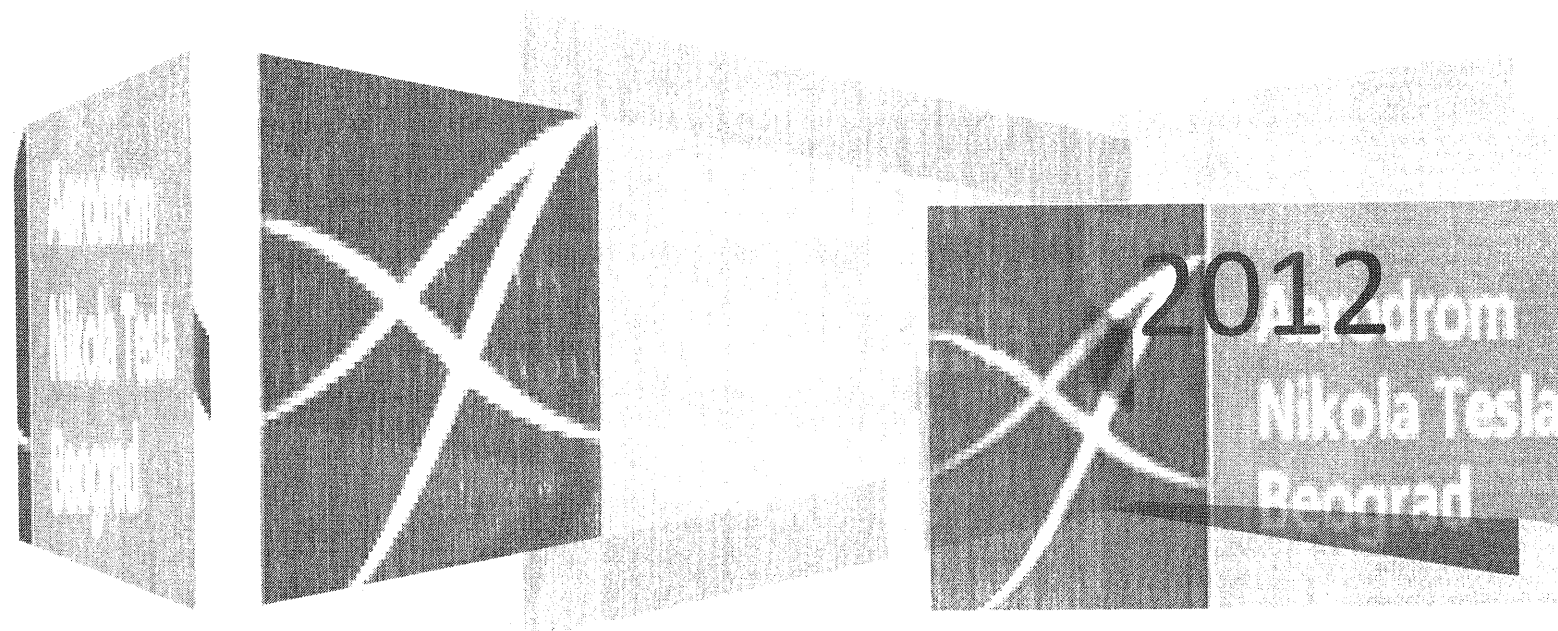


JOINT STOCK COMPANY AIRPORT NIKOLA TESLA BELGRADE

announces:

Report for the second quarter with data for the first six-month period of the business year

Pursuant to article 50 of the Law on the Capital Market (Official Gazette of RS no 31/2011) and the Rule of content, form and manner of announcement of annual, semi-annual and quarter reports of public companies (Official Gazette of RS no 14/2012) published by the Committee for Securities.



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 - 2) INCOME SHEET
 - 3) CASH FLOW STATEMENT
 - 4) STATEMENT ON CHANGES IN CAPITAL
 - 5) NOTES FOR FINANCIAL STATEMENT
- II. BUSINESS REPORT
- III. STATEMENT OF RESPONSIBLE PERSONS

***Note: Financial statements have not been audited.

**JOINT STOCK COMPANY AIRPORT NIKOLA TESLA
BELGRADE**

**BUSINESS REPORT
I – VI 2012**

BELGRADE, AUGUST 2012

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1. GENERAL DATA OF THE COMPANY

1	Business name	JOINT STOCK COMPANY AIRPORT NIKOLA TESLA BELGRADE
	Head office and address	11180 Belgrade 59
	Register number	07036540
	TIN	100000539
2	web site and e-mail address	www.beg.aero ; kabinet@beg.aero
3	Number and date of the Rescript on Company registration	<p style="text-align: center;">Number of registration: BD 4874/2005 Date of registration: 06/15/2005</p> <p style="text-align: center;">Number of registration: BD 91540/2012 Date of registration: 09/07/2011 <i>Note: Compliance of the documents and the bodies of the Company with the Company law was registered in the Registers Agency.</i></p>
4	Activity (code and description)	5223-Air-traffic services
5	Number of employees	458 employees on 30/06/2012, averagely 447 employees during the period I-VI of 2012
6	Core capital value	RSD 20,573,610,000 on 31/12/2011
7	Name, head office of auditor who revised the last financial statement	Deloitte d.o.o, No. 8 Terazije St, Belgrade
8	Number of issued shares, ISIN number and CFI code	Number of ordinary shares 34,289,350 (on 12/31/2011) CFI code ESVUFR ISIN number RSANTBE11090
9	Organised exchange market on which the shares are exchanged	Beogradska berza ad Beograd, No. 1 Omladinskih brigada St, 11070 Novi Beograd

Ten leading shareholders on 18/06/2012			
No.	Name of shareholder	Number of shares	% of participation
1)	REPUBLIC OF SERBIA	28,481,813	83.06
2)	SOCIETE GENERALE BANKA SRBIJA	408,138	1.19
3)	UNICREDIT BANK SRBIJA AD	254,035	0.74
4)	RAIFFEISEN BANK AD BEOGRAD	230,256	0.67
5)	UNICREDIT BANK SRBIJA AD	197,466	0.58
6)	DANSKE INVEST TRANS-BALKAN FUN	174,617	0.51
7)	ERSTE BANK A.D. NOVI SAD	58,451	0.17
8)	POLUNIN DISCOVERY FUNDS	56,566	0.16
9)	THE ROYAL BANK OF SCOTLAND N.V	44,008	0.12
10)	VOJVOĐANSKA BANKA AD NOVI SAD	35,617	0.10

2. MANAGEMENT DATA:

Management members on the date 30/06/2012

The Supervisory Board:		
No.	Name, surname and place of residence	Education, permanent employment (business name of the company and work position)
1	Snežana Paunović, Peć	Economist, Municipal Assembly, Co-ordinator
2	Mile Novačkikić, Belgrade	Bachelor of economics, National occupational service, Deputy of Director of Belgrade branch
3	Denijal Kozličić, Belgrade	Bachelor of economics, AUDAX, Commercial manager
4	Nebojša Andrić, Belgrade	Lawyer, Democratic Party, Clerk
5	Borisav Kovačević, Belgrade	Bachelor of philology, pensioner
6	Iva Đinđić Ćosić, Belgrade	LLB, JP EMS, Head of legal sector
7	Dragoslav Stanković, Doljevac	Economist, unemployed

The Executive Board:		
No.	Name, surname and place of residence	Education, permanent employment (business name of the company and work position)
1	Prof. Velimir Radosavljević, PhD, Belgrade	PhD ME Airport Nikola Tesla JSC Belgrade, General Director
2	Violeta Jovanović, Belgrade	MA of economy, Airport Nikola Tesla JSC Belgrade, Executive Director
3	Dejan Milovanović, Prokuplje	Specialist, Vocational Engineer, Airport Nikola Tesla JSC Belgrade, Executive Director

Data on number of shares owned by management members are in the book of shareholders, as an official document, and are available on Internet page of the Central Securities Depository and Clearing House: www.crhov.rs

AD Aerodrom "Nikola Tesla" Beograd, as member of Chamber of Economy of Serbia, has accepted *the Corporate management Codex*, issued in the Official Gazette of Republic of Serbia, no 1/2006, as well as on the web site of the Company www.beg.aero

3. AIR TRAFFIC TURNOVER

In the period I-VII 2012 it was achieved total air traffic turnover, as follows:

- 21,361 air movements,
- 1,481,982 passengers and
- 4,552 tons of cargo and mail.

In the period I-VI 2012 it was achieved total air traffic turnover, as follows:

- 11,612 air movements,
- 877,772 passengers and
- 2,275 tons of cargo and mail.

3.1. AIR MOVEMENT TURNOVER

Achieved number of air movements per air traffic type in the period I-VI 2012 shown in the table

Number of air movements per air traffic type in the period I-VI

No.	Air traffic type	Achievement I-VI 2011	Plan I-VI 2012	Achievement I-VI 2012	Index		Share of achievement I-VI 2011	Share of achievement I-VI 2012
					6 (5/3)	7 (5/4)		
1	2	3	4	5	6 (5/3)	7 (5/4)	8	9
I	Domestic air traffic	54	57	71	131	125	0.26	0.33
II	International air traffic-domestic carriers	9,015	9,289	8,991	100	97	42.96	42.09
III	International air traffic-foreign carriers	11,914	12,571	12,299	103	98	56.78	57.58
I+II+III	TOTAL:	20,983	21,917	21,361	102	97	100.00	100.00

The data from the table indicate that the achieved number of air movements in the period I-VI 2012 is 21,361 and that it is higher by 2% in comparison to the same period in 2011 and by 3% lower than in the Plan for the period I-VI 2012. The planned number of air movements is established based on the scheduled official flight time table.

Foreign carriers have dominant participation in total air traffic, within carrier pattern in I-VI 2012, with participation of 57.58%; there are domestic carriers in international air traffic with 42.09% and finally domestic carriers in domestic air traffic with participation of 0.33%.

Considering achievement in the period I-VI 2012 in relation to the same period in 2011 a small fall of the domestic air carriers in international air traffic from 42.96% to 42.09% and increase of foreign carriers in the international air traffic from 56.78% to 57.58% of participation are scored.

In international air traffic of domestic carriers in the period I-VI 2012 total turnover of 8,991 air movements was achieved, which is the score at the same level as in the same period of the previous year and 3% lower in comparison to the Plan for I-VI 2012.

Other carriers in international air traffic are: JAT Airways, Internacional CG – Aviogenex and others.

Jat Airways with 89.34% of participation in international air traffic of domestic carriers has a dominant role during the first six-month period.

In the period I-VI 2012 Jat Airways achieved 8,033 air movements, which is 1% higher than in the same period of the previous year and 2% lower than in the Plan for the analysed period.

Aviogeneks - Internacional CG with achieved 43 air movements in the period I-VI 2012 participated with 0.48% in total international air traffic of domestic carriers, which is 64% lower than in the same period of the previous year and 57% lower than in the Plan for the analysed period.

Other domestic carriers in international air carrier (Avio Služba, Princ Aviation, Pelikan Airways, Air Pink, Verano Motors, Neonukleon and others) with achieved 915 air movements, in the period I-VI 2012 participated with 10.18% in total international air traffic of domestic carriers, which is 6% lower in comparison to achievement in the same period of the previous year and 8% lower in comparison to the Plan for the analysed period.

Number of air movements of foreign carriers in international traffic in the period I-VI

No.	Carriers	Achievement I-VI 2011	Plan I-VI 2012	Achievement I-VI 2012	Index		Share of achievement I-VI 2011	Share of achievement I-VI 2012
					6 (5/3)	7 (5/4)		
1	2	3	4	5	6 (5/3)	7 (5/4)	8	9
1	Lufthansa	1,775	1,763	1,737	98	99	14.90	14.12
2	Montenegro Airlines	1,318	1,386	1,341	102	97	11.06	10.90
3	Wizz Air	864	1,161	1,198	139	103	7.25	9.74
4	Austrian Airlines	829	1,025	1,162	140	113	6.96	9.45
5	Swiss International	724	728	726	100	100	6.08	5.90
6	Niki Luftfahrt	310	468	620	200	132	2.60	5.04
7	Solinair	487	508	468	96	92	4.09	3.81
8	Turkish Airlines	362	366	445	123	122	3.04	3.62
9	Adria Airways	296	386	428	145	111	2.48	3.48
10	Aeroflot	360	364	362	101	99	3.02	2.94
11	Air France	360	362	360	100	99	3.02	2.93
12	Alitalia	338	340	340	101	100	2.84	2.76
13	Olympic Airlines	190	362	325	171	90	1.59	2.64
14	Tarom	246	306	282	115	92	2.06	2.29
15	Cityline Hungary	260	260	256	98	98	2.18	2.08
16	Flydubai	0	195	222	0	114	0.00	1.81
17	LOT	200	198	206	103	104	1.68	1.67
18	Germanwings	336	338	182	54	54	2.82	1.48
19	Norwegian Air Shuttle	148	148	169	114	114	1.24	1.37
20	Sky Work	0	128	108	0	84	0.00	0.88
21	Tunis Air	50	60	100	200	167	0.42	0.81
22	ČSA	405	0	84	21	0	3.40	0.68
23	Malev	268	268	48	18	18	2.25	0.39
24	Nesma Airlines	10	10	32	320	320	0.08	0.26
25	Aircairo Airlines	0	0	32	0	0	0.00	0.26
26	Pegasus	24	0	28	117	0	0.20	0.23
27	Croatia Airlines	8	0	18	225	0	0.07	0.15
28	Spanair	140	124	8	6	6	1.18	0.07
29	Nouvel Air Tunisie	0	0	6	0	0	0.00	0.05
30	Cimber Sterling	122	70	6	5	9	1.02	0.05
31	Sky Airlines	0	0	4	0	0	0.00	0.03
32	Gazprom	22	0	2	9	0	0.18	0.02
33	B&H Airlines	56	0	3	5	0	0.47	0.02
34	Aegean Airlines	0	0	2	0	0	0.00	0.02
35	Air Memphis	28	136	0	0	0	0.24	0.00
36	Atlasjet	29	0	0	0	0	0.24	0.00
37	Air Baltic	92	92	0	0	0	0.77	0.00
38	Aerosvit Airlines	144	0	0	0	0	1.21	0.00
39	Other	1,113	1,019	989	89	97	9.34	8.04
	TOTAL:	11,914	12,571	12,299	103	98	100.00	100.00

In the period I-VI 2012 there were 34 foreign carriers and 2 domestic carriers and in the same period of the previous year there were 32 foreign and 2 domestic carriers.

In international air traffic of foreign carriers in the first semester of 2012 it was achieved 12,299 air movements, which is 3% higher score in comparison with the previous year and 2% lower as compared with the Plan for the analysed period of 2012. Achievement

in the period I-VI 2012 is 3% higher than in the same period of 2011 because some of the carriers increased number of air movements and some of them even increased number of destination as following: Nesma Airlines (220%), Croatia Airlines (125%), Niki Luftfahrt (100%), Tunis Air (100%), Olympic Airlines (71%), Adria Airways(45%), Austrian Airlines(40%) and Wizz Air (39%).

Achievement for the period I-VI 2012 is 2% lower in comparison to the Plan for the same period because Malev airlines discontinued its flights in March 2012, and carriers as Germanwings, Sky Work and Olympic Airlines decreased number of achieved air movements in comparison to the number of planned air movements.

The new foreign air carriers, which began its operations in the period I-VI 2012 are listed below: Aircairo Company (Borgel, Hurghada and Sharm El-Sheikh), Aegean Airlines (Athens), Flydubai (Dubai), Nouvelair Tunisie (Enfidha and Monastery), Sky Airlines (Antalya) and SkyWorks Airlines (Bern).

Foreign air carriers, which didn't operate in the period I-VI 2012 and had operations in the same period of 2011 are listed below: Air Memphis, Air Baltic, Aerosvit and Atlasjet.

In foreign carrier pattern in the period I-VI 2012 Lufthansa with the participation of 14.12% has got the most significant role, than there is Montenegro Airlines with 10.90% and Austrian Airlines with 9.74%. These three companies achieved 34.76% of international traffic of foreign carriers.

With participation form 2.64% to 9.45% in this air traffic type there are: Austrian Airlines, Swiss Internacional, Niki Luftfahrt, Solinair, Turkish Airlines, Adria Airways, Aeroflot, Air France, Alitalia and Olympic Airlines.

Cargo traffic of express mail in the period I-VI 2012 was performed by two foreign carriers: Cityline Hungary and Solinair.

Low cost carriers in the same period were: Flydubai, Germanwings, Niki Luftfahrt, Norwegian Air Shuttle and Wizz Air.

Considering single participation of carriers (domestic and foreign) in international air traffic, achieved in the period I-VI 2012, Jat Airways has the greatest share of 37.73%

Achieved number of air movements per air traffic type in the period IV-VI 2012 is shown in the table.

Number of air movements per air traffic type in the period IV-VI

No. No.	Air traffic type	Achievement I-VI 2011	Plan IV-VI 2012	Achievement I-VI 2012	Index		Share of achievement IV-VI 2011	Share of achievement IV-VI 2012
					6 (5/3)	7 (5/4)		
1	2	3	4	5	6	7	8	9
I	Domestic air traffic	31	34	43	139	126	0.27	0.37
II	International air traffic-domestic carriers	4,889	5,019	5,058	103	101	42.83	43.56
III	International air traffic-foreign carriers	6,496	6,398	6,511	100	102	56.90	56.07
I+II+III	TOTAL:	11,416	11,451	11,612	102	101	100.00	100.00

The data from the table indicate that the achieved number of air movements in the period IV-VI 2012 is 11,612 and that it is higher by 2% in comparison to the same period in 2011 and by 1% higher than in the Plan for the period IV-VI 2012.

Foreign carriers have dominant participation in total air traffic, within carrier pattern in IV-VI 2012, with participation of 56.07%; there are domestic carriers in international air traffic with 43.56% and at the end, domestic air traffic with participation of 0.37%.

In international air traffic of domestic carriers in the second quarter of 2012 there were achieved 5,058 air movements, which is 3% higher score in comparison with the previous year and 1% as compared with the Plan for the second quarter of 2012.

In the period IV-VI 2012, Jat Airways achieved 4,508 air movements, which is 6% higher than in the same period of the previous year and 4% higher than in the Plan for the period IV-VI 2012. It participated in international air traffic of domestic carriers with share of 89.13%.

Aviogeneks - Internacional CG achieved 38 air movements in the period IV-VI 2012, which is the score 61% lower as compared with the same period of the previous year and 62% lower in comparison to the Plan for IV-VI 2012.

In international air traffic of foreign carriers in the second quarter of 2012 there were achieved 6,511 air movements, which is at the same operational level as in the same period of the previous year and 2% higher as compared with the Plan for the analysed period of 2012.

