



MANAGEMENT BOARD REPORT ON THE BUSINESS ACTIVITY OF THE KONČAR GROUP FOR THE PERIOD JANUARY - MARCH 2011

The KONČAR Group consists of KONČAR - Electrical Industry Inc., as the parent company, and twenty subsidiaries in which the parent company exercises a predominant managerial influence (more than 50 per cent of the votes at the General Assembly). In addition to this, the parent company exercises a minority managerial influence (49 per cent of the votes at the General Assembly) in one company (affiliated company). All of the companies pertaining to the group are legally independent companies, under the control and strategic guidance of the parent company by the respective supervisory boards of the companies and in accordance with the Companies Act, the KONČAR – Electrical Industry Inc. Charter and the Charters of the individual companies. The parent company also manages the portion of the assets which have not been invested into companies, but are in direct or indirect function of financial support of sales, products and equipment of the subsidiaries as credit-guarantee potential.

Parent company has issued joint and several guarantee in the total amount of HRK 528.8 million, of which HRK 378.0 million corresponds to performance guarantees (bid bonds, advanced payment guarantees, performance guarantees and warranty guarantees).

Business activities of the KONČAR Group are structured as follows:

- Energy and transport: Designing and building of production plants, transmission and distribution plants and the manufacture of accompanying equipment; electric vehicles and electric equipment for vehicles and electric traction plants
- Industry: Electromotor drives, medium and low-voltage electric equipment and catering equipment
- Trade: Electrical household appliances, serial production goods and low-voltage electrical goods
- Special activities: product research and development and infrastructure services

The Management Board

The Supervisory Board appoints and relieves the President of the Management Board and the Members of the Management Board. The terms of office of the President of the Management Board and the Board Members' mandates last for five years, with an option of reappointment. Pursuant to the Companies Act and the Company Charter, the Management Board is responsible for running the operations. In doing so, it is obliged and authorised to take any action and make any decision it deems necessary for the successful management of the Company. The consent of the Supervisory Board is required in making certain decisions stipulated by the KONČAR – Electrical Industry Inc. Charter.

KONČAR – Electrical Industry Inc. is managed by the Management Board consisting of:

Darinko Bago	President of the Management Board
Marina Kralj Miliša	Member of the Management Board
Jozo Miloloža	Member of the Management Board
Davor Mladina	Member of the Management Board
Miroslav Poljak	Member of the Management Board

The Supervisory Board

Pursuant to the provisions contained in the Companies Act and the KONČAR – Electrical Industry Inc. Charter, the General Assembly makes the decisions on appointing and relieving the Supervisory Board. The Supervisory Board is responsible for appointing and dismissing the members of the Management Board, as well as for supervising the operations of the Company. More significant transactions and business decisions (the amount of transactions has been stipulated by the Company Charter) require the approval of the Supervisory Board. The Supervisory Board consists of the following nine members:

Igor Lučić	Chairman of the Supervisory Board
Jasminka Belačić	Vice-chairwoman of the Supervisory Board
Ante Babić	Member of the Supervisory Board
Kristijan Floričić	Member of the Supervisory Board
Ruđer Friganović	Member of the Supervisory Board
Zdenka Matković	Member of the Supervisory Board
Nenad Matić	Member of the Supervisory Board
Đuro Perica	Member of the Supervisory Board
Ivan Rujnić	Member of the Supervisory Board

Končar Group business results for the period January – March 2011

The KONČAR Group achieved a positive financial result for the period January – March 2011. The total revenue for the period January – March 2011 amounts to HRK 604.4 million, and total expenses to HRK 571 million. The profit before tax of the Group amounts to HRK 33.4 million.

The income tax amounts to HRK 4.6 million and the consolidated profits after tax totals HRK 28.8 million, of which the portion of the minority stakes in the profits structure amounts to HRK 6,1 million, and the portion of the parent company's shareholders amounts to HRK 22.7 million.

Overall consolidated revenues in the amount of HRK 571.4 million were generated and they amount to 94.5 per cent of the total revenues.

Financial income was generated in the amount of HRK 33 million, and it is composed of positive foreign exchange differences in the amount of HRK 5.3 million, interest in the amount of HRK 8 million, dividends and similar income from relations with affiliated companies in the amount of HRK 19.1 million and other financial income totalling HRK 0.6 million.

Financial expenses total HRK 15.8 million and are composed of negative foreign exchange differences in the amount of HRK 9.6 million, interest and other financial expenses in the amount of HRK 6.2 million. The positive difference between financial income and expenses totalled HRK 17.2 million.

Operating income in the amount of HRK 16.2 million, as well as a positive difference between financial income and expenses totalling HRK 17.2 million represents the consolidated profit before taxation in the amount of HRK 33.4 million.

Of the 21 companies in the KONČAR Group, fifteen companies performed with a profit, while six companies performed with a loss in the total amount of HRK 9.6 million.

The consolidated sales of goods and services revenues were generated in an amount of HRK 556.2.

A total of HRK 220.7 million (39.6 per cent of the total sales of goods and services revenues) were generated in the domestic market, which represents a decrease of 25.8 per cent with respect to the previous year and a 18.5 per cent decrease, which is less than previously planned.

The exports revenue generation accounted for HRK 35.5 million (60.4 per cent of total sales). Sales revenues in foreign markets were 6 per cent lower than in the same period of the previous year and a 0.5 per cent decrease, which is less than previously planned.

In the structure of the domestic market sales of goods and services revenues, revenues of the sales of goods and services to the Croatian Electricity Company (Hrvatska Elektroprivreda or HEP) account for HRK 64.4 million or 29.2 per cent of the total domestic market revenue, the companies falling under the industry and shipbuilding industry categories were supplied with goods and services totalling HRK 66.9 million or 30.3 per cent of the total revenues of the sales of goods in Croatia, revenues of the sales of goods and services to Zagreb Electric Tram Company (ZET) account for HRK 12.4 million, trading companies were supplied with HRK 30.4 million worth of products, the Croatian Railways Company (Hrvatske željeznice or HŽ) with HRK 14.4 million, the construction companies with HRK 23.5 million, whereas the remainder worth HRK 8.7 million pertains to the Croatian Motorways Company (Hrvatske autoceste), the state and local administrations and public enterprises.

