

Quarterly report
Energoprojekt Holding plc
2nd quarter 2013

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 SECOND QUARTER 2013

C O N T E N T S

1. FINANCIAL STATEMENTS ENERGOPROJEKT HOLDING PLC FOR THE 2ND QUARTER 2013

(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 2ND QUARTER 2013 * (Note)

1. FINANCIAL STATEMENTS ENERGOPROJEKT HOLDING PLC FOR THE
2ND QUARTER 2013 (Balance sheet, Income statement, Cash flow statement,
Statement of Changes in Equity, Notes to the Financial Statements)

Reporting period:

from

1/1/2013

until

6/30/2013

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**

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Name and surname: **VLADIMIR MILOVANOVIC**

(authorized officer)

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

BALANCE SHEET

as at 30.06.2013

in RSD thousands

Description	ADP	Total	
		end of quarter current year	31-Dec previous year
1	2	3	4
ASSETS			
A. NON-CURRENT ASSETS (002 + 003 + 004 + 005 + 009)	001	7,368,993	7,373,270
I SUBSCRIBED CAPITAL, UNPAID	002		
II GOODWILL	003		
III INTANGIBLES	004	9,265	9,416
IV PROPERTY, PLANT, EQUIPMENT AND NATURAL ASSETS (006 + 007 + 008)	005	1,187,716	1,190,309
1. Property, plant & equipment	006	585,104	587,697
2. Investment property	007	602,612	602,612
3. Natural assets	008		
V LONG-TERM FINANCIAL INVESTMENTS (010+011)	009	6,172,012	6,173,545
1. Share of Capital	010	5,357,108	5,377,018
2. Other long-term financial investments	011	814,904	796,527
B. CURRENT ASSETS (013 + 014 + 015)	012	1,399,541	1,179,044
I. MATERIAL	013	100,001	99,508
II. ASSETS HELD FOR TRADING AND SUSPENDED BUSINESS ASSETS	014		
III SHORT-TERM RECEIVABLES, INVESTMENTS AND CASH (016 + 017 + 018 + 019 + 020)	015	1,299,540	1,079,536
1. Receivables	016	630,469	272,450
2. Receivables from prepaid income tax	017		
3. Short-term financial investments	018	450,555	420,314
4. Cash and cash equivalents	019	156,753	333,972
5. VAT and deferred income	020	61,763	52,800
C. DEFERRED TAX ASSETS	021		
D. BUSINESS PROPERTY (001 + 012 + 021)	022	8,768,534	8,552,314
E. LOSSES OVER CAPITAL	023		
F. TOTAL ASSETS (022 + 023)	024	8,768,534	8,552,314
G. OFF-BALANCE SHEET ASSETS	025	11,264,973	8,760,429
LIABILITIES			
A. CAPITAL (102+103+104+105+106-107+108-109-110)	101	7,947,564	7,665,770
I ORIGINAL CAPITAL	102	5,602,137	5,095,322
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	4,890	8,134
VI UNREALIZED LOSSES FROM SECURITIES	107	25,081	5,860
VII UNDISTRIBUTED PROFIT	108	587,172	789,728
VIII LOSSES	109		
IX REDEEMED TREASURY SHARES	110		
B. LONG-TERM PROVISIONS AND LIABILITIES (112 + 113 + 116)	111	802,539	867,886
I LONG-TERM PROVISIONS	112	265,017	265,017
II LONG-TERM COMMITMENTS (114 + 115)	113	75,600	194,624
1. Long-term loans	114	75,600	194,624
2. Other long-term commitments	115		
III SHORT-TERM COMMITMENTS (117 + 118 + 119 + 120 + 121 + 122)	116	461,921	408,245
1. Short-term financial commitments	117	319,326	295,035
2. Commitments for assets held for trading and suspended business assets	118		
3. Business commitments	119	65,993	61,331
4. Other short-term commitments and accruals	120	28,414	39,045
5. VAT and other public revenue, accruals	121	12,261	4,321
6. Corporate income tax	122	35,927	8,513
C. DEFERRED TAX LIABILITIES	123	18,432	18,658
D. TOTAL LIABILITIES (101 + 111 + 123)	124	8,768,534	8,552,314
E. OFF-BALANCE SHEET LIABILITIES	125	11,264,973	8,760,429

P&L ACCOUNT

from 01.01.2013 until 30.06.2013

in RSD thousands

Description	ADP	Total			
		current period		previous period	
		quarter	cumulative	quarter	cumulative
1	2	3	4	5	6
A. BUSINESS INCOME AND EXPENDITURE					
I. BUSINESS INCOME (202+203+204-205+206)	201	105,440	210,490	107,731	210,814
1. Sales revenue	202	98,113	195,861	101,276	198,211
2. Own use of products, services and merchandise	203	124	248	120	241
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	7,203	14,381	6,335	12,362
II. BUSINESS EXPENDITURE (208 to 212)	207	85,767	162,896	95,523	184,967
1. Cost of merchandise sold	208				
2. Cost of material	209	5,719	11,928	6,523	10,655
3. Costs of salaries, fringe benefits and other personal expenses	210	46,028	92,013	47,706	95,095
4. Costs of depreciation and provisions	211	2,669	5,330	5,578	10,530
5. Other business expenses	212	31,351	53,625	35,716	68,687
III BUSINESS PROFIT (201 - 207)	213	19,673	47,594	12,208	25,847
IV BUSINESS LOSSES (207 - 201)	214				
V FINANCIAL INCOME	215	320,073	324,351	376,294	557,780
VI FINANCIAL EXPENDITURE	216		11,323	17,851	48,283
VII OTHER INCOME	217	70	106	72	146
VIII OTHER EXPENDITURE	218	2,375	2,898	1,106	2,635
IX OPERATING REVENUE BEFORE TAX (213 - 214 + 215 - 216 + 217 - 218)	219	337,441	357,829	369,617	532,855
X OPERATING LOSSES BEFORE TAX (214 - 213 - 215 + 216 - 217 + 218)	220				
XI NET PROFIT FROM SUSPENDED OPERATIONS	221				
XII NET LOSSES FROM SUSPENDED OPERATIONS	222	7	484		677
B. PROFIT BEFORE TAX (219 - 220 + 221 - 222)	223	337,434	357,346	369,617	532,178
C. LOSSES BEFORE TAX (220 - 219 + 222 - 221)	224				
D. INCOME TAX					
1. Tax liabilities for the period	225	42,997	53,602	5,267	10,533
2. Deferred tax liabilities for the period	226				
3. Deferred tax income for the period	227				
E. Salaries paid to employer	228				
F. NET PROFIT (223 - 224 - 225 - 226 + 227 - 228)	229	294,437	303,744	364,350	521,645
G. NET LOSS (224 - 223 + 225 + 226 - 227 + 228)	230				
H. NET PROFIT PAYABLE TO MINORITY STAKEHOLDERS	231				
I. NET PROFIT PAYABLE TO PARENT COMPANY OWNERS	232				
J. EARNINGS PER SHARE					
1. Basic earnings per share	233				
2. Diluted earnings per share	234				