Foreign carriers which began its operations in the second quarter in 2012, in June are: Aircairo Company (Borgel, Hurghada and Sharm El Sheikh), Nouvelair Tunisie (Enfidha and Monastery), Sky Airlines (Antalya).

Considering single participation of carriers (domestic and foreign) in international air traffic, achieved in the period IV-VI 2012, Jat Airways has the greatest share of 38.97%

3.2. PASSENGER TURNOVER

In period I-VI 2012 total passenger turnover of 1,481,982 pax was achieved, which is 11% more than in the same period of 2011 and 1% more than in the Plan for the period I-VI 2012.

Passenger turnover per air traffic type in the period I-VI

No.	Air traffic type	Achievement I-VI 2011	Plan I-VI 2012	Achievement I-VI 2012	Index		Share of achievement I-VI 2011	Share of achievement I-VI 2012
					6 (5/3)	7 (5/4)		
1	2	3	4	5	6 (5/3)	7 (5/4)	8	9
I	Domestic air traffic	83	91	161	194	177	0.01	0.01
II	International air traffic-domestic carriers	538,578	592,436	590,959	110	100	40.33	39.88
III	International air traffic-foreign carriers	796,748	876,423	890,862	112	102	59.66	60.11
I+II+III	TOTAL:	1,335,409	1,468,950	1,481,982	111	101	100.00	100.00

The greatest participation in passenger turnover per air traffic types in the period I-VI of 2012 is 60.11% of foreign carriers in international air traffic, then there are domestic carriers in international air traffic with 39.88%.

The number of the passengers transported by domestic carriers in international air traffic is 10% higher in the first half of 2012 in comparison with the same period of the previous year and it is on the level of the Plan for I-VI 2012.

The number of passengers transported by foreign carriers in international air traffic in the period I-VI 2012 is 12% higher than the achievement in the same period of 2011 and 2% higher in comparison to the Plan for the same period of 2012.

Passenger turnover in international air traffic per carriers with the highest number of passengers

No.	Carriers	Achievement I-VI 2011	Achievement I-VI 2012	Index	Share of achievement I-VI 2011	Share of achievement I-VI 2012
1	2	3	4	5 (4/3)	6	7
1	Jat Airways	526,003	583,355	111	39.39	39.37
2	Wizz Air	115,853	169,201	146	8.68	11.42
3	Lufthansa	138,933	133,739	96	10.40	9.03
4	Montenegro Airlines	99,940	109,873	110	7.48	7.41
5	Swiss International	76,690	80,333	105	5.74	5.42
6	Other	377,907	405,320	107	28.30	27.35
	TOTAL:	1,335,326	1,481,821	111	100.00	100.00

In total number of transported passengers in international air traffic in the period I-VI of 2012, Jat Airways has the greatest share with 39.37%, then there are: Wizz Air with participation of 11.42%, Lufthansa with 9.03%, Montenegro Airlines with 7.41% and Swiss International with 5.42%.

Wizz Air is the carrier with the greatest increase in passenger number achieved in international air traffic in the period I-VI 2012 in comparison to I-VI 2011, due to increased number of destinations and air movements, which directly influences passenger number growth.

Lufthansa had less air movements in the period I-VI 2012 than in the same period of 2011, which also caused drop-off in number of passengers.

Passenger turnover of Jat Airways in international traffic per destinations with highest number of passengers

No.	Destinations	Achievement I-VI 2011	Achievement I-VI 2012	Index
1	2	3	4	5 (4/3)
1	Podgorica	47,297	45,275	96
2	London Heathrow	34,307	40,692	119
3	Moscow	34,889	40,585	116
4	Zurich	34,576	39,299	114
5	Paris	33,712	34,705	103

Planned and achieved passenger turnover in the period IV-VI 2012, as well a comparative data on achieved turnover in the same period of 2011 are given in the table.

Passenger turnover per air traffic type in the period IV-VI

N o.	Air traffic type	Achievement IV-VI 2011	Plan IV- VI 2012	Achievement IV-VI 2012	Index		Share of achievement IV-VI 2011	Share of achievement IV-VI 2012
					6 (5/3)	7 (5/4)		
1	2	3	4	5	6	7	8	9
I	Domestic air traffic	51	56	121	237	216	0.01	0.01
II	International air traffic-domestic carriers	316,580	348,235	366,716	116	105	39.32	41.78
III	International air traffic-foreign carriers	488,407	537,251	510,935	105	95	60.67	58.21
I+II+III	TOTAL:	805,038	885,542	877,772	109	99	100.00	100.00

Based on the shown data, we can conclude that turnover of 877,772 pax in the period IV-VI of 2012 is 9% higher than the achievement in the same period of 2011, but it is 1% lower than in the Plan for the same period of 2012.

The greatest participation in achieved passenger turnover per air traffic types in the period I-VI of 2012 is 58.21% of foreign carriers in international air traffic, then there are domestic carriers in international air traffic with 41.78%.

The number of the passengers transported by domestic carriers in international air traffic is 16% higher in comparison with the achievement in the same period of the previous year and also 5% higher in comparison to the Plan for I-VI 2012.

The number of the passengers transported by foreign carriers in international air traffic in IV-VI 2012 is 5% higher than in the same period of the previous year and also 5% lower than in the Plan for the same period 2012.

3.3. CARGO TURNOVER

In the period I-VI 2012 4,552 tons of cargo turnover was achieved, which is 4% less than in the same period of the previous year and 9% less than in the Plan for the analysed period of 2012.

Cargo and mail turnover in tons in the period I-VI

No.	Type of air-traffic	Achievement I-VI 2011	Plan I-VI 2012	Achievement I-VI 2012	Index	Index	Share of achievement I-VI 2011	Share of achievement I-VI 2012
1	2	3	4	5	6 (5/3)	7 (5/4)	8	9
I	Domestic air traffic	0	0	0	0	0	0.00	0.00
II	International air traffic-domestic carriers	1.071	1.125	909	85	81	22.50	19.97
III	International air traffic-foreign carriers	3,689	3,872	3,643	99	94	77.50	80.03
I+II+III	TOTAL:	4,760	4,997	4,552	96	91	100.00	100.00

In domestic air traffic, cargo turnover was not performed in the period I-VI 2012 nor in the same period of the previous year.

In international air traffic of domestic carriers cargo turnover in the period I-VI 2012 was 15% lower as compared with the same period of the previous year and 19% lower in comparison to the Plan for the analysed period of 2012.

In international air traffic of foreign carriers cargo turnover in the period I-VI 2012 was 1% lower as compared with the achieved turnover in same period of the previous year and 6% lower in comparison to the Plan for the same period.

In period IV-VI 2012 2,275 tons of cargo turnover was achieved, which is 11% less than in the same period of the previous year and 15% less than in the Plan for the period IV-VI 2012.

Cargo and mail turnover in tons in the period IV-VI

N o.	Air traffic type	Achievement IV-VI 2011	Plan IV-VI 2012	Achievement IV-VI 2012	Index		Share of achievement IV-VI 2011	Share of achievement IV-VI 2012
1	2	3	4	5	6 (5/3)	7 (5/4)	8	9
I	Domestic air traffic	0	0	0	0	0	0.00	0.00
II	International air traffic-domestic carriers	523	551	461	88	84	20.50	20.26
III	International air traffic-foreign carriers	2,028	2,128	1,814	89	85	79.50	79.74
I+II+III	TOTAL:	2,551	2,679	2,275	89	85	100.00	100.00

In international air traffic of domestic carriers cargo turnover in the period IV-VI 2012 was 12% lower as compared with the achieved turnover in the same period of the previous year and 16% lower in comparison to the Plan for the same period.

In international air traffic of foreign carriers cargo turnover in the period IV-VI 2012 was 11% lower as compared with the achieved turnover in same period of the previous year and 15% lower in comparison to the Plan IV-VI 2012.

4. REVENUES AND EXPENDITURES

The Company performs its business activity as single business segment. Accordingly, revenues and expenditures are disclosed at company level.

4.1. REVENUES

In the period I-VI 2012 Airport Nikola Tesla JSC achieved the total revenue in amount of RSD 3,395,168,316.50. Thus achieved total revenue is 10% higher in comparison to the achieved revenues in the same period of the previous year and 8% higher in comparison to the planned figures for the period.

The pattern of the achieved revenues for I-VI 2012 is shown in the table **Revenue pattern per service types**.

In the pattern of achieved revenues in the period I-VI of 2012 **Business revenues** have the greatest participation of 86% of the total revenues with RSD 2,920,637,008.92. Thus achieved business revenues are at the level of achieved business revenues for the same period of the previous year and 4% lower than the planned figures for the period I-VI 2012.

Within business revenues RSD 877,253,905.14 refers to provision of **air services** (landing, handling, lighting, infrastructure, aircraft abode, air bridges) in the period I-VI 2012, which is 26% of totally achieved revenues. These revenues are 3% lower than the same in the same period of the previous year and 9% lower than the planned figures in the period I-VI 2012.

Revenues from **passenger service and security fees** were achieved in the amount of RSD 1,210,902,448.86 for I-VI 2012, which is 36% of the total, achieved revenues and as compared with the revenues from passenger service in the same period of the previous year, these revenues are 19% higher and 2% higher than the planned figures for the same period.

In the period I-VI 2012 the revenues from **service rendering in cargo-customs warehouse** were achieved in the amount of RSD 68,812,223.77 and they are 9% lower than the revenues on this basis in the same period in 2011 and by 11% less than the planned figures for the same period in 2012.

In the period I-VI 2012 the revenues from **other services** are 28% higher than in the same period of the previous year, 19% higher than the planned figures for I-VI 2012 and were achieved in the amount of RSD of 361,178,837.79. The greatest participation in these revenues refers to: revenues from public services, revenues from aircraft de-icing service, revenues from CUTE system, revenues for commercial usage of apron, revenues from advertising space, revenues from work order services. This group of revenues also include revenues from consulting services rendered to Mondial.

The revenues from sales of goods mainly refer to the revenues from the sale of kerosene. In the period I-VI 2012 it was sold 1,793 tons of kerosene, while in the same period of the previous year it was sold 5,468 tons of kerosene. Achieved revenues from sale of kerosene and goods for the period I-VI 2012 are lower by 60% in comparison to the same period of 2011, while in comparison to the planned figures for the period I-VI 2012 they had decrease of 40%.

The main reason of drop-off of revenues from kerosene sale in the period I-VI 2012 in comparison to the same period of the previous year is the carrier Iran Air which had operated and was supplied with kerosene on Belgrade airport during 2011, from March 24 to June 18 2011, and did not operate on our airport in the first half of 2012.

In the period I-VI 2012 revenues from renting of **business facilities** are achieved in the amount of RSD 226,982,119.66, which is 15% higher than in the same period of 2011 and 5% lower than the planned figures for the same period. The greatest portion of these revenues refers to renting of business facilities to Dufry Company.

Financial revenues (group 66) in the period I-VI 2012 are disclosed in amount of RSD 386.014.337,18 and are higher by 123% in comparison to the same period of the previous year because the realised exchange rate differences in the period I-VI 2012 were significantly higher than in I-VI 2011. The Company must show both realised and non-realised exchange rate differences in the six-month report.

In the pattern of financial revenues for I-VI 2012 the greatest part refers to realised exchange rate differences in amount of RSD 234.367.108,92, then non-realised exchange rate differences in amount of RSD 80.880.361,56 and interest in amount of RSD 70.766.866,70.

Other revenues (group 67 and 68) in the period I-VI 2012 were achieved in the amount of RSD 88,516,970.40 and are significantly higher in comparison to the same period in 2011. The reason of thus disclosed increase of these revenues is that in the period I-VI 2012 receivables in the amount of RSD 85,153,608.53 were collected and these items were on the position value correction. Amount of RSD 69,063,883.63 thereof refers to JAT Airways and RSD 11,449,029.41 refers to JAT Tehnika.

Considering revenues it is important to point put that Airport Nikola Tesla has discounted prices of the following services: landing 01/09/2011 by approximately 7% and 01/01/2012 discount of 5% was given and infrastructure of 4%.

Major buyers, from the point of participation in revenues from sale in I-VI 2012 were: Jat Airways, Deutsch Lufthansa and Montenegro Airlines.

Quarter IV-VI

In the period IV-VI 2012 Airport Nikola Tesla achieved the total revenue in amount of RSD 1,980,705,241.81. Thus achieved total revenue is 10% higher in comparison to the achieved revenues in the same period of the previous year and 16% higher in comparison to the planned figures for that period.

In the pattern of achieved revenues for the period IV-VI 2012 **business revenues** had greatest share with RSD 1,618,968,761.72 and they are 3% lower than in the same period of the previous year and 3% lower than in the Plan for the same period of 2012.

Within business, RSD 486,137,021.56 refers to revenues achieved by rendering **air services** in the period IV-VI 2012. These revenues are 2% lower than the same in the same period of the previous year and 3% lower than the planned figures for VI-IV 2012.

Revenues from **passenger service and security fees** were achieved in the amount of RSD 722,518,738.49 for IV-VI 2012 and these revenues are 23% higher than the same figure in 2011 and 2% higher than the planned figures for the same period.

In the period IV-VI 2012 the revenues from **service rendering in cargo-customs warehouse** were achieved in the amount of RSD 33,680,139.13 and they are 15% lower than the revenues on this basis in the same period in 2011 and by 17% less than the planned figures for the same period in 2012.

In the period IV-VI 2012 the revenues from **other services** are 35% higher than in the same period of the previous year, 3% higher than the planned figures for IV-VI 2012 and were

achieved in the amount of RSD 156,425,222.79 The greatest participation in these revenues refers to: Revenues from public service, revenues from CUTE, revenues from commercial usage of apron and revenues from advertising space.

The revenues from sales of goods mainly refer to the revenues from the sale of kerosene. In the period IV-VI 2012 it was sold 890 tons of kerosene, while in the same period of the previous year it was sold 3,985 tons (whereof the greatest part refer to the carrier Iran Air). Achieved revenues from sale of kerosene and goods for the period IV-VI 2012 are lower by 72% in comparison to the same period of 2011 and by 39% in comparison to the planned figures for the period IV-VI 2012, as the carrier Iran Air operated only in the second quarter of 2011.

In the period IV-VI 2012 revenues from renting of **business facilities** are achieved in the amount of RSD 130,263,473.76, which is 19% higher than in the same period of 2011 and 9% higher than the planned figures for the same period. The greatest portion of these revenues refers to renting of business facilities to Dufry Company.

Financial revenues (group 66) in the period IV-VI 2012 are disclosed in amount of RSD 281,525,926.27 and are higher by 119% in comparison to the same period of the previous year because the realised exchange rate differences are significantly higher than in the same period of the last year. In the pattern of financial revenues for IV-VI 2012 the greatest part refers to realised exchange rate differences in amount of RSD 162,486,710.21 while they amounted RSD 11,139,187.49 in the same period of the last year, then non-realised exchange rate differences in amount of RSD 80,880,361.56 and interest in amount of RSD 38,158,854.50.

Other revenues (group 67 and 68) in the period IV-VI 2012 were achieved in the amount of RSD 80,210,553.82 and are significantly higher in comparison to the same period in 2011. The reason of thus disclosed increase of these revenues is that in the period IV-VI 2012 receivables in the amount of RSD 78,248,675.80 were collected and these items were on the position value correction, thereof the most part refers to JAT Airways.

4.2. EXPENDITURES

In the period I-VI 2012 **total expenditures** were achieved in the amount of RSD 2,873,577,119.45. Thus achieved expenditures are 34% higher than the expenditures achieved in the same period of the previous year and 27% higher than the figures in the Plan for I-VI 2012. The reason of increase in achieved expenditures in the period I-VI 2012 in comparison to the same period of the previous year is first of all value correction for domestic and foreign buyers on 30/06/2012, then increase of salaries and reimbursements, non-realised negative exchange rate differences and reserves for litigations.

The purchase value of sold goods (group 50) almost completely refers to the purchase value of the sold kerosene. For **purchase value of sold kerosene** it was spent RSD 160,238,679.04 or 61% less than in the same period of the previous year and 42% less in comparison to the Plan for I-VI 2012. Regarding the fact that the kerosene is registered both on revenues and expenditures, the real revenue of the Company is realised price difference, which amounted for the period I-VI 2012 RSD 14,034,106.82. Average difference participation in sale value of kerosene for the period I-VI 2012 is 8.05%, while in the same period of the previous year it was 4.87%.

The costs of materials (group 51) participates in total expenditures with 7% and mostly refer to: costs of power supply, spent basis material, costs of gasoline, cost of diesel fuel and heating oil. Achieved costs of materials in the first half of 2012 are 19% higher than in the same period of the previous year, due to increased costs for procurement of baggage trays and higher costs for aircraft de-icing agents, urea, gasoline, diesel fuel and heating oil, due to bad weather conditions during winter season. Furthermore, costs for work-clothing and shoes were higher, while costs for utilised spare parts for investment maintenance of working devices were 40% lower in comparison to the same period of 2011, as there was no need for such consumption of spare parts.

Within total expenditures the most part refer to **costs of salaries, reimbursements and other personal earnings** (group 52) which amount RSD 545,120,587.19 for the period I-VI 2012 and it is 24% more than in the same period of the previous year, primarily due to increase of salaries and number of employees. The costs of salaries of employees (gross II - Chambers excluded) of Airport Nikola Tesla Belgrade amount RSD 373,021,409.47, whereas the costs for persons engaged through Youth organizations amount RSD 137,080,916.88 (youth organizations: Fan, Beograd, Knez, Milenijum, Medijator and Europa). Apart from salaries in the group 52 there are also included reimbursements per contracts (service contracts), reimbursements per temporary and occasional jobs, part-time work contracts, reimbursements for the members of the Board of Directors and the Supervisory board and members of the Assembly of Shareholders and other personal expenditures (transport, business trip wages, costs of trips and joint assistance).

Costs of **amortization and reserves** (group 54) for the period I-VI 2012 amount RSD 329,938,601.97, RSD 318,938,601.97 thereof refer to amortization and RSD 11,000,000.00 refer to reserves for litigations (in the period I-VI 2011 there were no reserves for litigations and they were not planned for I-VI 2012 either).

The most of the **costs of production services** (group 53) and **intangible costs** (group 55) refers to the **costs of services** of OZB Komerc RSD 443,934,582.50. Adding this amount to total costs for salaries, reimbursements and other personal earnings of employees (group 52) we come to the amount of RSD 989,055,169.69, which makes 34.42% of total expenditures of the period I-VI 2012.

Pattern of **the costs of production services** includes:

- **the costs of transport services**, where the most part refers to the costs of services of OZB Komerc for Ground-handling department in the amount of RSD 147,808,079.53, the costs of informing and passenger check-in-SITA, Air France, then the costs of monthly support to the CUTE system per contract, the costs of postal services and others.

