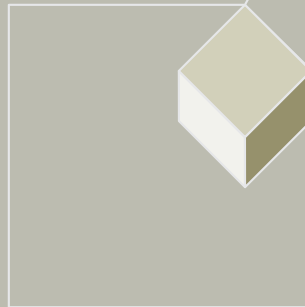


Annual report

2001



Intereuropa[®]

Global Logistics Service



We are creating a comprehensive range of logistics services.

The Intereuropa Group is successfully transforming from a classical freight-forwarder and road transportation company into a logistics company offering a broad range of logistics services.

The Company's new name is an expression of our new identity.



CONTENTS

page	ANNUAL REPORT INTEREUROPA 2001
03	KEY DATA ON THE INTEREUROPA GROUP'S PERFORMANCE IN 2001
05	MISSION, BUSINESS VISION AND PRESENTATION OF THE GROUP
06	REPORT OF THE MANAGING BOARD
08	REPORT OF THE SUPERVISORY BOARD
10	MANAGEMENT
12	ORGANISATION OF THE GROUP
13	BRIEF HISTORY OF THE COMPANY
14	MAIN EVENTS AND ACHIEVEMENTS IN 2001
15	BUSINESS STRATEGY
	BUSINESS REPORT
20	BUSINESS OPERATIONS OF THE INTEREUROPA GROUP IN 2001
20	Economic trends in 2001
20	Analysis of operations
21	Financial risk monitoring and management
22	Investments
23	Off-balance-sheet events
26	MARKETING AND SALES
26	Marketing strategy
27	Sales performance of the Intereuropa Group in 2001
36	HUMAN RESOURCES MANAGEMENT
39	QUALITY MANAGEMENT
40	DEVELOPMENT ACTIVITIES
40	INFORMATION TECHNOLOGY
41	ENVIRONMENTAL AWARENESS
44	SHARES
44	Intereuropa's share trading in 2001
44	Intereuropa's share price, trading and the SB Index
45	Main indicators of Intereuropa share trading in the past four years
45	Dividend policy
46	Ownership structure
46	Own shares
46	Top ten Intereuropa shareholders
47	INTEREUROPA GROUP IN 2002
	ACCOUNTING REPORT
49	1. BASIC ACCOUNTING PRINCIPLES
49	1.1 Consolidated financial statements
49	1.2 Financial statements of the parent company
52	2. ACCOUNTING REPORT OF THE INTEREUROPA GROUP
52	2.1 Auditors' opinion on the Intereuropa Group performance
53	2.2 Consolidated statements of the Intereuropa Group
56	2.3 Explanation of the consolidated financial statements
60	3. ACCOUNTING REPORT OF INTEREUROPA d.d.
60	3.1 Auditors' opinion on the Intereuropa d.d. performance
61	3.2 Consolidated financial statements of Intereuropa d.d.
64	3.3 Explanation of the consolidated statements of Intereuropa d.d.
76	BUSINESS NETWORK

KEY DATA ON THE INTEREUROPA GROUP'S PERFORMANCE IN 2001

PROFIT AND LOSS STATEMENT

In SIT thousand	1998	1999	2000	2001	01/00
Gross operating profit*		27,194,928	33,204,218	36,543,138	110
Operating income	13,181,815	15,491,724	17,933,185	20,066,884	112
Operating profit	856,310	1,398,321	1,497,736	1,760,326	118
Total profit	1,487,222	2,399,129	2,567,096	4,694,273	183
Net profit of the financial year	1,409,027	2,084,742	2,015,147	4,098,752	203
Value added	7,474,107	9,029,208	10,317,169	11,634,113	113
Earnings per share (in sit)	190	280	238	547	230
Gross dividend per share (in sit)	80	80	140	160	114

* A gross operating profit in 1998 was not disclosed by the gross equity method.

BALANCE SHEET

In SIT thousand	1998	1999	2000	2001	01/00
Fixed assets	16,932,205	19,894,635	25,058,404	30,532,688	122
Current assets	6,272,872	11,995,418	14,325,094	13,975,275	119
Average capital *	15,692,498	17,683,394	20,218,667	22,709,137	114
Liabilities	5,291,425	11,050,950	15,790,294	16,634,988	143
Balance total	23,205,077	31,890,053	39,383,498	44,507,963	123

* Capital does not include undistributed profit of the current year

EMPLOYEES

	1998	1999	2000	2001	01/00
Average number of employees (hours)	1,657	1,990	2,016	2,035	101
Thereof in associated companies (hours)	155	486	541	582	108

SELECTED PERFORMANCE INDEXES

	1998	1999	2000	2001	01/00
Return on capital	9.0%	11.8%	10.0%	18.1%	181
Return on assets	6.1%	6.5%	5.1%	9.2%	180
Productivity (in SIT thousand)		13,666	16,474	17,957	109
Profitability		7.7%	6.1%	11.2%	185

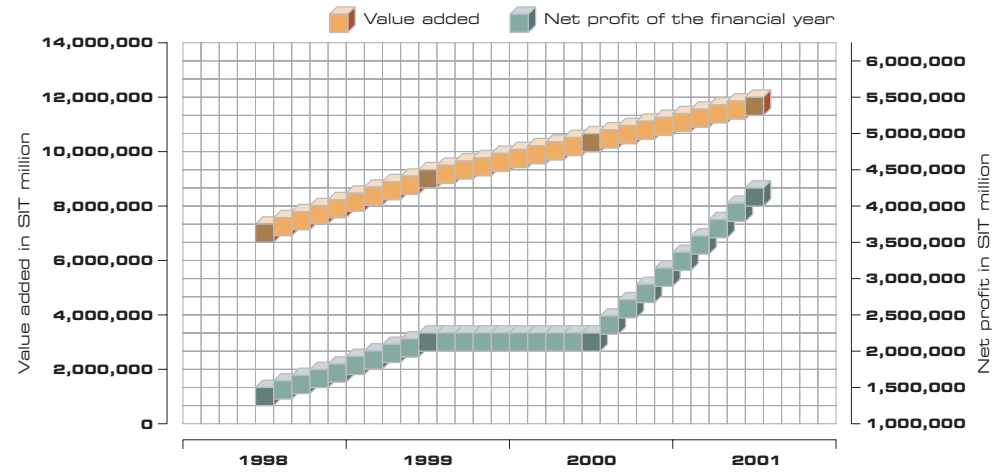
Return on capital: net profit / capital

Return on assets: net profit / (fixed + current assets)

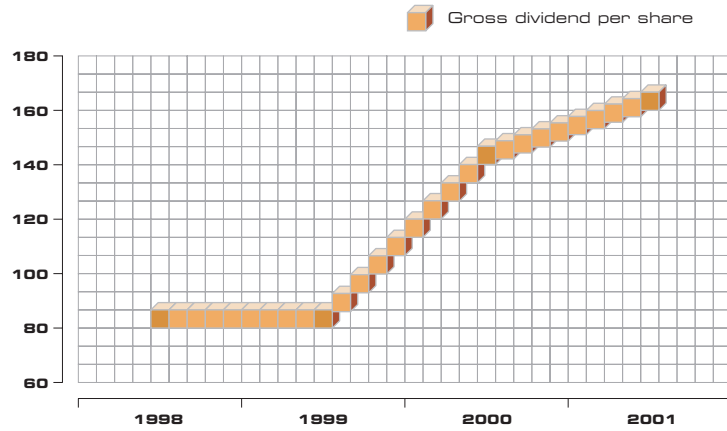
Productivity: gross operating profit / number of employees

Profitability: net profit / gross operating profit

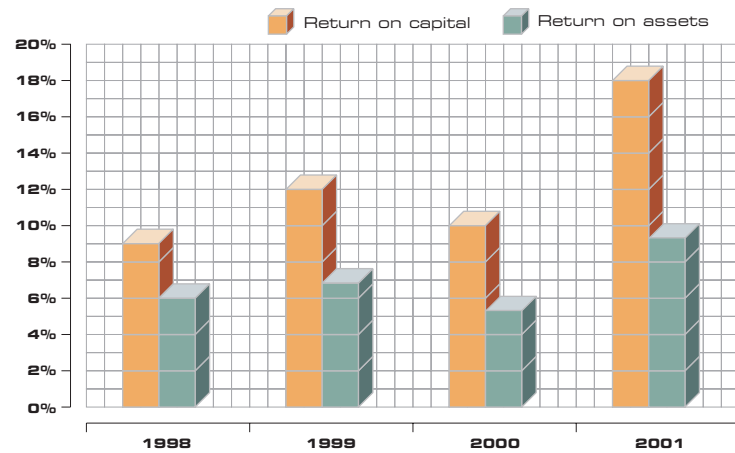
Value added and net profit from 1998 to 2001



Gross dividend per share from 1998 to 2001



Return on capital and return on assets from 1998 to 2001



MISSION, BUSINESS VISION AND PRESENTATION OF THE GROUP

05

OUR MISSION

Our mission is to fill the demand for logistics services to the complete satisfaction of our customers, who are guaranteed reliability, speed, safety and reasonable prices.

BUSINESS VISION

We are realising our common business vision: to become the leading logistics provider in South-East Europe and to become a medium-sized provider in Europe generally.

PRESENTATION OF ACTIVITIES

Intereuropa offers a wide range of logistics services, including organising door-to-door transportation, air, sea and land transport, organising direct lines of groupage services to all European countries along with warehousing and distribution in the domestic markets of individual countries.

We arrange the transport of express and courier consignments, customs service, border despatch, road transport, shipping-agency services and all other services needed to effectively meet our customers' needs. We are continuously improving our logistics capabilities, i.e. the ability to perform integrated logistics projects to provide the outsourcing logistics functions for manufacturing and trading companies.

CAPACITY OF THE INTEREUROPA GROUP

2,304 employees as at 31 December 2001
108,000 m² of company owned warehouses
852,000 m² of land and handling facilities
320 company-owned trucks and other delivery vehicles

At the crossroads of Europe

06

In 2001 Intereuropa began implementing the five-year business plan submitted by the Managing Board prior to the start of their new term in office. Since such indexes as profit are not enough to assess business performance, the report of the Managing Board tends to disclose more complex indexes that could ensure the long-term development of the Group and the Company.

We could say that a new logistics supplier is growing at the crossroads of Europe; hence the new name of Global Logistics Service represents the integration of our formal and real identities. We are also sure that Global Logistics Service is being developed in a favourable geographical area of Europe, historically proven to be the meeting point of cultures and not only of goods traffic. Logistics come naturally to this part of the world. For these reasons, in our planning and professional development we co-operate with the Faculty of Transport and Maritime Studies in Portorož. Thinking as a learning organisation, we are developing an internal school of business logistics and we are active in the Slovenian Transport & Logistics Cluster. Indeed, we believe that logistics is one of the development opportunities not only for Intereuropa but also for the national economy and the whole area since it encourages and needs partners in the wider social environment including IT, science, infrastructure development, industrial connections and economic integration. Today, managing freight movements requires more than simply forwarding and transportation skills. Only highly skilled personnel are able to manage this, therefore the Company's development involves the development of our personnel. Through advanced logistic know-how we ensure the professional and personal growth of our employees. By guaranteeing this we are also ensuring our employees' mobility across the whole Group. The free flow of know-how will enable us to guarantee a uniform degree of skills and service quality within the entire Group. We are well aware of the fact that entering less developed markets involves the need to raise the level of quality to the group level.

A significant advance in business network expansion

The success we have achieved proves we have made relevant progress in all strategic areas; the biggest advance in this first year was achieved in expanding our business network in South-east Europe. By investing in logistic terminals and developing logistics services, first in Slovenia, we have also become the leading supplier in Croatia where we completed our investments in Varaždin and Zagreb, while other investments in Osijek, Skopje and Rijeka are still in progress. We strengthened our position in Bosnia and Herzegovina with the takeover of Robno Transportni Centar Sarajevo, while the inclusion of Interjug-AS under contract has opened up possibilities of expanding to Yugoslavia. The structure of operating profit justifies investments in expansion of the logistic network. A relevant portion of profit was generated outside Slovenia and, by profit, the Varaždin company ranks in fourth place in the Group.

Gradual introduction of a matrix organisational structure

After expanding the network, the organisation and development of strategic business segments were a second priority in 2001 induced by Intereuropa's transformation from a mainly classical freight-forwarder and road transportation company into a modern logistics company and the simultaneous transformation of the joint-stock company into the managing and logistic centre of the Group. The parent company, Intereuropa, became the head of logistics and corporate operations. Transformation however is also in progress across the complex business network encompassing all six newly-organised business segments. This was also the reason for the planned separating of road transportation activity from the joint-stock company and organising it within an independent company. The great importance of IT solutions in modern logistics urged us to incorporate an IT company, therefore placing this sector within one of the development centres of the Group.

The planned establishment of a matrix organisational scheme is clearly demanding but essential for a thorough transformation into a logistics group. The beginning of this reorganisation - a prelude to bigger changes - however did not disrupt or ruin the quality of operational procedures, although it did affect them deeply. The reorganisation will show its real extent and value in 2002, when the Group's new structure is to be transferred to branch offices. The customs-agency type of organisation will gradually be replaced by new business segments.

A new motivation model

Employee motivation is a key factor in achieving the planned results. In past years we realised that we had to refocus on motivation and set new guidelines. For this reason, a new development and staff motivation concept was introduced, along with a management and a compensation system in which an individual's work can be recognised. A new system of incentive bonuses replaced the former unit-oriented efficiency bonus system, which did not grant individuals recognition for their achievements. We expect the planned changes to be implemented in 2002, although we are aware of some of the obstacles to achieving a proper level of motivation, which arise from the incentive bonus system that applied in the previous economic and political structure. Formerly, all employees were considered owners of the public property and hence entitled to shares in the Company's profit.

Based on scenarios tested in 2001, we are firmly convinced that the new management and incentive bonus system will effectively focus on identifying satisfactory results and allow employees to attain promotions in any sector.

Growth in business extent and performance

The rising market price of Intereuropa shares in 2001 confirmed that these shares guarantee a safe, profitable and promising investment for their holders. After a period of stagnation the financial indicators rose rapidly. In 2001, all business segments, with the exception of road and railway transportation, exceeded the planned results.

Land transportation increased the most, i.e. by almost one-third. The structure of the increased net profit, which almost doubled since last year, reveals this rise was primarily due to revenues from the financial activities. It also shows a visible advance in the area of direct operating results. Thus, revenues from services rose by 13 per cent while operating profit increased by 18 per cent. It should be also added that productivity, assessed as gross operating revenue per employee, went up by 9 per cent, with added value increasing by 13 per cent.

Plans for 2002 include a further strengthening of sales and expansion of logistic capacities in all markets, maintaining high return on capital and greater returns on assets.

Maintaining the development potential

Our business vision binds us to becoming the leading logistics supplier in South-east Europe. Our priorities after 2001 are even clearer: the reputation of our service mark, knowledge of markets and investment capability. Achieving the role of a medium-sized supplier in the saturated European market is certainly an ambitious goal, which we will be gradually approaching over the next few years by establishing a partner-business network and expanding our potential capabilities into selected, neighbouring countries of the present-day European Union. We are determined to realise all our plans in spite of unfavourable, recession trends by focusing all our business activities and resources. These guidelines are also considered in the proposed distribution of profit and dividend payment.

The Managing Board finds that 2001 was an exceptional year from the aspect of profitability, bolstered by the financial activities. The real effect of this operation may only be reflected in the further development of the Company, particularly the expansion of business. In line with the proposed dividend policy, the Managing Board suggests that dividends paid follow their normal rate of growth and be further increased on the basis of the financial activities. In this way, dividends should reach the gross value of SIT 200 per share while the remaining profit should be allocated to expansion of the business network.

Jože Kranjc, B.S.L.
President of the Managing Board of Intereuropa

08

Report of the Supervisory Board on the results of the appraisal of the Annual Report for 2001 and the proposed distribution of the balance-sheet profit of Intereuropa, Global Logistics Service, joint-stock company

Pursuant to Article 274/a of the Companies Act and Items 7.3 and 7.4 of the Articles of Association of Intereuropa, Global Logistics Service, joint-stock company, the Supervisory Board examined:

- the consolidated Annual Report of the Intereuropa Group and the parent company, Intereuropa with the proposed utilisation of the balance-sheet profit from 2001 and
- the Audit Report for the Intereuropa Group and the Intereuropa Company, submitted by Ernst & Young auditors;

which the Managing Board of the Intereuropa Company forwarded to the Chairman and the members of the Supervisory Board of the Intereuropa Company by way of enclosure to its letter of 17 April 2002.

Following an examination of the Managing Board said documents, the Supervisory Board issues this report.

Method and extent of examining the Company's management in 2001

In 2001 the Supervisory Board held six meetings at which it reviewed the Company's operations and business results. In compliance with relevant legal provisions and the Company's Articles of Association it made decisions about the proposals submitted by the Managing Board.

The Managing Board kept the Supervisory Board informed about issues related to the Company's performance, producing high-quality quarterly, half-year interim reports and planning documents. Particular attention was paid to implementation of the development strategy proposed by the Managing Board prior to its reappointment.

The results show that the Group is realising its medium- and long-term goals. Given the conditions, the indicators and results for 2001 are very good. In the Supervisory Board's view, the increase in operating profit supports the Company's focus on permanent and long-term development regardless of investments, which doubled net profit in comparison with 2000.

After evaluating the business results in 2001, the Supervisory Board warned about the risks involved with the guarantee deposit for the sale of the ownership share in Si.mobil and the relative business profitability. The Managing Board found that achievement of the business plans was not put at stake.

The Supervisory Board also discussed and approved the incorporation of both limited liability companies, i.e. Intereuropa Transport, International Road Transport, limited liability company, and Intereuropa IT, Information Technology, limited liability company. It also approved investments in Croatia and Bosnia and Herzegovina and the redirection of investments planned in Central Slovenia. The Supervisory Board constantly followed activities related to the expansion of Intereuropa's business network and approved the planned capital increases, acquisitions and takeovers in Slovenia and abroad.

The development plans for expanding the business network are proving to be correct, although it has to be added that, along with entering markets in South-east Europe, Intereuropa should also strengthen its long-term position in Central Europe. The importance of ensuring the uniform quality of services and business culture across the whole Group must also be pointed out.

The Supervisory Board again discussed the discontinued project of the merger between Intereuropa and Luka Koper. Although the development plan for this area of business does not provide specific activities, the Supervisory Board finds that the two companies could establish different types of business and commercial co-operation in specific logistic projects. The Supervisory Board approved the sale of one-half of the 20 % ownership share of Banka Koper and rejected criticism of the bank's disposal by sale to foreign corporations since, in its opinion, even if the majority stake in Banka Koper were acquired by a Slovenian bank the possibility of a foreign corporation taking it over would remain. The planned further expansion of Intereuropa's range of products and of the business network together with the stronger market position achieved are in line with the planned strategy.

Members of the Supervisory Board found the decision to introduce a new bonus incentive system for employees to be extremely important, because the new pay system will further motivate employees to duly perform their duties.

The Supervisory Board also discussed preparations for new takeovers, recommending prior reviews of due diligence. At its meeting in December, the majority of members of the Supervisory Board agreed that the Company should takeover the STTC Company in Maribor. It also approved the proposed capital increase of the Company through the issue of new shares, the adjustment of the Articles of Association and the required convening of the General Meeting.

