

Financial reports are prepared in accordance with Accounting and Auditing Law (Official Gazette "Službeni glasnik RS", No. 46/2006 and 111/2009) and other accounting regulations prevailing in the Republic of Serbia.

FINANCIAL STATEMENT SUMMARY FOR 2011

"HIP-Petrohemija" a.d. Pancevo- in restructuring

I BASIC DATA

1. Short name:	"HIP-Petrohemija" a.d. Pancevo- in restructuring	3. Registration number:	08064300
2. Address:	Spoljnostarčevačka 82, Pancevo	4. Taxpayer ID No :	101052694

II FINANCIAL STATEMENT

BALANCE SHEET (in 000 din)

ASSETS	2010	2011
A. NON-CURRENT ASSETS	10.534.517	9.419.442
I Unpaid subscribed capital		
II Goodwill		
III Non-material investment		
IV Property, plant, equipment and biological means	10.469.342	9.197.522
V Long-term financial placements	65.175	221.920
B. CURRENT ASSETS	6.390.545	5.816.557
I Inventories	4.137.465	3.891.440
II Non-current assets held for sale and		
III Short-term receivables, placements and ca	2.253.080	1.925.117
IV Deferred tax funds		
C. PROPERTY	16.925.062	15.235.999
D. LOSS ABOVE CAPITAL AMOUNT	8.240.367	17.072.414
E. TOTAL ASSETS	25.165.429	32.308.413
F. OFF-BALANCE-SHEET ASSETS	2.056.144	1.741.681

LIABILITIES	2010	2011
A. CAPITAL	0	0
I Fixed capital	15.020.878	15.020.878
II Unpaid subscribed capital		
III Reserve		
IV Revaluation reserves	353.216	2.669.735
V Retained earnings	284	403
VI Loss	15.374.378	17.691.016
VII Repurchased shares		
B. LONG-TERM PROVISIONS AND LIABILITIES	25.165.429	32.308.413
I Long-term provisions	514.940	644.885
II Long-term liabilities	8.077.905	6.439.116
III Short-term liabilities	16.572.584	24.979.605
IV Deferred tax liabilities		244.807
C. TOTAL LIABILITIES	25.165.429	32.308.413
D. OFF-BALANCE-SHEET LIABILITIES	2.056.144	1.741.681

CASH FLOW STATEMENT (in 000 din)

	2010	2011
A. CASH FLOW FROM OPERATING ACTIVITIES		
I Cash receipts from operating activities	34.047.034	34.467.905
II Cash outflows from operating activities	37.304.520	34.059.105
III Net cash receipts / outflow	-3.257.486	408.800
B. CASH FLOW FROM INVESTING ACTIVITIES		
I Cash receipts from investing activities		108.037
II Cash outflow from investing activities	299.861	81.203
III Net cash receipts / outflow	-299.861	26.834
C. CASH FLOW FROM FINANCIAL ACTIVITIES		
I Cash receipts from financial activities	5.546.848	
II Cash outflow from financial activities	1.982.771	836.949
III Net cash receipts / outflow	3.564.077	-836.949
D. TOTAL CASH RECEIPTS	39.593.882	34.575.942
E. TOTAL CASH OUTFLOW	39.587.152	34.977.257
F. NET CASH RECEIPTS / OUTFLOW	6.730	-401.315
G. CASH IN THE BEGINNING OF THE PERIOD UNDER REVIEW	135.875	417.725
H. PROFIT ON EXCHANGE	275.120	
LOSS ON EXCHANGE		
I. CASH AT THE END OF THE PERIOD UNDER REVIEW	417.725	16.410

INCOME STATEMENT (in 000 din)