- **the costs of maintenance services** are higher by 94% in I-VI 2012 in comparison to the same period of the previous year due to the works mostly referring to: adjustment of sanitary facilities, blacktopping the driveway in front of the Terminals 1 and 2, blacktopping the area between the CCW and the air-side driveway, flattening the ground next to the parking zone for staff and changing of windows on CWW facilities.

- **the costs of other services** mostly referring to the services of OZB Komerc for Security department in the amount of RSD 175,628,889.15, then the costs of water, drainage, the costs of Dufry's services and others,

-**costs of leasing** mostly refer to leasing of licences and business facilities. Costs of leasing are 305% higher in I-VI 2012 in comparison to the same period of the previous year, primarily due to leasing Microsoft licence, which we did not have in the same period of the previous year.

- **costs of advertising** in the period I-VI 2012 are 4% lower than in the same period of the previous year.

Pattern of **the intangible costs** includes:

- **costs of non-production services** where most part refer to: the costs of services of OZB Komerc for the Technical maintenance, Investment, Commercial, Financial and Legal departments in the amount of RSD 120,497,613.82, then the cleaning services, costs of occupational health-JAT, the services of newly-incorporated company – agricultural operative, advocacy services, the costs of advanced trainings and others.

Besides the costs of non-production services the pattern of intangible costs include:

The costs of insurance premiums

Taxing costs

The costs of payment operations

The costs of membership fees

The representational costs and

Other intangible costs

In the period I-VI 2012 the realised costs of salaries, reimbursements and other earnings (group 52), the services of OZB Komerc and amortization in total amount of RSD 1,307,993,771.66 make 45.52% of total expenditures and 38.52% of total revenues in I-VI 2012 of Airport Nikola Tesla Belgrade is needed to cover them.

Financial expenditures (group 56) in the period I-VI 2012 are disclosed in the amount of RSD 179,116,355.60 and are 14% higher than in the same period of the previous year.

In the pattern of financial expenditures, non-realised exchange rate differences in the period I-VI 2012 are achieved in the amount of RSD 132,676,599.65 (and mostly refer to: non-realised negative exchange rate differences for liabilities for EIB loans, negative currency clause for liabilities - leasing) and they are included in that pattern of total financial expenditures with 74.07%, while in the same period of 2011 they amounted RSD 754,009.92

The achieved expenditures realised from interest participate with 17.82%, amount RSD 31,910,036.11 and are 13% lower than in the same period of the previous year. The

No.	Service type	Service description	Realisation		Plan	Realisation		Index
			I-VI 2011	4		I-VI 2012	5	
1	2	3						
	Other services							
1	612100+612360+613100	DCS services	10,140,122.72		13,510,636.78		13,029,354.34	128
2	612110+612170+612180+613891+613892+613893+613895	Workorder	19,845,894.04		21,428,878.94		19,766,684.07	100
3	612130+612131+613072+612370+613071	VIP saloon	2,184,664.18		2,467,646.43		2,588,931.83	119
4	612140+612390+613090	CUTE (dom + foreign)	34,975,138.52		44,841,793.47		47,607,171.49	106
5	613080+612380	Lost and found services	8,485,873.30		9,860,874.44		9,179,179.36	108
6	6126+613120+613400+613401	Public services	61,800,107.64		66,204,257.59		70,991,977.53	115
7	612820+612821+613170	Catering services business class	5,283,131.21		5,872,445.64		14,118,231.95	267
8	612870+613810	Advertising space	31,474,198.62		33,057,511.87		32,198,442.01	102
9	612883	Commercial usage of apron	26,010,237.05		31,449,067.71		33,078,875.51	127
10	612160+613110	Aircraft de-icing service	41,926,117.37		26,852,557.29		56,875,622.12	136
11	Other non-mentioned services-dom+foreign		40,042,796.70		49,193,701.16		61,744,367.58	154
VI	Other services (1 to 11):		282,168,281.35		304,739,371.28		361,178,837.79	128
VII	Total 61-Revenues from sale of services (V+VI)		2,279,452,965.34		2,526,017,109.92		2,518,147,415.56	110
	Revenues from sale of goods:							
VIII	60-Revenues from sale of kerosene + goods		435,345,313.35		292,846,050.04		175,507,473.70	40
IX	Total (60++61) REVENUES FROM SALE (VII+VIII)		2,714,798,278.69		2,818,863,159.96		2,693,654,889.26	99
X	64 i 65 - Renting of business facilities		197,153,742.53		238,246,828.34		226,982,119.66	115
XI	BUSINESS REVENUES (IX+X)	60+61+62+64+65	2,911,952,021.22		3,057,109,988.29		2,920,637,008.92	100
XII	66-FINANCIAL REVENUES		173,018,370.20		77,153,306.27		386,014,337.18	223
1	interests		74,559,413.53		77,153,306.27		70,766,866.70	95
2	exchange rate differences -realised		19,806,907.10		0.00		234,367,108.92	1,183
3	exchange rate differences -non-realised		78,652,049.57		0.00		80,880,361.56	103
XIII	67 and 68 OTHER REVENUES		8,545,364.55		19,350,292.01		88,516,970.40	1,036
XIV	Total revenues (XI+XII+XIII)		3,093,515,755.97		3,153,613,586.57		3,395,168,316.50	110

REVENUE PATTERN

No.	Service type	Service description	Realisation		Plan	Realisation		Index	
			I-VI 2011	4	I-VI 2012	5	I-VI 2012		6
1	2	3						7 (6/4)	8 (6/5)
	Air services domestic carriers								
	61200+612300	Landing	55,729,504.87		63,368,266.67		52,108,690.47		94
	612010+612310	Lighting	9,730,836.08		10,904,055.46		9,628,069.66		99
	612030+612330	Handling	56,864,349.68		67,665,652.93		58,088,817.19		102
	612040	Infrastructure	34,157,843.21		39,172,980.42		32,916,961.57		96
	612050	Air-bridges	11,399,435.67		7,778,727.11		410,430.77		4
	612020+612320	Aircraft abode tax	2,399,595.97		2,545,838.71		1,367,064.46		57
and	Total air services (domestic carriers):		170,281,565.48		191,435,521.29		154,520,034.12		91
	Air services foreign carriers								
	613010+613011	Landing	258,603,653.98		261,930,300.17		232,800,354.04		90
	613020+613021	Handling	248,639,345.52		268,444,156.12		267,311,186.59		108
	613030+613031	Lighting	17,791,525.01		18,705,078.84		19,369,252.95		109
	613040	Infrastructure	150,447,916.13		156,005,359.59		148,917,438.17		99
	613060	Air-bridges	47,198,737.73		52,634,390.02		45,576,434.67		97
	613000+613001	Aircraft abode tax	9,204,103.29		10,184,715.18		8,759,204.60		95
II	Total air services (foreign carriers):		731,885,281.66		767,903,999.93		722,733,871.02		99
	Total air services		902,166,847.14		959,339,521.22		877,253,905.14		97
	Passenger service								
	612400 - domestic carriers - domestic traffic	enger service dom. carr/dom	22,316.72		18,972.35		25,512.95		114
	612410 - domestic carriers - international traffic	enger service dom. carr/intl	324,474,414.34		390,267,562.55		370,746,994.01		114
	613200 (foreign carriers)	Passenger service intl carr	509,298,861.75		574,824,026.11		612,448,583.27		120
	612420+612430+613230-security fees		186,090,394.60		219,215,270.54		227,681,358.63		122
III	Total passenger service		1,019,885,987.41		1,184,325,831.54		1,210,902,448.86		119
	CCW services								
	612500+612510	CCW services dom.market	66,851,452.20		68,758,941.86		56,691,892.23		85
	613300 +613310 (foreign)	CCW services foreign marke	8,380,397.24		8,853,444.02		12,120,331.54		145
IV	Total CCW services		75,231,849.44		77,612,385.88		68,812,223.77		91
V	Total services in air traffic (I to IV):		1,997,284,683.99		2,221,277,738.64		2,156,968,577.77		108

mentioned expenditures from interest refer to the interests for long-term liabilities per loans (EIB – reconstruction of the Terminal, housing loans and financial leasing).

The realised exchange rate differences in the period I-VI 2012 are achieved in the amount of RSD 14,529,719.84 (and mostly refer to: realised negative exchange rate differences for liabilities for loans, negative exchange rate differences for liabilities to suppliers, negative currency clause for liabilities - leasing) and they are included in that pattern of total financial expenditures with 8.11%, while in the same period of 2011 they amounted RSD 119,698,068.48

Other expenditures (group 57 and 58) in the period I-VI 2012 are achieved in the amount of RSD 712,188,978.83 and are far higher than the same in the same period of the previous year, primarily due to value correction of domestic and foreign buyers on 30/06/2012 in the amount of RSD 697,980,917.69 and most part thereof refer to value correction of JAT Airways in the amount of RSD 683,950,380.28.

Within other expenditures there are costs of donations and costs of trade unions as great expenditures.

Main suppliers, from the point of turnover in the period I-VI 2012 are: OZB Komerc, Denezza M, Okta Crude Oil Refinery, ad – Skoplje and Europlast.

Quarter IV-VI

In the period IV-VI 2012 **total expenditures** were achieved in the amount of RSD 1,865,485,482.65. Thus achieved expenditures are 53% higher than the expenditures achieved in the same period of the previous year and 64% higher than the figures in the Plan for IV-VI 2012. The reason of increase in achieved expenditures in the period IV-VI 2012 in comparison to the same period of the previous year is first of all value correction for domestic and foreign buyers on 30/06/2012, then increase of salaries and reimbursements, non-realised negative exchange rate differences and reserves for litigations.

The purchase value of sold goods (group 50) almost completely refers to the purchase value of the sold kerosene. For **purchase value of sold kerosene** it was spent RSD 83,893,182.73 or 73% less than in the same period of the previous year and 39% less in comparison to the Plan for IV-VI 2012. Regarding the fact that the kerosene is also registered both on revenues and expenditures, the real revenue of the Company is realised price difference, which amounted for the period IV-VI 2012 RSD 5.292.393,04. Average participation of price difference in sale value of kerosene for the period IV-VI 2012 is 5.93%.

The costs of materials (group 51) participates in total expenditures with 4% and mostly refer to: costs of electrical power, costs of basic material, costs of fuel, diesel fuel, costs for work clothing and shoes as well as spent spare parts for investment maintenance of working devices. Achieved costs of materials in the period IV-VI 2012 are 3% lower than in the same period of the previous year.

Within total expenditures the most part refer to costs of salaries, reimbursements and other personal earnings (group 52) which amount RSD 282,532,009.29 for the period IV-VI 2012 and it is 24% higher than in the same period of the previous year, primarily due to increase of salaries and number of employees. The costs of salaries of employees (gross II membership fees to Chambers excluded) of Aerodrom "Nikola Tesla" Beograd amount RSD 192,281,680.50, whereas the costs for persons engaged through Youth organizations amount RSD 71,436,334.02 (youth organizations . Fan, Beograd, Knez, Milenijum, Medijator and Europa). Apart from salaries in the group 52 there are also included reimbursements per contracts (service contracts), reimbursements per temporary and occasional jobs, part-time work contracts, reimbursements for the members of the Board of Directors and the Supervisory board and members of the Assembly of Shareholders and other personal expenditures (transport, business trip wages, costs of trips and joint assistance).

Costs of **amortization and reserves** (group 54) for the period IV-VI 2012 amount RSD 172,665,107.44, RSD 161,665,107.44 thereof refer to amortization and RSD 11,000,000.00 refer to reserves for litigations (in the period IV-VI 2011 there were no reserves for litigations and they were not planned for IV-VI 2012 either).

The most of the **costs of production services** (group 53) and **intangible costs** (group 55) refers to **the costs of services** of OZB Komerc RSD 234,538,138.24. Adding this amount to total costs for salaries, reimbursements and other personal earnings of employees (group 52) we come to the amount of RSD 517,070,147.53, which makes 27.72% of total expenditures of the period.

Pattern of **the costs of production services** includes:

- **the costs of transport services**, where the most part refers to the costs of services of OZB Komerc for Ground-handling department in the amount of RSD 77,326,045.86, the costs of informing and passenger check-in-SITA, Air France, then the costs of monthly support to the CUTE system per contract, the costs of postal services and others.
- **the costs of maintenance services** are higher by 108% in the period IV-VI 2012 in comparison to the same period of the previous year due to the works mainly referring to: adjustment of sanitary facilities, blacktopping the driveway in front of the Terminals 1 and 2, blacktopping the area between the CCW and the air-side driveway and flattening the ground next to the parking zone for staff and changing of windows on CWW facilities.
- **the costs of other services** mostly referring to the services of OZB Komerc for Security department in the amount of RSD 93,462,420.80, then the costs of water, drainage, the costs of services provided by Dufry and others,
- **costs of leasing** mostly refer to leasing of licences and business facilities. Costs of leasing are 69% higher in the period IV-VI 2012 in comparison to the same period of 2011, primarily due to leasing of Microsoft licence, which we did not have in the same period of the previous year.
- **costs of advertising** in the period IV-VI 2012 are 68% lower than in the same period of the previous year, because the costs of sponsorship are significantly lower than in the same period of the previous year.

Pattern of **the intangible costs** includes:

- **costs of non-production services** where most part refer to: - the costs of services of OZB Komerc for the Technical maintenance, Investment, Commercial, Financial and Legal departments in the amount of RSD 63,749,671.58, then cleaning services, costs of occupational health-JAT, the services of newly-incorporated company – agricultural operative, advocacy services, costs of advanced trainings and others.

Besides the costs of non-production services the pattern of intangible costs also include:

The costs of insurance premiums

Taxing costs

The costs of payment operations

The costs of membership fees

The representational costs and

Other intangible costs

In the period IV-VI 2012 the realised costs of salaries, reimbursements and other earnings (group 52), the services of OZB Komerc and amortization in total amount of RSD 678,735,254.97 make 36.38% of total expenditures and 34.27% of total revenues in IV-VI 2012 of Airport Nikola Tesla Belgrade is needed to cover them.

Financial expenditures (group 56) in the period IV-VI 2012 are disclosed in the amount of RSD 155,810,313.50 and are 47% higher than in the same period of the previous year.

In the pattern of financial expenditures, non-realised exchange rate differences are achieved in the amount of RSD 132,676,599.65 (and mostly refer to: negative exchange rate differences for liabilities for loans-EIB, negative currency clause for liabilities-leasing) and are included with 85.15% in the pattern of total financial expenditures.

Expenditures realised from interest participate with 9.29%, amount RSD 14,481,548.05 and are 21% lower than in the same period of the previous year. The mentioned expenditures from interest refer to the interests for long-term liabilities per loans (EIB – reconstruction of the Terminal, housing loans and financial leasing).

Realised exchange rate differences are achieved in the amount of RSD 8,652,165.80 (and mostly refer to: realised negative exchange rate differences for liabilities for loans, negative exchange rate differences for liabilities to suppliers, negative currency clause for liabilities - leasing) and they participate with 5.55% in pattern of total financial expenditures.

Other expenditures (group 57 and 58) in the period IV-VI 2012 are achieved in the amount of RSD 704,989,118.96 and are far higher than the same in the same period of the previous year, primarily due to value correction of domestic and foreign buyers on 30/06/2012 in the amount of RSD 697,980,917.69 and most part thereof refer to value correction of JAT Airways.

EXPENDITURE PATTERN

Account	Account name	Realisation		Plan	Realisation		Index
		I-VI 2011	I-VI 2012		I-VI 2012	6 (5/3)	
1	2	3	4	5	6 (5/3)	7 (5/4)	
50	PURCHASE VALUE OF SOLD GOODS	413,493,009.15	275,780,406.08	161,914,894.92		39	59
501	PURCHASE VALUE OF SOLD GOODS	413,493,009.15	275,780,406.08	161,914,894.92		39	59
51	COSTS OF MATERIALS	179,316,128.73	250,978,239.27	213,384,095.65		119	85
511	COSTS OF MATERIALS FOR PRODUCTION	53,590,401.39	75,847,190.00	76,915,693.33		144	101
512	COSTS OF OVERHEADS	20,473,188.22	63,140,000.00	15,637,451.32		76	25
513	COSTS OF FUEL AND ENERGY	105,252,539.12	111,991,049.27	120,830,951.00		115	108
52	SALARIES, REIMBURSEMENTS	439,829,131.54	554,867,468.95	545,120,587.19		124	98
520	SALARIES AND REIMBURSEMENTS-GROSS	262,586,223.68	318,151,064.57	316,515,344.47		121	99
521	TAXES AND CONTRIBUTIONS AT THE COST OF EMPLOYER	46,820,506.00	56,773,573.92	56,506,065.00		121	100
522	REIMBURSEMENT FOR SERVICE CONTRACTS-GROSS	711,551.89	677,095.59	523,879.48		74	77
524	COSTS OF REIMBURSEMENTS PER TEMPORARY AND OCCASIONAL	113,213,494.13	145,986,235.04	137,857,044.88		122	94
525	REIMBURSEMENT FOR NATURAL PERSONS-GROSS	171,457.88	191,404.50	189,506.01		111	99
526	REIMBURSEMENT MEMBERS OF BoD, SuperRv.B, Assembly-GROSS	4,774,449.62	6,513,647.61	6,631,143.64		139	102
529	OTHER PERSONAL EXPENDITURES	11,551,448.34	26,574,447.75	26,897,603.71		233	101
53	COSTS OF PRODUCTION SERVICES	407,726,796.77	547,043,326.41	489,730,081.11		120	90
531	COSTS OF TRANSPORTATION SERVICES	189,271,441.30	198,968,068.29	180,631,728.21		95	91
532	COSTS OF MAINTENANCE SERVICES	38,956,033.86	137,118,300.00	75,438,232.50		194	55
533	COSTS OF LEASE	2,262,152.03	1,855,122.47	9,152,122.72		405	493
535	COSTS OF ADVERTISING	17,876,935.16	17,500,000.00	17,094,558.71		96	98
539	COSTS OF OTHER SERVICES	159,360,234.42	191,601,835.66	207,413,438.97		130	108
54	COSTS OF AMORTIZATION AND RESERVES	324,363,493.65	350,000,000.00	329,938,601.97		102	94
540	COSTS OF AMORTISATION	324,363,493.65	350,000,000.00	318,938,601.97		98	91
549	OTHER LONG-TERM RESERVES	0.00	0.00	11,000,000.00		0	0
55	INTANGIBLE COSTS	205,745,961.17	229,836,375.84	242,183,524.18		118	105
550	COSTS OF NON-PRODUCTION SERVICES	136,952,616.93	157,067,923.94	177,819,507.98		130	113
551	COSTS OF REPRESENTATION	2,892,285.92	2,623,274.25	2,016,321.59		70	77
552	INSURANCE PREMIUMS	10,394,015.03	16,672,476.30	12,399,095.46		119	74
553	COSTS OF PAYMENT SYSTEM	3,770,969.93	3,550,076.47	2,595,895.78		69	73
554	COSTS OF MEMBERSHIPS	1,686,222.12	1,739,268.09	1,639,186.00		97	94
555	COSTS OF TAXES	36,873,765.54	38,813,110.32	36,993,988.97		100	95
559	OTHER INTANGIBLE COSTS	13,176,085.70	9,370,246.49	8,719,528.40		66	93
56	FINANCIAL EXPENDITURES	157,133,629.65	34,333,003.89	179,116,355.60		114	522

Account	Account name	Realisation		Plan	Realisation		Index
		I-VI 2011	I-VI 2012		I-VI 2012	I-VI 2012	
1	2	3	4	5	6 (5/3)	7 (5/4)	
562	INTEREST EXPENDITURES	36,681,551.25	34,333,003.89	31,910,036.11	87	93	
563	NEGATIVE EXCHANGE RATE DIFFERENCES	120,428,565.27	0.00	128,268,425.57	107	0	
564	EXPENDITURE OF EXCHANGE CLAUSE RISK	23,513.13	0.00	18,937,893.92	80,542	0	
57	OTHER EXPENDITURES	19,258,884.09	18,160,092.74	14,208,061.14	74	78	
570	LOSS FROM EXPENDITURES	1,146,205.48	954,963.19	20,166.39	2	2	
575	PROTECTION FROM REVALUATION RISK	0.00	0.00	722.04			
579	OTHER NON-MENTIONED EXPENDITURES	18,112,678.61	17,205,129.55	14,187,172.71	78	82	
58	EXPENDITURES FROM PROPERTY DEVALORIZATION	0.00	0.00	697,980,917.69	0	0	
585	IMPAIRMENT OF RECEIVABLES AND SHORT-TERM FIN. INVESTMENT	0.00	0.00	697,980,917.69	0	0	
	TOTAL EXPENDITURES	2,146,867,034.75	2,260,998,913.17	2,873,577,119.45	134	127	

4.3. SALARIES

In the period I-VI 2012 the total sum paid for salaries amounted RSD 316,515,344.47 (gross I), which is 21% higher than in the same period of 2011 and 1% less than the planned amount for the same period of 2012. The reason of salary increase in the period I-VI 2012 in comparison to the same period 2011 is increase in number and salary amount of employees.