In the foreign market for the period January – March 2011 the turnover from the sales of goods and services amounts to HRK 335.5 million. The most significant export undertakings were performed in the markets of Nigeria; totalling HRK 57.4 million, Germany; HRK totalling 40.5 million, Cyprus; totalling HRK 23.8 million, Slovenia; totalling HRK 20.5 million, Sweden; totalling HRK 15.4 million, Bosnia and Hercegovina; totalling HRK 14.3 million and Nederland; totalling HRK 14.1 million.

During the same accounting period, investment equipment, raw and primary materials in the amount of HRK 170.7 million were imported, resulting in an import by exports coverage coefficient of 1.9.

For the period ended 31 March 2011 the KONČAR Group companies contracted a 571.8 million worth of new works, which is 19.6 per cent less than the quarter plan. Out of all the works contracted, 52.5 per cent pertains to the domestic market, and 47.5 per cent to the foreign market.

The status of order book at the end of March 2011 totalled HRK 2,115.8 million, which is a 1 per cent higher as compared with the contracted works at the year beginning.

In spite of the positive business results achieved in most of Končar companies, as well as a positive consolidated result throughout the entire Končar Group for the first quarter of the year 2011, a significant decrease in earnings from the sales of products and services on the domestic market has had a negative impact on business. Comparatively good results achieved on the foreign markets, a slight increase of contracted works as compared with the situation at end of the year 2010, along with the long term potential from the announced governmental investments make the fulfilment of the business plan for the current business year quite reasonable.

KONČAR – Electrical Industry Inc.

President of the Management Board

Darinko Bago

April, 2011

Statement of the Management Board responsibility

This statement by the Management Board of KONČAR – Electrical Industry Inc. is issued in relation to the preparation and publishing of the consolidated financial statements for the KONČAR Group for the period January - March 2011.

The financial statements have been prepared in accordance with the Croatian Accounting Law valid on the day of publishing of these financial statements, as well as being in accordance with the International Financial Reporting Standards.

These consolidated financial statements, to the best of our knowledge, provide a true and fair view of the balance sheet, income statement, cash flow statement and statements of changes in equity of the KONČAR Group.

Signed on behalf of the Management Board:

Končar – Electrical Industry Inc.
President of the Management Board
Darinko Bago

April, 2011

Appendix 1

Reporting period:

1.1.2011.

to

31.3.2011.

Quarterly financial report of entrepreneur -TFI-PODRegistration number (MB) | **03282635** |Identification number of subject
(MBS) | **080040936** |Personal identification
number (OIB) | **45050126417** |Issuer company: **KONČAR - ELECTRICAL INDUSTRY Inc.** |Postal code and place | **10000** |**ZAGREB** |Street and number | **FALLEROVO ŠETALIŠTE 22** |E-mail address: koncar.finance@koncar.hr |Internet adresa: www.koncar.hr |Code and name of comune/to | **133** | **Zagreb** |Code and county name | **21** | **Zagreb City** |Number of employees | **3.939** |

(at quarter end)

Consolidated statement | **Yes** |NKD/NWC code: | **2711** |

Subsidiaries subject to consolidation (according to IFRS):

in appendix

Registration number:

Book keeping service: | |

Contact person: **BRANKA VELKOVSKI** |

(fill in only surname and name of contact person)

Phone number: **01 3667175** |Fascimile: **01 3655377** |E-mail address: branka.velkovski@koncar.hr |Surname and name | **DARINKO BAGO** |

(authorised person for representation)

Disclosure documents:

1. Financial statements (balance sheet, profit and loss account, cash flow statement, statement of changes in shareholders' equity and notes to the financial statements)
2. Statement of responsible persons for preparation of financial statements
3. Report of the Management Board on position of the Company

M.P.

(signed by authorised person for representation)

Balance Sheet
as of 31.03.2011.

Company: Končar - Electrical Industry Inc.			
Position	AOP	Previous period	Current period
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED NOT PAID CAPITAL	001	0	
B) NON-CURRENT ASSETS (003+010+020+029+033)	002	1.182.984.550	1.219.966.510
I. INTANGIBLE ASSETS (004 do 009)	003	25.535.991	26.227.227
1. Expenditure for development	004	12.462.855	12.402.449
2. Concessions, patents, licenses, trademarks, service marks, software and other rights	005	3.051.947	3.036.208
3. Goodwill	006	7.040.919	7.825.968
4. Advances for purchase of intangible assets	007	0	0
5. Intangible assets in progress	008	2.726.213	2.704.985
6. Other intangible assets	009	254.057	257.617
II. PROPERTY, PLANT AND EQUIPMENT (011 do 019)	010	887.958.621	903.931.545
1. Land	011	156.023.708	156.023.706
2. Buildings	012	379.674.182	374.761.095
3. Plant and equipment	013	151.821.233	142.705.861
4. Tools, working inventory and transportation assets	014	74.459.271	80.095.917
5. Biological assets	015	0	0
6. Advances for purchase of tangible assets	016	3.836.726	3.231.257
7. Tangible assets in progress	017	27.593.153	51.572.665
8. Other tangible assets	018	700.738	1.691.434
9. Investment in real-estate	019	93.849.610	93.849.610
III. NON-CURRENT FINANCIAL ASSETS (021 do 028)	020	212.986.676	233.584.027
1. Share in related parties	021	293.704	293.704
2. Loans to related parties	022	0	0
3. Participating interests (shares)	023	806.316	806.316
4. Loans to companies with participating interest	024	0	0
5. Investments in securities	025	2.686.761	2.668.074
6. Loans, deposits, etc.	026	684.626	1.970.337
7. Other non-current financial assets	027	0	0
8. Equity-accounted investments	028	208.515.269	227.845.596
IV. RECEIVABLES (030 do 032)	029	56.503.262	56.223.711
1. Receivables from related parties	030	0	0
2. Receivables arising from sales on credit	031	47.262.055	46.665.680
3. Other receivables	032	9.241.207	9.558.031
V. DEFERRED TAX ASSET	033	0	0
C) CURRENT ASSETS (035+043+050+058)	034	2.109.617.444	2.142.863.977
I. INVENTORIES (036 do 042)	035	485.999.118	536.690.581
1. Raw materials and supplies	036	222.173.270	243.953.240
2. Production in progress	037	142.256.010	185.947.475
3. Finished products	038	85.428.778	76.036.536
4. Merchandise	039	18.380.883	11.554.086
5. Advances for inventories	040	13.889.218	15.328.285
6. Long term assets held for sale	041	3.870.959	3.870.959
7. Biological assets	042	0	0
II. RECEIVABLES (044 do 049)	043	886.053.481	825.833.206
1. Receivables from related parties	044	111.046.846	42.334.895
2. Receivables from end-customers	045	698.835.506	702.413.285
3. Receivables from participating parties	046	0	0
4. Receivables from employees and members of the company	047	1.563.937	1.649.565
5. Receivables from government and other institutions	048	34.579.177	24.743.482
6. Other receivables	049	40.028.015	54.691.979
III. CURRENT FINANCIAL ASSETS (051 do 057)	050	157.199.494	209.344.772
1. Share in related parties	051	0	0
2. Loans to related parties	052	0	0
3. Participating interests (shares)	053	0	0
4. Loans to companies with participating interest	054	0	0
5. Investments in securities	055	0	0
6. Loans, deposits, etc.	056	155.489.822	209.319.841
7. Other financial assets	057	1.709.672	24.931
IV. CASH AND CASH EQUIVALENTS	058	580.365.351	570.995.418
D) PREPAYMENTS AND ACCRUED INCOME	059	3.547.985	8.663.767
E) TOTAL ASSETS (001+002+034+059)	060	3.296.149.979	3.371.494.254
F) OFF BALANCE SHEET ITEMS	061	2.009.430.712	2.000.862.341

