Intereuropa®

Global Logistics Service

Unaudited Interim Report

INTEREUROPA Group

January - March 2013

Koper, May 16, 2013

The INTEREUROPA d.d. is publishing this Unaudited Report of Intereuropa Group for January – March 2013, in accordance with the Market in Financial Instruments Act (ZTFI).

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

This Report is available at the Company's registered office at Vojkovo nabrežje 32, 6504 Koper.

The Unaudited Report of Intereuropa Group for January - March 2013 shall also be published on the web site of INTEREUROPA d.d. www.intereuropa.si on May 16, 2013.

C O N T E N T S

PERFORMANCE HIGHLIGHTS

After disposal of the Logistics Centre Chekhov in Russia and successful financial restructuring of the Parent Company just before the end of previous year, we started this year with on-going activities to maintain the leading market position of an integral logistics provider in Slovenia and in the countries of former Yugoslavia, accompanied by the activities to assure cost efficiency of our operations. Downward economic situation overwhelming our markets still reflects in a lower volume of trading in goods, which in turn increases the competition among logistics providers and escalates the pressures on prices. In the reporting term we paid particular attention to preparations for the accession of Croatia to the European Union, strengthened sales activities to acquire new customers, and continued streamlining the operational processes. We carried on with development of IT support to logistics solutions in Slovenia, and started with digitalisation of incoming documents for operational needs.
On the Group level we achieved € 39.8 million of sales revenue in the first quarter of the year 2013, which was 16 percent behind the comparable term a year ago. Two principal reasons for this decline were the disposal of Logistics Centre Chekhov and lower volume of services for our major customer which has not been fully compensated by acquisition of new business yet. Nevertheles, we were able to achieve our targets in sales revenue, operating profit, free cash flow and income productivity. The reporting period closed with an operating profit of € 2.3 million and € 1.0 million of net profit on the Group level. Over one half of the net profit was made by the Parent Company Intereuropa d.d.

	INTEREUROPA GROUP			INTEREUROPA D.D.		
(in 1000 €)	Jan-Mar 2013	Jan-Mar 2012	Index 13/12	Jan-Mar 2013	Jan-Mar 2012	Index 13/12
Sales Revenue	39,822	47,368	84	23,606	28,469	83
EBITDA	4,185	6,934	60	2,517	3,492	72
Operating profit or loss (EBIT)	2,293	4,343	53	1,433	2.300	62
Net profit or loss	960	4,539	21	482	623	77
EBITDA margin in %	10.5	14.6	72	10.7	12.3	87
EBIT margin in %	5.8	9.2	63	6.1	8.1	75
Sales Revenue per employee/month	8.144	8.025	101	11.289	12.757	88
Value Added per employee /month	2.274	2.637	86	3.186	3.552	90

(in 1000 €)	31.03. 2013	31.12. 2012	Index 13/12	31.03. 2013	31.12. 2012	Index 13/12
Assets	323,706	322,969	100	244,058	244,758	100
Equity	155,701	154,893	101	101,376	100,887	100
Net debt	98,652	100,121	99	93,524	94,397	99
No. of employees	1,672	1,702	98	709	720	98

	Jan-Mar 2013	Jan-Dec 2012	Index 13/12
No. of shares at the end of term	27,488,803	27,488,803	100
Net earning per share (in €)	0.02	-0.77	-
Closing price at the end of term (in €)	0.50	0.55	91
Book value of share at the end of term (in €)	3.69	3.67	101
Closing price / Book value of share	0.14	0.15	93
P/E	25.1	-0.71	-

EBITDA: Earnings Before Interest, Taxes, Depreciation, Amortisation and Revaluation operating expenses for intangible and tangible assets
Net debt: financial liabilities – loans and deposits given - cash
P/E: Closing price at the end of term/ Net earning per share

GROUP PROFILE

Parent company	Intereuropa, Global Logistics Service, Ltd. Co.
Abbreviated name	Intereuropa d.d.
Country of the parent company	Slovenia
Head office of the parent company	Vojkovo nabrežje 32, 6000 Koper
Comp. ID no.	5001684
Tax no.	56405006
Entry in Companies Register	Registered with the District Court in Koper, file no. 1/00212/00
Share capital	27,488,803 €
Number of of issued and paid-up shares	27,488,803 no-par value shares, of which 16,830,838 ordinary (IEKG) and 10,657,965 preferencial (IEKN)
Share listing	Shares designated IEKG are included in blue chips on the Ljubljana Stock Exchange, CEESEG.
Management Board	Ernest Gortan, Msc., President of the Management Board Tatjana Vošinek Pucer, Deputy President of the Management Board
Chair of the Supervisory Board	Bruno Korelič (until April 11, 2013)

Intereuropa Group	
No. of employees	1,672 employees
Vehicle fleet	156 company-owned trucks, tractors, and trailers and other commercial vehicles
Total warehousing area	235,100 m^2 in-house warehouse
Total land area	1,703,000 m^2 of land area
Membership in international organisations	FIATA, IATA, FETA, FONASBA, BIMCO, IRU
Quality certificates	certificate ISO 9001:2008: o Intereuropa d.d., Koper o Intereuropa, log. usluge d.o.o. Zagreb o Intereuropa RTC d.d. Sarajevo.
Branch network	Slovenia, Croatia, Montenegro, Bosnia & Herzegovina, Serbia, Kosovo, Macedonia, Albania, Ukraine

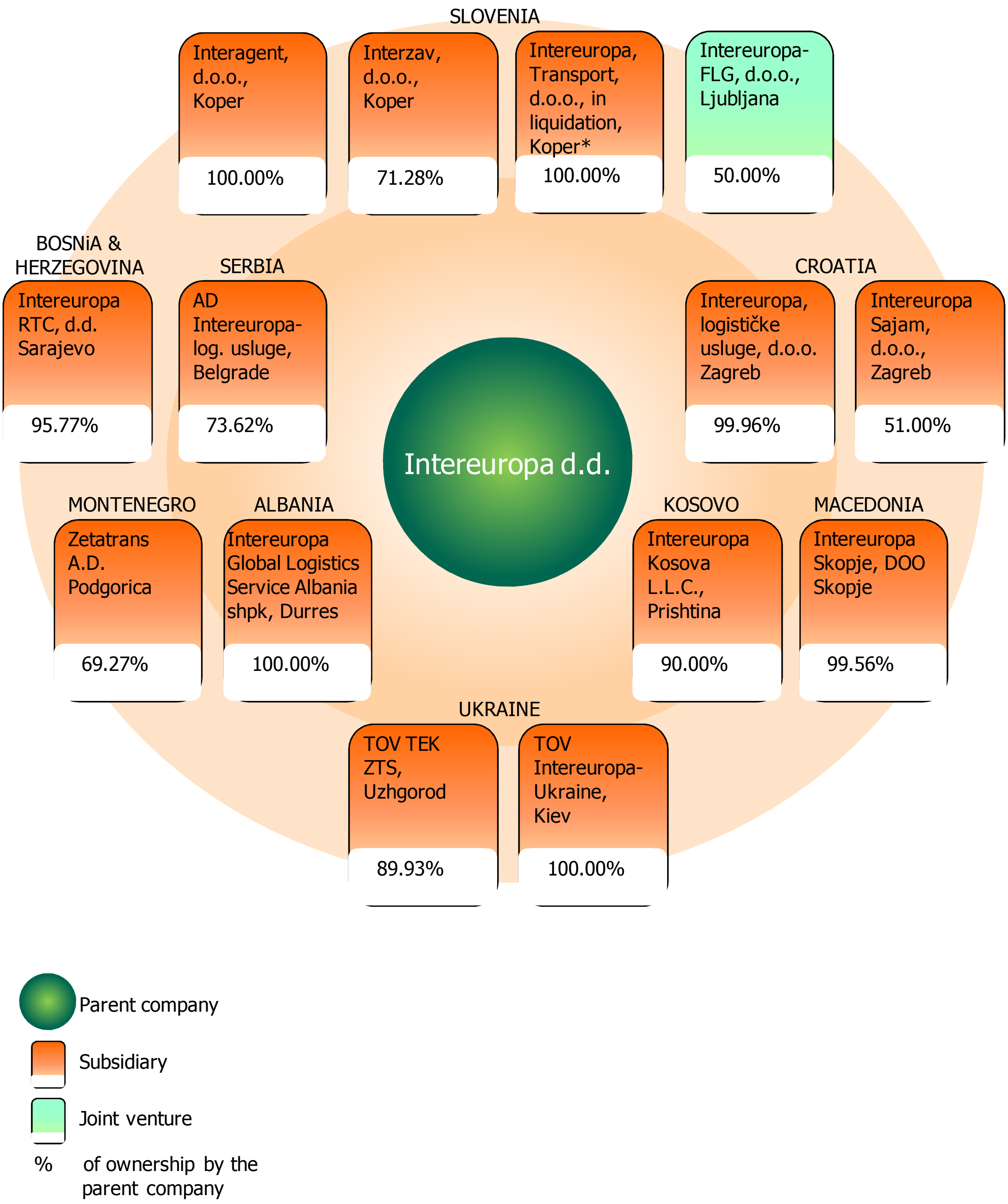

Figure 1: Intereuropa Group as of 31.3.2013

STRATEGIC OBJECTIVES

Corporate vision

To become a top-ranked provider of integral logistics solutions.

Mission

The mission of the Intereuropa group is to meet the need for logistics services and provide the optimal functioning of supply chains to the complete satisfaction of our customers, while creating added value for shareholders, employees and other stake-holders in a socially responsible manner.

Values

Professional attitude towards customers. Our activities seek to offer optimal solutions for the logistics needs of each and every customer, based on advanced logistics know-how.
Adaptability and flexibility. Our services are prompt and tailored to customers' needs. They are based on inventive business solutions and good organization.
Responsibility. We are distinguished by a high level of responsibility for all obligations and arrangements undertaken, as well as for both the social and natural environments.
Team work and respect for co-workers. The quality of our services is the result of the work of individuals and excellent expert teams. We duly take into account co-workers' knowledge, experience and views.

Our organizational structure and professional competence will enable us to fully realize our competitive advantages:

→ own network of subsidiaries,
→ established partnership network,
→ a wide range of different products and our own infrastructure,
→ technically qualified staff.

The strategic objectives identified in the Strategic Plan of Intereuropa Group for the term 2010 – 2014:

→ Maintaining and strengthening our position as the leading provider of comprehensive logistics services in Slovenia and the countries of the former Yugoslavia.
→ Continuous optimization of processes in all business segments at the group level and within the consolidated companies.
→ Ensuring financial stability through divestment, de-leverage, debt rescheduling and effective management of working capital.
→ Establishing a strategic partnership in the company Intereuropa East Ltd., Moscow.
→ Acquiring a strategic partner for Intereuropa d.d. that will carry out recapitalization, thus contributing to the group's financial stability as well as the development of our core business.

BUSINESS PLAN 2013

The baselines for the 2013 Business Plan of the Intereuropa Group are to retain the leading position in key markets and proceed with the optimization of business processes.
The underlying focus remains to assure sufficient cash flows for effective operation of the Group and of the Parent Company. The essential socio-economic factors considered in the preparation of our business plan are:

→ the company Intereuropa-East Ltd., Moscow, is no longer a member of our Group in 2013,
→ Accession of Croatia to the EU on 1 July 2013,
→ Stagnation expected in the majority of geographical markets of the Group, or a minimal economic growth resp.
→ Adverse liquidity situation continues on the logistics markets, and the resulting pressures on price cuts.

Accordingly, we have set the following operating and financial goals for the year 2013 on the Group level:

→ aligning our operations to the EU-accession of Croatia,
→ continue with the optimization of business processes;
→ focus on the markets with a high market share,
→ use the synergies of the corporate network,
→ we will proceed with the restructuring of our range of services,
→ increase the share of customers who use integral logistics,
→ direct the marketing activities towards developing partnerships, i.e. customer relations management in the long run,
→ and with upgrading /modernization of information systems,
→ efficient management with working capital, ensuring adequate liquidity for undisturbed operation of the Group,
→ Core Financial Goals:
   - Sales: € 156.0 million,
   - EBITDA: € 15.9 million,
   - Operating Profit or Loss: € 8.3 million,
   - Investments: € 3.8 million,
   - Number of employees at year-end: 1,485.

