



RENEWED FOR THE FUTURE.

BUSINESS OPERATIONS OF THE SAVA GROUP AND SAVA D.D.
JANUARY – MARCH 2012

Kranj, May 2012

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1. INTRODUCTORY EXPLANATION

Based on the provisions of the Rules of the Ljubljana Stock Exchange d.d. and the applicable legislation, Sava d.d., družba za upravljanje in financiranje, Škofjeloška cesta 6, 4000 Kranj, informs its shareholders and a broader public about the

business operations of the Sava Group and Sava d.d. in the period January – March 2012

The financial statements of the Sava Group have been compiled in accordance with the International Financial Reporting Standards and have not been audited. The financial statements of Sava d.d. have been compiled in accordance with the Slovene Accounting Standards and have not been audited.

The Management Board of Sava d.d. made the Supervisory Board of the company acquainted with the operations of the Sava Group and the parent company Sava d.d. in the period January-March 2012.

Significant changes in the data included in the Stock Exchange brochure are announced in the Ljubljana Stock Exchange electronic information system SEOnet on an on-going basis. The announcement can be accessed also on the official company website at www.sava.si as of the announcement date, i.e. 24 May 2012. The announcement will be available on the company website for at least 5 years.

2. SUMMARY OF BUSINESS OPERATIONS

In the first quarter of 2012, the operations of the Sava Group and Sava d.d. were denoted with further implementation of the measures set out in the restructuring strategy that aimed at maintaining the positive trends achieved in the past fiscal year. In operative business, the subsidiaries of the Sava Group surpassed their plans. Sales revenues of the Sava Group were by 7% higher than in the same period last year and by 3% better than planned. A loss before tax totalled €5.3 million and was significantly lower than last year's loss and also below the planned value for the period, while Sava d.d. generated a total profit of €2.3 million.

The business results that the Sava Group and Sava d.d. generated in the first quarter this year are encouraging.

The measures defined in the restructuring strategy show in further improvements of the operative business. The subsidiaries of the Sava Group generated an operating profit of €0.6 million in the first quarter, which is better than last year and above plan.

Sava Group companies made sales revenues of €45.4 million or 7% more than in the same period last year and 3% above plan. In this period, Rubber Manufacturing companies made 70% of Group's sales revenues, Tourism 26%, while the remaining 4% were made by the companies of other operations.

Rubber Manufacturing increased its sales by even 11% with regard to the past year and surpassed the business plan by 7%; it generated a total profit of €2.8 million, thereby exceeding both the plan and the achievements of the same period last year.

Last December, the Tourism division merged into a uniform company Sava Turizem d.d. The sales revenues of this company were 3% below last year's result and 4% below plan, which is due to the adverse circumstances in the domestic market, whereas the growth in the foreign markets, particularly in the new ones, is promising. Already in the first months of this year, considerable savings were made based on the rationalisations in the operation. The generated business result of the division – a loss of €2.5 million – which is of seasonal character, is at last year's level and in accordance with plan.

A net loss at the level of the Sava Group amounted to €5.8 million, which is by €1 million better than planned and significantly lower than last year. Sava d.d. ended the first quarter with a net profit of €2.4 million, which is a substantial shift in the positive direction considering the loss of €30.4 million made last year.

As this has been the case for a long time now, the Sava share has been traded at prices, which are significantly below the book value of the company this year too. In the three months of this year the value of the Sava share moved between €13 and €11.

At the end of March, the value of the received long-term loans and short-term financial liabilities of Sava Group companies totalled €372.4 million and in comparison with the end of 2011 it did not change significantly. However, a substantial deleverage of Sava is planned to be carried out by the end of the year.

The arrangements with the banks for a comprehensive reprogramming of financial liabilities, which after the coordination of the maturity of financial liabilities through the planned disinvesting steps will facilitate a successful implementation of the strategy are carried out as scheduled. The agreements with the banks will provide a basis, which on one hand will enable Sava to coordinate the maturity of assets sources, and on the other hand it will contain a commitment of Sava with a defined foreseen time component for disinvesting, and that will further enable a decrease in financial liabilities to a lower, long-term sustainable level.

Parallel with that the implementation of the restructuring strategy of Sava has been developing even faster than anticipated, which can have a significant positive effect both on enhancing the volume of the planned deleverage and the achieved business result of Sava d.d. at the end of this year.

3. OVERVIEW OF MORE IMPORTANT EVENTS AND ACHIEVEMENTS

3.1 More important events and achievements in the period January-March 2012

JANUARY

- Based on the report on the sale procedure and the estimate of the macro-economic environment for 2012, the consortium members for a joint sale of equity stake in Abanka Vipa d.d. make a decision to discontinue and dissolve the joint sale procedure, after which the consortium stops to function.
- The assembly of the company Sava Turizem d. d. appoints the new Supervisory Board members for a four-year term of office, as follows: Matej Narat, MSc, Andrej Andoljšek, Franci Strajnar, MSc, and Milan Marinič.
- Sava Turizem d.d. established at the end of 2011 begins its operation; it includes all companies of the Tourism division.
- The newly established company Sava IT d.o.o., to which Sava d.d. transferred its IT business for providing its services to the Sava Group, begins to operate.
- To develop the energy management business, Sava d. d. acquires a 100% equity share in the company Bramir d. o.o., Mostar.
- For the second time in succession, the campsite Bled receives the Alan Rogers award, which is one of the leading campsite guides in Europe. Bled's Ecological Village of Forest Fairies ranks second in the innovative offer category. The same project is awarded the international Jakob for Excellence and Quality in Tourism in the Alpe- Adria trade show.

FEBRUARY

- In the EKO programme of Savatech d.o.o., the new product is successfully developed: a rubber plug Plugy 1000-24000, which is intended for pipelines in cities and is the largest rubber plug ever manufactured by this successful programme.
- The Velo programme of Savatech d.o.o. introduces its motorcycle tyres MC50 M-Racer for road motorcycles and the new motocross tyres SX11 Teracross.
- Major works begin in Sava Turizem d. d. for replacing the roofing of the hotel Park in Bled; and this is only the first phase in the renewal of the entire hotel facade, the goal being an improvement in the energy efficiency of the building.

MARCH

- Sava d.d. and NFD Holding d.d. sign a contract with Platanus d.o.o., Maribor about the sale of a joint, 86.57% equity stake in Terme Maribor d.d.; Sava d.d. thus sells its 14.56% equity stake.
- After the merger and establishing a uniform company, Sava Turizem d.d., the reorganisation of the division is completed. Sava TMC d.o.o. ceases to operate.

3.2 More important events and achievements after the end of the accounting period – from April to May 2012

APRIL

- The Supervisory Board of Sava d.d. deals with and adopts the audited annual reports of the Sava Group and Sava d.d. for 2011, and the proposed Agenda of the 18th Shareholders' Meeting of Sava d.d., which will be held on Thursday, 24 May 2012.
- The Supervisory Board of Sava d.d. proposes the Shareholders' Meeting the following Supervisory Board members – shareholder representatives for the next four-year period: Miran Kalčič, Janko Kastelic, Jože Obersnel and Stanislav Valant, MSc. All the proposed candidates have already been the members of the Supervisory Board of Sava d.d. so far.

MAY

- Savatech d.o.o. purchases the company Sava Medical in Storitve d.o.o. from Sava d.d., by which it complements its business in this location.
- The Workers' Council elects the members of the Supervisory Board of Sava d.d. – employee representatives: Gregor Rovnšek, Aleš Aberšek and Lučka Pogačnik. They will begin their four-year office on 29 June 2012, after the office of the present Supervisory Board members – employee representatives - expires.

4. THE SAVA SHARE AND OWNERSHIP STRUCTURE

In the first quarter of this year, the value of the Sava share moved between €13.0 and €11.1. The average share price amounted to €11.9 at the end of this March and compared to the end of 2011 it reduced by 0.7%. The movement of the Sava share reflects the general movements in the capital markets and a low liquidity of the Ljubljana Stock exchange.

MOVEMENT OF THE SAVA SHARE

The range of value, in which the Sava share moved, reached the highest point at €13.0 and the lowest point at €11.1. The main reason for low price levels was the general negative movements of the domestic economy and a poor liquidity of the Slovene capital market, which in the first quarter of the year was by 48% lower than in the comparable period of the past year.

