

Ericsson Nikola Tesla Statement of Comprehensive Income  
for the year ended 31 December 2009

	<b>2009</b>	<b>2008</b>
	<b>HRK '000</b>	<b>HRK '000</b>
Sales revenue	1,400,011	1,800,059
Cost of sales	(1,213,945)	(1,499,146)
<b>Gross profit</b>	<b>186,066</b>	<b>300,913</b>
Other income	17,325	20,110
Distribution expenses	-72,894	-85,027
Administrative expenses	-37,024	-44,825
Other expenses	-27,793	-28,303
<b>Operating profit</b>	<b>65,680</b>	<b>162,868</b>
Finance income	61,894	63,389
Finance expense	-757	-14,287
<b>Finance income - net</b>	<b>61,137</b>	<b>49,102</b>
<b>Profit before tax</b>	<b>126,817</b>	<b>211,970</b>
Income tax	1,630	-7,602
<b>Profit for the year</b>	<b>128,447</b>	<b>204,368</b>
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>	<b>128,447</b>	<b>204,368</b>
Earnings per share (HRK)	98.09	155.50

Ericsson Nikola Tesla Statement of financial position  
as at 31 December 2009

	2009 HRK '000	2008 HRK '000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	146,351	163,289
Intangible assets	4,425	6,265
Loans and receivables	278,897	349,911
Equity securities	45	45
Deferred tax assets	12,295	13,008
<b>Total non-current assets</b>	<b>442,013</b>	<b>532,518</b>
<b>Current assets</b>		
Inventories	24,059	53,110
Trade receivables	451,247	486,732
Receivables from related parties	58,905	59,111
Income tax receivable	9,452	-
Other receivables	29,588	20,524
Financial assets at fair value through profit or loss	120,873	49,331
Prepayments and accrued income	1,371	1,290
Cash and cash equivalents	414,935	318,303
<b>Total current assets</b>	<b>1,110,430</b>	<b>988,401</b>
<b>TOTAL ASSETS</b>	<b>1,552,443</b>	<b>1,520,919</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>	<b>1,200,223</b>	<b>1,166,127</b>
<b>Non-current liabilities</b>		
Interest-bearing borrowings	4,965	6,425
Employee benefits	5,126	5,009
<b>Total non-current liabilities</b>	<b>10,091</b>	<b>11,434</b>
<b>Current liabilities</b>		
Payables to related parties	67,839	74,281
Interest-bearing borrowings	1,655	2,408
Trade and other payables	101,605	102,020
Income tax payable	-	2,811
Financial liabilities at fair value through profit or loss	-	6,360
Provisions	23,730	12,477
Accrued charges and deferred revenue	147,300	143,001
<b>Total current liabilities</b>	<b>342,129</b>	<b>343,358</b>
<b>Total liabilities</b>	<b>352,220</b>	<b>354,792</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,552,443</b>	<b>1,520,919</b>

Ericsson Nikola Tesla Statement of cash flows  
for the year ended 31 December 2009

	2009 HRK '000	2008 HRK '000
<b>Cash flows from operating activities</b>		
<i>Profit before tax</i>	126,817	211,970
Adjustments for:		
Depreciation and amortisation	64,787	73,283
Other non-cash items, net	-11,996	-14,635
	179,608	270,618
Decrease in loans and receivables	78,336	19,055
Decrease in inventories	28,800	2,022
Decrease in receivables	20,976	120,016
Decrease in payables	-10,653	-83,929
<i>Cash generated from operations</i>	297,067	327,782
Interest paid	-757	-203
Income taxes (paid)/refunded	-12,262	14,852
<b><i>Net cash from operating activities</i></b>	<b>284,048</b>	<b>342,431</b>
<b>Cash flows from investing activities</b>		
Interest received	37,922	48,655
Proceeds from sale of property, plant and equipment	151	291
Purchases of property, plant and equipment, and intangible assets	-46,095	-63,901
Increase in non-current deposits	522	478
(Purchase of)/proceeds from disposal of financial assets	-77,473	686
<b><i>Net cash used in investing activities</i></b>	<b>-84,973</b>	<b>-13,791</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	-	8,085
Repayment of interest-bearing borrowings	-2,213	-655
Purchase of treasury shares	-11,380	-3,895
Dividends paid	-91,758	-355,305
<b><i>Net cash used in financing activities</i></b>	<b>-105,351</b>	<b>-351,770</b>
Effects of exchange rate changes on cash and cash equivalents	2,908	3,157
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>96,632</b>	<b>-19,973</b>
Cash and cash equivalents at the beginning of the year	318,303	338,276
<b>Cash and cash equivalents at the end of the year</b>	<b>414,935</b>	<b>318,303</b>