CASH FLOW STATEMENT

from 01.01.2013 until 30.06.2013

in RSD thousands

Description 1	ADP 2	Total	
		cumulative for current year quarter 3	cumulative for previous year quarter 4
A. CASH FLOWS FROM OPERATING ACTIVITIES			
I Cash proceeds from operating activities (1 to 3)	301	215,788	244,358
1. Proceeds from sale and prepayments	302	215,494	243,922
2. Proceeds from received interest from operating activities	303	3	
3. Other proceeds from operating activities	304	291	436
II Cash outflows from operating activities (1 to 5)	305	269,360	247,328
1. Suppliers and given prepayments	306	99,873	116,456
2. Salaries, fringe benefits and other staff expenses	307	104,940	95,174
3. Payment of interests	308	2,343	2,134
4. Payment of income taxes	309	25,899	5,491
5. Payment of other public revenue expenses	310	36,305	28,073
III Net cash receipts from operating activities (I-II)	311		
IV Net cash payments from operating activities (II-I)	312	53,572	2,970
B. CASH FLOW FROM INVESTING ACTIVITIES			
I Proceeds from investing activities (1 to 5)	313	5,403	247,125
1. Proceeds from sale of shares and equity (net receipts)	314		
2. Proceeds from sale of intangibles, property, plant, equipment, and natural assets	315		
3. Other financial investments (net receipts)	316		205,504
4. Proceeds from interests	317	5,398	7,565
5. Proceeds from dividends	318	5	34,056
II Cash outflow from investing activities (1 to 3)	319	31,377	253,893
1. Purchase of shares and equity (net payments)	320		
2. Purchase of intangibles, property, plant, equipment, and natural assets	321	3,285	253,893
3. Other financial investments (net payments)	322	28,092	
III Net cash receipts from investing activities (I-II)	323		
IV Net cash payments from investing activities (II-I)	324	25,974	6,768
C. CASH FLOWS FROM FINANCING ACTIVITIES			
I Cash receipts from financing activities (1 to 3)	325		
1. Increase in share capital	326		
2. Long term and short term loans (net receipts)	327		
3. Other long term and short term commitments	328		
II Cash payments from financing activities (1 do 4)	329	97,833	112,254
1. Purchase of treasury shares and equity	330		
2. Long term and short term loans and other liabilities (net payments)	331	97,636	111,000
3. Finance lease	332	171	1,254
4. Payment of dividends	333	26	
III Net cash receipts from financing activities (I-II)	334		
IV Net cash payments from financing activities (II-I)	335	97,833	112,254
D. TOTAL CASH RECEIPTS (301 + 313 + 325)	336	221,191	491,483
E. TOTAL CASH PAYMENTS (305 + 319 + 329)	337	398,570	613,475
F. NET CASH RECEIPTS (336 - 337)	338		
G. NET CASH PAYMENTS (337 - 336)	339	177,379	121,992
H. CASH AT BEGINNING OF REPORTING PERIOD	340	333,972	239,998
I. EXCHANGE RATE GAINS FROM CASH TRANSLATION	341	160	15,336
J. EXCHANGE RATE LOSSES FROM CASH TRANSLATION	342		
K. CASH AT END OF REPORTING PERIOD (338 - 339 + 340 + 341 - 342)	343	156,753	133,342

STATEMENT ON CHANGE IN EQUITY

from until

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	4,828,583	414	27,178	427		440	1,600,485	453	134,881	466	43,080	479	9,875	492	3,170	505	526,307	518		531		544		7,167,219	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	4,828,583	417	27,178	430		443	1,600,485	456	134,881	469	43,080	482	9,875	495	3,170	508	526,307	521		534		547		7,167,219	560
Total increase in previous year	405	239,561	418		431		444		457		470		483	1,215	496	2,690	509	782,481	522		535		548		1,020,567	561
Total decrease in previous year	406		419		432		445		458		471		484	2,956	497		510	519,060	523		536		549		522,016	562
Balance on 31-Dec previous year ____ (no. 4+5-6)	407	5,068,144	420	27,178	433		446	1,600,485	459	134,881	472	43,080	485	8,134	498	5,860	511	789,728	524		537		550		7,665,770	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	5,068,144	423	27,178	436		449	1,600,485	462	134,881	475	43,080	488	8,134	501	5,860	514	789,728	527		540		553		7,665,770	566
Total increase in current year	411	506,815	424		437		450		463		476		489		502	19,221	515	304,259	528		541		554		791,853	567
Total decrease in current year	412		425		438		451		464		477		490	3,244	503		516	506,815	529		542		555		510,059	568
Balance at end quarter current year ____ (no. 10+11-12)	413	5,574,959	426	27,178	439		452	1,600,485	465	134,881	478	43,080	491	4,890	504	25,081	517	587,172	530		543		556		7,947,564	569

NOTES TO THE FINANCIAL STATEMENTS
as at Jun 30, 2013

Belgrade, 2013

1. COMPANY BACKGROUND

Energoprojekt Holding plc, Beograd (hereinafter: the Company) is a joint stock company, in mixed ownership, 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 the 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, Mihaila Pupina Boulevard 12
<i>Registration number</i>	07023014
<i>Registered business code and name of the activity</i>	6420 (74150 and 110620) – activities of holding companies
<i>Tax registration number</i>	100001513

According to the Serbian Business Registers Agency, **the main activities** of the Company are activities of holding companies (6420).