Movement of the Sava share price from the end of March 2011 until the end of March 2012



Source: Thomson Reuters Datastream.

MARKET CAPITALISATION

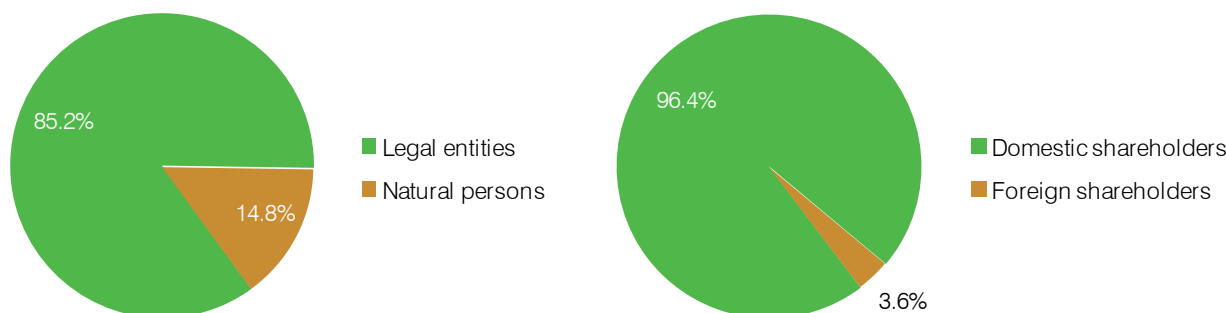
The market capitalisation of the Sava shares amounted to €23.9 million at the end of the first quarter and was lower than at the end of 2011. The market capitalisation of all shares in the Ljubljana Stock Exchange amounted to €4.9 billion, and compared to the end of 2011 it increased by 1%.

OWNERSHIP STRUCTURE

On the last day of the first quarter had 14,399 shareholders were entered in the register book of Sava d.d., which ranks it among larger Slovene listed joint stock companies. The stock of domestic shareholders amounted to 96.4% and that of foreign to 3.6%. In comparison with the end of last year, the stock of foreign shareholders decreased by a 0.1 percentage point. The majority of foreign shareholders originate from Great Britain, Austria, United States of America and Germany.

The proportion of legal entities represented 85.2% and that of households 14.8%. The ten largest shareholders own 69.7% of total company equity.

Ownership structure by category at 31/03/2012



10 largest shareholders at 31/03/2012

Total 10 largest shareholders	% ownership	No. of shares
KAPITALSKA DRUŽBA d.d.	18.71%	375,542
SLOVENSKA ODŠKODNINSKA DRUŽBA d.d.	11.06%	222,029
PSL STORITVE d.d.	9.28%	186,323
FINETOL d.d.	8.09%	162,389
MERKUR d.d.	6.72%	134,923
Vzajemni sklad NFD 1 Delniški	5.03%	100,902
NFD HOLDING d.d.	4.33%	86,915
Gorenjska Banka d.d. Kranj	2.81%	56,475
FORTICAP LTD	1.97%	39,500
UNICREDIT BANKA SLOVENIJA d.d.	1.71%	34,375
Total 10 largest shareholders	69.73%	1,399,373
SAVA, d.d. (treasury shares)	1.52%	30,541
Other shareholders	30.27%	607,614
TOTAL	100.00%	2,006,987

The most recent information on the ownership structure of Sava d.d. is published on the Sava homepage sava.si/ShareholderRelations.html.

COMPANY SECURITIES

Trading with treasury shares

In the first quarter of this year, the company Sava d.d. did not purchase any treasury shares so that on 31 March 2012 it owned 30,541 treasury shares in total value of €4,977 thousand, valued at the average bid price; this represents 1.52% of total shares.

Management Board and Supervisory Board members who own Sava shares

At the end of the first quarter 2012, the members of the Management Board and Supervisory Board of Sava d.d. held 371 Sava shares, or a 0.018% share of total company capital. In comparison with the end of 2011, the balance did not change.

Management Board and Supervisory Board members who own Sava shares

Management Board members	Position	Number of shares at 31/12/2011	% ownership	Number of shares at 31/03/2012	% ownership
Matej Narat, MsC	President	117	0.006%	117	0,006%
Miha Resman	Member	129	0.006%	129	0,006%
TOTAL		246	0,012%	246	0.012%

Supervisory Board members	Position	Number of shares at 31/12/2011	% ownership	Number of shares at 31/03/2012	% ownership
Miran Kalčič	Chairman	86	0.004%	86	0,004%
Janko Kastelic	Member	36	0.002%	36	0,002%
Gregor Rovnšek	Member	3	0.000%	3	0,000%
TOTAL		122	0.006%	125	0.006%

MANAGEMENT BOARD AND SUPERVISORY BOARD MEMBERS TOTAL	371	0.018%	371	0.018%
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Note: The member of the Supervisory Board of Sava d.d., Stanislav Valant, MSc, acquired 630 Sava shares in April and May 2012, thereby becoming a 0.03% holder of total Sava shares.

KEY DATA ON THE SAVA SHARE

		2008	2009	2010	2010	1-3 / 2011	1-3 / 2012
No. of shares at period end	(No. of shares)	2,006,987	2,006,987	2,006,987	2,006,987	2,006,987	2,006,987
Market capitalisation at period end	(€ in millions)	508.2	481.9	179.6	24.1	120.8	23.9
Share book value	(€)	239.7	236.2	161.1	82.2	147.9	79.7
Share price							
- highest	(€)	624.1	258.5	250.0	95.0	95.0	13.0
- lowest	(€)	223.0	192.0	88.0	12.0	58.9	11.1
- at period end	(€)	253.2	240.1	89.5	12.0	60.2	11.9
Average daily liquidity	(€ in thousands)	101.4	41.8	58.2	5.9	10.8	0.9
Average daily trading with shares	(No. of shares)	259	180	308	133	152.0	72.4
Net earnings per share	(€)	2.3	13.7	-50.0	-78.7	-11.2	-2.9
Dividend per share	(€)	3.0	3.1	3.2	-	-	-
Share of dividend in net profit	(%)	131.4	22.7	-6.4	-	-	-
Total amount of dividends paid	(€ in millions)	6.0	6.2	6.4	-	-	-
Share yield	(%)	-56.9	-3.9	-59.2	-86.6	-71.7	-80.2
- dividend yield	(%)	1.2	1.3	3.6	-	-	-
- capital yield	(%)	-58.1	-5.2	-62.7	-86.6	-71.7	-80.2
Price-Earnings ratio (P / E ratio)							
- highest		273.5	18.9	-5.0	-1.2	-8.5	-4.5
- lowest		97.7	14.1	-1.8	-0.2	-5.3	-3.8
- at period end		110.9	17.6	-1.8	-0.2	-5.4	-4.1
Price-to-Book ratio (P / B ratio)	(%)	143	137	56	15	41	15

Explanations for the computation of key data for the Sava share:

- **Book value of the Sava share:** the equity of the Sava Group without minority interest divided with the weighted average number of ordinary shares excluding treasury shares.
- **Net earnings per Sava share:** the net profit belonging to Sava d.d. divided with the weighted average number of ordinary shares excluding treasury shares.
- **Share of dividends in net profit:** dividend per share divided with net earnings per share
- **Dividend yield:** dividend per share divided with the Sava share market price on the last trading day of the period.
- **Capital yield:** relative change in the market price of the Sava share at the end of the year with regard to the share market price at the beginning of the period.
- **Market capitalisation:** multiple of the number of Sava shares and the market price of the share on the last day of the period.
- **The Price-Earnings ratio (P/E):** share market price on last day of the period (or the highest and lowest market price in the period) divided with earnings per share.
- **The Price-to-Book ratio (P/B):** share market price on last day of the period divided with the share book value at the end of the period.

Additional data on the Sava share

Stock Exchange	Share name	Code of issuer
Ljubljana Stock Exchange	SAVA	SAV
ISIN – international designation of securities	SI0031108457	

SHARE BOOK VALUE

The book value of the Sava share amounted to €79.6 at 31/03/2012. When calculating the book value, the number of treasury shares is deducted from the total number of shares.

RISKS ASSOCIATED WITH THE INVESTMENT IN THE SAVA SHARE

Such risks are due to:

- Factors of systematic risk-taking characteristic for all securities listed on the Ljubljana Stock Exchange d.d. such as changed conditions in the issuer's business, changes in tax legislation and regulations relating to the securities market and force majeure.
- Factors of non-systematic risk-taking that are connected with the operation of each individual company (investment, interest, solvency and foreign currency risk).

