

Quarterly report
Energoprojekt Holding plc
3rd 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 3RD QUARTER 2013

C O N T E N T S

1. FINANCIAL STATEMENTS ENERGOPROJEKT HOLDING PLC FOR THE 3rd 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 3rd QUARTER 2013 * (Note)

1. FINANCIAL STATEMENTS ENERGOPROJEKT HOLDING PLC FOR THE
3rd QUARTER 2013 (Balance sheet, Income statement, Cash flow statement,
Statement of Changes in Equity, Notes to the Financial Statements)

Reporting period:

from

until

Quarterly Financial Statement for Businesses KFI-PD

Business name:

Reg. No.:

Postal code, city:

Street and number:

E-mail:

Website:

Consolidated/individual:

Approved (yes/no):

Audited (yes/no):

Consolidation group:*

Head office:

Reg. No.:

Contact person:

(name and surname of contact person)

Phone:

Fax:

E-mail:

Name and surname:

(authorized officer)

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

BALANCE SHEET

as at 30.09.2013.

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	7.372.417	7.373.270
I SUBSCRIBED CAPITAL, UNPAID	002		
II GOODWILL	003		
III INTANGIBLES	004	9.510	9.416
IV PROPERTY, PLANT, EQUIPMENT AND NATURAL ASSETS (006 + 007 + 008)	005	1.186.271	1.190.309
1. Property, plant & equipment	006	583.659	587.697
2. Investment property	007	602.612	602.612
3. Natural assets	008		
V LONG-TERM FINANCIAL INVESTMENTS (010+011)	009	6.176.636	6.173.545
1. Share of Capital	010	5.350.887	5.377.018
2. Other long-term financial investments	011	825.749	796.527
B. CURRENT ASSETS (013 + 014 + 015)	012	1.312.669	1.179.044
I. MATERIAL	013	105.637	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	1.207.032	1.079.536
1. Receivables	016	552.217	272.450
2. Receivables from prepaid income tax	017		
3. Short-term financial investments	018	437.086	420.314
4. Cash and cash equivalents	019	160.061	333.972
5. VAT and deferred income	020	57.668	52.800
C. DEFERRED TAX ASSETS	021		
D. BUSINESS PROPERTY (001 + 012 + 021)	022	8.685.086	8.552.314
E. LOSSES OVER CAPITAL	023		
F. TOTAL ASSETS (022 + 023)	024	8.685.086	8.552.314
G. OFF-BALANCE SHEET ASSETS	025	11.964.842	8.760.429
LIABILITIES			
A. CAPITAL (102+103+104+105+106-107+108-109-110)	101	7.985.567	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		8.134
VI UNREALIZED LOSSES FROM SECURITIES	107	24.144	5.860
VII UNDISTRIBUTED PROFIT	108	629.129	789.728
VIII LOSSES	109		
IX REDEEMED TREASURY SHARES	110		
B. LONG-TERM PROVISIONS AND LIABILITIES (112 + 113 + 116)	111	681.086	867.886
I LONG-TERM PROVISIONS	112	265.017	265.017
II LONG-TERM COMMITMENTS (114 + 115)	113	38.154	194.624
1. Long-term loans	114	38.154	194.624
2. Other long-term commitments	115		
III SHORT-TERM COMMITMENTS (117 + 118 + 119 + 120 + 121 + 122)	116	377.915	408.245
1. Short-term financial commitments	117	240.466	295.035
2. Commitments for assets held for trading and suspended business assets	118		
3. Business commitments	119	69.417	61.331
4. Other short-term commitments and accruals	120	25.646	39.045
5. VAT and other public revenue, accruals	121	9.660	4.321
6. Corporate income tax	122	32.726	8.513
C. DEFERRED TAX LIABILITIES	123	18.432	18.658
D. TOTAL LIABILITIES (101 + 111 + 123)	124	8.685.085	8.552.314
E. OFF-BALANCE SHEET LIABILITIES	125	11.964.842	8.760.429

P&L ACCOUNT

from 01.01.2013. until 30.09.2013.

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	112.661	323.150	110.088	320.902
1. Sales revenue	202	100.015	295.876	103.536	301.747
2. Own use of products, services and merchandise	203	124	372	121	362
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	12.522	26.902	6.431	18.793
II. BUSINESS EXPENDITURE (208 to 212)	207	83.647	246.543	84.357	269.324
1. Cost of merchandise sold	208				
2. Cost of material	209	7.448	19.376	6.105	16.760
3. Costs of salaries, fringe benefits and other personal expenses	210	45.245	137.258	42.137	137.232
4. Costs of depreciation and provisions	211	2.539	7.869	5.489	16.019
5. Other business expenses	212	28.415	82.040	30.626	99.313
III BUSINESS PROFIT (201 - 207)	213	29.013	76.607	25.731	51.578
IV BUSINESS LOSSES (207 - 201)	214				
V FINANCIAL INCOME	215	22.646	346.997	10.271	568.051
VI FINANCIAL EXPENDITURE	216	5.694	17.017	6.115	54.398
VII OTHER INCOME	217	3.715	3.820	523	669
VIII OTHER EXPENDITURE	218	151	3.049	1.491	4.126
IX OPERATING REVENUE BEFORE TAX (213 - 214 + 215 - 216 + 217 - 218)	219	49.529	407.358	28.919	561.774
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	169	652	238	915
B. PROFIT BEFORE TAX (219 - 220 + 221 - 222)	223	49.360	406.706	28.681	560.859
C. LOSSES BEFORE TAX (220 - 219 + 222 - 221)	224				
D. INCOME TAX					
1. Tax liabilities for the period	225	7.404	61.006	5.267	15.800
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	41.956	345.700	23.414	545.059
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 30.09.2013.

