and fringe benefits</u></b>	<b>10.591</b>	<b>11.060</b>
<b><u>Other obligations</u></b>		
Interest and financing costs	244	7.390
Dividends/profit sharing	11.905	10.343
Employees	158	422
Members of the Board of Directors and Supervisory Board	525	1.332
Service contracts	80	91
Other obligations	1.077	616
<b>Total</b>	<b>24.580</b>	<b>31.254</b>

### 34. VAT AND OTHER PUBLIC DUTIES AND ACCRUALS

	<u>30.09.2012</u> RSD 000	<u>31.12.2011</u> RSD 000
<b><u>Value added tax</u></b>	<b>5.643</b>	<b>3.477</b>
<b><u>Other taxes, contributions and duties</u></b>		
Liabilities for income tax	1.755	492
Liabilities for taxes, customs and other duties charged to costs	2.873	237
Other liabilities for taxes, contributions and other duties	408	840
<b>Subtotal</b>	<b>5.036</b>	<b>1.569</b>
<b>Accruals</b>		
Precalculated expenses	2.781	66
<b>Subtotal</b>	<b>2.781</b>	<b>66</b>
<b>Total</b>	<b>13.460</b>	<b>5.112</b>

### 35. DEFERRED TAX ASSETS AND LIABILITIES

	<u>30.09.2012</u> RSD 000	<u>31.12.2011</u> RSD 000
Deferred tax assets	-	-395
Deferred tax liabilities	9.593	9.988
<b>Net tax assets/liabilities</b>	<b>9.593</b>	<b>9.593</b>

### 36. OFF-BALANCE SHEET ITEMS

The Company's off-balance sheet assets and liabilities (8.668.109 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 7.662.716 thousand RSD (the Company has concluded contracts with subsidiaries for the issued guarantees and has secured satisfactory collateral), obligations under performance bonds – external: Unicredit bank for remedies within the warranty for Prokop (18.807 thousand RSD) and Alpha bank for timely settlement of obligations related to airplane tickets (2.876 thousand RSD) and rights to use city building land (937.451 thousand RSD), receivables for dividends from Enjub (30.442 thousand RSD) directly written-off in the previous period and mortgage on Enjub apartments (15.817 thousand RSD) under the concluded loan agreement in favor of Enjub.

### 37. COMMITMENT AND CONTINGENCIES

**Contingent liability** that may result in the outflow of economic benefits, may arise, first of all, from lawsuits. **A contingent liability arising from lawsuits** leads possibly to the completion of legal proceedings against the Company, yet no liability or provision was recorded in the balance sheet.

The following table contains the number and estimated values of lawsuits with the Company as the defendant and not very small probability for the Company to lose the case. Disclosed values with the contingent liability as at 30.09.2012, include only the principal amount per case.

<i>Plaintiff</i>	<i>The first instance proceedings</i>	<i>The second instance proceedings</i>	<i>Total</i>
<i>No. of cases</i>			
Natural person	2		2
Legal person	5		5
<b>TOTAL</b>	<b>7</b>		<b>7</b>
<i>in 000 dinars</i>			
Natural person	11.400		11.400
Legal person	20.137		20.137
<b>TOTAL</b>	<b>31.537</b>		<b>31.537</b>

Detailed information on the largest lawsuits with the Company as the defendant is indicated in the following table.

<i>Plaintiff</i>	<i>Basis of claims</i>	<i>Contingent liability in 000 dinars</i>
Belgrade Land Development Public Agency	Urban development land tax for Hyatt	15.460
EGP Investments d.o.o.	Redemption of shares	348
East west invest d.o.o.	Redemption of shares	848
Marko Martinoli and Activeast Management	Redemption of shares	2.164
Dimničar a.d.	Redemption of shares	1.317
Radomir Banjac	Damage claim - mobbing	4.400
Milan Raonić	Copyright infringement	7.000
<b>UKUPNO</b>		<b>31.537</b>

A contingent asset arising from lawsuits leads possibly to the completion of legal proceedings in favor of the Company, yet no liability was recorded in the balance sheet and the economic benefit was not recorded (for example, by reducing the value of unjustified advance payment, etc.).

The following table contains the number and estimated values of lawsuits with the Company as the plaintiff and there is a reasonable probability for the Company to win the case.