MAJOR EVENTS

MAJOR EVENTS IN THE PERIOD JANUARY – MARCH 2013

January

→ In January, Intereuropa organized an open-door day for our employees' children; the aim was, in addition to presenting them the work environment of their parents, also to provide for the day-care of the children on the day of the announced public servants' strike.

February

→ Intereuropa was chosen as the leading partner for the co-financing of the project »Competence Centre for HR Development in Logistics«. The purpose of the project is primarily to include the employees from partner organizations into a programme to address, by active and systematic approach, their deficiencies in the area of competences (knowledge, skills, qualifications) that are of vital importance for achieving the competitiveness of logistics enterprises. The Project will be co-financed from the dedicated funds of the European Social Fund (85 percent) and from the budget of the Republic of Slovenia (15 percent).

→ Intereuropa provided the comprehensive logistics support to the largest international travelling exhibition Da Vinci – the Genius, which in six years attracted millions of visitors in more than 40 cities worldwide.

March

→ On 4 March 2013 the Supervisory Board of Intereuropa d.d. was informed on the performance of the Intereuropa Group in the year 2012. According to unaudited data, the Intereuropa Group recorded a sales revenue at € 188.4 million, which was 2 percent below the sales target.

→ Intereuropa organised the comprehensive logistics support, inclusive of air transport to Rochester, which was the venue of international wine evaluation »Finger Lakes International Wine Competition«. It is the most reputable international assessment of wines on the American Eastern coast, which also has a strong link with charity.

MAJOR EVENTS AFTER THE CLOSING OF THE PERIOD

April

→ The Supervisory Board of Intereuropa d.d. adopted on 9 April 2013 the Audited Annual Report 2012 for the Intereuropa Group along with the external Certified Auditor's Report. On the same day the Supervisory Board published the invitation of applications for substitute members of Supervisory Board, because the term of office of all the four members representing the shareholders expires this year.

→ On 19 April 2013 Intereuropa d.d. took part in the event for investors Day of Slovenian Capital Market organized by the Ljubljana Stock Exchange, and presented the corporate performance 2012 and the prospects for the future to potential institutional investors.

→ In the international conference ECU AIR / HCL, held from 10 to 13 April in Barcelona, Intereuropa was awarded with the "Best Network Agent in Managerial Reporting 2012" as the most responsive and organised agent in the group for that year.

→ On 19 April 2013 the Montenegrin Chamber of Commerce awarded our subsidiary AD Zetatrans Podgorica for good performance, innovation and successful management in 2012. The guest of honour and official speaker was the President of Montenegro Filip Vujanović.

BUSINESS REPORT

1. PERFORMANCE OF INTEREUROPA GROUP

1.1. Sales achievements

ECONOMIC TRENDS

The adverse economic situation in the Euro Zone persisted in the reporting quarter 2013. In January, the most short-term indices for economic activity have declined. Industrial output in processing industries has fallen, and also various trust indicators were declining, implying a shrunken economic activity for the coming months in most of trade partners of Slovenia, except for Germany and Austria. The Brent oil prices that were rising in the first two months fell to € 84.10 per barrel in March, which was 10.7 percent lower than one year ago and approximately on the level of the second half-year 2012.
For Slovenia, most of short-term indicators of economic activity that were aggravating in 2012 does not show any outlook for economic improvement yet. According to the Slovenian Central Bank (Bank of Slovenia), only the exporting sector improved in the first quarter 2013, thanks to re-directing the exports to the countries outside the Eurozone. Nevertheless, short-term prospects have remained unfavourable and uncertain due to weak domestic demand and adverse situation in international environment.
Last year's slow-down in the European Union and the expected stagnation for 2013, on top of weak domestic consumption, reflected also on the forecasts for the Balkan countries, which have deteriorated. Such a situation further affects the outlooks for Slovenian exports, as the share of the Balkan countries stands for 16 percent: the largest Slovenian trade partners among them (Croatia, Bosnia and Herzegovina, Serbia) are believed to improve their GDP by less than one percent (on average) in the current year.
According to the forecasts by the International Monetary Fund, the world economic output in 2013 will grow by 3.2 percent on average. The US economy is expected to achieve a 1.9 percent growth, the Eurozone economies will shrink by 0.3 percent, while the economies of the emerging and developing markets are expected to rise by 5.3 percent.

Table 1: Forecast of economic trends in goegraphic markets of the Intereuropa group

Countries	BDP growth, in %		Inflation, in %		Exports of goods growth, in %		Imports of goods growth, in %	
	2013	2014	2013	2014	2013	2014	2013	2014
EU 27	0.0	1.3	1.8	1.7	1.6*	3.0*	-0.1*	2.7*
CEE	2.2	2.8	3.8	3.4	3.1	4.8	5.4	5.4
Slovenia	-1.9	0.2	1.9	1.7	0.9	3.4	-0.8	2.4
Croatia	-0.2	1.5	2.7	2.1	1.7	3.6	-0.6	3.0
BiH	0.5	2.0	1.8	1.8	7.3	10.7	6.4	7.4
Serbia	2.0	2.0	5.5	4.0	8.6	8.6	3.5	4.5
Kosovo	2.9	4.3	1.5	1.7	7.5	14.6	7.9	3.9
Montenegro	1.2	2.0	2.1	2.0	-2.8	3.8	1.8	5.0
Macedonia	2.0	3.1	2.0	2.0	8.4	11.5	7.9	10.1
Albania	1.8	2.5	2.5	3.0	11.1	6.1	5.6	4.3
Ukraine	1.2	2.8	2.8	4.7	4.9	6.4	2.7	6.8

* Eurozone data

SOURCES:
World Economic Outlook, IMF, April 2013
Spring forecast of economic trends 2013, UMAR, March 2013
Economic Mirror-March 2013, UMAR, April 2013
Macroeconomic trends and projection, Banka Slovenije, April 2013

SALES REVENUE OF INTEREUROPA GROUP

Lately, the economic situation has not provided for stronger goods flows that are being serviced by Intereuropa and its subsidiaries. In the markets that are still in a financial and economic squeeze, the customers of logistical services pay their utmost attention to price and reliability of such services, including the total lead time taken by the supply chain. The effects of cost optimisation undertaken during the preceding years contribute to our operations and satisfy the needs of our customer.

In the first three months of the current year, the Intereuropa Group achieved the target sales revenue and earned the sales revenue of € 39.8 million. That figure was 16 percent lower than in the first quarter of the year ago due to disposal of logistics centre Chekhov (in November 2012) and decrease in the volume of services purchased by our major customer (Top Shop Intl.).

Table 2: Sales revenue of the Intereuropa Group by business area, in € thousand

	Business area	Jan - Mar 2013	Structure	Index 2013/plan	Index 2013/2012
1	Land transport	25,330	64%	109	93
2	Logistics solutions	4,046	10%	98	65
3	Intercontinental transport	8,808	22%	82	72
4	Other services	1,638	4%	104	98
	TOTAL SALES REVENUE	**39,822**	**100%**	**100**	**84**

The best sales results of all the three areas of our core business, were recorded by the Land transport area. The share of these services in the sales structure rose on account of the other two core areas by as much as 5 percentage points above the year ago, ending at 64 percent. Nevertheless, the sales result of this area was 7 percent lower this year: the grounds for such a drop mainly range from the lower output in the road transport segment due to slashed volume of services of our major customer, and shrunken volume of customs broking and border transit procedures, which had a bearing on slightly weaker demand for customs services. The comparison with the targets shows that we surpassed the planned sales revenue by 9 percent, thanks to considerable improvement in the road and railway transport segments. Despite falling sales margins, we outstripped the plan in road transport services (representing already one quarter in the sales revenue of the Group), whereas the improved sales result in the railway transport segment is attributable primarily to the Ukrainian company TEK ZTS of Uzhgorod, which generated 93 percent of this product's sales of the Group.

The disposal of logistics centre in Russia was most strongly felt by a weaker sale of services in car logistics segment (of all our logistics products), and along with the overall crisis in automotive industry and lower throughput of cars via the Koper port, this transaction has adversely affected the sales result of Intercontinental transport area. Out container services segment has come closest to the target sales revenue: with a higher number of containers in import and export we recorded 20 percent higher sales than in the same term a year ago.

One tenth of the revenue in the reporting quarter was generated by the Logistics solutions area. This result, which came quite close to the plan, was further affected by increased pressures on prices of our services, and by different logistics needs in our customers: that led to a greatly reduced volume of cooperation with some of our customers.

The structure of sales revenue by country and location of Group members slightly changed from the year 2012 to the advantage of the Slovenian part of the Group. Slovenian subsidiaries achieved € 23.1 million of sales revenues, or 5 percent below the plan. Of the subsidiaries located abroad (outside Slovenia), our Ukrainian and Macedonian subsidiary surpassed the targets primarily in the railway and road transport segments.

Table 3: Sales revenue of Intereuropa group by countries (by companies' head office) in € thousand

	Geografical area (by companies' head office)	Jan - Mar 2013	Structure	Index 2013/plan	Index 2013/2012
1	Slovenia	23,102	58%	95	83
2	Croatia	6,975	18%	95	94
3	Bosnia & Herzegovina	1,371	3%	95	94
4	Serbia	750	2%	98	88
5	Macedonia	906	2%	311	299
6	Kosovo	385	1%	82	100
7	Montenegro	1,104	3%	99	104
8	Albania	93	0%	93	96
9	Ukrain	5,137	13%	129	121
	TOTAL SALES REVENUE	**39,822**	**100%**	**100**	**84**
1	EU countries	23,102	58%	95	83
2	Non-EU countries	16,720	42%	108	86

Due to the nature of comprehensive logistics, the customer portfolio of Intereuropa includes buyers from any country of the world. In the reporting term, 52 percent of our sales revenues originated from the sale to EU customers, thereof nearly 60 percent to Slovenians. In the same term we recorded an increased share of sales to Ukrainian, Austrian and German customers.

Table 4: Sales revenue of the Intereuropa group by countries (by customers' head office), in € thousand

	Geografical area (by customers' head office)	Jan - Mar 2013	Structure	Index 2013/2012
1	Slovenia	12,370	31%	85
2	Croatia	6,674	17%	96
3	Russia	660	2%	18
4	Bosnia & Herzegovina	1,350	3%	87
5	Serbia	745	2%	90
6	Montenegro	1,068	3%	104
7	Other countries	16,954	43%	91
7a	Other EU countries	8,515	21%	94
7b	Other countries	8,439	21%	88
	TOTAL SALES REVENUE	**39,822**	**100%**	**84**

Land transport

Land Transport has the highest share in the Group's sales structure. That share rose by 5 percent over the comparable term last year, and we achieved 64 percent of the Group's total sales revenues in the Land Transport area. The revenues from services by Land transport amounted to € 25.3 million; thereof, the major share was generated by the Parent Company in Slovenia, which contributed nearly one half of total sales revenue from Land transport.

In the reporting quarter the Land transport area exceeded the target sales revenue by 9 percent. The highest overachievement of plan was recorded in the road and railway transport segments, whereas the customs services product saw the biggest setback. Best performing subsidiaries were TEK ZTS Uzhgorod, Intereuropa Skopje d.o.o., Intereuropa d.d., and Zetatrans A.D.; on the other hand, the Croatian subsidiary Intereuropa, logističke usluge, d.o.o., Zagreb recorded the worst underachievement primarily because of unrealised plans in the customs services product.

Compared with the first quarter of the year 2012, the sales revenue was 7 percent lower. A better result than last year was only achieved in the railway transport product, other products recorded no growth. Customs services and road transport saw the worst drop of all.

We carried on with activities addressing cost efficiency and the streamlining of operations, primarily in the express service product, and are amidst intense preparations for the accession of Croatia to the European Union.

Road transport :

→ Among the products provided by Intereuropa, road transport stands for the highest share in sales revenue structure (approximately one quarter).

→ In the Group, we surpassed the sales plan by 17 percent, however, our sales revenue was 10 percent lower than in the comparable term 2012, which was attributable to lower volume of services for a major customer (Top Shop Intl.) in the Parent Company, and to loss of income due to disposal of our subsidiary in Russia.