in RSD thousands

Description	ADP	Total	
		cumulative for current year quarter	cumulative for previous year quarter
1	2	3	4
A. CASH FLOWS FROM OPERATING ACTIVITIES			
I Cash proceeds from operating activities (1 to 3)	301	330.634	405.764
1. Proceeds from sale and prepayments	302	330.159	405.075
2. Proceeds from received interest from operating activities	303	3	
3. Other proceeds from operating activities	304	472	689
II Cash outflows from operating activities (1 to 5)	305	407.715	366.673
1. Suppliers and given prepayments	306	160.922	167.194
2. Salaries, fringe benefits and other staff expenses	307	150.385	138.156
3. Payment of interests	308	3.767	3.042
4. Payment of income taxes	309	36.504	10.758
5. Payment of other public revenue expenses	310	56.137	47.523
III Net cash receipts from operating activities (I-II)	311		39.091
IV Net cash payments from operating activities (II-I)	312	77.081	
B. CASH FLOW FROM INVESTING ACTIVITIES			
I Proceeds from investing activities (1 to 5)	313	144.553	236.798
1. Proceeds from sale of shares and equity (net receipts)	314	7.276	
2. Proceeds from sale of intangibles, property, plant, equipment, and natural assets	315		
3. Other financial investments (net receipts)	316		194.021
4. Proceeds from interests	317	7.359	8.718
5. Proceeds from dividends	318	129.918	34.059
II Cash outflow from investing activities (1 to 3)	319	20.365	254.644
1. Purchase of shares and equity (net payments)	320	2.513	
2. Purchase of intangibles, property, plant, equipment, and natural assets	321	4.674	254.644
3. Other financial investments (net payments)	322	13.178	
III Net cash receipts from investing activities (I-II)	323	124.188	
IV Net cash payments from investing activities (II-I)	324		17.846
C. CASH FLOWS FROM FINANCING ACTIVITIES			
I Cash receipts from financing activities (1 to 3)	325		89.000
1. Increase in share capital	326		
2. Long term and short term loans (net receipts)	327		89.000
3. Other long term and short term commitments	328		
II Cash payments from financing activities (1 до 4)	329	220.715	2.765
1. Purchase of treasury shares and equity	330		
2. Long term and short term loans and other liabilities (net payments)	331	220.516	
3. Finance lease	332	171	2.459
4. Payment of dividends	333	28	306
III Net cash receipts from financing activities (I-II)	334		86.235
IV Net cash payments from financing activities (II-I)	335	220.715	
D. TOTAL CASH RECEIPTS (301 + 313 + 325)	336	475.186	731.562
E. TOTAL CASH PAYMENTS (305 + 319 + 329)	337	648.795	624.082
F. NET CASH RECEIPTS (336 - 337)	338		107.480
G. NET CASH PAYMENTS (337 - 336)	339	173.609	
H. CASH AT BEGINNING OF REPORTING PERIOD	340	333.972	239.998
I. EXCHANGE RATE GAINS FROM CASH TRANSLATION	341		6.756
J. EXCHANGE RATE LOSSES FROM CASH TRANSLATION	342	302	
K. CASH AT END OF REPORTING PERIOD (338 - 339 + 340 + 341 - 342)	343	160.061	354.234

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	18.284	515	346.215	528		541		554	834.746	567	
Total decrease in current year	412		425		438		451		464		477		490	8.134	503		516	506.815	529		542		555	514.949	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		504	24.144	517	629.128	530		543		556	7.985.567	569	

NOTES TO THE FINANCIAL STATEMENTS
as at September 30, 2013

Belgrade, 2013

1. COMPANY BACKGROUND

Energoprojekt Holding plc, Belgrade (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 Hidroinzenjering 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	92,46
Energoprojekt Niskogradnja plc	93,32
Energoprojekt Oprema plc	67,87
Energoprojekt Hidroinzenjering 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, classified as a **middle-sized legal entity**.

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

Financial statements for the third 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 04.11.2013 at the 102nd 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 Milovanovic - General Manager;
- Dr Dimitraki Zipovski - Executive Manager for finances, accounting and plan;
- Zoran Radosavljevic - Executive Manager for corporate projects, development and quality;
- Mr Zoran Jovanovic - Executive Manager for legal affairs and
- Dragan Tadic - 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 30/09/2013 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 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 30/09/2013.

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

<i>Currency</i>	<i>30.09.2013</i>	<i>31.12.2012</i>
	<i>Amount in RSD</i>	
1 EUR	114,6044	113,7183
1 USD	84,8859	86,1763

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

<i>Currency</i>	<i>30.09.2013</i>	<i>30.09.2012</i>
	<i>Amount in RSD</i>	
1 EUR	112,7229	113,0156
1 USD	85,5935	88,3471

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

7. SALES REVENUE

	30.09.2013	30.09.2012
	RSD 000	RSD 000
Revenues from services rendered to subsidiaries	295,818	301,671
Revenues from services rendered to other affiliates		
Revenues from services sold on the local market	58	76
Total	295,876	301,747

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 295.818 thousand RSD.

