

OPERATIONAL RESULTS OF THE CROATIAN PRIVATIZATION FUND (CPF) IN THE PERIOD FROM I - IX 2009.

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 - IX 2008 the total realized revenue amounted to **Kn 188.150.625.00** and in the same period of 2009 realized revenues amounted to **Kn 42.303.372.00** - which represents a decrease of 77,5 %.

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 in the period of I - IX 2008 amounted to **Kn 79.044.732.00** while in the same period of 2009 it amounted to **Kn 14.809.345.00**.

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 - IX 2009 realized revenue was less then incurred expenses by Kn 17.642.969.00 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 30.09.2009 the Fund had 179 employees. For salaries and coverage of other costs related to the operation of the Fund in the period I-IX of the year 2009 spent was **Kn 59.946.341.00**

BALANCE SHEET

for the period from January 1, to September 30, 2009

Position 01.01.2009

Position 30.09.2009

ASSETS	15.884.681.676	15.009.279.285
I. TANGIBLE ASSETS (A+B+C)	259.199.578	363.873.228
A LONG TERM ASSETS (1+2)	7.684.708	7.896.250
1 <i>land</i>	7.417.411	7.417.411
2 <i>intangible assets</i>	267.297	478.839
B PRODUCED LONG TERM ASSETS (1 to 4)	250.992.836	355.454.944
1 <i>building structures</i>	247.936.543	352.306.510
2 <i>equipment and machinery</i>	2.904.852	2.996.993
3 <i>vehicles</i>	151.441	151.441
4 <i>other intangible assets</i>	0	0
C CURRENT ASSETS (1)	522.034	522.034
1 <i>Building structures in progress</i>	522.034	522.034
II. FINANCIAL ASSETS (1 to 5)	15.625.482.098	14.645.406.057
1 CASH AT BANKS AND IN HAND	235.881.464	23.346.900
2 DEPOSIT, GUARANTEES, SHARE BUYERS ETC.	583.243.404	530.035.136
3 LOANS	1.565.021.770	888.223.786
4 SHARES AND CAPITAL SHARE	13.115.964.756	13.116.164.755
5 RECEIVABLES FOR OPERATIONAL INCOME	125.370.704	87.635.480

	Position 01.01.2009	Position 30.09.2009
LIABILITIES AND RESOURCES (I + II)	15.884.681.676	15.009.279.285
I. LIABILITIES (A+B+C)	3.582.500.354	3.425.592.427
A LIABILITIES FOR OPERATIONAL EXPENDITURES (1 to 4)	1.655.524.428	1.502.780.681
1 <i>liabilities for salaries</i>	1.428.077	2.761.720
2 <i>liabilities for material expenditures</i>	1.933.556	891.545
3 <i>liabilities for financial expenditures</i>	2.734.589	1.780.483
4 <i>liabilities for advances, deposits and other liabilities</i>	1.649.428.206	1.497.346.933
B LIABILITIES FOR CREDITS AND LOANS (1 to 3)	1.804.730.172	1.836.547.878
1 <i>bank loans</i>	289.210.937	281.081.478
2 <i>foreign bank loans</i>	108.192.154	148.139.319
3 <i>domestic loans (Ministry of Finance of the Republic of Croatia)</i>	1.407.327.081	1.407.327.081
C ACCRUALS AND DEFERRED INCOME (1 to 2)	122.245.754	86.263.868
1 <i>accounts payable</i>	86.365	0
2 <i>deferred accrued income</i>	122.159.389	86.263.868
II. OWN RESOURCES	12.302.181.322	11.583.686.858
1 own resources	12.175.388.652	11.601.329.828
2 income surplus	126.792.670	0
3 income deficit	0	17.642.970

PROFIT AND LOSS ACCOUNT
for the period from January 1, to September 30, 2009

	<i>PREVIOUS YEAR</i>	<i>CURRENT YEAR</i>
INCOME	188.150.625	42.303.372
1 INCOME FROM SALES AND SERVICES	710.229	866.933
2 INCOME FROM ASSETS	187.435.106	40.738.918
- Income from financial assets	44.332.160	24.840.784
- Income from non-financial assets	143.102.946	15.898.134
3 OTHER INCOME	5.290	697.521
EXPENDITURES	64.823.791	59.946.341
1 COSTS FOR EMPLOYEES	24.739.629	25.077.060
2 OPERATING CHARGES	14.631.708	9.731.040
- Costs for employees	821.024	779.354
- Cost of material and energy	1.251.803	986.631
- Cost of services	12.235.995	7.835.183
- Other unspecified costs	322.886	129.872
3 DEPRECIATION COSTS	1.846.353	303.682
4 FINANCIAL EXPENDITURES	23.470.735	24.439.274
5 DONATIONS	13.500	13.500
6 OTHER OPERATIONAL EXPENDITURE	121.866	381.785
OPERATIONAL INCOME SURPLUS	123.326.834	
OPERATIONAL INCOME DEFICIT		17.642.969