

FINANCIAL HIGHLIGHTS

2009

in MHRK, except per share amounts

	2009	2008	2007
Profitability:			
Sales revenue	1,400	1,800	1,781
Gross margin	13%	17%	15%
Operating profit	66	163	137
Profit before tax	127	212	201
Profit for the year	128	204	200
Operating expenses	138	158	158
Earnings per share (EPS) in HRK	98	156	152

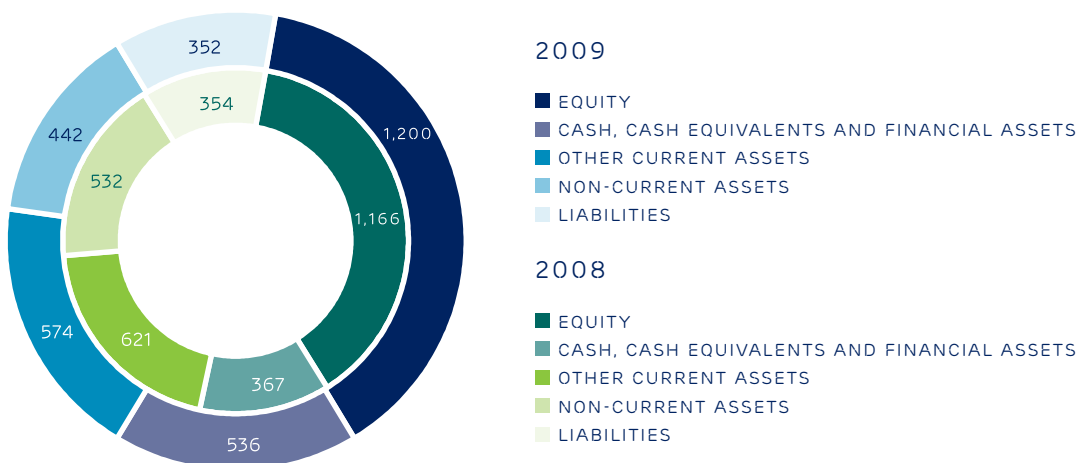
Financial position at year-end:

Total assets	1,552	1,521	1,734
Cash, cash equivalents and financial assets	536	367	396
Capital employed	1,210	1,177	1,321
Equity	1,200	1,166	1,316

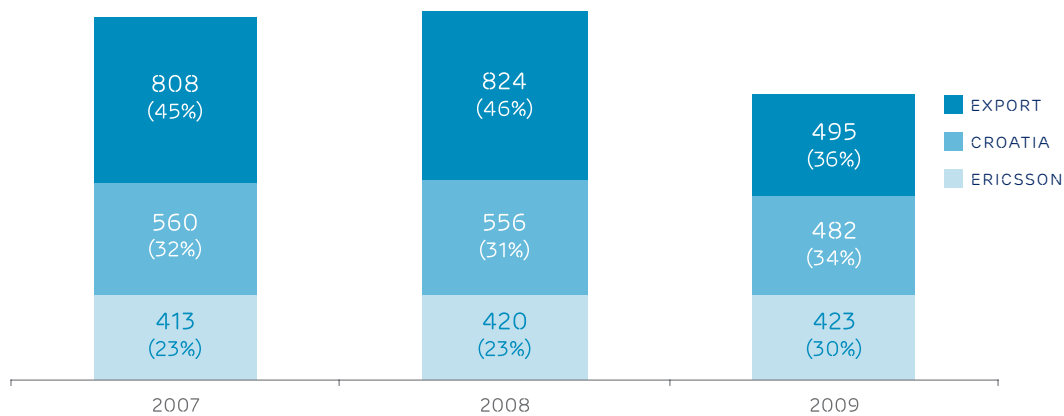
RATIOS:

Return on equity	10.8%	16.4%	13.9%
Return on capital employed (ROCE)	10.6%	17.0%	13.9%
Return on sales (ROS)	9.1%	11.3%	11.2%
Equity ratio	77.3%	76.7%	75.9%
Capital turnover	1.2	1.4	1.2
Current ratio	3.2	2.9	2.8
P/E ratio	13.9	7.7	22.5