Revenues in the amount of 58 thousand RSD relate to the sale of flight tickets on the local market.

8. OWN USE OF PRODUCTS, SERVICES AND MERCHANDISE

Income from own services in the amount of 372 thousand RSD (30.09.2012: 362 thousand RSD).

9. OTHER BUSINESS REVENUES

	30.09.2013	30.09.2012
	<u>RSD 000</u>	<u>RSD 000</u>
Rents	21.725	18.793
Other business revenues	5.177	
Total	<u>26.902</u>	<u>18.793</u>

Rents comprise of income generated mostly by EP Visokogradnja plc (17.906 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 (3.059 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 760 thousand RSD.

Other business revenues relates mostly to the compensation of expenses from Napred Razvoj plc (5.078 thousand RSD) based on the performed extraordinary audit pursuant to the Contract No. 363/2012, concluded with UHY EKI Revizija ltd.

10. COST OF MATERIAL

	30.09.2013	30.09.2012
	<u>RSD 000</u>	<u>RSD 000</u>
Material cost for production		
Other material cost (overheads)	4,685	4,684
Fuel and energy	14,691	12,076
Total	<u>19,376</u>	<u>16,760</u>

11. COSTS OF SALARIES, FRINGE BENEFITS AND OTHER PERSONAL EXPENSES

	30.09.2013	30.09.2012
	<u>RSD 000</u>	<u>RSD 000</u>
Salaries and fringe benefits (gross)	103,655	102,851
Taxes and contributions on salaries and fringe benefits charged to employer	16,901	14,917
Temporary service contracts	4,388	2,362
Supervisory Board	6,792	10,181
Other personal expenses remunerations	5,522	6,921
Total	<u>137,258</u>	<u>137,232</u>

Other personal expenses (5.522 thousand RSD) relate to business trips (3.179 thousand RSD), transportation to/from work (1.887 thousand RSD), solidarity allowance and other compensations to employees and other natural persons (456 thousand RSD).

12. COSTS OF DEPRECIATION AND PROVISIONS

	30.09.2013	30.09.2012
	<u>RSD 000</u>	<u>RSD 000</u>
Depreciation of property, plant, equipment	7,869	16,019
Total	<u>7,869</u>	<u>16,019</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 30.09.2013.

13. OTHER BUSINESS EXPENSES

	30.09.2013	30.09.2012
	RSD 000	RSD 000
<u>Costs of production services</u>		
Transportation costs	2,493	3,247
Maintenance costs	26,137	29,123
Rental costs	307	768
Cost for participation in trade fairs	258	573
Advertising costs	2,130	1,974
Costs of other services	7,463	1,990
Total	38,788	37,675
<u>Non-production costs</u>		
Costs of non-production services	15,503	34,198
Expense accounts	3,757	2,457
Insurance premium costs	698	665
Payment operation costs	580	4,709
Membership fees	1,030	983
Tax duties	8,466	7,563
Other intangible expenses	13,218	11,063
Total	43,252	61,638
Grand total	82,040	99,313

The most important costs in the **costs of production services**:

- Maintenance costs that amount to 26.137 thousand RSD and include ongoing maintenance of the office building and fixed assets;
- Other costs that amount to 7.463 thousand RSD and include license costs (2.635 thousand RSD), graphic services and technical support (2.092 thousand RSD), utilities (1.684 thousand RSD) and other (1.052 thousand RSD);
- Transportation expenses (2.493 thousand RSD) include landline costs, cell phone costs, internet services, taxi services, parking services, etc.

The most important **non-production costs** refer to:

- Costs of non-production services (15.503 thousand RSD) that refer auditor's and attorney fees, consulting services, intellectual services, professional training, brokers' services, Belgrade Stock exchange, cleaning services etc.

- Other non-production costs (13.218 thousand RSD) refer mostly to services provided by the foreign company Encom GmbH, Frankfurt (6.474 thousand RSD) and Inec Ltd, London (1.334 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 INCOME AND FINANCIAL EXPENDITURE

	30.09.2013	30.09.2012
	RSD 000	RSD 000
<u>Financial income</u>		
Financial income from transactions with parent company and subsidiaries	325.951	522.061
Financial income from other affiliates	8.785	22.386
Income from interest	6.788	4.721
FX gains	1.780	16.719
Gains on foreign currency clause	1.108	124
Other financial revenues	2.585	2.040
Total	346.997	568.051
<u>Financial expenditure</u>		
Financial expenses from transactions with parent company and	962	1.167
Financial expenses from transactions with other affiliates		
Costs of interest	12.030	14.401
FX losses	1.240	5.718
Losses on foreign currency clause	2.785	33.112
Total	17.017	54.398

The most important figures under **Financial incomes** are:

- Financial incomes from subsidiaries (325.951 thousand RSD) relate to the share of the profit of subsidiaries (278.601 thousand RSD) (EP Entel: 148.693 thousand RSD, EP Oprema: 78.023 thousand RSD and EP Garant: 51.885 thousand RSD), income from interest (33.896 thousand RSD) and gains based on foreign currency clauses from the relationship with subsidiaries (13.454 thousand RSD);
- Financial incomes from Enjub ltd (8.785 thousand RSD) relate to the income from interest (7.431 thousand RSD) and gains based on foreign currency clauses (1.354 thousand RSD);
- Income from interest (6.788 thousand RSD) relates to the interest from term deposits;
- Other financial incomes (2.585 thousand RSD) relate to the income based on the increased number of shares and distribution of profit for 2012 of the Jubmes Bank plc, Belgrade (2.580 thousand RSD) and Aik Bank plc, Nis (5 thousand RSD).