EQUITY AND LIABILITIES			
A) ISSUED CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	1.794.175.361	1.825.980.435
I. SUBSCRIBED SHARE CAPITAL	063	1.028.847.600	1.028.847.600
II. CAPITAL RESERVES	064	719.579	719.579
III. RESERVES FROM PROFIT (066+067-068+069+070)	065	201.140.508	231.596.018
1. Legal reserves	066	13.150.803	16.220.383
2. Reserve for own shares	067	0	0
3. Treasury shares and shares (deductible items)	068	0	0
4. Statutory reserves	069	121.706.437	130.489.880
5. Other reserves	070	66.283.268	84.885.755
IV. REVALUATION RESERVES	071	0	0
V. RETAINED EARNINGS OR LOSS CARRIED FORWARD (073-074)	072	194.104.351	319.488.071
1. Retained earnings	073	194.104.351	319.488.071
2. Loss carried forward	074	0	0
VI. NET PROFIT OR LOSS FOR THE PERIOD (076-077)	075	154.975.583	22.707.066
1. Net profit for the period	076	154.975.583	22.707.066
2. Net loss for the period	077	0	0
VII. MINORITY INTEREST	078	214.387.740	222.622.101
B) PROVISIONS (080 do 082)	079	578.643.690	575.430.245
1. Provisions for pensions, severance pay and similar liabilities	080	21.899.686	21.899.686
2. Provisions for tax liabilities	081	0	0
3. Other provisions	082	556.744.004	553.530.559
C) NON-CURRENT LIABILITIES (084 do 092)	083	81.299.423	81.206.680
1. Liabilities to related parties	084	0	0
2. Liabilities for loans, deposits, etc.	085	1.615.000	1.615.000
3. Liabilities to banks and other financial institutions	086	79.684.423	79.255.373
4. Liabilities for advances	087	0	0
5. Trade payables	088	0	0
6. Commitments on securities	089	0	0
7. Liabilities to companies with participating interest	090	0	0
8. Other non-current liabilities	091	0	336.307
9. Deferred tax liabilities	092	0	0
D) CURRENT LIABILITIES (094 do 105)	093	775.540.242	782.870.682
1. Liabilities to related parties	094	13.175.194	2.838.268
2. Liabilities for loans, deposits, etc.	095	765.000	3.288.946
3. Liabilities to banks and other financial institutions	096	148.028.224	123.855.918
4. Liabilities for advances	097	180.197.510	189.831.430
5. Trade payables	098	358.020.213	338.039.119
6. Commitments on securities	099	0	0
7. Liabilities to companies with participating interest	100	0	0
8. Liabilities to employees	101	28.123.735	29.256.993
9. Taxes, contributions and similar liabilities	102	37.826.449	35.954.701
10. Liabilities arising from share in the result	103	0	340.247
11. Liabilities arising from non-current assets held for sale	104	0	0
12. Other current liabilities	105	9.403.917	59.465.060
E) ACCRUED EXPENSES AND DEFERRED INCOME	106	66.491.263	106.006.212
F) TOTAL EQUITY AND LIABILITIES (062+079+083+093+106)	107	3.296.149.979	3.371.494.254
G) OFF BALANCE SHEET ITEMS	108	2.009.430.712	2.000.862.341
ADDITION TO BALANCE SHEET (only for consolidated financial statements)			
ISSUED CAPITAL AND RESERVES			
1. Attributable to majority owners	109	1.579.787.621	1.603.358.334
2. Attributable to minority interest	110	214.387.740	222.622.101

Income statement
period 01.01.2011. to 31.03.2011.

Company: Končar -Electrical Industry Inc.