The Company is the parent company with a large number of 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 plc,
- Energoprojekt Niskogradnja plc,
- Energoprojekt Oprema plc,
- Energoprojekt Hidroinženjering plc,
- Energoprojekt Urbanizam i arhitektura plc,
- Energoprojekt Energodata plc,
- Energoprojekt Industrija plc,
- Energoprojekt Entel plc,
- Energoprojekt Garant plc,
- Energoprojekt Promet ltd and
- Enjub ltd.

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 plc	92,39
Energoprojekt Niskogradnja plc	93,32
Energoprojekt Oprema plc	67,87
Energoprojekt Hidroinženjering plc	94,84
Energoprojekt Urbanizam i arhitektura plc	94,40
Energoprojekt Energodata plc	96,43
Energoprojekt Industrija plc	62,77
Energoprojekt Entel plc	86,26
Energoprojekt Garant plc	92,94
Energoprojekt Promet ltd	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 ltd	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 second quarter of 2013 that are the subject of these Notes are **separate financial statements** of the Company, approved by the Board of Directors of the Company on 12.08.2013 at the 87th meeting of the Company.

Approved financial statements may subsequently be altered pursuant to legislation in force.

2. MANAGEMENT STRUCTURE

The key management of the Company in 2013 included the following persons:

- Vladimir Milovanović - General Manager;
- Dr Dimitraki Zipovski - Executive Manager for finances, accounting and plan;
- Zoran Radosavljević - Executive Manager for corporate projects, development and quality;
- Mr 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 30/06/2013 is presented in the Note No. 25.

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 30/06/2013.

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

<i>Currency</i>	<i>30.06.2013</i>	<i>31.12.2012</i>
	<i>Amount in RSD</i>	
1 EUR	114,1715	113,7183
1 USD	87,4141	86,1763

The applied average currency exchange rates for the profit and loss account in 2013 and 2012 were:

<i>Currency</i>	<i>30.06.2013</i>	<i>30.06.2012</i>
	<i>Amount in RSD</i>	
1 EUR	111,9268	110,9200
1 USD	85,2626	85,5739

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 six months of 2013 are consistent with those applied in financial statements for the year ending 31/12/2012.

7. REVENUES FROM SALES

	30.06.2013	30.06.2012
	RSD 000	RSD 000
Revenues from services rendered to subsidiaries	195.826	198.166
Revenues from services rendered to other affiliates		
Revenues from services sold on the local market	35	45
Total	195.861	198.211

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 195.826 thousand RSD.

Revenues in the amount of 35 thousand RSD relate to the sale of flight tickets on the local market.

8. INCOME FROM OWN PRODUCTS/MERCHANDISE

Income from own services in the amount of 248 thousand RSD (30.06.2012: 241 thousand RSD).

9. OTHER OPERATING INCOME

	30.06.2013	30.06.2012
	RSD 000	RSD 000
Rents	14.380	12.362
Other operating income	1	
Total	14.381	12.362

Rents comprise of income generated mostly by EP Visokogradnja plc (11.854 thousand RSD) from the renting of the bachelor's hotel in Batajnicki drum No. 24 (Contract No. 40, dated 31/01/2011), from renting business premises to Energoprojekt Garant plc (2.025 thousand RSD), according to the Contract No. 46/58, dated 14.02.2013 and renting of the roof terrace and on the ground floor in the office building of Energoprojekt to Telekom Srbija plc in the amount of 501 thousand RSD.

10. MATERIAL COST

	30.06.2013	30.06.2012
	RSD 000	RSD 000
Material cost for production		
Other material cost (overheads)	3.354	3.343
Fuel and energy	8.574	7.312
Total	11.928	10.655

11. STAFF COSTS

	30.06.2013	30.06.2012
	<u>RSD 000</u>	<u>RSD 000</u>
Salaries and fringe benefits (gross)	69,642	69,640
Taxes and contributions on salaries and fringe benefits charged to employer	10,993	10,016
Temporary service contracts	2,785	1,535
Board of Directors and Supervisory Board	4,516	8,025
Other personal expenses remunerations	4,077	5,879
Total	<u>92,013</u>	<u>95,095</u>

12. DEPRECIATION AND PROVISION EXPENSES

	30.06.2013	30.06.2012
	<u>RSD 000</u>	<u>RSD 000</u>
Depreciation of property, plant, equipment	5.330	10.530
Provision for fringe and other employee benefits		
Total	<u>5.330</u>	<u>10.530</u>

On the 31.12.2012, the assessment of the residual value and the remaining useful lifetime for assets and equipment of significant accounting value was performed.

The effect of the changes in the accounting assessment has influenced the change in the depreciation costs for 2013 and thus, the accounting value of assets as at 30.06.2013.

