

INTEREUROPA GROUP

Intereuropa, Globalni logistični servis, delniška družba INTEREUROPA, Global Logistics Service, Ltd. Co.

***Unaudited Report on
Operations Intereuropa Group
in the acc. Period
January-March 2006***



Koper, May 2006

Registered Office: INTEREUROPA d.d., Vojkovo nabrežje 32, 6504 Koper

INTEREUROPA d.d. is publishing this **Report on the Operation for the first three months (January to March) 2006** in accordance with the Ljubljana Stock Exchange Rules (Ljubljanska borza d.d., Ljubljana).

The unaudited consolidated and non-consolidated financial statements have been prepared in accordance with the provisions of International Financial Reporting Standards (IFRS).

The Report will be available for perusal on the web site of INTEREUROPA d.d., at www.intereuropa.si from 23. May 2006.

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A. INTRODUCTION

In the reporting quarter 2006, the Intereuropa Group generated net sales revenues of SIT 12.5bn (billion), which was 6.8% above the plan (in EUR 5.7%), taking into account the seasonal impact of the first quarter. Compared with the same period 2005, that means a 13.3% growth p.a.

The achievement of sales targets also reflects in the Net Profit /Loss that exceeds the plan by 20%. The net profit is 48% below the comparable figure in 2005, which can be attributed to one-off events that had a favourable impact on the result achieved in 2005.

The achievements of this period:

- Net Sales Revenues à SIT 12.5.2bn
- Net Profit/Loss à SIT 447,960 thousand
- Net return on equity à 4.2 %

Most important events in the first quarter:

- With effect of 1 January 2006, Intereuropa d.d. has started to apply the International Financial Reporting Standards as adopted by the European Union in the corporate financial statements
- 17. January 2006, the new Managing Board of Intereuropa d.d. was appointed. Mr Andrej Lovšin, M.A., was appointed President, and Mr Zvezdan Markežič as Deputy President of Managing Board.
- In February, the new Managing Board presented the corporate vision and development strategy for the term 2006-2011 and the plans for the current year
- By the Stock Swap Agreement of 6 February 2006 between INFOND HOLDING finančna družba, d.d. and the Slovenska odškodninska družba, d.d. (SOD, the Slovenian Restitution Fund), the latter acquired 474,926 shares of Intereuropa d.d.
- In March, activities for opening a daughter company in Montenegro and Kosovo were launched, aiming to consolidate the position of the Group in the markets of South-East Europe.
- In line with the adopted Corporate Vision and Strategy of the Intereuropa Group 2006-2011, organizational changes were implemented within the Division of Forwarding, Logistics, Marketing and Development headed by the Deputy President of the Managing Board. The Marketing and Development Department was established, and the following business segments:
 1. CONTINENTAL TRANSPORT SERVICES
 2. LOGISTICAL SOLUTIONS
 3. INTERCONTINENTAL TRANSPORT.

Reorganization will support unified control and management of the a.m. business segments on the level of the entire Group.

Most important events after the closing of the accounting period:

- In the Financial Days of Kapital 2006 (a Slovenian financial magazine) held on 12 and 13 April 2006 in Ljubljana, the Intereuropa Group presented itself to investors as one of the best Slovenian companies listed on the Ljubljana Stock Exchange.

- On 10 April Intereuropa Transport d.o.o. launched 17 new trucks. The investment was worth EUR 2.1 million.
- On 12 April the Supervisory Board discussed at its 8th session and adopted the Audited Annual Report of the Intereuropa Group and also adopted the MB's proposal for the use of accumulated profit.
- On 20 April 2006, the President of the Managing Board Andrej Lovšin M.A., bought at the Ljubljana Stock Exchange 1,000 Intereuropa shares at the price of SIT 5,295.00 per share. After this transaction, he shareholding in the ownership structure represents 0.01%
- On 21 April, the candidacy procedure for the position of the Director of Labour Relations has started.

