

OPERATIONAL RESULTS OF THE CROATIAN PRIVATIZATION FUND (CPF) IN THE PERIOD FROM I - IX 2010.

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

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
- revenues from the sale of shares and business interests from the portfolio of the CPF

In the period of I - IX 2009 the total realized revenue amounted to **Kn 42.303.372.00** and in the same period of 2010 realized revenues amounted to **Kn 147.152.781.00** - which represents a increase of 247,8%.

In the period of I - IX 2010 realized revenue exceeds then incurred expenses by Kn 92.000.375.00.

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 30.09.2010 the Fund had 168 employees. For salaries and coverage of other costs related to the operation of the Fund in the period I - IX of the year 2010 spent was **Kn 55.152.406.00**.

BALANCE SHEET

for the period from January 1, to September 30, 2010

Position 01.01.2010

Position 30.09.2010

ASSETS	12.368.136.874	12.242.739.237
I. TANGIBLE ASSETS (A+B+C)	313.083.699	313.128.401
A LONG TERM ASSETS (1+2)	7.609.543	7.609.443
1 <i>land</i>	7.398.954	7.398.854
2 <i>intangible assets</i>	210.589	210.589
B PRODUCED LONG TERM ASSETS (1 to 4)	304.926.907	304.971.709
1 <i>building structures</i>	302.236.312	302.236.312
2 <i>equipment and machinery</i>	2.573.830	2.618.632
3 <i>vehicles</i>	116.765	116.765
4 <i>other intangible assets</i>	0	0
C CURRENT ASSETS (1)	547.249	547.249
1 <i>Building structures in progress</i>	547.249	547.249
II. FINANCIAL ASSETS (1 to 5)	12.055.053.175	11.929.610.836
1 CASH AT BANKS AND IN HAND	39.567.194	6.008.769
2 DEPOSIT, GUARANTEES, SHARE BUYERS ETC.	520.209.674	405.124.768
3 LOANS	907.370.193	842.096.995
4 SHARES AND CAPITAL SHARE	10.458.854.579	10.562.893.778
5 RECEIVABLES FOR OPERATIONAL INCOME	129.051.535	113.486.526

	Position 01.01.2010	Position 30.09.2010
LIABILITIES AND RESOURCES (I + II)	12.368.136.874	12.242.739.337
I. LIABILITIES (A+B+C)	3.948.710.248	3.786.693.927
A LIABILITIES FOR OPERATIONAL EXPENDITURES (1 to 4)	1.113.536.844	1.111.925.453
1 <i>liabilities for salaries</i>	2.719.400	2.581.949
2 <i>liabilities for material expenditures</i>	924.643	401.641
3 <i>liabilities for financial expenditures</i>	2.213.767	1.824.258
4 <i>liabilities for advances, deposits and other liabilities</i>	1.107.679.034	1.107.117.605
B LIABILITIES FOR CREDITS AND LOANS (1 to 3)	1.808.786.111	1.784.080.410
1 <i>bank loans</i>	262.507.834	256.469.898
2 <i>foreign bank loans</i>	140.561.107	121.893.342
3 <i>domestic loans (Ministry of Finance of the Republic of Croatia)</i>	1.405.717.170	1.405.717.170
C ACCRUALS AND DEFERRED INCOME (1 to 2)	1.026.387.293	890.688.064
1 <i>accounts payable</i>	53.609	0
2 <i>deferred accrued income</i>	1.026.333.684	890.688.064
II. OWN RESOURCES	8.419.426.626	8.456.045.410
1 own resources	8.234.922.323	8.179.540.731
2 income surplus	184.504.303	276.504.679
3 income deficit	0	0

PROFIT AND LOSS ACCOUNT
for the period from January 1, to September 30, 2010

	<i>PREVIOUS YEAR</i>	<i>CURRENT YEAR</i>
INCOME	42.303.372	147.152.781
1 INCOME FROM SALES AND SERVICES	866.933	609.336
2 INCOME FROM ASSETS	40.738.918	144.897.829
- Income from financial assets	24.840.784	137.515.176
- Income from non-financial assets	15.898.134	7.382.653
3 OTHER INCOME	697.521	1.645.616
EXPENDITURES	59.946.341	55.152.406
1 COSTS FOR EMPLOYEES	25.077.060	24.655.571
2 OPERATING CHARGES	9.731.040	8.075.849
- Costs for employees	779.354	739.548
- Cost of material and energy	986.631	826.310
- Cost of services	7.835.183	6.176.802
- Other unspecified costs	129.872	333.189
3 DEPRECIATION COSTS	303.682	44.802
4 FINANCIAL EXPENDITURES	24.439.274	21.877.724
5 DONATIONS	13.500	0
6 OTHER OPERATIONAL EXPENDITURE	381.785	498.460
OPERATIONAL INCOME DEFICIT	17.642.969	
OPERATIONAL INCOME SURPLUS		92.000.375