At its meeting in February 2002, the Supervisory Board approved the final accounts for 2001 and the paying out of annual bonuses to members of the Managing Board.

09

Proposed distribution of the balance-sheet profit

After reviewing the consolidated annual report and the distribution of the balance-sheet profit from 2001 proposed by the Managing Board, the Supervisory Board confirmed the findings of the Managing Board, according to which 2001 was an extremely profitable year, although it has to be added that such high profits were mainly due to the sale of financial investments, which will only influence further development and, in particular, the expansion of the Company's business, the strengthening of sales and expansion of logistics capabilities in all markets. They will also ensure the same high rate of return on capital and an increase in return on assets. Since our business vision binds us to the ambitious goal of becoming the leading logistics provider in South-East Europe and a medium-sized provider on the saturated European market, the Supervisory Board agrees with the proposal by the Company's Managing Board for the distribution of the balance-sheet profit from 2001 and, pursuant to Article 274/a of the Companies Act and Item 7.4 of the Articles of Association of Intereuropa, Global Logistics Service, joint-stock company, the Supervisory Board proposes that the General Meeting of Intereuropa adopt the following resolution in compliance with Articles 282 and 282/a of the Companies Act:

- The balance-sheet profit in the amount of SIT 7,863,098,000 shall be distributed as follows:
 - Part of the net profit from 2001 in the amount of SIT 1,580,483,000 shall be allocated to the payment of dividends to shareholders in the gross amount of SIT 200 per share. This calculation should already take into consideration the issue of 691,713 new shares for the take-over of the STTC Maribor company.
 - Part of the net profit from 2001 in the amount of SIT 54,546,000 shall be allocated to the share of the Managing Board and the Supervisory Board in the profit of the Company; and
 - The remaining part of the balance-sheet profit in the amount of SIT 6,282,069,000 shall remain undistributed.
- Reports and accounts of the Intereuropa Company shall be approved and simultaneously indicate approval of the work of the Company's Managing Board and the Supervisory Board in 2001.

Review of the Audit Report

The Supervisory Board reviewed Audit Reports for the following subjects: the Intereuropa Group and the Intereuropa Company, submitted by Ernst & Young auditors.

On the basis of the positive findings by the auditors, who guarantee that the financial statements represent a true and fair view of the financial situation of the Intereuropa Group and the Intereuropa Company as at 31 December 2001, and the relative profit and loss accounts and financial flow statements in the financial year ending on the same date are in line with the Slovene Accounting Standards, pursuant to Paragraph 2 of Article 274/a of the Companies Act and Paragraph 3 of Item 7.4 of the Articles of Association of Intereuropa, Global Logistics Service, joint stock company, the Supervisory Board adopted the following standpoint:

The Supervisory Board expresses its positive opinion of the audit report prepared by Ernst&Young auditors.

Approval of the Annual Report for the 2001 financial year

Following the review of the consolidated annual report for the 2001 financial year of the Intereuropa Group and the Intereuropa Company with the proposed utilisation of the balance-sheet profit from 2001, as submitted by the Company's Managing Board, the Supervisory Board finds that none of the members of the Supervisory Board has any comments to the Annual Report for the 2001 financial year of the Intereuropa Group and the Intereuropa Company nor on the proposed utilisation of the balance-sheet profit.

On the basis of all of the above and pursuant to Article 274/a of the Companies Act and Items 7.4 and 7.5 of the Articles of Association of Intereuropa, Global Logistics Service, joint-stock company, the Supervisory Board unanimously approves and adopts the Annual Report of Intereuropa, Global Logistics Service, joint-stock company, for the 2001 financial year.

Prof. Livij Jakomin, Ph. D.
Chairman of the Supervisory Board



MANAGING BOARD

Jože Kranjc

President of the Managing Board

Radovan Vrabec

Deputy President of the Managing Board
Finance, Accounting, Internal Auditing, Controlling and IT

mag. Milan Jelenc

Vice President of the Managing Board
Logistics and Strategic Marketing

Milan Kurelič

Vice President of the Managing Board
Road and Railway Transport

Vladimir Petravič

Executive for Human Resources

SUPERVISORY BOARD

dr. Livij Jakomin
Chairman of the Supervisory Board

Boris Gačnik

Drago Naberšnik

Anton Končnik

Zoran Klampfer

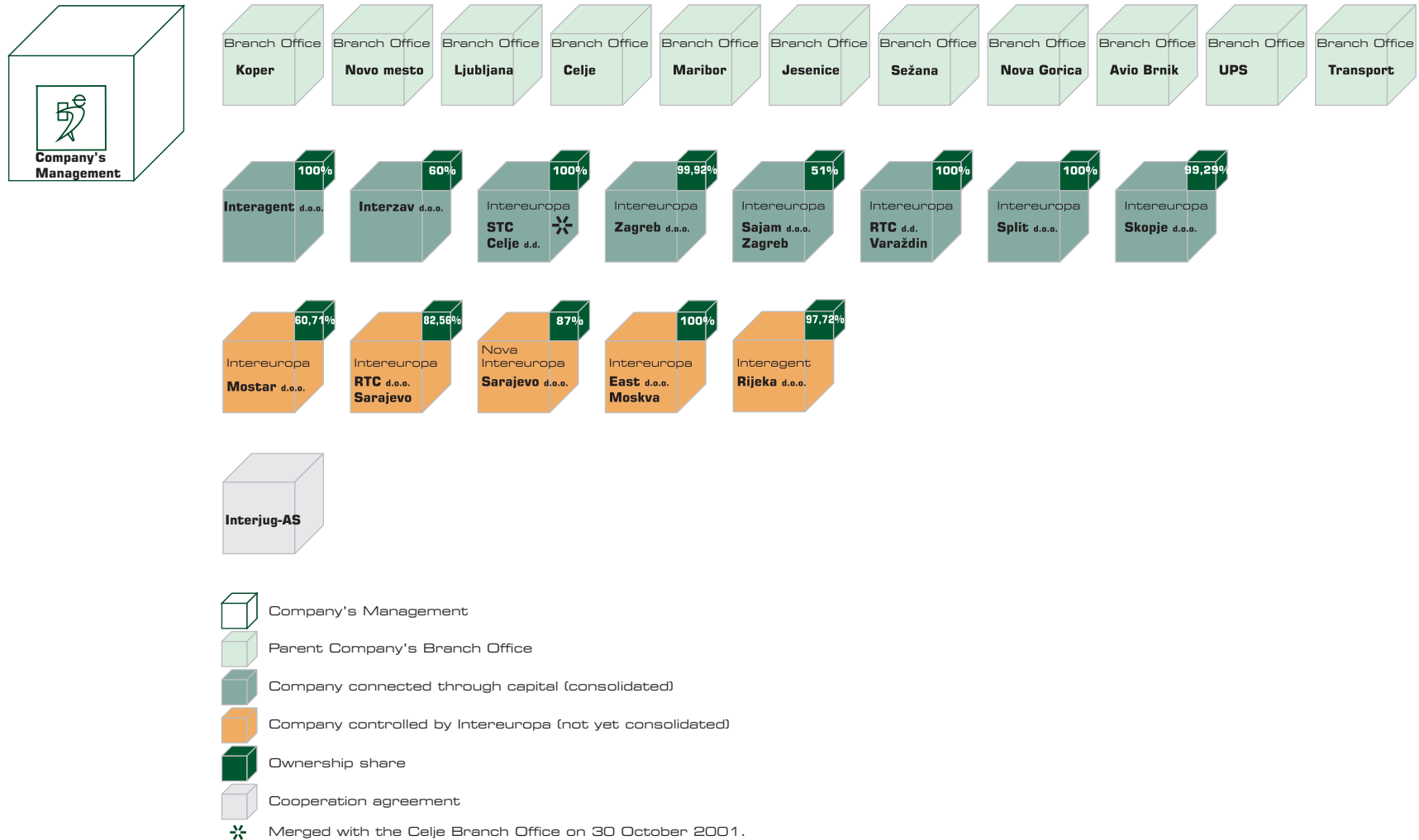
Ivanka Parovel

Marina Rus

Biserka Žibert

ORGANISATION OF THE GROUP

12



The Intereuropa Group is composed of 15 companies. The parent company Intereuropa manages all associated companies, both consolidated and non-consolidated. Consolidated associated companies are considered in the financial statements of the Intereuropa Group (consolidated financial statements). This means that the financial statements are drawn for the parent company and the associated companies as if they were a single enterprise. Non-consolidated associated companies are not included in the financial statements of the Intereuropa Group and are not subject to consolidation. A co-operation agreement has been signed with Interjug-As in Belgrade and, although it is managed by the parent company, there are no capital links between the two enterprises.

Because of the rapid expansion of operations and the business network, common functions are becoming increasingly important for management of the Group. They are organised and financed by Intereuropa. In 2001, changes in organisation were introduced dividing up common functions as follows:

- **Group functions** - also organised by the parent company, but encumbering all members of the Group (parent company and associated companies), they link the whole Group in a single enterprise; and
- **Support functions** - representing by their nature support for the operations of the parent company, also organised and financed by the parent company.

BRIEF HISTORY OF THE COMPANY

Intereuropa was incorporated in 1947 as a limited liability company employing three people in the then "B Zone" of the Free Territory of Trieste.

The range of services offered and the number of employees kept increasing throughout the years. As the business of the Company expanded, its organisational structure also changed. During the period from 1965 to 1990, Intereuropa opened branches in all major cities of the former SFR Yugoslavia. After the disintegration of Yugoslavia in 1991, the branches outside Slovenia were transformed into limited liability companies. In 1995, the Company was privatised and in 1998 Intereuropa shares were listed on the Ljubljana Stock Exchange. In the late nineties, Intereuropa started to expand its network in the markets of South-east Europe by bringing back its former members into the new Group and taking over other companies. At the same time, Intereuropa began to transform itself from a classical freight forwarder and road transportation company into an international logistics company offering a broad range of logistics services.



MAIN EVENTS AND ACHIEVEMENTS IN 2001

14

February

- President of the Managing Board, Jože Kranjc, is awarded for his outstanding business achievements by the Slovenian Chamber of Commerce and Industry. The award is recognition of relevant results in achieving business and development goals.
- The School of Business Logistics continues within the Group, giving employees in-depth knowledge in the areas of freight forwarding, transportation, the economy, financial operations, law, communications and quality management in logistics services.
- Intereuropa signs an agreement with Mobilkom on the sale of its share in Si.mobil.

March

- A new groupage line to Romania is introduced between Maribor and Brasov.
- The Intereuropa Group is awarded by the company Dun & Bradstreet Rating 2000 Award for its A1 highest credit rating, presented to companies for business excellence and safe operations.

April

- The new groupage line to Romania is followed by the introduction of a truck groupage line to Turkey.

May

- A new United Parcel Service Branch opens at Brnik as a result of business co-operation with UPS International.
- Intereuropa and seven other Slovenian companies in the transport industry, representing the Slovenian and North-Adriatic transport route, participate in the Transport Logistics fair 2001 in Munich.
- The Development Plan of the Group for the period up until 2005 is adopted, particularly stressing implementation of the business vision.
- The logistic network is strengthened with the inclusion a new company - Interjug-AS from Belgrade.

June

- The expansion of capacities in Varaždin is completed. Six loading/unloading docks and 1,400 square metres of new warehouse premises are added to the existing 2,000 square-metre warehouse.
- Employees gather at the 17th Social and Sports Meeting in Ankaran.

July

- Shareholders at the Eighth Annual General Meeting review business results for the year 2000 and approve the Annual Report.

August

- Intereuropa signs an agreement on the purchase of the Robno transportni centar, Sarajevo.

September

- Following the signing of an agreement on the management of the Interjug-AS Company in Belgrade, a new regular groupage line is introduced: from Sežana via Ljubljana to Belgrade.
- Land is purchased in Rijeka for the construction of warehouses.

October

- The 4th Annual Conference of the Intereuropa Group is held in Rogaška Slatina with the participation of all executive and management staff.
- The transport connection to Croatia is strengthened by a daily groupage line performed from terminals in Jesenice, Ljubljana and Sežana.
- The construction of a modern logistics terminal in Skopje starts.
- Following the acquisition of RTC Sarajevo Company in September, at its first General Meeting the company changes its name to Intereuropa RTC, joint-stock company, Sarajevo. A new Supervisory Board and a new Managing Board are appointed, the Articles of Association are modified and a resolution for a capital increase is adopted. Intereuropa holds a 67 % share in the company.
- The Skladiščno-transportni centre in Celje merges with Intereuropa, which has acquired a 96 % ownership share in the Company. The new joint logistics centre is the largest in this part of the country.

November

- Intereuropa, Istrabenz and Luka Koper sign an agreement on the sale of a 52 % share of Banka Koper to the Sanpaolo IMI Bank from Turin, Italy.
- We join the Slovenian Transportation and Logistics Cluster, which connects different Slovenian logistics companies with the aim of improving the conditions for competing in the European logistics market.
- The new web presentation of the Intereuropa Group is published: www.intereuropa.si.

December

- The distribution warehouse and logistics terminal at Jankomir in Zagreb and its warehouse capacities are expanded.
- Warehouse premises and land in the industrial zone of Osijek are purchased.

Global conditions in the industry

Development trends in logistics are determined by the establishment of large logistics systems in co-operation with manufacturing and commercial companies, which thus control movements of goods. Large logistics companies are expanding their networks by taking over smaller enterprises. The evolution of E-business makes the role of logistics companies increasingly important. Existing movements of goods in Europe are being reorganised because of the expansion of logistics centres. New opportunities are to be found in Central and South-east Europe, where the range of comprehensive logistics services is still being developed.

Following Slovenia's accession to the European Union, logistics companies will have access to new opportunities and commercial markets. Classical freight forwarders - largely dependent on the exchanging of goods with the EU - will experience a drop in revenues from customs clearance after the accession of our country to the European Union.

The September 11 terrorist attacks in the United States have shaken the world's economy and accelerated the advancing recession. This will also affect logistics companies, since they rely mainly on the exchange of goods. The world's transport industry index fell by more than a quarter following the attacks, while the airline index lost almost 40 % (mostly due to a drop in passenger traffic).

Reactions to development trends in the industry

Based on analyses of development trends, we expect changes in the market; we are reacting to them by expanding our product range, our geographical reach, designing specific logistics solutions for specific customers, developing long-term relationships with suppliers and actively joining global logistics networks. In 2001, we included two new companies - one from Yugoslavia and one from Bosnia and Herzegovina - in the Intereuropa Group, thereby strengthening strategic connections in South-east Europe.

We joined the Slovenian Transportation and Logistics Cluster (STLC), which connects different Slovenian logistics companies performing similar activities in order to improve the conditions for competing in the European logistics market. Through the STLC, Project Intereuropa is becoming actively involved in the economic development of Slovenia and the wider area. The activities in the business cluster give the country the possibility of becoming one of the leading transportation and logistics centres in Europe.

The competitive advantage of logistics companies lies in mutually connected logistics systems, wide communications networks and accurate data infrastructure ensuring high quality and reliable services. At Intereuropa we are introducing new logistics technologies and unified information support to all companies of the Group and electronic connections with all our business partners. Our advantage is represented by offering logistics services at optimum costs, higher speed and with more reliability.

Slovenia's accession to the European Union offers new opportunities for the further development of comprehensive logistics services. Intereuropa already has an adequate logistics infrastructure, knowledge and experience necessary for the expansion of its logistics network in South-east Europe. In the future, we intend to bolster our role as a Group and exploit the synergetic effects of mutual business co-operation, paying particular attention to our common vision and strategy and the Group's development plan.



Development plan up until 2005

1b

In 2001 the Intereuropa Group began implementing the strategic development plan up until 2005, which includes the following key areas:

- development strategy in domestic and foreign markets;
- reorganisation and development of strategic business segments;
- staffing policies and development of the pay system; and
- strategic connections and long-term partnerships.

In the development plan we identified new business segments, which will be implemented jointly at the Group level. Responsibilities for their complete realisation have also been defined, in order to:

- prepare and implement the strategies and plans for the operations of business departments;
- determine the results of individual business areas; and
- ensure effective professional support of the operations of organisational units of the Group.

Gradually we will establish the conditions for reorganising individual business segments into profit centres to be organised in the future as divisions of the Group.

The Group's goals to be achieved before 2005 are as follows:

Average real increase in revenues in 2000/2005	5,3%
Average real gross return on assets in 2005	6.2%
Gross return on capital in 2005	12.8%
Gross return on assets in 2005	6.4%
Number of employees in 2005	2,404

The main strategies outlined for achieving the goals are the following:

- transformation of the Group into one of the leading suppliers of logistics services in South-east Europe and a medium-sized supplier in Europe;
- establishment of our own business network in Central and South-east Europe;
- development of our own staff involving raising the quality of logistics services and the acquisition of new skilled personnel;
- commitment to long-term growth and financial stability; and
- preparations in Slovenia for accession to the European Union and the transfer of experience to associated companies.

BUSINESS REPORT

A woman with blonde hair is sitting at a desk, looking at a computer monitor. The monitor displays a bar chart with three bars of varying heights. The woman is wearing a dark sweater and has her hands on a keyboard. In the background, there are several books on a shelf, including one titled "veliki slikovni" and another titled "Mladostov Mladost". A telephone is also visible on the desk.

By establishing functions at

the Group level,
we are shaping the Group as a whole.

We are developing our IT business support as our market and competitive advantage and it is becoming one of the leading issues in the development of advanced logistics services, connecting know-how and effective transportation and logistics capabilities.



BUSINESS OPERATIONS OF THE INTEREUROPA GROUP IN 2001

20

Economic trends in 2001

The business operations of the Intereuropa Group in 2001 followed economic trends in Slovenia, in Central and South-east Europe and in the world. The consequences of the September 11 terrorist attacks in the United States on the Slovenian economy were almost irrelevant. Events in the global market are normally felt in the domestic market with a six-month delay.

In the first nine months of 2001, compared to the same period of the previous year, GDP in Slovenia went up by 3.1 %. Industrial production in 2001, compared to the previous year, increased by 2.9 %. Foreign trade was better in 2001 than in the year before because of increased volumes. The volume of Slovenia's exports, expressed in US dollars, exceeded by 6 % the volumes in 2000, while imports grew by 0.3 %. The inflation rate in 2001 reached 8.4 %. Revenues from customs and import duties went down in comparison with 2000 by 22.3 %.

With a 13.4 % increase in comparison to the previous year, road transport in Slovenia experienced the greatest growth seen in the transport industry in 2001. The growth in sea freight reached 2.9 %, while port commerce rose by 1.2 %. Railway transport fell by 1.2 % compared to 2000.

Analysis of operations

In 2001 the Intereuropa Group generated over SIT 36 billion in gross operating revenue, i.e. 10 % more than in 2000. Results were one per cent higher than anticipated and therefore in line with the expected growth defined in the development plan. For these reasons, 2001 was a successful year. Among other positive aspects, we should mention expansion of the network, the 9 % increase in productivity and the 12 % increase in added value per employee.