<i>Defendant</i>	<i>The first instance proceedings</i>	<i>The second instance proceedings</i>	<i>Total</i>
<i>No. of cases</i>			
Legal person	3	-	3
<b>TOTAL</b>	<b>3</b>		<b>3</b>
<i>in 000 dinars</i>			
Legal person	871.825	-	871.825
<b>TOTAL</b>	<b>871.825</b>	-	<b>871.825</b>

Detailed information on the largest lawsuits with the Company as the plaintiff is indicated in the following table.

<i>Defendant</i>	<i>Basis of claims</i>	<i>Contingent assets in 000 dinars</i>
The City of Belgrade, RS, Belgrade Arena, Belgrade Land Development Public Agency	Part of debt to EP Holding and EP Visokogradnja for works on the hall	747.007
Belgrade Arena	Debt for works on the hall	4.818
Medvedja municipality	Damage claim according to contract	120.000
<b>TOTAL</b>		<b>871.825</b>

### 38. 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,  
26.10.2012

## 2. BUSINESS REPORT

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- Reliable presentation of the development and business results of the company, its financial status and property assessment;
  - Description of the anticipated company growth in the next time period, changes in company's business policies and main risks and threats to which the company is exposed;
  - Major business events after the expiration of the business year included in the report;
  - Major business deals with related parties;
  - Activities of the company in the field of research and development;
-

## **Reliable presentation of the development and business results of the company, its financial status and assets evaluation data**

Reliable presentation of the development and business results of the company, its financial status and assets evaluation data are presented in detail and explained in the "Notes to financial statements for the 3<sup>rd</sup> quarter 2012" (Chapter 1 of the respective report).

The Energoprojekt Group, in the period from January to September 2012, generated a cumulative consolidated revenue (in the country and abroad) of ca. 186 million EUR, which is 102% of the planned revenue for the reporting period. On the last day of the reporting period Energoprojekt Group had ca. 286 million EUR in contracted deals to be completed in the following period.

## **The description of the anticipated development of the company in the next time period, changes in business policies of the company and main risks and threats to which the company is exposed**

The anticipated development of the company in the next time period will be achieved according to adopted strategic documents of the company:

- *“The mid-term (4-year) programme of Energoprojekt Holding plc business policy and the Energoprojekt Group for the period from 2011 till 2015“* (adopted at the XXXVI Annual General Meeting of Energoprojekt Holding plc shareholders, held on 30.06.2011)
- *"The programme for the implementation of the business policy of Energoprojekt Holding plc and Energoprojekt Group for the period from 2011 till 2015"* adopted by a resolution passed at the XXXVI Annual General Meeting of Energoprojekt Holding plc shareholders (adopted at the Second Meeting of the Board of Directors of Energoprojekt Holding plc held on 29.07.2011, on proposal of the General Manager). The adopted mid-term work programme will be implemented through a variety of projects (in total 18 projects) for which respective work teams are formed and project activities dynamics have been defined;
- **„Basic business guidelines of the Energoprojekt Group“** in the following mandate period (adopted at the second meeting of the Supervisory Board of Energoprojekt Holding plc held on 23.03.2012, on proposal of the General Manager).

The most important threats and dangers to which the company is exposed: expansion and escalation of the global economic crisis and the euro zone crisis; foreign companies from most

populated countries with cheap manpower as competition; foreign competition with access to cheaper financing; institutional changes on the local and selected foreign markets; business operations depend on the political stability of the market where Energoprojekt is implementing projects, etc.

Energoprojekt's business activities in the country and at foreign markets require the implementation of a system for early risks identification and management as an integral part of all executive functions, one of the basic functions being the internal audit of the company. The risk management strategy will be developed in-depth and systematically in the next time period.

### **Major business events after the expiration of the business year included in the report**

There were no major business events from the balance sheet date till the publication date of the respective statement that would influence the credibility of the presented financial statements.

For the purpose of harmonization of operations with the "Companies Law" at the XXXVII Extraordinary Meeting of Energoprojekt Holding plc shareholders, held on 12.01.2012, a new Articles of Association of Energoprojekt Holding plc and Rules of Procedure were adopted.