Position	AOP	Previous period	Previous period	Current period	Current period
		Cummulative	Quarter	Cummulative	Quarter
1	2	3	4	5	6
I. OPERATING INCOME (112 do 113)	111	654.634.475	654.634.475	571.408.884	571.408.884
1. Rendering of services	112	639.276.672	639.276.672	556.166.869	556.166.869
2. Other operating income	113	15.357.803	15.357.803	15.242.015	15.242.015
II. OPERATING COSTS (115+116+120+124+125+126+129+130)	114	642.547.804	642.547.804	555.163.278	555.163.278
1. Change in inventories of work in progress	115	5.791.622	5.791.622	-31.867.607	-31.867.607
2. Material expenses (117 do 119)	116	418.382.562	418.382.562	374.381.499	374.381.499
a) Costs of raw materials	117	330.165.780	330.165.780	303.825.210	303.825.210
b) Cost of goods sold	118	17.870.385	17.870.385	20.150.656	20.150.656
c) Other material expenses	119	70.346.397	70.346.397	50.405.633	50.405.633
3. Employee benefits expenses (121 do 123)	120	117.825.318	117.825.318	116.239.240	116.239.240
a) Net salaries	121	65.751.503	65.751.503	66.534.654	66.534.654
b) Tax and contributions from salary expenses	122	37.222.633	37.222.633	34.371.267	34.371.267
c) Contributions on salary	123	14.851.182	14.851.182	15.333.319	15.333.319
4. Depreciation and amortisation	124	19.411.654	19.411.654	18.836.543	18.836.543
5. Other expenses	125	43.626.923	43.626.923	41.262.156	41.262.156
6. Write down of assets (127+128)	126	2.804.566	2.804.566	1.011.300	1.011.300
a) non-current assets (except financial assets)	127	0	0	0	0
b) current assets (except financial assets)	128	2.804.566	2.804.566	1.011.300	1.011.300
7. Provisions	129	32.601.560	32.601.560	33.859.561	33.859.561
8. Other operating costs	130	2.103.599	2.103.599	1.440.586	1.440.586
III. FINANCIAL INCOME (132 do 136)	131	9.409.186	9.409.186	13.865.832	13.865.832
1. Interest, foreign exchange differences, dividends and similar income from related parties	132	401.672	401.672	543.772	543.772
2. Interest, foreign exchange differences, dividends and similar income from third parties	133	8.732.499	8.732.499	12.781.622	12.781.622
3. Income from investments in associates and joint ventures	134	0	0	0	0
4. Unrealised gains (income) from financial assets	135	0	0	0	0
5. Other financial income	136	275.015	275.015	540.438	540.438
IV. FINANCIAL EXPENSES (138 do 141)	137	9.595.616	9.595.616	15.846.509	15.846.509
1. Interest, foreign exchange differences, dividends and similar income from related parties	138	591.629	591.629	560.683	560.683
2. Interest, foreign exchange differences, dividends and similar income from third parties	139	8.974.096	8.974.096	15.274.554	15.274.554
3. Unrealised losses (expenses) from financial assets	140	0	0	0	0
4. Other financial expenses	141	29.891	29.891	21.272	21.272
V. SHARE OF PROFIT FROM ASSOCIATED COMPANIES	142	14.132.203	14.132.203	19.127.483	19.127.483
VI. SHARE OF LOSS FROM ASSOCIATED COMPANIES	143	0	0	0	0
VII. EXTRAORDINARY - OTHER INCOME	144	0	0	0	0
VIII. EXTRAORDINARY - OTHER EXPENSES	145	0	0	0	0
IX. TOTAL INCOME (111+131+144)	146	678.175.864	678.175.864	604.402.199	604.402.199
X. TOTAL EXPENSES (114+137+143+145)	147	652.143.420	652.143.420	571.009.787	571.009.787
XI. PROFIT OR LOSS BEFORE TAXES (146-147)	148	26.032.444	26.032.444	33.392.412	33.392.412
1. Profit before taxes (146-147)	149	26.032.444	26.032.444	33.392.412	33.392.412
2. Loss before taxes (147-146)	150	0	0	0	0
XII. TAXATION	151	4.463.878	4.463.878	4.633.876	4.633.876
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	21.568.566	21.568.566	28.758.536	28.758.536
1. Profit for the period (149-151)	153	21.568.566	21.568.566	28.758.536	28.758.536
2. Loss for the period (151-148)	154	0	0	0	0
ADDITION TO PROFIT AND LOSS ACCOUNT (only for consolidated financial statements)					
XIV. PROFIT OR LOSS FOR THE PERIOD					
1. Attributable to majority owners	155	16.682.614	16.682.614	22.707.066	22.707.066
2. Attributable to minority interest	156	4.885.952	4.885.952	6.051.470	6.051.470
STATEMENT OF OTHER COMPREHENSIVE INCOME (only for IFRS adopters)					
I. PROFIT OR LOSS FOR THE PERIOD (=152)	157	0	0	0	0
II. OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAXES (159 TO 165)	158	83.574	83.574	-115.916	-115.916
1. Exchange differences from international settlement	159	83.574	83.574	-115.916	-115.916
2. Changes in revaluation reserves of long-term tangible and intangible assets	160	0	0	0	0
3. Profit or loss from re-evaluation of financial assets held for sale	161	0	0	0	0
4. Profit or loss from cash flow hedging	162	0	0	0	0
5. Profit or loss from hedging of foreign investments	163	0	0	0	0
6. Share of other comprehensive income/loss from associated companies	164	0	0	0	0
7. Actuarial gains/losses from defined benefit plans	165	0	0	0	0
III. TAXATION OF OTHER COMPREHENSIVE INCOME FOR THE PERIOD	166	0	0	0	0
IV. NET OTHER COMPREHENSIVE INCOME FOR THE PERIOD (158 TO 166)	167	83.574	83.574	-115.916	-115.916
V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)	168	83.574	83.574	-115.916	-115.916
ADDITION TO STATEMENT OF OTHER COMPREHENSIVE INCOME (only for consolidated financial statements)					
VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD					
1. Attributable to majority owners	169	16.691.431	16.691.431	22.699.288	22.699.288
2. Attributable to minority interest	170	4.960.709	4.960.709	5.943.332	5.943.332

STATEMENT OF CASH FLOWS - Direct method
period 01.01.2011. to 31.03.2011.