→ There was a declining trend of margins on the market.

→ The key goals for the year 2013 comprise:
  - Improved coordination of commercial activities in international road transport in the Slovenian part of the Group;
  - retaining our key customers and acquiring new business by providing a high quality service,
  - supporting the role of centralized purchasing and building up a centralized supplier management.

Customs services:

→ The highest share in the sales revenue of this product was generated in Croatia, followed by the subsidiary in Slovenia (combined, standing for over 80 percent of overall revenues from customs broking in the Group).

→ We recorded a lower volume in customs broking and border transit procedures.

→ Slovenia saw the biggest setback behind the plan and the results of 2012, mainly in the Border Despatch Branch (fewer transit procedures as an outcome of Croatia's accession to the NCTS system) and in Branch Office Celje (fall in the volume of services for a major customer).

→ The key goals for the year 2013 comprise:
- alignment of the Parent Company Intereuropa d.d. and of the subsidiary in Croatia to the EU accession of the latter;
- permanent concern for retaining a high level of know-how.

Groupage services:
→ The sales revenues were 7 percent lower than in the comparable term a year ago (2012), but only 2 percent behind the plan.
→ The major part (as much as 76 percent) of the Group's sales revenue in groupage services has been generated in Slovenia.
→ Growing sales revenues were recorded in the subsidiaries based in Serbia, Bosnia & Herzegovina, Montenegro, Macedonia and Kosovo, on account of increased volume of shipments carried.
→ The key goals for the year 2013 comprise:
- persist as the leading provider of groupage services in Slovenia, Croatia, Bosnia and Herzegovina and Serbia, and increase the market shares in all countries in which Intereuropa is present with own subsidiaries;
- additionally increase the dynamics of services by concentration of groupage consignments;
- using the advantages of new IT solution in view of process optimization and improved traceability of shipments for our customers.

Express service:
→ The sales revenue in this segment was 2 percent lower than in the first quarter of the year ago.
→ The highest share of sales turnover was still earned by the subsidiary in Croatia (60 percent), followed by the Company in Slovenia (26 percent), the subsidiaries in Bosnia and Herzegovina (10 percent) and Serbia (4 percent). The highest underachievement of the targets was recorded by our subsidiaries in Bosnia and Herzegovina and Croatia, and the widest gap from the previous year's results was seen in Slovenia.
→ The companies in Slovenia and Croatia dedicated much effort to restructure sales segments and streamline the operations.
→ We prepared a sale concept for smaller shipments between Slovenia and Croatia that will be applied after Croatia's accession to the EU (with 1 July 2013).
→ The key goals for the year 2013 comprise:
- comprehensive use of the advantages of the new IT support in Slovenia and impact analysis of transfer thereof to Croatia;
- development of distribution services in countries in which Intereuropa is established;
- on-going process optimization, cost management and optimum implementation solutions that will retain the quality of service on the highest level;
- getting asserted as a provider of small consignments (parcel distribution) between Slovenia and Croatia.

Rail Transport :
→ We exceeded the planned result for the railway transport product, and also the achievement of the same period 2012.
→ The present good achievement is primarily attributable to the Ukrainian subsidiary TEK ZTS, Uzhgorod, which generated 93 percent of all sales revenues in this product.
→ Growing sales revenue was also recorded by the joint venture Intereuropa-FLG d.o.o., while other subsidiaries in the Group remained behind.

→ The key goals for the year 2013 comprise:
  - using the synergies of joint ownership of Intereuropa-FLG d.o.o., Ljubljana;
  - assuring high level of knowledge and experience to all employees involved in railway transport;
  - taking advantage of favourable geographical position at an intersection of the Fifth and the Tenth European Corridor.

Given the recession in Europe and negative economic climate in the countries of our Group, we are facing a declining volume of goods flows and consequently, tougher competition. The trend of falling margins prevails in the transport services. In the markets that we supply with our services, the recession has resulted in a lower volume of trading in goods and is further affected by an aggravated level of ill payment practices, which calls for much caution in acquiring new business. Within our Group, we address the adverse impacts of a.m. factors by intensified sales activities on domestic and foreign markets. We continue the operation streamlining process. Both in Slovenia and Croatia, restructuring of the express services product is carried on, along with optimisation in other products and preparations for the accession of Croatia to the European Union.

In the current year we estimate the sales revenues from our services in land transport to decline further, the highest loss is expected in the product customs services, attributable to Croatia's accession to the EU. That impact will be most evident on the results of our companies in Croatia and Slovenia. Compared with the same period last year, we estimate the volume of road transport to decline, too. In addition to more demanding situation on the market, the lower operating revenues from these two products are also attributable to reduced volume of business with our major customer that began in the middle of 2012.

Logistics solutions

The operating results of the reporting period reflected unfavourable economic circumstances, for which the negative trend from the second half of 2012 continued during the first quarter of this year. Our customers adapted to the situation by increasing the pressure on prices of services and optimising their inventories in warehouses; some of the customers even changed their logistics concepts (e.g. Top Shop Intl.). Consequently, we recorded a setback in the sales volume lying 2 percent behind the targets and 35 percent below the last year's results.

Such a result was primarily attributed to disposal of our logistics centre in Russia and lower sales in two key markets, i.e. Slovenia (facilities in Ljubljana and Celje) and Croatia, which combined represent 84 percent in the sales structure of Logistics solutions and were most exposed to unfavourable economic trends and financial crisis.

Also in other countries of the Balkans in which our Company operates warehouses, we could still perceive weaker demand for logistics solutions, with considerably stronger competition and excessive, unoccupied storage and industrial capacities. As a result, sales revenues fell below the level of the preceding year in the markets of Bosnia and Herzegovina, Montenegro, Serbia, Macedonia and Kosovo that in total represent 16 percent in the sales structure of this business area.

In accordance with the corporate guidelines of the Group we dedicated much effort to target-based sales of logistics solutions, participation in logistic project tenders, and operations streamlining.

Key activities for the Logistics Solutions Area in 2013 comprise:
- → development of partner-like customer relations and enhanced cooperation with current customers;
- → winning new logistics projects, primarily aiming to fill the unoccupied storage capacities in Celje;
- → development and introduction of IT support to logistics solutions in Slovenia, to be followed by other subsidiaries of the Group;
- → continued specialisation and optimisation of logistic processes by commodity category.

Intercontinental transport

In this business area, we achieved € 8.8 million of sales revenues but remained behind the target. The worst underachievement was recorded in the car logistics product due to a lower throughput of vehicles via the port of Koper, as a side effect of the general crisis in automotive industry.

Sea-Freight:
- → In the reporting term we remained 13 percent behind the sales targets, but only 5 percent below the achievement of the preceding year.
- → Container transport was best performing of all the Sea-Freight products. We increased the number of containers handled in import and export, however, the volume of containers or businesses involving handling/despatch through warehouse and distribution of goods by land has been decreasing. There is a trend of developing various LCL services through the ports of Koper and Rijeka. An important surplus in the sales was achieved in Serbia, where we acquired a new export business.
- → Also our conventional cargo product was underperforming in terms of plan. Above all, a variance from the target operating output in petroleum products was notable.
- → In our RO-RO product, there was a considerable drop in transportation of construction machinery, plant and other means of transport /vehicles bound for the markets along the Mediterranean. Also the line to Albania has become uncompetitive: a great deal of cargo was re-routed to land transport.
- → Except Serbia, almost all our markets were behind the sales targets. Perceived was the downward trend of export business in the south of the Balkans, while ship operators are managing transit operations through North Adriatic ports.
- → In the second quarter we expect an even tougher situation in the sea-freight market, in which the freight rates will be a relevant element. Ship operators forecast a rise in freight rates for May. Sales results are expected to be similar as in the reporting quarter.

Car logistics:
- → After disposal of the logistics terminal in Russia, our car logistics is performed mainly in Slovenia and to a minor extent in Serbia.
- → Downward trend in car sales has prevailed in Europe since last year's third quarter, which affects the turnover of our customers. In the reporting quarter we handled 20 percent fewer cars than in comparable term last year. All car makers have recorded a fall in the sales, with Opel as the only exception, whose new model Mokka is selling very well in Europe.

- → Our car terminals in Koper and Logatec recorded relatively good occupancy rates, but less favourable than in the first quarter last year.
- → In the given market situation, we expect a similar development of automotive industry in the coming quarter of this year, which also means a similar level on the income side.

Shipping Agency:

- → The subsidiary Interagent d.o.o. was doing better than last year, but missed the sales target by 5 percentage points.
- → With 63 ships represented in the Port of Koper, we maintained our leading position in terms of the number of ships represented.
- → We handled the first containers for the ship operator China Shipping Container Lines, which is developing the service in the Adriatic, or bound for Koper resp., however, the volume of operations was below the plan. We also recorded a setback behind the target operating results in the first quarter.
- → For Chartering, the good result was attributable to a good season of salt imports. We closed some major shipments of cars and trailers with the Neptun Lines operator.
- → Our focus remains to acquire the agency representation also in other countries of the Balkans, in which the sea-freight markets are essentially worse (the container ships operators are cancelling the calling of their own ships /service, e.g. in Bar and Ploče).
- → Similar results are expected for the second quarter of the current year.

Air-freight Transport:

- → Our air-freight product recorded better sales than in the first quarter a year ago, but remained behind the sales targets. The markets in Slovenia and Serbia had a major contribution to these results.
- → We are faced with a strong competition in Slovenia, coming from all the more aggressive global logistics players in our domestic market.
- → In Serbia we organised fewer charter flights than a year ago. That affected the sales result of the first quarter.
- → Air-freight rates still remain higher, which fact channels the cargo flows to sea-freight consolidation container lines: sea-freight rates were on the same level as in the last quarter a year ago.
- → We sent our bids to several tenders this year. We were successful in some of them that have been concluded so far. Some further successful tenders are expected until the year-end.
- → For the second quarter we expect the air-freight services to be in their high season and yield better prospects for sales turnover, which was already considered in the dynamic plan of sales targets.

1.2. Financial result

Tables 5 and 6: Financial results of the Intereuropa group for the period January – March 2013, in thousand €

Item / Index	Jan - Mar 2013	Jan - Mar Plan 2013	Jan - Mar 2012	Index 2013/plan	Index 2013/2012
Sales revenue	39,822	39,813	47,368	100	84
EBITDA*	4,185	4,181	6,934	100	60
Operating profit or loss	2,293	2,304	4,343	100	53
Financing profit or loss	-822	-1,060	1,546	-	-
Net profit or loss	960	1,174	4,539	82	21
EBIT margin in %	5.8%	5.8%	9.2%	100	63
Sales revenue per employee/month	8.144	8.060	8.025	101	101
Value added per employee/month	2.274	2.276	2.637	100	86

** EBITDA: Earnings Before Interest, Taxes, Depreciation, Amortisation and revaluation operating expenses for intangible and tangible fixed assets*

Item / Index	31.03. 2013	Plan 31.12.2013	31.12. 2012	Index 2013/plan	Index 2013/2012
Balance sheet total*	323,706	319,809	322,969	101	100
Equity*	155,701	165,445	154,893	94	101
Net debt**	98,652	90,624	100,121	109	99
Short-term assets/ Short-term liabilities*	1.54	1.77	1.56	87	99
Net Return On Equity (yearly level)***	2.43%	2.40%	3.65%	101	67

** as of the last day of the reporting period*
*** financial liabilities – loans and deposits given - cash*
**** average equity (capital) of the report. period*

The Operating profit or loss, and EBITDA

→ The lower result stated in the operating profit or loss is significantly attributable to the disposal of subsidiary in Russia at the end of 2012, and to falling margins affecting most subsidiaries of the Group.

→ Excluding the transactions that are not directly related to the ordinary business, the following EBITDA and Operating Result values would be achieved:

in 1000 €	Jan-Mar 2013	Jan-Mar 2012	Index 2013/2012
EBITDA	3,933	5,860	67
Operating profit or loss	2,049	3,279	62

The Financing profit or loss

→ The presented negative Financing profit or loss has resulted from the interest expenses. Compared with the preceding year, the lower value hereof is attributable to loss of income from foreign exchange differences, primarily due to disposal of the subsidiary in Russia.