13. OTHER OPERATING EXPENSES

	30.06.2013	30.06.2012
	<u>RSD 000</u>	<u>RSD 000</u>
<u>Costs of production services</u>		
Transportation costs	1.590	1.820
Maintenance costs	17.430	18.866
Rental costs	137	768
Cost for participation in trade fairs	257	
Advertising costs	1.470	1.481
Costs of other services	4.439	1.824
Total	25.323	24.759
<u>Non-production costs</u>		
Costs of non-production services	12.030	25.149
Expense accounts	2.395	1.736
Insurance premium costs	482	375
Payment operation costs	386	3.472
Membership fees	707	763
Tax duties	5.668	4.860
Other intangible expenses	6.634	7.573
Total	28.302	43.928
Grand total	53.625	68.687

The most important costs in the costs of production services (25.323 thousand RSD):

- maintenance costs that amount to 17.430 thousand RSD and include ongoing maintenance of the office building and fixed assets and
- other costs that amount to 4.439 thousand RSD and include licence costs (1.737 thousand RSD), graphic services (1.444 thousand RSD), utilities (1.011 hiljada RSD) and other (247 thousand RSD).

Non-production costs include costs of non-production services in the amount of 12.030 thousand RSD, which refer to attorney fees, intellectual services, professional training, etc.

Other non-production costs (6.634 thousand RSD) refer mostly to services provided by the foreign company Encom GmbH, Frankfurt in 2013: 4.296 thousand RSD, and the remaining amount to: taxes (administrative, court fees, etc), share of salary expenses for disabled workers, printing of Energoprojekt company newspaper, TV subscription fees, etc.

14. FINANCIAL REVENUES AND EXPENSES

	30.06.2013	30.06.2012
	RSD 000	RSD 000
<u>Financial revenues</u>		
Financial income from transactions with parent company and subsidiaries	308,573	515,095
Financial income from other affiliates	5,606	20,771
Income from interest	4,932	3,574
FX gains	1,421	16,187
Gains on foreign currency clause	1,258	113
Other financial revenues	2,561	2,040
Total	324,351	557,780
<u>Financial expenses</u>		
Financial expenses from transactions with parent company and	756	102
Costs of interest	8,216	8,878
FX losses	703	3,570
Losses on foreign currency clause	1,648	35,733
Total	11,323	48,283

The most important figures under Financial revenues are revenues from subsidiaries in the amount of 308.573 thousand RSD, 278.601 thousand RSD refer to income from participation in the profit (EP Entel: 148.693 thousand RSD, EP Oprema: 78.023 thousand RSD, EP Garant: 51.885 thousand RSD), 22.200 thousand RSD refer to income from interest, 7.772 thousand RSD refer to gains on foreign currency clause from relations with subsidiaries.

The most important losses in Financial expenses are Losses on interest (8.216 thousand RSD) mostly related to the loans approved by the Development Fund of the Republic of Serbia and the Erste Bank and losses on foreign currency clause in the amount of 1.648 thousand RSD.

15. OTHER REVENUES AND EXPENSES, PROPERTY VALUE ADJUSTMENT GAINS AND PROPERTY IMPAIRMENT COSTS

	30.06.2013	30.06.2012
	RSD 000	RSD 000
<u>Other revenues and property value adjustment gains</u>		
Gains on disposals of intangibles and PP&E		
Previously written-off claims recovered		
Income from positive hedging effects		
Value adjustment of claims and short-term financial investments		
Other	106	146
Total	106	146
	30.06.2013	30.06.2012
	RSD 000	RSD 000
<u>Other expenses and property impairment costs</u>		
Disposal and write-off of intangibles and PP&E		58
Losses on disposals of equity investments and securities		8
Shortages		
Direct receivables write-off	286	295
Other	2.612	2.274
Total	2.898	2.635

The most important figures under Other expenses are donations in the amount of 2.600 thousand RSD (to the Business Lawyers Association of Serbia, Clinical Center of Serbia, Central Institute for conversation, etc).

16. INTANGIBLE INVESTMENTS

	Other intangibles	Intangible investments in progress	Advances on intangibles	Total
	RSD 000	RSD 000	RSD 000	RSD 000
<u>Cost value</u>				
Balance 01.01.2013	2,325	8,837		11,162
Restated balance				-
Transfers				-
New purchases				-
Disposals and write-offs				-
Revaluation - assessment				-
Other				-
Balance 30.06.2013	2,325	8,837	-	11,162
<u>Value adjustment</u>				
Balance 01.01.2013	1,746			1,746
Restated balance				-
Depreciation	151			151
Disposals and write-offs				-
Impairment				-
Revaluation - assessment				-
Other				-
Balance 30.06.2013	1,897	-	-	1,897
<u>Net book value</u>				
30.06.2013	428	8,837	-	9,265

17. 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
<u>Purchase value</u>						
Balance 1.1.2013	919.807	94.277	602.612		42.872	1.659.568
Restated balance						-
Transfers						-
New purchases		2.212			210	2.422
Disposals and write-offs		(1.084)				(1.084)
FX exchange gains and losses					171	171,00
Other, value assessment						-
Balance 30.06.2013	919.807	95.405	602.612	-	43.253	1.661.077
<u>Value adjustment</u>						
Balance 1.1.2013	402.544	66.715				469.259
Restated balance						-
Depreciation	45	5.133				5.178
Disposals and write-offs		(1.076)				(1.076)
Impairment						-
Revaluation - assessment						-
Other						-
Balance 30.06.2013	402.589	70.772	-	-	-	473.361
<u>Net book value</u>						
30.06.2013	517.218	24.633	602.612	-	43.253	1.187.716

The advance payment for properties (43.043 thousand RSD) relates to the advance payment to the Republic of Serbia for the purchase of property in Uganda, Peru and Nigeria.

Investment property in the amount of 602.612 thousand RSD refers to the following:

- Residential building „Samački hotel“, total area 7.665,22 m², Batajnički put street no. 24, in Zemun, in the amount of 529.491 thousand RSD. Revenues from the lease of this building to Energoprojekt Visokogradnja plc in 2012 generated 11.854 thousand RSD
- Business premises „Stari Merkator“ (643 m²) Palmira Toljatija street No. 5 in the amount of 73.121 thousand RSD. These premises were not leased in 2013 (waiting for a tenant).