CROSS-LINKS WITH OTHER COMPANIES

Referring to the criteria as defined in the Corporate Governance Code, Sava d.d. was cross-linked at the end of the first quarter this year, as follows:

- In Gorenjska Banka d.d. it had a 45.90% equity stake, whereas Gorenjska Banka had a 2.81% equity stake in Sava d.d.
- In Abanka Vipava d.d. it had a 23.83% equity stake, whereas Abanka Vipava had a 0.22% equity stake in Sava d.d.
- In the company NFD 1 Delniški Investicijski Sklad d.d., it had a 23.35% equity stake, whereas NFD 1 had a 5.03% equity stake in Sava d.d.
- In the company Maksima Invest d.d. it had a 21.77% equity stake, whereas Maksima Invest had a 1.70% equity stake in Sava d.d.
- In the company Merkur d.d. it had a 8.20% equity stake, whereas Merkur had a 6.72% equity stake in Sava d.d.
- In the company Daimond d.d. it had a 7.59% equity stake, whereas Daimond had a 0.02% equity stake in Sava d.d.
- -In the company NFD Holding d.d. it had a 24.65% equity stake, whereas NFD Holding d.d. had a 4.33% equity stake in Sava d.d.

APPROVED CAPITAL AND CONDITIONAL INCREASE IN SHARE CAPITAL

The Articles of Association of Sava d.d. do not include any provisions in this regard..

5. BUSINESS OPERATIONS OF THE SAVA GROUP AND SAVA D.D.

5.1 Composition of the Sava Group

At 31/03/2012, the Sava Group consisted of 24 companies: the parent company Sava d.d. and 23 subsidiaries. The financial statements of these companies are included in the consolidated financial statements of the Sava Group. The capital and controlling rights are in accord in all mentioned Group's companies.

List of companies that besides the parent company Sava d.d. are included in the Sava Group, with a comparison of ownership stakes as at 31/03/2012 and 31/12/2011:

	% ownership 31/03/2012	% ownership 31/12/ 2011	Change in % of ownership 2012
RUBBER MANUFACTURING DIVISION AND FOREIGN TRADE NETWORK			
SAVATECH, d.o.o., Kranj	100.00%	100.00%	0.00%
- SAVA TRADE GmbH, Munich, Germany (owned by Savatech, d.o.o.)	100.00%	100.00%	0.00%
- SAVA TRADE sp.z.o.o., Warsaw, Poland (owned by Savatech, d.o.o.)	100.00%	100.00%	0.00%
- SAVA TRADE spol.s.o.o., Prague, Czech Republic (owned by Savatech, d.o.o.)	100.00%	100.00%	0.00%
- SAVATECH TRADE Ltd., London, Great Britain (owned by Savatech, d.o.o.)	100.00%	100.00%	0.00%
- SAVATECH CORP., Port Orange, Florida (owned by Savatech, d.o.o.)	95.00%	95.00%	0.00%
- SAVA-ROL d.o.o., Zagreb (owned by Savatech, d.o.o.)	76.00%	76.00%	0.00%
SAVAPRO d.o.o., Kranj	60.00%	60.00%	0.00%
- SAVARUS d.o.o., Jaroslavl, Russia (owned by SAVAPRO d.o.o.)	100.00%	100.00%	0.00%
TOURISM DIVISION			
SAVA TURIZEM d.d., Bled	99.05%	99.05%	0.00%
SAVA TMC d.o.o., Kranj	100.00%	100.00%	0.00%
REAL ESTATE DIVISION			
INVESTICIJSKO PODJETJE d.o.o., Ljubljana	100.00%	100.00%	0.00%
- IP NOVA d.o.o., Ljubljana (owned by Investicijsko podjetje d.o.o.)	100.00%	100.00%	0.00%
- IP NOVA A d.o.o., Ljubljana (owned by Investicijsko podjetje, d.o.o.)	100.00%	100.00%	0.00%
SAVA NOVA d.o.o., Zagreb	100.00%	100.00%	0.00%
OTHER OPERATIONS			
SAVA MEDICAL IN STORITVE, d.o.o., Kranj	100.00%	100.00%	0.00%
GIP SAVA KRANJ d.o.o., Ruma	100.00%	100.00%	0.00%
ENERGETIKA SAVA d.o.o., Kranj	100.00%	100.00%	0.00%
ENERGETIKA ČRNOMELJ d.o.o., Kranj	50.68%	50.68%	0.00%
ENSA BH d.o.o., Srbac, Bosnia and Herzegovina	100.00%	100.00%	0.00%
SAVA ENSA dooel., Skopje, Macedonia	100.00%	100.00%	0.00%
BRAMIR d.o.o., Mostar, Bosnia and Herzegovina	100.00%	0.00%	100.00%
SAVA IT d.o.o. Kranj	100.00%	100.00%	0.00%

CHANGES IN THE COMPOSITION OF THE SAVA GROUP

In January 2012, Sava d.d. acquired a 100% equity stake in Bramir d.o.o., Mostar, Bosnia and Herzegovina. The company is ranked in Other Operations under energy management business.

INCREASES IN CAPITAL OF SUBSIDIARIES IN THE SAVA GROUP

In January 2012, the parent company Sava d.d. increases capital in Sava IT d.o.o. by money paid in totalling €0.4 million.

OTHER EXPLANATIONS

Sava IP d.o.o., Ljubljana, renamed Investicijsko podjetje d.o.o., Ljubljana. The sale procedure for this company is in progress.

ASSOCIATED COMPANIES IN THE SAVA GROUP

No changes in the ownership of the associated companies took place in the first quarter of 2012.

List of associated companies with a comparison of ownership stakes at 31/03/2012 and 31/12/2011

	% ownership 31/03/2012	% ownership 31/12/2011	Change in % of ownership 2012	Controlling stake** 31/03/2012
SAVA d.d., družba za upravljanje in financiranje, Kranj - as the parent company				
- Gorenjska banka d.d., Kranj*	45.90 %	45.90 %	0.00 %	49.76 %
- Abanka Vipra d.d., Ljubljana	23.83 %	23.83 %	0.00 %	23.86 %
- NFD Holding d.d., Ljubljana	24.65 %	24.65 %	0.00 %	24.65 %
- Maksima Invest d.d., Ljubljana	21.77 %	21.77 %	0.00 %	21.77 %
SAVA HOTELI BLEDA d.d. - as the parent company				
- Gorenjska banka d.d., Kranj	0.16 %	0.16 %	0.00 %	0.17 %
TERME LENDAVA d.o.o. - as the parent company				
- Turizem Lendava d.o.o.	29.92 %	29.92 %	0.00 %	29.92 %
ENSA BH d.o.o., Srbac, Bosna and Herzegovina - as the parent company				
- Panensa d.o.o., Srbac, Bosnia in Herzegovina	40.00 %	40.00 %	0.00 %	40.00 %

* Sava d.d. transferred 23,924 shares (7.21%) of Gorenjska Banka d.d. Kranj into fiduciary shareholding of the fiduciary Abanka Vipra d.d., Ljubljana, which keeps them in favour of the holders of bonds issued by Sava d.d. as security for liabilities arising from the bonds until their maturity on 9 December 2014.

** The controlling stake was calculated as a ratio between the number of shares owned by Sava d.d. and total number of issued shares of the associated company less treasury shares.

REPRESENTATION OFFICES IN THE SAVA GROUP

As part of the Sava Group the company Savatech d.o.o., Kranj has a representation office in Moscow.

5.2 Business operations of the Sava Group

In the first quarter of 2012 Sava d.d. continued to carry out the restructuring process, while the subsidiaries in the Sava Group surpassed their plans at the level of operative business. The sales revenues of the Sava Group were by 8% higher than in the same period last year and 3% better than planned. A loss before tax totalled €5.3 million, which was significantly lower than last year and also lower than planned for the period.

a) Business performance

SALES REVENUES

Total sales revenues amounted to €46.6 million, which was a 4% improvement on last year's result in the same period. In the three months of 2012, Sava Group companies generated sales revenues of €45.4 million, or 7% better than in the same period last year and 3% better than planned. Rubber Manufacturing companies with the Foreign Trade Network were most effective and enhanced their sales by even 11% with regard to the past year, and surpassed the sales revenues plan by 7%. Sales revenues of Tourism were 3% below last year's result and 4% below plan.