	2010	2011
A. INCOME AND EXPENSES FROM OPERATING ACTIVITIES		
I Operating income	28.937.835	35.777.014
II Operating expenses	33.192.080	41.988.369
III Operating profit / loss	-4.254.245	-6.211.355
IV Financial income	295.533	553.857
V Financial expenses	2.784.630	2.341.328
VI Other income	580.047	129.966
VII Other expenses	63.104	3.279.825
VIII Operating profit / loss before taxation	-6.226.399	-11.148.685
IX Net operating profit / loss to be suspended		
B. PROFIT / LOSS BEFORE TAXATION	-6.226.399	-11.148.685
C. TAXATION		
1. Tax expenses for the period		
2. Deferred tax income for the period		
D. Personal receivables paid		
E. NET PROFIT / LOSS	-6.226.399	-11.148.685
F. MINOR INVESTOR NET PROFIT		
G. ENTITY OWNERS NET PROFIT		
H. EARNING PER SHARE		
1. Basic earning per share		
2. Diluted earning per share		

CHANGES-IN-EQUITY STATEMENT (in 000 din)

	2010					2011				
	Status in the beginning of the year	Correction of materially significant errors and changes in accounting policies in the previous	Adjusted opening balance in the beginning of the year	Increase during the year	Decrease during the year	Status at the end of the year	Status in the beginning of the year	Increase during the year	Decrease during the year	Status at the end of the year
Registered capital	9.391.316		9.391.316	5.546.877		14.938.193	14.938.193	0	0	14.938.193
Other capital	82.712		82.712	3		82.715	82.715			82.715
Unpaid subscribed capital	0		0			0	0			0
Share premium	0		0			0	0			0
Reserves	0		0			0	0			0
Revaluation reserve	353.621		353.621		405	353.216	353.216	2.744.354	427.835	2.669.735
Unrealized profits on securities	51.487	74	51.413		51.413	0	0			0
Retained earning	210		210	74		284	284	119		403
Loss up to capital volume	9.879.316	236.096	9.643.220	6.226.399	495.241	15.374.378	15.374.378	11.148.685	8.832.047	17.691.016
Repurchased shares	0		0			0	0			0
TOTAL	0	236.022	236.022	679.445	443.423		0	8.404.212	8.404.212	0
Loss exceeding capital volume	7.745.126		7.745.126	495.241		8.240.367	8.240.367	8.832.047		17.072.414

III AUDITOR'S CONCLUSION (Deloitte Belgrade) ON THE FINANCIAL STATEMENTS:

These financial statements, including all materially significant issues, gives a true and fair view of the financial position of the Company as of December 31, 2011, as well as the results of its operating activities and cash flow for the year ended on that day, in accordance with the accounting regulations of the Republic of Serbia.

IV SIGNIFICANT CHANGES IN LEGAL AND FINANCIAL POSITION OF THE COMPANY AND OTHER SIGNIFICANT CHANGES OF THE DATA

On May 15, 2009 Privatization Agency of the Republic of Serbia made a Decision on Restructuring of „HIP-Petrohemija“ a.d. Pancevo, on the basis of Conclusion of the Government of the Republic of Serbia 05 No. 023-2375/2009 from May 14, 2009; Article 9. Paragraph 1. items 7. and 10. of Law on Privatization Agency; Articles 19, 19a, 20, 20a of Law on Privatization and Articles 7. and 9. of Regulation on Procedure and Manner of Restructuring of Privatization Subject. On the basis of a Decision made at the General Assembly of Shareholders on 26th December, 2011 (in accordance with Law on the Capital Market (Official Gazette "Službeni glasnik" No 31/2011)), on March 16, 2013 Belgrade Stock Exchange adopted a Decision on exclusion of shares of the Company from the OTC market.

V PLACE AND TIME FOR GETTING INSIGHT INTO THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT

One can get insight into financial statements and auditor's report every working day from 08 a.m. to 02 p.m. at „HIP-Petrohemija“ a.d. Pancevo, Spoljnostarcevačka 82, Pancevo.

GENERAL MANAGER
Saša Pavlov, Bachelor of Laws