Legal entity: Končar Electrical Industry INC.			
Position	AOP	Previous period	Current period
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Cash receipts from customers	001	681.338.245	632.315.420
2. Cash receipts from royalties, fees, commissions, etc.	002	0	0
3. Cash receipts from insurance for damages compensation	003	0	0
4. Cash receipts arising from tax refunds	004	38.051.903	30.791.224
5. Other cash receipts	005	18.801.371	16.026.546
I. Total increase in cash flow from operating activities (001 do 005)	006	738.191.519	679.133.190
1. Cash paid to suppliers	007	460.320.957	442.895.220
2. Cash paid to employees	008	134.960.373	128.320.150
3. Cash outflows for insurance for damages compensation	009	0	0
4. Interest paid	010	3.678.321	2.628.131
5. Tax paid	011	51.538.193	35.796.597
6. Other cash outflows	012	28.425.167	30.444.565
II. Total decrease in cash flow from operating activities (007 do 012)	013	678.923.011	640.084.663
A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES (007-012)	014	59.268.508	39.048.527
A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES (012-007)	015	0	0
CASH FLOW FROM INVESTING ACTIVITIES			
1. Cash flow from sale of long - term tangible and intangible assets	016	1.003.079	764.794
2. Cash inflows from sale of equity and debt financial instruments	017	0	7.074
3. Interest receipts	018	0	0
4. Dividend receipts	019	63.505.955	75.056.851
5. Other cash inflows from investing activities	020	0	0
III. Total cash inflows from investing activities(015 do 019)	021	64.509.034	75.828.719
1. Cash outflows for purchase of long - term tangible and intangible assets	022	11.798.495	14.663.934
2. Cash outflows for purchase of equity and debt financial instruments	023	0	49.399
3. Other cash outflows from investing activities	024	0	0
IV. Total cash inflows from investing activities (021 do 023)	025	11.798.495	14.713.333
B1) NET INCREASE OF CASH FLOW FROM INVESTING ACTIVITIES(020-024)	026	52.710.539	61.115.386
B2) NET DECREASE OF CASH FLOW FROM INVESTING ACTIVITIES(024-020)	027	0	0
CASH FLOW FROM FINANCING ACTIVITIES			
1. Cash receipts from issuance of equity and debt financial instruments	028	0	0
2. Cash inflows from loans, debentures, credits and other borrowings	029	4.524.842	1.512.300
3. Other cash inflows from financing activities	030	75.483.021	5.938.190
V. Total cash inflows from financing activities (027 do 029)	031	80.007.863	7.450.490
1. Cash outflows for repayment of loans and bonds	032	43.949.123	22.793.711
2. Dividends paid	033	0	230.374
3. Cash outflows for finance lease	034	0	0
4. Cash outflows for purchase of own stocks	035	0	0
5. Other cash outflows from financing activities	036	3.021.578	93.960.251
VI. Total cash inflows from financing activities (031 do 035)	037	46.970.701	116.984.336
C1) NET INCREASE OF CASH FLOW FROM FINANCING ACTIVITIES (030-036)	038	33.037.162	0
C2) NET DECREASE OF CASH FLOW FROM FINANCING ACTIVITIES (036-030)	039	0	109.533.846
Total increases of cash flows (013 – 014 + 025 – 026 + 037 – 038)	040	145.016.209	0
Total decreases of cash flows (014 – 013 + 026 – 025 + 038 – 037)	041	0	9.369.933
Cash and cash equivalents at the beginning of period	042	310.321.360	580.365.351
Decrease in cash and cash equivalents	043	145.016.209	
Increase in cash and cash equivalents	044	0	9.369.933
Cash and cash equivalents at the end of period	045	455.337.569	570.995.418

STATEMENT OF CHANGES IN EQUITY

period 1.1.2011 to

Position	AOP	Previous year	Current year
1	2	3	4
1. Subscribed share capital	001	1.151.410.796	1.151.343.364
2. Capital reserves	002	719.579	719.579
3. Reserves from profit	003	261.601.518	291.792.441
4. Retained earnings or loss carried forward	004	194.407.567	353.366.515
5. Net profit or loss for the period	005	186.035.901	28.758.536
6. Revaluation of tangible assets	006	0	0
7. Revaluation of intangible assets	007	0	0
8. Revaluation of available for sale assets	008	0	0
9. Other revaluation	009	0	0
10. Total equity and reserves (AOP 001 to 009)	010	1.794.175.361	1.825.980.435
11. Foreign exchange differences from foreign investments	011	1.311.326	-115.916
12. Current and deferred taxes	012	0	0
13. Cash flow hedge	013	0	0
14. Change of accounting policies	014	0	0
15. Correction of significant mistakes of prior period	015	-441.292	0
16. Other changes	016	175.642.047	31.920.990
17. Total increase or decrease of equity (AOP 011 to 016)	017	176.512.081	31.805.074
17 a. Attributable to majority owners	018	162.512.664	23.570.713
17 b. Attributable to minority interest	019	13.999.417	8.234.361

Notes to the consolidated financial reports

KONČAR - Electrical Industry Inc.

1. Share distribution

There has been no distribution of shares.

2. Earnings per share

Earnings per share for the period January - March 2011 are HRK 8.83 and are higher than earnings per share during the same period of the previous year by HRK 2.34.

3. Changes in ownership structure

Compared to the previous trimestre, Dom holding d.d. has become part of the ten largest shareholders with a share of 7.39 per cent, as opposed to RBA d.d. (collective custody account) with a share of 7.38 per cent which is therefore no longer in the top ten shareholders.

4. Mergers and acquisitions

There have been no new mergers and acquisitions.

5. Uncertainty (description of cases in which exists the uncertainty of collection of outstanding debts or possible future expenses)

There have been no significant uncertainties in collection or future expenses.

6. Business results

During the period January - March 2011, as opposed to the same period of the previous year, revenues decreased by 10.9 per cent, while operational revenues, which make up for 94.5 per cent of the total revenues, decreased by 12.7 per cent. Total expenses decreased by 12.4 per cent in respect to the same period of last year, while operating expenses with changes in stock; which make up for 97.2 per cent of total expenses, decreased by 13.6 per cent. Financial income and income from investment into affiliated companies increased by 47.4 per cent compared to the same period of last year.godine. Financial expenses increased by 65.1 per cent in comparison with the same period of the previous year.

7. Products and services description

Production of electrical equipment for production, transmission and consumption of electrical energy, production of transport equipment and electric household appliances.

8. 8. Operating and other costs

For the period January - March of the year 2011, in comparison with the same period of last year, the share of material expenses in the total revenue increased by 0.2 percentage points, amounts due to employees increased by 1.8 percentage points, depreciation and amortisation expenses rose by 0.2 percentage points, the share of other expenses increased by 0.4 percentage points and the share of costs of provisions by 0.8 percentage points, while the expenses of value adjustment have decreased by 0.2 percentage points and other operating expenses have decreased by 0.1 percentage point.

9. Profit or loss

Consolidated Group profits after tax increased by 33.3% per cent in comparison with the same period of the previous year. The Group's net profit subscribed to the parent capital holders for the period January - March 2011 amounts to HRK 22.71 million, which is an increase of HRK 6.02 million compared to the same period of last year. Of the 21 companies comprising the Končar Group, six companies declared a loss of HRK 9.69 million, of which HRK 7.36 million is subscribed to the parent capital holders.