In the revenues structure by division, Rubber Manufacturing with the Foreign Trade Network had a 70% share, Tourism a 26%, while the remaining 4% were generated by the sale of other divisions.

OPERATING EXPENSES

Operating expenses totalled €46.9 million and in comparison with the same period last year they were higher by 5%. The growth in the operating expenses lagged 2 percentage points behind the growth of total operating revenues.

The costs of goods, materials and services had a 63% share in the operating expenses structure, while labour costs had a 28%, depreciation a 7% and other operating expenses a 2% share. With regard to the same period last year, the structure of operating expenses did not change.

FINANCIAL REVENUES

Financial revenues totalled €1.6 million and in comparison with the same period last year, they almost halved. They referred mainly to the parent company Sava d.d., as to their content they mainly referred to the interest revenues and revenues from the sale of financial investments.

FINANCIAL EXPENSES

Financial expenses totalled €6.5 million and in comparison with the same period last year they almost halved, and were mainly generated in the parent company Sava d.d., their structure being as follows:

- **Impairments of securities available for sale** in the amount of €1.0 million were due to a further drop in stock exchange prices.
- The rest of financial expenses totalling €5.5 million mainly referred to the interests for **obtained loans** and the interests for issued bonds.

NET FINANCIAL EXPENSES

These were generated in the amount of €4.9 million; the result from financing was deteriorated by the unplanned impairments of securities available for sale.

NET EXPENSES OF THE ASSOCIATED COMPANIES

- Further impairments of the associated companies in the consolidated financial statements totalling €0.2 million, considering the stock exchange price in the evaluation, referred to the financial investment in NFD Holding d.d.

BUSINESS PERFORMANCE

In the first three months of 2012, Sava Group companies made a loss before tax totalling €5.3 million. The companies of Rubber Manufacturing with the Foreign Trade Network made a profit of €2.8 million, thereby surpassing both last year's and the planned results for the first quarter. Tourism made a loss of €2.5 million, which was at last year's level and as planned for the first quarter. The companies of Real Estate and Other Operations ended the period with a minimum negative result. In the individual financial statements Sava d.d. otherwise showed a total profit of €2.3 million, but the figure included the dividends from a subsidiary totalling €7.9 million, which in the consolidated financial statements is not recognised as a revenue since it was generated inter-company.

b) **Assets and liabilities structure**

BALANCE SHEET TOTAL AND ASSETS AND LIABILITIES STRUCTURE

At 31/03/2012, the balance sheet total of the Sava Group amounted to €611.5 million, and with regard to the end of 2011, it almost did not change.

In the assets structure, the financial investments and assets for sale had a 44% share, real estate, property and equipment a 37% share, other short-term assets a 15% share, and other assets a 4% share.

In the liabilities structure, capital had a 26% share, long-term debts a 12% and short-term debts a 62% share.

48% of the long-term assets of Sava Group companies were financed with long-term sources, and 52% with short-term sources.

ASSETS

In the first three months of 2012, no significant changes took place in the assets of the Sava Group.

CAPITAL AND LIABILITIES

With regard to the end of 2011 the following most important changes in liabilities took place in the first three months of 2012:

- The **capital**, which amounted to €160.6 million, reduced by €5.2 million if compared to the end of 2011, the difference was due to the following business events:
 - A loss after taxes was made in the amount of €5.8 million.
 - A net increase in the revaluation reserve amounted to €0.7 million.
 - Other decreases amounted to €0.1 million.

The capital had a 26% share in the liabilities structure.

- **Long-term debts** amounted to €74.3 million and compared to the end of 2011, they reduced by €7.1 million on account of transferring a part of loans to short-term liabilities.
- **Short-term debts** amounted to €376.6 million and were by €12.5 million higher than at the end of the previous year; this was partly due a transfer of long-term loans to short-term liabilities, and partly due to the increased business liabilities and short-term provisions.
- At 31/03/2012, the value of **total obtained long-term loans and short-term financial liabilities** of the Sava Group companies amounted to €372.4 million and with regard to the end of 2011 it did not change significantly. The financial liabilities of the Sava Group are insured.

The arrangements with the banks for a comprehensive reprogramming of financial liabilities, which after the coordination of the maturity of financial liabilities through the planned disinvesting steps will facilitate a successful implementation of the strategy are carried out as scheduled. The agreements with the banks will provide a basis, which on one hand will enable Sava to coordinate the maturity of assets sources, and on the other hand it will contain a commitment of Sava with a defined foreseen time component for disinvesting, and that will further enable a decrease in financial liabilities to a lower, long-term sustainable level.

EMPLOYEE NUMBER IN THE SAVA GROUP

At 31/03/2012, the Sava Group employed 2,179 associates, or 77 less than at the end of 2011.

5.3 Business operations of Sava d.d.

In the first quarter of 2012, Sava d.d. generated a profit of €2.4 million. According to the resolution of the assembly of the subsidiary Savatech d.o.o. the financial revenues from dividends totalling €7.9 million were recognised. Further drops in stock exchange prices requested for additional impairments of financial investments in the amount of €1.1 million.

a) Business performance

NET SALES REVENUES

- Sales revenues of €0.7 million were generated, which was in accordance with plan and by one half less than in the same period last year. The deviation resulted from a decrease in rentals due to disposal of real properties of Savatech d.o.o., and a decrease in the revenues from IT services associated with the performed business reorganisation.
- Net sales revenues were mainly generated in the relation to the companies of the Sava Group.

OPERATING EXPENSES

- These amounted to €1.6 million, which was 27% less than last year but at the planned level for operating expenses.
- Costs of services had a 51%, labour costs a 43%, and other costs from operations had a 6% share in the operating expenses structure.
- A considerable amount of these expenses resulted from managing financial investments, which is why, the financial result is partly intended for their coverage.

FINANCIAL RESULT

- **The financial result** in Sava d.d. was positive in the amount of €3.2 million. The financial result and thus the business performance of Sava d.d. in the first quarter of 2012 were positively influenced by the financial revenues from the dividends by the subsidiary Savatech d.o.o. in the amount of €7.9 million, and the financial revenues from the sale of securities and from the interests totalling €1.2 million. The result was decreased by the interest expenses in the amount of €4.8 million and further impairments of financial investments in the amount of €1.1 million.

Financial result by type of activities

€ in mio

	Financial result	Financial result	Financial result	Financial result	Financial revenues	Financial expenses	Financial result
	2008	2009	2010	2011	JAN-MAR 2012	JAN-MAR 2012	JAN-MAR 2012
Dividends from associated and other companies	32.4	20.8	12.3	11.3	0.0	0.0	0.0
Dividends from and sale of subsidiaries	0.8	0.0	17.0	0.0	7.9	0.0	7.9
Securities	0.6	39.8	0.8	1.6	0.6	0.0	0.6
Impairments of financial investments	-14.9	-22.7	-95.0	-158.1	0.0	-1.1	-1.1
Interests	-12.3	-10.1	-12.9	-16.1	0.6	-4.8	-4.2
Other	0.0	0.0	-1.4	-6.3	0.0	0.0	0.0
Total	6.6	27.8	-79.2	-167.6	9.1	-5.9	3.2

OPERATING PROFIT / LOSS

In the first three months of 2012, a profit totalling €2.4 million was generated on account of revenues from dividends. The received dividends were shown only in the individual financial statements of Sava d.d., and have no influence on the operating profit or loss of the Sava Group.

b) Assets and liabilities structure

BALANCE SHEET TOTAL

It amounted to €413.1 million and in comparison with the end of 2011 it was higher by 1%.

ASSETS STRUCTURE

- The greatest - 74% - share in the assets structure had long-term financial investments. tangible fixed assets and investment properties had a 4% share. short-term financial investments a 9%. and other assets a 13% share; the latter included receivables due from a payer of dividends and receivables arising from the disposal of a financial investment in Terme Maribor
- No other significant changes took place in the assets structure of Sava d.d.

LIABILITIES STRUCTURE

The **capital** of the joint stock company Sava totalling €90.8 million was by €3.2 million or 4% higher than at the end of 2011; in the liabilities structure it had a 22% share. The following changes took place in capital:

- A profit of €2.4 million was generated.
- A net increase in revaluation reserve amounted to €0.8 million.