Net Profit or Loss

→ The Net operating profit reduces our tax liability for the corporate income tax. More than one half of corporate income tax relates to deferred tax from utilising the tax loss in the Parent Company of the Group.

Structure of Statement of financial position

→ The current ratio has not changed essentially in the reporting term, nor has the share of capital in the sources of finance.

1.3. Investments in fixed assets

In the reporting term January - March 2013, the Group spent on **investments in fixed assets** in the amount of **€ 605 thousand**, thereof 45 thousand in real estate and 559 thousand in plant, equipment and intangible assets. The annual plan of investments was completed to the level of 16 per cent.

Table 7: Overview of Investment in period January – March 2013, in thousand €

Company	Real property		Plant & Equipment, Intang. assets		TOTAL		% of annual realiz.
	Jan-Mar 2013	Plan 2013	Jan-Mar 2013	Plan 2013	Jan-Mar 2013	Plan 2013	
Intereuropa d.d.	0	1,050	72	1,050	72	2,100	3
Subsidiaries	45	258	488	1,397	533	1,655	32
TOTAL INVESTMENTS	**45**	**1,308**	**559**	**2,447**	**605**	**3,755**	**16**

The invested amount by the Parent company Intereuropa d.d. in equipment and intangible assets was € 72 thousand; other members of the Group invested € 488 thousand in fixed assets. The major investment was the purchase of four head trucks with semi-trailers by the subsidiary in Croatia (€ 438 thousand).

The invested funds were earmarked to:

– Buildings and fittings/ equipment (€ 72 thousand),
– Repairs and purchase of motor vehicles (€ 477 thousand),
– Computer hardware and software (€ 56 thousand).

1.4. Risk management

The central goal in risk management is to effectively address and reduce uncertainty in the company and thereby assure higher operating performance and retain the competitive advantages of the company.

As of the year-end 2012, there were 61 types of risk identified in the company Intereuropa d.d., thereof 8 key risks. Also in this year, the most significant risks remain a fall in the prices of services and decreased demand for our services. The impact of overall economic situation in the country can be observed in liquidity deterioration, reflecting in extended payment terms on the part of our customers. Our activities are therefore focused on the marketing of services and collection of accounts receivable.

Our greatest attention is dedicated to the sales risk. Also in the reporting period we perceived extraordinary pressures on prices, along with a decreased demand for certain services. We adapt to individual needs of our customers, which mostly results in cutting the rates in our current services. To compensate that loss of income from our current customers, we offer additional services to them. Our activities are focused on acquiring new customers and increasing the productivity in our employees. We aim to acquire some major customers and thus compensate for the declining demand in our existing customers. Price sensitivity is increasing and therefore the process optimisation and cost management are all the more important, in particular in the area of warehousing where the fixed costs are the highest. In the Parent company we reviewed our sales strategy and placed additional focus on new customer acquisition, along with day-to-day monitoring of our current customers.

As a result of the overall economic situation – not only at home and in the entire EU, but also in the countries in which Intereuropa is operating - the credit risk has increased this year. Higher liquidity risk is shown in higher current ratio of operating receivables turnover rate (i.e., payment). Our activities are increasingly directed to debt collection, which is very difficult to achieve in the face of concurrent pressure to expand, or at least maintain the volume. Observance of the limits for our exposure to certain customers is of key importance. We address the liquidity risk by daily control of working capital and exposure to individual customers and units in the company. The company controls its financial condition and exposure to certain customers more frequently than earlier.

We estimate for the second quarter that Intereuropa d.d. will be exposed mainly to the sales and financial risks. The measures adopted and activities in implementation we envision to reduce the exposure of the company to risks and to achieve the planned results.

1.5. Human Resources Management

EMPLOYMENT TRENDS

As at the end of March 2013, the Intereuropa Group had 1,672 employees. Compared with the year-end 2012, the number of personnel was 2 percent lower, or by 30 employees. In the reporting quarter, 50 employees left our Group, and 20 new employees came. The highest number of employees who left us was in the subsidiary in Croatia, in the Parent company Intereuropa d.d., and in the subsidiary in Montenegro. The overall fluctuation rate in our bigger companies was 3 percent.

As of 31 March 2013, there were 1,534 employees in the Group on a permanent and full time basis (92 percent) and 138 employees with temporary employment (8 percent).

Table 8: No. of employees in the Intereuropa Group according to countries, as of 31.03.2013

	31.03.2013	31.12.2012	Difference 13-12	Index 2013/2012
Slovenia	729	740	-11	99
Croatia	444	461	-17	96
Bosnia & Herzegovina	132	131	1	101
Serbia	108	108	0	100
Macedonia	33	33	0	100
Kosovo	25	25	0	100
Montenegro	149	153	-4	97
Albania	2	2	0	100
Ukraine	50	49	1	102
TOTAL	**1,672**	**1,702**	**-30**	**98**

In addition to "permanent (full-time)" staff, there were on average 73 persons per month working, hired through HR agencies and students' job centres.

The EU-accession of Croatia will bring about a lower demand for customs broking services both in Intereuropa d.d. and in the Croatian subsidiary Intereuropa, logističke usluge d.o.o., Zagreb. Rough estimates point to a total redundancy of 77 employees in Slovenia and 144 in the Croatian subsidiary. Although the collateral impact of Croatia's accession to the Evropean Union is difficult to precisely evaluate, we already started the aligning processes to the new situation and will complete them by the year-end 2013.

DEVELOPMENT AND TRAINING

This year, Intereuropa d.d. was the successful bidder in the tender on cofinancing of the project »Competence Centre for HR Development in Logistics«, in total value of € 395 thousand (in partnership with 15 entities operating in similar business. The funds under the tender will be utilised from June 2013 on, so more extensive training schedule is foreseen for the second half-year. In the Parent company, the training and educational forms in the reporting term were restricted to those of an internal character (occupational safety, e-commerce), and the skills or qualifications required by the law.
On the level of the Group, there was one third of dedicated funds spent on education and training (out of the budget of € 2 thousand). The average participation per employee was 5

hours (the highest share thereof was dedicated to new knowledge and skills on occupational health and safety, and other accompanying activities).

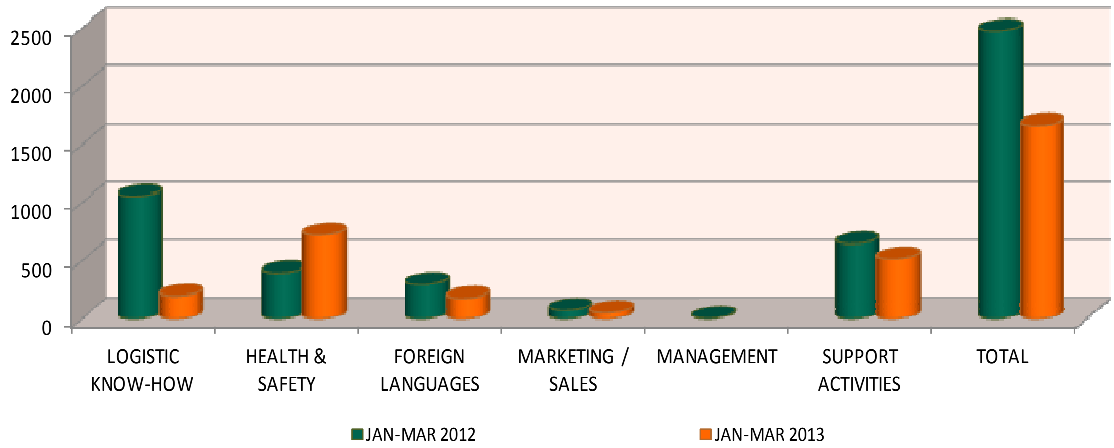

Figure 2: Tranining hours in the period January – March 2013 according to topics (for the group)

EMPLOYEE CARE AND WIDER SOCIAL ENVIRONMENT

→ On the Group level, we granted financial aid in total amount of € 11 thousand to our employees who were affected by difficult health condition or had to cope with inferior financial position, death of family members (€ 12 thousand in the first quarter of preceding year).
→ We provided practicum to 35 secondary school and university students in the Group.

HEALTH PROTECTION

The following activities were implemented in this area:
→ 88 preventive medical check-ups,
→ revision of our current Statement on safety, risk assessment, and the health risk assessment for individual workplaces;
→ Harmonization and updating of our internal acts/bylaws with the new Occupational health and safety act,
→ Training on occupational safety for employees from supporting services, BU Koper and subsidiary Interagent d.o.o.;
→ Training of employees involved in dangerous goods transport in all our business units;
→ Preparation of the new ''Operational regulations" for our private railway siding tracks in BU Celje;
→ Other current activities.

In the field of fire safety and precautions, the following activities were implemented:
- → Training on fire-fighting precautions and safety for employees from supporting services, BU Koper and subsidiary Interagent d.o.o.;
- → Preparation of the new Fire Safety Regulations and the related documentation for the sub-branch office Vrtojba, and amendment to Fire Safety Regulations and the related documentation for the BU Ljubljana (erection of solar power plant – photovoltaics),
- → Informing all our tenants/lessees who are in our business premises on our Fire Safety Regulations;
- → Other current activities.

There were 276 sets of machines and working equipment examined in the Group. In the reporting term, there were 5 employees injured at work.

1.6. Total Quality Management

Three companies of the Intereuropa Group (out of 12) hold a certification under the ISO 9001:2008 Standard. Seventy-six percent of all employees work in these certified companies (Intereuropa d.d., Intereuropa, logističke usluge d.o.o., Zagreb, and Intereuropa RTC d.d. Sarajevo). External audit of the Quality management system of Intereuropa d.d. was conducted in the reporting term.

Maintaining the ISO 9001:2008 Quality Management System

→ Yearly QMS reports were prepared for the year 2012 and the measures to improve the QM system were triggered in all the three companies.
→ A new (second edition) Quality management system manual for the company Intereuropa d.d. was issued.
→ We modernised the procedures, instructions and circular letters in customs broking.

Quality control by QM indicators

There were almost by one third fewer complaints than in the comparable term 2012, the total amount under complaints fell by 20 percent; only the paid out amount was slightly higher.

No. of complaints	Index 13/12	No. of claims	Value in 1000 €	Index 13/12	Approved Value in 1000 €	Index 13/12
100	72	31	22	83	15	258

External quality of service audit by the certification authority

The results of external audit in Intereuropa d.d. in the reporting period were:

→ Intereuropa d.d. - the ordinary audit was the fifteenth in sequence. The audit was conducted in the following organizational units: Management Board, Management of Forwarding and Logistics, the Department for Real Estate Management and Central Purchasing, the Finance Department, local office in Kranj, and BU Jesenice and Ljubljana.
Auditors have confirmed that our operations are conducted in compliance with the requirements of the ISO 9001 standard. They did not find any non-compliance, however, they issued 16 recommendations for improvement.
Recommendations by contents/ substance relate to:
  → Corrective measures > 3 recommendations,
  → Customer satisfaction > 2 recommendations,
  → Supplier selection > 2 recommendations,
  → Process control and measurement > 2 recommendations,
  → Protection /security of Customers' property > 1 recommendation,
  → Internal communication > 1 recommendation,
  → Internal audits > 1 recommendation,
  → Other > 4 recommendations.
The persons responsible will prepare an implementation plan for the recommendations accepted on our part; the refusal of any recommendations will be substantiated by the end of May.

Food Safety Management System

→ **Intereuropa d.d.** – a non-certified system of food safety management under the HACCP system has been in use since 2004. The audit of the HACCP system, comprising the compliance check and updating of all rules and procedures relevant for food safety was done in February.