Summary of paid salaries (gross I) in the period I-VI of the current year is given in the table per months:

SALARIES GROSS I

Month	Achievement 2011	Plan 2012	Achievement 2012	Index	
				5 (4/2)	6 (4/3)
1	2	3	4	5 (4/2)	6 (4/3)
January	40,561,514.13	48,755,248.00	48,755,248.18	120	100
January-Christmas bonus	8,965,648.87	9,565,000.00	9,308,013.00	104	97
February	39,596,585.00	49,100,000.00	48,252,313.31	122	98
March	39,582,129.00	46,909,000.00	47,015,940.48	119	100
April	41,996,815.00	52,075,000.00	51,637,778.27	123	99
April-Eastern bonus	8,971,420.98	9,672,000.00	9,521,989.85	106	98
May	41,695,362.00	52,075,000.00	51,258,102.50	123	98
June	41,216,750.00	50,000,000.00	50,765,958.88	123	102
Total salaries	244,649,155.13	298,914,248.00	297,685,341.62	122	100
Total Christmas bonus	17,937,069.85	19,237,000.00	18,830,002.85	105	98
Total salaries+Christmas bonus	262,586,224.98	318,151,248.00	316,515,344.47	121	99

We can see in the table that in the period I-VI 2012 there were paid out salaries to employees according to individual work contracts as well as single payments, as Christmas and Eastern bonuses, to each employee, in the same amount of RSD 15,000.00.

In the period I-VI of the current year average gross salary with the Christmas and Eastern bonuses in the Company amounted RSD 118,521.00 and is 13% higher than the same for the previous year. Average net salary with the Christmas and Eastern bonuses in the Company amounted RSD 84,066.00. Course of average gross I salary in the Company is shown in the table:

AVERAGE SALARY GROSS I

Month	ANT JSC
January	132,100
February	107,793
March	105,863
April	137,999
May	116,010
June	111,359
Average I-VI 2012	118,521

4.4. FINANCIAL RESULT IN I-VI 2012

In the period I-VI 2012 **net profit** of the company was disclosed in the amount of RSD 495,243,417.25. Thus disclosed net profit is 43% lower than the profit in the same period of the previous year.

FINANCIAL RESULT FOR THE PERIOD I-VI

RSD

No.	POSITION	Realisation	Plan	Realisation	Index	
		I-VI 2011	I-VI 2012	I-VI 2012	6 (5/3)	7 (5/4)
1	2	3	4	5		
1	Business revenues	2,911,952,021.22	3,057,109,988.30	2,920,637,008.92	100	96
2	Business expenditures	1,970,474,521.01	2,208,505,816.55	1,982,271,785.02	101	90
3	Business profit (1-2)	941,477,500.21	848,604,171.75	938,365,223.90	100	111
4	Financial revenues	173,018,370.20	77,153,306.27	386,014,337.18	223	500
5	Financial expenditures	157,133,629.65	34,333,003.89	179,116,355.60	114	522
6	Financial profit (4-5)	15,884,740.55	42,820,302.38	206,897,981.58	1.302	483
6a	Financial loss (5-4)					
7	Other revenues	8,545,364.55	19,350,292.01	88,516,970.40	1.036	457
8	Other expenditures	19,258,884.09	18,160,092.74	712,188,978.83	3.698	3.922
9	Other profit (7-8)		1,190,199.27		0	0
9a	Other loss (8-7)	10,713,519.54		623,672,008.43	5.821	0
10	Total revenues (1+4+7)	3,093,515,755.97	3,153,613,586.58	3,395,168,316.50	110	108
11	Total expenditures (2+5+8)	2,146,867,034.75	2,260,998,913.18	2,873,577,119.45	134	127
12	Total gross profit (10-11)	946,648,721.22	892,614,673.40	521,591,197.05	55	58
13	Period tax expenditure	72,596,748.00		29,142,242.19	40	0
14	Deferred period tax expenditure	0.00		0.00	0	0
15	Deferred period tax revenue	0.00		2,794,462.39	0	0
16	Paid-up personal receiving to employer (interim dividend)	0.00		0.00	0	0
17	Net profit	874,051,973.22		495,243,417.25	57	0

It is important to point out that the financial result (gross profit and net profit) of Airport Nikola Tesla Belgrade for the first six-months period of 2012 is disclosed in drastically lower amount due to inability to collect receivables from JAT Airways a.d.

Due to uncollected receivables from JAT Airways a.d. the amount of RSD 683,950,380.28 is disclosed on operational costs as correction of value of uncollected receivables from JAT Airways a.d. older than 60 days, gross profit of the Company is decreased by the same amount and net profit is accordingly decreased.

Provided that the receivables were regularly collected from JAT Airways a.d. gross profit of Airport Nikola Tesla JSC for I-VI 2012 would be RSD 1,205,541,577.33.

Additionally, we should remark that only 1.6% of totally invoiced receivables from the first six-months period from JAT Airways had been collected until this report was drawn up.

5. DESCRIPTION OF ALL IMPORTANT BUSINESS OCCURRENCES FROM THE PERIOD I-VI 2012

On February 27, 2012 the Government of the Republic of Serbia made the Conclusion no. 023-1413-2012, by which it gave a consent that the part of the debt of JAT Airways a.d. Beograd to the Company will be reconciled and the outstanding debt will be settled by a Protocol on rescheduling of debts.

According to the Conclusion of the Government on the Company and JAT Airways a.d. Beograd, two Deeds of partial arrangement were concluded, where the subject of reconciliation is on the one party's behalf, fixed property of JAT Airways a.d. Beograd on the complex of Airport Nikola Tesla Belgrade, and on the other party's behalf, the part of the receivables of the Company from JAT Airways a.d. Beograd in the amount of RSD 593.286 thousand.

The fixed property, being the subject of the Deeds of arrangement, are:

- building "Training centre", with total area of 3,936 m², whereon Jat Airways is registered as a beneficiary, of estimated value of EUR 3,755,497;
- building "Flight operations", with total area of 2,224 m², whereon Jat Airways is registered as a holder, of estimated value of EUR 1,868,160;

The procedure according to the Conclusion of the Government of RS is pending.

The Ordinary Shareholders Assembly of Airport Nikola Tesla JSC Belgrade was held on 28/06/2012.

The Shareholders Assembly of Airport Nikola Tesla JSC Belgrade adopted the Financial reports for 2011, the Report of an independent auditor on audit of financial reports for 2011, the Business report for 2011, the Report of the Board of Directors and the Report of the Supervisory Board of the Company.

On the same session the decision on change of price-list for airport services, whereby fees charged by Airport Nikola Tesla JSC to airlines are decreased, is adopted. Furthermore, the Shareholders Assembly of Airport Nikola Tesla JSC passed the decision to distribute the profit, realised in 2011, in the amount of RSD 1,580,293,085.78, as follows: for reserves of the Company-RSD 536,432,253.49, for dividend gross amount of RSD 987,533,280.00, and for participation of employees in the profit-RSD 56,327,552.29.

The members of the Executive Board of Airport Nikola Tesla JSC Belgrade, an auditor of financial reports of Airport Nikola Tesla JSC Belgrade and a member of the audit committee were elected on the session.

On this Assembly session the documents necessary for adjustment of operation of the company with the Company Law were adopted, as follows: the Incorporation Act of Joint Stock Company Airport Nikola Tesla Belgrade, the Statute of Joint Stock Company Airport Nikola Tesla Belgrade and the Internal rules of work of the Shareholders Assembly.

On the same date a meeting of the Supervisory Board of Airport Nikola Tesla JSC Belgrade was held, the Executive Board of the Company was elected and the operation of the Company was complied with legal regulations.

6. DESCRIPTION OF EXPECTED DEVELOPMENT OF THE COMPANY IN THE FOLLOWING PERIOD, CHANGES IN BUSINESS POLICIES OF THE COMPANY, AS WELL AS MAIN RISKS AND THREATS, TO WHICH THE COMPANY IS EXPOSED

6.1. Description of expected development of the Company in the following period

In the beginning of the year it was announced arrival of three new carriers, which would offer three new air routes from Belgrade:

- Carrier Air One - Belgrade – Milan
- Carrier Croatia Airlines -Belgrade –Split
- Carrier Qatar Airways -Beograd - Doha

Carrier Croatia Airlines commenced flights on 01/06/ 2012 and arrival of the other two is expected in the beginning of the last quarter of this year.

Air carriers, which already operate with the Airport, as well as national air carrier JAT Airways, plan to offer more flights to popular destinations in summer season. All this help traffic volume to increase, and make Belgrade Airport even more attractive both to air carriers and passengers.

6.2. Changes in business policies

The Airport has corrected prices for landing services and infrastructure. Air carriers are really interested in having high quality services performed quickly and at the lowest possible price. Indirectly, passengers also take advantage of such service, which makes ticket price much lower.

There are ongoing works on great infrastructure project of enlargement of terminal building in order to provide better comfort for passenger and more facilities.

6.3. Main risks and threats to which the Company is exposed

Exceptional geographic position, space capacity, navigation and exploitation conditions and communication with other means of transport enables Airport "Nikola Tesla" to become the regional centre of air traffic in South-east Europe.

Unfortunately, poorly developed infrastructure and inadequate traffic organisation is a major factor limiting economic growth, production increase, competitiveness and employment as well as higher quality of commercial trade of Serbia within the region and the world. World economy crisis made huge impact on offer/demand in air services in Europe. A few air carriers, which had significant portion in the traffic from Belgrade Airport bankrupted within the previous year and that presents the situation in this field.

7. FINANCIAL INSTRUMENTS AND AIMS OF FINANCIAL RISK MANAGEMENT

Due to market risks, which influence on financial instruments, the management of the Company vigilantly monitors risky developments and take precautionary measures for risk management.

7.1. MARKET RISK

a) Currency risk

By analysis of financial resources and liabilities on 30/06 2012 we can conclude that the company is operating with low currency risk. It is due to the fact that almost all long-term receivables are contracted with currency clause.

b) Risk of interest rate change

Risk of change of interest rate does not represent significant risk for the Company. Financial instruments with contracted interest are mainly defined with fixed interest rate. Therefore, change of interest rate will not considerably influence revenues and expenditures of the Company

7.2. CREDIT RISK

The Company estimates that the greatest of the risks affecting financial instruments is credit risk. The Company has huge receivables of domestic and foreign buyers and the credit risk permanently exists. In order to decrease this risk the Company regularly monitors charging, analyses charging value realised in due period, failure in payment and uncollected receivables.

Receivables from buyers refer to many clients, whereof the greatest part refers to receivables from JAT Airways.

7.3. LIQUIDITY RISK AND CASH FLOW

Management of liquidity risk demands special attention of the Management of the Company. Therefore the Management has established business policy mostly based on financing from own resources. Outside funds are mostly long-term resources. In support of the fact that there is no liquidity risk, we have to mention that the Company has unemployed funds, deposited in banks as short-term investments, mainly for financing of future capital expenditures.

Executive Director

Violeta Jovanović, MA of Economy.

General Director

Prof Velimir Radosavljević PhD



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STATEMENT

Hereby we state that, according to our best knowledge, the statement for the second quarter of 2012, which contains data for the first six-months period is drafted in line with appropriate international standards of financial reporting and that it shows true and impartial data on property, obligations, financial position and operating, profits and losses, cash flows and changes on the capital of the Company.

General Director

Prof. Velimir Radosavljević, PhD ME

Executive Director

Violeta Jovanović

Director of Financial Department

Ljiljana Simonović

Head of Accounting Sector

Zorka Latinović



AIRPORT NIKOLA TESLA JSC BELGRADE
11180 BELGRADE 59
Register no. 07036540
TIN 100000539

FINANCIAL STATEMENT FOR I-VI 2012

1. BALANCE SHEET ON 30/06/2012
2. INCOME SHEET FOR I-VI 2012
3. CASH FLOW STATEMENT FOR I-VI 2012
4. STATEMENT ON CHANGES IN CAPITAL FOR I-VI 2012
5. NOTES FOR FINANCIAL STATEMENTS FOR I-VI 2012

Belgrade, August 6, 2012

BALANCE SHEET on 30/06/2012

in thousand RSD

Group of accounts, account	POSITION	ADP	Note no.	A m o u n t	
				Current year 30/06/2012	Previous year 31/12/2011
1	2	3	4	5	6
	ASSETS				
	A. NON-CURR. ACT. PROPER. (002+003+004+005+009)	001		20,707,427	20,551,656
00	I. NON-PAID UP SUBSCRIBED CAPITAL	002			
012	II. GOODWILL	003			
01 without 012	III. INTANGIBLE INVESTMENTS	004	17	5,857	6,234
	IV. REAL ESTATES, PLANTS, EQUIPMENT AND BIOLOGICAL AGENCIES (006+007+008)	005	17	20,604,769	20,449,408
020,022,023,026, 027(part), 028(part), 029	1. Property, plants and equipment	006	17	20,589,871	20,434,510
024, 027(part), 028 (part)	2. Investment property	007	17	14,476	14,476
021, 025, 027(part), 028(part)	3. Biological agencies	008	17	422	422
	V. LONG-TERM FINANCIAL INVESTMENTS (010+011)	009		96,801	96,014
030 to 032, 039(part)	1. Share in capital	010	18	88	205
033 to 038, 039 (part), minus 037	2. Other long-term financial investments	011	18a	96,713	95,809
	B. TURNOVER PROPERTY (013+014+015)	012		4,971,486	4,508,114
10 to 13, 15	I. STOCKS	013	19	206,360	156,623
14	II. NON-CURRENT ASSETS INTENDED FOR SALE AND ASSETS OF OPERATION DISCONTINUED	014		-	-
	III. SHORT-TERM RECEIVABLES, INVESTMENTS AND CASH (016+017+018+019+020)	015		4,765,126	4,351,491
20, 21 and 22 except 223	1. Receivables	016	20	1,653,567	1,611,954
223	2. Receivables of amount paid above income-tax	017		38,304	43,248
23 minus 237	3. Short-term financial investments	018	21	2,559,061	2,478,614
24	4. Cash and cash equivalents	019	22	394,538	73,304
27 and 28 except 288	5. VAT and prepayments and accrued income	020	23	119,656	144,371
288	V. DEFERRED TAX LIABILITIES	021		-	-
	G. BUSINESS PROPERTY (001+012 +021)	022		25,678,913	25,059,770
29	D. LOSS ABOVE CAPITAL AMOUNT	023			
	Dj. TOTAL ASSETS (022+023)	024		25,678,913	25,059,770
88	E. OFF-BALANCE ASSETS	025	35	257,820	363,186
	OBLIGATIONS				
	A. CAPITAL (102+103+104+105+106-107+108-109-110)	101		22,366,264	22,914,998
30	I. CORE CAPITAL	102	24	20,573,610	20,573,610
31	II. NON-PAID UP SUBSCRIBED CAPITAL	103		-	-
32	III. RESERVES	104	25	1,297,787	761,355
330 and 331	IV. REVALUATION RESERVES	105		-	-
332	V. NON-REALISED INCOMES FROM SECURITIES	106		-	-
333	VI. NON-REALISED LOSSES FROM SECURITIES	107	26	377	260
34	VII. NON-DISTRIBUTED PROFIT	108	27	495,244	1,580,293
35	VIII. LOSS	109		-	-
037 and 237	IX . REPURCHASED OWN SHARES	110		-	-
	B. LONG-TERM RESERVES AND LIABILITIES (112+113+116)	111		3,021,406	1,850,734
40	I. LONG-TERM RESERVES	112	28	178,161	167,874
41	II. LONG-TERM LIABILITIES (114+115)	113		1,374,110	1,251,967
414,415	1. Long-term loans	114	29	1,145,290	1,034,742
41 without 414 and 415	2. Other long-term liabilities	115	30	228,820	217,225
	III. SHORT-TERM LIABILITIES (117+118+119+120+121+122)	116		1,469,135	430,893
42 except 427	1. Short term liabilities	117	31	95,245	177,419
427	2. Liabilities from assets intended for sale and assets of operation discontinued	118		-	-
43 and 44	3. Business liabilities	119	32	153,821	194,478
45 and 46	4. Other short-term liabilities	120	33	1,055,063	1,101
47, 48 except 481 and 49 except 498	5. Liabilities from VAT and other public revenues and accrued costs and deferred revenues	121	34	165,006	57,895
481	6. Liabilities from profit-tax	122		-	-
498	V DEFERRED TAX LIABILITIES	123	36	291,243	294,038
	G. TOTAL OBLIGATIONS (101+111+123)	124		25,678,913	25,059,770
89	D. OFF-BALANCE SHEET LIABILITES	125	35	257,820	363,186



