

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 2012

"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:	Spoljnostarcevačka 82, Pancevo	4. Taxpayer ID No.:	101052694

### II FINANCIAL STATEMENT

#### BALANCE SHEET (in 000 din)

ASSETS	2011	2012
<b>A. NON-CURRENT ASSETS</b>	<b>9.419.442</b>	<b>8.338.369</b>
I Unpaid subscribed capital		
II Goodwill		
III Non-material investment		
IV Property, plant, equipment and biological means	9.197.522	8.338.369
V Long-term financial placements	221.920	
<b>B. CURRENT ASSETS</b>	<b>5.816.557</b>	<b>7.109.715</b>
I Inventories	3.891.440	5.242.971
II Non-current assets held for sale and		
III Short-term receivables, placements and ca	1.925.117	1.866.744
IV Deferred tax funds		
<b>C. PROPERTY</b>	<b>15.235.999</b>	<b>15.448.084</b>
<b>D. LOSS ABOVE CAPITAL AMOUNT</b>	<b>17.072.414</b>	<b>29.450.991</b>
<b>E. TOTAL ASSETS</b>	<b>32.308.413</b>	<b>44.899.075</b>
<b>F. OFF-BALANCE-SHEET ASSETS</b>	<b>1.741.681</b>	<b>1.752.968</b>

LIABILITIES	2011	2012
<b>A. CAPITAL</b>	<b>0</b>	<b>0</b>
I Fixed capital	15.020.878	15.020.878
II Unpaid subscribed capital		
III Reserve		
IV Revaluation reserves	2.669.735	2.436.373
V Retained earnings	403	0
VI Loss	17.691.016	17.457.251
VII Repurchased shares		
<b>B. LONG-TERM PROVISIONS AND LIABILITIES</b>	<b>32.308.413</b>	<b>44.899.075</b>
I Long-term provisions	644.885	597.480
II Long-term liabilities	6.439.116	2.878.438
III Short-term liabilities	24.979.605	41.423.157
IV Deferred tax liabilities	244.807	
<b>C. TOTAL LIABILITIES</b>	<b>32.308.413</b>	<b>44.899.075</b>
<b>D. OFF-BALANCE-SHEET LIABILITIES</b>	<b>1.741.681</b>	<b>1.752.968</b>

#### CASH FLOW STATEMENT (in 000 din)

	2011	2012
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
I Cash receipts from operating activities	34.467.905	17.446.910
II Cash outflows from operating activities	34.059.105	16.914.587
III Net cash receipts / outflow	408.800	532.323
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
I Cash receipts from investing activities	108.037	3.715
II Cash outflow from investing activities	81.203	549.471
III Net cash receipts / outflow	26.834	-545.756
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
I Cash receipts from financial activities		167.994
II Cash outflow from financial activities	836.949	7.874
III Net cash receipts / outflow	-836.949	160.120
<b>D. TOTAL CASH RECEIPTS</b>	<b>34.575.942</b>	<b>17.618.619</b>
<b>E. TOTAL CASH OUTFLOW</b>	<b>34.977.257</b>	<b>17.471.932</b>
<b>F. NET CASH RECEIPTS / OUTFLOW</b>	<b>-401.315</b>	<b>146.687</b>
<b>G. CASH IN THE BEGINNING OF THE PERIOD UNDER REVIEW</b>	<b>417.725</b>	<b>16.410</b>
<b>H. PROFIT ON EXCHANGE</b>		
<b>LOSS ON EXCHANGE</b>		
<b>I. CASH AT THE END OF THE PERIOD UNDER REVIEW</b>	<b>16.410</b>	<b>163.097</b>

#### INCOME STATEMENT (in 000 din)

	2011	2012
<b>A. INCOME AND EXPENSES FROM OPERATING ACTIVITIES</b>		
I Operating income	35.777.014	14.123.530
II Operating expenses	41.988.369	21.899.281
III Operating profit / loss	-6.211.355	-7.775.751
IV Financial income	553.857	1.268.267
V Financial expenses	2.341.328	5.601.251
VI Other income	129.966	93.931
VII Other expenses	3.279.825	598.827
VIII Operating profit / loss before taxation	-11.148.685	-12.613.631
IX Net operating profit / loss to be suspended		244.808
<b>B. PROFIT / LOSS BEFORE TAXATION</b>	<b>-11.148.685</b>	<b>-12.368.823</b>
<b>C. TAXATION</b>		
1. Tax expenses for the period		
2. Deferred tax income for the period		
<b>D. Personal receivables paid</b>		
<b>E. NET PROFIT/LOSS</b>	<b>-11.148.685</b>	<b>-12.368.823</b>
<b>F. MINOR INVESTOR NET PROFIT</b>		
<b>G. ENTITY OWNERS NET PROFIT</b>		
<b>H. EARNING PER SHARE</b>		
1. Basic earning per share		
2. Diluted earning per share		

**CHANGES-IN-EQUITY STATEMENT (in 000 din)**

	2011					2012				
	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	14.938.193			0	0	14.938.193	14.938.193	0	0	14.938.193
Other capital	82.715					82.715	82.715			82.715
Unpaid subscribed capital	0					0	0			0
Share premium	0					0	0			0
Reserves	0					0	0			0
Revaluation reserve	353.216			2.744.354	427.835	2.669.735	2.669.735		233.362	2.436.373
Unrealized profits on securities	0					0	0			0
Retained earning	284			119		403	403		403	0
Loss up to capital volume	15.374.378			11.148.685	8.832.047	17.691.016	17.691.016	12.368.823	12.602.588	17.457.251
Repurchased shares	0					0	0			0
TOTAL	0			8.404.212	8.404.212	0	0	12.378.576	12.378.576	0
Loss exceeding capital volume	8.240.367			8.832.047		17.072.414	17.072.414	12.378.576		29.450.990

**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, 2012, 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  
**Milan Teofilović, Bachelor of Laws**