Added value in 2000 and 2001

in SIT thousand	2001	2000	01/00
Gross operating revenue	36,543,138	33,204,218	110
Costs of goods, materials and services	24,395,190	22,383,034	109
Current asset write-offs	314,690	330,801	95
Other operating expenses	199,145	173,214	115
Added value	11,634,113	10,317,169	113
Added value per employee	5,717	5,119	112

Following moderate growth or even decreases in 2000, the fundamental financial ratios are again sound showing a certain increase compared to 2000 and 1999. Gross return on capital should be pointed out, since it amounts to 18 % at the Group level, while the return on assets amounts to 9.2 %.

Financial position of the Company

in SIT thousand	2001	%	2000	%	01/00
Fixed assets	30,532,688	69%	25,058,404	64%	122
Current assets	13,975,275	31%	14,325,094	36%	98
Assets	44,507,963		39,383,498		113
Capital	27,872,975	63%	23,593,204	60%	118
Long-term liabilities	3,486,353	8%	2,986,796	8%	117
Short-term liabilities	13,148,635	29%	12,803,498	32%	103
Liabilities	44,507,963		39,383,498		113

The Group increased its capital by 18 % as well as its share in financial sources, which reached 63 %. Similar trends may be assessed for fixed assets. The high share in capital and fixed assets undoubtedly guarantees stability and a certain level of security of operations.

Financial risk monitoring and management

The Managing Board and the relative professional departments continuously observe financial risks incurred by the Company in its operations and act accordingly. Monitoring, evaluation and actions are carried out for the following risk groups:

▪ financial trade risks

This group comprises non-performance by opposite parties, payment defaults for logistics or other services, as well as risks relative to exposure to single persons or groups representing total exposure.

The Company is actively resolving these risks by taking different measures and actions:

- Our centralised credit-rating service, which is accessible from all locations performing sales activities, is the basis for undertaking new jobs for existing customers and even more for undertaking jobs for new ones. It is also the main service when agreeing on the adequate type of security.
- Centralised monitoring and following the biggest users of our services.
- Centralised management and monitoring of claim securities and offset operations.

Our customer portfolio is extremely large due to the type of services offered by Intereuropa. It contains 16,000 domestic and 4,200 foreign customers. The spread of claims and their extent against single customers reduces risks for the Company and its exposure to individual persons or groups.

- **financial risks relative to liquidity**

This type of risks is also managed by Intereuropa. Business operations in 2001 were once again financed from our own resources, since total liabilities (excluding provisions) total almost 30 % of all liabilities and capital. The sound financial standing and liquidity of Intereuropa ensure financial strength and the necessary flexibility for achieving the strategic goals. At the same time, this represents a good starting point for additional financing of the Company's needs on competitive terms. Intereuropa can rely on its short-term solvency by managing solvency risks, i.e. planning and synchronising cash flows, maintaining adequate cash reserves and drawing on credit lines at different banks.

- **interest and exchange risks**

As mentioned before, the Group is less exposed to interest risk thanks to the high share of its own capital. Nevertheless, we raised loans at a sliding interest rate linked to the base interest rate in order to spread risks. Long-term loans were contracted at an interest rate based on EURIBOR.

In 2001, Intereuropa generated 46 % of its revenues from sales made in foreign markets, paying 43 % of related costs in foreign exchange. Since the US dollar's growth ratio in 2001 was more than double the growth ratio of the euro, the exposure to exchange risk was relatively high. In order to avoid such exchange risks, the Company provided optimum coverage in time of expenses in foreign exchange with revenues in different currencies. Other instruments of exchange risk prevention were not used because of the fragmentation of the Group and specificity of our activities relative both to foreign exchange revenues and expenses.

Investments

In 2001 the total value of investments in the Intereuropa Group amounted to SIT 5.5 billion, which is reflected in the increase of fixed assets by 15 %. The parent company, Intereuropa, invested SIT 1.8 billion in fixed assets. The value of investments in 2001 was 40 % higher than in 2000 due to increased investments in the renovation of business premises as well as the expansion and modernisation of warehouses. Some 58 % more funding was allocated for computer equipment and almost 30 % less for the fleet. Other investments worth SIT 621 million are still in progress - 65 % of these funds were earmarked for the construction of a new, modern warehouse in Logatec and 30 % for the expansion of the warehouse in Jesenice. The preparations for the construction in Logatec started in 2000.

in SIT million	2001	2000	01/00
Business premises and warehouses	383	83	462
Cargo vehicles and warehouse equipment	501	687	73
Information technology	183	116	158
Other	171	105	163
Investments in progress	621	342	182
Investments in fixed assets	1,859	1,333	140

In 2001, the parent company Intereuropa invested SIT 3.7 billion in associated companies by means of capital increases, granting of loans, takeovers and the incorporation of new companies in order to expand its business network and modernise the logistics infrastructure.

- Intereuropa Zagreb: capital increase and loans raised in the amount of SIT 2 billion;
- Intereuropa Skopje: capital increase in the amount of SIT 139 million;
- RTC Sarajevo: takeover and capital increase in the amount of SIT 904 million;
- Intereuropa transport: incorporation of the company; and
- Intereuropa IT, informacijska tehnologija: incorporation of the company.

Off-balance-sheet events

At the 9th General Meeting in February 2002 the shareholders adopted the new Articles of Association of the Company in line with the new legislation. The new Articles of Association provided the change of the Company's name to Intereuropa, Global Logistics Service, Joint-Stock Company.

Shareholders approved the 15 % capital increase. The Managing Board has the possibility of issuing new shares within five years following the registration of the Articles of Association in the companies register in February. This capital increase is necessary for implementing the development plan, which envisages expansion of the Group through takeovers of other companies. The General Meeting adopted a resolution on the new Supervisory Board composed of seven and not eight members as before. Three of them will be employee representatives.

A man wearing a dark cap and a high-visibility vest is operating a forklift in a warehouse. The forklift is carrying a large white box. The scene is lit with a greenish tint. The text "We are adding" is overlaid in orange.

We are adding

new capabilities by building new,
advanced logistics terminals.

We work with over 20,000 customers: yet each and every customer is treated as our first and only. We are ready to cross any ocean or fly to any continent for a single parcel.



Marketing strategy

2b

The marketing strategy focuses on the vision of the Company as a supplier of comprehensive and high-quality logistics solutions.

We began upgrading standardised logistics services, developing specific solutions for different customers and expanding our logistics capacities. We are developing our concept of strategic marketing, focusing on key customers. We are in the process of joining international supply chains and selecting strategic connections in the global logistics network. In expanding our business network further we are planning further takeovers.

Market research

When searching for new opportunities in the market, we perform market research in order to identify new sales opportunities and assess how frequently and to what extent our customers use our services. In 2001, we performed three market analyses.

We evaluated the potential of E-business in Slovenia and identified the ways of offering our services through electronic media and the extent to which Slovenian companies are ready to accept it. The research report showed that E-business in Slovenia is still in its embryonic form. Reasons for distrust are mostly a fear of inadequate security, data protection, payment issues and the intangible nature of this type of business. E-business however still represents a segment of the market where the development of sales strategies for single products will be possible in future.

Through the other market research we wanted to identify opportunities and customer habits in parcel distribution in Slovenia. The parcel distribution market is in the process of consolidation, the number of market niches is diminishing year by year, the competition in the industry is tough and the supply mostly uniform. In spite of that, the analyses performed up to now show that the market potential is growing. At Intereuropa, we are committed to continuing to offer quick and reliable services, maintaining our advantages in tracking and supplying detailed information on consignments.

We intend to adapt our marketing strategy to the needs of single customers as identified in the studies on warehouse capabilities and potential warehousing needs.

Customer satisfaction survey

Our Marketing Sector regularly assesses customer satisfaction through surveys carried out three times a year. Customer satisfaction is monitored through the quality of six logistics products: groupage transport, full loads, road transport, air freight, Intereuropa Express and customs services. In the future, we intend to expand our system of customer satisfaction monitoring to other services. Findings of the surveys show that customers mostly demand the fast, reliable and timely supply of logistics services. We are coming close to the expected values, although we are already achieving high rates in all quality determinants. Our service-quality index is slowly but steadily growing. The results of the research study help us adapt our services to the needs and demands of our customers.

Marketing activities

At Intereuropa we use different methods and measures to increase sales by upgrading the quality of our logistics services, adapting them to customers, increase demand and encourage customers to buy. For this purpose, in 2001 we participated in several seminars organised by the Chamber of Commerce and Industry of Slovenia. We strengthened new business opportunities through meetings with business people from Montenegro, Taiwan, FR Yugoslavia, Ireland, the United States and Canada. In these talks we tried to find ways to promote international trade co-operation. In November representatives of Intereuropa visited Tel Aviv within the framework of activities of the Slovenian Transportation & Logistics Cluster and illustrated to Israeli business partners the transport route from their country through Koper to Northern Europe. The first opportunity to boost mutual co-operation appeared in December during the visit of the Israeli Minister of Transport, when we introduced our company at a business conference. In future we want to bolster transport routes through Slovenia and involve other Intereuropa companies on the territory of former Yugoslavia, since the representatives from Israel are interested in the Balkan markets where new possibilities for the distribution of goods, warehousing and organising of groupage transport are emerging. With seven other Slovenian companies in the transport industry, representing the Slovenian and the North-Adriatic transport route, we participated in the Transport Logistics fair 2001 in Munich.

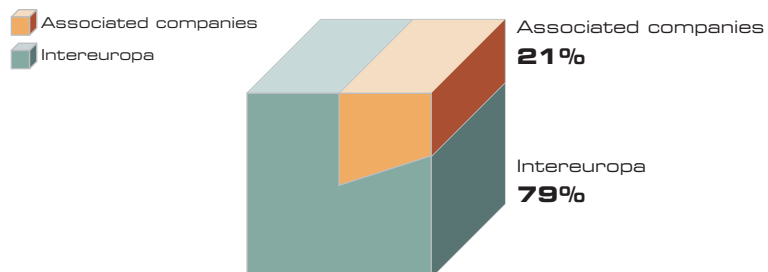
Sales performance of the Intereuropa Group in 2001

Business operations of the Intereuropa Group

27

In 2001, Intereuropa and the associated companies achieved record results that were above the set goals. Our sales results are measured through operating revenues, which are the difference between the gross operating revenue and direct (advance) costs. The Group generated SIT 20,055 million in operating revenues, showing an increase of 13 % over the previous year and one per cent over the planned figures. The largest portion of revenues resulted from movements of goods between Slovenia and its major foreign trading partners.

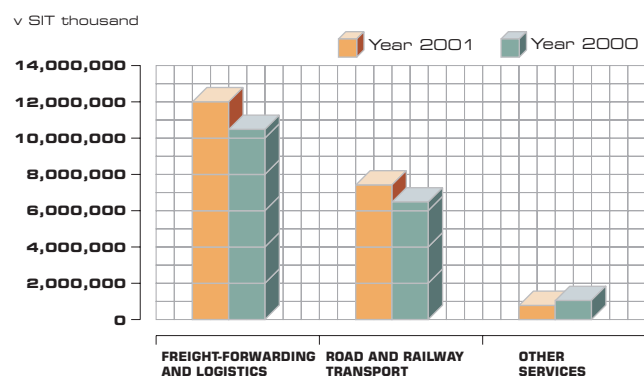
Revenue structure of the Intereuropa Group in 2001



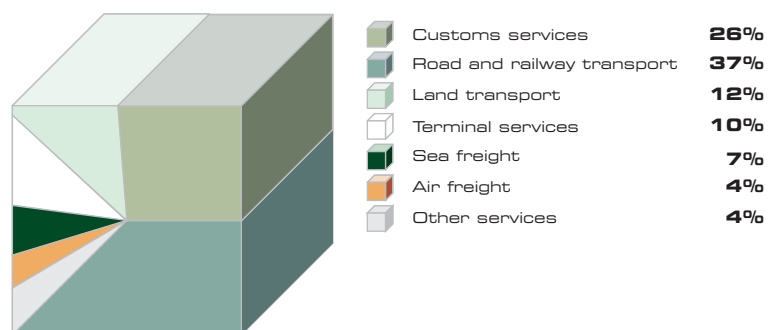
2001	
in SIT thousand	
Intereuropa d.d.	15,775,013
Associated companies	4,280,189
Group total	20,055,202

In 2001, we generated a record of 59.4 % of revenues in all segments of freight forwarding and logistics, thus exceeding the plans. Road and railway transport and other services generated 40.6 % of the revenues.

Operating revenues of Intereuropa Group in 2001 compared 2000



Revenue structure per business segment in 2001



In 2001 we decided to introduce a new classification of products in line with the development plan. Hence, the products are divided into land transport, customs services, terminal services, sea freight, air freight, road and railway transport and other services.

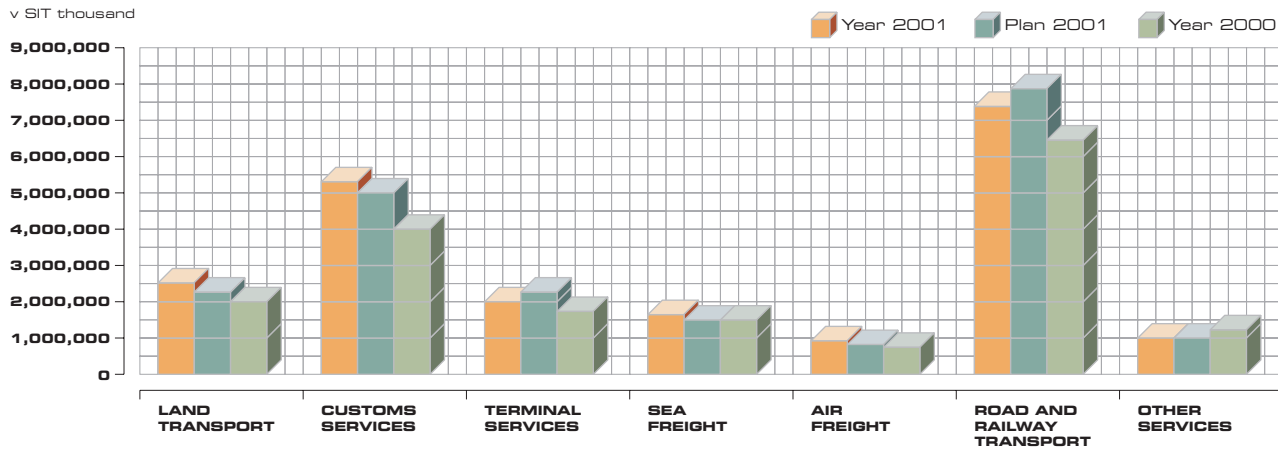
In comparison with 2000, revenues from land transport rose by 31 %, exceeding the plans by 17 %. Revenues from air freight went up by 21 % from 2000 and exceeded the plans by 4 %. We generated a 16 per cent increase in sales in the segment of terminal services, which is 7 % short of the plans. A 9 % increase in comparison with 2000 was seen in the segment of customs services. The figure is 6 % higher than planned. Revenues from sea freight exceeded the results of 2000 by 5 % and by 4 % the plans for 2001. We achieved 15 % growth in road and railway transport, although we failed to meet the plans.

Revenues were 5 % lower than expected. In other services, which represent smaller portions of the revenue structure, sales went down by 15 %, although they exceeded the forecast figures by 8 %.

Business segments of the Intereuropa Group in 2001

In SIT thousand	2001	%	plan 2001	%	2000	%
Land transport	2,492,085	12.4	2,121,564	10.7	1,896,980	10.7
Customs services	5,262,547	26.2	4,958,640	25.1	4,833,003	27.3
Terminal services	1,906,137	9.5	2,052,668	10.4	1,638,123	9.2
Sea freight	1,457,902	7.3	1,406,111	7.1	1,383,310	7.8
Air freight	802,220	4.0	773,545	3.9	660,808	3.7
Road and railway transport	7,270,726	36.3	7,665,877	38.8	6,302,535	35.6
Other services	863,585	4.3	796,974	4.0	1,012,163	5.7
Revenues	20,055,202		19,775,379		17,726,922	

Operating revenues of the Intereuropa Group in 2001 compared to 2000



Land transport

The business segment of land transport, comprising the services of groupage transport and Intereuropa Express, generated excellent results. Revenues were 31 % higher than in the previous year, exceeding the plans by 17 %. Part-load traffic includes "Intereuropa Express" services offering parcel delivery and the distribution of small consignments across Slovenia. Our parcel delivery service offers door-to-door delivery in Croatia as well. Both services are supported through our own network of distribution centres and an advanced information technology system. Intereuropa offers regular import and export groupage lines to all European countries. In the last year we strengthened our freight lines to the Balkans, thus positively affecting the results relative to international groupage transport.

Development activities: Two new truck groupage lines to Romania and Turkey were introduced and our transport connection to Croatia operating from terminals in Jesenice, Ljubljana and Sežana was reinforced. Transport on this line is carried out with the use of swap bodies.

Positive results in export groupage transportation were achieved through increased dynamics in forwarding to Bosnia and Herzegovina and the FR Yugoslavia.

Plans for 2002

In the segment of groupage transport, we intend to expand our international partner network, encourage active sales and switch to daily dynamics of groupage lines to Southern Germany. We also intend to encourage demand in parcel delivery by using different methods of sales promotion and by upgrading electronic links to our key customers. We will also establish international connections of express lines between Slovenia and Croatia, Italy and Austria.

Customs services

The customs services segment comprises customs clearance and border services. In our development plan we already considered the future decline of this segment of business in Slovenia. In 2001, customs services exceeded by 6 % the planned revenues, rising 9 % above the revenues in 2000. Intereuropa has offices at every international border crossing in Slovenia, thus ensuring full support in customs services to all road carriers and assisting them with customs formalities for all types of imports and exports.

Development activities: In border services we introduced an organised and systematic approach to our key customers, we motivated our repeat customers and prepared the sales of transit packages for transit through Slovenia and Croatia.

Plans for 2002

In all units of the Group we will encourage customer loyalty in border services. In the segment of customs services, we will increase sales activities among customers using the whole range of our services.

Terminal services

Terminal services include warehousing and distribution. Last year we achieved 16 per cent growth in the segment of terminal services, although prices in the area of warehousing and distribution were falling across the Slovenian market.

Development activities: In Slovenia we decided to invest in the warehouse in Jesenice and we completed the expansion of warehouse facilities in Varaždin and in Zagreb, thus increasing our logistics capabilities. We purchased new warehouse premises in Osijek and we are building an advanced logistics terminal in Skopje. Warehouses complete with all the equipment for cross-docking and related services ensure infrastructural support for undertaking and managing logistics services for our customers. This infrastructure enables the execution of comprehensive logistics projects for domestic and foreign trade and manufacturing companies.

Plans for 2002

In the segment of warehousing and distribution, we plan to specialise and consolidate movements of goods within logistics centres, ensure the traceability of consignments in specific flows of goods by introducing bar-code systems and further exploit our competitive advantage as a favoured receiver and shipper.

Sea freight

In the segment of sea freight we offer services of sea freight, conventional cargoes, containers, RO-RO and other shipping agency services. Our services include all sea-freight products. Port freight forwarding and sea freight are organised through our units in Koper, Rijeka and Split. We perform sea freight forwarding in all major ports in the world through our partner network and we organise overseas groupage cargo from and into Croatia, Bosnia and Herzegovina, the FR Yugoslavia, Macedonia and Albania. Interagent, the largest shipping agency in Slovenia, offers all sea-freight services. In 2001 it operated successfully and exceeded the forecast operating revenues. Through Interagent Rijeka we also operate in all major ports of Croatia. We exceeded the planned revenues in sea freight in 2001 by 4 % and increased the revenues by 5 % from 2000. Sales went up in the areas of bulk and liquid cargoes, container shipments and sea-freight groupage cargoes. We were also successful in the area of the transport of wheeled vehicles (Roll On/Roll Off), where sales also rose compared to the previous year.