INCOME SHEET in period from 01/01/2012 to 30/06/2012

in thousand RSD

Group of accounts, account	POSITION	ADP	Note no.	Amount			
				Current period		Previous period	
				Quarter (01.04-30.06.2012.)	Cumulative (01.01-30.06.2012.)	Quarter (01.04-30.06.2011.)	Cumulative (01.01-30.06.2011.)
1	2	3	4	6	7	8	9
A. REVENUES AND EXPENDITURES FOR REGULAR BUSINESS							
I. OPERATING REVENUES (202+203+204-205+206)							
		201		1,618,969	2,920,637	1,674,082	2,911,952
60 and 61	1. Revenues from sale of goods	202	5	1,488,706	2,693,655	1,564,619	2,714,798
62	2. Revenue from consumption of own products	203					
630	3. Increase in value of inventories	204					
631	4. Decrease in value of inventories	205					
64 and 65	5. Other operating revenues	206	5	130,263	226,982	109,463	197,154
II. OPERATING EXPENDITURES (208 to 212)							
		207		1,004,686	1,982,272	1,105,959	1,970,474
50	1. Purchase value of sold goods	208	6	84,037	161,915	308,150	413,493
51	2. Costs of materials	209	7	71,672	213,384	73,694	179,316
52	3. Costs of salaries, salary compensations, and other personal	210	8	282,532	545,120	227,338	439,829
54	4. Costs of amortization and reservations	211	9	172,665	329,939	164,236	324,363
53 and 55	5. Other operating expenditures	212	10	393,780	731,914	332,541	613,473
	III. BUSINESS REVENUE (201-207)	213		614,283	938,365	568,123	941,478
	IV. BUSINESS LOSS (207-201)	214					
66	V. FINANCIAL REVENUES	215	11	281,526	386,014	128,685	173,019
56	VI. FINANCIAL EXPENDITURES	216	12	155,810	179,116	105,842	157,134
67 and 68	VII. OTHER REVENUES	217	13	80,210	88,517	3,891	8,545
57 and 58	VIII. OTHER EXPENDITURES	218	14	704,989	712,189	10,364	19,259
	IX . PROFIT FROM REGULAR OPERATING BEFORE TAX (213-214+215-216+217-218)	219	15	115,220	521,591	584,493	946,649
	X. LOSS FROM REGULAR OPERATING BEFORE TAX (214-213-215+216-217+218)	220					
69 - 59	XI. NET PROFIT OF OPERATIONS DISCONTINUED	221					
59 - 69	XII. NET LOSS OF OPERATIONS DISCONTINUED	222					
	B. PROFIT BEFORE TAX(219-220+221-222)	223		115,220	521,591	584,493	946,649
	V. LOSS BEFORE TAX(220-219+222-221)	224					
	G. PROFIT TAX						
721	1. Period tax expenditure	225	15	6,681	29,142	36,299	72,597
722	2. Deferred period tax expenditure	226					
722	3. Deferred period tax revenue	227		2,795	2,795		
723	D. Paid-up personal receiving to employer	228					
	Đ. NET PROFIT (223-224-225-226+227-228)	229		111,334	495,244	548,194	874,052
	E. NET LOSS (224-223+225+226-227+228)	230					
	Ž. NET PROFIT FOR MINORITY INVESTORS	231					
	Z. NET PROFIT FOR OWNERS OF PARENT LEGAL ENTITY	232					
	I. PROFIT PER SHARE						
	1. Basic profit per share	233					
	2. Diluted profit per share	234					
	TOTAL REVENUES (201+215+217)			1,980,705	3,395,168	1,806,658	3,093,516
	TOTAL EXPENDITURES (207+216+218)			1,865,485	2,873,577	1,222,165	2,146,867

In Belgrade, 31/07/2012

CASH FLOW STATEMENT in period from 01/01/2012 till 30/06/2012

POSITION	ADP	Amount (in RSD thousand)	
		(01.01-30.06. 2012.)	(01.01-30.06. 2011.)
1	2	3	4
A. CASH FLOWS FROM BUSINESS ACTIVITY			
I. Cash inflow from business activities (1 to 3)	301	2,617,673	2,920,016
1. Sale and received advance payments	302	2,379,160	2,645,408
2. Interests received from business activity	303	1,059	1,136
3. Other inflows from regular operations	304	237,454	273,472
II. Cash outflow from business activities (1 to 5)	305	1,898,350	1,921,542
1. Payments for suppliers and given advance payments	306	1,232,416	1,246,937
2. Salaries, salary compensations and other personal expenses	307	515,408	409,341
3. Paid interest	308	35,613	37,976
4. Income-tax	309	24,199	94,752
5. Payment from other public revenues	310	90,714	132,536
III. Net cash inflow from business activities (I - II)	311	719,323	998,474
IV. Net cash outflow from business activities (II - I)	312	0	0
B. CASH FLOW FROM INVESTMENT ACTIVITIES			
I. Cash inflow from investment activity (1 to 5)	313	242,723	62,234
1. Sale of shares and portions (net inflows)	314	0	0
2. Sale of intangible investments, properties, plants, equipment and biological agencies	315	2,334	1,617
3. Other financial investments (net inflows)	316	179,261	0
4. Interests received from investment activities	317	61,128	60,617
5. Dividends received	318	0	0
II. Cash outflows from investment activities (1 to 3)	319	561,053	892,540
1. Purchase of shares and portions (net outflows)	320	0	0
2. Purchase of intangible investments, properties, plants, equipment and biological agencies	321	561,053	153,250
3. Other financial investments (net outflows)	322		739,290
III. Cash net inflow from investment activities (I - II)	323		
IV. Cash net outflow from investment activities (II - I)	324	318,330	830,306
V. CASH FLOWS FROM FINANCING ACTIVITIES			
I. Cash inflow from financing activities (1 to 3)	325	0	0
1. Core capital increase	326	0	0
2. Long-term and short-term loans (net inflows)	327	0	0
3. Other long-term and short-term liabilities	328	0	0
II. Cash outflow from financing activities (1 to 4)	329	96,237	93,492
1. Redemption of own shares and portions	330		0
2. Long-term and short-term loans and other liabilities (net outflows)	331	51,725	47,773
3. Financial leasing	332	44,512	45,719
4. Paid-up dividends	333	0	0
III. Cash net inflow from financing activities (I - II)	334	0	0
IV. Cash net outflow from financing activities (II - I)	335	96,237	93,492
G. OVERALL CASH INFLOW (301+313+325)	336	2,860,396	2,982,250
D. OVERALL CASH OUTFLOW ((305+319+329)	337	2,555,640	2,907,574
Đ. NET CASH INFLOW ((336-337)	338	304,756	74,676
E. NET CASH OUTFLOW (337-336)	339	0	0
Z. CASH AT THE BEGINNIGN OF ACCOUNTING PERIOD	340	73,304	259,206
Z. POSITIVE EXCHANGE RATE DIFFERENCES FROM CASH CONVERSION	341	17,303	150
I. I.NEGATIVE EXCHANGE RATE DIFFERENCES FROM CASH CONVERSION	342	825	5,156
J. CASH AT THE END OF ACCOUNTING PERIOD (338-339+340+341-342)	343	394,538	328,876



in thousand RSD

STATEMENT ON CHANGES IN CAPITAL in the period from 01/01 till 30/06/2012													
No.	Description	Core capital (30 without 309)	Other capital (309)	Non-paid subscribed capital (31)	Issue premium (320)	Reserves (321 and 322)	Reserves (330 and 331)	Non-realised profits from securities (332)	Non-realised losses from securities (333)	Non- distributed profit (34)	Loss below capital amount (35)	Repurchased own shares and portions (037 and 237)	Total (2+3+4+5+6+7+ 8-9+10-11-12)
	1	2	3	4	5	6	7	8	9	10	11	12	13
1	Balance on 01/01 of the previous year of 2011	20,573,610	0	0	0	0	0	0	73	1,937,323	0	0	22,510,860
2	Correction of materially significant errors and changes of accounting policies in previous year-increase	0	0	0	0	0	0	0	0	0	0	0	0
3	Correction of materially significant errors and changes of accounting policies in previous year-decrease	0	0	0	0	0	0	0	0	0	0	0	0
4	Corrected initial balance on January 1st of the previous year of 2011 (1+2-3)	20,573,610	0	0	0	0	0	0	73	1,937,323	0	0	22,510,860
5	Total increase in the previous period (I-VI 2011)	0	0	0	0	0	0	0	0	874,052			874,052
6	Total decrease in the previous period (I-IV 2011)	0	0	0	0	0	0	0	0	0			0
7	Balance on 30/06 of the previous year of 2011 (4+5-6)	20,573,610	0	0	0	0	0	0	73	2,811,375	0	0	23,384,912
8	Total increase in the previous period (VI-XII 2011)	0	0	0	0	761,355	0	0	187	706,241	0	0	1,467,409
9	Total decrease in the previous period (IV-XII 2011)	0	0	0	0	0	0	0	0	1,937,323	0	0	1,937,323
10	Balance on 12/31 of the previous year of 2011 = Corrected initial balance on January 1st of the current year of 2012 (7+8-9)	20,573,610	0	0	0	761,355	0	0	260	1,580,293	0	0	22,914,998
11	Total increase in the current year (I-VI 2012)	0	0	0	0	536,432	0	0	117	495,244			1,031,559
12	Total decrease in the current year (I-VI 2012)	0	0	0	0	0	0	0	0	1,580,293			1,580,293
13	Balance on 30/06 of the current year of 2012 (10+11-12)	20,573,610	0	0	0	1,297,787	0	0	377	495,244	0	0	22,366,264

In Belgrade, 31/07/2012



AIRPORT NIKOLA TESLA JSC BELGRADE
11180 BELGRADE 59
Register no. 07036540
TIN 10000539

NOTES FOR FINANCIAL STATEMENT FOR THE SECOND SEMESTER OF 2012

Belgrade, August 6, 2012



1. FOUNDING AND OPERATION OF THE COMPANY

1.1. General data of the company

The Joint Stock Company Airport Nikola Tesla Belgrade (hereinafter: the Company) has been established for provision of airport services (aircraft landing, take-off, taxing and parking and aircraft, passenger and cargo handling). Apart from the basic activity, Airport Nikola Tesla JSC Belgrade, as side activities, provides other services at airport complex, satisfying the needs of service users, domestic and foreign air carriers.

Whilst operation of the Airport dates back to March 25, 1928, at the location on Bežanijska kosa, operation on the current location (Surčin) started in 1962.

By a Decision of the Government of Republic of Serbia from 1992, the Airport was re-registered as Javno preduzeće (public company) Aerodrom „Beograd“ and in 2006, also by a decision of the Government it got the name JP Aerodrom „Nikola Tesla“

The Government of Republic of Serbia on 17/06/2010 made the Decision no. 023-4432/2010, on change of legal form of JP Aerodrom "Nikola Tesla" Beograd from a public company into closed joint stock company. The change of legal form is registered with the Registers Agency on 22/06/2010 by the Rescript no.BD 68460/2010.

After the change of legal form the company continued its business under the full name Akcionarsko društvo Aerodrom "Nikola Tesla" Beograd.

By the Rescript of the Registers Agency no: BD 7651/2011 dated on 24/01/2011, the Company was registered as an open joint stock company.

<i>Head-office</i>	Belgrade 59, 11180 Surčin
<i>Register number</i>	07036540
<i>Tax identification number</i>	100000539
<i>Activity code and name</i>	5223-Air-traffic services

According to the classification criteria from the Law on accounting and audit Airport Nikola Tesla JSC Belgrade is classified as a large legal person.

On 31/12/2011 the Company had 435 employees (averagely during 2011 421 employees, and on 30/06/2012 458 employees (averagely during the first semester of 2012 447 employees).

1.2. Management structure

The Company has established two-tier management system. The Bodies of the Company are the Assembly, the Supervisory Board and the Executive Board.

The Assembly comprises of the company Shareholders entitled to participate in Assembly work. The Shareholder, in possession of 10% of ordinary shares (34,289 shares) is entitled to participate in Assembly work.

The Supervisory Board has 7 members assigned by the Assembly of the Company. The Supervisory Board may form different experts committees with at least three members, whereof one is a member of the Supervisory Board.

The Executive Board has 4 executive directors including the General Director. The Executive directors are assigned by the Supervisory Board of the Company.

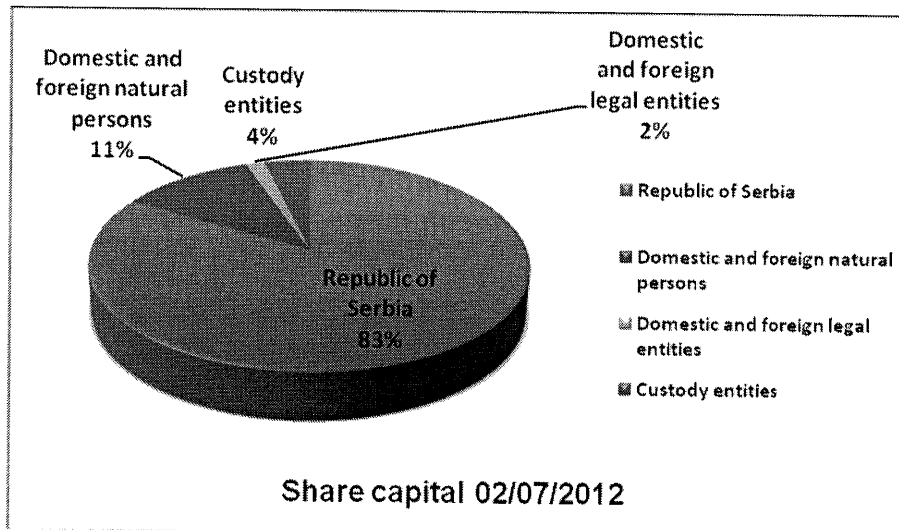
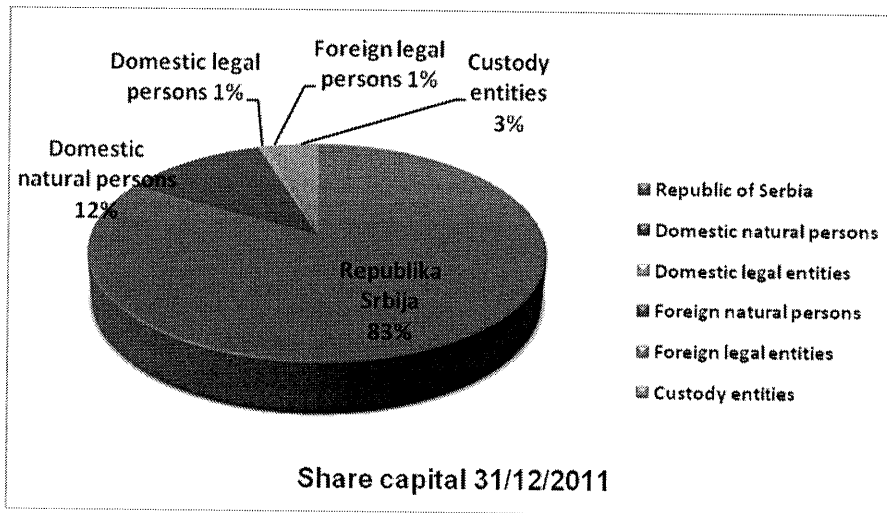
1.3. Ownership

After change of legal form into a closed joint stock company, the Central depository and clearing house registered on 07/07/2010, 34,289,350 shares, 100% in ownership of Republic of Serbia.

The Government of Republic Serbia, on 09/12/2010 made the Decision no. 023-9103/2010-1, by which citizens of Republic of Serbia, the employees and former employees of the Company have acquired the right to 16.85% of ownership of the Company. After transfer of the right to free of charge shares to citizens, employees and former employees, Republic of Serbia owns 28,511,988 ordinary shares, which represents 83.15% of the total share capital of the Company.

By the Decision on admission of shares to Prime Listing 04/4 no. 478/11 dated on 28/01/2011, the shares of the Company are accepted on 'A' Listing of the Belgrade Exchange Market. Stock trade on the Belgrade Exchange Market commenced on 07/02/2011.

On 25/01/2011, based on data of the Central depository and clearing house, the Company had 4,822,137 shareholders and on 31/12/2011 it had 3,313,721 shareholders. The biggest shareholders on 31/12/2011 are Republic of Serbia (83%), domestic natural persons (12%) and custody persons (3%). On 04/06/2012 the Company has 3,192,793 shareholders, whereof 3,187,543 shareholders with one share. On 04/06/2012 Republic of Serbia is the biggest shareholder.



2. BASIS FOR COMPOSITION AND PRESENTATION OF FINANCIAL STATEMENTS

The financial statements for the first semester of 2012 are composed in the manner of and pursuant to legal and international legislation which is used for composition of financial statements for 2011 and which is completely stated in Note 2 along with the financial statements for 2011.

The Financial statements of the Company are disclosed in RSD thousand. Dinar (RSD) represents official statement currency in Republic of Serbia.

3. PREVIEW OF IMPORTANT ACCOUNTING POLICIES

Significant accounting policies applied on the financial statements, being the subject of these Notes, are primarily based on the Rulebook on accounting and accounting policies of the Company. If certain accounting aspects are not clearly set out in the Rulebook, applied accounting policies are based on applicative legal, professional and internal regulations.

3.1. Incomes and outcomes

Incomes are disclosed according to invoice value, decreased by discounts given, acknowledged complaints and VAT.

Incomes are recognized in a moment when service is provided or goods are delivered, i.e. when all risks of performed operations are transferred to buyer. For services that are provided for longer period, incomes are recognized in proportion with operation performance.

Outcomes are recognized concurrently with recognition of incomes for which the outcomes arose (concept of causality of incomes and outcomes).

Costs of current maintenance of fixed assets are covered from current incomes.

3.2. Costs of borrowings

Costs of borrowings refer to interests and other costs arising in connection with resource borrowing. According to the relevant provisions of IAS 23, the costs of borrowing that can be directly ascribed to acquisition, assets build-up to be enabled for usage, are included in purchase value or cost value of such assets. Other costs of borrowing are recognized as outcomes of period from which they originate.

3.3. Conversion of foreign exchange amount

Receivables and liabilities disclosed in foreign currency are converted in RSD, applying official middle exchange rate of the National Bank of Serbia, on the date of operation change.