10. Solvency

Cash and cash equivalents by the end of the third trimester of 2011, as opposed to the beginning of the year, decreased by HRK 9.37 million. The mentioned decrease is the result of the increase of the short-term deposit of more than 3 months.

11. Other notes

There have been no changes in accounting policies and procedures, and there are no new noteworthy lawsuits. During the first trimestre of the year 2011 the mother company refinanced one dependent company in the amount of HRK 8.55 million.

Appendix 1

Reporting period:

1.1.2011.

to

31.3.2011.

Quarterly financial report of entrepreneur -TFI-POD

Registration number (MB) | 03282635 |

Identification number of subject
(MBS) | 080040936 |Personal identification
number (OIB) | 45050126417 |

Issuer company: KONČAR - ELECTRICAL INDUSTRY Inc. |

Postal code and place | 10000 |

ZAGREB |

Street and number | FALLEROVO ŠETALIŠTE 22 |

E-mail address: koncar.finance@koncar.hr |Internet adresa: www.koncar.hr |

Code and name of comune/to | 133 | Zagreb |

Code and county name | 21 | Zagreb City |

Number of employees | 49 |

(at quarter end)

Consolidated statement | No |

NKD/NWC code: | 2711 |

Subsidiaries subject to consolidation (according to IFRS):

in appendix

Registration number:

Subsidiaries subject to consolidation (according to IFRS):	in appendix	Registration number:

Book keeping service: | |

Contact person: VESNA ILIĆ

(fill in only surname and name of contact person)

Phone number: 01 3667175 |

Fascimile: 01 3655377 |

E-mail address: vesna.ilic@koncar.hr |

Surname and name: DARINKO BAGO |

(authorised person for representation)

Disclosure documents:

1. Financial statements (balance sheet, profit and loss account, cash flow statement, statement of changes in shareholders' equity and notes to the financial statements)
2. Statement of responsible persons for preparation of financial statements
3. Report of the Management Board on position of the Company

M.P.

(signed by authorised person for representation)

Balance Sheet
as of 31.03.2011.

Company: Končar - Electrical Industry Inc.			
Position	AOP	Previous period	Current period
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED NOT PAID CAPITAL	001		
B) NON-CURRENT ASSETS (003+010+020+029+033)	002	1.149.126.978	1.156.206.590
I. INTANGIBLE ASSETS (004 do 009)	003	244.953	204.127
1. Expenditure for development	004		
2. Concessions, patents, licenses, trademarks, service marks, software and other rights	005		
3. Goodwill	006		
4. Advances for purchase of intangible assets	007		
5. Intangible assets in progress	008		
6. Other intangible assets	009	244.953	204.127
II. PROPERTY, PLANT AND EQUIPMENT (011 do 019)	010	321.186.838	320.104.406
1. Land	011	72.487.276	72.487.275
2. Buildings	012	123.735.036	122.422.946
3. Plant and equipment	013	13.086.148	12.624.832
4. Tools, working inventory and transportation assets	014	404.447	958.042
5. Biological assets	015		
6. Advances for purchase of tangible assets	016	1.703.296	1.417.772
7. Tangible assets in progress	017	15.857.649	16.280.554
8. Other tangible assets	018	63.376	63.375
9. Investment in real-estate	019	93.849.610	93.849.610
III. NON-CURRENT FINANCIAL ASSETS (021 do 028)	020	793.378.482	801.792.453
1. Share in related parties	021	791.005.849	799.419.381
2. Loans to related parties	022		
3. Participating interests (shares)	023		
4. Loans to companies with participating interest	024		
5. Investments in securities	025	2.372.633	2.373.072
6. Loans, deposits, etc.	026		
7. Other non-current financial assets	027		
8. Equity-accounted investments	028		
IV. RECEIVABLES (030 do 032)	029	34.316.705	34.105.604
1. Receivables from related parties	030		
2. Receivables arising from sales on credit	031		
3. Other receivables	032	34.316.705	34.105.604
V. DEFERRED TAX ASSET	033		
C) CURRENT ASSETS (035+043+050+058)	034	398.308.258	418.410.400
I. INVENTORIES (036 do 042)	035	6.091	157.585
1. Raw materials and supplies	036		
2. Production in progress	037		
3. Finished products	038		
4. Merchandise	039		
5. Advances for inventories	040	6.091	157.585
6. Long term assets held for sale	041		
7. Biological assets	042		
II. RECEIVABLES (044 do 049)	043	119.395.087	75.824.656
1. Receivables from related parties	044	103.492.189	59.341.934
2. Receivables from end-customers	045	597.490	606.333
3. Receivables from participating parties	046		
4. Receivables from employees and members of the company	047	35.103	601.193
5. Receivables from government and other institutions	048	5.325	
6. Other receivables	049	15.264.980	15.275.196
III. CURRENT FINANCIAL ASSETS (051 do 057)	050	115.581.504	118.570.350
1. Share in related parties	051		
2. Loans to related parties	052	31.400.000	32.931.859
3. Participating interests (shares)	053		
4. Loans to companies with participating interest	054		
5. Investments in securities	055		
6. Loans, deposits, etc.	056		
7. Other financial assets	057	84.181.504	85.638.491
IV. CASH AND CASH EQUIVALENTS	058	163.325.576	223.857.809
D) PREPAYMENTS AND ACCRUED INCOME	059	733.263	2.061.228
E) TOTAL ASSETS (001+002+034+059)	060	1.548.168.499	1.576.678.218
F) OFF BALANCE SHEET ITEMS	061	658.114.155	658.419.873