Consolidated Companies

As of 31st March 2006, the INTEREUROPA Group comprised the controlling company INTEREUROPA d.d. (the Parent) and the following affiliates and associated companies:

Table: Affiliated companies of the Intereuropa Group, and the shareholding by the Parent Company as of 31 March 2006

	Subsidiary	Equity Shareholding
1	Intereuropa Transport d.o.o. Koper	100,00 %
2	Interagent d.o.o., Koper	100,00 %
3	Intereuropa IT d.o.o., Koper	100,00 %
4	Interzav d.o.o., Koper	71,28 %
5	Intereuropa, Logističke usluge d.o.o., Zagreb	99,94 %
6	Intereuropa Sajam, d.o.o., Zagreb	51,00 %
7	Intereuropa RTC d.d., Sarajevo	89,29 %
8	Intereuropa Skopje d.o.o., Skopje	99,56 %
9	Intereuropa - East d.o.o. Moskva	100,00 %
10	A.D. Interjug-AS, Beograd	73,62 %
11	TEK ZahidTransServis, Užgorod	66,67 %
12	Intereuropa S.A.S., Saint Pierre de Chandieu	67,60 %
13	Intereuropa, Transport & Spedition GmbH, Troisdorf	90,48 %
14	Schneider & Peklar GmbH, Dunaj	100,00 %

Table: Affiliated companies of the Intereuropa Group, and the shareholding by the Parent Company as of 31 March 2006

	Associated companies	Equity Shareholding
1	Adriaфин d.o.o., Koper	24,28 %
2	AC-Interauto d.o.o., Koper	40,00 %
	Controlled companies	Equity Shareholding
3	Intereuropa-FLG d.o.o. Ljubljana	50,00%

B. BUSINESS REPORT

1. OPERATING PERFORMANCE OF INTEREUROPA GROUP

1.1. Sales achievements

In the reporting term January – March 2006, the net sales achieved on the Group level came to SIT 12.5 billion. Thereby we have implemented 23.8% of the annual sales plan and surpassed the results achieved in the first quarter 2005 by 13.3%.

For a number of years we have recorded a seasonal nature of the net sales revenues, showing that the sales results in the first quarter are relatively lower than the achievements in other quarters.

These findings led us to adopt a dynamic approach in monitoring the implementation of the annual plan 2006, in which we consider the seasonal impacts on the sales revenues:

- According to individual quarters: T1: 22.3%, T2: 26.0%, T3: 25.7%, T4: 26 % of the annual plan;
- For the half-year: Half-year 1: 48.3%, Half-year 2: 51.7% of the annual plan

Accordingly, the sales results of the first quarter exceed the plan by 6.8%, or SIT 801m, which is a realistic and successful achievement resulting from intensified sales activities during this quarter and the implementation of activities set for the year 2006.

Table: Net sales revenues of the Intereuropa Group according to business segments, in million SIT

	Business Area	Jan-mar 2006	Structure	Index 2006/Plan	Index 2006/Plan
1	Continental transport	7.478	60%	107	109
2	Logistic solutions	1.203	10%	102	117
3	Intercontinental transport	3.545	28%	106	121
4	Other services	320	3%	127	127
	TOTAL	12.546	100%	107	113

All the business segments exceed the sales targets and show growth against the comparable term 2005.

Table: Net sales revenues of the Intereuropa Group according to countries, in million SIT

		Jan-Mar 2006	Structure	Index 2006/Plan	Index 2006/Plan
1	Slovenia	8.771	70%	109	112
2	Croatia	1.918	15%	107	117
3	Other countries	1.857	15%	99	117
	TOTAL	12.546	100%	107	113

The highest share of net sales revenues was recorded in our companies in Slovenia (70%) and Croatia (15%). Slovenian and Croatian companies exceeded the sales targets and showed growth against the comparable term 2005 thanks to improved sales activities and new investments.

1.2. Financial results of the Group

The net profit of SIT 448 million has outstripped the plan by 20% and promises a 4.2% net return on equity on a yearly level.

The Operating result of SIT 509 m was 17% above the plan, or SIT 73 million.

The cost of materials and services stand for 72% in the structure of net sales revenues and are slightly above the plan. This fact, recorded in some recent years, points to a declining trend in the operating margin in the revenues. The policy of the Intereuropa Group relies on improving the productivity per asset unit and employee (the economies of scale) and the economy of operations (business with higher added value), aiming to achieve the highest possible volume for the Contribution 1 (operating margin), EBITDA, and the operating result.