Plans for 2002

We will strengthen our business network outside Slovenia by adding new staff and thus reinforce the mutual effects of sea freight and land units through the electronic exchange of data.

Air freight

The business segment of air freight includes air transport and UPS services. We offer our customers to arrange the air transport of goods across the world. A widespread network of international connections to over 20 air carriers and numerous airports allows us to constantly trace consignments. Events in this segment in 2001 were affected at the global level by a change of market conditions following the September 11 terrorist attacks and, in Slovenia, by the separation of the Avio Branch Brnik into Avio Branch and UPS. The events in the United States resulted in a decline in sales in airline passenger traffic, while airfreight cargo remained unaffected. On the contrary, in Intereuropa, we recorded a 21 % increase in sales in comparison with the previous year, exceeding the forecasts by 4 %. We were only affected by the suspension of flights to Ljubljana by four airlines. Consignments reaching four European transport centres (Vienna, Frankfurt, Amsterdam and Paris) by land were accumulating there. Intereuropa is a business partner of UPS, the international company for express delivery of parcels, for the areas of Slovenia, Croatia and Bosnia and Herzegovina. Sales of these services exceeded those in 2000 by 29 % and planned sales by 17 %.

Plans for 2002

In the future we plan to further increase groupage transport and we see new opportunities for expanding into southern markets.

Road and railway transport

The segment of road and railway transport comprises the organisation of road and railway cargo and full loads. Other services support both road and railway transport, enabling us to offer a comprehensive range of logistics services. In 2001 road and railway traffic experienced 15 % growth in comparison with 2000. Revenues in road transport of goods went up by 16 % and by 8 % in railway transport. The main reasons for the increase in sales are the acquisition of new jobs abroad, larger market shares with key customers and the effect of the moderate increase in transport prices in the European Union.

Development activities: The level of transport activity along the 10th pan-European corridor, on which we organised a "direct block train" connecting the West and Central Europe with South-east Europe and the Middle East, also increased. We perform the transport of full loads by railway or road with our own or chartered vehicles. We own a modern fleet of vehicles meeting all European standards. All of our vehicles are also equipped with a satellite surveillance system.

Plans for 2002

We plan new investments in the segment of railway transport, mostly in rail cars and in increasing sales following the improvement of business conditions in the FR Yugoslavia. In road transport, we intend to increase the rate of backhauls in all target countries.

Sales by geographical areas

We co-operate with over 20,000 partners. Four-fifths of our customers are Slovenian and the remaining one-fifth is foreign. Associated companies in Slovenia, Croatia, Bosnia and Herzegovina, Macedonia, the FR Yugoslavia and Russia achieved remarkably good operating results by exceeding the forecast sales for 2001 by 13 % and the sales in the previous year by 23 %.



Slovenia

The parent company Intereuropa, the shipping agency Interagent and the associated company Interzav operate in Slovenia. The Intereuropa Group has 45 branches in the country. In 2001 we annexed the Skladiščno transportni centre Celje to the Celje branch from an organisational point of view. In this way, Intereuropa gained new logistics capabilities and strengthened its position in this area of the country. Warehousing and distribution capabilities enable Intereuropa to offer comprehensive logistics services.

The parent company achieved good operating results in 2001. In comparison with the previous year, sales went up by 11 % in all areas.

Croatia

In spite of strong competition, Intereuropa is the leading supplier of logistics services in Croatia, with the largest market share among all logistics companies. The branch network in this neighbouring country is widespread. Branches are located in all major economic centres and at border crossings.

In 2001, we further increased our logistics capacities in Croatia. We activated the distribution warehouse and the terminal in Jankomir near Zagreb and expanded our logistics capacities in Varaždin. The capital increase of Intereuropa Zagreb was also completed. We purchased new warehouse and business premises in the industrial zone of Osijek. The investment was justified by the strategic position of the city, which lies on the trans-European corridor stretching from the Baltic to the Adriatic Sea.

Our opportunities are to be found in the widening of the range of our products and the development of more demanding products, as groupage transport, railway, road and air freight and parcel delivery.

Other countries

Like with other former Yugoslav republics, fast economic growth may also be expected in Macedonia. Intereuropa is strengthening its presence in the Macedonian market by building a new logistics terminal in Skopje and improving its competitive advantage. Opportunities for development lie in widening the range of services in land transport to neighbouring countries and expanding our own warehouse capacities.

In 2001 we were also active in Bosnia and Herzegovina, where we acquired and took over the management of RTC Sarajevo. Our main competitors on this market are fragmented carriers or transport companies. For this reason, we intend to develop more complex logistics service, supported by a business network and logistics terminals in the future. Our plans include the consolidation and merger of our companies in this country.

In the Yugoslav market we faced tough competition and increasingly active international carriers. Our advantage is the knowledge of the conditions and business environment. Following the contractual inclusion of the Belgrade company Interjug-As in 2001, we intend to increase its capital in the future. We will strengthen our presence in this market by building logistics terminals. Our main goal is the construction of a large logistics centre in the Belgrade area.





- 1 LUXEMBOURG
- 2 LIECHTENSTEIN
- 3 SLOVENIA
- 4 CROATIA
- 5 BOSNIA-HERZEGOVINA
- 6 MACEDONIA
- 7 VATICAN CITY

The free flow of

staff, know-how and capital is crucial for achieving consistent internal standards and growth of the Group.

We are carrying out the 'learning company' model by organising a 'school of business logistics' and co-operating with universities. The extent of our business network enables us to compare performances within the Group and transfer best practices to all our units.

HUMAN RESOURCES MANAGEMENT

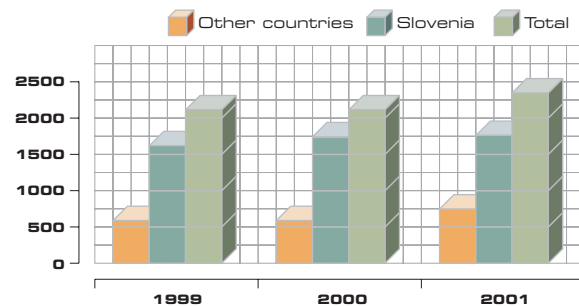
36

In 2001 we continued our activities in the area of human resources in order to establish a staff development system, organise training with reference to the restructuring of logistics. We also introduced basic activities for the introduction of the new incentive bonus system and goal-oriented management.

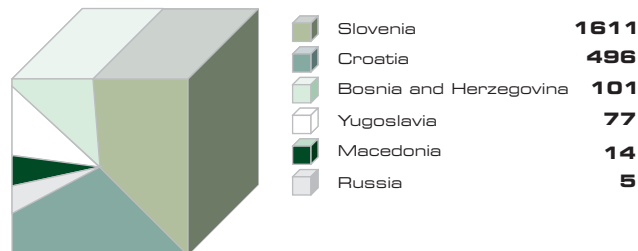
Number of employees

The number of employees in 2001 rose by 6 % as a result of the acquisition of new companies in former Yugoslav republics. While the total number of employees in associated companies abroad went up, it was reduced in Slovenia by 3 %.

Number of employees



Number of employees per country



Staff development is a consequence of the intensive and integrative growth defined in Intereuropa's vision and mission. Employees and their skills are essential to achieving the goals of the Company and for this reason we have organised many activities in this area. In comparison with the previous year, in 2001, we increased the proportion of highly qualified staff by 2.2 %. With 23.2 % of employees having a college or university degree, we achieved our medium-term goal by 2001 that planned having 22 % of our employees with higher education degrees. The number of professional staff with a basic education compared to 2000 was reduced in 2001 by 2.4 % to 12.8 %.

The concept of a "Learning Company"

In establishing the model of a "Learning company", we co-operate with the Learning Company Institute founded by some of the largest Slovenian companies. We will introduce a new incentive bonus system and a goal-oriented management model in order to create the conditions for a "Learning company". We want to become the leading company in our industry and for this reason we encourage the acquisition of new skills.

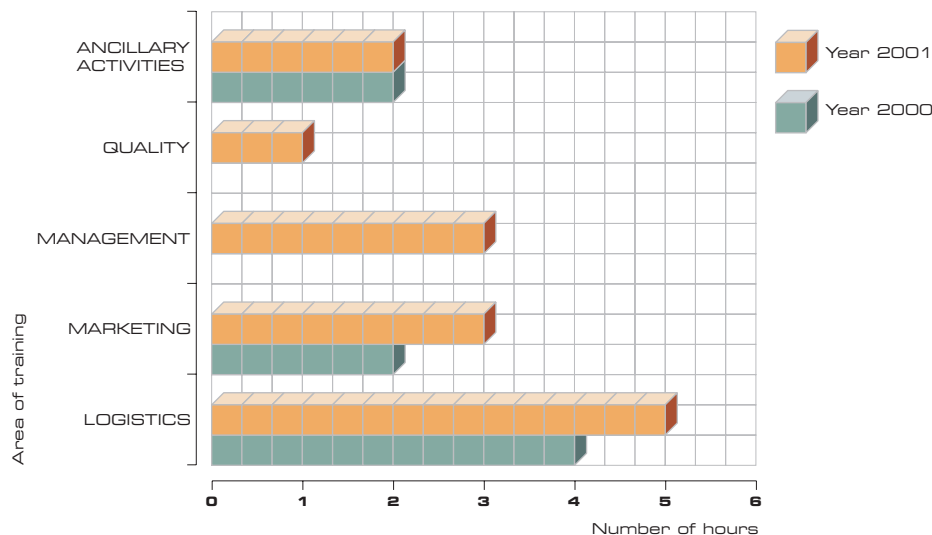
We systematically support learning processes at all levels, the transmission of knowledge both among employees and companies within the Group as well as the inflow of new ideas from the outside. Our goal is to create an organisation in which individuals can be aware of their responsibility for gaining and sharing knowledge. The spread of our business network offers possibilities for internal competition and the systematic transfer of best practices to all units of the Company.

The acquisition of new knowledge is carried out in accordance with our development vision of developing comprehensive logistics services. In 2001, we included 45 % of our employees in training and education programmes, which represents a 10 % increase compared to 2000. On average, employees were trained for 11 hours, i.e. three hours more than in the previous year. We allocated SIT 41.7 million to training, which equals 0.1 % of net sales revenues in 2001. Most training referred to areas of logistics, specialised logistics services and information technology. Employees were also trained in marketing, financial operations and foreign languages.

Knowledge of marketing and sales gained in 2000 was successfully applied to winning new customers and maintaining successful long-term co-operation with existing clients. By training security advisers, we were able to introduce the new service of warehousing dangerous goods, which enabled us to improve the marketing of transportation services and handling of dangerous goods.

In 2002, we intend to increase the proportion of funds allocated to training to 0.15 % of net sales revenues. Our plans are mainly aimed at training employees in Slovenia and Croatia in the area of logistics.

Training hours per employee



School of Business Logistics

In 2001 we concluded the second School of Business Logistics. Our goal is to upgrade the know-how of our logistics staff operating in the areas of freight forwarding by giving them comprehensive information on freight forwarding, logistics and related activities on the basis of practical examples. We have organised our School of Business Logistics in co-operation with the Faculty of Transport and Maritime Studies in Portorož. We intend to organise this School every year, since it is a successful and effective method of ensuring the transmission of individual knowledge areas to the Group and different branch offices.

Encouraging career development

In order to define a career development system, we identified promising employees who revealed a potential for growth within the parent company. In 2002, we will continue assessing their leadership potential and professional development by evaluating their achievements. We will start to introduce the same approach across the whole Group.

Introducing a new incentive bonus system and a goal-oriented management

In 2001, we took a first step towards introducing a new compensation system in the parent company, Intereuropa. It will come to life in 2002 and will progressively expand to other associated companies outside Slovenia. The new compensation system also includes new incentive bonuses.

Both systems have the advantage of supporting the Company's desired philosophy, motivating appropriate behaviour and creating values among employees that the Company needs in order to implement its strategy.

The new incentive bonus system will be simpler and more transparent than the existing one. It will be based on goal-oriented management. Incentive bonuses will be directly awarded to leading managers on the basis of achieving of goals set during the current year's plans. The Managing Board discusses annual individual goals with managers by taking into account their Balanced Scorecards. They refer to the areas of sales, required degree of quality, customer and employee satisfaction and the development of managerial skills.

When the work of individuals cannot be assessed or if it is not sensible to evaluate it, their successes and consequent individual incentive bonuses will be a result of the evaluation of their organisational behaviour teamwork, their adaptability, autonomy and responsibility, approach to customers and their tasks. A Study of the Company Philosophy prepared in 2001 revealed that these values are essential to business excellence and therefore they should show in the organisational behaviour of employees. For this reason, the values mentioned were included in the incentive bonus system.

The incentive bonus system also considers motivating individuals within different project groups, in order to encourage a project-oriented type of organisation. In these cases, the amount of incentive bonus will depend on the success of the project.

Employee satisfaction

After a two-year pause, during which we introduced the bases for new forms of organisation and employee motivation, we are planning to perform another employee satisfaction survey in 2002. Employee satisfaction will also become one of the factors considered in awarding incentive bonuses to managers.

We are defining and achieving higher standards of workplace neatness and improving working conditions. In this way we are contributing to the satisfaction of employees. We fund holidays in our holiday units and promote active free time. Also in 2001 we organised the 17th Social Sports Meeting of the Group. Around 27 % of employees took part. In the social and cultural area, we prepare awards for years of service and a New Year's party where we present gifts to children. We also offer summer jobs to the children of our employees.

QUALITY MANAGEMENT

Total quality policy

In 2001, the Managing Board reviewed the quality policy and redefined it as total quality policy. It set new guidelines for quality management and more demanding goals with the purpose of achieving business excellence. We want to encourage the transmission of knowledge across the Group, equal internal standards for quality aspects and establish conditions for the uniform development of all associated companies.

In 2001, we decided to expand our quality management system and we started introducing the ISO 9002:1994 quality standard for freight forwarding services, transport of goods and logistics in one of our associated companies, Intereuropa Zagreb, which is supposed to qualify for this standard in 2002. Two other companies are already operating in compliance with the said standard: Intereuropa and Interagent, which is the first Slovenian shipping agent to be granted this certificate.

We also started introducing the new ISO 9001:2000 quality standard, which requires constant improvements in operating processes. The main goals of introducing the new standard were improvement of internal communication, higher level of training of employees, effectiveness of basic procedures and customer satisfaction. The said standard will be introduced in companies in Slovenia and associated companies abroad. Parallel to this system, in line with the ISO 9001:2000 standard we will also introduce an environment protection system for road transport services in compliance with the ISO 14001:1996 standard. The new quality standard pays particular attention to total quality, including some environmental protection elements. For this reason, we decided to introduce both standards simultaneously.

Quality management system

The degree of quality of our services is monitored by assessing the quality of work performed through control points, enabling us to correct causes of any disruption in the work process. The success and effectiveness of the established quality system are evaluated through internal and external assessments. The quality system is based on four fundamental aspects: organisation, resources, work processes and assessment, i.e. analysis and constant improvement. Until now, we have performed internal assessments of organisational units; in 2002 we will also evaluate individual products and processes.

Plans

In 2002 we intend to work toward achieving the ISO 9002:1994 quality standard in Intereuropa Zagreb and establishing comparable quality systems in all organisational units that are to be merged into a single company in Croatia. In this year we will also be preparing to obtain the ISO 9001:2000 quality standard. It will be introduced in companies in Slovenia and also in associated companies abroad. The certification assessment in line with the new standard in the Interagent Company is expected to be performed in 2002. We are planning to have certification assessments performed in other companies at the beginning of 2003.

In line with European standards

Ongoing co-operation with European Union member-states requires that we adapt our operations to their demands. Our operations are already compliant with international quality standards and this ensures high quality and competitive services. We are meeting all international provisions for environmental protection. We are co-operating with the following international professional associations: FIATA, IATA, FETA, FONASBA, BIMCO and IRU.

Safety

The areas of safety and health protection at work were harmonised with the new Slovenian legislation by the end of 2001. Risk assessment was performed for individual work positions. By signing the Risk Assessment and Safety Declaration as an employer, we undertook to continue to guarantee optimum levels of safety and health protection in all phases of the work process. Through the harmfulness analysis and work position risk assessment we evaluated potential threats in the work process and prepared a professional health analysis of working positions. All defects were corrected. Safety at work, occupational health and fire safety in associated companies in former Yugoslav republics complies with the legislation of individual countries. The Republic of Croatia passed a Health and Occupational Safety Act in line with European laws as early as 1996, three years before Slovenia.



Development activities in the Group involve the introduction of new information technology solutions, investments in staff training, performing market research, developing new services, improving process quality and introducing new measures in this area. By our estimates, a total of 4.7 % of revenues was allocated to development in the Group in 2001. We intend to invest the same amount in development activities in the future.

Development of processes

40

Several improvements were introduced in the processing of services to customers and support processes in the Company. We achieved an enviable level of process linking, which guarantees optimum results. By connecting the 24 hour and Intereuropa Express services and integrating infrastructure in branch offices and warehouse capacities, we managed to reduce costs by one-quarter. The integration of these two processes involved the preparing of a comprehensive solution for reducing costs, which comprises reducing paperwork, organising warehouses at single locations, transporting different consignments in the same vehicle, reducing the number of salespeople and integrating employees from both services. The introduction of a single product offering different types of delivery enabled us to improve the quality of services. All branch offices and drivers were equipped with proper software ensuring better traceability of consignments from receipt to destination. We are still preparing an analysis of cost reduction in individual branch offices.

In 2001 we established computer connections with our main customers in order to ensure faster data transfers. Electronic data transfer was also introduced with our partners and freight forwarders abroad and with customs authorities.

Development of comprehensive logistics solutions

The systematic development of logistics services guarantees comprehensive solutions to our customers. In 2001, we prepared a custom-made solution for one of the largest catalogue-sales companies in Europe for the sale of its products in the Croatian market, where we are performing parcel distribution and the delivery of furniture and white goods. This leading catalogue sales company has been our business partner for over two years and we are co-operating in Slovenia, Croatia, and Bosnia and Herzegovina. We have met our customers' requests by simplifying the procedure for collecting data on parcels, organising the delivery to companies and to various islands, offering a standard price and integrating information systems.

- The procedure for collecting data on parcels was simplified by merging the data from the bill of lading and the payment form. The new bill of lading is used for identifying the parcel and as proof of delivery. All data in this document is transferred by e-mail.
- We have organised transport to companies, which means that we collect payment for the goods delivered. Delivery to islands is expensive and slower than delivery on land. We resolved this problem by agreeing with customers on the islands that we will deliver goods once a week to large islands and once a month to smaller ones. In this way, we are able to cover the costs of delivery and the goods are delivered to customers at their homes.
- We offered our client a standard price for deliveries in the whole territory of the Republic of Croatia.
- The integration of information systems was a necessary condition for operating with our customer. For the time being, the transfer of information occurs within 24 hours, although we are seeking to establish the direct transfer of data as soon as possible.

