Ericsson Nikola Tesla d.d.
Consolidated statement of comprehensive income
for the period ended 30 September 2016

	2016 HRK '000	2015 HRK '000
Sales revenue	1.134.310	967.615
Cost of sales	-1.013.477	-842.970
Gross profit	**120.833**	**124.645**
Selling expenses	-33.673	-35.552
Administrative expenses	-25.489	-24.524
Other operating income	199	2.152
Other operating expenses	-2.214	-5.535
Operating profit	**59.656**	**61.186**
Finance income	2.852	281
Finance expense	-94	-176
Finance expense/income – net	*2.758*	*104*
Profit before tax	**62.413**	**61.290**
Income tax	-4.227	-396
Profit for the period	**58.187**	**60.894**
Other comprehensive income	-117	-59
Total comprehensive income for the period	**58.070**	**60.835**

Ericsson Nikola Tesla d.d.
Consolidated statement of financial position
as at 30 September 2016

	2016 HRK '000	2015 HRK '000
ASSETS		
Non-current assets		
Property, plant and equipment	124.603	137.667
Intangible assets	6.752	6.532
Loans and receivables	84.695	19.235
Other non-current assets	40	40
Total non-current assets	216.091	163.474
Current assets		
Inventories	56.153	21.187
Trade receivables	165.527	131.800
Receivables from related parties	98.716	113.949
Other receivables	2.037	3.396
Income tax receivable	1.269	1.204
Financial assets at fair value through profit or loss	85.584	53.917
Prepayments and accrued income	8.285	1.744
Cash and cash equivalents	108.265	233.195
Total current assets	525.836	560.392
TOTAL ASSETS	741.927	723.866
EQUITY AND LIABILITIES		
Equity		
Share capital	133.165	133.165
Treasury shares	-3.434	-3.434
Legal reserves	6.658	6.658
Retained earnings	97.727	171.539
Total equity	234.116	307.928
Non-current liabilities		
Interest-bearing borrowings	2.992	-
Employee benefits	9.082	9.060
Other non-curent liabilities	18.557	12.345
Total non-current liabilities	30.630	21.405
Current liabilities		
Payables to related parties	76.349	40.087
Interest-bearing borrowings	3	32
Trade and other payables	139.025	164.477
Provisions	13.058	10.003
Accrued charges and deferred revenue	248.745	179.934
Total current liabilities	477.181	394.533
Total liabilities	507.811	415.938
TOTAL EQUITY AND LIABILITIES	741.927	723.866

Ericsson Nikola Tesla d.d.
Consolidated statement of cash flows
for the period ended 30 September 2016

	2016 HRK '000	2015 HRK '000
Cash flows from operating activities		
Profit before tax	*62.413*	*61.290*
Adjustments for:		
Depreciation and amortisation	37.617	38.412
Impairment losses and reversals	15.831	1.542
Net increase of provisions	13.616	1.628
Gain on sale of property, plant and equipment	-78	-172
Net gain on remeasurement of financial assets	-1.674	47
Amortisation of discount	-288	-
Interest income	-1.932	-2.543
Interest expense	94	176
Foreign exchange losses, net	795	2.112
Equity-settled transactions	947	-2.304
	127.341	100.187
Changes in working capital		
In receivables	-91.642	53.975
In inventories	-34.966	-1.308
In payables	76.095	-12.886
Cash generated from operations	76.829	139.968
Interest paid	-94	-177
Income taxes paid	-1.593	-1.717
Net cash (used in)/from operating activities	**75.142**	**138.074**
Cash flows from investing activities		
Interest received	1.974	2.445
Dividend received	212	-
Proceeds from sale of property, plant and equipment	75	295
Purchases of property, plant and equipment, and intangible assets	-28.231	-53.736
Deposits collected with financial institutions - net	-10.140	62
Purchases of financial assets at fair value through profit and loss	58.795	78.142
Proceeds from sale of financial assets at fair value through profit and loss	-89.000	-62.000
Net cash (used in)/generated from investing activities	**-66.315**	**-34.792**
Cash flows from financing activities		
Purchase of treasury shares	-	-
Dividends paid	-132.846	-119.714
Net cash used in financing activities	**-132.846**	**-119.714**
Effects of exchange rate changes on cash and cash equivalents	-912	-2.585
Net increase/decrease in cash and cash equivalents	-124.930	-19.017
Cash and cash equivalents at the beginning of the year	233.195	186.963
Cash and cash equivalents at the end of the period	**108.265**	**167.946**