

NOTES TO THE INCOME STATEMENT as of March 31, 2009

NOTE 1 – SALES INCOME	
Company presented the amount of RSD 3,952,582 thousand in its income statement. The stated amount includes:	
- Income from sale of merchandise	RSD 2,059,292 thousand
<p>Most significant income from sale of merchandise was achieved by delivery of and invoicing seeds, mineral fertilizers and pesticides and other material to farmers</p> <p>Company is continuously contracting and investing in production of oil plants through advance deliveries of seeds and intermediaries (mineral fertilizers, pesticides, fuel) to farmers as a part of its business policy. Company invoices the goods delivered for production of oil plants and presents the relevant revenues as 'Income from Merchandise', while simultaneously it carries receivables from farmers in its balance sheet that are settled by delivery of raw materials.</p> <p>In this manner, the Company is securing 40-50% of raw materials required for annual production through advances.</p> <p>Contracting and procurement and buy-up of agricultural products by advances in invoiced delivery of seeds and intermediaries were transferred to the Company "Victoria Logistics" DOO Novi Sad during the first quarter of 2009 within the performed reorganization and integration of the logistics function related to procurement of raw materials, transport and storing of goods required for operations of the Victoria Group Members.</p>	
- Income from sale of own products and services	RSD 1,893,290 thousand
Major share of income relates to sale of soybean meal amounting to RSD 1,039,565 thousand, followed by income from sale of crude soybean oil of RSD 491,478 thousand and other income results from sale of textures, flour, lecithin and other soybean products.	
NOTE 2 – INCREASE OF THE VALUE OF OWN PRODUCT STOCKS	
<p>The Company presented increase of stocks of finished products as of March 31, 2009 amounting to RSD 373,824 thousand as compared to the balance as of December 31, 2008.</p> <p>Crude soybean oil and soybean meal showed the highest increase of stocks. Natural increase of crude soybean oil stocks was 825,860 kg, i.e. amounted to RSD 14,833 thousand and the stocks of soybean meal were 11,914,190 kg, i.e. RSD 389,594 thousand. Stocks of other finished products showed reduce. The value is carried at the cost of these products whereas the respective sales prices are significantly higher.</p>	
NOTE 3 – COST OF GOODS SOLD	
Company presented the amount of RSD 2,056,025 thousand in its income statement as the cost of merchandise sold.	

Share of the cost relates to procurement of intermediaries sold to Victoria Logistics appropriated to be delivered to farmers. Major share relates to mineral fertilizers in total amount of RSD 766,090 thousand, followed by seed in amount of RSD 101,355 thousand, wheat of RSD 390,152 thousand and refined sunflower oil of RSD 473,919 thousand.	
NOTE 4 – MATERIAL COSTS	
Company presented the amount of RSD 1,833,813 thousand in its income statement. Cost of basic raw material (soybean grain) included in the sum mentioned above was RSD 1,738,143 thousand. Cost of all materials was carried at the mean cost.	RSD 1,833,813 thousand
NOTE 5 – OTHER OPERATING EXPENSES	
Company presented other operating expenses in amount of RSD 88,423 thousand. Structure of the expenses is as follows:	
- Maintenance services costs	RSD 12,492 thousand
Major share of these costs relates to maintenance of building facilities and equipment and amounts to RSD 3,165 thousand, and the Information System maintenance with licenses of RSD 1,303 thousand.	
- Costs of services in the course of finished products manufacturing	RSD 264 thousand
- Transport services costs	RSD 7,090 thousand
Major share of transport costs relates to transport costs of finished products in the country and abroad.	
- Costs of other services (laboratory analyses, utility services, etc.)	RSD 18,812 thousand
- Costs of non-productive services	RSD 4,853 thousand
- Costs of payment transactions, commissions and bank fees	RSD 23,302 thousand
- Other costs	RSD 21,610 thousand
NOTE 6 – FINANCIAL INCOME	
Company presented the amount of RSD 120,055 thousand in its income statement. The major share relates to the exchange currency gains amounting to RSD 108,528 thousand.	
NOTE 7 – FINANCIAL EXPENSES	
Company presented the amount of RSD 887,773 thousand in its income statement. Most significant costs relate to:	
- Interest on credits	RSD 123,989 thousand
- Exchange currency losses	RSD 757,962 thousand
NOTE 8 – OTHER INCOME	
Company presented the amount of RSD 120,918 thousand in its income statement.	

Other income included income from disposal of fixed assets in amount of RSD 2,102 thousand; revenues from disposal of intangible investments (Trade Mark "Soprofish" and "fishfoold co.rs.") amounting to RSD 47,276 thousand; profit from sold interest and long-term securities of RSD 23,016 thousand; share of assigned know-how related to the production of RSD 47,389 thousand.	
NOTE 9 - OTHER EXPENSES	
Company presented the amount of RSD 15,889 thousand in its income statement. Most significant items were:	
NOTE 10 – LOSS BEFORE TAX	
Loss before tax as a difference between total income and total expenses amounting to RSD 419,821 thousand was presented for the first quarter of 2009. Operating profit for the same time period amounted to RSD 242,868 thousand; the final carried loss resulted from financial expenses and increased rate for EUR as compared to its value as of December 31, 2008 and related mainly to exchange differences on credit. In principal, the first quarter shows lowest operating results due to the operating cycle of soybean products trade and, hence, income which is showing increase in next quarters.	
Data related to the operations until March 31, 2009 are as follows:	
Total income	RSD 4,568,076 thousand
Total expenses	RSD 5,005,897 thousand
Loss	RSD 419,821 thousand
Tax liabilities of the period	RSD 6,148 thousand
Net loss	RSD 425,959 thousand

Becej, this March 31, 2009

LEGAL REPRESENTATIVE

Pavlovic Branislava