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 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:

SUBSIDIARIES	<u>000 RSD</u>		<u>000 RSD</u>
	30.06.2013		31.12.2012
	% participation	Present value	Present value
EP Visokogradnja plc	92.39%	1,704,254	1,704,254
EP Niskogradnja plc	93.32%	855,506	855,506
EP Oprema plc	67.87%	121,316	121,316
EP Hidroinzenjering plc	94.84%	399,230	399,230
EP Urbanizam i arh. Plc	94.40%	146,455	146,455
EP Promet ltd	100.00%	295	295
EP Energodata plc	96.43%	191,438	191,438
EP Industrija plc	62.77%	61,209	61,209
EP Entel plc	86.26%	216,422	216,422
EP Garant a.d.o.	92.94%	597,545	597,545
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%	924,749	924,749
Total		5,284,858	5,284,858
 AFFILIATED COMPANY			
	% participation	Present value	Present value
Enjub ltd	50.00%	13,549	13,549
Total		13,549	13,549
 OTHER COMPANIES AND AVAILABLE FOR SALE SECURITIES			
		Present value	Present value
Dunav a.d.o		475	348
Jubmes banka plc		27,581	46,895
Aik banka plc		633	796
Hipotekarna banka Podg.		8,494	8,654
Energobroker plc		4,371	4,371
Hotel Bela lada Bečej		5,947	5,947
FIMA SEE Activist		11,200	11,600
Total		58,701	78,611
 GRAND TOTAL		 5,357,108	 5,377,018

19. OTHER LONG TERM FINANCIAL INVESTMENTS

Other long term financial investments include:

	30.06.2013	31.12.2012
	<u>RSD 000</u>	<u>RSD 000</u>
Staffhousing loans	2.010	2.084
Long-term loans to subsidiaries	812.894	794.443
Total	<u>814.904</u>	<u>796.527</u>

Long term loans to subsidiaries relate to the following companies: Energoprojekt Visokogradnja plc (87.956 thousand RSD) and Energoprojekt Niskogradnja plc (724.938 thousand RSD).

20. INVENTORIES AND ADVANCES

	30.06.2013	31.12.2012
	<u>RSD 000</u>	<u>RSD 000</u>
Paid advances	100.001	99.508
Total	<u>100.001</u>	<u>99.508</u>

Paid advances, in the amount of 98.662 thousand RSD, refer mostly to the paid advance to Energoprojekt Oprema plc according to the Annex I, to the Contract no. 317 on the assignment of the construction contract for the construction of the embassy of the Republic of Serbia in Abuja, Federal Republic of Nigeria.

21. RECEIVABLES

	30.06.2013	31.12.2012
	RSD 000	RSD 000
<u>Trade receivables</u>		
Trade receivables (parent and subsidiaries)	287,007	236,223
Trade receivables - other affiliates	705	705
Trade receivables (domestic)	97	51
Less: value adjustment		
Total	287,809	236,979
<u>Receivables from specific business operations</u>		
Other receivables from specific operations	25,982	9,267
Less: value adjustment		
Total	25,982	9,267
<u>Other receivables</u>		
Interest and dividends	316,107	25,952
Staff claims	439	61
Receivables from state institutions		100
Prepaid income tax		
Other prepaid taxes and contributions		91
Other receivables	132	
Less: value adjustment		
Total	316,678	26,204
Grand total	630,469	272,450
	30.06.2013	31.12.2012
	RSD 000	RSD 000
<u>Domestic buyers</u>		
Belgrade	313,791	245,490
Less: value adjustment		
Total	313,791	245,490
<u>Foreign buyers</u>		
EX-YU Republics		
Europe		
Africa		
Less: value adjustment		
Total	-	-
Total	313,791	245,490

Receivables are presented in detail in the following table.

Short-terms receivables structure	<i>in 000 RSD</i>	
	<i>30.06.2013</i>	<i>31.12.2012</i>
<i>Receivables from sales</i>		
Energoprojekt Garant plc	171	
Energoprojekt Visokogradnja plc	101.298	62.298
Energoprojekt Niskogradnja plc	34.274	33.010
Energoprojekt Hidroinženjering plc	54.122	53.907
Energoprojekt Entel plc	8.476	8.442
Energoprojekt Energodata plc	28.038	25.391
Energoprojekt Industrija plc	45.906	39.081
Energoprojekt Oprema plc	7.532	8.948
Energoprojekt Urbanizam i arhitektura plc	7.190	4.974
Other	802	928
Total	287.809	236.979
<i>Receivables from specific operations and other receivables</i>		
Energoprojekt Garant a.d.o.	52.298	
Energoprojekt Visokogradnja plc	32.367	8.166
Energoprojekt Niskogradnja plc	3.425	4.348
Energoprojekt Hidroinženjering plc	1.264	872
Energoprojekt Entel plc	148.693	1.448
Energoprojekt Energodata plc	2.992	2.243
Energoprojekt Industrija plc	161	184
Energoprojekt Urbanizam i arhitektura plc	2.618	1.632
Energoprojekt Oprema plc	78.023	303
Other	20819	16.275
Total	342.660	35.471
GRAND TOTAL	630.469	272.450

22. SHORT TERM FINANCIAL INVESTMENTS

Short term financial investments include:

	30.06.2013 RSD 000	31.12.2012 RSD 000
<u>Short term loans and investments - parent company, subsidiaries and affiliates</u>		
Subsidiaries	297,944	267,867
Affiliates	152,464	151,859
Maturing obligations - long-term loans		
Less: value adjustment		
Total	450,408	419,726
<u>Short-term loans - domestic</u>		
Loans to workers	147	432
Maturing obligations - long-term loans		156
Less: value adjustment		
Total	147	588
Grand total	450,555	420,314

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
1	EP Visokogradnja plc					
	Annex No.1 to the Debt Reprogramming Agreement No. 70	1.792	1.792	204.603	31.12.2013	4,5% annually
	Annex No.2 to the Loan Agreement No. 152	240	240	27.447	31.12.2013	Three months EURIBOR + 5,95%
	Total EP Visokogradnja plc	2.032	2.032	232.050		
2	EP Energodata plc					
	Annex No.1 to the Debt Reprogramming Agreement No. 72	304	304	34.760	31.12.2013	annual EURIBOR + 4,5%