1.7. Share IEKG and ownership structure

KEY DATA ON SHARE

Table 9: Key Data on Intereuropa Share (IEKG) for the perioad January – March 2103

	Jan-Mar 2013	Jan-Dec 2012
No. of shares*	27,488,803	27,488,803
No. of preference shares IEKN*	10,657,965	10,657,965
No. of ordinary shares IEKG*	16,830,838	16,830,838
od which no. of treasury shares*	18,135	18,135
Share book value in €*	3.69	3.67
Earnings per share in €	0.02	-0.77
Market capitalisation in € thousand*	8,423	9,257
Trading volume in € thousand	166	223
Closing price in €	0.50	0.55
Weighted average price in €	0.70	0.64
Highest price in €	0.85	1.32
Lowest price in €	0.50	0.30
P/E	25.1	-0.71
Capital gain	-8.9%	27.9%

** as of the last day of the period*

Notes:
Book value = capital/ (number of all shares – number of treasury shares)
*Market capitalisation = closing price at the end of period * number of shares listed in SE*
Earning per share = Net profit/(number of all shares – number of treasury shares)
P/E = closing price at the end of period / Net earning per share
Capital gain = price increase in period

SHARE TRADING

Trading in shares of all the three listings of the Ljubljana Stock Exchange strengthened in the first three months of this year and was higher than in the comparable term last year: their total turnover was 22 percent higher. Investors on our national stock exchange, with increasing numbers of international investors, are still cautions in their investing decisions, although gradually more active. The share prices fell on average in the reporting period, and the Stock Exchange Index (SBITOP Index) lost 6.7 percent of its value.

Also the IEKG trading achieved higher values – it has more than doubled. In the reporting quarter, trading comprised 252,408 IEKG shares, thereof the average daily turnover amounted to € 2.7 thousand. The closing rate ranged from € 0.50 to 0.85 per share. In the given period the share lost 8.9 percent of its market value and recorded the closing rate at € 0.50.

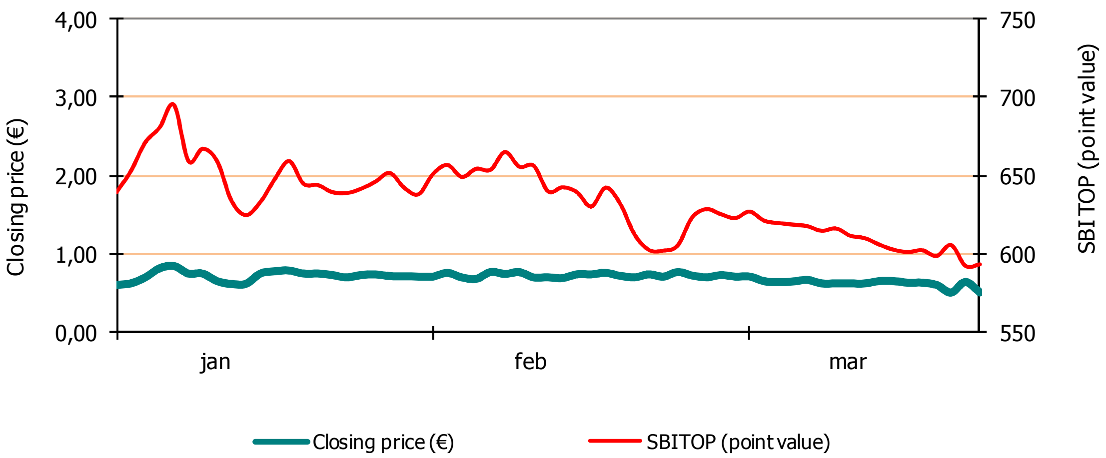

Figure 3: Closing prices of IEKG share and SBITOP index in the period January – March 2013

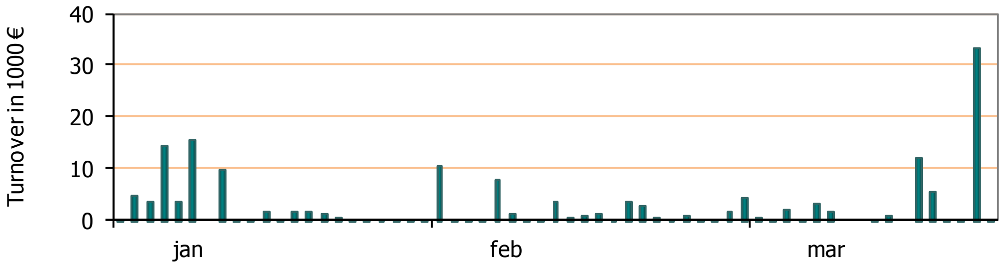

Figure 4: Trading volume of IEKG share in the period January – March 2013

OWNERSHIP STRUCTURE

The ownership structure saw no major changes in the last three months. The top ten shareholders held the same number of shares as at 31.3.2013 as they held at the year-end 2012. In total they had 83.6 percent in the capital of Intereuropa d.d.

Table 10: Top ten shareholders of Intereuropa d.d. as of 31.03.2013 compared to 31.12.2012

	Shareholder	31.03.2013		31.12.2012		Index 13 /12
		No. of shares	share %	No. of shares	share %	
1.	SID banka d.d.	4,942,072	18.0	4,942,072	18.0	100
2.	NLB d.d.	4,770,601	17.4	4,770,601	17.4	100
3.	Gorenjska banka d.d.	3,068,990	11.2	3,068,990	11.2	100
4.	Raiffeisen banka d.d.	2,850,752	10.4	2,850,752	10.4	100
5.	SKB d.d.	2,254,980	8.2	2,254,980	8.2	100
6.	Luka Koper d.d.	1,960,513	7.1	1,960,513	7.1	100
7.	Nova KBM d.d.	1,185,292	4.3	1,185,292	4.3	100
8.	Banka Koper d.d.	753,703	2.7	753,703	2.7	100
9.	Kapitalska družba d.d.	719,797	2.6	719,797	2.6	100
10.	Slovenska odškodninska družba d.d.	474,926	1.7	474,926	1.7	100

As at 31.03.2013, there were 5,430 shareholders entered in the Share Register, or one percent fewer shareholders than at the year-end 2012. Foreign investors held 0.6 percent.

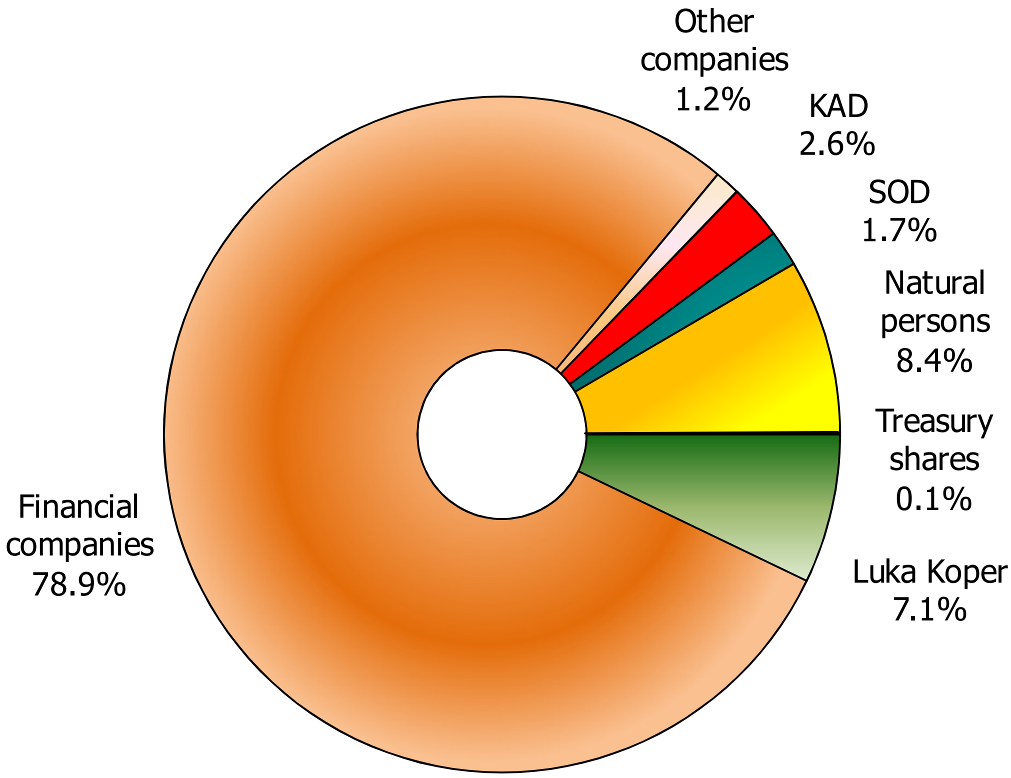

Figure 5: Ownership structure of Intereuropa d.d. as of 31.03.2013

SHARE OWNERSHIP BY THE MANAGEMENT AND SUPERVISORY BOARD MEMEBERS

The Management Board President Ernest Gortan, and Deputy President Tatjana Vošinek Pucer did not own any Intereuropa shares on 31.03.2013.

Table 11: Shares held by Supervisory Board members, as of 31.03.2013

Supervisory Board	No. of shares	share in %
Bruno Korelič, president of Supervisory Board	10	0.000
Maksimilijan Babič, deputy president of Supervisory Board	100	0.001
Nevija Pečar, member of Supervisory Board	4,185	0.053
Maša Čertalič, Msc., member of Supervisory Board	99	0.001

TREASURY SHARES

As of 31.03.2013, the company Intereuropa d.d. held 18,135 treasury shares (IEKG) in total value of € 180 thousand, representing 0.0660 percent of all shares. The percentage of treasury shares has not changed since 31.12.2012.

AUTHORISED CAPITAL

In accordance with the Statute of Intereuropa d.d. the Managing Board is authorized - in five years' time after this amendment to the Statute is registered in the Court Register of Companies, without having to issue a separate Resolution by the General Meeting but subject to the consent by the Supervisory Board - to increase the share capital by issuing new shares for contributions up to the amount of one half of the share capital existing on the day of adopting the Resolution amending the Statute in the 22nd General Meeting, which represents a nominal amount of € 16,488,092.56 (the authorized capital). As of 31.03.2013, the company has got authorized and unused capital in total amount of € 16,488,092.56.

DIVIDEND

Intereuropa d.d. does not plan to pay any dividend in the year 2013.

INFORMING THE SHAREHOLDERS

The communication strategy of the company is based on the principle of transparent communication providing equal and timely information of all stakeholders. Shareholders have the decisive influence on strategic business decisions and directions, therefore we see a regular and open communication with existing and potential shareholders as the right way to strengthen the successful operation of Intereuropa.
In our communication with the shareholders are used:
- → Ordinary General Meetings of Shareholders,
- → Presentations of the Company in conference for investors,
- → Informing the media on business results and other price sensitive information,
- → Regular communication via by the Stock Exchange (SEO-net) electronic system,
- → Regular communication with financial media,
- → Website,
- → E-news.

Our shareholders can e-mail their remarks and proposals to us at: info@intereuropa.si.

2. OPERATION OF THE COMPANY INTEREUROPA d.d.

Tables 12 and 13: Operations of Intereuropa d.d. in the period January – March 2013, in thousand €

Item/Index	Jan - Mar 2013	Jan - Mar Plan 2013	Jan - Mar 2012	Index 2013/plan	Index 2013/2012
Sales revenue	23,606	24,921	28,469	95	83
Land transport	11,791	11,323	14,415	104	82
Logistic solutions	2,699	2,663	3,747	101	72
Intercontinental transport	7,900	9,738	8,958	81	88
Other services	1,217	1,197	1,350	102	90
EBITDA*	2,517	2,343	3,492	107	72
Operating profit or loss	1,433	1,292	2,300	111	62
Financing profit or loss	-657	-888	-1,557	-	-
Net profit ot loss	482	376	623	128	77
EBIT margin in %	6.1%	5.2%	8.1%	117	75
Sales revenue per employee/month	11.289	11.909	12.757	95	88
Value added per employee/month	3.186	3.091	3.552	103	90

** EBITDA: Earnings Before Interest, Taxes, Depreciation, Amortisation and revaluation operating expenses for intangible and tangible fixed assets*

Item/Index	31.3. 2013	Plan 31.12.2013	31.12. 2012	Index 2013/plan	Index 2013/2012
Balance sheet total*	244,058	243,897	244,758	100	100
Equity*	101,376	108,986	100,887	93	100
Net debt**	93,524	89,886	94,397	104	99
Short-term assets/ Short-term liabilities *	1.78	1.97	1.81	91	98
Net Return on Equity (yearly level)***	1.51%	1.22%	2.94%	124	51

** as of the last day of the reporting period*
*** financial liabilities – loans and deposits given - cash*
**** average equity (capital) of the report. period*

The Operating profit or loss, and EBITDA

→ The Operating profit or loss exceeded the plan, which is attributable to significantly lower indirect costs of services and materials as a result of operational streamlining. Compared with a year ago, the lower value of the Operating profit /loss is mainly a result of lower sales revenue (decreased volume of services for a major customer) and margin reduction.