Receivables and liabilities disclosed in foreign currency on the date of 30/06/2012, converted in RSD, applying official middle exchange rate of the National Bank of Serbia, effective on balance date as follows:

	<u>30/06/2012</u>	<u>31/12/2011</u>
EUR middle exchange rate of NBS	RSD 115.8203	RSD 104.6409
USD middle exchange rate of NBS	RSD 92.1476	RSD 80.8662
CHF middle exchange rate of NBS	RSD 96.3724	RSD 85.9121
GBP middle exchange rate of NBS	RSD 143.7155	RSD 124.6022

Certain liabilities disclosed in foreign currency, are converted into RSD applying contracted exchange rate, effective on operation change date (liabilities for long-term loans from EIB, liabilities for housing loans from Piraeus Bank and liabilities for financial leasing from Porsche leasing and Hypo leasing).

The indicated outstanding liabilities were also converted per contracted Euro rate, on the balance date, as follows:

	<u>30/06/2012</u>	<u>31/12/2011</u>
For EIB loan and housing loans from Piraeus Bank:	RSD 116.1678	RSD 104.9548
For liabilities for financial leasing from Porsche leasing:	RSD 117.3260	RSD 106.0012
For liabilities for financial leasing from Hypo leasing:	RSD 117.9630	RSD 106.7660

Incomes and outcomes according to exchange rate differences and effects of currency clause are registered in balance sheet of the relevant period.

Incomes and outcomes from exchange rate differences are established according to two bases, as follows:

- during the year on the basis of realised (paid) receivables and liabilities, as realised positive or negative exchange rate differences or realised effects of currency clause, and
- on the date of balance draw up, as a result of application of exchange rates on balance positions (receivables and liabilities on balance date), disclosed in foreign currency, as non-realised positive or negative exchange rate differences or non-realised effects of currency clause.

In the first semester of 2012, total positive net effect on the basis of realised and non-realised exchange rate differences and currency clause on result of operations is disclosed in the amount of RSD 168,041 thousand, as follows:

- Positive net effect of realised exchange rate differences (positive minus negative exchange rate differences and currency clause) in the amount of RSD 219,837 thousand, and
- negative net effect of calculated- non-realised exchange rate differences (positive minus negative exchange rate differences and currency clause) in the amount of RSD 51,796 thousand.

3.4. Real estates, plants, equipment, biological and intangible investments

Initial valuing of real estates, plants, equipment, biological resources and intangible investments is performed upon purchase value. Resource built-up in own setting is recognized upon cost price providing they do not exceed market value. Purchase value consists of invoice value of obtained resources increased by all costs incurred up to their utilization. (IAS 16 Properties, plants and equipment).

After initial recognition, properties, plants and equipment are registered at cost of revaluing reserves, which represents their fair value at the date of revaluing, decreased for total amount of correction value against amortization and total amount of correction value against loss from depreciation (IAS 36 Property value depreciation).

3.5. Amortisation of properties, plants, equipment and intangible investments

Amortisation is calculated for each resource individually according to estimated value of the resource at the beginning of the year, i.e. according to purchase value of the resources activated during the year, by application of proportional method. Calculating of amortization begins on the next day after putting resources into operation.

Amortization rate is based on projected economic service life of properties, plants, and equipment and intangible investments.

In the first quarter of 2012 the same amortization rates were applied as in 2011.

3.6. Investment property

Note for financial statement on the date of 30/06/2012

Initial valuing of investment real estate is carried out per purchase value. After initial recognition, valuing of investment real estate is carried out per value in accordance with IAS 40- investment real estates.

Profit or loss incurred due to change of fair value of investment real estate to lower or higher position is disclosed at cost of other outcomes or in favour of other incomes in accounting period. Such assessment does not affect basis for calculating of amortization according to tax regulations.

3.7. Stocks

Stocks are disclosed per purchase value, i.e. cost value or net sale value, depending on the fact which one is lower.

Net sale value is price for sale of stocks in nominal operation conditions after price decrease by sale costs.

Calculation of stock output is determined by the method of average weighed purchase price.

3.8. Taxes and contributions

Current taxes

Income tax represents amount calculated and paid in accordance with taxing regulations of Republic of Serbia. Final amount of income-tax duty is determined by application of 10% rate on tax basis determined in tax balance of the Company. Tax basis disclosed in tax balance includes income disclosed in official balance sheet which is corrected for fixed differences defined by taxing regulations of Republic of Serbia.

Deferred tax

Deferred tax effects arise as a consequence of difference between basis for amortization calculation according to accounting and tax regulations. Also, this difference accrues on basis of existence of equipment with purchase value in the moment of purchase lower than average gross salary in RS, on basis of non-used tax loan for investments in real estate, plants and equipment and in other cases when there is time difference between tax liability arising and tax payment due date. Deferred tax liabilities are recognized for all chargeable temporary differences, while deferred tax resources are recognized in extent in which it is possible for chargeable profits to be available for usage of deducting temporary differences.

Taxes and contributions independent of results

Taxes and contributions independent of results include real estate and other taxes and contributions in line with republic, tax and general regulations. These taxes and contributions are disclosed within other business expenditures.

3.9. Benefits for employees

Taxes and contributions for salaries and reimbursements

In line with regulations applicative in Republic of Serbia, the Company pays contributions to state funds which provide social security of employees. Such obligations include contributions for employees at cost of employer in amounts calculated at rates proscribed by relevant regulations. The company is, also obliged to suspend contributions from gross salaries of employees and pay that, in name of employees, to those funds. Contributions at cost of employer and contributions at cost of employees are booked as expenditures of related period.

Restructuring

Process of restructuring of the Company has started in 2004 and it has been finished in 2009.

Reserving for terminal wages and jubilee bonuses in line with IAS-19

Pursuant to the Work regulations effective up to signing of the Collective Bargaining Agreement (26/03/2012) the Company was obliged to pay to the employees:

- o Terminal wage for retirement in amount of 4 average month salaries at the employer's in the very month before payment of terminal wage, and
- o Jubilee bonuses for total time of employment at the employer's as follows:
 - 10 years – one average month salary in Republic of Serbia
 - 20 years – two average month salaries in RS
 - 30 years - three average month salaries in RS
 - 35 years for women and 40 year for men- four average month salaries in RS.

Due to previously mentioned obligations at the end of every business year the Company makes assessment of reserving for terminal wages and jubilee bonuses in line with IAS-19- Reimbursements for employees.

Assessment of reserving for considered reimbursements on 12/12/2011 was made by Institute for economic researches Belgrade, as independent actuary, considering all relevant elements necessary for the reserving thereof: The Work regulations of the Company, number of employees in AD Aerodrom "Nikola Tesla" Beograd on 31/12/2011, rate of employee fluctuation of 2% and assumptions used by actuary in calculation, as discount rate (10%), expected salary increase in the Company (5%) and presumed real growth of average gross month salary in the Republic (4%). On 30/06/2012 reserving of the indicated reimbursements were not performed and it will be performed at the end of the business year, according to provisions of the Collective Bargaining Agreement whereby rate of liabilities for jubilee

wages is changed from average month salary in RS to average month salary at employers', taxes and contributions excluded.

3.10. Liabilities for loans and financial leasing

The Company has obligations per loans with payment linked with exchange rate of EUR. The loans are agreed with fix interest rates (Note 29).

Obligations per interests for long-term loans with due date in 2012 and subsequent years are not disclosed in balance sheet, but in Note 29, there is list of interests in detail, per due dates.

The Company declared leased equipment in balance sheet at current value of minimal leasing instalments at the beginning of leasing period, according to the provisions of IAS 17- Leasing. Corresponding liabilities toward lessors are registered in balance sheet as liabilities per financial leasing.

Expenditures of interests per financial leasing are registered in balance sheet on corresponding expenditure invoices, after fulfilment of obligations on related basis. All future instalments of financial leasing will not be declared in balance sheet, but in the Note 30 it is disclosed amount of liabilities for interest per financial leasing.

3.11. Information on business segments

The Company performs business activity as single business segment, provision of airport services. Accordingly, information relating to purchase income per products and services, geographical information on purchase income, represent disclosure at company level (Note 5).

3.12. Financial instruments and aims of financial risk management

Financial instruments represent financial resources and financial obligations independent of their duration.

Financial resources and obligations are registered in balance sheet of the Company, from the moment of contractual binding to instrument.

Financial resources are no more recognized from the moment when the Company loses control over contracted rights on those instruments, which occurs when beneficial interest on instrument is realized, expired, abandoned or assigned. Financial obligation is no more recognized when the Company fulfils its obligation or when contractual obligation is annulled or expired.

Due to market risks, affecting on changes on financial resources and obligations, management of the Company regularly and thoroughly follow movements, which can create risks, and take measures necessary for risk management.

Risks arising in operating with financial resources and obligations are:

-market risk, -credit risk, -liquidity risk, -cash flow risk.

In purpose of simpler recognition of risks that follow financial instruments and risk management, the Company has categorized financial instruments as follows:

A: Financial resources

1. Long-term financial investments, as follows:
 - o Long-term time deposits
 - o Share in capital of banks, where most of them are in liquidation and, in line with regulations and applicative accounting standards full correction of their value was carried out
 - o Share in capital of foreign legal persons, for which correction of the value was carried out in line with the contract
 - o Long-term housing loans given to employees are disclosed at fair value by discounting with application of market interest rate.
2. Receivables disclosed at nominal value, decreased by value corrections made based on assessment of collectability thereof, carried out by company management as follows:
 - o Receivables from foreign buyers
 - o Short-term financial investments
 - o Other receivables
3. Cash and cash equivalents (cash on current accounts and cash account)

B: Financial obligations

- o Long-term loans
- o Financial leasing
- o Other long-term liabilities
- o Part of long-term loans with due date in next year (current maturities)
- o Part of long-term leasing with due date in next year (current maturities)
- o Part of other long-term liabilities with due date in next year (current maturities)
- o Short term liabilities (without received advancements, liabilities for gross salaries, liabilities for VAT and income tax).

Within these categories there are categories defined in details, where monitoring of movements is organized and necessary actions are taken in order to avoid or diminish risks. Summaries of financial instruments, per structure and risks related to management thereof, are given in the Note 37, concurrently for the current and the previous year.

4. SUMMARY OF IMPORTANT ACCOUNTING EVALUATIONS

4.1. Amortisation and amortisation rate

Revision of useful duration is made at the end of business year and correction of amortisation rate is based on that estimation. Considering that this correction does not represent change of accounting policy, there is no backward correction.

4.2. Correction of values of uncollectible receivables

Value correction is booked at cost of income statement for all receivables and investments not collected within period of 60 days after due date and assessed by management as uncollectible.

The Company carried out value correction of individual uncollected receivables, which were older than 60 days on 30/06/2012 and which were estimated as uncollectible by Management, in total amount of RSD 697,981 thousand as follows: the amount of RSD 696,659 thousand for receivables from domestic and foreign buyers for goods and services and the amount of RSD 1,322 thousand for receivables for interest calculated for payment delay. The Summary of receivables older than 60 days is given in Notes 20 and 37 (within the explanation of credit risk).

Collecting of previously corrected receivables is booked in favour of incomes.

During the analysed period corrected receivables from previous years in the amount RSD 85,154 thousand are collected and recorder as revenues of the current period.

Uncollected receivables are written off according to court decision, pursuant to settlement agreement between contractual parties or according to decision of the relevant body of the Company.

The list of changes in correction of value is given in Note No. 22a.

4.3. Litigations

During measurement and recognition of reserving and establishing level of exposure to potential obligation referring to current litigation the management of the Company makes certain assessments. The assessments are necessary for establishment of possibility of negative outcome and determination of amount necessary for payment against final court decision (verdict, court settlement and similar). Due to uncertainty of assessment procedure, real expenses may differ from expenses determined during assessment. Due to that fact the assessments are corrected when the Company reach new information, mainly with support of internal professional sectors or external advisers and therefore on 30/06/2012 reserving was made in the amount of RSD 11,000 thousand. The list of reserving changes for litigations in the current year compared with the previous year is presented in Note 28.

4.4. Fair value

Fair value of financial instruments without active trade is determined by application of appropriate estimation methods. Management of the Company makes assessment of risks and in cases when it is estimated that property value from business books will not be realised, it makes correction of value.

4.5. Reconciliation of receivables and indebtedness

The Company makes reconciliation of its receivables and obligation annually, with balance on 10/31 of the current year, or several times during the year for certain clients, if there is a need. Considering that at the end of 2011 there were no materially significant, non-reconciled receivables and obligations, the Company did not make reconciliation in the first quarter of 2012

5. BUSINESS REVENUES - ADP 202

	<u>I-VI 2012</u>	<u>I-VI 2011</u>
	in RSD thousand	in RSD thousand
<u>Revenues from sale of goods and services in domestic market</u>		
Revenues from sale of goods in domestic market	1,235	945
Passenger service	370,773	324,496
Security fee	91,610	75,175
Landing	52,109	55,730
Aircraft handling *	58,089	56,864
Infrastructure	32,917	34,158
Air-bridges	410	11,399
Lighting	9,628	9,731
Aircraft abode tax	1,367	2,400
Aircraft de-icing service	9,487	0
Commercial usage of apron *	33,079	26,010
Usage of the CUTE system	13,618	10,702
Service on special request *	3,401	5,718
Renting of advertisement space	32,030	31,474
Public services	69,680	60,380
Cargo-custom services	56,692	66,851
DCS services *	187	85
Lost and found services *	10	0
Revenue from JKP Parking servis	13,729	13,729
Other services *	10,954	9,173
	<u>861,005</u>	<u>795,020</u>
<u>market</u>		
Revenues from sale of goods-kerosene (re-export) *	174,273	434,400
Passenger service	612,449	509,299
Security fee	136,072	110,916
Landing	232,800	258,604
Aircraft handling *	267,311	248,639
Infrastructure	148,917	150,448
Air-bridges	45,576	47,199
Lighting	19,369	17,792
Aircraft abode tax	8,759	9,204
Aircraft de-icing service	47,389	41,926
Usage of the CUTE system	33,989	24,273
Service on special request *	16,366	14,127
Renting of advertisement space	169	0
Public services	1,312	1,420
Cargo-custom services	12,120	8,380
Revenues from consulting services	33,183	15,476
DCS services *	12,842	10,056
Lost and found services *	9,169	8,486
Other services *	20,585	9,133
	<u>1,832,650</u>	<u>1,919,778</u>
Total sale revenues	<u>2,693,655</u>	<u>2,714,798</u>

*-revenues from services of Ground handling Department

5. BUSINESS REVENUES - ADP 202 (continued)

Revenues from sale of goods and services per geographic regions

	I-VI 2012	I-VI 2011
	in RSD thousand	in RSD thousand
Serbia	861,011	795,020
Germany	319,931	341,502
Montenegro	318,788	232,927
Austria	208,151	250,836
Switzerland	150,683	136,573
Russia	76,443	113,425
Turkey	128,183	87,424
France	69,026	63,297
Italy	73,786	62,644
Czech Republic	4,061	93,502
Hungary	186,163	130,947
Spain	1,704	25,790
Tunisia	18,150	7,677
Ukraine	0	21,733
Greece	5,662	0
Norway	37,852	30,986
Denmark	636	16,859
Poland	23,585	17,625
Slovenia	39,508	31,510
Dubai	37,003	0
Iran	0	254,138
Other	133,328	381
	<u>2,693,655</u>	<u>2,714,798</u>

Other revenues - ADP 206

	I-VI 2012	I-VI 2011
	in RSD thousand	in RSD thousand
Revenues from prevention from insurance companies	320	0
Revenues from lending to domestic legal persons	219,665	191,404
Revenues from lending to foreign legal persons	6,997	5,750
	<u>226,982</u>	<u>197,154</u>

6. PURCHASE VALUE OF SOLD GOODS ADP 208

	I-VI 2012	I-VI 2011
	in RSD thousand	in RSD thousand
Purchase value of sold retail goods	279	249
Purchase value of sold de-icing liquid	1,397	-
Purchase value of sold kerosene - re-export	160,239	413,244
	<u>161,915</u>	<u>413,493</u>

7. COSTS OF MATERIALS - ADP 209

	I-VI 2012	I-VI 2011
	in RSD thousand	in RSD thousand
Costs of materials	76,916	53,590
Costs of other materials	15,637	20,473
Costs of fuel	42,404	34,481
Costs of heating oil	24,218	17,649
Costs of electric power	54,209	53,123
	<u>213,384</u>	<u>179,316</u>

Note for financial statement on the date of 30/06/2012

8. COSTS OF SALARIES, REIMBURSEMENTS AND OTHER PERSONAL EARNINGS - ADP 210

	I-VI 2012	I-VI 2011
	in RSD thousand	in RSD thousand
Gross salaries and salary reimbursements- employees	301,064	248,049
Gross salaries and salary reimbursements- management	15,451	14,537
Taxes and contributions at the cost of employer	56,506	46,821
Costs of reimbursement per service contract and royalties	524	712
Costs of reimbursement for youth organisations (gross earnings of temporary employees)	137,857	113,213
Costs of reimbursements for natural persons-contract on part-time work	189	171
Costs for reimbursements for BoD, Supervisory b. and Shareholders' Assembly	6,631	4,774
Transport of employees	19,141	6,528
Costs of business trips	3,539	2,955
Terminal wages and jubilee bonuses	-	-
Other personal expenditures	4,218	2,069
	545,120	439,829

9. COSTS OF AMORTIZATION AND RESERVING - ADP 211

	I-VI 2012	I-VI 2011
	in RSD thousand	in RSD thousand
Costs of amortisation	318,939	324,363
Costs of reserving for reimbursements and other benefits	-	-
Costs of reserving for litigations	11,000	-
	329,939	324,363

10. OTHER BUSINESS EXPENDITURES - ADP 212

	I-VI 2012	I-VI 2011
	in RSD thousand	in RSD thousand
Costs of services of OZB for G.-handl. Dept and other transport and	180,632	189,271
Costs of maintenance services	75,438	38,956
Costs of leasing	9,152	2,262
Costs of advertising and promotion	17,095	17,877
Services of physical and technical security from OZB	175,606	133,242
Costs for water, drainage and public services	13,708	14,395
Costs of other production services	18,100	11,724
Costs of occupational health Jat	7,144	7,275
Costs of facility cleaning services	24,553	19,292
Costs of services of OZB for Technical Dept.	61,138	47,657
Costs of services data processing from OZB	59,326	34,500
Costs of other non-production services	25,659	28,229
Costs of representation	2,016	2,892
Costs of insurance	12,399	10,394
Costs of payment system	2,596	3,771
Membership fees	1,639	1,686
Property tax and other reimbursements	36,994	36,874
Other intangible costs	8,719	13,176
	731,914	613,473