The most important losses in **Financial expenditures** are Losses on interest (12.030 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 2.785 thousand RSD.

15. OTHER INCOME AND OTHER EXPENDITURE

	30.09.2013	30.09.2012
	RSD 000	RSD 000
<u>Other incomes and property value adjustment gains</u>		
Gains on disposals of equity investments and securities	3.689	
Gains on disposals of intangibles and PP&E		510
Other	131	159
Total	3.820	669
	30.09.2013	30.09.2012
	RSD 000	RSD 000
<u>Other expenditures and property impairment costs</u>		
Disposal and write-off of intangibles and PP&E	8	58
Losses on disposals of equity investments and securities		8
Direct receivables write-off	409	435
Other	2.632	3.625
Total	3.049	4.126

Other incomes (3.820 thousand RSD) relate to the income from the sales of shares of the Hipotekarna Bank plc, Podgorica (3.689 thousand RSD: 124 shares, 515 EUR per share) and income from waste paper sales (131 thousand RSD).

The most important figures under **Other expenditures** are donations in the amount of 2.620 thousand RSD (to the Business Lawyers Association of Serbia, Clinical Center of Serbia, Central Institute for conversation, etc).

16. INTANGIBLES

	Other intangibles	Intangible investments in progress	Advances on intangibles	Total
	RSD 000	RSD 000	RSD 000	RSD 000
<u>Cost value</u>				
Balance 1.1.2013	2,325	8,837		11,162
Restated balance				-
Transfers				-
New purchases			321	321
Disposals and write-offs				-
Revaluation - assessment				-
Other				-
Balance 30.09.2013	2,325	8,837	321	11,483
<u>Value adjustment</u>				
Balance 1.1.2013	1,746			1,746
Restated balance				-
Depreciation	227			227
Disposals and write-offs				-
Impairment				-
Revaluation - assessment				-
Other				-
Balance 30.09.2013	1,973	-	-	1,973
<u>Net book value</u>				
30.09.2013	352	8,837	321	9,510

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
Purchase value						
Balance 1.1.2013	919,807	94,277	602,612		42,872	1,659,568
Restated balance						-
Transfers						-
New purchases		3,219			58	3,277
Disposals and write-offs		(1,084)				(1,084)
FX exchange gains and losses					334	334.00
Other, value assessment						-
Balance 30.09.2013	919,807	96,412	602,612	-	43,264	1,662,095
Value adjustment						
Balance 1.1.2013	402,544	66,715				469,259
Restated balance						-
Depreciation	67	7,574				7,641
Disposals and write-offs		(1,076)				(1,076)
Impairment						-
Revaluation - assessment						-
Other						-
Balance 30.09.2013	402,611	73,213	-	-	-	475,824
Net book value						
30.09.2013	517,196	23,199	602,612	-	43,264	1,186,271

The **advance payment for properties** and equipment (43.206 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 „Samacki hotel“, total area 7.665,22 m², Batajnicketi 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 17.906 thousand RSD and
- 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. SHARE OF CAPITAL

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>		
	30.09.2013	31.12.2012	
	% participation	Present value	Present value
EP Visokogradnja plc	92,46%	1.705.571	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 plc	92,94%	597.545	597.545
Inec Eng. Ltd., London	100,00%	62.359	62.359
Encom GmbH, Frankfurt	100,00%	3.493	3.493
Zecco Zambia	100,00%	587	587
Nana off shore, Lebanon	100,00%	924.749	924.749
Total		5.286.175	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 plc	512	348
Jubmes banka plc	28.392	46.895
Aik banka plc	741	796
Hipotekarna banka Podg.		8.654
Energobroker plc	4.371	4.371
Hotel Bela ladjja Becej	5.947	5.947
FIMA SEE Activist	11.200	11.600
Total	51.163	78.611

GRAND TOTAL **5.350.887** **5.377.018**

19. OTHER LONG TERM FINANCIAL INVESTMENTS

Other long term financial investments include:

	30.09.2013	31.12.2012
	RSD 000	RSD 000
Staffhousing loans	1,973	2,084
Long-term loans to subsidiaries	823,776	794,443
Total	825,749	796,527

The Company granted five staff housing loans: two loans on 10.06.1992 (for a period of 38,5 years), two loans on 28.11.1995 (for a period of 40 years), on loan on 24.12.2009 (for a period of 10 years). The loans are interest-free and are repaid in monthly installments. Pursuant to provisions of the Contract and the Law on Amendments and Supplements to the Housing law, the Company performs, twice a year, a revaluation of installments according to the movement of consumer prices in the Republic of Serbia during the calculation period.

Long term loans to subsidiaries relate to the following companies: Energoprojekt Visokogradnja plc (88.510 thousand RSD) and Energoprojekt Niskogradnja plc (735.266 thousand RSD).