→ Excluding the transactions that are not directly related to the ordinary business, the following EBITDA and Operating Result values would be achieved:

(in 1000 €)	Jan - Mar 2013	Jan - Mar 2012	Index 2013/2012
EBITDA	2,396	3,376	71
Operating profit or loss	1,312	2,184	60

Financing Profit or Loss

→ The financing profit or loss for the reporting period is negative. Interest expenses had the most relevant impact thereon.

Net Profit or Loss

→ The net profit/loss is decreased by deferred taxes in the amount of € 293 thousand (the majority thereof are the amounts originating from utilisation of tax losses).

Structure of Statement of financial position

→ The current ratio has not changed essentially in the reporting term, nor has the share of capital in the sources of finance, which amounted to 41.5 percent.

ACCOUNTING REPORT

The unaudited 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) as adopted by the EU.

The same accounting guidelines were applied in the consolidated financial statements as in those of the Parent company, as indicated in the Accounting Report for the financial year 2012. The management also reviewed the estimations, audits and presumptions and assessed that these remained unchanged in comparison with the preceding year.

We undertook a reclassification of items from the comparable period of the consolidated and the non-consolidated Income Statement.

Table 14: Reclassification of Profit or loss statement data in comparable period for Intereuropa Group

in 1000 €	January - March 2012 published data	Reclassification	January - March 2012 after reclassification
Sales revenues	47,368	0	47,368
Other operating revenues	1,074	463	1,537
Costs of material and services	-30,423	1,722	-32,145
Labour costs	-8,632	0	-8,632
Write-downs in value	-2,581	502	-3,083
Other operating expenses	-2,435	-1,732	-702
Operating profit/loss	**4,371**	**29**	**4,343**
Financial income	5,053	-463	4,589
Financial expenses	-3,535	492	-3,043
Result recognized according to equity method	8	0	8
Profit/loss from regular operations	**5,897**	**29**	**5,897**

The modality of re-classification of items in the Income Statement is as follows:

→ The revenues from the elimination (reversal) of allowances for receivables and collected written-off receivables (€ 463 thousand) were transferred from the item Financial Revenues to the Other Operating Revenues item;

→ The cost of materials (€ 1,722 thousand) was transferred from the item Other Operating Expenses to the item Cost of Services and Materials,

→ Operating expenses from revaluation of the item Property, Plant and Equipment (€ 10 thousand) were transferred from the item Other Operating Expenses to Write-offs,

→ Expenses for the allowances for, and write-offs of receivables (€ 492 thousand) were transferred from Financial Expenses to the item Write-offs.

Table 15: Reclassification of Profit or loss statement data in comparable period for Parent company Intereuropa d.d.

in 1000 €	January - March 2012 published data	Reclassification	January - March 2012 after reclassification
Sales revenues	28,469	0	28,469
Other operating revenues	116	116	232
Costs of material and services	-19,657	634	-20,291
Labour costs	-4,436	0	-4,436
Write-downs in value	-1,192	160	-1,352
Other operating expenses	-956	-634	-322
Operating profit/loss	**2,344**	**44**	**2,300**
Financial income	1,384	-116	1,268
Financial expenses	-2,985	-160	-2,825
Profit/loss from regular operations	**743**	**0**	**743**

The modality of re-classification of items in the Income Statement is as follows:

- → The revenues from the elimination (reversal) of allowances for receivables and collected written-off receivables (€116 thousand) were transferred from the item Financial Revenues to the Other Operating Revenues item;
- → The cost of materials (€ 634 thousand) was transferred from the item Other Operating Expenses to the item Cost of Services and Materials,
- → Expenses for the allowances for, and write-offs of receivables (€ 160 thousand) were transferred from Financial Expenses to the item Write-offs.

In the given term, the subsidiary Intereuropa Transport d.o.o. was in liquidation proceedings, and for the subsidiary Intereuropa Transport & Spedition Gmbh, Troisdorf, the closing liquidation balance sheet was confirmed and the remaining capital appropriated last year, while the Company was not deleted from the Register of Companies yet. Capital increase was implemented in the Ukrainian subsidiary TOV Intereuropa-Ukraina, Kiev. Before the end of the financial year 2012 the Russian subsidiary was sold, inclusive of the land, loans and interest receivables of the Parent company due from the disposed subsidiary; therefore the information on the reporting period does not comprise these data.

STATEMENT OF THE MEMBERS OF THE MANAGEMENT

The Management Board hereby confirms that according to its best knowledge and conscience, the financial report of the company Intereuropa, Global Logistics Service Ltd. Co., and of the Intereuropa Group has been compiled in accordance with the applicable financial reporting framework and is a true and fair view of the assets and liabilities, the financial position and the profit or loss statement of the company Intereuropa, Global Logistics Service Ltd., and of other companies included in the consolidation. The business report includes a fair view of the information on the material transactions with related parties and has been drawn up in accordance with the relevant accounting standard.

INTEREUROPA d.d.
The Management Board

1. FINANCIAL REPORT FOR INTEREUROPA GROUP

1.1. Underlying financial statements of the Intereuropa Group

CONSOLIDATED INCOME STATEMENT FOR INTEREUROPA GROUP
from 1.1.2013 to 31.3.2013

in 1000 €	January – March 2013	January – March 2012
Sales revenues	**39,822**	**47,368**
Other operating revenues	1,625	1,537
Costs of material and services	-28,522	-32,145
Labour costs	-6,934	-8,632
Write-downs in value	-3,356	-3,083
Other operating expenses	-342	-702
Operating profit/loss	**2,293**	**4,343**
Financial income	233	4,589
Financial expenses	-1,055	-3,043
Profit/loss from financial operations	**-822**	**1,546**
Result recognized according to equity method	4	8
Profit/loss from regular operations	**1,475**	**5,897**
Corporate income tax (with deferred tax)	-515	-1,358
Net profit /loss for the period	**960**	**4,539**
Net profit or loss / non-controlling interest	52	-6
Net profit or loss / controlling interest	908	4,545
Basic and diluted earnings per share (in €)	0.05	0.58

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR INTEREUROPA GROUP
from 1.1.2013 to 31.3.2013

in 1000 €	January – March 2013	January – March 2012
Net profit or loss	**960**	**4,539**
Other Comprehensive Income	**-150**	**-1,180**
Change in fair value of financial assets available for sale	9	55
Deferred tax in revaluation surplus of financial assets for sale	-2	-11
Other changes in retained earnings	0	-4
Exchange rate translation differencies	-157	-1,220
Comprehensive income total	**810**	**3,59**
Comprehensive income total - non-controlling part	81	-123
Comprehensive income total - controlling part	729	3,482

CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR INTEREUROPA GROUP as at 31.3.2013

in 1000 €	31.3.2013	31.12.2012
ASSETS		
Tangible fixed assets	233,417	234,727
Investment property	6,525	6,585
Intangible assets	7,401	7,513
Other non-current operating assets	281	317
Deferred tax assets	14,483	14,775
Long-term loans given and deposits	52	54
Investment in a jointly controlled company	139	135
Other financial investments	3,116	3,106
TOTAL NON-CURRENT ASSETS	**265,414**	**267,212**
Available-for-sale assets		0
Inventories	158	143
Short-term loans given and deposits	12,624	10,779
Short-term operating receivables	37,821	35,630
Short-term income tax receivables	812	815
Cash and cash equivalents	6,877	8,390
TOTAL CURRENT ASSETS	**58,292**	**55,757**
TOTAL ASSETS	**323,706**	**322,969**
EQUITY		
Equity - controlling interest	**146,090**	**145,361**
Share capital	27,489	27,489
Equity reserves	18,455	18,455
Revenue reserves	2,819	2,804
Revaluation surplus	71,183	71,176
Translation exchange differencies	-6,525	-6,339
Transferred net profit/loss	31,761	38,955
Net profit/loss	908	-7,179
Equity - non-controlling interest	**9,611**	**9,532**
TOTAL EQUITY	**155,701**	**154,893**
LIABILITIES		
Provisions and long-term deferred revenue	5,752	7,034
Long-term borrowings and financial leases	110,736	111,663
Other long-term financial liabilities	0	0
Long-term operating liabilities	434	434
Deferred tax liabilities	13,211	13,216
TOTAL NON-CURRENT LIABILITIES	**130,133**	**132,347**
Short-term borrowings and financial leases	6,084	5,975
Other short-term financial liabilities	1,386	1,706
Short-term operating liabilities	30,315	27,904
Short-term income tax liabilities	88	144
TOTAL CURRENT LIABILITIES	**37,872**	**35,729**
TOTAL LIABILITIES	**168,005**	**168,076**
TOTAL CAPITAL AND LIABILITIES	**323,706**	**322,969**

CONSOLIDATED STATEMENT OF CASH FLOWS FOR INTEREUROPA GROUP from 1.1.2013 to 31.3.2013

in 1000 €	January – March 2013	January – March 2012
Cash flows from operating activities		
Net profit/loss for the period	**960**	**4,539**
Adjustments for:		
- Depreciation	1,884	2,581
- Revaluation operating revenues from disposal of tangible fixed assets and investment property	-102	-235
- Revaluation operating expenses from disposal of tangible fixed assets and investment property	8	10
- Impairment of receivables	1,464	491
- Non-monetary expenses	1	80
- Non-monetary revenues	-106	-102
- Financial revenues	-233	-4,589
- Recognized result of jointly controlled company according to equity method	-4	-8
- Financial expenses	1,055	3,043
- Income tax (incl. deferred tax)	515	1,358
Operating profit before changes in net working capital and taxes	**5,443**	**7,168**
Changes in net working capital and provisions		
Changes in receivables	-3,687	-1,587
Changes in inventories	-15	-6
Changes in operating liabilities	2,499	1,460
Changes in provisions and long-term deferred revenue	-1,173	-100
Corporate income tax payed	-276	-218
Cash from operating activities	**2,791**	**6,717**
Cash flows from investing activities		
Interest income	228	283
Inflows from disposal of tangible fixed assets	143	2,521
Inflows from long-term loans given	0	13
Outflows for acquisition of tangible fixed assets	-619	-229
Outflows for acquisitions of intangible assets	-69	-1
Outflows for long-term loans and deposits given	0	-3
Outflows from increase of short-term loans given	0	-138
Outflows from increase of short-term deposits given	-1,858	-1,432
Outflows from settlement of derivative financial instruments	0	-691
Cash from investing activities	**-2,175**	**323**
Cash flows from financing activities		
Inflows from long-term borrowings received	523	0
Paid interest	-1,002	-2,996
Outflows from repayment of long-term borrowings	-766	-2,004