INFORMATION TECHNOLOGY

Information support must become the marketing and business advantage of the Group. For this purpose, in 2001 we started to reorganise the Information Technology Division and incorporated a subsidiary: Intereuropa IT, informacijska tehnologija. The aim of this reorganisation is to prepare all operating and technological resources needed for organising information technology within the Group and increasing the effectiveness of investments in information support. We will integrate and upgrade information support at the Group level and meet the needs of logistics and e-business. Intereuropa IT will hence become one of the leading divisions in the development of transport and logistics services, connecting know-how resources and transport-logistics capabilities. The main task of the newly incorporated company is to support the market expansion of the parent company as a global logistics Group. Information support should ensure the development of new logistics products and services on competitive terms and in line with the requirements of the new logistics market. At the same time, it will guarantee the operating quality of business divisions, areas and single products at all corporate levels. We intend to connect transport-logistics capabilities of the entire Group with its business partners, customers and suppliers in order to be able to process all transport-logistics capabilities as a single unit. In this way, we will be able to offer transport-logistics products to customers from any geographical or organisational unit and rely on the integrated know-how.

E-business

Over 2,000 documents are handled daily through e-mails with more than 50 business partners. In this way we are able to save much time and avoid costs. We are also planning to improve our e-document exchange system. Employees may access customs tariffs, phone directories, the Official Gazette and other useful information through our intranet. We are preparing access to our electronic price list of UPS services for our external users. Ordering and information on international transport services are in a test phase. In 2001 we modernised our website.

Plans

In 2002 we will reorganise our information support. This project will continue for some years. At the beginning of 2002, we will prepare strategic guidelines for the planned information-oriented modernisation of the Group. It will be followed by the modernisation of information support at the Group level, then in individual companies and global logistics products. The new information support will be also introduced in the recently acquired associated companies.

ENVIRONMENTAL AWARENESS

The review of our quality policy in 2001 led to improvements in the area of environmental protection. In its total quality policy, Intereuropa has committed itself to offering environmentally-friendly logistics services, i.e. green logistics.

41

Natural environment

When building or acquiring new premises and introducing new technologies we always check their compliance with the relevant ecological standards. We are constantly supervising and improving our achievements in this field through appropriate training of employees and regular servicing of equipment and installations.

Particular attention is paid to the environmental adequacy of our fleet, which comprises 198 cargo vehicles and 122 other vehicles. In 2001, the proportion of environment-friendly, i.e. "green trucks", which comply with European requirements on permitted levels of exhaust gas and emitted noise, was brought up to 97 %. In the previous year it was over 50 %. All our vehicles used for transporting dangerous goods are equipped in compliance with the European ADR regulations for the transport of such goods. The equipment of four warehouses, equipped in 2001 for handling and storing dangerous waste, also complies with the said regulations.

Since vehicles are classified among the most polluting types of equipment, we intend to introduce the new environmental protection system in compliance with the ISO 14001:1996 standard, first in the process of the road transport of goods. Our activities in 2002 will mainly focus on compliance with ecological standards, which we are to obtain in 2003.

We are meeting environmental protection standards through regular analyses of wastewater and exhaust fumes. The latest results of the assessment of quality of wastewater, as supplied by the Health Protection Institute in Koper, showed that the measured values did not exceed the permitted levels. The same is also valid for fumes emitted by boiler houses. Measurements were taken by service staff and authorised organisations.

Separate waste collection and disposal have a long tradition at Intereuropa. In 2001 we supplied 1,100 tons of tyres, 50 tons of paper, 3 tons of plastic, 2 tons of metal, 11 tons of iron, 12 tons of timber waste and 1,800 cubic metres of other harmless waste to authorised waste-management organisations.

Social environment

Since we are a logistics company with a business network spreading across Europe, we want to promote Slovenia in Europe and in the world; hence we allocate most of our sponsorship funds to Slovenian athletes and major international events. In this way we substantially contribute to the promotion of achievements by individuals and adding variety to events in our area.

Hence in 2001, we granted funds to the nautical project Spirit of Slovenia, we supported the World Sailing Championship and contributed to the Golden Drum, Ljubljana - the 8th International Advertising Festival.

Aware of the fact that know-how is one of our most important competitive advantages, we are actively cooperating in its formation. Parallel to the restructuring of our business, we cooperate with the Faculty of Transport and Maritime Studies in Portorož. Intereuropa's experts act as senior lecturers and tutors at the said Faculty. In 2001, we participated in sponsoring a traditional international scientific meeting on transport sciences. We sponsored a meeting on business logistics, organised by the Faculty of Business and Economics in Maribor, while Intereuropa RTC in Varaždin is one of the sponsors of the local Faculty of Organisation and Information Technology. With the aim of supporting science in the Slovenian Istra, we contributed funds for the start-up of the Faculty of Classical Sciences in Koper.

The concept of "learning company" applies also to our responsibilities toward the social environment and therefore we give students opportunities for internship and summer jobs within the Company. We are cooperating in the preparation of seminar studies and diplomas in different business areas of our Company, thus ensuring mutual satisfaction.

Due to the wide extent of our business network, we often consider the wishes and needs expressed in different regions in Slovenia and Croatia, where also grant funds to cultural and humanitarian initiatives and we are supporting the development of healthcare.



ntereuropa

EXPRESS

We always choose the shortest

neckermann
kataloška prodaja

neckermann

EXPRESS

and most convenient route.

We develop custom-made logistics solutions for individual clients. Not just one solution, but everything involved in reaching a destination. These are the factors underlying our successful partnerships.



Intereuropa's share trading in 2001

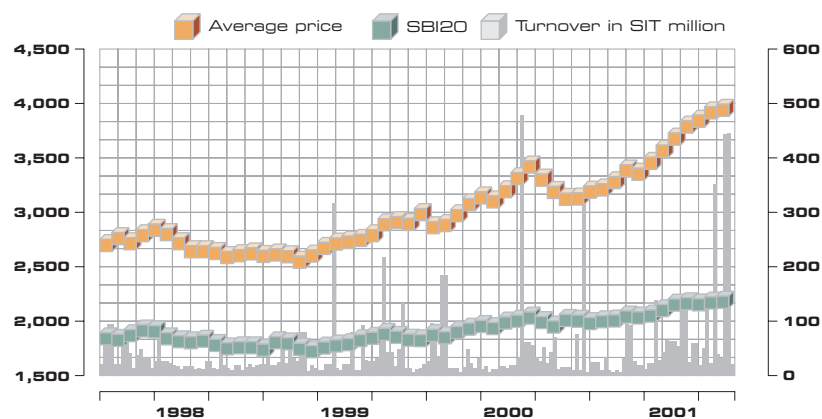
44

Intereuropa shares are quoted on the Ljubljana Stock Exchange among A Class shares.

Intereuropa's shareholders found 2001 to be a very successful year. Since its opening quotation the share achieved a few records (best price, largest volume, highest price rise) and was ranked number four among shares with the highest earnings per share in stock market quotation (excluding dividends).

In mid-December 2001, the IEKG share reached its ceiling price of SIT 4,000, closing the year at SIT 3,950, which is a 47 % increase in comparison with the previous year. If we take into account the gross dividend of SIT 160 per share, the earnings-per-share ratio in 2001 was 53 % and thus one of the most profitable investments in the Slovenian stock market.

Intereuropa's share price, trading and the SB Index



The increase in the share price resulted mainly from the news of the sale of Banka Koper shares in the middle of the year, while the year-end's rise was due to foreign demand. The key factor in the stability of shares was the publication of the excellent operating results for 2000, the interim results for 2001 and the announced payment of dividends.

Trading of Intereuropa shares amounted to SIT 7 billion in 2001, which represents a 250 % increase in comparison with 2000. The average daily trading value amounted to almost SIT 30 million. This trading volume represents 2.98 % of the total volume of shares traded on the Ljubljana Stock Exchange. The market capitalisation is worth 3.35 % of the total capitalisation volume of the Ljubljana Stock Exchange.

Main indicators of Intereuropa share trading in the past four years

	1998	1999	2000	2001
Number of shares	7,210,700	7,210,700	7,210,700	7,210,700
Face value of a share	1,000	1,000	1,000	1,000
Book value of a share	2,464	2,849	3,196	3,803
Closing price	1,921	2,423	2,690	3,949
Peak price	2,111	2,620	2,736	4,000
Bottom price	1,496	1,902	2,216	2,528
Average price	1,777	2,341	2,424	3,015
Net earnings per share	190	280	238	547
Cash flow per share	279	377	275	577
Gross dividend per share	80	80	140	160
Turnover in SIT million	2,634	3,357	2,023	7,078
Market capitalisation in SIT million	13,853	17,470	19,393	28,473
P/BV	0.78	0.85	0.84	1.04
P/E	10.12	8.66	11.29	7.22
P/CF	6.88	6.42	9.78	6.85
Return on capital	-9%	26%	11%	47%
Return on dividends	4%	4%	6%	6%
TOTAL RETURN ON SHARES	-5%	30%	17%	53%

P / BV = closing price / book value of a share

P / E = closing price / net earnings per share

P / CF = closing price / cash flow per share

Return on capital = increase of the share price in a year

Return on dividends = gross dividend / opening price

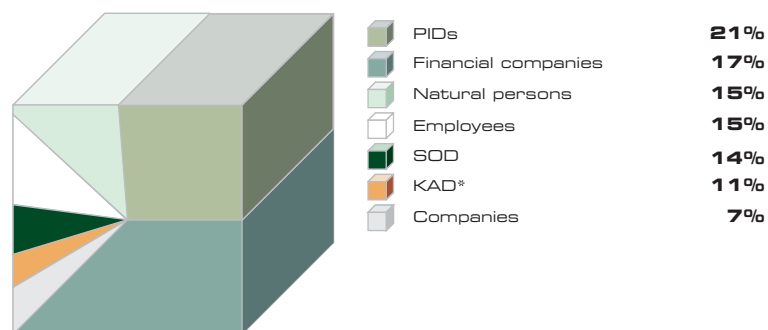
Dividend policy

In line with the medium-term strategy, we will allocate up to 50 % of net profits in the financial year for the payment of dividends; the remaining share of profits will be devoted to development.



4b

Ownership structure



* also includes PPS Kapitalna družba

The stake of internal shareholders was reduced the most in 2001, since it fell from 19 % to 15 %. The ownership share of Authorised Investment Companies (PIDs) dropped by two percentage points, resulting from their reorganisation as financial companies on one hand and from actual sales on the other. Companies sold some 70,000 shares, thus reducing their ownership share by one percentage point.

Financial companies acquired 4 % of Intereuropa shares, which is partly a consequence of the reorganisation of the PIDs mentioned above but mainly due to actual purchases. Slovenska odškodninska družba, Kapitalna družba and minority shareholders were also among the purchasers.

Financial companies also include foreign legal entities, which made their first appearance in the share register in August. By the end of 2001 the share of Intereuropa owned by foreign entities amounted to 1.98 %.

Own shares

Intereuropa does not directly hold any shares.

Top ten Intereuropa shareholders

	%
Slovenska odškodninska družba d.d.	14.07
Kapitalna družba d.d.	10.03
Infond-zlat d.d.	6.50
Triglav steber 1 PID d.d.	4.40
Modra linija d.d.	3.85
Zlata moneta 1 d.d.	3.47
Banka Koper d.d.	2.85
KD Investments d.d. VS Galileo	2.17
ID KD d.d.	1.85
Probanka d.d.	1.42

Plans for 2002

In 2002 we intend to continue implementing our business strategies, as defined in the development plan up until 2005, i.e. reorganising into a logistics company. We will maintain our leading role in Slovenia and Croatia and strengthen our business network in Central and South-east Europe.

Relevant activities:

- development of a strategic marketing concept and synchronising of sales activities among Group units;
- upgrading classical freight forwarding services by adding standardised and custom-made logistics services;
- increasing added value and improving the productivity of operating processes; and
- optimising financial aspects at the Group level.

Key goals for 2002:

▪ Increasing Group sales by 6 %

We will continue our product and geographical expansion. Our aim is to reorganise the Group into a logistics company. For this reason, we are reducing the share of revenues from customs services and planning a steady increase in the area of logistics.

▪ Investments amounting to SIT 5.1 billion

If we are to strengthen our business network in Slovenia and other markets in South-east Europe, we must invest in information technology and logistics infrastructure. The largest share of investments planned is represented by constructions and modernisation of warehouses in Ljubljana, Zagreb, Rijeka, Osijek, Sarajevo, Belgrade and Skopje.

▪ Bonuses and staff development

We do not intend to substantially increase the number of employees in 2002, except for those included in takeovers. We are planning a two per cent real increase in wages and salaries to reflect higher added value. All key promising employees will be included in individual development programmes. Training of operative staff will ensure a higher level of logistics know-how and quality of services.

▪ Return on capital and return on assets

Taking into account increased sales at the Group level, an increase in added value and generation of capital profits in 2002 (Banka Koper), we are planning a 19 % gross return on capital and an 11 % gross return on assets. These returns increase the value of Intereuropa shares, raise the expectations of investors and rank the shares as among the most profitable shares on the Ljubljana Stock Exchange.



ACCOUNTING REPORT

1. BASIC ACCOUNTING PRINCIPLES

1.1 Consolidated financial statements

Consolidated financial statements - a collection of financial statements of related companies - show the balances of property, finance and operating results as if they were attributable to a single company. When preparing such statements, some consolidation adjustments should be made to exclude assets and liabilities balances as well as intra-group transactions in order to avoid double reporting.

The financial statements of the Intereuropa Group comprise financial statements of the parent company, Intereuropa, and associated companies listed under the item Explanation of the financial statements.

The consolidated financial statements were prepared on the basis of fundamental accounting principles used for consolidation, i.e.: single company; true and fair balances of property, finance and operating results; the completeness of financial statements and consideration of the same accounting date, operating efficiency and material relevance.

Financial statements of the associated companies, original documentation at the parent company and associated companies, direct reconciliation of intra-group balances and transactions on the basis of minutes were used for consolidating.

The consolidated financial statements were prepared using the following procedures:

- exclusion of long-term investments by the parent company in associated companies and the relative capital share in the associated companies;
- exclusion of intra-group receivables and liabilities; and
- exclusion of revenues and expenses relative to common business events.

The capital method for the reconciliation of investments and capital between the parent and the associated companies was used in the consolidation procedure.

Since the Group also comprises companies with head offices in other countries, which prepare their own financial statements in their local currencies, these statements were converted into expressions of the currency of the parent company (SIT). The following exchange rates of the Bank of Slovenia were applied:

- the rate effective on 31 December 2001 for converting assets and liabilities; and
- the mean exchange rate for 2001 for converting revenues and expenses.

1.2 Financial statements of the parent company

The fundamental financial statements of Intereuropa were prepared in accordance with the Slovenian Accounting Standards; fundamental accounting principles were applied. Account books are kept in accordance with the Slovenian Accounting Standards, while the chart of accounts - adapted to our business - was compiled in conformity with the instructions given by the Association of Accountants, Treasurers and Auditors of Slovenia.

All comparable items in the statements are disclosed at nominal values, except for the financial flow statement, where figures relative to the year 2000 were revalued.

The consumer price index was used for revaluation of the Company's liabilities and capital in 2001. The revaluation results in 2001 have been generated by the revaluation of assets and have been reduced by the effects of revaluation of liabilities and capital. The effects of revaluation both as financial revenues or expenses affect the disclosed business results.

Intangible long-term assets and tangible fixed assets are disclosed at their purchase value. Depreciation is a value adjustment calculated separately in each organisational unit. The straight-line method was used for computing depreciation. The purchase prices and relative adjustments are revalued considering the consumer price index. The effects of these revaluations form the revaluation results.

Long-term investments at home and abroad are disclosed separately, as well as investments in associates that are disclosed in the consolidated statements and other companies. All these figures are revalued on the basis of the consumer price index.

Long-term investments expressed in foreign currencies have been converted into SIT at the mean exchange rate of the Bank of Slovenia at the end of the accounting period. The effects of the revaluation of long-term investments form the revaluation results.

Operating receivables are classified on the basis of their recoverable value. Pursuant to the Slovenian Accounting Standards the Company decided to make adjustments to the value of receivables on the basis of past experience, as follows:

- Receivables in tolar for services performed - adjustment should be made 75 days upon maturity. The adjustment should be corrected by 31 January 2002 in the case of payments received.
- Receivables in tolar from interest - adjustment made 80 days upon maturity should be corrected by 31 January 2002 for payments received.
- Receivables from legal proceedings and enforcement - corrections should be withheld as in the previous year. A 100 % adjustment should be used for amounts exceeding SIT 200,000 and a 95 % adjustment for receivables exceeding SIT 200,000. Any adjustment made in this way should be corrected by 31 January 2002 for payments received.
- Receivables from compulsory settlements and bankruptcies. Receivables under this account were divided into four categories:
 - Adjustments to receivables from bankrupt debtors amount to 95 % (on the basis of our experiences 5 % of these receivables is collectible);
 - An 80 % adjustment was applied to claims registered in compulsory settlement before the confirmation of compulsory settlement is published. (Pursuant to the Law on Compulsory Settlement, Bankruptcy and Liquidation, the minimum requirement for a successful compulsory settlement is a 20 % settlement);
 - Once the confirmation of a compulsory settlement is published, receivables should be written off on the conditions set by the compulsory settlement. Hence the account 1209 - uncollected receivables should contain only the portion believed to be settled and therefore no adjustment should be made;
 - Receivables reported in liquidation should not be adjusted since the liquidation procedure should provide a 100 % settlement.
- Disputable receivables from bills of exchange - 100 % adjustments will be made to all disputed bills of exchange
- Foreign currency receivables from domestic customers - adjustment should be made 75 days upon maturity and corrected by 31 January 2002 in the case of payments received.
- Receivables from customers abroad - adjustment should be made as for the year 2000, 75 days upon maturity and corrected by 31 January 2002 for payments received.
- Doubtful receivables from customers abroad. On the basis of past experience, this type of receivables is hardly recoverable. Therefore, 100 % adjustments should be applied.
- Disputable receivables from customers abroad - 100 % adjustments should be applied.
- Receivables from customers abroad reported in bankruptcy - 100 % adjustments should be applied.

Long-term provisions are established up to cover liabilities expected to arise in more than one year's time due to binding past events. They were established for the granting of a guarantee for the sale of shares, to cover negative goodwill and in relation to long-term liabilities arising from a financial lease.

Statement of changes in financial position is drawn on the basis of cash, which means that changes in cash during the period concerned are explained through changes to other cash items and liabilities and capital. These changes do not include changes in the purchasing power of the domestic currency. Figures referring to the previous year and used as comparative figures are expressed in their real amounts - nominal amounts increased by the consumer price index for 2001.

INTEREUROPA GROUP

2. ACCOUNTING REPORT OF THE INTEREUROPA GROUP

2.1 Auditors' opinion on the Intereuropa Group performance

52

To the General Meeting of Shareholders of INTEREUROPA, d.d., KOPER

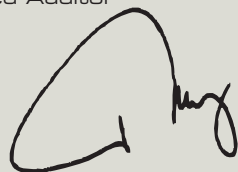
We have audited the accompanying consolidated balance sheet of INTEREUROPA Group, Koper, as of December 31, 2001 and the related statements of income and changes in financial position for the year then ended. These financial statements are the responsibility of the INTEREUROPA, d.d., Koper, management. Our responsibility is to express our opinion on these financial statements.