Total financial liabilities of Sava d.d. achieved the value of €309.6 million and were at the level from the end of 2011; long-term liabilities had an 11% and short-term financial liabilities an 89% share. Financial liabilities had a 75% share in the liabilities structure of Sava d.d.

Financial liabilities of Sava d.d. to the creditors are insured. total value of the pledged assets amounts to €318.3 million.

EMPLOYEE NUMBER

At 31/03/2012. Sava d.d. employed 38 associates; with regard to the end of 2011. their number reduced by 23 associates. partly due to reassignments in other Group's companies and partly due to termination of employment.

6. FINANCIAL STATEMENTS

6.1 Consolidated financial statements of the Sava Group for the period January-March 2012 (according to International Financial Reporting Standards)

Consolidated income statement of the Sava Group for the period January-March 2012

	€ in thousands	
	JAN - MAR 2012	JAN - MAR 2011
Revenues from goods sold and services rendered	45.446	42.632
Change in inventories of products and work in progress	432	1.533
Other operating revenue	723	500
Operating revenue	46.601	44.665
Cost of goods, materials and services	-29.441	-28.103
Labour cost	-13.230	-12.750
Depreciation and amortisation	-3.459	-3.534
Other write-offs	-216	-19
Other operating expense	-539	-310
Operating expenses	-46.885	-44.716
Operating profit/loss	-284	-51
Financial income	1.633	3.230
Financial expense	-6.491	-13.041
Net financing income/expense	-4.858	-9.811
Share in income of associates	0	4.426
Share in loss of associates	0	0
Impairments of financial investments in associates	-166	-18.793
Net income/expense from associates	-166	-14.367
Pre-tax loss	-5.308	-24.229
Tax	-484	1.851
Net loss for the year	-5.792	-22.378
<i>Net profit for the year attributable to:</i>		
Equity holders of the parent	-5.820	-22.316
Minority interest	28	-62
Net profit/loss for the period	-5.792	-22.378
Basic earnings per share (€)	-2.92	-11.18
Diluted earnings per share (€)	-2.92	-11.18

Consolidated statement of comprehensive income of the Sava Group for the period January- March 2012

€ in thousands

	JAN - MAR 2012	JAN - MAR 2011
Profit for the period	-5.792	-22.378
Other comprehensive income		
- Foreign currency translation differences for foreign operations	-90	-44
- Effective portion of changes in fair values of cash flow hedges	0	0
- Change in fair value of available-for-sale financial assets	1.481	-1.953
- Deferred tax on change in fair value of available-for-sale financial assets	-230	-28
- Change in fair value of investments in associates	0	-403
- Change in fair value of available-for-sale financial assets transferred to profit or loss	-645	-2.267
- Deferred tax on change in fair value of available-for-sale financial assets transferred to profit or loss	155	589
Other comprehensive income for the period, net of deferred tax	671	-4.106
Total comprehensive income for the period	-5.121	-26.484
Total comprehensive income for the period attributable to:		
Owners of the Company	-5.149	-26.422
Minority interest	28	-62
Total comprehensive income for the period	-5.121	-26.484

Consolidated statement of financial position of the Sava Group at 31/03/2012

€ in thousands

	31/03/2012	31/03/2011	31/12/2011
ASSETS			
Property, plant and equipment	214.482	223.905	215.182
Intangible assets	440	929	459
Investment property	9.972	11.083	10.040
Investments in associates	199.681	299.962	199.847
Non-current equity securities, available for sale	37.674	53.556	41.177
Non-current loans	355	5.628	384
Deferred tax assets	24.738	14.478	24.697
Non-current assets	487.342	609.541	491.786
Assets for sale	32.152	0	32.348
Inventories	29.363	60.709	29.347
Trade and other receivables	34.616	28.995	26.768
Current tax receivable	164	29	25
Short-term investments	128	115	128
Current loans	15.763	22.828	20.224
Cash and cash equivalent	11.930	7.663	10.649
Current assets	124.116	120.339	119.489
Total assets	611.458	729.880	611.275
EQUITY AND LIABILITIES			
Issued capital	83.751	83.751	83.751
Share premium	0	125.608	0
Reserves	4.977	19.691	4.977
Fair value reserve	-4.086	-8.510	-4.847
Treasury shares	-4.977	-4.977	-4.977
Translation reserve	146	178	236
Retained earnings	79.120	79.316	84.940
Total equity attributable to equity holders of the parent	158.931	295.057	164.080
Minority interest	1.693	1.797	1.716
Total equity	160.624	296.854	165.796
Non-current provisions	6.503	6.773	6.615
Deferred government grants	12.209	12.711	12.243
Non-current interest-bearing borrowings	55.513	213.075	62.501
Non-current operating liabilities	42	76	42
Deferred tax liabilities	0	0	0
Non-current liabilities	74.267	232.635	81.401
Liabilities for sale	17.619	0	17.898
Current interest-bearing borrowings	316.871	159.613	308.809
Current operating liabilities	34.114	36.001	31.105
Deferred costs and accrued revenues	7.963	4.777	6.266
Current operating liabilities	376.567	200.391	364.078
Total liabilities	450.834	433.026	445.479
Total equity and liabilities	611.458	729.880	611.275

Consolidated cash flow statement of the Sava Group for the period January – March 2012

€ in thousands

	JAN-MAR 2012	JAN-MAR 2011
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/loss before taxation	-5.792	-22.378
Adjustments for:		
Depreciation of property, plant and equipment	3.370	3.369
Depreciation of intangible assets	22	26
Depreciation of investment property	67	139
Impairment of property, plant and equipment	17	3
Prihodki od nakupa odvisne družbe	-68	0
Reversal of impairments of property, plant and equipment	0	0
Reversal of increase in property, plant and equipment	0	0
Impairment of intangible assets	0	0
Impairment of investment property	0	0
Impairment of financial investments	722	7.314
Impairments of investments in associates	166	18.793
Proceeds from sale of plant, property and equipment	-6	0
Loss at disposal of property, plant and equipment	0	0
Proceeds from sale of investment property	0	0
Loss from the sale of investment property	0	0
Foreign currency translation difference	-90	-44
Profit in sale of non-current securities	-645	-2.522
Loss in sale of securities	0	0
Share in profit of Group companies	0	0
Share in income of associates	0	-4.426
Other dividends received	0	0
Share in loss of associates	0	0
Foreign exchange rate difference	0	-49
Impairment of granted loans	0	0
Impairment of loans granted to associates	0	0
Write-off of financial receivables	0	0
Interest expense	5.832	5.627
Interest revenue	-805	-1.039
Income tax liability	-485	1.851
Income from operations prior to change in operating equity and provisions	2.305	6.664
Change in non-current receivables	-12	-2.838
Change in current receivables	-7.435	-4.011
Change in inventories	-16	-1.989
Change in current operating liabilities and accrued costs	5.658	2.438
Change in non-current operating liabilities	-75	557
Change in provisions	-112	-141
Change in government grants	-34	-25
Acquired cash in operations	279	655
Paid income tax	-600	-451
Net cash flow from operations	-321	204

€ in thousands

	JAN-MAR 2012	JAN-MAR 2011
CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of property, plant and equipment equipment	-1.296	-727
Proceeds from sale of property, plant and equipment equipment	252	32
Purchase of intangible assets	0	0
Proceeds from sale of intangible assets	0	0
Purchase of investment properties	0	0
Proceeds from sale of investment properties	0	0
Purchase of subsidiaries	0	1.100
Izdatki za nakup odvisnih podjetij	-10	0
Purchase of associates	0	0
Proceeds from the sale of associates	0	0
Proceeds from repaid loans	5.103	2.157
Expenses for granted loans	-641	-5
Purchase of equity securities available for sale	-11	-6
Proceeds from sale of non-current securities	4.596	6.012
Received dividends of associates	0	4.426
Other dividends received	0	0
Received interests	805	1.039
Net cash flow from investment activities	8.798	14.028
CASH FLOWS IN FINANCING ACTIVITIES		
Acquisition of own shares	0	0
Other changes in capital	-51	-14
Proceeds from granted non-current loans	0	177
Expenditures for granted non-current loans	0	-9.978
Proceeds from granted current loans	8.136	32.858
Expenses for granted current loans	-9.306	-32.277
Expenses for dividends of Group's shareholders	0	-1
Paid interests	-5.832	-5.627
Net cash flow from financing activities	-7.053	-14.862
Net increase or decrease in cash and cash equivalents	1.424	-630
Cash and cash equivalents at year begin	10.649	8.293
Cash and cash equivalents from companies for sale	-143	0
Cash and cash equivalents at the end of the period	11.930	7.663