Outflows from decrease of short-term borrowings	-566	-8,708
Outflows from decrease of other short-term financial liabilities	-317	0
Paid dividend	-5	-53
Cash from financing activities	**-2,133**	**-13,761**
Cash and cash equivalents at beginning of period	**8,390**	**17,651**
Exchange rate differences from cash	4	-1
Net increase/decrease in cash	**-1,513**	**-6,722**
Cash and cash equivalents at end of period	**6,877**	**10,929**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR INTEREUROPA GROUP
from 1.1.2013 to 31.3.2013

in 1000 €			REVENUE RESERVES						RETAINED EARNINGS				
	Share capital	Equity reserves	Legal reserves	Reserves for treasury shares	Treasury shares (deductible)	Statutory reserves	Revalua-tion surplus	Transla-tion exch. differen-cies	Transferred net profit/loss	Net profit/loss for the year	Equity - controlling interest	Equity - non-controlling interest	Total equity
Opening balance as at 1.1.2013	**27,489**	**18,455**	**2,601**	**180**	**-180**	**203**	**71,176**	**-6,339**	**38,955**	**-7,179**	**145,361**	**9,532**	**154,893**
Total comprehensive income	**0**	**0**	**0**	**0**	**0**	**0**	**7**	**-186**	**0**	**908**	**729**	**81**	**810**
Net profit/loss	0	0	0	0	0	0	0	0	0	908	**908**	52	**960**
Other comprehensive income	0	0	0	0	0	0	7	-186	0	0	**-179**	29	**-150**
Transactions with owners													
Transfer of net profit/loss for the previous year to transferred retained earnings	0	0	0	0	0	0	0	0	-7,179	7,179	**0**	0	**0**
Payment of dividends or profit participations	0	0	0	0	0	0	0	0	0	0	**0**	-2	**-2**
Transfer of retained earnings to reserves	0	0	15	0	0		0	0	-15	0	**0**	0	**0**
Closing balance as at 31.3.2013	**27,489**	**18,455**	**2,616**	**180**	**-180**	**203**	**71,183**	**-6,525**	**31,761**	**908**	**146,090**	**9,611**	**155,701**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR INTEREUROPA GROUP from 1.1.2012 to 31.3.2012

in 1000 €	Share capital	Equity reserves	REVENUE RESERVES				Revalua-tion surplus	Transla-tion exch. differenci es	RETAINED EARNINGS		Equtiy - controlling interest	Equity - non-controlling interest	Total equity
			Legal reserves	Reserves for treasury shares	Treasury shares (deduct.)	Statutory reserves			Transferre d net profit/loss	Net profit/loss for the year			
Opening balance as at 1.1.2012	**32,976**	**0**	**2,396**	**180**	**-180**	**9**	**67,905**	**-11,346**	**41,393**	**-2,036**	**131,296**	**9,692**	**140,988**
Total comprehensive income	**0**	**0**	**0**	**0**	**0**	**0**	**44**	**-1,104**	**-3**	**4,545**	**3,482**	**-123**	**3,359**
Net profit/loss	0	0	0	0	0	0	0	0	0	4,545	4,545	-6	4,539
Other comprehensive income	0	0	0	0	0	0	44	-1,104	-3	0	-1,063	-117	-1,180
Transactions with owners													
Transfer of net profit/loss for the previous year to transferred retained earnings	0	0	0	0	0	0	0	0	-2,036	2,036	0	0	0
Payment of dividends or profit participations	0	0	0	0	0	0	0	0	0	0	0	-53	-53
Transfer of retained earnings to reserves	0	0	237	0	0	0	0	0	-237	0	0	0	0
Closing balance as at 31.3.2012	**32,976**	**0**	**2,633**	**180**	**-180**	**9**	**67,949**	**-12,450**	**39,117**	**4,545**	**134,779**	**9,516**	**144,295**

1.1. Notes to Financial Statements of the Intereuropa Group

a) Notes to the CONSOLIDATED INCOME STATEMENT

Sales revenues amounting to € 39,822 thousand represent the revenues arising from the services supplied. The Group also earned Other Operating Revenue in the amount of € 1,625 thousand.

Other Operating Revenues, amounting to € 1,625 thousand, mainly stand for the proceeds from damages received from the payment/ settlement of customs duty on account of an incomplete transit procedure under the Decision by the Customs Administration of the Republic of Slovenia (amounting to € 1,073 thousand), for which the provisions made last year were used. As we estimate that the collection of said compensation for damages be aggravated, we impaired this account receivable in full amount (the impairment is presented under the Write Offs).

The highest share in the **costs of services** totalling € 28,522 thousand represents the cost of services directly related to the provision of services (€ 89 thousand).

Costs of material and services

Table 16: Costs of material and services of the Intereuropa group in the period January – March 2013

in 1000 €	January - March 2013	January - March 2012
Cost of material	1,196	1,722
Cost of services	27,325	30,423
Direct costs	24,277	26,178
Telephone costs	142	253
Mainteinence costs	597	821
Insurance premiums	182	215
Traning and education costs	6	16
Other costs of services	2,122	2,941
Total costs of material and services	**28,522**	**32,145**

Labour costs

Table 17: Labour cost of the Intereuropa group in the period January – March 2013

in 1000 €	January - March 2013	January - March 2012
Wages and salaries	5,125	6,458
Pension insurance costs	625	765
Other social security costs	534	625
Other labour costs:	651	783
holiday allowance	2	1
transport and meals	608	677
other labour costs	41	105
Total labour costs	**6,934**	**8,632**

Write-offs

Table 18: Write-offs of the Intereuropa group in the period January – March 2013

in 1000 €	January - March 2013	January - March 2012
Amortisation of intangible assets	160	176
Depreciationof property, plant and equipment and investment properties	1,724	2,405
Revaluatory operating expenses of intangible and tangible fixed assets	8	10
Expenses from revaluation adjustments (impairments) and written-off receivables	1,464	492
Total write-offs	**3,356**	**3,083**

The Group recorded a lower amount for the item **Other operating revenues**, at € 342 thousand.

The effect of Financial Revenues and Expenses on the Profit or Loss

Table 19: The effect of financial revenues and expenses on the profit or loss of the Intereuropa group in the period January – March 2013

in 1000 €	January - March 2013	January - March 2012
Interest income	206	244
Net exchange rate differences	28	4,345
Total financial income	**233**	**4,589**
Interest expenses	-1,042	-2,554
Financial expenses from impairments and written-off financial investments	-13	-1
Expenses from derivative financial instruments	0	-488
Total financial expenses	**-1,055**	**-3,043**
Profit/loss from financing activities	**-822**	**1,546**

The Interest Expenses item and Net Foreign Exchange Gains contributed to a less negative Financing Result. In the last quarter 2012, the settlement of derivative financial instrument was made, so there is no effect of evaluation of this instrument recognised in the reporting period.

The Group achieved the **Profit or Loss from ordinary activities** in the amount of € 1,475 thousand, which is further reduced **by the deferred tax expense** of -515 thousand €. The **Net Profit** achieved in the reporting term amounted to € 960 thousand, thereof the amount of € 908 thousand for the **controlling part,** and € 52 thousand for the **controlled part**.

b) Notes to the CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Tangible fixed assets

Table 20: Tangible fixed assets of the Intereuropa group as at 31.03.2013

in 1000 €	31.03.2013	31.12.2012
Land and buildings	227,520	228,768
a) Land	117,825	117,863
b) Buildings	109,695	110,905
Other property, plant and equipment	5,415	5,501
Tangible fixed assets under construction	482	459
Total tangible fixed assets	**233,417**	**234,727**

Intangible assets

Tabela 21: Neopredmetena sredstva skupine Intereuropa na dan 31.03.2013 v 1000 €

in 1000 €	31.03.2013	31.12.2012
Long-term title rights	2,232	2,331
Goodwill	1,275	1,275
Long-term deferred development costs	3,895	3,906
Total intangible assets	**7,401**	**7,513**

Dana posojila in depoziti

Table 22: Intangible assets of the Intereuropa group as at 31.03.2013

in 1000 €	31.03.2013	31.12.2012
Long-term loans given and deposits	**52**	**54**
- loans given	26	28
- deposits	26	26
Short-term loans given and deposits	**12,624**	**10,779**
- loans given	117	114
- deposits	12,507	10,665
Total loans given	**12,677**	**10,833**

Other financial investments in the amount of € 3,116 thousand relate to the item "Financial assets available for sale”.

Short-term operating receivables

Table 23: Short-term operating receivables of the Intereuropa group as at 31.03.2013

in 1000 €	31.03.2013	31.12.2012
Short-term operating receivables from buyers	35,763	33,022
Short-term operating receivables from others	2,058	2,608
Total short-term operating receivables	**37,821**	**35,630**

Equity

The equity of the Group amounts to € 155,701 thousand. Compared with the same reporting date last year, the value stated for Equity was higher by € 808 thousand and represents 48 percent of the liabilities to sources of funding.

Provisions and long-term deferred revenue

Table 24: Provisions and long-term deferred revenue of the Intereuropa group as at 31.03.2013

in 1000 €	31.03.2013	31.12.2012
Provisions for terminal bonus payments on retirement	1,178	1,192
Provisions on litigations	172	241
Other provisions	4,192	5,480
Long-term deferred income	211	121
Total provisions and long-term deferred revenue	**5,752**	**7,034**

The **long-term loans received and financial leases** amounted to € 110,736 thousand. This item was increased in the reporting period by € 523 thousand on account of financial lease, and decreased by € 1,441 thousand due to transfer to the short-term portion of loans and financial leases, and foreign exchange differences of € 9 thousand.

The short-term loans received and financial leases amounted to € 6,084 thousand. As of the reporting date, all the liabilities due by the Group under the loan agreements were settled.

Other long-term and short-term financial liabilities

Table 25: Other long-term and short-term financial liabilities of the Intereuropa group as at 31.03.2013

in 1000 €	31.03.2013	31.12.2012
Liabilities for dividends and other participations	436	439
Other short-term financial liabilities	950	1,266
Total other short-term financial liabilities	**1,386**	**3,211**

Other short-term financial liabilities arise from the early termination of the derivative financial instrument of cross-currency swap with currency option in the year 2012 (at the time of termination of the derivative, the unsettled liabilities were recognized as

Other Short-Term Financial Liabilities that as of the Balance Sheet Date amounted to € 950 thousand).

Short-term operating liabilities

Table 26: Short-term operating liabilities of the Intereuropa group as at 31.03.2013

in 1000 €	31.03.2013	31.12.2012
Short-term operating liabilities to suppliers	25,036	21,336
Short-term operating liabilities from advances	858	1,458
Other short-term operating liabilities	4,421	5,110
Total short-term operating liabilities	**30,315**	**27,904**

Contingent liabilities

Table 27: Contingent liabilities of the Intereuropa group as at 31.03.2013

in 1000 €	31.03.2013	31.12.2012
Arising from bank guarantees and guaratees given	11,441	11,172
Arising from legal proceedings	2,628	2,023
From D.S.U., družba za svetovanje in upravljanje	250	250
Other contingent liabilities	206	206
Total contingent liabilities	**14,525**	**13,651**

INFORMATION ACCORDING TO BUSINESS SEGMENTS FOR JANUARY - MARCH 2013

Table 28: Business segments of the Intereuropa Group in the period January – March 2013

	Slovenia		Croatia		Bosnia & Herzegovina		Serbia		Montenegro	
in 1000 €	Jan-Mar 2013	Jan-Mar 2012	Jan-Mar 2013	Jan-Mar 2012	Jan-Mar 2013	Jan-Mar 2012	Jan-Mar 2013	Jan-Mar 2012	Jan-Mar 2013	Jan-Mar 2012
Revenues from external customers	23,101	27,965	6,975	7,409	1,371	1,454	750	855	1,104	1,062
Revenues from business with other segments	717	1,371	90	136	91	114	156	159	38	18
Total revenues	23,818	29,336	7,065	7,546	1,462	1,568	906	1,013	1,142	1,080
Depreciation	1,078	1,372	443	498	97	104	61	64	147	150
Operating profit or loss	1,460	2,159	639	730	70	72	109	115	12	41
Revenues from interest rates	172	1,074	30	51	0	0	2	6	36	23
Expenses from interest rates	927	2,357	54	130	10	21	48	68	0	0
Net profit or loss from ordinary activities	807	593	612	661	61	50	89	-124	48	65
Corporate income tax	301	131	163	106	6	5	3	7	12	6
Assets	246,260	309,589	70,311	72,615	17,099	17,664	10,612	11,064	23,005	22,915
Tangible fixed assets under construction	7	116	88	84	52	52	7	7	325	233
Long-term assets	204,710	243,698	59,256	58,214	15,933	16,238	9,603	9,874	18,800	19,558
Operating liabilities	35,142	42,912	9,786	10,832	1,667	1,929	1,568	1,695	865	823
Financial liabilities	110,160	181,531	6,054	7,541	749	1,113	2,315	2,861	361	358
Investment in jointly controlled entities	75	75	0	0	0	0	0	0	0	0
Revenues from investment in jointly controlled entities	0	0	0	0	0	0	0	0	0	0