We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining evidence supporting the amounts and disclosures in the financial statements. We also assessed the accounting standards used and significant methods of presentation of values in the financial statements made by the management, as well as evaluated disclosures made in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion consolidated financial statements referred to the first paragraph above present fairly, in all material respects, the financial position of INTEREUROPA Group, Koper, as of December 31, 2001 and of the results of its operations and its funds flow for the year then ended in accordance with Slovene Accounting Standards.

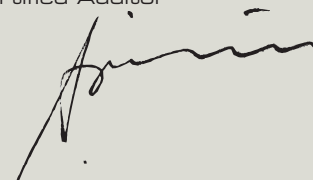
Ljubljana, April 12, 2002

Director
Franc Prodnik, BS Econ.
Certified Auditor



 **ERNST & YOUNG**
*Revizija, davčno in poslovna
svetovanje d.o.o., Ljubljana*

Alfjo Kocjančič, BS Econ.
Certified Auditor



2.2 Consolidated statements of the Intereuropa Group

Balance sheet of the Intereuropa Group

In SIT thousand	31. Dec 01	%	31. Dec 00	%	01/00
Assets	44,507,963	100	39,383,498	100	113
Fixed assets	30,532,688	69	25,058,404	64	122
Intangible fixed assets	162,518	0	145,094	0	112
Tangible fixed assets	25,137,011	56	21,792,794	55	115
Long-term financial investments	5,233,159	12	3,120,516	8	168
Capital adjustment	0	0	0	0	-
Current assets	13,975,275	31	14,325,094	36	98
Inventories	71,068	0	75,649	0	94
Long-term operating receivables	38,972	0	350	0	11135
Short-term operating receivables	10,231,587	23	10,013,692	25	102
Short-term financial investments	2,361,731	5	2,597,892	7	91
Cash	798,055	2	962,258	2	83
Accrued revenues and deferred costs	473,862	1	675,253	2	70
Off-balance sheet assets	225,344		156,606		144
Liabilities and capital	44,507,963	100	39,383,498	100	113
Capital	27,872,975	63	23,593,204	60	118
Share Capital	7,210,700	16	7,210,700	18	100
Capital of minority shareholders	231,871	1	289,320	1	80
Paid capital surplus	0	0	0	0	-
Reserves	446,027	1	446,027	1	100
Net profit brought forward	3,400,579	8	2,600,188	7	131
Capital revaluation adjustment	12,513,630	28	11,069,231	28	113
Undistributed net profit of the financial year	4,070,168	9	1,977,738	5	206
Long-term provisions	1,811,962	4	1,059,338	3	171
Long-term financial liabilities	1,669,912	4	1,921,491	5	87
Long-term operating liabilities	4,479	0	5,967	0	75
Short-term financial liabilities	3,995,845	9	3,246,791	8	123
Short-term operating liabilities	8,142,511	18	8,338,455	21	98
Accrued costs and deferred revenues	1,010,279	2	1,218,252	3	83
Off-balance sheet liabilities	225,344		156,606		144

Profit and loss statement of the Intereuropa Group

In SIT thousand	2001	2000	01/00
Net sales revenues	35,927,848	32,704,852	110
Value of capitalised own products and/or services	1,389	1,575	88
Other operating revenues	613,901	497,791	123
Gross operating profit	36,543,138	33,204,218	110
Costs of goods, materials and services	24,395,190	22,383,034	109
Purchase value of goods sold	25,818	102,372	25
Cost of materials	1,992,538	1,932,618	103
Cost of services	22,376,834	20,348,044	110
Labour costs	7,754,443	7,024,050	110
Cost of wages	5,483,605	4,999,217	110
Cost of social insurance and pension plan	1,308,700	1,215,569	108
Other labour costs	962,138	809,264	119
Depreciation	2,119,344	1,795,383	118
Current assets write-offs	314,690	330,801	95
Other operating expenses	199,145	173,214	115
Operating profit	1,760,326	1,497,736	118
Revenues from shares in profit from group members	0	0	-
Revenues from shares in profit from other associated companies	0	0	-
Revenues from investments in others	489,380	242,633	202
Interest and other revenues from financing	2,759,359	1,168,933	236
Income from interest from relations to other associated companies	0	0	-
Income from interest from relations to others	633,961	647,768	98
Other revenues from financing	2,125,398	521,165	408
Long- and short-term investment write-offs	264,833	351,626	75
Interest and other financial expenses	721,702	936,208	77
Interest expenses from relations to other associated companies	0	0	-
Interest expenses from relations to others	208,270	217,294	96
Other financial expenses	513,432	718,914	71
Profit from ordinary activities	4,022,530	1,621,469	248
Extraordinary revenues	968,402	1,266,652	76
Extraordinary expenses	296,659	321,025	92
Total profit	4,694,273	2,567,096	183
Profit tax	595,521	551,949	108
Net profit	4,098,752	2,015,147	203
Net profit to minority shareholders	47,907	53,995	89

Statement of changes in financial position of the Intereuropa Group

from 1 January 2001 to 31 December 2001

In SIT thousand

	2001	2000
1. Opening balance of cash as at 1 January 2001	1,029,616	977,431
2. Revenues	40,760,279	38,394,208
3. Expenses excluding depreciation and long-term provisions	33,946,663	33,726,355
4. Taxes on profit and shares in profit (except holders)	595,521	590,585
5. Non-adjusted net inflows from operating activities (+1+2-3-4)	7,247,711	5,054,699
6. Increase in operating liabilities and accrued costs and deferred revenues	-	848,294
7. Decrease in operating liabilities and accrued costs and deferred revenues	1,074,793	-
8. Increase in operating receivables and prepaid expenses	-	292,609
9. Decrease in operating receivables and prepaid expenses	693,124	-
10. Increase in inventories	-	-
11. Decrease in inventories	9,877	43,110
12. Adjusted net inflows from operating activities (+5+6-7-8+9-10+11)	6,875,919	5,653,494
13. Offset increase in intangible long-term assets	7,268	99,691
14. Offset decrease in intangible long-term assets	-	-
15. Offset increase in tangible assets	3,938,066	4,910,777
16. Offset decrease in tangible assets	-	-
17. Offset increase in long-term financial investments	1,894,207	541,260
18. Offset decrease in long-term financial investments	-	-
19. Offset increase in short-term financial investments	-	1,048,748
20. Offset decrease in short-term financial investments	418,013	-
21. Net inflows (outflows) from operating and investment activity (+12-13+14-15+16-17+18-19+20)	1,454,391	-946,982
22. Capital increase (outside the profit for the current year)	-	-
23. Capital decrease (outside the loss for the current year)	1,470,506	1,193,826
24. Offset increase in long-term provisions	678,470	637,109
25. Offset decrease in long-term provisions	-	-
26. Offset increase in long-term financial liabilities	-	-
27. Offset decrease in long-term financial liabilities	386,083	170,626
28. Offset increase in short-term financial liabilities	521,783	2,703,941
29. Offset decrease in short-term financial liabilities	-	-
30. Offset increase in liabilities to holders from profit	-	-
31. Offset decrease in liabilities from profit to holders	-	-
32. Closing cash balance as at 31 December 2001 (+21+22-23+24-25+26-27+28-29+30-31)	798,055	1,029,616

5b

2.3 Explanation of the consolidated financial statements

On 31 December 2001 the Intereuropa Group encompassed the parent company Intereuropa and associated companies, where Intereuropa provided the major influence:

Associated company	Ownership in %
Interzav Koper d.o.o.	60
Interagent Koper d.o.o.	100
Intereuropa, Zagreb d.o.o.	99.92
Intereuropa Sajam Zagreb d.o.o.	51
Intereuropa RTC Varaždin d.d.	100
Intereuropa Split d.o.o.	100
Intereuropa Skopje d.o.o.	99.29

The consolidated income statement also contains the revenues, expenses and costs of STC Celje from 1 January 2001 to the day of acquisition, i.e. 30 October 2001. The acquisition is shown in the balance sheet as a final reduction of Intereuropa's long-term investment in the amount of SIT 1,628,819,000 and as the consolidation of all assets and liabilities and capital of STC Celje with the assets, liabilities and capital of the parent company.

Assets of the parent company represent 82.46 % of the assets in the consolidated balance sheet, while net sales revenues of the parent company represent 81.08 % of all net sales revenues in the consolidated income statement. The disclosed proportions between the parent company and associated companies show that the financial statements of the parent company play a predominant role in the consolidated financial statements.

Explanation of the balance sheet

Assets of the Group increased by 13 %, mainly due to investments in tangible fixed assets, which rose by 15 %, and long-term financial investments, which rose by 68 % for the following main reasons:

- Bond investments by the parent company in the amount of SIT 643,740,000 and deposit investments by the parent company amounting to SIT 1,024,233,000, relative to the guarantee granted for the sale of Si.mobil shares; and
- Investments in RTC Sarajevo in the amount of SIT 903,801,000.

The following items under consolidated **liabilities and capital** have shown relevant increases:

-**Capital** went up by 18 % on the account of revaluation adjustment, increased net profit of the parent company after the net profit from previous years in the amount of SIT 1,153,712,000 paid out by way of dividends upon resolution of the General Meeting was considered.

-**Long-term provisions** went up by 71 %, amounting as at 31 December 2001 to SIT 1,811,962,000, comprising:

- Long-term liabilities arising from financial leasing in the amount of SIT 11,411,000.
- Long-term provisions in the amount of SIT 832,775,000, arising from the issue of the guarantee for the sale of Si.mobil shares.
- Long-term provisions relative to negative goodwill in the amount of SIT 692,273,000 arising from the acquisition of STC Celje. The revalued amount of negative goodwill due to the acquisition of STC Celje amounted to SIT 865,342,000. In 2001, 20 % of this amount was included in extraordinary revenues, hence only the amount of SIT 692,273,000 relative to this operation remained under long-term provisions. This amount is to be rateably transferred under revenues over the next four years.
- Long-term provisions within the Group in the amount of SIT 275,503,000 relative to the negative goodwill of associated companies included in the consolidated statements.

-**Short-term financial liabilities** went up by 23 %, i.e. SIT 749,054,000, mainly on the account of new loans by banks to the parent company and the transfer of a portion of the long-term loan from the Slovenska razvojna družba into short-term liabilities in the amount of SIT 252 million.

Due to the already mentioned increase in the parent company's ownership share in 2001, the **capital of minority owners** dropped by 20 %, maintaining however the same share of liabilities and capital as in the previous year.

Explanation of the profit and loss statement

Operating revenues and expenses

The sums relative to business transactions among companies in the Group were subtracted from net sales revenues in the consolidated statement of income. In 2001, these intragroup sales amounting to SIT 483,215,000 are also disclosed within the same amount under the respective balancing item as costs of services. Revenues were mainly generated through the company's core business. "Other operating revenues" include revenues from rents, which were excluded from the consolidated statement of income due to intragroup sales in the amount of SIT 36,051,000. The balancing item for this exclusion is found under costs of services.

Financial revenues and expenses

In the 2001 financial year, positive exchange differences worth SIT 88,145,000 in total were excluded as were negative exchange differences in the amount of SIT 88,145,000 arising from business operations of the Group. Due to the intragroup calculation of interest, positive exchange differences worth SIT 3,151,000 were excluded along with negative exchange differences in the same amount.

Exclusion of interim business profit

There were no exclusions of interim business profit in the year considered.

Gross return of the group went up by 10 %, while costs of goods, materials and services increased by 9 %, mainly due to costs of services. The largest portion of these includes direct (advance) costs, i.e. costs directly related to the Group's core business.

Operating profit of the Group rose by 18 %.

Revenues from shares in profit of other companies increased by 102 % due to larger accrued shares of profit in the parent company. The largest portion of these revenues refers to payment of dividends by Banka Koper in the amount of SIT 478 million. In comparison with the year 2000, **interest and other revenues** from financing went up by 136 %, mostly due to other revenues from financing, which within the Group amount to SIT 2,125,398,000. Of this sum, 89 % refers to other revenues from financing generated by the parent company and composed mainly of the capital proceeds of the sale of Si.mobil shares.

Composition of other revenues from financing in the parent company in 2001

in SIT thousand	2001
Positive exchange differences	378,605
Revenues from the sale of shares (Nova Intereuropa Sarajevo)	283,952
Revenues from the sale of securities (capital gain)	1,219,599
Other revenues from financing	263
Total	1,882,419

The remaining part of this item refers to revenues from interest and positive exchange differences as well as revaluation surpluses in associated companies. The consolidated statement of income contains SIT 36,072,000 of other revaluation revenues relative to the revaluation of negative goodwill.

Long- and short-term investment write-offs within the Group amount to SIT 264,833,000; of these SIT 129,792,000 refer to write-offs at the parent company, while the remaining SIT 135,041,000 pertain to write-offs at STC Celje.

Interest costs and other financial expenses fell by 23 % due to reduced negative exchange differences in the Group compared to the previous year.

Extraordinary revenues in the Group amount to SIT 968,402,000. Of these, SIT 584,438,000 refer to the parent company, which are detailed in the financial statement of the parent company. Two other associated companies reported extraordinary revenues: Intereuropa Zagreb in the amount of SIT 111.459,000 and STC Celje in the amount of SIT 147,938,000.

Another one-fifth of long-term provisions relative to negative goodwill generated in the year 2000, amounting to SIT 90,502,000, were included among extraordinary revenues in the Group. The first one-fifth of provisions, also including the 20 % of the above-mentioned provisions relative to STC Celje, was also included in the Group in the previous year. Since STC Celje was acquired in 2001, the 20 % of provisions relative to this company were already included in the parent company, which will rateably include them among revenues. Since 20 % of the abovementioned provisions relative to STC Celje were already transferred to the Group in the last year in the amount of SIT 157,414,000, the net profit in the Group was reduced by the same amount (SIT 157,414,000).

The first one-fifth, i.e. SIT 1 million, of negative goodwill generated in 2001 in the total amount of SIT 5 million was transferred to extraordinary revenues.

Profit

The consolidated income statement discloses the total profit of the Group amounting to SIT 4,694,273,000. After subtracting corporate tax in the amount of SIT 595,521,000, the net profit of the Group in 2001 came to SIT 4,098,752,000. Net profit of minority owners amounts to SIT 47,907,000 which is 11 % lower because in 2001 the parent company increased its ownership share.

INTEREUROPA d.d.

3. ACCOUNTING REPORT OF INTEREUROPA d.d.

3.1 Auditors' opinion on the Intereuropa d.d. performance

60

To the Shareholders of INTEREUROPA, d.d., KOPER

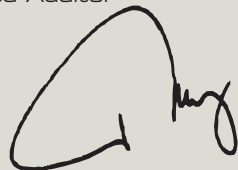
We have audited the accompanying balance sheet of INTEREUROPA, d.d, as of December 31, 2001 and the related statements of income and changes in financial position for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express our opinion on these financial statements.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining evidence supporting the amounts and disclosures in the financial statements. We also assessed the accounting standards used and significant methods of presentation of values in the financial statements made by the management, as well as evaluated disclosures made in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion financial statements referred to in the first paragraph above present fairly, in all material respects, the financial position of INTEREUROPA, d.d., as of December 31, 2001 and of the results of its operations and its funds flow for the year then ended in accordance with Slovene Accounting Standards.

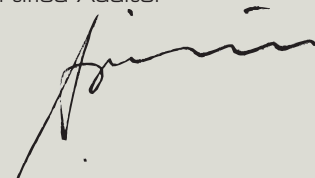
Ljubljana, April 5, 2002

Director
Franc Prodnik, BS Econ.
Certified Auditor



 **ERNST & YOUNG**
*Revizija, davčarstvo in poslovna
svetovanje d.o.o., Ljubljana 1*

Alfjo Kocjančič, BS Econ.
Certified Auditor



3.2 Consolidated financial statements of Intereuropa d.d.

Balance sheet of Intereuropa d.d.

In SIT thousand	31 Dec 01	%	31 Dec 00	%	01/00
Assets	41,037,359	100	34,489,304	100	119
Fixed assets	29,932,363	73	24,083,197	70	124
Intangible fixed assets	142,203	0	136,599	0	104
Tangible fixed assets	20,390,306	50	16,973,821	49	120
Long-term financial investments	9,399,854	23	6,972,777	20	135
Capital adjustment	0	0	0	0	-
Current assets	11,104,996	27	10,406,107	30	107
Inventories	12,425	0	32,526	0	38
Long-term operating receivables	38,972	0	350	0	11135
Short-term operating receivables	8,619,184	21	7,973,126	23	108
Short-term financial investments	1,745,354	4	1,365,266	4	128
Cash	267,102	1	440,186	1	61
Accrued revenues and deferred costs	421,959	1	594,653	2	71
Off-balance sheet assets	102,233		102,233		100
Liabilities and capital	41,037,359	100	34,489,304	100	119
Capital	27,423,028	67	23,043,772	67	119
Share Capital	7,210,700	18	7,210,700	21	100
Paid capital surplus	0	0	0	0	-
Reserves	446,027	1	446,027	1	100
Net profit brought forward	3,310,077	8	2,600,188	8	127
Capital revaluation adjustment	12,513,630	30	11,069,231	32	113
Undistributed net profit of the financial year	3,942,594	10	1,717,626	5	230
Long-term provisions	1,536,459	4	87	0	-
Long-term financial liabilities	605,015	1	1,019,833	3	59
Long-term operating liabilities	4,479	0	4,479	0	100
Short-term financial liabilities	3,825,998	9	3,080,034	9	124
Short-term operating liabilities	6,686,040	16	6,249,976	18	107
Accrued costs and deferred revenues	956,340	2	1,091,123	3	88
Off-balance sheet liabilities	102,233		102,233		100

Profit and loss statement of Intereuropa d.d.

