

OPERATIONAL RESULTS OF THE CROATIAN PRIVATIZATION FUND (CPF) IN THE PERIOD FROM I - III 2008.

The Croatian Privatization Fund (hereinafter - Fund) keeps its accounts in compliance with the Decree on Accountancy of Non-profit Organizations and Rules on Book-keeping and Account Plan of Non-profit Organizations.

1. REVENUES + INFLOWS

A REVENUES

Revenues of the Fund as per Article 10 of the Law on the Fund include:

- dividends on shares i.e. business interests owned by the Fund
- revenues from the sale and lease of state property transferred to the Fund
- funds transferred to the Fund upon finalization of bankruptcy or liquidation procedure
- other revenues in compliance with the Law

In the period of I - III 2007 the total realized revenue amounted to **Kn 18.691.521.00** and in the same period of 2008 realized revenues amounted to **Kn 16.988.339.00** - which represents a decrease of 9,1 %.

B FUNDS FROM THE SALE OF SHARES AND BUSINESS INTERESTS FROM THE PORTFOLIO OF THE CPF

Realized inflow from the sale of shares and interests paid to the accounts of the CPF (Kuna and foreign currency account) in the period of I –III 2007 amounted to **Kn 16.113.471.00** while in the same period of 2008 it amounted to **Kn 20.952.930.00**.

C COVERAGE OF EXPENDITURES FROM THE FUNDS FROM THE SALE OF SHARES

If revenues are not sufficient for coverage of operation costs, the Fund uses funds for incorporation and activity of the Fund and in compliance with the Article 10 of the Law on the CPF they consist of:

- shares i.e. business interests transferred to the Fund
- fund realized by the sale of shares i.e. interests of the Fund in companies
- loans.

In the period of I - III 2008 realized revenue was less than expenses by Kn 701.676.00 and for coverage of operation costs Fund used funds from the sale of shares and interests.

2. OPERATIONAL COSTS

For implementation of its tasks in accordance with the Law on Transformation of Socially-owned Enterprises and Privatization Law as on the 31.03.2008 the Fund had 179 employees. For salaries and coverage of other costs related to the operation of the Fund in the period I-III of the year 2008 spent was **Kn 17.690.015.00**.

BALANCE SHEET

as on 31.03.2007.

in kn

Position No.	Position name	Balance 31.03.2008.	Balance 31.03.2007.
	ASSETS	16.067.355.294	19.074.864.738
	Long-term assets (1+2+3+4+5+6+7+8)	14.806.872.530	17.974.938.996
1	Intangible assets	362.648	13.684.207
2	Tangible assets	63.231.005	62.051.711
3	Investment in course	522.034	434.940
4	Financial assets	13.758.986.013	16.804.156.452
5	Receivables from purchasers of shares	555.683.118	618.865.620
6	Real estate at disposal of CPF	108.673.133	156.331.487
7	Other receivables (HŽ and HEP)	319.414.579	319.414.579
8	Advance payments	-	
	Short-term assets (1+2+3+4+5+6+7)	1.260.482.764	1.099.925.742
1	Outstanding debts of purchasers	2.341.062	2.190.099
2	State and other institutions outstanding debts	32.769	31.870
3	Outstanding debts of employees	72.943	90.984
4	Outstanding sums for advance payments	11.496	14.837
5	Financial assets (short-term loans)	1.169.177.021	1.052.827.886
6	Other outstanding debts	69.679.006	36.699.075
7	Money on account and at hand	19.168.467	8.070.991
	LIABILITIES	16.067.355.294	19.074.864.738
	Accounts payable (1+2+3+4+5+6)	2.290.593.472	2.146.560.444
1	Long-term liabilities	171.226.226	198.399.627
2	Short-term loans liabilities	1.587.760.319	1.469.686.931
3	Short-term liabilities to suppliers	389.826	638.427
4	Taxes, duties and contributions	582.733	516.144
5	Short-term liabilities to employees	847.885	1.029.464
6	Other short term liabilities	529.786.483	476.289.851
	Funding sources (1+2+3)	13.776.761.822	16.928.304.294
1	Capital assets fund	64.115.687	62.944.987
2	Other funding sources - social capital	13.078.597.521	16.232.226.129
3	Balance of the Fund	634.048.614	633.133.178

INDOME AND EXPENDITURE ACCOUNT

01.01. – 31.03.2008.

in kn

Position No.	Position name	01.01. - 31.03.2008.	01.01. - 31.03.2007.
REVENUES			
1	Other revenues	16.988.339	18.691.521
	Revenues from dividends	9.779.351	1.731.402
	Revenues from bankruptcies	5.484.035	221.591
	Revenues from issued certificates for real estates	57.929	80.042
	Revenues from sale and lease of the real estate	1.217.669	13.105.270
	Other revenues	449.355	3.553.216
	TOTAL REVENUE (A)	16.988.339	18.691.521
EXPENDITURE			
1	Material costs	4.613.822	6.361.918
	Material costs	234.470	163.194
	Energy	174.206	170.666
	Services	4.205.146	6.028.058
2	Personal costs	7.918.015	7.821.229
	Salaries and compensations	7.918.015	7.821.229
3	Non-material costs	881.820	1.737.134
4	Investment expenditures	308.574	324.933
5	Other expenditures	3.967.784	4.063.419
	TOTAL EXPENDITURE (B)	17.690.015	20.308.633
	SURPLUS INCOME	-	-
	INCOME DEFICIT	701.676	1.617.112