EQUITY AND LIABILITIES			
A) ISSUED CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	1.256.631.736	1.282.780.982
I. SUBSCRIBED SHARE CAPITAL	063	1.028.847.600	1.028.847.600
II. CAPITAL RESERVES	064	719.579	719.579
III. RESERVES FROM PROFIT (066+067-068+069+070)	065	134.314.547	164.779.740
1. Legal reserves	066	11.389.054	14.464.809
2. Reserve for own shares	067		
3. Treasury shares and shares (deductible items)	068		
4. Statutory reserves	069	75.489.055	84.276.008
5. Other reserves	070	47.436.438	66.038.923
IV. REVALUATION RESERVES	071		
V. RETAINED EARNINGS OR LOSS CARRIED FORWARD (073-074)	072	31.234.921	62.100.349
1. Retained earnings	073		
2. Loss carried forward	074		
VI. NET PROFIT OR LOSS FOR THE PERIOD (076-077)	075	61.515.089	26.333.714
1. Net profit for the period	076	61.515.089	26.333.714
2. Net loss for the period	077		
VII. MINORITY INTEREST	078		
B) PROVISIONS (080 do 082)	079	282.274.972	282.076.492
1. Provisions for pensions, severance pay and similar liabilities	080	1.291.160	1.291.160
2. Provisions for tax liabilities	081		
3. Other provisions	082	280.983.812	280.785.332
C) NON-CURRENT LIABILITIES (084 do 092)	083	510.000	510.000
1. Liabilities to related parties	084		
2. Liabilities for loans, deposits, etc.	085	510.000	510.000
3. Liabilities to banks and other financial institutions	086		
4. Liabilities for advances	087		
5. Trade payables	088		
6. Commitments on securities	089		
7. Liabilities to companies with participating interest	090		
8. Other non-current liabilities	091		
9. Deferred tax liabilities	092		
D) CURRENT LIABILITIES (094 do 105)	093	8.559.115	11.310.744
1. Liabilities to related parties	094	899.906	1.625.209
2. Liabilities for loans, deposits, etc.	095	340.000	340.000
3. Liabilities to banks and other financial institutions	096		
4. Liabilities for advances	097		
5. Trade payables	098	1.174.806	1.885.969
6. Commitments on securities	099		
7. Liabilities to companies with participating interest	100		
8. Liabilities to employees	101	2.128.977	2.840.538
9. Taxes, contributions and similar liabilities	102	3.669.995	4.395.260
10. Liabilities arising from share in the result	103	127.658	127.658
11. Liabilities arising from non-current assets held for sale	104		
12. Other current liabilities	105	217.773	96.110
E) ACCRUED EXPENSES AND DEFERRED INCOME	106	192.676	
F) TOTAL EQUITY AND LIABILITIES (062+079+083+093+106)	107	1.548.168.499	1.576.678.218
G) OFF BALANCE SHEET ITEMS	108	658.114.155	658.419.873
ADDITION TO BALANCE SHEET (only for consolidated financial statements)			
ISSUED CAPITAL AND RESERVES			
1. Attributable to majority owners	109		
2. Attributable to minority interest	110		

Income statement
period 01.01.2011. to 31.03.2011.

Company: Končar -Electrical Industry Inc.

Position	AOP	Previous period	Previous period	Current period	Current period
		Cummulative	Quarter	Cummulative	Quarter
1	2	3	4	5	6
I. OPERATING INCOME (112 do 113)	111	14.166.377	14.166.377	13.294.613	13.294.613
1. Rendering of services	112	13.289.984	13.289.984	12.934.285	12.934.285
2. Other operating income	113	876.393	876.393	360.328	360.328
II. OPERATING COSTS (115+116+120+124+125+126+129+130)	114	21.237.107	21.237.107	17.448.034	17.448.034
1. Change in inventories of work in progress	115				
2. Material expenses (117 do 119)	116	5.090.823	5.090.823	6.634.920	6.634.920
a) Costs of raw materials	117	1.714.918	1.714.918	1.740.260	1.740.260
b) Cost of goods sold	118				
c) Other material expenses	119	3.375.905	3.375.905	4.894.660	4.894.660
3. Employee benefits expenses (121 do 123)	120	5.308.876	5.308.876	5.544.748	5.544.748
a) Net salaries	121	2.345.355	2.345.355	2.633.235	2.633.235
b) Tax and contributions from salary expenses	122	2.187.476	2.187.476	2.097.779	2.097.779
c) Contributions on salary	123	776.045	776.045	813.734	813.734
4. Depreciation and amortisation	124	1.714.956	1.714.956	1.985.385	1.985.385
5. Other expenses	125	20.770	20.770	1.221	1.221
6. Write down of assets (127+128)	126	0	0	0	0
a) non-current assets (except financial assets)	127				
b) current assets (except financial assets)	128				
7. Provisions	129	6.028.000	6.028.000		
8. Other operating costs	130	3.073.682	3.073.682	3.281.760	3.281.760
III. FINANCIAL INCOME (132 do 136)	131	27.570.305	27.570.305	33.846.283	33.846.283
1. Interest, foreign exchange differences, dividends and similar income from related parties	132	24.757.291	24.757.291	32.449.036	32.449.036
2. Interest, foreign exchange differences, dividends and similar income from third parties	133	2.813.014	2.813.014	1.397.247	1.397.247
3. Income from investments in associates and joint ventures	134				
4. Unrealised gains (income) from financial assets	135				
5. Other financial income	136				
IV. FINANCIAL EXPENSES (138 do 141)	137	460.685	460.685	3.359.148	3.359.148
1. Interest, foreign exchange differences, dividends and similar income from related parties	138				
2. Interest, foreign exchange differences, dividends and similar income from third parties	139	460.685	460.685	3.359.148	3.359.148
3. Unrealised losses (expenses) from financial assets	140				
4. Other financial expenses	141				
V. SHARE OF PROFIT FROM ASSOCIATED COMPANIES	142				
VI. SHARE OF LOSS FROM ASSOCIATED COMPANIES	143				
VII. EXTRAORDINARY - OTHER INCOME	144				
VIII. EXTRAORDINARY - OTHER EXPENSES	145				
IX. TOTAL INCOME (111+131+144)	146	41.736.682	41.736.682	47.140.896	47.140.896
X. TOTAL EXPENSES (114+137+143+145)	147	21.697.792	21.697.792	20.807.182	20.807.182
XI. PROFIT OR LOSS BEFORE TAXES (146-147)	148	20.038.890	20.038.890	26.333.714	26.333.714
1. Profit before taxes (146-147)	149	20.038.890	20.038.890	26.333.714	26.333.714
2. Loss before taxes (147-146)	150	0	0	0	0
XII. TAXATION	151				
XII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	20.038.890	20.038.890	26.333.714	26.333.714
1. Profit for the period (149-151)	153	20.038.890	20.038.890	26.333.714	26.333.714
2. Loss for the period (151-148)	154	0	0	0	0
ADDITION TO PROFIT AND LOSS ACCOUNT (only for consolidated financial statements)					
XIV. PROFIT OR LOSS FOR THE PERIOD					
1. Attributable to majority owners	155				
2. Attributable to minority interest	156				
STATEMENT OF OTHER COMPREHENSIVE INCOME (only for IFRS adopters)					
I. PROFIT OR LOSS FOR THE PERIOD (=152)	157	20.038.890	20.038.890	26.333.714	26.333.714
II. OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAXES (159 TO 165)	158	136.908	136.908	-184.468	-184.468
1. Exchange differences from international settlement	159	136.908	136.908	-184.468	-184.468
2. Changes in revaluation reserves of long-term tangible and intangible assets	160				
3. Profit or loss from re-evaluation of financial assets held for sale	161				
4. Profit or loss from cash flow hedging	162				
5. Profit or loss from hedging of foreign investments	163				
6. Share of other comprehensive income/loss from associated companies	164				
7. Actuarial gains/losses from defined benefit plans	165				
III. TAXATION OF OTHER COMPREHENSIVE INCOME FOR THE PERIOD	166				
IV. NET OTHER COMPREHENSIVE INCOME FOR THE PERIOD (158 TO 166)	167	136.908	136.908	-184.468	-184.468
V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)	168	20.175.798	20.175.798	26.149.246	26.149.246
ADDITION TO STATEMENT OF OTHER COMPREHENSIVE INCOME (only for consolidated financial statements)					
VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD					
1. Attributable to majority owners	169				
2. Attributable to minority interest	170				