This quarter's financial results are impossible to compare with the first quarter 2005 due to one-off events of last year and the transition to the International Financial Reporting Standards (IFRS):

- Other operating revenues (sale of real property) in 2005 (2006/2005 -442m SIT),
- The adjustment to IFRS resulted in expenses higher by SIT144m for the write-downs/-offs and allowances.

Taking these events into account, this year's operating result is 13% or SIT 57m higher than the figure achieved in the first quarter a year ago.

Employee-related indexes show that we succeeded in improving the productivity of the sales over the comparable term last year, and exceed the plan targets. Added value per employee is within the plan, however, below the last year's achievement (as a result of the a.m. one-off events).

In the structure of Liabilities, the share of capital representing 65%, the long-term assets to liabilities ratio at 1.05, and the current ratio at 1.13 prove to the financial stability and solvency of the Intereuropa Group in the long run.

Tables: Financial Results by Intereuropa Group in million SIT

Item / Index	Jan - Mar 2006	Plan 2006	Jan -Mar 2005	Index 2006/ Plan	Index 2006/2005
Net sales revenues	12.546	11.745	11.072	107	113
EBITDA*	1.144	1.084	1.653	106	69
Operating Result	509	436	1.038	117	49
Net profit or loss	448	375	867	120	52
Net sales revenues per employee/month (in mio SIT)	1,998	1,881	1,759	106	114
Added value per employee/ month (in mio SIT)	0,533	0,525	0,603	101	88

* EBITDA: Poslovni izid pred obrestmi, davki in amortizacijjo

Item / Index	31.3. 2006	Plan 31.12.2006	31.12. 2005	Index 2006/ Plan	Index 2006/2005
Balance Sheet Total*	65.144	66.245	63.695	98	102
Capital*	42.625	42.704	42.190	100	101
Short-term assets/ short-term liabilities	1,14	1,19	1,14	96	100
Net Return on Equity (in %-yearly basis) **	4,2%	4,9%	5,6%	88	76

* as of the last day of the reporting period ** average capital of the report. period

1.3. Investments in Fixed Assets

In the first quarter 2006, the investments in fixed assets realized by the **Intereuropa Group** totalled SIT 504 m, thereof SIT 180m in real estate, and SIT 324m in equipment. The plan of investments for the year was completed at the rate of 11.1%.

Table: Overview of Investments in January-March 2006, in million SIT

Company	Real property		Equipment		TOTAL		% of annual realization
	Plan	Realiz.	Plan	Realiz.	Plan	Realiz.	
Intereuropa d.d.	529	142	543	71	1.072	213	19,8
Other Companies	2.232	38	1.240	253	3.472	291	8,4
GROUP TOTAL	2.761	180	1.783	324	4.544	504	11.1

1.4. Human Resources management

Employment trends

As of 31.03.2006, there were 2,208 employees in the Group, or 29 more than at the year end 2005.

Table: Employees according to countries

	31.3.2006	31.12.2005	Variance 06-05	Index 06/05
Slovenia	1.297	1.278	19	101
Croatia	578	587	-9	98
Other countries	333	314	19	106
TOTAL	2.208	2.179	29	101

HR Development

In the reporting period, only 8% of the employees were included in various forms of training and education to acquire new knowledge, which was 10% less than a year ago. We expect to reach the planned number of participants in training by the year end, after some training forms involving a great number of participants are scheduled (the School of Business Logistics, the Advanced School of Management, training for sales staff).

1.5. Share price movements, Ownership structure

Share Trading

End of February were published the unaudited operating results of the year 2005; the Managing Board President Andrej Lovšin MA, presented the business strategy and corporate vision of the Company's development, which had a favourable impact on the rate of the IEKG share and returned the shareholders trust. The average rate of the IEKG share rose to SIT 5,000 per share. During the relatively moderate volume of transactions with the Intereuropa share in the last days in March, the rate of the share was changing daily.

The average rate of the Intereuropa share lost 8.5% of value, whereas the SBI20 Stock Exchange Index lost 3.9%.