3	EP Urbanizam i arhitektura plc					
	Annex No.1 to the Loan Agreement No. 232	178	178	20.355	31.12.2013	Two-week repo NBS+1,5%
	Annex No.1 to the Loan Agreement No. 337	55	55	6.279	31.12.2013	Three months EURIBOR + 4%
	Annex No.1 to the Loan Agreement No. 153	40	40	4.500	31.12.2013	Two-week repo NBS+1,5%
	Total EP Urbanizam i arhitektura plc	273	273	31.134		
TOTAL SUBSIDIARIES		2.609	2.609	297.944		
4	Enjub ltd					
	Annex No.1 to the Debt Reprogramming Agreement No. 115	1.198	1.198	136.765	31.12.2013	Three months EURIBOR + 6,5%
	Annex No.5 to the Loan Agreement No. 367	138	138	15.699	31.12.2013	Three months EURIBOR + 6,5%
	Total Enjub ltd	1.336	1.336	152.464		
TOTAL AFFILIATES		1.336	1.336	152.464		
GRAND TOTAL		3.945	3.945	450.408		

23. CASH AND CASH EQUIVALENTS

	30.06.2013	31.12.2012
	RSD 000	RSD 000
<u>RSD</u>		
Current accounts	46.092	6.806
Treasury	102	139
Total	46.194	6.945
<u>Foreign currency</u>		
Foreign currency accounts	110.559	108.138
Short-term time deposits and other funds		218.889
Total	110.559	327.027
Grand total	156.753	333.972

24. VAT AND ACCRUALS

	30.06.2013 RSD 000	31.12.2012 RSD 000
Value added tax	159	-
Accruals		
Prepayments	3,163	1,818
Uninvoiced income receivables	49,898	49,554
VAT prepayments		801
Other accruals	8,543	627
Total	61,604	52,800
Grand total	61,763	52,800

Receivables on non-invoiced income refer to the completion of the agreement on the construction of the embassy of the Republic of Serbia in Abuja, Federal Republic of Nigeria, a turnkey project, on the cadastral lot No. 313, registered in the registry of immovable property, cadastral zone A00 (49.752 thousand RSD) and renting to Telekom (146 thousand RSD).

Other accruals refer mostly to precalculated property tax and land costs according to tax decisions and calculated electricity expenses on 30.06.2013 that refer to other subsidiaries of the Energoprojekt Group.

25. EQUITY

Equity consists of:

	30.06.2013 RSD 000	31.12.2012 RSD 000
Share capital		
ordinary shares	5,574,959	5,068,144
preferred shares		
Equity	5,574,959	5,068,144
Equity - other	27,178	27,178
Total equity and other capital	5,602,137	5,095,322

At the 41st General Meeting of Energoprojekt Holding plc shareholders, held on 28.06.2013, the Resolution to issue ordinary shares, XI issue for the purpose of converting undistributed

profit to equity (506.814.540,00 RSD), 993.754 shares with individual nominal value of 510,00 RSD. This Resolution is recorded in accounting books on 28.06.2013 and registered in the Serbian Business Registers Agency on 09.07.2013.

According to the records of the Central Securities Depository, the registered shares ownership structure of Energoprojekt Holding plc (30.06.2013) was as follows:

	No. of shares	% from total issue
Shares held by private shareholders	3.194.058	32,14%
Shares held by legal entities	5.440.920	54,75%
- Republic of Serbia	3.337.459	33,58%
- Other legal entities	2.103.461	21,17%
Summary (custody) account	1.302.560	13,11%
Total shares	9.937.538	100%

Number of shareholders with equity share	Number of entities			Number of shares			% of total issue		
	Domestic	foreign	total	Domestic	foreign	total	Domestic	foreign	total
To 5%	7.912	244	8.156	4.817.89	466.238	5.283.327	48,47%	4,69%	53,17%
From 5% to 10%	0	0	0	0	0	0	0,00%	0,00%	0,00%
From 10% to 25%	1	0	1	1.316.752	0	1.316.752	13,25%	0,00%	13,25%
From 25% to 33%	0	0	0	0	0	0	0,00%	0,00%	0,00%
From 33% to 50%	1	0	1	3.337.459	0	3.337.459	33,58%	0,00%	33,58%
From 50% to 66%	0	0	0	0	0	0	0,00%	0,00%	0,00%
From 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%
Total number	7.914	244	8.158	9.471.300	466.238	9.937.538	95,13%	4,69%	100,00%

List of top 10 shareholders by total shares held:

Name	no. of shares	% of total issued
Serbian Government	3,337,459	33.58%
Napred Razvoj plc	1,316,752	13.25%
Unicredit Bank - custody	362,934	3.65%
Raiffeisenbank custody	243,297	2.45%
Gustaviadavegardh fonder aktie	160,000	1.61%
Raiffeisenbank custody	105,316	1.06%
Raiffeisenbank custody	99,397	1.00%
Erste bank custody	84,979	0.86%
Raiffeisenbank custody	67,369	0.68%
Unicredit Bank - custody	66,105	0.67%

26. RESERVES

The reserves consist of:

	30.06.2013	31.12.2012
	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
Total	<u>1.735.366</u>	<u>1.735.366</u>

27. REVALUATION RESERVES, UNREALIZED PROFIT/LOSS FROM SECURITIES

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

	30.06.2013	31.12.2012
	RSD 000	RSD 000
Revaluation reserves	43,080	43,080
Unrealized profit from available for sale securities	4,890	8,134
Unrealized losses from available for sale securities	(25,081)	(5,860)
Total	<u>22,889</u>	<u>45,354</u>

The change in Unrealized profit/loss from securities available for sales refer to the adjustment of the value of securities from the Company's portfolio (Note 18) with their fair value on the secondary market on reporting date (30.06.2013).

