

TRANSLATION

CENTRALNA DEPOZITARNA AGENCIJA AD, PODGORICA

**Financial Statements for
the Year Ended 31 December 2015
with Independent Auditor's Report**



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TRANSLATION

TO THE SHAREHOLDERS OF
CENTRALNA DEPOZITARNA AGENCIJA AD, PODGORICA

Independent Auditors' Report

We have audited the accompanying financial statements of Centralna Depozitarna Agencija (hereinafter: the "Company") which comprise the statement of financial position as at 31 December 2015, the income statement, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and objective presentation of these financial statements in accordance with the applicable Law on Accounting and Audit of Montenegro and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the applicable Law on Accounting and Audit of Montenegro and International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the financial statements give a true and fair view of the financial position of the Company as at 31 December 2015, and of its financial performance and its cash flows for the year then ended in accordance with legislation in Montenegro.

Podgorica, 22 March 2016

KPMG d.o.o. Podgorica

(L.S.)

Branko Vojnović
Certified Auditor

This is a translation of the original Independent Auditors' Report and financial statements issued in the Montenegrin language. All due care has been taken to produce a translation that is as faithful as possible to the original. However, if any questions arise related to interpretation of the information contained in the translation, the Montenegrin version of the document shall prevail.

Podgorica, 22 March 2016

KPMG d.o.o. Podgorica




Branko Vojnović
Certified Auditor

STATEMENT OF COMPREHENSIVE INCOME /INCOME STATEMENT/

Completed by a legal entity:	
ID number: 02320924	Activity code: 72400
Fill in:	

Name: Centralna Depozitarna Agencija
Adress: Podgorica

**STATEMENT OF COMPREHENSIVE INCOME /INCOME STATEMENT/
for the period from 1 January to 31 December 2015**

-in EUR-

Class of account	Position	AOP	Note	Amount	
				Current year	Previous year
1	2	3	4	5	6
	I OPERATING INCOME (202 to 206)	201		483.487	628.710
60 and 61	1. Sales revenue	202	4	482.675	628.710
62	2. Income from the use of outputs and goods	203			
630	3. Increase in value of inventories	204			
631	4. Decrease in value of inventories	205			
64 and 65	5. Other operating income	206		812	
	II OPERATING EXPENSES (208 do 212)	207		543.467	582.008
50	1. Costs of goods sold	208			
51	2. Costs of material	209	6	16.673	17.951
52	3. Wages, salaries, and other personal expenses	210	7	291.216	314.699
54	4. Depreciation and provision costs	211	8	72.725	65.605
53 and 55	5. Other operating expenses	212	9	162.853	183.753
	A. OPERATING RESULT (201-207)	213		-59.980	46.702
66	I FINANCIAL INCOME	214	11	9.897	8.007
56	II FINANCIAL EXPENSES	215		1	1
	B. FINANCIAL RESULT (214-215)	216		9.896	8.006
67, 68, 691 and 692	I OTHER INCOME	217	5	5.734	9.540
57, 58, 591 and 592	II OTHER EXPENSES	218	10	16.153	23.646
	C. RESULT FROM OTHER ACTIVITIES (217 – 218)	219		-10.419	-14.106
	D. RESULT FROM OPERATING ACTIVITIES BEFORE TAX (213+216+219)	220		-60.503	40.602
690 – 590	E. NET INCOME FROM DISPOSAL OF DISCONTINUING OPERATIONS	221			
	F. RESULT BEFORE TAX (220+221)	222		-60.503	40.602
	G. OTHER ITEMS OF RESULT /ASSOCIATED WITH EQUITY/ (224 to 228)	223			
	1. Changes in revaluation reserves on financial assets available for sale	224			
	2. Changes in revaluation reserves arising from property, plant and equipment and intangible assets	225			
	3. Changes in revaluation reserves arising from equity investments in associated companies	226			
	4. Changes in revaluation reserves on the basis of actuarial gains (or loss) with respect to defined pension plans	227			
	5. Changes in revaluation reserves arising from cash flow hedges	228			
	H. INCOME TAX EXPENSE (230+231)	229	12	-444	2.625
721	1. Current income tax	230			
722	2. Deferred income/expense tax	231		-444	2.625

	I. NET RESULT (222+223-229)	232		-60.059	37.977
	J. EARNINGS PER SHARE			-0,15	0.097
	1. Basic earnings per share	233		-0,15	0.097
	2. Decreased (diluted) earning per share	234			0

The pattern is in accordance with the Article 3 of the Law on Accounting and Auditing ("Off. Gazette of Montenegro" No. 80/08) and with the IV Directive of the EU.