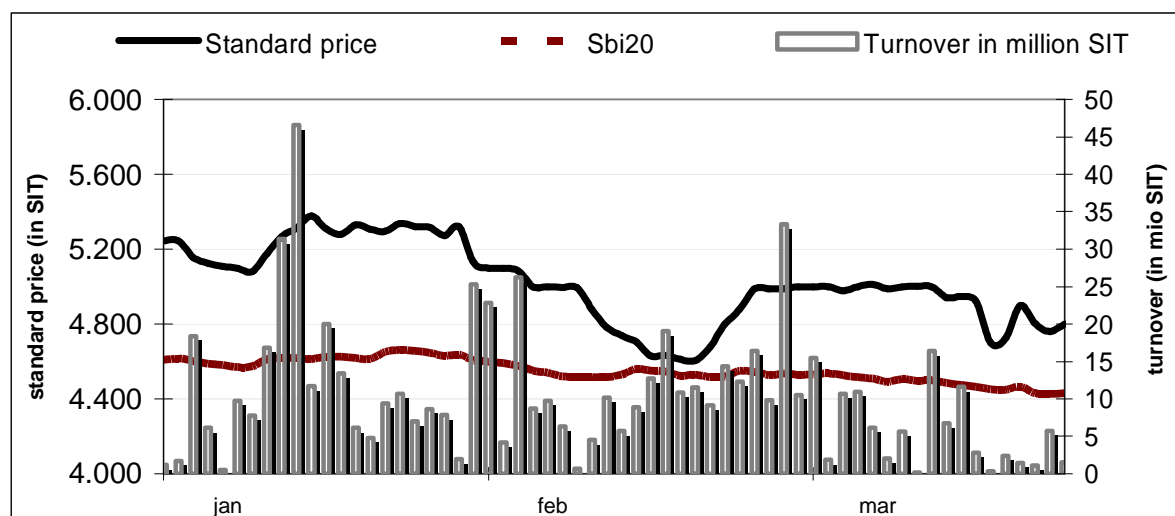
At the beginning of February, the Slovenska odškodninska družba, d.d. (or SOD, the Slovenian Restitution Fund) acquired 474,926 IEKG shares and now holds 6.01% of Intereuropa d.d. In the reporting period, two further shareholders have increased their shareholding in the Company – Luka Koper d.d. purchased 20,000 shares and Istrabenz d.d. 3,284 shares.

The book value of share* as of 31.03.2006 was SIT 4,985.94.

(* capital in thousand SIT at the end of accounting period/ number of ordinary shares issued)

The Net Profit per Share ratio (net profit for ordinary shares / (through) number of ordinary shares) in the first quarter 2006 came to SIT 40.03 (i.e. SIT160.13 on the yearly level).

Figure: Turnover and movement of the average rate of the Intereuropa Share and the SBI20 Index in the first quarter 2006



Ownership

In the reporting period, 127,127 shares changed the holder, or SIT 640.7m (this figure does not include the block and applications). The average daily turnover in the first quarter of the year was SIT 10.3m. Taking into account the contracted sale and purchase of shares in February 2006

between INFOND HOLDING finančna družba, d.d. and the Slovenska odškodninska družba, d.d. (SOD, the Slovenian Restitution Fund), 602,053 shares changed their shareholder.

Table: The shareholders structure as of 31 March 2006 and 31 December 2005

	31.03.2006		31.12.2005	Index mar/dec	Number of Shareholders
	N. of shares	Stake	N. of shares		
Individuals	1.635.200	20,69%	1.671.726	98	4.122
- of which employees	615.607	7,79%	636.525	97	550
Luka Koper	1.960.513	24,81%	1.940.513	101	1
Other companies	603.201	7,63%	601.981	100	147
Financial companies	1.620.288	20,50%	2.082.914	78	61
Kapitalska družba*	792.262	10,03%	792.262	100	5
Slovenska odškodninska družba d.d.	474.926	6,01%			1
Investment companies	816.023	10,33%	813.017	100	5
TOTAL	7.902.413	100,00%	7.902.413		4.341

*Includes KSPPS, KVPS and SODPZ, PPS (First Pension Fund)

Table: Major shareholders of ordinary shares of Intereuropa d.d. as of 31 March 2006 compared to 31 December 2005