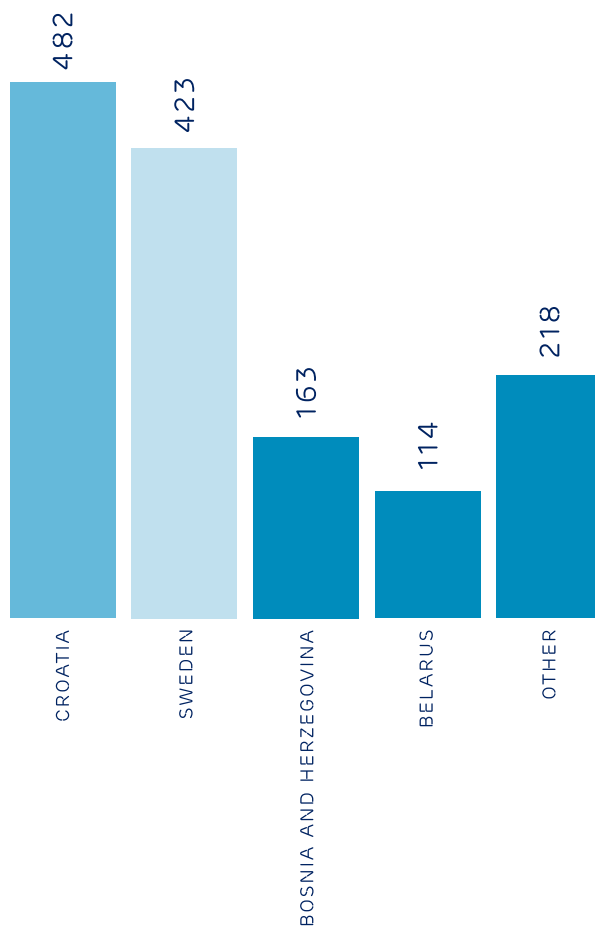
BALANCE SHEET STRUCTURE (IN MHRK)



SALES REVENUE BY ETK CORNERSTONES (IN MHRK AND PERCENTAGE)



SALES REVENUE BY MARKETS IN 2009 (IN MHRK)



INFORMATION FOR SHAREHOLDERS

Shares of Ericsson Nikola Tesla are traded in the Regular Market of the Zagreb Stock Exchange under the stock exchange symbol of ERNT-R-A.

SHARE TRADING AND PRICE MOVEMENT

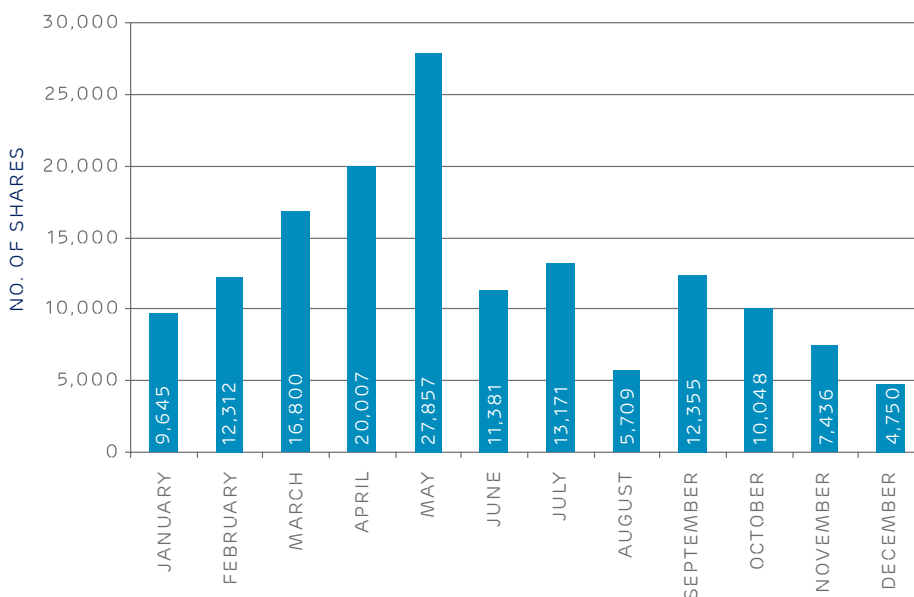
Compared to 2008, regular shares turnover in the Zagreb Stock Exchange decreased by half in 2009 but the average price movement of the most liquid shares, shown in the official share index CROBEX, increased by 16.4 percent. Dramatic price leaps and falls during the year are apparent in the fact that CROBEX ranged from its highest point to its lowest in a span of nearly 90 percent (between 1,079 and 2,318 points).

Ericsson Nikola Tesla's shares were the ninth most liquid in the Zagreb Stock Exchange, with a 2.6 percent share in the total turnover. During 2009, shares turnover amounted to MHRK 196.2 (2008: MHRK 952).

Ericsson Nikola Tesla's market capitalization increased by 11.6 percent to MHRK 1,783.7. Ericsson Nikola Tesla's share in the total market capitalization of the Zagreb Stock Exchange amounts to 1.3 percent.