Consolidated statement of changes in equity of the Sava Group for the period January – March 2012

	Issued capital	Share premium	Reserves	Reserves for own shares	Reserve for fair value of financial assets	Reserves from a change in the value of financial investments in associated companies	Reserve for fair value of interest rate swaps	Own shares	Translation reserve	Net profit /loss for the financial year	Net profit/ loss brought forward	Capital attributed to the owners of controlling company	Non-controlling interest	Total equity
Balance at 31/12/2010	83.751	125.608	14.714	4.977	-2.939	-549	-960	-4.977	222	-26.945	128.577	321.479	1.873	323.352
Total comprehensive income														
Loss	0	0	0	0	0	0	0	0	0	-22.316	0	-22.316	-62	-22.378
Other comprehensive income	0	0	0	0	-3.659	-403	0	0	-44	0	0	-4.106	0	-4.106
Foreign currency translation differences for foreign operations	0	0	0	0	0	0	0	0	-44	0	0	-44	0	-44
Effective portion of changes in fair values of cash flow hedges - interest rate swaps	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Change in fair value of available-for-sale financial assets		0	0	0	-1.953	0	0	0	0	0	0	-1.953	0	-1.953
Deferred tax on change in fair value of available-for-sale financial assets	0	0	0	0	-28	0	0	0	0	0	0	-28	0	-28
Change in fair value of investments in associates	0	0	0	0	0	-403	0	0	0	0	0	-403	0	-403
Change in fair value of available-for-sale financial assets transferred to profit or loss	0	0	0	0	-2.267	0	0	0	0	0	0	-2.267	0	-2.267
Deferred tax on change in fair value of available-for-sale financial assets transferred to profit or loss	0	0	0	0	589	0	0	0	0	0	0	589	0	589
Total comprehensive income	0	0	0	0	-3.659	-403	0	0	-44	-22.316	0	-26.422	-62	-26.484
Transactions with owners. recorded directly in equity														
Dividend payout	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer of net profit from the previous year in net profit/loss brought forward	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Acquisition of own shares	0	0			0	0	0	0	0	0	0	0	0	0
Decrease in minority interest due to exchange rate change	0	0	0	0	0	0	0	0	0	0	0	0	-14	-14
Total transactions with owners	0	0	0	0	0	0	0	0	0	0	0	0	-14	-14
Changes in capital												0		
Covering a loss	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Formation of reserves for own shares	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other changes in capital	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total changes in capital	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Balance at 31/03/2011	83.751	125.608	14.714	4.977	-6.598	-952	-960	-4.977	178	-49.261	128.577	295.057	1.797	296.854

	Issued capital	Share premium	Reserves	Reserv es for own shares	Reserve for fair value of financial assets	Reserves from a change in the value of financial investments in associated companies	Reserve for fair value of interest rate swaps	Own shares	Transla- tion reserve	Net profit/ loss for the financial year	Net profit/ loss brought forward	Capital attributed to the owners of con- trolling company	Non- contro- ling interest	Total equity
Balance at 31/12/2011	83.751	0	0	4.977	758	-5.604	-1	-4.977	236	-10.162	95.102	164.080	1.716	165.796
Total comprehensive income														
Loss	0	0	0	0	0	0	0	0	0	-5.820	0	-5.820	28	-5.792
Other comprehensive income	0	0	0	0	761	0	0	0	-90	0	0	671	0	671
Foreign currency translation differences for foreign operations	0	0	0	0	0	0	0	0	-90	0	0	-90	0	-90
Effective portion of changes in fair values of cash flow hedges - interest rate swaps	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Change in fair value of available-for-sale financial assets		0	0	0	1.481	0	0	0	0	0	0	1.481	0	1.481
Deferred tax of change in fair value of available-for-sale financial assets	0	0	0	0	-230	0	0	0	0	0	0	-230	0	-230
Change in fair value of investments in associates	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Change in fair value of available-for-sale financial assets transferred to profit or loss	0	0	0	0	-645	0	0	0	0	0	0	-645	0	-645
Deferred tax on change in fair value of available-for-sale financial assets transferred to profit or loss	0	0	0	0	155	0	0	0	0	0	0	155	0	155
Total comprehensive income	0	0	0	0	761	0	0	0	-90	-5.820	0	-5.149	28	-5.121
Transactions with owners. recorded directly in equity														
Transfer of net loss from the previous year in net profit/loss brought forward	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Acquisition of own shares	0	0			0	0	0	0	0	0	0	0	0	0
Decrease in minority interest due to exchange rate change	0	0	0	0	0	0	0	0	0	0	0	0	-51	-51
Decrease in minority stakes due to the status change in Tourism	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total transactions with owners	0	0	0	0	0	0	0	0	0	0	0	0	-51	-51
Changes in capital												0		
Covering a loss	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Formation of reserves for own shares	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other changes in capital	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total changes in capital	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Balance at 31/03/2012	83.751	0	0	4.977	1.519	-5.605	-1	-4.977	146	-15.982	95.102	158.931	1.693	160.624

6.2 Financial statements of Sava d.d. for the period January-March 2012 (according to Slovene Accounting Standards)

Income statement of Sava d.d. for the period January-March 2012

€ in thousands

	JAN - MAR 2012	JAN - MAR 2011
1. NET SALES REVENUES	681	1.385
a) Revenues in domestic market	680	1.384
To companies in the Group	549	1.109
To associates	0	0
To others	131	275
b) Revenues in foreign market	1	1
To companies in the Group	1	1
To associates	0	0
To others	0	0
2. CHANGE IN THE VALUE OF INVENTORIES OF PRODUCTS AND WORK IN PROGRESS	0	0
3. CAPITALISED OWN PRODUCTS AND SERVICES	0	0
4. OTHER OPERATING REVENUES (with operating revenues from revaluation adjustment)	2	2
5. COSTS OF MERCHANDISE. MATERIALS AND SERVICES	-814	-1.342
a) Cost of merchandise and material sold and cost of material used	-23	-81
b) Cost of services	-791	-1.261
6. LABOUR COSTS	-678	-613
a) Salaries and wages	-532	-488
b) Social security cost (pension insurance cost shown separately)	-98	-91
- Social security cost	-40	-36
- Pension insurance cost	-58	-55
c) Other labour cost	-48	-34
7. AMORTISATION AND DEPRECIATION EXPENSE. WRITE-OFFS	-65	-224
a) Amortisation	-65	-198
b) Operating expenses from revaluation of intangible and tangible fixed assets	0	0
c) Operating expenses from revaluation of current assets	0	-26
8. OTHER OPERATING EXPENSES	-28	-32
9. OPERATING PROFIT/LOSS	-902	-824
10. FINANCIAL REVENUES FROM SHARES	8.545	7.667
a) Financial revenues from shares in Group's companies	7.900	988
b) Financial revenues from shares in associates	0	4.411
c) Financial revenues from shares in other companies	645	2.268
d) Financial revenues from other investments	0	0
11. FINANCIAL REVENUES FROM GRANTED LOANS	565	712
a) Financial revenues from loans granted to Group's companies	85	245
b) Financial revenues from loans granted to other entities	480	467

€ in thousands

	JAN - MAR 2012	JAN - MAR 2011
12. FINANCIAL REVENUES FROM OPERATING RECEIVABLES	1	2
a) Financial revenues from operating receivables due from Group's companies	0	0
b) Financial revenues from operating receivables due from other entities	1	2
13. FINANCIAL EXPENSES FROM IMPAIRMENT AND WRITE-OFFS IN FINANCIAL INVESTMENTS	-1.141	-35.857
14. FINANCIAL EXPENSES FROM FINANCIAL LIABILITIES	-4.774	-4.424
a) Financial expenses from borrowings obtained from Group's companies	-179	-228
b) Financial expenses from borrowings obtained from banks	-3.914	-3.632
c) Financial expenses from issued bonds	-474	-470
d) Financial expenses from other financial liabilities	-207	-94
15. FINANCIAL EXPENSES FROM OPERATING LIABILITIES	0	-1
a) Financial expenses from operating liabilities due to Group's companies	0	0
b) Financial expenses from trade payables and bill payables	0	0
c) Financial expenses from other operating liabilities	0	-1
16. OTHER REVENUES	0	53
17. OTHER EXPENSES	-11	-4
18. TAX ON PROFIT	0	0
19. DEFERRED TAXES	116	2.291
20. NET PROFIT FOR THE FINANCIAL YEAR	2.399	-30.385