		N. of shares 31.03.2006	Stake 31.03.2006	N. of shares 31.12.2005	Index mar/dec
1.	LUKA KOPER, D.D.	1.960.513	24,81%	1.940.513	101
2.	KAPITALSKA DRUŽBA, D.D.	719.797	9,11%	719.797	100
3.	SLOVENSKA ODŠKODNINSKA DRUŽBA D.D.	474.926	6,01%	-	
4.	INFOND ID, D.D.	348.139	4,41%	348.139	100
5.	ISTRABENZ D.D.	294.708	3,73%	291.424	101
6.	ZLATA MONETA I D.D.	255.987	3,24%	255.987	100
7.	VS TRIGLAV STEBER I, D.D.	239.776	3,03%	239.775	100
8.	ZAVAROVALNICA TRIGLAV, D.D.	213.640	2,70%	213.640	100
9.	DELNIŠKI VS MODRA LINIJA	137.261	1,74%	137.261	100
10.	KD RASTKO,	130.626	1,65%	134.432	97

Table: Shares held by members of Managing Board as of 31 March 2006

Management board	N. of shares	Stake
MARKEŽIČ ZVEZDAN, Deputy President of the Managing Board	3.094	0,04%

Table: Shares held by members of Supervisory Board, as of 3 March 2006

Supervisory board	N. of shares	Stake
VINKO REBULA	450	0,01%
NEVJA PEČAR	4.185	0,05%

Own shares

Intereuropa d.d. has not formed a fund of own shares.

At the end of the accounting period, the Company's authorized and unused capital came to SIT 389,892 thousand.

Dividend policy

In the Corporate Development Plan, the Managing Board has set forth a long-term stable policy of dividend payout.

2. PERFORMANCE OF THE COMPANY INTEREUROPA d.d.

Sales Achievements of Intereuropa d.d.

In the term January–March 2006, the net sales achieved by Intereuropa d.d. came to SIT 6.7 billion.

The seasonal element can be found in the operations of Intereuropa d.d. like in the trends on the Group level.

The sales results achieved are compared with the sales plan, where the seasonal impact on the sales results has been considered. On the level of Intereuropa d.d., the plan envisions the following percentage of the net sales revenues on the yearly level:

- According to individual quarters: T1: 22,5%, T2: 25,8%, T3: 26,2%, T4: 25.5% of the annual plan;
- For the half-year: Half-year 1: 48.3%, Half-year 2: 51.7% of the annual plan.

The share percentages are defined in an equal way as with the Group.

Therefore, the sales results of the first quarter exceed the Dynamic Sales Plan by 4.9%, and the net sales revenues generated in the first quarter of 2006 by 9.3%. Accordingly, 23.7% of the yearly sales plan was achieved.

The active sales techniques and the resulting favourable sales trends in the first three months are promising and give rise to our expectation to realize the plans for the year 2006.

Table: Net sales revenues by Intereuropa d.d. according to business segments, in million SIT

		Jan-mar 2006	Structure	Index 2006/plan	Index 2006/2005
1	Continental transport	2.447.849	36%	103	93
2	Logistic solutions	760.101	11%	109	117
3	Intercontinental transport	3.177.318	47%	104	125
4	Other services	342.494	5%	114	110
	TOTAL	6.727.762	100%	105	109

In all business segments the sales plan was surpassed; compared with the results of the first quarter 2005, the sales turnover was improved in all business segments, except in the area of continental transport services, where we were behind last year by 7.4% (railway services).

Financial results of Intereuropa d.d.

The net profit of SIT 316 million has outstripped the plan by 33% and promises a 3.2% net return on equity on a yearly level.

The Operating result of SIT 215 m was above the plan by SIT 33m. The financial results of this quarter are impossible to compare with the first quarter 2005 due to one-off events of last year (the sale of real property).

Employee-related indexes show that we succeeded in improving the productivity of the sales over the comparable term last year, and exceed the plan targets. Added value per employee is above the plan too, however, below the last year's achievement (mainly due to the a.m. one-off events).

In the structure of Liabilities, the share of capital representing 78%, the long-term assets to liabilities ratio at 1.03, and the current ratio at 1.13 prove to the financial stability of Intereuropa d.d..