In SIT thousand	2001	2000	01/00
Net sales revenues	29,585,565	27,391,107	108
On domestic market	16,078,294	14,495,806	111
On foreign market	13,507,271	12,895,301	105
Other operating revenues	516,929	429,648	120
Gross operating profit	30,102,494	27,820,755	108
Costs of goods, materials and services	21,076,581	19,671,149	107
Purchase value of goods sold	22,300	87,733	25
Cost of material	1,735,929	1,770,523	98
Cost of services	19,318,352	17,812,893	108
Labour costs	6,016,860	5,468,180	110
Cost of wages	4,230,492	3,894,060	109
Cost of social insurance and pension plan	943,562	852,420	111
Other labour costs	842,806	721,700	117
Depreciation	1,716,340	1,593,038	108
Current assets write-offs	209,301	282,706	74
Other operating expenses	149,655	155,770	96
Operating profit	933,757	649,912	144
Revenues from shares in profit from group members	708,098	677,700	104
Revenues from shares in profit from other associated companies	0	0	-
Revenues from investments in others	485,592	239,746	203
Interest and other revenues from financing	2,426,087	787,434	308
Income from interest from relations to group members	3,151	0	-
Income from interest from relations to other associated companies	0	0	-
Income from interest from relations to others	540,517	298,543	181
Other revenues from financing	1,882,419	488,891	385
Long and short-term investment write-offs	129,792	334,595	39
Interest and other financial expenses	559,368	551,370	101
Interest expenses from relations to group members	0	0	-
Interest expenses from relations to other associated companies	0	0	-
Interest expenses from relations to others	143,822	115,929	124
Other financial expenses	415,546	435,441	95
Profit from ordinary activities	3,864,374	1,468,827	263
Extraordinary revenues	584,438	745,340	78
Extraordinary expenses	159,957	178,739	89
Total profit	4,288,855	2,035,428	211
Profit tax	346,261	317,802	109
Net profit	3,942,594	1,717,626	230

Statement of changes in financial position of Intereuropa d.d.

from 1 January 2001 to 31 December 2001

63

In SIT thousand

	2001	2000
1. Opening balance of cash as at 1 January 2001	470,999	448,737
2. Revenues	34,306,709	32,389,943
3. Expenses excluding depreciation and long-term provisions	28,301,514	28,507,484
4. Taxes on profit and shares in profit (except holders)	346,261	340,048
5. Non-adjusted net inflows from operating activities (+1+2-3-4)	6,129,933	3,991,148
6. Increase in operating liabilities and accrued costs and deferred revenues	-	-
7. Decrease in operating liabilities and accrued costs and deferred revenues	212,909	292,138
8. Increase in operating receivables and prepaid expenses	-	-
9. Decrease in operating receivables and prepaid expenses	87,785	534,150
10. Increase in inventories	-	-
11. Decrease in inventories	22,378	49,837
12. Adjusted net inflows from operating activities (+5+6-7-8+9-10+11)	6,027,187	4,282,997
13. Offset increase in intangible long-term assets	-	91,652
14. Offset decrease in intangible long-term assets	3,958	-
15. Offset increase in tangible assets	3,944,658	1,287,222
16. Offset decrease in tangible assets	-	-
17. Offset increase in long-term financial investments	1,938,983	3,208,486
18. Offset decrease in long-term financial investments	-	-
19. Offset increase in short-term financial investments	284,519	384,957
20. Offset decrease in short-term financial investments	-	-
21. Net inflows (outflows) from operating and investment activity (+12-13+14-15+16-17+18-19+20)	-137,015	-689,320
22. Capital increase (outside the profit for the current year)	-	-
23. Capital decrease (outside the loss for the current year)	1,176,402	1,120,871
24. Offset increase in long-term provisions	1,536,364	-
25. Offset decrease in long-term provisions	-	128
26. Offset increase in long-term financial liabilities	-	-
27. Offset decrease in long-term financial liabilities	486,207	494,629
28. Offset increase in short-term financial liabilities	530,362	2,775,947
29. Offset decrease in short-term financial liabilities	-	-
30. Offset increase in liabilities to holders from profit	-	-
31. Offset decrease in liabilities from profit to holders	-	-
32. Closing cash balance as at 31 December 2001 (+21+22-23+24-25+26-27+28-29+30-31)	267,102	470,999

3.3. Explanation of the consolidated statements of Intereuropa d.d.

b4

Explanation of the balance sheet

Assets

Fixed Assets

Fixed assets, which increased by SIT 5.8 billion compared to the opening balance, represent 73 % of all assets. Increases in tangible fixed assets and long-term financial investments contributed the most to the 24 % increase in fixed assets.

in SIT thousand	31 Dec 01	%	31 Dec 00	%	01/00
Fixed assets	29,932,363	100	24,083,197	100	124
Intangible fixed assets	142,203	0	136,599	1	112
Tangible fixed assets	20,390,306	68	16,973,821	70	120
Long-term investments	9,399,854	326	6,972,777	29	135

Intangible fixed assets and tangible fixed assets

Asset write-offs amount to 44.39 %, i.e. buildings 29.60 %, equipment 71.97 %, and rights 64.86 %.

Intangible fixed assets

Intangible fixed assets are represented by license fees, i.e. investments in long-term acquired rights to industrial property representing 1 % of fixed assets. These increased by 4 %, mainly due to the purchase of user licences for Microsoft applications and the purchase of the "Finplan" software.

Tangible fixed assets

in SIT thousand	31 Dec 01	%	31 Dec 00	%	01/00
Tangible fixed assets	20,390,306	100	16,973,821	100	120
Land	1,987,463	10	1,208,309	7	164
Buildings	13,736,468	67	11,593,531	68	118
Other equipment	3,744,979	19	3,824,258	23	98
Tangible fixed assets under construction or manufacture	910,846	4	342,435	2	266
Advance payments for tangible fixed assets	10,550	0	5,288	0	0

Tangible fixed assets increased by 20 %. The acquisition of STC Celje contributed substantially to this increase, particularly to the increment in lands and buildings. For this reason, the tangible fixed assets increased by SIT 2,451,628,000, which is the current value of fixed assets held by STC Celje on the day of acquisition (i.e. 30 October 2001).

The value of tangible fixed assets under construction or manufacture increased by SIT 568,411,000 (166 %) on account of the purchase of land in Logatec intended for warehouse premises.

Investments in tangible fixed assets in 2001 were the following:

in SIT thousand	2001
Trucks, tractors	347,026
Trailers, semi-trailers	63,800
Motorcars	61,669
Crane trucks	59,279
Personal computers and printers	104,545
Other computer equipment	28,661
Other equipment	92,659
Other	68,722
New purchases total	826,361
Business premises	204,032
Cargo vehicles	23,878
Computer system rights	36,070
Warehouses	39,211
Other	18,817
Purchases additional to existing fixed assets total	322,008
Land	641,952
Railway tracks	103,146
External construction - roads	159,312
Warehouses	980,268
Management premises	465,662
Other	101,288
Gain from the acquisition of STC Celje total	2,451,628
Investment maintenance	89,848
Total investment in fixed assets	3,689,845

bb

Long-term financial investments

in SIT thousand	31 Dec 01	%	31 Dec 00	%	01/00
Long-term financial investments	9,399,854	100	6,972,777	100	135
Shares and investments in companies of the group	4,195,186	45	4,014,484	58	105
Other shares and investments	3,304,598	35	2,711,908	38	122
Long-term loans to others (based on loan agreements and redemption of bonds)	875,837	9	246,385	4	356
Long-term deposits	1,024,233	11	-	-	-

Compared to the opening balance, long-term investments went up by 35 %, which is the result of the revaluation of investments and purchases and sales of assets.

Within the framework of **investments in associates** in 2001:

- We acquired the STC Celje Company. This acquisition is disclosed as a final reduction in the long-term investment made by Intereuropa in this company in the amount of SIT 1,628,819,000, and as the consolidation of all assets and liabilities of STC Celje on the day of acquisition (30 October 2001) with the assets and liabilities of Intereuropa.
- We increased the capital of Intereuropa Skopje by SIT 138,571,000 and that of Intereuropa Zagreb by SIT 930,307,000.
- At the end of the accounting period - using the capital method - we reconciled investments made by the parent company with comparable business results of the associated companies.

Within the framework of **investments in shares**:

- We purchased shares and increased the capital of RTC Sarajevo by a total of SIT 903,801,000.
- We increased the capital of Intereuropa - East Moscow by SIT 6,610,000.
- We sold Nova Intereuropa Sarajevo - disclosed as a decrease in the revalued purchase value of the investment - in the amount of SIT 37,276,000.

The largest investment among **granted long-term loans** is represented by the investment amounting to SIT 643,740,000 in Nova Ljubljanska banka bonds, relative to the guarantee for the sale of Si.mobil shares. Among long-term loans granted on the basis of loan agreements, the loan to the Cimosa Company, which last year amounted to SIT 211,207,000, was reduced, mainly due to a conversion of a subordinate loan into the share capital of the same company in the amount of SIT 115,000,000.

Granted long-term deposits on the last day of the accounting period amount to SIT 1,024,233,000 and refer to a deposit investment relative to a guarantee for the sale of Si.mobil shares.

Current Assets

Current assets represent 27 % of all the Company's assets and on 31 December 2001 show an increase of 7 % compared to the opening balance. The main reasons for this increase in current assets are an 8 % increase in short-term receivables from operations and a 28 % increase in short-term investments.

in SIT thousand	31 Dec 01	%	31 Dec 00	%	01/00
Current assets	11,104,996	100	10,406,107	100	107
Inventories	12,425	0	32,526	0	38
Long-term operating receivables	38,972	0	350	0	11,135
Short-term operating receivables	8,619,184	78	7,973,126	77	108
Short-term investments	1,745,354	16	1,365,266	13	128
Cash	267,102	2	440,186	4	61
Accrued and deferred items	421,959	4	594,653	6	71

Short-term operating receivables

The largest proportion (93 %) of short-term operating receivables is represented by claims against other companies. These increased by 8 % compared with the opening balance and the same increase was also assessed in net sale revenues.

67

Short-term financial investments

This item is composed of securities purchased for sale and short-term loans issued to other customers. The time limit of these investments is less than one year. Compared to the opening balance, the short-term investments increased by 28 % and maintained their proportion in the assets. Securities purchased for sale went up by 31 % (i.e. SIT 186,874,000), while short-term loans granted increased by 23 % (i.e. SIT 177,715,000).

Cash

The Company's cash includes cash on hand and cash at banks. Compared to the opening balance, cash fell by 39 %, i.e. SIT 173,084,000, mainly on the account of cash at banks. Cash represents 1 % of the asset structure. Causes for the changes in cash flow in 2001 are monitored through the funds flow statement, where changes relative to investing, disinvesting, financing and definancing show the relevant impact on the Company's closing cash balance.

Accrued and deferred items

Accruals comprise short-term deferred costs and expenses as well as accrued revenues. These increased by SIT 172,694,000 (i.e. by 29 %) mainly due to lower "active transitory items". Active transitory items are represented by recorded direct costs that have not yet been charged to the customers.

Liabilities and capital

The Company's liabilities and capital are composed as follows: 67 % capital and 33 % other liabilities.

Capital

The capital shows the Company's financing by its owners and should be considered as its liability to the owners.

in SIT thousand	31 Dec 01	%	31 Dec 00	%	01/00
Capital	27,423,028	100	23,043,772	100	119
Share Capital	7,210,700	26	7,210,700	31	100
Unpaid capital surplus	-	-	-	-	-
Reserves	446,027	2	446,027	2	100
Legal reserves	446,027	2	446,027	2	100
Statutory reserves	-	-	-	-	-
Other reserves	-	-	-	-	-
Net profit or loss carried forward from previous years	3,310,077	12	2,600,188	11	127
Capital revaluation adjustment	12,513,630	46	11,069,231	48	113
Share capital revaluation adjustment	9,690,225	35	8,584,557	37	113
Revaluation adjustment of paid-up capital surplus	-	-	-	-	-
Reserves revaluation adjustment	2,212,978	8	2,039,024	9	109
Revaluation adjustment of profit or loss carried forward	610,427	2	445,650	2	137
Undistributed net profit of the financial year	3,942,594	14	1,717,626	7	230

68

Compared to the previous year, an increase of 19 % was reported due to revaluation and higher net profit of the current year as well as due to recognising of the net profit of previous years in the amount of SIT 1,153,712,000 distributed by way of dividends upon a decision made by the General Meeting of the Company.

The undistributed net profit of the current year represents 14 % of the capital and 10 % of all liabilities and capital of the Company. The General Meeting will decide on its distribution after the financial statements for 2001 have been audited. On 31 December 2001 the reserves with the revaluation adjustment amounted to SIT 2,659,005. The share capital with the revaluation adjustment represents the largest proportion, i.e. 62 % of capital.

We are disclosing the translation of capital items into items pursuant to the new SAS 8.53 (Official Gazette of the RS, No 107/2001).

In SIT thousand	1 January 2002
Capital	27,423,028
Called-up capital	7,210,700
Share capital	7,210,700
Uncalled capital (as a deductible item)	-
Capital reserves	-
Reserves from profit	2,659,005
Legal reserves	2,659,005
Reserves for own shareholdings	-
Statutory reserves	-
Other reserves from profit	-
Net profits from previous periods	7,863,098
Net profit of the year	-
Capital revaluation adjustments	9,690,225
General capital revaluation adjustment	9,690,225
Special capital revaluation adjustments	-

Pursuant to SAS 8.53 the share capital revaluation adjustment represents a general revaluation adjustment of share capital, while other revaluation adjustments are constituent parts of the categories they refer to.

69

The return on capital is shown in the table below.

In SIT thousand	2001	2000	01/00
1. Profit	4,288,855	2,035,428	211
2. Net profit	3,942,594	1,717,626	230
3. Average capital (excluding undistributed profit of the current year)	23,457,046	21,072,971	111
4. Capital (as at 31 December 2001)	27,423,028	23,043,772	119
5. Number of shares	7,210,700	7,210,700	100
6. Return on capital (1/3*100)	18.3%	9.7%	189
7. Net return on capital (2/3*100)	16.8%	8.2%	206
8. Net rate of return on shares in sit (2/4*1000)	546.77	238.21	230
9. Book value of a share in sit: (4/5*1000)	3,803.10	3,195.77	119

Long-term provisions

Long-term provisions as at 31 December 2001 amounted to SIT 1,536,459,000.

Long-term provisions include the following:

- long-term provisions relative to long-term liabilities arising from financial leasing in the amount of SIT 11,411,000;
- long-term provisions in the amount of SIT 832,775,000, arising from the issue of the guarantee for the sale of Si.mobil shares; and
- long-term provisions relative to negative goodwill in the amount of SIT 692,273,000 arising from the acquisition of STC Celje. The revalued amount of negative goodwill due to the acquisition of STC Celje amounted to SIT 865,342,000. In 2001, 20 % of this amount was included in extraordinary revenues, hence only the amount of SIT 692,273,000 relative to this operation remained under long-term provisions. This amount is to be rateably transferred under revenues over the next four years.

Long-term financial liabilities

Long-term financial liabilities as at 31 December 2001 include credits of the Slovenian Development Corporation amounting to SIT 523,094,000 and long-term loans for the equipment, taken out at banks amounting to SIT 81,921,000. Compared to the opening balance, these liabilities fell by 41 % due to the repayment of loans in the amount of SIT 162,650,000 and the transfer of SIT 252,168,000 of long-term liabilities to short-term financial liabilities.

Long-term operating liabilities

Long-term operating liabilities are represented by own participation by apartment users outside our country. This year, as in previous ones, these represent an insignificant proportion of liabilities and capital.

Short-term financial liabilities

Short-term financial liabilities consist of short-term loans granted by banks. In comparison with the opening balance, this item increased by SIT 745,964,000, mainly on the account of new loans raised at banks and the transfer of SIT 252 million of the long-term loan from the Slovenian Development Corporation to short-term liabilities. The following major liabilities were disclosed on 31 December 2001: Banka Celje, SIT 574 million; Banka Koper, SIT 1,950 million; Gorenjska banka, SIT 300 million; Slovenian Development Corporation, SIT 252 million; Nova Ljubljanska banka, SIT 300 million; SKB Banka, SIT 350 million; and Debis AC leasing, SIT 65 million.

Short-term operating liabilities

Their time limit is less than one year. These operating liabilities have increased by 7 % and represent 16 % of all liabilities and capital.

In SIT thousand	31 Dec 2001	31 Dec 2000	01/00
Short-term operating liabilities	6,686,040	6,249,976	107
Short-term liabilities to supplier companies in the Group	32,349	53,068	61
Short-term liabilities to other suppliers	5,903,799	5,348,611	110
Short-term liabilities to employees	490,021	463,661	106
Short-term liabilities to the State	148,870	274,701	54
Short-term liabilities for advances	101,706	108,822	93
Other short-term liabilities	9,295	1,113	835

Accrued and deferred items

Accrued and deferred items in the balance sheet comprise short-term deferred revenues and accrued costs and expenses. These fell, in comparison with the opening balance, by SIT 134,783,000 (i.e. by 12 %) mainly due to lower "passive transitory items". Passive transitory items are direct costs charged to customers in advance.

Off-balance sheet

The off-balance sheet shows the following assets and liabilities relative to the Slovenian Development Corporation:

Off-balance-sheet assets and sources

In SIT thousand	31 Dec 2001
Buildings abroad	65,651
Apartments outside the Republic of Slovenia	19,316
Long-term investments in LLCs outside the Republic of Slovenia	10,467
Investments in undeveloped territories of SFRY	3,745
Accounts receivable	3,054
Total off-balance-sheet assets	102,233
Off-balance-sheet sources	102,233

Explanation of the profit and loss statement

The Company uses the second (German) variant for the profit and loss statement. The comparative figures for the previous year are disclosed as nominal values.

Net sales revenues

Net sales revenues represent the revenues charged, minus customs duties.

The **gross operating profit** amounts to SIT 30,102,494,000; it went up by 8 % from last year mainly due to net sales revenues. Net sales revenues may be divided into net sales revenues at home (54 %) and net sales revenues in foreign markets (46 %). Revenues from rents, representing 1.7 % of gross profit, are disclosed under the item "Other operating revenues".

Costs of goods, materials and services

Costs of goods, materials and services went up by 7 % mainly on the account of higher services costs. The largest proportion (74 %) of costs of services is represented by direct (advance) costs, i.e. costs directly related to the process of services.

Labour costs

In comparison with last year, labour costs rose by 10 %. Considering the cumulative cost-of-living index, labour costs are actually higher than in the year 2000. These costs include salaries earned by employees in their gross amounts regardless of the Company's operating results, as well as the portion of contributions paid by the Company for social and retirement benefits associated with the salaries. Labour costs also include allowances paid by the Company to its employees under legal provisions, collective bargaining agreements or employment contracts for the period in which the employees are absent from their jobs. Royalties, work agreements in gross amounts as well as contributions chargeable to the Company also have the characteristics of salaries (special income tax, social security contributions...).

Depreciation of intangible and tangible fixed assets

In 2001, depreciation rose by 8 % in comparison with the previous year, mainly due to the activation of new tangible fixed assets in this year and the increase of depreciation rates, as follows:

- part of computer equipment (personal computers and workstations) from the 25 % to a 33.3 % rate;
- mobile phones from the 20 % to a 33.3 % rate; and
- teleprinters and fax machines from the 10 % to a 20 % rate.

Current asset write-offs

Current asset write-offs contain adjustments of the value of receivables and direct write-offs of receivables. These have increased by SIT 62 million, i.e. by 22 %, in comparison with 2000.

Other operating expenses

Other operating expenses comprise:

- various levies that are not related to operating results, such as the water pollution levy, building land levy, Chamber of Commerce and Industry membership fee, various membership fees in associations etc.;
- scholarships for students; and
- other similar expenses.

Lower scholarship costs, which went down by almost one-half, contributed the most to this 4-percent drop.

in SIT thousand	2001	2000	01/00
Other operating expenses	149,655	155,770	96
Taxes not related to operating results	115,320	117,620	98
Scholarship	3,285	6,138	54
Other costs	31,050	32,012	97

Revenues from investments in group members

Except for STC Celje, all the associated companies reported profits for the year 2001, and their respective shares pertaining to the parent company are shown in the table below.