Statement of comprehensive income of Sava d.d. for the period January- March 2012

€ in thousand

	JAN - MAR 2012	JAN - MAR 2011
Net profit for the period	2.399	-30.385
Other comprehensive income:		
- change in fair value of available-for-sale financial assets	1.481	-1.952
- deferred tax form change in fair value of available-for-sale financial assets	-230	-28
- change in fair value of investments in associated companies		
- change in fair value of available-for-sale financial assets transferred to profit or loss	-645	-2.268
- deferred tax from a change in fair value of available-for-sale financial assets transferred to profit or loss	155	589
Other comprehensive income for the period. net of income tax in the period	761	-3.658
Total comprehensive income in the period	3.160	-34.043

Balance sheet of Sava d.d. at 31/03/2012

€ in thousands

	31/03/2012	31/03/2011	31/12/2011
ASSETS			
A. FIXED ASSETS	362.914	485.809	366.642
I. INTANGIBLE FIXED ASSETS AND LONG-TERM DEFERRED COSTS AND ACCRUED REVENUES	0	144	141
1. Long-term industrial property rights	0	144	141
2. Goodwill	0	0	0
3. Advances for intangible fixed assets	0	0	0
4. Long-term deferred development costs	0	0	0
5. Other long-term deferred costs and accrued revenues	0	0	0
II. TANGIBLE FIXED ASSETS	69	5.293	153
1. Land and buildings	0	4.254	0
a) Land	0	0	0
b) Buildings	0	4.254	0
2. Plant and machinery	68	769	151
3. Other equipment	1	148	2
4. Tangible fixed assets under construction	0	122	0
a) Tangible fixed assets under construction and manufacture	0	122	0
b) Advances for tangible fixed assets	0	0	0
III. INVESTMENT PROPERTY	15.065	19.348	15.127
1. Leased to subsidiaries	8.725	15.270	8.771
2. Leased to other companies	4.288	2.026	4.304
3. Not leased	2.052	2.052	2.052
IV. LONG-TERM FINANCIAL INVESTMENTS	322.569	447.299	326.093
1. Long-term financial investments except loans	319.281	446.689	322.833
a) Shares and stakes in Group's companies	157.062	183.835	156.694
b) Shares and stakes in associates	124.591	209.495	125.009
c) Other shares and stakes	37.628	53.359	41.130
d) Other long-term financial investments	0	0	0
2. Long-term loans	3.288	610	3.260
a) Long-term loans to companies in the Group	3.288	610	3.260
b) Long-term loans to other entities	0	0	0
c) Long-term unpaid called-up capital	0	0	0
V. LONG-TERM OPERATING RECEIVABLES	51	112	63
1. Long-term operating receivables to companies in the Group	0	0	0
2. Long-term operating trade receivables	0	0	0
3. Long-term receivables to other entities	51	112	63
VI. DEFERRED TAX RECEIVABLES	25.160	13.613	25.065

€ in thousands

	31/03/2012	31/03/2011	31/12/2011
B. SHORT-TERM ASSETS	50.066	33.453	43.281
I. ASSETS (GROUPS FOR DISPOSAL) FOR SALE	22.145	0	22.145
II. INVENTORIES	0	0	0
1. Material	0	0	0
2. Work in process	0	0	0
3. Products and merchandise	0	0	0
4. Advances for inventories	0	0	0
III. SHORT-TERM FINANCIAL INVESTMENTS	16.770	29.269	19.554
1. Short-term financial investments except loans	128	115	128
a) Shares and stakes in Group's companies	0	0	0
b) Other shares and stakes	0	0	0
c) Other short-term financial investments	128	115	128
2. Short-term loans	16.642	29.154	19.426
a) Short-term loans to companies in the Group	1.549	6.630	1.464
b) Short-term loans to other entities	15.093	22.374	17.962
c) Short-term unpaid called-in capital	0	150	0
IV. SHORT-TERM OPERATING RECEIVABLES	11.150	4.182	1.582
1. Short-term operating liabilities to companies in the Group	6.145	1.804	471
2. Short-term trade receivables	43	218	118
3. Short-term operating receivables to other entities	4.962	2.160	993
V. CASH	1	2	0
1. Cash on hand and accounts	1	2	0
2. Short-term deposits	0	0	0
a) Short-term deposits Group's companies	0	0	0
b) Short-term deposits in associates	0	0	0
c) Short-term deposits in other entities	0	0	0
C. SHORT-TERM DEFERRED COSTS AND ACCRUED REVENUES	93	154	114
ASSETS TOTAL	413.073	519.416	410.038

€ in thousands

	31/03/2012	31/03/2011	31/12/2011
LIABILITIES			
A. CAPITAL	90.814	205.079	87.654
CALLED-UP CAPITAL	83.751	83.751	83.751
1. Share capital	83.751	83.751	83.751
2. Uncalled capital (as a deductible item)	0	0	0
II. CAPITAL RESERVES	0	125.608	0
III. REVENUE RESERVES	0	14.714	0
1. Legal reserves	0	7.182	0
2. Reserves for treasury shares and own business stakes	4.977	4.977	4.977
3. Treasury shares and own business shares (as a deductible item)	-4.977	-4.977	-4.977
4. Statutory reserves	0	0	0
5. Other revenue reserves	0	7.532	0
IV. SURPLUS FROM REVALUATION	13.938	4.861	13.177
- from tangible fixed assets	0	0	0
- from intangible fixed assets	0	0	0
- from long-term financial investments	13.938	4.861	13.177
- from short-term financial investments	0	0	0
V. RETAINED NET PROFIT OR LOSS FROM PREVIOUS PERIODS	-9.274	6.530	0
VI. NET PROFIT OR LOSS FOR THE FINANCIAL YEAR	2.399	-30.385	-9.274
B. PROVISIONS AND LONG-TERM ACCRUED COSTS AND DEFERRED REVENUES	332	279	332
1. Provisions for pensions and similar liabilities	332	279	332
2. Other provisions	0	0	0
3. Long-term accrued costs and deferred revenues	0	0	0
C. LONG-TERM LIABILITIES	35.240	179.011	43.990
I. LONG-TERM FINANCIAL LIABILITIES	33.492	177.339	42.296
1. Long-term financial liabilities to Group's companies	25	4.688	25
2. Long-term financial liabilities to banks	6.952	140.136	7.756
3. Long-term financial liabilities arising from bonds	26.515	26.515	26.515
4. Other long-term financial liabilities	0	6.000	8.000
II. LONG-TERM OPERATING LIABILITIES	0	0	0
1. Long-term operating liabilities to Group's companies	0	0	0
2. Long-term trade payables	0	0	0
3. Long-term bills payables	0	0	0
4. Long-term operating liabilities arising from advances	0	0	0
5. Other long-term operating liabilities	0	0	0
III. DEFERRED TAX LIABILITIES	1.748	1.672	1.694

€ in thousands

	31/03/2012	31/03/2011	31/12/2011
D. SHORT-TERM LIABILITIES	285.235	133.912	276.827
I. LIABILITIES INCLUDED IN GROUPS FOR DISPOSAL	0	0	0
II. SHORT-TERM FINANCIAL LIABILITIES	276.070	125.748	267.035
1. Short-term financial liabilities to Group's companies	13.184	20.379	12.362
2. Short-term financial liabilities to banks	243.187	103.500	242.892
3. Short-term liabilities arising from bonds	0	0	0
4. Other short-term financial liabilities	19.699	1.869	11.781
III. SHORT-TERM OPERATING LIABILITIES	9.165	8.164	9.792
1. Short-term operating liabilities to Group's companies	174	134	129
2. Short-term trade payables	379	634	281
3. Short-term bills payables	0	0	0
4. Short-term operating liabilities arising from advances	30	26	57
5. Other short-term operating liabilities	8.582	7.370	9.325
E. SHORT-TERM ACCRUED COSTS AND DEFERRED REVENUES	1.452	1.135	1.235
TOTAL LIABILITIES	413.073	519.416	410.038