Tables: Operations of Intereuropa d.d. in January-March 2006, in million SIT

Item / Index	Jan-Mar 2006	Plan 2006	Jan-Mar 2005	Index 2006/plan	Index 2006/2005
Net sales revenues	6.728	6.411	6.156	105	109
EBITDA*	499	457	986	109	51
Operating Result	215	183	669	118	32
Net profit or loss	316	237	708	133	45
Net sales revenues per employee/month (in mio SIT)	2,568	2,460	2,225	104	115
Added value per employee/ month (in mio SIT)	0,608	0,573	0,738	106	82

*EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortisation

Item / Index	31.3. 2006	Plan 31.12.2006	31.12. 2005	Index 2006/plan	Index 2006/2005
Balance Sheet Total*	50.795	49.554	50.132	103	101
Capital*	39.401	37.994	39.052	104	101
Short-term assets/ short-term liabilities	1,13	1,03	1,09	110	104
Net Return on Equity (in %-yearly basis) **	3,2%	2,8%	7,1%	116	46

* as of the last day of the accounting period ** average capital of the rep. period

C. CONCLUSION

The first quarter of this year saw a 10% growth of net sales revenues as compared with the first quarter 2005, and exceeded the sales plan by 6.8% and the net operating result (Net Profit/Loss) by 20%.

The financial result was nearly halved compared with the figure achieved in the first quarter 2005, however, when the one-off events are deducted, we find that this year's operating result is higher by SIT 57m. The result could be even better if the cost of services (direct costs) remained level in correlation to the growth of sales and thereby assure the same rate of operating margin.

The operating results of the year 2005 were not reflected in the price of the Intereuropa share, for which the negative trend from 2005 continued during the first quarter of 2006.

However, this unfavourable trend turned upwards in April when the share rate improved by 13.9%. That shows that the trust in the Intereuropa share has returned and the investors' positive expectations.

The sales results of the first quarter are normally subject to the seasonal impact, however, that makes the expectations for the coming quarter(s) all the more higher.

The Managing Board will see to the implementation of the strategy set for the medium term up to 2011, and monitor the achieving of the goals set for 2006, and through successful performance provide a positive answer to the trust of Intereuropa shareholders and other financial public.

INTEREUROPA d.d.
The Managing Board President
- Andrej Lovšin, M.A

D. UNAUDITED FINANCIAL STATEMENTS

Adjusting the items to the IFRS for the comparable period

The financial statements of the Parent Company and the consolidated financial statements for the Group are prepared in accordance with the law and the International Financial Reporting Standards (IFRS).

With effect of 1 January 2006, Intereuropa d.d. migrated from applying the Slovenian accounting standards (SRS) in the preparation of its financial statements to the International Financial Reporting Standards as adopted by the European Union, whereas the financial statements for the Group were first prepared under the IFRS for the year 2005.

In individual financial statements of the Parent Company Intereuropa d.d., we account for the investments in affiliated, associated and jointly controlled companies by the procurement value. Upon the first use of the IFRS, we have revaluated investments in affiliated and associated companies and in the jointly controlled company, which were under the SRS evaluated according to the equity method, to the procurement value as of 1 January 2003 (elimination of the equity method and exchange differences up to 1 January 2003).

Note of conformation to IFRS

The effect of conformation to IFRS for comparable dates first three months period is lower business outcome for 173.042 thousand SIT.

You can find a more detailed explication in slovene part of publication.