Associated companies

in SIT thousand	2001	2000	01/00
STC Celje d.d.	(loss)	56,189	-
Interagent d.o.o.	177,947	228,055	78
Interzav d.o.o.	7,213	6,605	109
Intereuropa Split d.o.o.	18,173	14,078	129
Intereuropa Skopje d.o.o.	8,959	6,012	149
Intereuropa Sajam d.o.o.Zagreb	45,309	47,802	95
Intereuropa Zagreb d.o.o.	191,737	121,128	158
Intereuropa RTC d.d. Varaždin	258,760	197,831	131
Total pertaining shares of results of associates	708,098	677,700	104

On 30 October 2001, the acquired STC Celje disclosed a loss in the amount of SIT 91,902,000. This loss is disclosed among other financial expenses under the item "Interest and other financial expenses".

Revenues from investments in group members

This item refers to payments of associate's dividends. In 2001, these revenues amounted to SIT 485,592,000, showing a 103 % increase in comparison with the previous year. The largest part of these revenues relates to dividends received from Banka Koper in the amount of SIT 478 million.

Interest and other revenues from financing

In 2001, interest and other revenues from financing were realised in the amount of SIT 2,426,087,000, i.e. a rise of 208 % over the previous year. Capital gain from the sale of Si.mobil shares affected this increase the most. It is disclosed under the item "Other revenues from financing".

Long- and short-term investment write-offs

Long- and short-term investment write-offs are represented as financial expenses due to the drop of the investment value (because of a fall in the prices of securities on the Stock Exchange). Compared to the previous year, the investment write-offs are 61 % lower because the value of the investment in Cimos International amounting to SIT 1 79 million in 2000 was adjusted to a larger extent.

Interest and other financial expenses

Interest and other financial expenses are specified in a way similar to the item "Interest and other revenues from financing". They comprise interest costs and negative exchange differences. Other financial expenses also include a revaluation loss amounting to SIT 12,103,000.

Extraordinary revenue

Compared to the year 2000, in 2001 extraordinary revenue is recognised, arising from the write-off provisions relative to negative goodwill in the amount equal to 20 % of the revalued negative goodwill due to the acquisition of STC Celje.

in SIT thousand	2001	2000	01/00
Extraordinary revenues	584,438	745,340	78
Subsequently assessed revenues from previous years	78,851	39,846	198
Gains on the disposal of fixed assets*	237,623	174,113	136
Compensation received	14,707	26,488	56
Extraordinary revenue from negative goodwill write-offs	173,068	0	-
Inventory surpluses of fixed assets	0	28	-
Other extraordinary revenues	80,189	100,399	80
Collected loans written off (Cimos International)	0	404,466	-

* In 2001, the surplus arising from the difference between the recoverable values of fixed assets sold and their net carrying values is disclosed as revenue from the sale of fixed assets. In 2000, this item included the total recoverable value of fixed assets sold.

Extraordinary expenses

in SIT thousand	2001	2000	01/00
Extraordinary expenses	159,957	178,739	62
Net carrying value of fixed assets given up*	0	134,949	139
Other extraordinary expenses (compensation, shortages...)	14,268	7,407	107
Subsequently assessed expenses from previous years	10,289	36,383	-
Provision of adjustment of receivables arising from the property audit	135,400	0	-

* In 2000, the net carrying value of fixed assets given up was included among extraordinary expenses, while their total recoverable value was included among extraordinary revenues.

* In 2001, the surplus arising from the difference between the recoverable values of fixed assets sold and their net carrying values is disclosed as extraordinary revenues. Hence, the table disclosing extraordinary revenues includes revenue relative to the sale of fixed assets amounting to SIT 237,623,000.

Revaluation results in 2001

The table below shows the formation, utilisation and effect (revaluation loss) of revaluation amounting to SIT 12,103,000, which increases financial expenses in the profit and loss statement.

In SIT thousand	2001
A.Revaluation of liabilities and capital	1,956,599
Capital revaluation adjustment	1,590,373
Revaluation of loans received	318,592
Revaluation of long-term provisions	47,109
Other revaluations	525
B.Revaluation of assets	1,944,496
Fixed assets	1,128,527
Depreciation	71,355
Revaluation of short-term and long-term investments	704,046
Foreign-exchange cash	40,568
Revaluation loss (A-B)	12,103

In 2000, the revalued portion of interest on arrears relative to claims against customers in the amount of SIT 143,542,000 was disclosed among revaluation surpluses. In 2001, however, the revalued portion of these interests on arrears (as well as the real portion) is disclosed among interest revenues.

Results achieved in 2001

The multiple-step form of disclosure of expenses and revenues is used for the profit and loss statement. The performance of business operations is assessed at various levels, namely:

- **Gross operating yield** is the sum total of net operating revenues and other operating revenues (revenues from rent). In 2001, we achieved SIT 30,102,494,000 of gross revenue, representing an 8 % increase from the last year.
- **Operating profit** is the difference between gross operating yield and costs and expenses, reported in natural order. In 2001, we achieved an operating profit higher by 44 %, since the increase in net sales revenues was higher than the increase in costs of goods, materials and services.
- In 2001, we achieved a **profit from ordinary activities** in the amount of SIT 3,864,374,000, which is 163 % more than in the year 2000, mainly on the account of other financial revenues (capital gain from the sale of Si.mobil shares).
- **Total profit** is obtained by adding extraordinary revenues to the profit from ordinary activities and subtracting extraordinary expenses. In 2001, Intereuropa achieved SIT 4,288,855,000 of total profit, showing a 111 % increase compared to the previous year. This increase is lower than the increase in profit from ordinary activities because of higher extraordinary revenues in 2000 (Cimos International).
- **Net profit** in 2001 (business results in the financial year) in the amount of SIT 3,942,594,000 is obtained by subtracting tax liabilities from the total profit.

- **Balance-sheet profit** is a statutory category defined by the Companies Act. The General Meeting should allocate the balance-sheet profit to the shareholders, other reserves, transfer it to the next year or allocate it for other purposes. Net profit from previous periods also includes the revaluation adjustment of net profit transferred in the amount of SIT 610,427,000.

In SIT thousand	2001
Operating results of the financial year	3,942,594
+Net profit from previous periods	3,920,504
+Decrease in reserves from profit	-
-Increase in reserves from profit upon resolution by the Board of Directors (legal reserves, reserves for own stakes and statutory reserves)	-
-Increase in reserves from profit upon decision by the Board of Directors Supervisory Board (other reserves from profit)	-
Balance-sheet profit	7,863,098

Proposed distribution of the balance-sheet profit

At the General Meeting, the Board of Directors with the consent of the Supervisory Board will propose the following distribution of the balance-sheet profit amounting to SIT 7,863,098,000:

- A portion of the net profit from 2001 in the amount of SIT 1,580,483,000 shall be allocated to the payment of dividends to shareholders in the gross amount of SIT 200 per share. This calculation should already take into consideration the issue of 691,713 new shares for the take-over of the STTC Maribor company.
- A portion of the net profit from 2001 in the amount of SIT 54,546,000 shall be allocated to the share of the Board of Directors and the Supervisory Board in the profit of the Company;
- The remaining portion of the balance-sheet profit in the amount of SIT 6,228,069,000 shall remain undistributed.



Intereuropa d.d.		Area Code	Phone	Fax
Company's registered office and management				
Vojkovo nabrežje 32, 6504 Koper	Phone Central	5	664 10 00	664 26 74
	Managing Board		664 10 00	664 26 74
	President of the Managing Board		664 22 58	664 12 73
Logistics and Strategic Marketing		5	664 15 20	664 15 35
Road and Rail traffic			664 17 02	664 17 07
Finance, Accounting, Internal Auditing, Controlling and IT		5	664 13 73	664 13 21
Human resources			664 22 86	664 26 74
Slovenia				
Branch Office Brnik				
Brnik 130, 4210 Brnik	Phone Central	4	206 28 00	206 28 21
	Phone Central	4	281 12 00	
Brnik-UPS	UPS- (Toll Free)	80	2112	
Branch Office Celje				
Kidričeva 38, p.p. 1039, 3102 Celje	Phone Central	3	428 88 00	424 21 35
Rogatec				
Border Pass Dobovec, 3252 Rogatec		3	582 65 15	582 65 15
Velenje				
Simona Blatnika 11, 3220 Velenje		3	898 39 00	898 39 80
Branch Office Jesenice				
Spodnji Plavž 6b, 4270 Jesenice	Phone Central	4	588 91 00	588 91 09
Hrušica 216				
Karavanke Tunnel, 4270 Jesenice		4	587 10 22	587 13 52
Rosenbach - Področja /Avstrija/				
Karavanke Tunnel, 4270 Jesenice		4	587 13 21	587 10 33
Kranj				
Gorenjesavska 4, 4000 Kranj		4	202 11 61	202 18 02
Tržič				
Border Pass Ljubelj, 4290 Tržič		4	596 35 95	596 33 30
Škofja Loka				
Kidričeva 75, 4220 Škofja Loka		4	513 29 10	513 19 99
Branch Office Koper				
Vojkovo nabrežje 32, 6504 Koper	Phone Central	5	664 10 00	664 26 74
Škofije				
Border Pass Škofije, 6281 Škofije		5	654 96 65	654 91 25
Kozina				
Border Pass Krvavi potok, 6240 Kozina		5	680 11 45	680 20 62

	Area Code	Phone	Fax
Sečovlje			
Border Pass Sečovlje, 6333 Sečovlje	5	672 25 46	672 25 47
Border Pass Dragonja, 6333 Sečovlje	5	672 24 93	672 24 94
Gračišče			
Border Pass Sočerga, 6272 Gračišče	5	657 10 10	657 13 75
Branch Office Ljubljana			
Letališka cesta 35, 1001 Ljubljana	1	585 33 11	524 81 46
Dunajska 10, 1116 Ljubljana		232 02 86	431 71 52
Spodnja Idrija			
Spodnja Kanomlja 23b, 5281 Spodnja Idrija	5	377 61 01	377 61 48
Ribnica			
Kolodvorska 22, 1310 Ribnica	1	836 12 82	836 10 31
Logatec			
Za železnico 7, 1371 Logatec	1	754 34 43	754 34 53
Stari trg pri Ložu			
Border Pass Babno polje, 1386 Stari trg pri Ložu	1	705 78 89	
Branch Office Maribor			
Tržaška cesta 53, 2001 Maribor	2	420 83 33	332 66 61
Šentjanž pri Dravogradu			
Otiški vrh 25a, 2373 Šentjanž pri Dravogradu	2	878 56 72	878 54 79
Dravograd			
Border Pass Vič, 2370 Dravograd	2	878 31 32	878 31 35
Prevalje			
Pri postaji 11, 2391 Prevalje	2	824 08 56	823 30 00
Šentilj v Slovenskih goricah			
Border Pass Šentilj, 2212 Šentilj v Slovenskih goricah	2	651 00 41	651 40 01
Gornja Radgona			
Kerenčičeva 5, 9250 Gornja Radgona	2	561 10 34	562 19 39
Murska Sobota			
Nemčavci 1d, 9000 Murska Sobota	2	521 11 75	522 19 26
Središče ob Dravi			
Border Pass Središče ob Dravi, 2277 Središče ob Dravi	2	719 11 04	719 11 51
Podlehnik			
Border Pass Gruškovje, 2286 Podlehnik	2	768 22 81	768 22 91
Lendava			
Kolodvorska 2, 9220 Lendava	2	577 13 27	577 13 28
Lendava			
Border Pass Dolga vas, 9220 Lendava	2	578 11 30	578 10 85
Ptuj			
Rogozniška 33, 2250 Ptuj	2	778 53 01	778 55 31
Zavrč			
Border Pass Zavrč, 2283 Zavrč	2	761 23 11	761 23 21

		Area Code	Phone	Fax
Branch Office Nova Gorica				
International Border Pass Vrtojba 2/b, 5290 Vrtojba	Phone Central	5	330 99 10	303 52 39
Vrtojba				
International Border Pass Vrtojba 2/b, 5290 Vrtojba		5	330 99 22	303 56 07
Most na Soči				
Postaja 9, 5216 Most na Soči		5	388 72 22	388 72 02
Ajdovščina				
Tovarniška 4c, 5270 Ajdovščina		5	366 23 33	366 26 07
Branch Office Novo Mesto				
Ljubljanska cesta 36, 8104 Novo Mesto	Phone Central	7	331 62 00	
Krško				
Žadovinek 38, 8270 Krško	Phone Central	7	490 56 10	492 20 31
Jesenice na Dolenjskem				
Border Pass Obrežje, 8261 Jesenice na Dolenjskem		7	495 73 65	495 73 66
Metlika				
Border Pass Metlika, 8330 Metlika		7	305 85 79	305 85 97
Metlika				
Kolodvorska 2, 8330 Metlika		7	305 95 37	305 95 33
Branch Office Sežana				
Partizanska 93, 6210 Sežana		5	707 01 10	707 01 80
Ilirska Bistrica				
Šercerjeva 17, 6250 Ilirska Bistrica		5	714 21 14	714 13 95
Jelšane				
Border Pass Jelšane, 6254 Jelšane		5	788 50 96	788 51 50
Podgrad				
Border Pass Starod, 6244 Podgrad		5	783 56 14	783 54 14
Branch Transport Office Koper				
Vojkovo nabrežje 32, 6504 Koper	Phone Central	5	664 10 00	664 26 74
Ljubljana				
Letališka cesta 35, 1001 Ljubljana		1	585 33 11	524 48 48
Celje				
Kidričeva 38, 3102 Celje		3	541 98 55	541 98 53
Maribor				
Tržaška cesta 51, 2001 Maribor		2	331 61 77	331 74 55
Interagent Shipping agency, Koper d.o.o.				
Vojkovo nabrežje 32, 6000 Koper	Phone Central	5	664 10 00	664 29 90
Interzav Insurance service provider, Koper d.o.o.				
Vojkovo nabrežje 32, 6000 Koper		5	664 10 00	664 17 25

Croatia	Area Code	Phone	Fax
Interagent d.o.o. Rijeka Barčičeva 1, 51000 Rijeka	*51	21 34 64	33 65 40
Interagent Ploče Kralja Tomislava bb, 20340 Ploče	*20	67 91 79	67 99 36
Intereuropa Split Međunarodno otpremništvo, d.o.o. Put sjeverne luke bb, 21000 Split	*21	50 87 00	50 86 99
Zadar Ante Starčevića 6c, 23000 Zadar	*23	31 95 33	31 96 00
Ploče Kralja Tomislava 7, 20340 Ploče	*20	67 99 36	67 99 36
Intereuropa Sajam Međunarodno otpremništvo d.o.o. Zagreb Avenija Dubrovnik 15, 10020 Zagreb	*1	65 20 470	65 20 078
Zagreb- Branch UPS Avenija Dubrovnik 15, 10020 Zagreb	*1	65 21 077	65 20 912
Rijeka Nikole Tesle 9, 51000 Rijeka	*51	33 62 46	21 34 29
Umag Ernesta Miloša 25, 52470 Umag	*52	75 26 43	75 26 43
Intereuropa Zagreb Međunarodno otpremništvo, d.o.o. Josipa Lončara 3, 10090 Zagreb	Phone Central *1	37 80 555	39 00 750
Zagreb Josipa Lončara bb, 10090 Zagreb	*1	37 80 590	37 80 595
Pleso Zračna luka Pleso bb, 10150 Pleso	*1	626 55 51	626 59 64
Split Put Duja bb, 21000 Split	*21	34 70 56	34 70 55
Zadar Ive Dulčića 9, 23000 Zadar	*23	34 06 76	34 06 76
Krapina - Macelj Department Žutnica bb, 49000 Krapina	*49	37 11 43	37 11 43
Macelj Border Pass Macelj, 49000 Krapina	*49	37 90 43	37 90 35
Bregana Border Pass Bregana, Autoput bb, 10432 Bregana	*1	337 64 34	33 76 435
Sisak Rimska 29, 44000 Sisak	*44	52 15 80	52 11 88
Karlovac Gundulićeva 8, 47000 Karlovac	*47	61 37 27	61 37 25

	Area Code	Phone	Fax
Žakanje Border Pass Jurovski brod,b.b., 47276 Iakanje	*47	75 79 27	75 79 27
Osijek Gornjodravaska obala 90c, 31000 Osijek	*31	28 33 11	28 33 22
Donji Miholjac Border Pass Donji Miholjac, 31540 Donji Miholjac	*31	63 23 71	63 23 71
Belišće Trg Ante Starčevića 1, 31551 Belišće	*31	66 53 09	66 53 10
Slavonski brod Dr. Mile Budaka 1, 35000 Slavonski brod	*35	44 39 02	44 47 44
Požega Osječka 19a, 34000 Požega	*34	27 48 59	27 48 56
Županja Braće Radića bb, 32270 Županja	*32	83 91 73	83 91 75
Kutina Metanska bb, 44320 Kutina	*44	68 29 66	68 29 65
Nova Gradiška Matije Antuna Reljkovića 13, 35400 Nova Gradiška	*35	3612 31	36 12 28
Koprivnica Danica bb, 48000 Koprivnica	*48	64 70 41	64 70 44
Bjelovar Vukovarska bb, 43000 Bjelovar	*43	21 42 32	21 42 34
Virovitica Vinkovačka cesta 14, 33000 Virovitica	*33	72 56 62	72 56 63
Intereuropa RTC Varaždin Međunarodno otpremništvo, smještaj robe, pretovar i trgovina,d.d. Vilka Novaka 48c, 42000 Varaždin	*42	30 56 00	35 07 61
Čakovec Carinski odvojak bb, 40000 Čakovec	*40	32 83 75	32 83 74
Goričan Border Pass Goričan, 43324 Goričan	*40	60 80 18	60 80 19
Dubrava križovljanska Cestica, 42208 Dubrava Križovljanska	*42	73 90 88	73 90 90
Trnovec Macinec, 40306 Trnovec	*40	85 80 25	
Ludbreg Koprivnička bb, 42320 Ludbreg	*42	81 93 32	81 93 32
Varaždin, Trgovački centar Zrinski Vodnikova 2, 42000 Varaždin	*42	33 15 55	33 18 85

Bosnia and Herzegovina	Area Code	Phone	Fax
Intereuropa Mostar, Međunarodno otpremništvo d.o.o. Rodoč b.b., 88000 Mostar	*36	35 01 25	35 14 69
Grude Krug carinarnice, 88340 Grude	*39	66 17 81	66 17 81
Intereuropa RTC Sarajevo Međunarodna Špedicija, skladištenje, pretovar i transport d.d. Ulica Halilovići br.12, 71000 Sarajevo	*33	46 81 53	46 81 55
Macedonia			
Intereuropa Skopje Međunarodna Špedicija, d.o.o. 16.Makedonska brigada 10, 91000 Skopje	*2	17 33 11	17 33 93
FR Yugoslavia			
Interjug-AS Beograd, Međunarodna Špedicija, d.d. 29.novembar 68-a, 11000 Beograd	*381 11	329 09 49	75 44 48
Russia			
Intereuropa-East, d.o.o. Moskva Petrovski bulevar, 3, dom 13, str.1, 103051 Moskva	*7095	200 38 89	200 62 56

INTEREUROPA d.d.
Annual Report 2001

Text

Intereuropa d.d.
Studio Kernel

Production

Studio Kernel

Graphic Design

B.Ceglar, R.Raljevič

Translation

Peter Szabo

Language editing

Murray Bales

Photo

Jaka Jeraša

Print

Gorenjski Tisk

May 2002