

Ericsson Nikola Tesla d.d.  
 Consolidated statement of comprehensive income  
 for the period ended 30 September 2018

	<b>2018</b>	<b>2017</b>
	<b>HRK '000</b>	<b>HRK '000</b>
Sales revenue	1.080.542	1.069.398
Cost of sales	-947.370	-941.765
<b>Gross profit</b>	<b>133.172</b>	<b>127.634</b>
Selling expenses	-28.613	-35.022
Administrative expenses	-23.379	-25.853
Other operating income	605	5.114
Other operating expenses	76	-1.442
<b>Operating profit</b>	<b>81.861</b>	<b>70.431</b>
Finance expense/income – net	2.240	-2.605
<b>Profit before tax</b>	<b>84.101</b>	<b>67.826</b>
Income tax	-21.763	-15.948
<b>Profit for the year</b>	<b>62.338</b>	<b>51.878</b>
Other comprehensive income	-71	-39
<b>Total comprehensive income for the year</b>	<b>62.267</b>	<b>51.839</b>

Ericsson Nikola Tesla d.d.  
Consolidated statement of financial position  
as at 30 September 2018

	<b>2018</b>	<b>2017</b>
	<b>HRK '000</b>	<b>HRK '000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	106.314	108.712
Intangible assets	5.335	6.160
Loans and receivables	56.490	82.874
Equity securities	40	40
Deferred tax assets	14.917	14.901
<b>Total non-current assets</b>	<b>183.096</b>	<b>212.687</b>
<b>Current assets</b>		
Inventories	143.306	18.872
Trade receivables	148.152	144.445
Contract assets*	47.587	0
Receivables from related parties	81.522	104.483
Other receivables	19.937	90.289
Income tax receivable	6.382	986
Financial assets at fair value through profit or loss	68.515	84.520
Prepayments and accrued income	17.013	6.457
Cash and cash equivalents	128.949	159.261
<b>Total current assets</b>	<b>661.362</b>	<b>609.313</b>
<b>TOTAL ASSETS</b>	<b>844.458</b>	<b>822.000</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	133.165	133.165
Treasury shares	-280	-280
Legal reserves	6.658	6.658
Retained earnings	114.100	96.031
<b>Total equity</b>	<b>253.643</b>	<b>235.574</b>
<b>Non-current liabilities</b>		
Borrowings	9.600	8.381
Employee benefits	8.823	8.576
Other non-current liabilities	12.804	13.104
<b>Total non-current liabilities</b>	<b>31.227</b>	<b>30.061</b>
<b>Current liabilities</b>		
Financial liabilities at fair value through P&L	1.063	0
Payables to related parties	89.806	113.078
Borrowings	773	0
Trade and other payables	184.426	220.390
Contract liabilities*	114.776	0
Income tax payable	22.051	528
Provisions	21.605	26.619
Accrued charges and deferred revenue	125.089	195.750
<b>Total current liabilities</b>	<b>559.588</b>	<b>556.365</b>
<b>Total liabilities</b>	<b>590.815</b>	<b>586.426</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>844.458</b>	<b>822.000</b>

\* Following IFRS 15 application

Ericsson Nikola Tesla d.d.  
Consolidated statement of cash flows  
for the period ended 30 September 2018

	<b>2018</b>	<b>2017</b>
	<b>HRK '000</b>	<b>HRK '000</b>
<b>Cash flows from operating activities</b>		
<i>Profit before tax</i>	84.101	67.826
Adjustments for:		
Depreciation and amortisation	26.491	31.628
Impairment losses and reversals	1.504	9.458
Net increase of provisions	26.949	7.599
Gain on sale of property, plant and equipment	-51	-108
Net loss/(gain) on remeasurement of financial assets	1.009	-401
Amortisation of discount	-1.871	-3
Interest income	-1.960	-2.919
Interest expense	214	121
Foreign exchange losses/(gains)	-3.349	14.156
Equity-settled transactions		201
	133.037	127.558
<i>Changes in working capital</i>		
In receivables	61.925	-13.542
In inventories	-124.434	-29.872
In payables	-42.315	-20.805
<i>Cash generated from operations</i>	28.213	63.339
Interest paid	-214	-121
Income taxes paid	-5.644	-24.204
<b>Net cash from operating activities</b>	<b>22.355</b>	<b>39.014</b>
<b>Cash flows from investing activities</b>		
Interest received	1.726	1.974
Dividend received	70	212
Proceeds from sale of property, plant and equipment	114	75
Purchases of property, plant and equipment, and intangible assets	-26.739	-28.231
Deposits given to financial institutions - net	0	-10.140
Proceeds from sale/(purchases) of financial assets at fair value through profit and loss	15.989	-89.000
<b>Net cash used in investing activities</b>	<b>-8.841</b>	<b>-66.315</b>
<b>Cash flows from financing activities</b>		
Repayment of interest-bearing borrowings	770	0
Dividends paid	-43.291	-119.887
<b>Net cash used in financing activities</b>	<b>-42.520</b>	<b>-119.887</b>
Effects of exchange rate changes on cash and cash equivalents	-1.306	-2.247
<b>Net decrease in cash and cash equivalents</b>	<b>-30.312</b>	<b>-77.898</b>
Cash and cash equivalents at the beginning of the year	159.261	224.725
<b>Cash and cash equivalents at the end of the year</b>	<b>128.949</b>	<b>146.827</b>