UNAUDITED FINANCIAL STATEMENTS OF INTEREUROPA GROUP
BALANCE SHEET OF THE INTEREUROPA GROUP as at 31.3.2006

in '000 of SIT	31.03.2006	31. 12. 2005*	Index 05/04
ASSETS	65.144.149	63.694.618	102
A. LONG-TERM ASSETS	48.412.212	48.325.098	100
I. Intangible assets and long-term deferred items	1.844.147	1.814.342	102
II. Tangible fixed assets	34.357.697	34.328.302	100
III. Investment property	3.471.491	3.508.037	99
IV. Long-term financial investments	8.678.945	8.647.799	100
V. Long-term operating receivables	926	3.445	27
VI. Deferred tax assets	59.006	23.173	255
B. SHORT-TERM ASSETS	16.299.238	14.931.304	109
I. Assets for sale	247.326	259.022	95
II. Inventories	23.451	45.535	52
III. Short-term financial investments	1.993.264	2.135.142	93
IV. Short-term operating receivables	12.996.080	11.632.748	112
V. Cash	1.039.117	858.857	121
C. SHORT-TERM DEFERRED ITEMS	432.699	438.216	99
LIABILITIES	65.144.149	63.694.618	102
A. CAPITAL	42.625.297	42.190.270	101
I. Called-up capital	7.902.413	7.902.413	100
II. Capital reserves	11.838.861	11.838.861	100
III. Reserves from profit	2.659.005	2.659.005	100
IV. Revaluation surplus	4.581.133	4.547.614	101
V. Net profit/loss brought forward	14.167.680	11.952.200	119
VI. Net profit or loss for the financial year	417.467	2.215.480	19
VII. Consolidated capital adjustment (translation exchange rate differentials)	334.795	312.132	107
VIII. Minority interest	723.943	762.565	95
B. PROVISIONS AND LONG-TERM ACCRUED ITEMS	786.705	761.902	103
C. LONG-TERM LIABILITIES	7.458.595	7.597.214	98
I. Long-term financial liabilities	6.089.129	6.274.456	97
II. Long-term operating liabilities	28.570	30.319	94
III. Deferred tax liability	1.340.896	1.292.439	104
D. SHORT-TERM LIABILITIES	14.258.746	13.087.680	109
I. Liabilities included in disposal groups	0	0	-
II. Short-term financial liabilities	2.436.429	2.165.850	112
III. Short-term operating liabilities	11.822.317	10.921.830	108
E. SHORT-TERM PROVISIONS AND ACCRUED ITEMS	14.806	57.552	26

*Data adjusted to MSRP

**PROFIT & LOSS ACCOUNT OF THE INTEREUROPA GROUP for the period between
1.1.2006 and 31.3.2006**

in '000 of SIT	2.005	2.004	Index 05/04
1. NET SALES REVENUES	12.545.833	11.071.861	113
2. CAPITALISED OWN PRODUCTS AND SERVICES			
3. OTHER OPERATING REVENUES	163.668	605.217	27
4. COST OF GOODS, MATERIAL AND SERVICES	9.069.299	7.687.963	118
5. LABOUR COSTS	2.200.991	2.143.110	103
6. WRITE-OFFS	811.607	647.464	125
6.1. Depreciation and other intangible long-term assets write-downs and tangible fixed assets write-offs	635.396	615.499	103
6.2. Current assets revaluation adjustments and write-offs	176.211	31.965	551
7. OTHER OPERATING EXPENSES	118.833	160.656	74
8. OPERATING PROFIT/LOSS (1+2+3-4-5-6-7-8)	508.771	1.037.885	49
9. FINANCIAL REVENUES FROM STAKES	11.325	998	1.135
10. FINANCIAL REVENUES FROM LOANS GIVEN	22.512	24.083	93
11. FINANCIAL REVENUES FROM OPERATING RECEIVABLES	113.496	222.133	51
12. FINANCIAL EXPENSES FROM IMPAIRMENT AND WRITE OFFS OF FINANCIAL INVESTMENTS	0	583	-
13. FINANCIAL EXPENSES FROM FINANCIAL LIABILITIES	59.804	78.589	76
14. FINANCIAL EXPENSES FROM OPERATING LIABILITIES	18.750	205.030	9
15. PROFIT OR LOSS FROM ORDINARY ACTIVITIES (8+9+10+11-12-13-14)	577.550	1.000.897	58
16. OTHER REVENUES	0	0	-
17. OTHER EXPENSES	0	0	-
18. PROFIT OR LOSS FROM EXTRAORDINARY ACTIVITIES (16-17)	0	0	-
19. Corporation tax	125.837	206.320	61
20. Deferred tax	3.752	-72.448	-
21.a Net profit or loss of minority shareholders	30.493	22.786	134
21.b Net profit or loss of the majority shareholder (15+18-19-20-21.a)	417.468	844.239	49
21. NET PROFIT OR LOSS FOR THE PERIOD (21.a+21.b)	447.961	867.025	52
Basic earnings per share	52,83	106,83	49

*Data adjusted to MSRP

UNAUDITED FINANCIAL STATEMENTS OF THE PARENT COMPANY INTEREUROPA d.d.