28. UNDISTRIBUTED PROFIT

The undistributed profit relates to:

	30.06.2013	31.12.2012
	RSD 000	RSD 000
Balance on 01.01.	<u>789,728</u>	<u>526,307</u>
Adjustment of income tax revenues	288	(6)
Korekcija dobitka po osnovu prve primene MRS 12	227	
Distribution of profits	(506,815)	(241,429)
Distribution of profits (increase of nominal value per share)		
Allocation to statutory reserves		
Current year's profit	<u>303,744</u>	<u>504,856</u>
Total	<u><u>587,172</u></u>	<u><u>789,728</u></u>

29. 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:

	30.06.2013	31.12.2012
	RSD 000	RSD 000
Provisions for fringe and other employee benefits	<u>5.017</u>	<u>5.017</u>
Other long-term provisions	<u>260.000</u>	<u>260.000</u>
Total	<u><u>265.017</u></u>	<u><u>265.017</u></u>

30. 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	30.06.2013 RSD 000	31.12.2012 RSD 000
<u>In currency</u>				
Republic of Serbia Development Fund	EUR	4.5% god.	75,600	148,997
Total			75,600	148,997
Erste bank	EUR	2.5% god.		45,627
Total			-	45,627
Grand total			75,600	194,624

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 31/12/2012. 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. Last annuity matures on 31.12.2014.

Annuities maturing till 30.06.2014 are 181,901 thousand RSD (1.593 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 plc, Energoprojekt Oprema plc, Energoprojekt Entel plc, Energoprojekt Industrija plc and Energoprojekt Hidroinženjering plc.

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.

31. SHORT TERM FINANCIAL LIABILITIES

Short term financial liabilities consist of:

	30.06.2013 RSD 000	31.12.2012 RSD 000
Short term loans domestic		
Part of long-term loans maturing in one year	319,326	294,670
Total	319,326	294,670
<u>Other short term financial liabilities</u>		
Part of long-term loans maturing in one year		173
Other ST financial liabilities-VISA accounts		192
Total	0	365
Grand total	319,326	295,035

Part of long-term loans with one-year maturity (319.326 thousand RSD) relate to:

- Development Fund of the Republic of Serbia (181.901 thousand RSD - Note 30), and
- Erste bank (137.425 thousand RSD).

The long-term liquidity and long-term working capital and export finance loan was approved by Erste bank (27.09.2012) in the amount of 200.000.000,00 RSD, or 1.738.646,63 EUR under the following conditions:

- The repayment period is 18 months after the expiration of the grace period (5 months).
- The nominal interest rate of 2,5% annually was calculated on the loan approval date and is fluctuating interest rate.
- The debt is repaid in equal monthly installments (134.615,38 EUR) starting from 27.03.2013. The last installment matures on 27.03.2014.

Installments due on 30.06.2014 (137.425 thousand RSD or 1.204 thousand EUR) are presented in short-term financial liabilities maturing in one year.

The currency clause is used for the calculation of the principal debt and the debt is set in EUR according to the NBS middle rate on the drawdown date.

2 (two) bills of exchange of Energoprojekt Holding plc will be used as collateral and 2 (two) authorizations. Energoprojekt Holding plc. authorizes the Bank, in case of failure to fulfill contractual obligations, to activate the bills of exchange for the due amount with no protest

clause and to submit for collection, and, pursuant to the law, to collect other remaining collaterals.

32. LIABILITIES FROM OPERATIONS

	30.06.2013	31.12.2012
	RSD 000	RSD 000
<u>Liabilities from business operations</u>		
Received advances, short-term and safety deposits	219	422
Suppliers-parent and subsidiaries	50.480	47.287
Local suppliers	9.564	10.864
Foreign suppliers	5.730	2.421
Subtotal	65.993	60.994
<u>Liabilities from specific operations</u>		
Other		337
Subtotal	0	337
Total	65.993	61.331

Geographical distribution of suppliers is as follows:

	30.06.2013	31.12.2012
	RSD 000	RSD 000
<u>Local suppliers</u>		
Belgrade	44.859	47.348
Less: value adjustment	-	-
Total	44.859	47.348
<u>Foreign suppliers</u>		
Europe - subsidiaries	15.185	10.803
Evropa-other subsidiaries	3.656	1.900
Africa - other subsidiaries	-	-
Asia - other affiliates	1.626	-
USA-other subsidiaries	448	521,00
Less: value adjustment	-	-
Subtotal	20.915	13.224
Total	65.774	60.572

33. OTHER SHORT TERM LIABILITIES

	30.06.2013	31.12.2012
	RSD 000	RSD 000
<u>Salaries and fringe benefits</u>	11,278	23,320
<u>Other obligations</u>		
Interest and financing costs	3,155	426
Dividends/profit sharing	11,816	11,841
Employees	209	1,633
Members of the Supervisory Board	493	518
Service contracts	421	162
Other	1,042	1,145
Total	28,414	39,045

34. VAT AND OTHER PUBLIC DUTIES AND ACCRUALS

	30.06.2013	31.12.2012
	RSD 000	RSD 000
<u>Liabilities for value added tax</u>	5,944	3,305
<u>Liabilities for taxes, customs and other duties</u>		
Liabilities for taxes, customs and other duties purchase-related or charged to costs	5,701	227
Other liabilities for taxes, customs and other duties	616	643
Total	6,317	870
<u>Accruals</u>		
Accrued expenses		66
Calculated revenues in the future period	-	75
VAT liabilities		5
Other		
Total	-	146
Grand total	12,261	4,321

35. DEFERRED TAX LIABILITIES AND DEFERRED TAX ASSETS

	30.06.2013	31.12.2012
	RSD 000	RSD 000
Deferred tax assets		-2.567
Deferred tax liabilities	18.432	21.225
Net tax assets/ liabilities	18.432	18.658