20. MATERIAL

	30.09.2013	31.12.2012
	RSD 000	RSD 000
Paid advances	105,637	99,508
Total	105,637	99,508

Paid advances, in the amount of 99.036 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

	30.09.2013	31.12.2012
	<u>RSD 000</u>	<u>RSD 000</u>
<u>Trade receivables</u>		
Trade receivables (parent and subsidiaries)	311,057	236,223
Trade receivables - other affiliates	705	705
Trade receivables (domestic)	36	51
Less: value adjustment		
Total	311,798	236,979
<u>Receivables from specific business operations</u>		
Other receivables from specific operations	47,100	9,267
Less: value adjustment		
Total	47,100	9,267
<u>Other receivables</u>		
Interest and dividends	192,586	25,952
Staff claims	396	61
Receivables from state institutions		100
Prepaid income tax		
Other prepaid taxes and contributions		91
Other receivables	337	
Less: value adjustment		
Total	193,319	26,204
Grand total	552,217	272,450
	30.09.2013	31.12.2012
	<u>RSD 000</u>	<u>RSD 000</u>
<u>Domestic buyers</u>		
Serbia	358,898	245,490
Less: value adjustment		
Total	358,898	245,490
<u>Foreign buyers</u>		
EX-YU Republics		
Europe		
Africa		
Less: value adjustment		
Total	-	-
Total	358,898	245,490

Receivables are presented in detail in the following table.

Short-terms receivables structure	<i>in 000 RSD</i>	
	<i>30.09.2013</i>	<i>31.12.2012</i>
<i>Receivables from sales</i>		
Energoprojekt Garant plc	172	
Energoprojekt Visokogradnja plc	122.058	62.298
Energoprojekt Niskogradnja plc	31.329	33.010
Energoprojekt Hidroinzenjering plc	49.989	53.907
Energoprojekt Entel plc	8.508	8.442
Energoprojekt Energodata plc	29.254	25.391
Energoprojekt Industrija plc	51.814	39.081
Energoprojekt Oprema plc	9.021	8.948
Energoprojekt Urbanizam i arhitektura plc	8.912	4.974
Enjub ltd	705	705
Other	36	223
Total	311.798	236.979
<i>Receivables from specific operations and other receivables</i>		
Energoprojekt Garant plc	415	
Energoprojekt Visokogradnja plc	47.208	8.166
Energoprojekt Niskogradnja plc	4.925	4.348
Energoprojekt Hidroinzenjering plc	1.696	872
Energoprojekt Entel plc	149.281	1.448
Energoprojekt Energodata plc	3.840	2.243
Energoprojekt Industrija plc	565	184
Energoprojekt Urbanizam i arhitektura plc	3.738	1.632
Energoprojekt Oprema plc	220	303
Enjub ltd	21.694	14.034
Other	6.837	2.241
Total	240.419	35.471
GRAND TOTAL	552.217	272.450

The Company has signed blank bills of exchange with authorization that will be used as collateral for the collection of payments pursuant to service agreements for the provision of services to subsidiaries.

Receivables from buyers and other receivables are non-interest bearing.

22. SHORT TERM FINANCIAL INVESTMENTS

Short term financial investments include:

	30.09.2013 RSD 000	31.12.2012 RSD 000
<u>Short term loans and investments - parent company, subsidiaries and affiliates</u>		
Subsidiaries	282,889	267,867
Affiliates	153,042	151,859
Maturing obligations - long-term loans		
Less: value adjustment		
Total	435,931	419,726
<u>Short-term loans - domestic</u>		
Loans to workers	1,008	432
Maturing obligations - long-term loans	147	156
Less: value adjustment		
Total	1,155	588
Grand total	437,086	420,314

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

R.br.	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	205.379	31.12.2013.	4,5% annually
	Loan Agreement No. 272	100	100	11.460	30.09.2013.	Three months EURIBOR + 5,95%
	Total EP Visokogradnja plc	1.892	1.892	216.839		
2	EP Energodata plc					
	Annex No.1 to the Debt Reprogramming Agreement No. 72	304	304	34.891	31.12.2013.	annual EURIBOR + 4,5%
3	EP Urbanizam i arhitektura plc					
	Annex No.1 to the Loan Agreement No. 232	178	178	20.356	31.12.2013.	Two-week repo NBS + 1,5%
	Annex No.1 to the Loan Agreement No. 337	55	55	6.303	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	31.158		
TOTAL SUBSIDIARIES		2.469	2.469	282.191		
4	Enjub ltd					
	Annex No.1 to the Debt Reprogramming Agreement No. 115	1.198	1.198	137.284	31.12.2013.	Three months EURIBOR + 6,5%
	Annex No.5 to the Loan Agreement No. 367	138	138	15.758	31.12.2013.	Three months EURIBOR + 6,5%
	Total Enjub ltd	1.336	1.336	153.042		
TOTAL AFFILIATES		1.336	1.336	153.042		
GRAND TOTAL		3.805	3.805	435.931		

The Company has 2 (two) signed blank bills of exchange with authorization that will be used as collateral for the collection of payments pursuant to loan agreements concluded with subsidiaries and other affiliates. Besides bills of exchange, the Company has an extrajudicial mortgage for the entire loan amount for apartments in Jurija Gagarina street, Novi Beograd, for loans granted to Enjub ltd.

Short term financial investments also include **interest-free loans to employees of the Company** for heating and winter supplies. Interest-free loans are repaid in monthly installments for a period of 6 (six) months.