BALANCE SHEET OF THE PARENT COMPANY INTEREUROPA d.d. as at 31.3.2006

in '000 of SIT	31.03.2006	31. 12. 2005*	Index 06/05
ASSETS	50.795.204	50.131.881	101
A. LONG-TERM ASSETS	41.300.855	41.290.998	100
I. Intangible assets and long-term deferred items	237.972	186.940	127
II. Tangible fixed assets	18.437.927	18.457.397	100
III. Investment property	3.471.490	3.508.037	99
IV. Long-term financial investments	19.152.540	19.135.697	100
V. Long-term operating receivables	926	2.927	32
VI. Deferred tax assets	0	0	
B. SHORT-TERM ASSETS	9.229.866	8.480.725	109
I. Assets for sale	247.326	259.022	95
II. Inventories	12.422	12.653	98
III. Short-term financial investments	2.487.486	2.348.561	106
IV. Short-term operating receivables	6.393.507	5.735.815	111
V. Cash	89.125	124.674	71
C. SHORT-TERM DEFERRED ITEMS	264.483	360.158	73
LIABILITIES	50.795.204	50.131.881	101
A. CAPITAL	39.400.969	39.051.852	101
I. Called-up capital	7.902.413	7.902.413	100
II. Capital reserves	11.838.861	11.838.861	100
III. Reserves from profit	2.659.005	2.659.005	100
IV. Revaluation surplus	4.578.517	4.545.750	101
V. Net profit/loss brought forward	12.105.823	10.364.455	117
VI. Net profit or loss for the financial year	316.350	1.741.368	18
B. PROVISIONS AND LONG-TERM ACCRUED ITEMS	338.021	340.782	99
C. LONG-TERM LIABILITIES	2.893.583	2.878.432	101
I. Long-term financial liabilities	1.545.881	1.545.807	100
II. Long-term operating liabilities	4.479	4.479	100
III. Deferred tax liability	1.343.223	1.328.146	101
D. SHORT-TERM LIABILITIES	8.147.825	7.809.012	104
I. Liabilities included in disposal groups	0	0	-
II. Short-term financial liabilities	2.026.930	1.748.054	116
III. Short-term operating liabilities	6.120.895	6.060.958	101
E. SHORT-TERM PROVISIONS AND ACCRUED ITEMS	14.806	51.803	29

*Data adjusted to MSRP

PROFIT & LOSS ACCOUNT OF THE PARENT COMPANY INTEREUROPA d.d. for the period between 1.1.2006 and 31.3.2006

in '000 of SIT	Jan-Mar 2006	Jan-Mar 2005*	Index 05/04
1. NET SALES REVENUES	6.727.762	6.155.959	109
2. OTHER OPERATING REVENUES	5.147.984	4.574.013	113
3. COST OF GOODS, MATERIAL AND SERVICES	1.094.584	1.055.321	104
4. LABOUR COSTS	351.582	326.480	108
5. WRITE-OFFS	283.575	316.916	89
5.1. Depreciation and other intangible long-term assets write-downs and tangible fixed assets write-offs	68.007	9.564	711
5.2. Current assets revaluation adjustments and write-offs	33.316	73.970	45
6. OTHER OPERATING EXPENSES	33.316	73.970	45
7. OPERATING PROFIT/LOSS (1+2-3-4-5-6)	215.464	668.890	32
8. FINANCIAL REVENUES FROM STAKES	117.936	69.373	170
9. FINANCIAL REVENUES FROM LOANS GIVEN	29.737	30.384	98
10. FINANCIAL REVENUES FROM OPERATING RECEIVABLES	46.779	38.290	122
11. FINANCIAL EXPENSES FROM IMPAIRMENT AND WRITE OFFS OF FINANCIAL INVESTMENTS	0	0	-
12. FINANCIAL EXPENSES FROM FINANCIAL LIABILITIES	27.864	39.905	70
13. FINANCIAL EXPENSES FROM OPERATING LIABILITIES	2.984	13.615	22
14. PROFIT OR LOSS FROM ORDINARY ACTIVITIES (7+8+9+10-11-12-13)	379.068	753.417	50
15. OTHER REVENUES	0	0	-
16. OTHER EXPENSES	0	0	-
17. PROFIT OR LOSS FROM EXTRAORDINARY ACTIVITIES (16-17)	0	0	-
18. Corporation tax	58.454	117.790	50
19. Deferred tax	4.264	-72.620	-
20. NET PROFIT OR LOSS FOR THE PERIOD (14+17-18-19)	316.350	708.247	45
Basic earnings per share	40,03	89,62	45

*Data adjusted to MSRP