11. FINANCIAL REVENUES - ADP 215

	I-VI 2012	I-VI 2011
	in RSD thousand	in RSD thousand
Revenues from interest	70,767	74,560
Revenues from realised exchange rate differences	234,359	18,306
Revenues from non-realised exchange rate differences	80,880	62,028
Revenues from effects of contracted currency clause-realised	8	1,501
Revenues from effects of contracted currency clause-non-realised	0	16,624
	386,014	173,019

12. FINANCIAL EXPENDITURES - ADP 216

	<u>I-VI 2012</u>	<u>I-VI 2011</u>
	in RSD thousand	in RSD thousand
Expenditures from interest	31,910	36,682
Negative exchange rate differences-realised	12,056	119,675
Negative exchange rate differences - non-realised	116,212	754
Expenditures from effects of contracted currency clause-non-re:	2,474	23
Expenditures from effects of contracted currency clause-non-re:	16,464	-
	<u>179,116</u>	<u>157,134</u>

13. OTHER REVENUES - ADP 217

	<u>I-VI 2012</u>	<u>I-VI 2011</u>
	in RSD thousand	in RSD thousand
Revenues from sale of equipment	1,255	370
Profit from sale of materials	525	-
Revenues from charged, corrected receivables	85,154	5,198
Effects of contracted risk protection- revaluation of housing loan	-	2
Revenues from cancellation of reserving for litigations	-	-
Revenues from cancellation of reserving for benefits for employ	-	-
Revenues from indemnity from legal and natural persons	403	1,825
Other non-mentioned revenues	1,180	1,094
Revenues from value reconciliation	-	56
	<u>88,517</u>	<u>8,545</u>

14. OTHER EXPENDITURES - ADP 218

	<u>I-VI 2012</u>	<u>I-VI 2011</u>
	in RSD thousand	in RSD thousand
Loss from sale of equipment	20	1,146
Costs from disclosed deficits	-	-
Expenditures from direct write-off of receivable	-	-
Expenses for humanitarian, religion and scientific purposes	10,238	10,155
Other non-mentioned expenditures	3,950	7,958
Devaluation of long-term financial investments	-	-
Costs from value correction of receivables	697,981	-
Other expenditures from devaluation	-	-
	<u>712,189</u>	<u>19,259</u>

15. PROFIT TAX - ADP 225, 226 and 227

a) Components of profit tax

	<u>I-VI 2012</u>	<u>I-VI 2011</u>
	in RSD thousand	in RSD thousand
Period tax expenditure ADP 225	29,142	72,597
Deferred period tax expenditure ADP 226	-	-
	<u>29,142</u>	<u>72,597</u>

b) Reconciliation of profit tax and product of result from operation before tax and prescribed tax rate

	<u>I-VI 2012</u>	<u>I-VI 2011</u>
	in RSD thousand	in RSD thousand
Profit before tax	521,591	946,649
Profit tax calculated at rate of 10%	52,159	94,665
Tax effect of expenditures acknowledged in tax balance	6,125	10,529
Tax credit for investment in basic resources of the current period	(29,142)	(32,597)
Tax credit for investment in basic resources of the previous years	-	-
Other	-	-
	<u>29,142</u>	<u>72,597</u>

<u>c) Realised, non-utilised and non-recognised tax credit (TC)</u>	Year of origination of tax credit	Year of expiry	Amount of transferred sum		in RSD
			TC	Utilised TC	thousand Outstanding transferred TC
	2003	2013	64,510	8,332	56,178
	2004	2014	121,717	-	121,717
	2005	2015	106,634	-	106,634
	2006	2016	161,173	1,709	159,464
	2007	2017	34,140	986	33,154
	2008	2018	58,616	953	57,663
	2009	2019	-	-	-
	2010	2020	-	-	-
	2011	2021	81,514	81,514	-
	2012	2022	90,766	29,142	61,624
	Balance of tax credit (TC)		719,070	122,636	596,434

16. PROFIT PER SHARE - ADP 233

Net profit for owners in RSD thousand
 Average weighed number of shares
 Basic profit per share in RSD

<u>I-VI 2012</u>	<u>I-VI 2011</u>
in RSD	in RSD
thousand	thousand
495,244	874,052
34,289,350	34,289,350
14.44	25.49

OPIS	17. PROPERTIES, PLANTS, EQUIPMENT AND INTANGIBLE PROPERTY -ADP 004,006,007,008							in RSD thousand
	Land	Constructing facilities	Equipment	Current investments and advancements	Total ADP 006	Investment property ADP 007	Livestock unit ADP 008	
Purchase value								
Initial balance 01/01/2012	9,034,813	10,224,960	2,175,886	345,229	21,780,887	14,476	422	28,824
Correction of initial balance based on assessment	-	-	-	-	-	-	-	-
Balance after correction 01/01/2012	9,034,813	10,224,960	2,175,886	345,229	21,780,887	14,476	422	28,824
Purchase during the year	-	-	-	494,270	494,270	-	-	714
Transfer from current investments	-	-	228,248	(229,236)	(988)	-	-	-
Alienation, disbursement and sale	-	-	(1,818)	-	(1,818)	-	-	-
Other	-	-	988	(21,009)	(20,021)	-	-	-
Final balance 30/06/2012	9,034,813	10,224,960	2,403,304	589,254	22,252,330	14,476	422	29,538
Value correction								
Initial balance 01/01/2012	-	780,684	553,003	12,691	1,346,377	-	-	22,590
Correction of initial balance based on assessment	-	-	-	-	-	-	-	-
Balance after correction 01/01/2012	-	780,684	553,003	12,691	1,346,377	-	-	22,590
Amortisation in current year	-	188,415	129,433	-	317,848	-	-	1,091
Alienation, disbursement and sale	-	-	(1,766)	-	(1,766)	-	-	-
Other	-	-	-	-	-	-	-	-
Final balance 30/06/2012	-	969,099	680,670	12,691	1,662,459	-	-	23,681
Net current value 30/06/2012	9,034,813	9,255,861	1,722,634	576,563	20,589,871	14,476	422	5,857
Net current value 31/12/2011	9,034,813	9,444,276	1,622,883	332,538	20,434,510	14,476	422	6,234

18. PARTICIPATION IN CAPITAL - ADP 010	30/06/2012	31/12/2011
	in RSD thousand	in RSD thousand
<i>Participation in bank capital</i>		
Privredna banka ad Beograd	85	202
<i>Participation in capital banks in liquidation</i>		
Union banka AD Beograd- in liquidation	667	667
Beogradska banka AD Beograd-in liquidation	18,988	18,988
Beobanka AD Beograd-in liquidation	38	38
	19,693	19,693
<i>Participation in capital of companies</i>		
Mondijal-Bodrum -Turkey	358,598	358,598
Swisse (SITA)	3	3
Minus: Correct of value of participation in capital of Mondijal Bodrum-Turkey	(358,598)	(358,598)
Minus: Correction of value of participation in capital of banks in liquidation	(19,693)	(19,693)
	88	205
18.a.OTHER LONG-T. FINANS.INVEST-AOP 011	30/06/2012	31/12/2011
	in RSD thousand	in RSD thousand
Resources for membership in Societe International de Telecommunications Aeronautiques Swisse (SITA)	4,459	3,913
Long-term time deposits	8,326	11,285
Long-term loans given to employees	424,440	430,422
Receivables from sold social flats	1,333	1,367
Receivables for repurchase of solidarity flats	3,800	3,991
	442,358	450,978
Current maturities of long-term investments in Societe International de Telecommunications Aeronautiques Swisse	(348)	(306)
Current maturities of long-term time deposits	(4,163)	(7,523)
Current maturities of long-term loans given to employees	(12,004)	(18,210)
Balancing of long-term loans given to employees to fair values	(329,130)	(329,130)
	96,713	95,809
19. STOCKS AND GIVEN LOANS - ADP 013	30/06/2012	31/12/2011
	in RSD thousand	in RSD thousand
Basic materials	93,276	93,723
Spare parts	9,251	8,813
Tools and small inventory	22,666	3,377
Goods in warehouse	38,575	46,765
Goods in retail trade	49	27
Given advancements	42,828	4,203
Correction of values of stock materials and spare parts	(285)	(285)
	206,360	156,623

20. RECEIVABLES, ADP 016	30/06/2012	31/12/2011
	in RSD thousand	in RSD thousand
Receivables from buyers in the country	2,601,840	2,006,680
Receivables from buyers abroad	471,872	423,607
Receivables from buyer in the country for default interest	23,433	21,842
Receivables from banks for time and a vista funds	37,591	25,939
Receivables from employees	1,317	1,291
Other receivables	3,755	4,554
	<u>3,139,808</u>	<u>2,483,913</u>
Value correction of receivables from buyers in the country from previous years	(753,404)	(835,156)
Value correction of receivables from buyers in the country on 30/06/2012	(688,538)	-
Value correction of receivables from foreign buyers from previous years	(14,384)	(16,331)
Value correction of receivables from foreign buyers on 30/06/2012	(8,121)	-
Value correction of receivables from buyers for default interests from previous years	(18,045)	(18,045)
Value correction of receivables from buyers for default interests on 30/06/2012	(1,322)	-
Correction of values of other receivables	(2,427)	(2,427)
	<u>(1,486,241)</u>	<u>(871,959)</u>
	<u>1,653,567</u>	<u>1,611,954</u>
21. SHORT-TERM FINANCIAL INVESTMENTS ADP 018	30/06/2012	31/12/2011
	in RSD thousand	in RSD thousand
Short-term loans given to employees	35,776	30,312
Short-term time deposits	2,508,860	2,424,353
Current maturities of long-term time deposits	4,164	7,523
Current maturities of long-term loans given to employees	12,004	18,211
International de Telecommunications Aeronautiques Swisse (SITA)	348	306
	<u>2,561,152</u>	<u>2,480,705</u>
Balancing of loans given to employees to fair values	(2,091)	(2,091)
	<u>2,559,061</u>	<u>2,478,614</u>
<u>Display of short-term time deposits from banks</u>	30/06/2012	31/12/2011
	in RSD thousand	in RSD thousand
Komercijalna banka a.d, Belgrade	2,333,780	1,747,503
Hypo Alpe Adria banka a.d, Belgrade	175,080	24,260
UniCreditbank a.d., Belgrade	-	652,590
	<u>2,508,860</u>	<u>2,424,353</u>
22. CASH AND CASH EQUIVALENTS - ADP 019	30/06/2012	31/12/2011
	in RSD thousand	in RSD thousand
Current account - RSD	126,369	16,059
Current account - foreign currency	266,526	55,835
Foreign currency GOLD BANKA	59,582	53,559
Treasury	5	390
Other funds	1,638	1,020
	<u>454,120</u>	<u>126,863</u>
Correction of value of foreign currency funds of banks in liquidation	(59,582)	(53,559)
	<u>394,538</u>	<u>73,304</u>

22a CHANGES ON VALUE CORRECTION until 30/06/2012

	Cash and cash equivalents (Note 22)	Long-term financial investments (Note 18)	Stock materials and spare parts (Note 19)	Receivables from buyers (Note 20)	Short-term financial investments (Note 21)	Total	in RSD thousand
Initial balance 01/01/2011	53,743	307,285	258	205,775	950	568,011	
Correction at cost of current period	-	-	27	680,662	-	680,689	
Devaluation of long-term financial investments and securities	-	22,373	-	-	1,888	24,261	
Charged, corrected receivables	-	(331)	-	(11,146)	(747)	(12,224)	
Value reconciliation	-	-	-	(1,251)	-	(1,251)	
Writ-off	-	-	-	(2,047)	-	(2,047)	
Exchange rate differences	(184)	-	-	(34)	-	(218)	
Other	-	(197)	-	-	-	(197)	
Final balance 12/31/2011	53,559	329,130	285	871,959	2,091	1,257,024	
Correction at cost of current period	-	-	-	697,981	-	697,981	
Devaluation of long-term financial investments and securities	-	-	-	-	-	-	
Charged, corrected receivables	-	-	-	(85,154)	-	(85,154)	
Value reconciliation	-	-	-	-	-	-	
Writ-off	-	-	-	-	-	-	
Exchange rate differences	6,023	-	-	1,455	-	7,478	
Other	-	-	-	-	-	-	
Final balance 30/06/2012	59,582	329,130	285	1,486,241	2,091	1,877,329	

23. VAT AND PREPAYMENTS AND ACCRUED INCOME ADP 020**30/06/2012**

	in RSD thousand
Deferred previous VAT	0
Costs of insurance paid in advance	10,521
Reimbursement for constructing land Phases 2, 3 and 4	108,987
Other accrued costs and deferred revenues	148
	119,656

24. SHARE CAPITAL - ADP 102**Share capital 01/25/2011**

	Value in RSD thousand	Number of shares	% of participation
Republic of Serbia	17,107,193	28,511,988	83.15%
Employee and former employee of the Company	574,004	956,676	2.79%
Citizens of Republic of Serbia).	2,892,413	4,820,689	14.06%
	20,573,610	34,289,353	100.00%

Share capital 12/31/2011

	Value in RSD thousand	Number of shares	% of participation
Republic of Serbia	17,089,186	28,481,977	83.06%
Domestic natural persons	2,465,849	4,109,749	11.99%
Domestic legal entities	138,827	231,378	0.67%
Foreign natural persons	4,736	7,893	0.02%
Foreign legal entities	260,065	433,442	1.26%
Custody entities	614,947	1,024,911	2.99%
	20,573,610	34,289,350	100.00%

Share capital on 02/07/2012 at 14.30 pm

	Value in RSD thousand	Number of shares	% of participation
Republic of Serbia	17,089,088	28,481,813	83.06%
Domestic and foreign natural persons	2,365,292	3,942,154	11.50%
Domestic and foreign legal entities	319,118	531,863	1.55%
Custody entities	800,112	1,333,520	3.89%
	20,573,610	34,289,350	100.00%

25. RESERVES ADP 104

	30/06/2012	31/12/2011
	in RSD thousand	in RSD thousand
Legal reserves	0	0
Statutory reserves	1,297,787	761,355
	1,297,787	761,355

26. NON-REALISED LOSSES FROM SECURITIES ADP 107

	30/06/2012	31/12/2011
	in RSD thousand	thousand
Initial balance on 01/01	260	73
Increase due to decrease of fair value (shares in Privredna banka Beograd)	117	187
Decrease due to increase of fair value	0	0
	377	260

27. NON-DISTRIBUTED PROFIT - ADP 108

	30/06/2012	31/12/2011
	in RSD thousand	in RSD thousand
Initial balance on 01/01	1,580,293	1,937,323
Part of the profit distributed to the Establisher (dividend), under Decision of the Shareholders Assembly on profit distribution for 2011 (the Decision no. 21-9/1 from 28/06/2012)	(820,281)	(1,118,661)
Part of the profit distributed to the OTHER SHAREHODERS (dividend), under Decision of the Shareholders Assembly on profit distribution for 2011 (the Decision no. 21-9/1 from 28/06/2012)	(167,252)	-
Part of the profit distributed for reserves of the Company, under Decision of the Shareholders Assembly on profit distribution for 2011 (the Decision no. 21-9/1 from 28/06/2012)	(536,432)	(761,355)
Part of the profit distributed for participation of employees, under Decision of the Shareholders Assembly on profit distribution for 2011 (the Decision no. 21-9/1 from 28/06/2012)	(56,328)	(57,307)
Profit from current operations	495,244	1,580,293
Total balance at the end of the considered period	495,244	1,580,293

28. LONG-TERM RESERVES ADP 112

	30/06/2012	31/12/2011
	in RSD thousand	in RSD thousand
Reserves for reimbursements for employees	36,102	36,102
Reserves for jubilee bonuses	23,941	24,654
Reserves for litigations	118,118	107,118
	178,161	167,874

	Terminal wages	Jubilee bonuses	Litigations	thousand Total
Changes on reserves				
Balance on 01/01/2011	26,594	19,904	94,078	140,576
Reserves during the year	10,141	6,293	15,330	31,764
Cancellation during the year	0	0	0	0
Pay off during the year	(633)	(1,543)	(2,290)	(4,466)
Balance on 31/12/2011	36,102	24,654	107,118	167,874
Balance on 01/01/2012	36,102	24,654	107,118	167,874
Reserves during the period I-VI 2012	0	0	11,000	11,000
Cancellation during the year	0	0	0	0
Pay off during the year	0	(713)	-	(713)
Balance on 30/06/2012	36,102	23,941	118,118	178,161

29. LONG-TERM LOANS ADP 114

	<u>30/06/2012</u>	<u>31/12/2011</u>
	in RSD thousand	in RSD thousand
In the country	8,352	11,318
Abroad	1,189,385	1,118,192
Current maturities	<u>(52,447)</u>	<u>(94,768)</u>
	<u>1,145,290</u>	<u>1,034,742</u>

29. LONG-TERM LOANS - ADP 114 (continued)

	Principal		Non-booked	
<u>Receivables from long-term loans</u>	<u>30/06/2012</u>	<u>31/12/2011</u>	<u>30/06/2012</u>	<u>31/12/2011</u>
	thousand	thousand	thousand	thousand
up to one year	52,447	94,768	26,703	49,263
from one year up to two years	100,717	90,996	49,838	45,027
from two years up to three years	96,541	87,223	45,431	41,046
from three years up to four years	96,541	87,223	41,077	37,112
from four years up to five years	96,541	87,223	36,722	33,178
from five years up to ten years	482,705	436,111	118,294	106,875
over ten years	272,245	245,966	22,295	20,143
	<u>1,197,737</u>	<u>1,129,510</u>	<u>340,360</u>	<u>332,644</u>

	Annual interest rate	Due date	Outstanding amount 30/06/2012 (EUR)	30/06/2012 in RSD thousand	31/12/2011 in RSD thousand
<u>a) Long-term loans in the country</u>					
Piraeus banka a.d. Belgrade	4.50%	26/05/2013	71,896	8,352	11,318
<u>a) Long-term loans abroad</u>					
European Investment Bank	4,07-5,16%	2025	10,238,509	1,189,385	1,118,192
<u>Total long-term loans (a+b)</u>			<u>10,310,405</u>	<u>1,197,737</u>	<u>1,129,510</u>
Current maturities of long-term loans:					
a) In country				(4,176)	(7,546)
b) Abroad				(48,271)	(87,222)
<u>Total current receivables of long-term loans (a+b):</u>				<u>(52,447)</u>	<u>(94,768)</u>
				<u>1,145,290</u>	<u>1,034,742</u>

30. OTHER LONG-T. LIABIL, ADP 115

	<u>30/06/2012</u>	<u>31/12/2011</u>
	thousand	thousand
Liabilities from financial leasing	164,956	187,675
Other long-term liabilities	106,662	112,201
	<u>271,618</u>	<u>299,876</u>
Current maturities from long term liabilities	<u>(42,798)</u>	<u>(82,651)</u>
	<u>228,820</u>	<u>217,225</u>