23. CASH AND CASH EQUIVALENTS

	30.09.2013	31.12.2012
	RSD 000	RSD 000
<u>RSD</u>		
Current accounts	41,922	6,806
Treasury	90	139
Total	42,012	6,945
<u>Foreign currency</u>		
Foreign currency accounts	118,049	108,138
Short-term time deposits and other funds		218,889
Total	118,049	327,027
Grand total	160,061	333,972

24. VAT AND DEFERRED INCOME

	30.09.2013	31.12.2012
	RSD 000	RSD 000
<u>Value added tax</u>	222	-
<u>Accruals</u>		
Prepayments	2,994	1,818
Uninvoiced income receivables	50,087	49,554
VAT prepayments		801
Other accruals	4,365	627
Total	57,446	52,800
Grand total	57,668	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 (49.941 thousand RSD) and renting to Telekom (147 thousand RSD).

Other accruals refer mostly to pre-calculated property tax and land costs according to tax decisions, municipal taxes, memberships, etc.

25. ORIGINAL CAPITAL

Capital consists of:

	30.09.2013	31.12.2012
	RSD 000	RSD 000
Share capital		
ordinary shares	5.574.959	5.068.144
preferred shares		
Total capital	5.574.959	5.068.144
Other capital	27.178	27.178
Total capital and other capital	5.602.137	5.095.322

The share capital consists of 10.931.292 ordinary shares each with a nominal value of 510,00 RSD (5.574.959 thousand RSD).

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

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

At the 41st General Meeting of Energoprojekt Holding plc shareholders, held on 28.06.2013, the Resolution to distribute the undistributed profit was adopted (item 3 of the Agenda):

- Net earnings of Energoprojekt Holding plc for 2012 amount to 505.370.307,96 RSD. Undistributed profit from previous years amounts to 284.872.483,11 RSD. Total undistributed profit of Energoprojekt Holding plc amounts to 790.242.791,07 RSD.
- The total undistributed profit of Energoprojekt Holding plc is distributed as follows:
 - a) Part of the undistributed profit in the sum of 506.814.540,00 RSD will be used to increase the company's equity by issuing the XI issue of shares for the purpose of converting undistributed profit to equity, 993.754 shares with nominal value of 510,00 RSD.
 - b) The balance of 283.428.251,07 RSD remains unallocated.

The decision was recorded in accounting books on 28.06.2013 and filed with the Serbian Business Registers Agency on 09.07.2013.

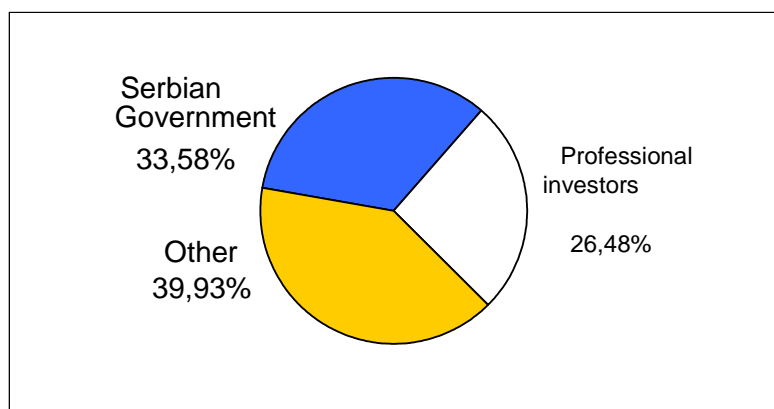
According to the records of the Central Securities Depository, the registered shares ownership structure of Energoprojekt Holding plc (30.09.2013) was as follows:

	number of shares	% of total issue
Shares held by private shareholders	3.484.064	31,87%
Shares held by legal entities	6.245.530	57,13%
- Serbian Government	3.671.205	33,58%
- Other legal entities	2.574.325	23,55%
Summary (custody) account	1.201.698	10,99%
Total shares	10.931.292	100%

Number of shareholders with equity share	Number of entities			Number of shares			% of total emission		
	domestic	foreign	total	domestic	foreign	total	domestic	foreign	total
to 5%	7.879	247	8.126	5.029.974	393.109	5.423.083	46,01%	3,60%	49,61%
from 5% to 10%	0	0	0	0	0	0	0,00%	0,00%	0,00%
over 10% to 25%	1	0	1	1.837.004	0	1.837.004	16,81%	0%	16,81%
over 25% to 33%	0	0	0	0	0	0	0,00%	0,00%	0,00%
over 33% to 50%	1	0	1	3.671.205	0	3.671.205	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%
Total shares	7.881	247	8.128	10.538.183	393.109	10.931.292	96,40%	3,60%	100,00%

List of top 10 shareholders by total shares held:

Name	No. of shares	% of total issues
Serbian Government	3.671.205	33,58%
Napred Razvoj plc Novi Beograd	1.837.004	16,81%
Unicredit Bank Srbija plc – custody	370.593	3,39%
Gustavia Fonder Aktiebolag	126.000	1,15%
Raiffeisenbank plc Belgrade – custody	115.425	1,06%
Raiffeisenbank plc – custody	109.337	1,00%
Raiffeisenbank plc – custody	98.477	0,90%
Erste bank plc Novi Sad – custody	91.477	0,84%
Raiffeisenbank plc Belgrade – custody	74.106	0,68%
Unicredit Bank Srbija plc	72.715	0,67%



Other fixed capital was created by the reposting of non-business assets sources in 2005 in the total of 27.178 thousand RSD.