36. OFF-BALANCE SHEET ITEMS

Off-balance sheet items of the Company in the amount of 11.264.973 thousand RSD refer to:

- collateral against guarantees and approved credit lines based on loans and guarantees for subsidiaries in the amount of 8.733.093 thousand RSD (based on issued collaterals the Company concluded contracts with subsidiaries based on which the Company is the guarantor and received from them the respective collaterals);
- liabilities related to received guarantees – externally, to: Unicredit bank, to remedy defects within the warranty for the Prokop stations (18.807 thousand RSD) and Alpha bank for duly settlement of obligations related to plane tickets (2.855 thousand RSD);
- the use of city building land in the amount of 890.623 thousand RSD;
- obligations for Enjub ltd dividends in the amount of 30.442 thousand RSD, directly written-off in the previous period;
- mortgage on Enjub ltd apartments in the amount of 15.699 thousand RSD (according to the loan agreement with Enjub ltd), and
- corporate guarantees - Energoprojekt Niskogradnja plc in the amount of 1.573.454 thousand RSD (guarantee for the project BBVA-PERU in the amount of 1.223.797 thousand RSD and the project BANCO FINANCIERO-PERU in the amount of 349.657 thousand RSD).

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 30.06.2013, include only the principal amount per 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	8		8
Natural person	5	1	6
TOTAL	13	1	14
<i>in 000 RSD</i>			
Legal person	14.008		14.008
Natural person	1.196	1.268	2.464
TOTAL	15.204	1.268	16.472

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 RSD</i>
Belgrade Land Development Public Agency	Compensation for land (Hotel Hyatt Regency Beograd)	Uncertain
Several legal and natural persons	Compulsory redemption of shares	4.628
Radomir Banjac	Compensation - mobing	4.400
Milan Raonić	Copyright infringement	7.000
Aleksandar Vasojević	Annulment of the decision adopted at XXXVII Extraordinary General Meeting	0

New Company	Determination of land ownership rights (In Hotel)	0
Republic of Serbia	Determination of apartment ownership rights	0
Association of small shareholders, Association of retiree-shareholders - Jovan Korolija and Ivan Petrović	Annulment of the decision adopted at XXXVII Extraordinary General Meeting	0
Sreta Ivanišević	Compensation for expropriated property (Bežanija)	0
Ivan Petrović and others	Annulment of the decision adopted at XXXVII Extraordinary General Meeting	0
Vladan i Tomislav Krdžić	Compensation (for the free-of-charge shares they did not earn)	444
TOTAL		16.472

A contingent asset arising from lawsuits leads possibly to the completion of legal proceedings in favor of the Company, yet no liability or provision 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	1	-	1
Natural person	5	2	7
TOTAL	6	2	8
<i>in 000 RSD</i>			
Legal person	28		28
Natural person	1.535.141	26.959	1.562.100
TOTAL	1.535.169	26.959	1.562.128

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 RSD</i>
Stari Grad Municipality	Determination of ownership rights	0
Ministry of Finance – Tax administration	Unjustified tax refund	26.959
Mottivi ltd.	Compensation (roof repair in Goce Delčeva street 38)	93
Zekstra Group ltd.	Compensation for damages (roof repair in Goce Delčeva street 38)	787
Republic of Serbia, Electric Power Industry of Serbia, Epsturs ltd. and the Republic of Montenegro	Establishment of the ideal part of ownership of the Park Hotel in Budva	0
Ivan Musić	Compensation (roof repair in Goce Delčeva street 38)	28
The city of Beograd, Belgrade Land Development Public Agency, RS	Debt (Arena)	1.534.261
Beogradsko mešovito preduzeće plc	Lawsuit to annul the decision adopted at the Extraordinary General Meeting on 20.05.2013	0
TOTAL		1.562.128

38. POST BALANCE SHEET EVENTS

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

In Belgrade,
22.07.2013

2. BUSINESS REPORT

- 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 2nd quarter 2013" (Chapter 1 of the respective report).

On the last day of the reporting period Energoprojekt Group had ca. 429 million EUR in contracted deals to be completed in the following period (in Serbia 93 million EUR; abroad 336 million EUR).

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.

At the 41st repeated General Meeting of Energoprojekt Holding plc shareholders, held on 28.06.2013, the following relevant Resolutions were adopted: Resolution to adopt the annual consolidated report of Energoprojekt group for 2012; Resolution to adopt the annual report of Energoprojekt Holding plc for 2012; Resolution to distribute undistributed profit; Resolution to issue ordinary shares, XI issue for the purpose of increasing the equity by 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 for 2013 and their service fee and Resolution on the amendment of the Articles of Association of Energoprojekt Holding plc.

In accordance with the Resolution of the General Meeting on the distribution of undistributed profit, Energoprojekt Holding plc has issued ordinary shares, XI issue in the total amount of 506.814.540,00 RSD, 993.754 ordinary shares of individual nominal value of 510 RSD. The issue of ordinary shares, XI issue, based on the distribution of undistributed profit, resulted in the increase of the equity of the Company (now 5.574.958.920,00 RSD, divided into 10.931.292 ordinary shares of individual nominal value of 510 RSD).

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.

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)

To the best of our knowledge, the Quarterly Financial Statement for the second quarter 2013 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:

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)

4. DECISION BY THE RELEVANT DEPARTMENT OF THE COMPANY TO ADOPT THE QUARTERLY REPORT FOR THE SECOND QUARTER 2013*

Note *:

- The quarterly report of Energoprojekt Holding plc for the 2nd quarter 2013 has been approved and adopted on 12th August 2013 at the 87 General Meeting of the Executive Board of the reporting company.

In Belgrade, August 2013

Person responsible for the preparation of the Report:

Energoprojekt Holding plc

Executive Director for Finance, Accounting and Planning

Dimitraki Zipovski, PhD(Econ)

Legal representative:

Energoprojekt Holding plc

General Manager

Vladimir Milovanović, BSc(Eng)