Cash flow statement of Sava d.d. for the period January-March 2012

€ in thousands

	JAN-MAR 2012	JAN-MAR 2011
A. CASH FLOWS FROM OPERATING ACTIVITIES		
a) Net profit for the financial year	2.399	-30.385
- pre-tax profit	2.283	-32.676
- profit tax and other taxes	116	2.291
b) Adjustments for:	-3.130	32.049
- depreciation	65	198
- operating revenues from revaluation in connection with items of investing and financing activities	0	0
- operating expenses from revaluation in connection with items of investing and financing activities	0	0
- financial revenues excluding financial revenues from operating receivables	-9.110	-8.430
- financial expenses excluding financial expenses from operating liabilities	5.915	40.281
c) Change in net current assets (and accruals, deferrals, provisions and deferred tax receivables and liabilities) balance sheet items	-6.572	-289
- opening minus closing operating receivables	-5.884	2.339
- opening minus closing deferred costs and accrued revenues	21	-43
- opening minus closing deferred tax receivables	-95	-2.171
- opening minus closing assets (groups for disposal) for sale	0	0
- opening minus closing inventories	0	0
- closing minus opening operating liabilities	-810	-712
- closing minus opening accrued costs and deferred revenues and provisions	217	422
- closing minus opening tax liabilities	-21	-124
d) Surplus in inflows from operating activities or surplus of outflows from operating activities	-7.303	1.375
B. CASH FLOWS FROM INVESTING ACTIVITIES		
a) Inflows from investing activities	11.020	14.669
- revenues from received interests and shares in profit in relation to investing activities	2.793	5.140
- revenues from disposal of intangible fixed assets	141	0
- revenues from disposal of tangible fixed assets	82	0
- revenues from disposal of investment property	0	0
- revenues from disposal of long-term financial investments	4.597	7.235
- revenues from disposal of short-term financial investments	3.407	2.295
b) Outflows from investing activities	-1.031	-424
- expenses for purchase of intangible fixed assets	0	0
- expenses for purchase of tangible fixed assets	0	-20
- expenses for purchase of investment properties	0	0
- expenses for purchase of long-term financial investments	-426	-218
- expenses for purchase of short-term financial investments	-605	-186
c) Surplus in inflows from investing activities or surplus in outflows from investing activities	9.988	14.245

€ in thousands

	JAN-MAR 2012	JAN-MAR 2011
C. CASH FLOWS FROM FINANCING ACTIVITIES		
a) Inflows from financing activities	8.136	28.500
- revenues from paid-in capital	0	0
- revenues from increase in long-term financial liabilities	0	0
- revenues from increase in short-term financial liabilities	8.136	28.500
b) Outflows from financing activities	-10.820	-44.120
- expenses for interests related to financing	-4.915	-4.424
- expenses for return of capital	0	0
- expenses for repayment of long-term financial liabilities	0	-8.150
- expenses for repayment of short-term financial liabilities	-5.905	-31.544
- expenses for payment of dividends and other shares in profit	0	-2
c) Surplus in inflows from financing activities or surplus in expenses from financing activities	-2.684	-15.620
D. CASH AND CASH EQUIVALENTS AT END OF PERIOD	1	2
x) Net increase in cash and cash equivalents	1	0
y) Cash and cash equivalents at beginning of period	0	2

Statement of changes in equity of Sava d.d. for the period January-March 2012

€ in thousands

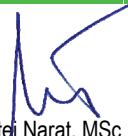
	Cm thousands													
	Called up capital		Capital reserves	Revenue reserves					Revaluation reserve	Retained net profit / loss from previous periods		Net profit / loss for the financial year		
	I		II	III					IV	V		VI		
	Share capital	Uncalled capital (as deductible item)	Capital reserves	Legal reserves	Reserve for treasury shares and own business stakes	Treasury shares and own business stakes (as deductible item)	Statutory reserves	Other revenue reserves	Revaluation reserve	Retained net profit	Retained net loss	Net profit for the financial year	Net loss for the financial year	
														I/1
A.1. BALANCE AT 31/12/2011	83.751	0	0	0	4.977	-4.977	0	0	13.177	0	0	0	-9.274	87.654
A.2. INITIAL BALANCE 01/01/2012	83.751	0	0	0	4.977	-4.977	0	0	13.177	0	0	0	-9.274	87.654
B.1. Changes in equity - transactions with owners	0	0	0	0	0	0	0	0	0	0	0	0	0	0
B.2. Total comprehensive income for the period	0	0	0	0	0	0	0	0	761	0	0	2.399	0	3.160
a) Entry of net profit/loss for the period	0	0	0	0	0	0	0	0	0	0	0	2.399	0	2.399
d) Change in fair value of available-for-sale financial assets	0	0	0	0	0	0	0	0	1.481	0	0	0	0	1.481
e) Deferred tax from a change in fair value of availbale-for-sale financial assets	0	0	0	0	0	0	0	0	-230	0	0	0	0	-230
f) Change in fair value of available-for-sale financial assets to be transferred to profit or loss	0	0	0	0	0	0	0	0	-645	0	0	0	0	-645
g) Deferred tax from a change in fair value of available-for-sales financial assets to be transferred to profit or loss	0	0	0	0	0	0	0	0	155	0	0	0	0	155
h) Other components of comprehensive income for the period	0	0	0	0	0	0	0	0	0	0	0	0	0	0
B.3. Changes within equity	0	0	0	0	0	0	0	0	0	0	-9.274	0	9.274	0
a) Allocation of the remaining net profit part for the comparative period to other capital components	0	0	0	0	0	0	0	0	0		-9.274	0	9.274	0
C. END BALANCE 31/03/2012	83.751	0	0	0	4.977	-4.977	0	0	13.938	0	-9.274	2.399	0	90.814

Statement of changes in equity of Sava d.d. for the period January-March 2011

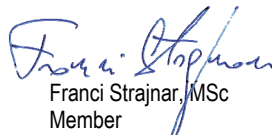
€ in thousands

	€ in thousands													
	Called up capital		Capital reserves	Revenue reserves					Revaluation reserve	Retained net profit / loss from previous periods		Net profit / loss for the financial year		Total capital
	I		II	III					IV	V		VI		
	Share capital	Uncalled capital (as deductible item)	Capital reserves	Legal reserves	Reserve for treasury shares and own business stakes	Treasury shares and own business stakes (as deductible item)	Statutory reserves	Other revenue reserves	Revaluation reserve	Retained net profit	Retained net loss	Net profit for the financial year	Net loss for the financial year	
I/1	I/2	II	III/1	III/2	III/3	III/4	III/5	IV	V/1	V/2	VI/1	VI/2	VII	
A.1. BALANCE AT 31/12/2010	83.751	0	125.608	7.182	4.977	-4.977	0	7.532	8.519	6.530	0	0	0	239.122
A.2. INITIAL BALANCE 01/01/2011	83.751	0	125.608	7.182	4.977	-4.977	0	7.532	8.519	6.530	0	0	0	239.122
B.1. Changes in equity - transactions with owners	0	0	0	0	0	0	0	0	0	0	0	0	0	0
B.2. Total comprehensive income for the period	0	0	0	0	0	0	0	0	-3.658	0	0	0	-30.385	-34.043
a) Entry of net profit/loss for the period	0	0	0	0	0	0	0	0	0	0	0	0	-30.385	-30.385
d) Change in fair value of available-for-sale financial assets	0	0	0	0	0	0	0	0	-1.952	0	0	0	0	-1.952
e) Deferred tax from a change in fair value of available-for-sale financial assets	0	0	0	0	0	0	0	0	-28	0	0	0	0	-28
f) Change in fair value of available-for-sale financial assets to be transferred to profit or loss	0	0	0	0	0	0	0	0	-2.268	0	0	0	0	-2.268
g) Deferred tax from a change in fair value of available-for-sales financial assets to be transferred to profit or loss	0	0	0	0	0	0	0	0	589	0	0	0	0	589
h) Other components of comprehensive income for the period	0	0	0	0	0	0	0	0	0	0	0	0	0	0
B.3. Changes within equity	0	0	0	0	0	0	0	0	0	0	0	0	0	0
D. END BALANCE 31/03/2011	83.751	0	125.608	7.182	4.977	-4.977	0	7.532	4.861	6.530	0	0	-30.385	205.079


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