At the XXXVIII Extraordinary Meeting of Energoprojekt Holding plc shareholders, held on 16.03.2012 the Resolution of Compliance with the Memorandum of Association of Energoprojekt Holding plc was passed and a new Supervisory Board of Energoprojekt Holding a.d. was elected. At the Second Meeting of the Supervisory Board, held on 23.03.2012, the General Manager and the new Executive Board of Energoprojekt Holding plc were elected (4-year mandate). On 18/04/2012, Energoprojekt Holding plc was registered in the Serbian Business Registers Agency.

At the XXXIX repeated General Meeting of Energoprojekt Holding plc shareholders, held on 29/06/2012, the following relevant Resolutions were adopted: Resolution to adopt the annual consolidated report of Energoprojekt group for 2011; Resolution to adopt the annual report of Energoprojekt Holding plc for 2011; Resolution to issue ordinary shares, X issue without public offering for the purpose of converting undistributed profit to equity; Resolution to adopt the report of the Supervisory Board of Energoprojekt Holding plc and Resolution on the appointment of auditors and their service fee.

At the XL Extraordinary Meeting of Energoprojekt Holding plc shareholders, held on 11.10.2012, the following relevant Resolutions were adopted: Resolution to perform extraordinary audit of financial statements, individual and consolidated, Energoprojekt Holding plc for 2011, Resolution on the appointment of auditors and their service fee for the performance of extraordinary audit of financial statements, individual and consolidated, Energoprojekt

Holding plc for 2011 (the Audit Firm UHY EKI REVIZIJA d.o.o. from Belgrade was appointed as the authorized auditor).

Relevant business news on major events are published, on a regular basis, on the website of Energoprojekt (<http://www.energoprojekt.rs>) and the Belgrade Stock Exchange (in Serbian and English language), in keeping with the obligations of Prime-listed companies on the Belgrade Stock Exchange.

### **Major transactions with related parties**

Receivables from related parties arise mostly from the sales of services and are due within 15 days from the invoice date. The Company received blank bills of exchange and authorizations as collateral. Please find detailed explanation in “Notes to financial statements”.

### **Research and development activities of the Company**

During the mid-term period, an appropriate business information system will be selected and implemented, a system that corresponds to the actual scope of business activities and planned business growth and that will enable, beside financial management, also personnel management, asset management and fixed assets management. The selection and implementation of the respective information system as well as the respective training will be completed till the end of the mid-term period.

Own investments of Energoprojekt and related parties in previous years were limited to investments in construction works (residential areas and business premises), for sales on the market. The law on public-private partnership and increased interest in investments related to some sectors such as energy sector, acquisition of other companies, etc. imposes the need to develop methods for the identification of potential investments as well as identification of possible effects on business activities of Energoprojekt Holding plc and the Energoprojekt Group.

### 3. STATEMENT OF RESPONSIBILITY (BY PERSONS WHO PREPARED THE REPORT)

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To the best of our knowledge, the Quarterly Financial Statement for the third quarter 2012 was prepared by implementing respective international standards for financial reporting and provides true and objective data on the assets, liabilities, financial status and business activities, profit and losses, cash flows and changes in equity capital of the company, including companies included in reports.

Pursuant to the Capital Market Law („Official Gazette of the Republic of Serbia“ No. 31/2011), we declare hereby that these financial statements have not been revised.

Person responsible for the preparation of the Report:

Legal representative:

Energoprojekt Holding plc

Energoprojekt Holding plc

Executive Director for Finance, Accounting and Planning

General Manager

Dr Dimitraki Zipovski, BSc(Econ)

Vladimir Milovanović, BSc(Eng)

4. DECISION BY THE RELEVANT DEPARTMENT OF THE COMPANY  
TO ADOPT THE QUARTERLY REPORT FOR THE 3RD QUARTER  
2012 \*

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Note \*:

- The quarterly report of Energoprojekt Holding plc for the 3rd quarter 2012 has been approved and adopted on the 5th November 2012 at the 35<sup>th</sup> General Meeting of the Executive Board of the reporting company.

In Belgrade, November 2012

Person responsible for the preparation of the Report:

Energoprojekt Holding plc

Executive Director for Finance, Accounting and Planning

Dr Dimitraki Zipovski, BSc(Econ)

Legal representative:

Energoprojekt Holding plc

General Manager

Vladimir Milovanović, BSc(Eng)