26. RESERVES

The reserves consist of:

	30.09.2013	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 GAINS/LOSSES FROM SECURITIES

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

	30.09.2013	31.12.2012
	RSD 000	RSD 000
Revaluation reserves	43.080	43.080
Unrealized gains from available for sale securities		8.134
Unrealized losses from available for sale securities	-24.144	-5.860
Total	<u>18.936</u>	<u>45.354</u>

The change in Unrealized gains/losses 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 (30.09.2013) and to the sales of shares of Hipotekarna Bank plc, Podgorica.

28. UNDISTRIBUTED PROFIT

The undistributed profit relates to:

	30.09.2013	31.12.2012
	RSD 000	RSD 000
Balance on 01.01.	<u>789,728</u>	<u>526,307</u>
Adjustment of income tax revenues	289	(6)
Adjustment of revenues based on the first implementation of IFRS 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>345,700</u>	<u>504,856</u>
Total	<u><u>629,129</u></u>	<u><u>789,728</u></u>

The distribution of undistributed profits on 31.12.2012 (current profit for 2012) was performed according to the Decision adopted at the 41st General Meeting of Energoprojekt Holding plc shareholders held on 28.06.2013 (item 3 of the Agenda, Note. 25).

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:

	30.09.2013	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>

Other long-term provisions in the amount of 260.000 thousand RSD are recorded in the balance sheet on 31.12.2006, pursuant to the decision of the Board of Management of the Company, as possible contract expenses related to the Joint construction agreement - Block

26, New Belgrade no. 507, concluded between the consortium „Energoprojekt – Napred“ and Trinity Capital ltd.

Pursuant to provision of the Joint construction agreement and the Annex no. 1 to this agreement, Trinity Capital ltd paid the agreed amount and the Company issued a blank bill of exchange with authorization and unlimited validity. This bill of exchange may be submitted for payment based on an effective decision of the authorities confiscating from the Company the underlying property referenced in the contract by fault attributable to the Company, however for reasons which had not been known to Trinity Capital ltd at the time the contract was signed.

Provisioning was pursuant to IAS 37 „Provisions, Contingent Liabilities and Contingent Assets“, due to the uncertainty with regard to the application of the legislation that applies to the subject of the Agreement and that may affect the fulfillment of all obligations assumed by the Company as well as due to the issued blank bill of exchange as previously stated.

On 30.09.2013 there is still uncertainty with regard to the application of the legislation that may affect the fulfillment of all obligations assumed by the Company and possible activation of issued bills of exchange by Trinity Capital ltd. Therefore, the management assesses that conditions for the cancellation of the provision at the balance sheet date have not been met yet.

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	30.09.2013 RSD 000	31.12.2012 RSD 000
<u>In currency</u>				
Republic of Serbia Development	EUR	4.5% god.	38,154	148,997
Total			38,154	148,997
Erste bank	EUR	2.5% god.		45,627
Total			-	45,627
Grand total			38,154	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 30.09.2014 are 148,501 thousand RSD (1.296 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.

The loan was approved by the Republic of Serbia Development Fund based on the document titled „Energoprojekt Holding plc permanent capital assets programme“ according to which these funds are necessary for overcoming short-term liquidity problems and for assisting subsidiary Energoprojekt Visokogradnja plc in its foreign marketing activities.

31. SHORT TERM FINANCIAL COMMITMENTS

Short term financial commitments consist of:

	30.09.2013 RSD 000	31.12.2012 RSD 000
Short term loans domestic		
Part of long-term loans maturing in one year	240.466	294.670
Total	240.466	294.670
<u>Other short term financial commitments</u>		
Part of long-term loans maturing in one year		173
Other ST financial commitments - VISA accounts		192
Total	0	365
Grand total	240.466	295.035

Part of long-term loans with one-year maturity (240.466 thousand RSD) relate to:

- Development Fund of the Republic of Serbia (148.501 thousand RSD - Note 30), and
- Erste bank (91.965 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 30.09.2014 (91.965 thousand RSD or 802 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. BUSINESS COMMITMENTS

	30.09.2013	31.12.2012
	RSD 000	RSD 000
<u>Commitments from business operations</u>		
Received advances, short-term and safety deposits	1.056	422
Suppliers-parent and subsidiaries	56.507	47.287
Local suppliers	9.482	10.864
Foreign suppliers	2.372	2.421
Subtotal	69.417	60.994
<u>Commitments from specific operations</u>		
Other		337
Subtotal	0	337
Total	69.417	61.331

Geographical distribution of suppliers is as follows:

	30.09.2013	31.12.2012
	RSD 000	RSD 000
<u>Local suppliers</u>		
Serbia	48,570	47,348
Less: value adjustment		-
Total	48,570	47,348
<u>Foreign suppliers</u>		
Europe - subsidiaries	17,420	10,803
Evropa-other subsidiaries	2,223	1,900
Africa - other subsidiaries		-
Asia - other affiliates		-
USA-other subsidiaries	148	521
Less: value adjustment		-
Subtotal	19,791	13,224
Total	68,361	60,572