With the goal of improving transparency and comparison of data in the domestic capital market, the Zagreb Stock Exchange launched a new specialized market trend indicator, the CROBEX10 index, in September 2009, which consists of 10 regular blue-chip stocks with the highest free-float market capitalization and liquidity. The portion of Ericsson Nikola Tesla's shares in this new exchange index amounts to 9.6 percent.

TRADING VOLUME IN 2009

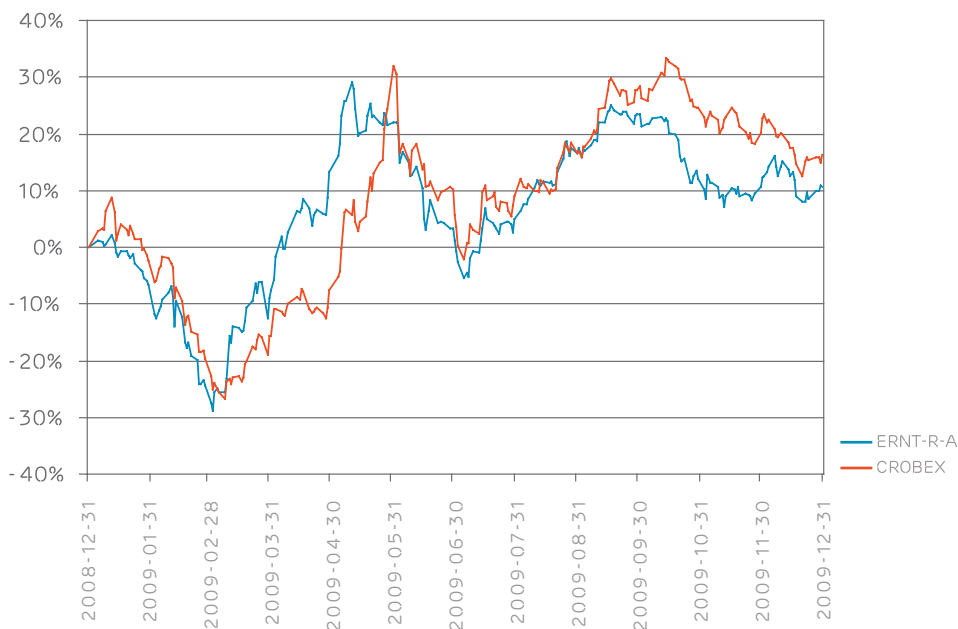


AVERAGE ERICSSON NIKOLA TESLA'S SHARE PRICE MOVEMENT 2005 – 2009 IN THE ZAGREB STOCK EXCHANGE (IN HRK)



Share price and turnover	2005	2006	2007	2008	2009
Highest (HRK)	2,300	2,600	4,300	3,490	1,575
Lowest (HRK)	1,495	1,850	2,450	1,000	820
Last – end of year (HRK)	1,914	2,500	3,420	1,200	1,340
Turnover (MHRK)	638.4	500.7	947.4	952.0	196.2

AVERAGE ERICSSON NIKOLA TESLA'S SHARE PRICE MOVEMENT AND THE CROBEX INDEX IN 2009



SHARE CAPITAL

As at December 31, 2009, the share capital of the joint stock company Ericsson Nikola Tesla amounted to HRK 133,165,000 divided into 1,331,650 ordinary registered series A shares. Each share carries one vote at the Annual Shareholders' Meeting. At the end of 2009, the total number of treasury shares was 14,468 (1.09 percent of the share capital). Shares are under the ownership of 6,328 shareholders.

SHAREHOLDERS

Below is a list of Ericsson Nikola Tesla's major shareholders as at December 31, 2009.

Shareholders	No. of shares	Percentage of share capital
Telefonaktiebolaget LM Ericsson	653,473	49.07%
Hypo-Alpe-Adria-Bank d.d. / Raiffeisen mandatory pension fund	116,876	8.78%
Zagrebačka banka d.d./ custodian account for Unicredit Bank Austria AG	35,633	2.68%
Societe Generale-Splitska banka d.d. / Erste Plavi mandatory pension fund	34,982	2.63%
Hypo-Alpe-Adria-Bank d.d. / PBZ Croatia osiguranje mandatory pension fund	30,015	2.25%
Societe Generale-Splitska banka d.d. / AZ mandatory pension fund	19,562	1.47%
Ericsson Nikola Tesla d.d.	14,468	1.09%
PBZ d.d. / custodian client account	12,658	0.95%
Erste & Steiermarkische bank d.d. / CSC	12,344	0.93%
Croatian Privatization Fund	11,879	0.89%
Other	389,760	29.26%