

Ericsson Nikola Tesla d.d.
Statement of comprehensive income
for the period ended 31 December 2016

	2016	2015
	HRK '000	HRK '000
Sales revenue	1.575.862	1.329.114
Cost of sales	-1.389.129	-1.157.127
Gross profit	186.733	171.987
Selling expenses	-43.420	-48.298
Administrative expenses	-32.525	-32.119
Other operating income	4.809	4.666
Other operating expenses	-3.179	-8.168
Operating profit	112.418	88.068
Finance income	5.813	1.738
Finance expense	-563	-166
Finance income – net	5.250	1.572
Profit before tax	117.668	89.640
Income tax	-8.101	0
Profit for the year	109.567	89.640
Other comprehensive income	0	0
Total comprehensive income for the year	109.567	89.640

Ericsson Nikola Tesla d.d.
Statement of financial position
as at 31 December 2016

	2016 HRK '000	2015 HRK '000
ASSETS		
Non-current assets		
Property, plant and equipment	107.933	126.282
Intangible assets	1.912	814
Loans and receivables	81.160	19.235
Equity securities	73	73
Deferred tax assets	13.558	0
Total non-current assets	204.636	146.404
Current assets		
Inventories	9.189	19.761
Trade receivables	173.363	130.219
Receivables from related parties	90.141	117.472
Other receivables	14.040	3.062
Financial assets at fair value through profit or loss	62.993	53.917
Prepayments and accrued income	4.422	1.837
Cash and cash equivalents	213.375	218.499
Total current assets	567.523	544.767
TOTAL ASSETS	772.159	691.171
EQUITY AND LIABILITIES		
Equity		
Share capital	133.165	133.165
Treasury shares	-1.629	-3.434
Legal reserves	6.658	6.658
Retained earnings	140.056	164.038
Total equity	278.250	300.427
Non-current liabilities		
Interest-bearing borrowings	13.347	0
Employee benefits	5.487	5.623
Other non-current liabilities	5.554	3.087
Total non-current liabilities	24.388	8.710
Current liabilities		
Payables to related parties	96.211	74.544
Trade and other payables	152.119	130.508
Provisions	15.967	9.783
Accrued charges and deferred revenue	205.225	167.199
Total current liabilities	469.522	382.034
Total liabilities	493.910	390.744
TOTAL EQUITY AND LIABILITIES	772.160	691.171

Ericsson Nikola Tesla d.d.
Statement of cash flows
for the period ended 31 December 2016

	2016 HRK '000	2015 HRK '000
Cash flows from operating activities		
<i>Profit before tax</i>	117.668	89.640
Adjustments for:		
Depreciation and amortisation	44.235	49.528
Impairment losses and reversals	16.359	2.739
Net increase of provisions	12.422	3.916
Gain on sale of property, plant and equipment	-68	-231
Net (gain)/loss on remeasurement of financial assets	-2.033	21
Amortisation of discount	-657	-69
Interest income	-3.332	-3.811
Interest expense	563	165
Foreign exchange (gains)/losses	-5.273	2.447
Equity-settled transactions	1.263	2.933
	181.147	147.278
<i>Changes in working capital</i>		
In receivables	-71.803	25.670
In inventories	10.571	1.367
In payables	61.775	45.684
<i>Cash generated from operations</i>	181.690	219.999
Interest paid	-563	-165
Income taxes paid	-	-
Net cash from operating activities	181.127	219.834
Cash flows from investing activities		
Interest received	2.745	2.936
Dividends received	212	-
Proceeds from sale of property, plant and equipment	83	355
Purchases of property, plant and equipment, and intangible assets	-28.224	-50.729
Deposits (given)/collected with financial institutions - net	-19.846	66
Purchases of financial assets at fair value through profit and loss	-89.000	-92.000
Proceeds from sale of financial assets at fair value through profit and loss	81.745	82.142
Net cash used in investing activities	-52.285	-57.230
Cash flows from financing activities		
Purchase of treasury shares	-1.140	-4.062
Dividends paid	-132.846	-119.715
Net cash used in financing activities	-133.986	-123.777
Effects of exchange rate changes on cash and cash equivalents	20	-2.434
Net (decrease)/increase in cash and cash equivalents	-5.124	36.394
Cash and cash equivalents at the beginning of the year	218.499	182.106
Cash and cash equivalents at the end of the year	213.375	218.499