U Podgorici

The person responsible for
the preparation of financial statements

Date 16 March 2015

Tatjana Blagojević
Tatjana Blagojević



Authorized person

Vladimir Kaščelan
Vladimir Kaščelan

STATEMENT OF FINANCIAL POSITION /BALANCE SHEET/

Completed by a legal entity:	
ID number: 02320924	Activity code: 72400
Fill in:	

Name: Centralna Depozitarna Agencija
Adress: Podgorica

STATEMENT OF FINANCIAL POSITION /BALANCE SHEET/
as at 31 December 2015

-in EUR-

Class of account	Position	AOP	Note	Amount	
				Current year	Previous year
1	2	3	4	5	6
	ASSETS				
00 (part)	A. SUBSCRIBED CAPITAL UNPAID	001			
	B. FIXED ASSETS (003+004+005+009)	002		331.398	370.961
012	I GOODWILL	003			
01 except 012	II INTANGIBLE ASSETS	004	13	255.746	272.684
	III PROPERTY, PLANT, EQUIPMENT AND BIOLOGICAL ASSETS (006+007+008)	005		75.652	98.277
020, 022, 023, 026, 027 (part), 028 (part), 029	1. Property, plant and equipment	006	14	75.652	98.277
024, 027(part), 028(part)	2. Investment property	007			
021, 025, 027(part) 028(part)	3. Biological assets	008			
	IV LONG-TERM FINANCIAL INVESTMENT (010+011+012)	009			
030, 031(part) 032(part) 039(part)	1. Equity investments	010			
031(part), 032(part)	2. Equity method investments	011			
032(dio), 033 - 038, 039 (part)	3. Other long-term financial investments	012			
288	C. DEFERRED TAX ASSETS	013			
04	D. NON CURRENT ASSETS HELD FOR TRADING AND DISCONTINUED OPERATIONS	014			
	E. CURRENT ASSETS (016+017)	015		523.167	531.012
10 - 13, 15	I INVENTORIES	016			
	II SHORT-TERM RECEIVABLES, INVESTMENTS AND CASH (018 do 022)	017		523.167	531.012
20, 21, 22 except 223	1. Receivables	018	15	100.386	113.220
223	2. Receivables for overpaid income tax	019	16	5.707	5.707
23 minus 237	3. Short-term financial investments	020	17	250.000	300.000
24	4. Cash and cash equivalents	021	18	164.802	111.892
27 i 28 except 288	5. Value added tax and Prepayments and accrued income	022		2.272	193
	F. TOTAL ASSETS	023		854.565	901.973
	EQUITY AND LIABILITIES				
	A. EQUITY (102 do 109)	101	19	776.175	836.234

Class of account	Position	AOP	Note	Amount	
				Current year	Previous year
1	2	3	4	5	6
30	I ISSUED EQUITY	102		500.000	500.000
31	II SUBSCRIBED CAPITAL UNPAID	103			
32	III RESERVES	104		50.228	50.228
330, 331 and 333	IV POSITIVE REVALUATION RESERVES AND UNREALIZED GAINS ON FINANCIAL ASSETS AVAILABLE FOR SALE	105		7.902	7.902
332 and 334	V NEGATIVE REVALUATION RESERVES AND UNREALIZED LOSSES ON FINANCIAL ASSETS AVAILABLE FOR SALE	106			
34	VI RETAINED EARNINGS	107		278.104	278.104
35	VII LOSS	108		60.059	
237	VIII REDEEMED OWN SHARES AND STAKES	109			
	B. LONG-TERM PROVISIONS AND LONG-TERM LIABILITIES (111+112)	110	20	15.959	11.303
40 (part)	I LONG-TERM PROVISIONS	111		15.959	11.303
41	II LONG-TERM LIABILITIES (113+114)	112			
414, 415	1. Long-term loans	113			
41 except 414, 415	2. Other long-term liabilities	114			
498	C. DEFERRED TAX LIABILITIES	115		13.756	14.200
	D. SHORT-TERM PROVISIONS AND LIABILITIES (117+124)	116		48.675	40.236
	I. SHORT-TERM LIABILITIES (118 do 123)	117		48.675	40.236
42, except 427	1. Short-term financial liabilities	118			
427	2. Liabilities from assets and disposal groups available for sale	119			
43 and 44	3. Liabilities from bussines operations	120	21	36.473	33.306
45,46 i 49 except 498	4. Other short-term liabilities and Accruals and deferred	121			
47,48 except 481	5. Liabilities for Value added tax and other public revenues	122	22	12.202	6.930
481	6. Income tax liabilities	123			
40 (part)	II SHORT-TERM PROVISIONS	124			
	E. TOTAL EQUITY AND LIABILITIES	125		854.565	901.973

The pattern is in accordance with the Article 3 of the Law on Accounting and Auditing ("Off. Gazette of Montenegro" No. 80/08) and with the IV Directive of the EU.