33. OTHER SHORT-TERM COMMITMENTS AND ACCRUALS

	30.09.2013 RSD 000	31.12.2012 RSD 000
<u>Salaries and fringe benefits</u>	11,379	23,320
<u>Other obligations</u>		
Interest and financing costs	219	426
Dividends/profit sharing	11,814	11,841
Employees	214	1,633
Members of the Supervisory Board	524	518
Service contracts	309	162
Other	1,187	1,145
Total	25,646	39,045

34. VAT AND OTHER PUBLIC REVENUE, ACCRUALS

	30.09.2013 RSD 000	31.12.2012 RSD 000
<u>Commitments for value added tax</u>	6.002	3.305
<u>Commitments for taxes, customs and other duties</u>		
charged to costs	3.080	227
Other commitments for taxes, customs and other duties	578	643
Total	3.658	870
<u>Accruals</u>		
Accrued expenses		66
Calculated revenues in the future period		75
VAT commitments		5
Other		
Total	-	146
Grand total	9.660	4.321

35. DEFERRED TAX LIABILITIES AND DEFERRED TAX ASSETS

	30.09.2013	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 LIABILITIES

Off-balance sheet liabilities of the Company in the amount of 11.964.842 thousand RSD refer to:

- collateral against guarantees and approved credit lines based on loans and guarantees for subsidiaries in the amount of 9.327.435 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: Alpha bank for duly settlement of obligations related to plane tickets (2.865 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 15.759 thousand RSD (according to the loan agreement with Enjub ltd), and
- corporate guarantees - Energoprojekt Niskogradnja plc in the amount of 1.697.718 thousand RSD (guarantee for the project BBVA-PERU in the amount of 1.188.403 thousand RSD and the project BANCO FINANCIERO-PERU in the amount of 509.315 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 loose the case. Disclosed

values with the contingent liability as at 30.09.2013, 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	3	4	7
Natural person	2	3	5
TOTAL	5	7	12
<i>in 000 RSD</i>			
Legal person	11.400	444	11.844
Natural person	-	3.432	3.432
TOTAL	11.400	3.876	15.276

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 Belgrade)	Uncertain
Several legal and natural persons	Compulsory redemption of shares	3.432
Radomir Banjac	Compensation	4.400
Milan Raonic	Copyright infringement	7.000
Aleksandar Vasojevic	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, Pensioners' Association, Jovan Korolija and Ivan Petrovic	Annulment of the decision adopted at XXXVII Extraordinary General Meeting	0
Sreta Ivanisevic	Compensation for expropriated property (Bezanija)	0

Ivan Petrovic and others	Annulment of the decision adopted at XXXVII Extraordinary General Meeting	0
Vladan and Tomislav Krdzic	Compensation (for the free-of-charge shares they did not earn)	444
TOTAL		15.276

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	3	3	6
TOTAL	4	3	7
<i>in 000 RSD</i>			
Legal person	29	-	29
Natural person		235.765	235.765
TOTAL	29	235.765	235.794

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
Zekstra Group ltd	Compensation for damages (roof repair in Goce Delceva street 38)	806

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 Music	Compensation (roof repair in Goce Delceva street 38)	29
The city of Belgrade, Belgrade Land Development Public Agency, RS	Debt (Arena)	208.000
Beogradsko mesovito preduzece plc	Determination of the value of shares	0
TOTAL		235.794

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,
01.10.2013

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 3rd quarter 2013" (Chapter 1 of the respective report).

On the last day of the reporting period Energoprojekt Group had ca. 378 million EUR in contracted deals to be completed in the following period (in Serbia 80 million EUR ; abroad 298 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 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 the Resolution to amend the Articles of Association of Energoprojekt Holding plc.

Pursuant to the Decision of the General Meeting on the distribution of the undistributed profit, Energoprojekt Holding plc has issued ordinary shares XI issue (506.814.540,00 RSD), 993.754 shares with nominal value of 510 RSD. The result of I issue of ordinary shares based on the distribution of undistributed profit is the increase in equity (5.574.958.920,00 RSD), 10.931.292 ordinary shares with nominal value of 510 RSD.

The Supervisory Board of Energoprojekt Holding plc has confirmed, at the 19th meeting held on 17.10.2013 that Ivar Berger, LLB, resigned on 14.10.2013 from his function as an independent member and president of the Supervisory Board of Energoprojekt Holding plc. The resignation of the member of the Supervisory Board of Energoprojekt Holding plc, Jovan Serbanovic, graduate engineer, was also confirmed on 14.10.2013.

In accordance with the Articles of Association, the Supervisory Board of Energoprojekt Holding plc. co-opted, at the same meeting, the following members of the Supervisory Board: Mr. Dragan Veljic, LLB, as an independent member of the Supervisory Board and Prof. Dr. Branislav Ivkovic, graduate engineer, as a member of the Supervisory Board. The newly appointed members will serve as members of the Supervisory Board of Energoprojekt Holding plc till new Supervisory Board members are appointed at the next general.

Dragan Veljic, lawyer, was elected the new president of the Supervisory Board of Energoprojekt Holding plc.

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 third 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 THIRD QUARTER 2013 *

Note *:

- The quarterly report of Energoprojekt Holding plc for the 3rd quarter 2013 has been approved and adopted on 04th November 2013 at the 102nd General Meeting of the Executive Board of the reporting company.

In Belgrade, November 2013

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)