Due on

	<u>30/06/2012</u>	<u>31/12/2011</u>	<u>30/06/2012</u>
	in RSD	in RSD	in RSD
	thousand	thousand	thousand
up to one year	49,377	90,734	42,798
from one year up to three years	130,074	117,728	122,158
	<u>179,451</u>	<u>208,462</u>	<u>164,956</u>
<u>Future costs of financing - interests</u>	<u>(14,495)</u>	<u>(20,787)</u>	
Current value of minimal leasing instalments	<u>164,956</u>	<u>187,675</u>	<u>164,956</u>
Current maturities of financial leasing			<u>(42,798)</u>
			<u>122,158</u>

31. SHORT-TERM FINANCIAL LIABILITIES - ADP 117

	<u>30/06/2012</u>	<u>31/12/2011</u>
	in RSD thousand	in RSD thousand
<u>Current maturity</u>		
Long-term loans	52,447	94,768
Other long-term liabilities	42,798	82,651
	<u>95,245</u>	<u>177,419</u>

32. BUSINESS LIABILITIES - ADP 119

	<u>30/06/2012</u>	<u>31/12/2011</u>
	in RSD thousand	in RSD thousand
Received advance payments	24,489	33,549
Suppliers in country	89,547	107,649
Suppliers abroad	21,814	41,814
Other operating liabilities	17,971	11,466
	<u>153,821</u>	<u>194,478</u>

33. OTHER BUSINESS LIABILITIES - ADP 120

	<u>30/06/2012</u>	<u>31/12/2011</u>
	in RSD thousand	in RSD thousand
Liabilities for salaries	29,809	168
Liabilities for interests	2,328	44
Liabilities for dividend-net	971,233	0
Liabilities for participation in profit-net	50,698	627
Other short-term liabilities	995	262
	<u>1,055,063</u>	<u>1,101</u>

34. LIABILITIES FOR VAT, OTHER PUBL. EXPENDITURES AND ACCRUED COSTS AND DEFERRED REVENUES ADP 121

	30/06/2012	31/12/2011
	in RSD thousand	in RSD thousand
Liabilities for VAT	18,443	14,842
Liabilities for customs and other duties	925	440
Calculated costs	111,416	30,602
Calculated revenues of future periods	11,637	10,046
Other accrued costs and deferred revenues	-	605
Taxes, contributions and other duties	22,585	1,360
	165,006	57,895

35. OFF-BALANCE REGISTER ADP 125

	30/06/2012	31/12/2011
	in RSD thousand	in RSD thousand
Received guarantees	252,730	350,017
Given guarantees	4,500	12,587
Other	590	582
	257,820	363,186

36. DEFERRED TAX LIABILITIES-ADP 123

	30/06/2012	31/12/2011
	in RSD thousand	in RSD thousand
Current accounting value of fixed property on balance date	10,999,250	11,088,291
Current value of fixed property for taxing purposes on balance date	8,084,881	8,145,045
Difference between accounting and tax current value of fixed property	2,914,369	2,943,246
PERMANENT DIFFERENCE - for equipment below average gross value on balance date	1,939	2,430
Temporary difference on balance date	2,912,430	2,940,816
Deferred tax liability on balance date of the current year (10% of temporary differences)	291,243	294,082
Deferred tax liability (10% of security)	0	0
Balance of the account 498000 before booking	294,038	296,928
Difference for accounting on deferr. (6-8)	-2,795	-2,846
Difference for the booking on deferred liabilities	-	-
Deferred tax liabilities, booked on result increase/decrease	-2,795	-2,846
Deferred tax resources based on estimation of utilization of tax loan-result incre.	0	0
Deferred tax resources based on reserves for terminal wages-result increase	0	0
Deferred tax resources based on unpaid taxes	0	44
Difference between deferred tax revenues and deferred tax resources	2,795	2,890
	291,243	294,038

37. FINANCIAL INSTRUMENTS AND GOALS OF FINANCIAL RISK MANAGEMENT

Categories of financial instruments

	30/06/2012		31/12/2011		in RSD thousand
	total	correction of value net amount	total	correction of value net amount	
Financial resources					
1 Long-term financial investments	804,222	(707,421)	803,435	(707,421)	96,014
-Long-term time deposits	8,274	-	7,369	-	7,369
-Participation in bank capital	19,778	(19,693)	19,895	(19,693)	202
-Participation in capital of foreign legal entities	358,601	(358,598)	358,601	(358,598)	3
-Long-term housing loans given to employees	417,569	(329,130)	417,570	(329,130)	88,440
2 Receivables disclosed at nominal value	5,739,265	(1,488,333)	5,007,866	(874,050)	4,133,816
-Receivables from buyers	3,073,712	(1,484,448)	2,430,287	(851,487)	1,578,800
-Short-term financial investments	2,561,152	(2,091)	2,480,705	(2,091)	2,478,614
-Other receivables	104,401	(21,794)	96,874	(20,472)	76,402
3 Cash and cash equivalents	454,119	(59,582)	126,863	(53,559)	73,304
	6,997,606	(2,255,336)	5,938,164	(1,635,030)	4,303,134
Financial obligations					
1 -Long-term loans	1,145,290	-	1,034,742	-	1,034,742
2 -Financial leasing- long-term part	122,158	-	110,563	-	110,563
-Other long-t. liabilities-Direction for constructing					
3 land	106,662	-	106,662	-	106,662
4 -Current maturities of long-t. loans	52,447	-	94,768	-	94,768
5 -Current maturities of long-t. financial leasing	42,798	-	77,112	-	77,112
6 -Current maturities of other long-t. liabilities	-	0	5,539	-	5,539
7 -Short-term liabilities	129,332	-	160,929	-	160,929
	1,598,687	-	1,590,315	-	1,590,315

MARKET RISK

In analysis of market impact on financial instrument, the Company observes risk of exchange rate change (currency risk), interest rate change risk and risk of price change.

a) Currency risk

By analysis of financial resources and obligations on 30/06/2012 and on 31/12/2011, we can conclude that the Company operates with low currency risk. It is due to the fact that 47% of receivables are contracted with currency clause. Complying with the concept of caution, the Company also contracted short-term deposits with currency clause. Only receivables of domestic buyers were not contracted with currency clause. Accounting values of financial resources and obligations in RSD thousand, disclosed in foreign currency on date of reporting in the Company are the following:

	total resources		<u>in RSD thousand</u> total resources	
	<u>30/06/2012</u>	<u>31/12/2011</u>	<u>30/06/2012</u>	<u>31/12/2011</u>
	EUR	3,016,555	2,728,708	1,384,413
USD	290,826	224,923	94	19,131
CHF	303	272	0	0
GBP	695	0	0	0
RSD and other curren	<u>3,689,226</u>	<u>2,984,260</u>	<u>214,180</u>	<u>231,316</u>
	<u>6,997,606</u>	<u>5,938,164</u>	<u>1,598,687</u>	<u>1,590,315</u>

Obligations are mainly contracted with currency clause and such obligations do not represent risk for the Company, as those are long-term obligations. Such obligations can be covered by receivables also with currency clause.

In order to avoid risk of loss per receivables for long-term housing loans given to employees, contracted in RSD, the Company has made an assessment of fair value of such receivables by discounting method. An independent assessor-Institute for economic researches Beograd made an assessment of fair value on 12/31/2011 (Note 18 b).

b) Risk of interest rate change

Risk of interest rate change does not represent significant risk for the Company, as categories of financial instruments with contracted interest, are mainly defined by fixed interest rate. Change of interest rates would not materially significantly affect either incomes, or outcomes of the Company or money flows.

Business policy of the Company is such that business relations with debtors and creditors are not embarrassed with interests, but charging is stimulated with additional bonuses for due payments or payments before due date. It is estimated that costs of promptness notes or suits is higher than bonification given as stimulating measure for due payment.

Calculation of interests according to legal rates or actions of law is applied when it is estimated that charging of receivable is suspicious or disputable.

Fixed interest rate is agreed for long-term housing loans given to employees, but for these receivables revaluation is performed in accordance with the subject contracts and the Law on residence.

Variable interest rate is agreed for financial leasing. In order to avoid risk of interest rate change the Company contracted possibility of paying off before due date for financial leasing. The Company will estimate whether there can be any future risks of interest rate increase and according to the estimation it will consider the option to pay off liabilities before the due date for financial leasing.

Note for financial statement on the date of 30/06/2012

Financial instruments classified by categories of interest and non-interest resources are disclosed in the following summary:

financial resources-net	30/06/2012	in RSD thousand 31/12/2011
<u>no interest</u>		
Participation in capital of other legal entities	88	205
receivables from buyers	1,609,264	1,578,800
other receivables	82,607	76,402
short-term financial investments	35,776	30,312
cash and cash equivalents	394,537	73,304
	<u>2,122,272</u>	<u>1,759,023</u>
<u>fixed interest rate</u>		
Long-term financial investments	96,713	95,809
short-term financial investments	2,523,285	2,448,302
	<u>2,619,998</u>	<u>2,544,111</u>
	<u>4,742,270</u>	<u>4,303,134</u>
Financial obligations		
<u>no interest</u>		
Operating liabilities	129,332	160,929
	<u>129,332</u>	<u>160,929</u>
<u>fixed interest rate</u>		
long-term loans	1,145,290	1,034,742
current maturity of long term obligation	52,447	94,768
	<u>1,197,737</u>	<u>1,129,510</u>
<u>variable interest rate</u>		
other long-term financial liabilities	228,820	217,225
current maturity long term obligation	42,798	82,651
	<u>271,618</u>	<u>299,876</u>
	<u>1,598,687</u>	<u>1,590,315</u>

c) Risk of price change

The Company estimates that there is no risk of price change, because financial instruments of the Company are not subject to price change on the market.

The Company in very little extent deals with securities, subject to price change in exchange market. Furthermore, the Company has no turnover of goods subject to price change. The greatest item in traffic of goods is kerosene traffic with transit goods treatment.

II - CREDIT RISK

The Company estimates that the greatest of the risks affecting financial instruments is credit risk. The Company has huge receivables of domestic and foreign buyers and the credit risk permanently exists. In order to decrease this risk the Company regularly monitors charging, analyses charging value realised in due period, charging after due date and uncharged receivables.

Higher percentage of individual share in total receivables can represent higher credit risk if the buyer has unstable liquidity and if due to that reason it exceeds contracted payment term.

Share of receivables from domestic and foreign buyers for goods and services in total receivables (account 202+203) with balances on 30/06/2012 and 31/12/2011 is as follows:

	30/06/2012		31/12/2011	
	in RSD thousand	%	in RSD thousand	%
Jat Airways	2,189,938	71.25	1,638,743	67.43
Jat Tehnika d.o.o.	143,866	4.68	144,772	5.96
International CG (Aviogenex)	41,452	1.35	41,452	1.71
Jat-Ketering d.o.o.	28,609	0.93	28,621	1.18
Montenegro Airlines	87,474	2.85	90,109	3.71
Alitalia	17,838	0.58	12,273	0.51
Wizz Air	87,317	2.84	65,282	2.69
Deutsche Lufthansa	55,590	1.81	48,087	1.98
Branch of Austrian Airlines	27,890	0.91	26,997	1.11
Swiss Air	27,457	0.89	24,004	0.99
Turkish Airlines	20,596	0.67	13,629	0.56
Spanair	24	0.00	23,085	0.95
Other customers	345,661	11.25	273,232	11.24
	3,073,712	100.00	2,430,287	100.00

Receivables from domestic buyers for goods and services, disclosed in the amount of RSD 2,601,840 thousand or 84.65% of total receivables from buyers for goods and services, mostly refer to receivables from JAT Airways and they amount RSD 2,189,938 thousand, which is 84.17% of total non-collected receivables from buyers in the country. There is significant participation in uncharged receivables as those of JAT Tehnika with 5.53% or RSD 143,866 thousand and JAT Ketering with 1.10% or RSD 28,609 thousand and Aviogenex (Internacional CG) with 1.59% or 41,452 thousand, which totally makes RSD 2,403,865 thousand or 92.39% of total uncharged receivables from domestic buyers.

Receivables from buyers abroad for goods and services amount RSD 471,872 thousand, which is 15.35% of total receivables from buyers for goods and services.

Age distribution of receivables from buyers for goods and services is given in the following table.

	30/06/2012	31/12/2011
	in RSD thousand	in RSD thousand
Undue receivables from buyers	552,235	443,300
Due receivables, up to 60 days	366,585	381,179
Due, corrected receivables up to 60 days	1,464,448	851,487
Due, non-corrected receivables over 60 days	690,444	754,321
Total receivables-gross	3,073,712	2,430,287
Total receivables-net (gross minus correction)	1,609,264	1,578,800

Within corrected receivables due more than 60 days in the amount of RSD 1,464,448 thousand (corrected receivables from previous years amount RSD 767,788 thousand, and value correction at the cost of the current period amounts RSD 696,659 thousand) Jat Airways has the greatest share in the amount of RSD 1,257,968 thousand, which makes 85.90% of total corrected receivables due more than 60 days.

Out of total balance of corrected receivables from Jat Airways on 30/06/2012

- RSD 575,122 thousand refer to the balance of uncollected corrected receivables from 2011, and
- RSD 682,846 thousand refer to performed value correction for receivables for goods and services on 30/06/2012, at the cost of the current period.

In non-corrected receivables due over 60 days in amount of RSD 690,444 thousand, JAT Airways has the greatest share in the amount of RSD 593,286 thousand, which makes 85.93% of total non-corrected receivables older than 60 days. The main reason of failure to correct receivables from Jat Airways are concluded Purchase Agreements for two buildings for the amount of RSD 593,286 thousand, that the Commercial Department estimated as possible to be realised. Furthermore, at the end of the first semester of 2012 the Commercial Department made assessment on probability to collect receivables from other domestic and foreign buyers due more than 60 days in the amount of RSD 97,158 thousand or 14.07% of total uncorrected receivables due more than 60 days, whereof RSD 42,087 thousand refers to JAT-Tehnika, RSD 12,216 thousand refer to Montenegro, RSD 10,440 thousand to Wizz Air, RSD 8,100 thousand to Parking servis, RSD 5,048 thousand to Aviogenex, RSD 4,045 thousand to Malev, RSD 3,286 to Aerosvit and RSD 11,935 thousand refer to other buyers. Out of total uncorrected receivables due more than 60

days, for which collectability assessment was performed on 30/06/2012, until 31/07/2012 the amount of RSD 7,553 thousand was collected (there is an outstanding balance of uncollected and uncorrected of RSD 89,605 thousand).

Total receivables due over 60 days from buyers, on interest basis, calculated for delayed payments, amount RSD 23,433 thousand and include RSD 19,367 thousand for value correction (RSD 17,483 thousand refers to Jat Airways) as follows: from previous years RSD 16,378 thousand and from this year RSD 1,105 thousand) and due, uncorrected receivables for interest, with collectability assessment amount RSD 4,066 thousand.

III - LIQUIDITY RISK AND CASH FLOW

Liquidity risk management demands special attention of management because liquidity represents ability of the Company to fulfil their obligation. In order to provide permanent liquidity the management of the Company set business policy based mostly on financing from own sources. Lent resources are mostly long-term and short-term obligations may be covered by short-term receivables. It is obvious that there is no liquidity risk because the Company has free resources consigned in banks in form of short-term investments, for the purpose of resource providing for financing of future investments.

Maturity of financial resources

	<u>30/06/2012</u>	<u>31/12/2011</u>
	in RSD thousand	in RSD thousand
Up to 30 days	5,370,711	4,348,452
1 - 3 months	1,055,867	527,456
3-12 months	145,096	637,115
1 - 5 years	65,589	65,024
over 5 years	360,343	360,117
	<u>6,997,606</u>	<u>5,938,164</u>

Maturity of financial liability

	<u>30/06/2012</u>	<u>31/12/2011</u>
	in RSD thousand	in RSD thousand
Up to 30 days	136,333	167,371
1 - 3 months	27,864	25,232
3-12 months	60,380	145,745
1 - 5 years	619,160	569,888
over 5 years	754,950	682,079
	<u>1,598,687</u>	<u>1,590,315</u>

Maturity of receivables for interests per loans

	<u>30/06/2012</u>	<u>31/12/2011</u>
	in RSD thousand	in RSD thousand
Up to 30 days	32	43
1 - 3 months	6,532	6,184
1-12 months	20,139	43,036
1 - 5 years	173,068	151,527
over 5 years	140,589	131,854
	<u>340,360</u>	<u>332,644</u>

In the Table of liquidity risk and cash flow risk, there are presented cash flows, i.e. time of expected inflow and outflow of resources. We can easily notice that total receivables are higher than total obligations and also based on due dates liquidity is not endangered because short-term obligations are much less than short-term liquid resources. In short-term resources pattern the most important value is short-term financial investment that is at the second grade of liquidity, right after the cash.

Financial obligations with due date within 1 to 5 years and after 5 years are larger than financial resources within the same period, but financial resources with due date within 30 days period are sufficiently high to cover all future obligations in a manner that liquidity is not endangered in any period.

It is obvious from the summary of obligations per interests for long-term loans, per maturity that obligations per interests will not endanger liquidity of the Company.

In order to enable the Company to manage financial instrument risks it is necessary to duly manage capital risk.

Capital risk management

The aim of capital risk management is provision of such a structure of capital that will secure safety in operating, liquidity and solvency. Apart from own capital, consisting of core capital, reserves and accumulated profit, the Company also utilizes resources of other persons in the form of short-term and long-term loans and financial leasing. The Company invests free resources from current accounts in the form of short-term deposits.

Indebtedness indicators of the Company with balance at the end of the first semester of 2012 and at the end of 2011 are the following:

	<u>30/06/2012</u>	<u>31/12/2011</u>
	in RSD thousand	in RSD thousand
1 Indebtedness (ADP 113 + ADP 117)	1,469,355	1,429,386
2 Cash and cash equivalents (ADP 019)	394,538	73,304
3 Short-term financial investments (ADP 018)	2,559,061	2,478,614
<u>1 NET INDEBTEDNESS (1 - 2 - 3)</u>	<u>(1,484,244)</u>	<u>(1,122,532)</u>
<u>4 Capital (ADP 101)</u>	<u>22,366,191</u>	<u>22,914,998</u>
<u>5 Ratio of net indebtedness toward capital (1 / 4)</u>	<u>(0.07)</u>	<u>(0.05)</u>

1. Indebtedness includes long-term and short-term loans and other long-term and short-term financial obligations.
2. The capital includes core capital, reserves and accumulated profit.

In Belgrade, 06/08/2012

Person responsible for drafting of financial statements

Zorka Latinović

Legal representative

Velimir Radosavljević