In Podgorica

The person responsible for the preparation of financial

Authorized person

Date 16 March 2015

Tatjana Blagojević

Blagojević

Kaščelan
Vladimir Kaščelan



Completed by a legal entity:	
ID number: 02320924	Activity code: 72400
Fill in:	

Name: Centralna Depozitarna Agencija
Adress: Podgorica

CASH FLOW STATEMENT
for the period from 1 January to 31 December 2015

-in EUR-

POSITION	AOP	Amount	
		Current year	Previous year
1	2	3	4
A. CASH FLOW FROM OPERATING ACTIVITIES			
I Cash inflows from operating activities (1 to 3)	301	590.975	871.139
1. Cash receipts from customers and received advances	302	580.925	858.835
2. Interest received from operating activities	303		
3. Other receipts from operating activities	304	10.050	12.304
II Cash outflows received from operating activities (1 do 5)	305	570.711	635.814
1. Cash paid to suppliers and payments in advance	306	198.031	218.086
2. Wages, salaries and other personal expenses	307	304.384	319.343
3. Interests paid	308		0
4. Income tax	309		
5. Payment for other public contributions	310	68.296	98.385
III. Net cash generated from operating activities (I-II)	311	20.264	235.325
B. CASH FLOWS FROM INVESTING ACTIVITIES			
I. Cash inflow from investing activities (1 to 5)	312	61.152	6.429
1. Sales of shares and stakes (net receipts)	313		
2. Sales of intangible assets, property, plant, equipment and biological assets	314		
3. Other financial investments (net receipts)	315	50.000	
4. Interests received from investing activities	316	11.152	6.429
5. Dividends received	317		
II. Cash outflows from investing activities (1 to 3)	318	28.506	273.304
1. Purchase of shares and stakes (net outflows)	319		
2. Purchase of intangible assets, property, plant, equipment and biological assets	320	28.506	73.304
3. Other financial investments (net receipts)	321		200.000
III. Net cash generated from investing activities (I-II)	322	32.646	-266.875
C. CASH FLOWS FROM FINANCING ACTIVITIES			
I. Cash inflow from financing activities (1 to 3)	323		
1. Increase in share capital	324		
2. Long term and short term loans (net receipt)	325		
3. Other long term and short term liabilities	326		
II. Cash outflows from financing activities (1 to 4)	327		
1. Purchase of treasury shares and stakes	328		
2. Long term and short term loans and other liabilities (net outflow)	329		
3. Finance leasing	330		
4. Dividends paid	331		
III. NET CASH GENERATED FROM FINANCING ACTIVITIES (I-II)	332		
D. NET CASH FLOW (311+322+332)	333	52.910	-31.550
E. CASH AT THE BEGINNING OF THE REPORTING PERIOD	334	111.892	143.442
F. POSITIVE FOREIGN EXCHANGE	335		
G. NEGATIVE FOREIGN EXCHANGE	336		
H. CASH AT THE END OF THE REPORTING PERIOD (333+334+335-336)	337	164.802	111.892

The pattern is in accordance with the Article 3 of the Law on Accounting and Auditing ("Off. Gazette of Montenegro" No. 80/08) and with the IV Directive of the EU.

In Podgorica

Date 16 March 2015

The person responsible for the preparation of
financial statements

Tatjana Blagojević

T. Blagojević

Authorized person

V. Kaščelan
Vladimir Kaščelan



STATEMENT ON CHANGES IN EQUITY

Completed by a legal entity:	
ID number: 02320924	Activity code: 72400
Fill in:	

Name: Centralna Depozitarna Agencija
Adress: Podgorica

STATEMENT ON CHANGES IN EQUITY
for the period from 1 January to 31 December 2015

Position	ITEM	AOP	Stake capital	AOP	Other capital	AOP	Subscribed unpaid capital	AOP	Share issu premium	AOP	Reserves	AOP	Revaluation reserves	AOP	Retained earnings	AOP	Loss	AOP	Treasury shares purchased	AOP	Total (2+3+4+5+6+7+8-9-10)
	1		2		3		4		5		6		7		8		9		10		11
1.	Balance as at 01.01.2014	401	255.646	410		419		428		437	50.228	446	7902	455	595.960	464	111.479	473		482	798.257
2.	Effects of retroactive material errors and changes in accounting policies	402		411		420		429		438		447		456		465		474		483	
3.	Adjusted opening balance as at 01.01.2014 (1+2)	403	255646	412		421		430		439	50.228	448		457	595.960	466	111.479	475		484	798.257
4.	Net changes in 2014	404	244354	413		422		431		440		449		458	-317.856	467	-111.479	476		485	37.977
5.	Balance as at 31.12.2014 (3+4)	405	500.000	414		423		432		441	50.228	450	7.902	459	278.104	468	0	477		486	836.234
6.	Effects of retroactive material errors and changes in accounting policies	406		415		424		433		442		451		460		469		478		487	
7.	Adjusted opening balance as at 01.01.2015 (5+6)	407	500.000	416		425		434		443	50.228	452	7.902	461	278.104	470	0	479		488	836.234
8.	Net changes in 2015	408		417		426		435		444		453		462		471	60.059	480		489	-60.059
9.	Balance as at 31.12.2015 (7+8)	409	500.000	418		427		436		445	50.228	454	7.902	463	278.104	472	60.059	481		490	776.175

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In Podgorica

Date 16 March 2015

The person responsible for the preparation of financial statements

Tatjana Blagojević



Authorized person

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Vladimir Kaščelan