STATEMENT OF CASH FLOWS - Direct method
period 01.01.2011. to 31.03.2011.

Legal entity: Končar Electrical Industry INC.			
Position	AOP	Previous period	Current period
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Cash receipts from customers	001	25.176.732	13.973.710
2. Cash receipts from royalties, fees, commissions, etc.	002		
3. Cash receipts from insurance for damages compensation	003		
4. Cash receipts arising from tax refunds	004		
5. Other cash receipts	005	5.533.907	2.747.064
I. Total increase in cash flow from operating activities (001 do 005)	006	30.710.639	16.720.774
1. Cash paid to suppliers	007	10.830.188	12.185.820
2. Cash paid to employees	008	5.825.527	3.979.002
3. Cash outflows for insurance for damages compensation	009		
4. Interest paid	010	132.763	4.291
5. Tax paid	011	591.186	1.377.558
6. Other cash outflows	012	1.137.547	4.626.701
II. Total decrease in cash flow from operating activities (007 do 012)	013	18.517.211	22.173.372
A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES (007-012)	014	12.193.428	0
A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES (012-007)	015	0	5.452.598
CASH FLOW FROM INVESTING ACTIVITIES			
1. Cash flow from sale of long - term tangible and intangible assets	016	837.988	593.686
2. Cash inflows from sale of equity and debt financial instruments	017		7.074
3. Interest receipts	018		
4. Dividend receipts	019	63.324.227	75.177.608
5. Other cash inflows from investing activities	020		
III. Total cash inflows from investing activities(015 do 019)	021	64.162.215	75.778.368
1. Cash outflows for purchase of long - term tangible and intangible assets	022	7.767.409	617.429
2. Cash outflows for purchase of equity and debt financial instruments	023		8.599.399
3. Other cash outflows from investing activities	024		
IV. Total cash inflows from investing activities (021 do 023)	025	7.767.409	9.216.828
B1) NET INCREASE OF CASH FLOW FROM INVESTING ACTIVITIES(020-024)	026	56.394.806	66.561.540
B2) NET DECREASE OF CASH FLOW FROM INVESTING ACTIVITIES(024-020)	027	0	0
CASH FLOW FROM FINANCING ACTIVITIES			
1. Cash receipts from issuance of equity and debt financial instruments	028		
2. Cash inflows from loans, debentures, credits and other borrowings	029	51.015.911	2.923.291
3. Other cash inflows from financing activities	030		
V. Total cash inflows from financing activities (027 do 029)	031	51.015.911	2.923.291
1. Cash outflows for repayment of loans and bonds	032	879.537	
2. Dividends paid	033		
3. Cash outflows for finance lease	034		
4. Cash outflows for purchase of own stocks	035		
5. Other cash outflows from financing activities	036	8.500.000	3.500.000
VI. Total cash inflows from financing activities (031 do 035)	037	9.379.537	3.500.000
C1) NET INCREASE OF CASH FLOW FROM FINANCING ACTIVITIES (030-036)	038	41.636.374	0
C2) NET DECREASE OF CASH FLOW FROM FINANCING ACTIVITIES (036-030)	039	0	576.709
Total increases of cash flows (013 – 014 + 025 – 026 + 037 – 038)	040	110.224.608	60.532.233
Total decreases of cash flows (014 – 013 + 026 – 025 + 038 – 037)	041	0	0
Cash and cash equivalents at the beginning of period	042	108.862.227	163.325.576
Decrease in cash and cash equivalents	043	110.224.608	60.532.233
Increase in cash and cash equivalents	044		
Cash and cash equivalents at the end of period	045	219.086.835	223.857.809

STATEMENT OF CHANGES IN EQUITY

period 1.1.2011 to

Position	AOP	Previous year	Current year
1	2	3	4
1. Subscribed share capital	001	1.028.847.600	1.028.847.600
2. Capital reserves	002	719.579	719.579
3. Reserves from profit	003	134.314.547	164.779.740
4. Retained earnings or loss carried forward	004	31.234.921	62.100.349
5. Net profit or loss for the period	005	61.515.089	26.333.714
6. Revaluation of tangible assets	006		
7. Revaluation of intangible assets	007		
8. Revaluation of available for sale assets	008		
9. Other revaluation	009		
10. Total equity and reserves (AOP 001 to 009)	010	1.256.631.736	1.282.780.982
11. Foreign exchange differences from foreign investments	011	825.532	-184.468
12. Current and deferred taxes	012		
13. Cash flow hedge	013		
14. Change of accounting policies	014		
15. Correction of significant mistakes of prior period	015		
16. Other changes	016	69.268.107	26.333.714
17. Total increase or decrease of equity (AOP 011 to 016)	017	70.093.639	26.149.246
17 a. Attributable to majority owners	018		
17 b. Attributable to minority interest	019		