	Ukraine		Russia		Others		Total		Adjustments*		Group	
in 1000 €	Jan-Mar 2013	Jan-Mar 2012	Jan-Mar 2013	Jan-Mar 2012	Jan-Mar 2013	Jan-Mar 2012	Jan-Mar 2013	Jan-Mar 2012	Jan-Mar 2013	Jan-Mar 2012	Jan-Mar 2013	Jan-Mar 2012
Revenues from external customers	5,137	4,249	0	3,590	1,384	784	39,822	47,368	0	0	39,822	47,368
Revenues from business with other segments	0	0	0	0	119	85	1,211	1,883	-1,211	-1,883	0	0
Total revenues	5,137	4,249	0	3,590	1,503	869	41,033	49,251	-1,211	-1,883	39,822	47,368
Depreciation	45	34	0	337	14	21	1,884	2,581	0	0	1,884	2,581
Operating profit or loss	87	62	0	1,224	-17	-9	2,360	4,395	-67	-52	2,293	4,343
Revenues from interest rates	2	1	0	17	1	0	243	1,173	-37	-929	206	244
Expenses from interest rates	41	45	0	862	-0	0	1,080	3,483	-37	-929	1,042	2,554
Net profit or loss from ordinary activities	141	-46	0	4,956	-15	-9	1,742	6,146	-267	-249	1,475	5,897
Corporate income tax	30	0	0	1,102	0	1	515	1,358	0	0	515	1,358
Assets	4,736	5,239	0	59,901	3,096	2,788	375,120	501,775	-51,413	-101,586	323,706	400,189
Tangible fixed assets under construction	4	4	0	4,845	0	9	482	5,350	0	0	482	5,350
Long-term assets	3,366	3,987	0	55,320	1,146	1,201	312,815	408,089	-47,401	-79,554	265,414	328,535
Operating liabilities	1,314	1,119	0	24,571	1,037	738	51,379	84,619	-1,580	-20,614	49,799	64,006
Financial liabilities	2,188	2,451	0	48,496	51	0	121,878	244,351	-3,672	-52,463	118,206	191,888
Investment in jointly controlled entities	0	0	0	0	0	0	75	75	64	69	139	144
Revenues from investment in jointly controlled entities	0	0	0	0	0	0	0	0	4	8	4	8

** All adjustments are subject to consolidation procedure*

2. FINANCIAL REPORT FOR THE PARENT COMPANY INTEREUROPA d.d

2.1. Underlying financial statements of the parent company Intereuropa d.d.

INCOME STATEMENT OF INTEREUROPA d.d.
from 1.1.2013 to 31.3.2013

in 1000 €	January – March 2013	January – March 2012
Sales revenues	**23,606**	**28,469**
Other operating revenues	1,277	232
Costs of material and services	-16,686	-20,291
Labour costs	-4,146	-4,436
Write-downs in value	-2,336	-1,352
Other operating expenses	-282	-323
Operating profit/loss	**1,433**	**2,300**
Financial income	298	1,268
Financial expenses	-955	-2,825
Profit/loss from financial operations	**-657**	**-1,557**
Profit/loss from regular operations	**776**	**743**
Corporate income tax (with deferred tax)	-294	-120
Net profit /loss for the period	**482**	**623**
Basic and diluted earnings per share (in €)	0.02	0.08

STATEMENT OF COMPREHENSIVE INCOME FOR INTEREUROPA d.d.
from 1.1.2013 to 31.3.2013

in 1000 €	January – March 2013	January – March 2012
Net profit or loss	**482**	**623**
Other Comprehensive Income	**7**	**44**
Revaluation of financial investments available for sale to fair value	9	55
Deferred tax in revaluation surplus of financial assets for sale	-2	-11
Comprehensive income total	**489**	**667**

STATEMENT OF FINANCIAL POSITION FOR INTEREUROPA d.d.
as at 31.3.2013

in 1000 €	31.3.2013	31.12.2012
ASSETS		
Tangible fixed assets	127,909	128,804
Investment property	5,464	5,516
Intangible assets	6,006	6,092
Other non-current operating assets	276	312
Deferred tax assets	14,344	14,639
Long-term financial investment excl. loans given and deposits	50,683	50,650
Long-term loans given and deposits	7	7
TOTAL NON-CURRENT ASSETS	**204,689**	**206,020**
Inventories	33	33
Short-term financial investment excl. loans given and deposits	250	250
Short-term loans given and deposits	13,431	11,620
Short-term operating receivables	23,744	23,209
Short-term income tax receivables	183	177
Cash and cash equivalents	1,728	3,449
TOTAL CURRENT ASSETS	**39,369**	**38,738**
TOTAL ASSETS	**244,058**	**244,758**
EQUITY		
Share capital	27,489	27,489
Equity reserves	18,455	18,455
Revenue reserves	875	875
Revaluation surplus	54,075	54,068
Net profit/loss	482	0
TOTAL EQUITY	**101,376**	**100,887**
LIABILITIES		
Provisions and long-term deferred revenue	5,191	6,251
Long-term borrowings and financial leases	105,451	106,279
Long-term operating liabilities	414	414
Deferred tax liabilities	9,558	9,558
TOTAL NON-CURRENT LIABILITIES	**120,614**	**122,502**
Short-term borrowings and financial leases	2,215	1,853
Other short-term financial liabilities	1,024	1,341
Short term operating liabilities	18,829	18,175
TOTAL CURRENT LIABILITIES	**22,068**	**21,369**
TOTAL LIABILITIES	**142,682**	**143,871**
TOTAL CAPITAL AND LIABILITIES	**244,058**	**244,758**

STATEMENT OF CASH FLOWS FOR INTEREUROPA d.d. from 1.1.2013 to 31.3.2013

v 1000 €	January – March 2013	January – March 2012
Cash flows from operating activities		
Net profit/loss for the period	**482**	**623**
Adjustments for:		
- Depreciation	1,076	1,192
- Revaluation operating revenues from disposal of tangible fixed assets and investment property	-10	-8
- Revaluation operating expenses from disposal of tangible fixed assets	8	0
- Impairment of receivables	1,251	160
- Non-monetary revenues	-70	-75
- Financial revenues	-298	-1,268
- Financial expenses	955	2,825
- Income tax (deferred tax incl.)	294	120
Operating profit before changes in net working capital and taxes	**3,689**	**3,569**
Changes in net working capital and provisions		
Changes in receivables	-2,405	-504
Changes in operating liabilities	1,456	545
Changes in provisions	-991	-2
Corporate income tax payed	-5	-14
Cash from operating activities	**1,744**	**3,594**
Cash flows from investing activities		
Interest income	183	256
Dividend income and participations in profit	11	175
Inflows from disposal of tangible fixed assets	24	19
Inflows from long-term loans given	177	1,661
Inflows from decrease of short-term loans given	0	1,267
Outflows for acquisition of tangible fixed assets	-106	-179
Outflows for acquisitions of intangible assets	-68	0
Outflows from increase of short-term deposits given	-2,000	-1,495
Outflows from acquisition of other financial investment	-25	0
Outflows from settlement of derivative financial instruments	0	-436
Cash from investing activities	**-1,804**	**1,268**
Cash flows from financing activities		
Paid interest	-878	-2,762
Outflows from repayment of long-term borrowings	-465	-82
Outflows from decrease of short-term borrowings	0	-6,171
Outflows from decrease of other short-term financial liabilities	-318	0
Cash from financing activities	**-1,661**	**-9,015**

Cash and cash equivalents at beginning of period	**3,449**	**9,371**
Net increase/decrease in cash from regular operations	**-1,721**	**-4,153**
Cash and cash equivalents at end of period	**1,728**	**5,218**

STATEMENT OF CHANGES IN EQUITY FOR INTEREUROPA d.d.
from 1.1.2013 to 31.3.2013

in 1000 €	Share capital	Equity reserves	REVENUE RESERVES			Revaluation surplus	RETAINED EARNINGS		Total equity
			Legal reserves	Reserves for treasury shares	Treasury shares (deductible)		Transferred net profit/loss	Net profit/loss for the year	
Opening balance as at 1.1.2013	**27,489**	**18,455**	**875**	**180**	**-180**	**54,068**	**0**	**0**	**100,887**
Total comprehensive income	**0**	**0**	**0**		**0**	**7**	**0**	**482**	**489**
Net profit/loss	0	0	0	0	0	0	0	482	482
Other comprehensive income	0	0	0	0	0	7	0	0	7
Closing balance as at 31.3.2013	**27,489**	**18,455**	**875**	**180**	**-180**	**54,075**	**0**	**482**	**101,376**

STATEMENT OF CHANGES IN EQUITY FOR INTEREUROPA d.d.
from 1.1.2012 to 31.3.2012

in 1000 €	Share capital	Equity reserves	REVENUE RESERVES			Revaluation surplus	RETAINED EARNINGS		Total equity
			Legal reserves	Reserves for treasury shares	Treasury shares (deductible)		Transferred net profit/loss	Net profit/loss for the year	
Opening balance as at 1.1.2012	**32,976**	**0**	**876**	**0**	**-180**	**50,793**	**0**	**0**	**84,645**
Total comprehensive income	**0**	**0**	**0**	**0**	**0**	**44**	**0**	**623**	**667**
Net profit/loss	0	0	0	0	0	0	0	623	623
Other comprehensive income	0	0	0	0	0	44	0	0	44
Closing balance as at 31.3.2012	**32,976**	**0**	**876**	**0**	**-180**	**50,837**	**0**	**623**	**85,312**

2.1. Notes to Financial Statements of the parent company Intereuropa d.d.

a) Notes to the INCOME STATEMENT

Sales revenues amounting to € 23,606 thousand represent the revenues arising from the services supplied. Compared with the same period a year ago, the sales revenue was lower by € 4,863 thousand.

The **Cost of materials and services** were at € 16,686 thousand, but they are presented at a lower value by € 3,605 thousand. The costs not directly tied to the provision of services represent 86 percent of the cost of materials services.

Other Operating Revenues mainly stand for the proceeds from damages received from the payment/ settlement of customs duty on account of an incomplete transit procedure under the Decision by the Customs Administration of the Republic of Slovenia (amounting to € 1,073 thousand), for which the provisions made last year were used. As we estimate that the collection of said compensation for damages be aggravated, we impaired this account receivable in full amount (the impairment is presented under the Write Offs).

Labour costs

Table 29: Labour cost of the company Intereuropa d.d. in the period January – March 2013

in 1000 €	January - March 2013	January - March 2012
Wages and salaries	3,093	3,288
Pension insurance costs	342	364
Other social security costs	224	238
Other labour costs:	488	546
transport and meals	470	518
other labour costs	18	28
Labour costs	**4,146**	**4,436**

Write-offs

Table 30: Write-offs of the company Intereuropa d.d. in the period January – March 2013

in 1000 €	January - March 2013	January - March 2012
Amortisation of intangible assets	134	146
Depreciation of property, plant and equipment and investment properties	942	1,046
Revaluatory operating expenses of intangible and tangible fixed assets	8	0
Expenses from revaluation adjustments (impairments) and written-off receivables	1,251	160
Total write-offs	**2,336**	**1,352**

Other operating expenses

Table 31: Other operating expenses of the company Intereuropa d.d. in the period January – March 2013

in 1000 €	January - March 2013	January - March 2012
City land tax and similar expenses	243	247
Other operating expenses	40	76
Total other operating expenses	**282**	**323**

The **Operating Profit/Loss** for the reporting half-year was € 1,433 thousand and by € 867 thousand lower than the comparable category, due to lower operating revenues and expenses.

The effect of Financial Income and Expenses on the Profit or Loss

Table 32: The effect of financial income and expenses on the profit or loss of the company Intereuropa d.d. in the period January – March 2013

in 1000 €	January - March 2013	January - March 2012
Interest income from group members	37	929
Interest income from others	126	134
Income from intra-group participations	134	199
Net exchange rate differences	0	5
Total financial income	**298**	**1,268**
Interest expenses an other borrowing expenses	-927	-2,336
Expenses from impairments and written-off other financial investments	-13	-1
Expenses from derivative financial instruments	0	-488
Net exchange rate differences	-16	0
Total financial expenses	**-955**	**-2,825**
Profit/loss from financing activities	**-657**	**-1,557**

Financial revenues, as well as **Financial expenses** were lower than in the comparable term last year, the Financing profit or loss came to -657 thousand €.

The achieved **Profit or loss from ordinary activities** of € 776 thousand resulted from the achieved Operating Profit/Loss from ordinary activities (€ 1,433 thousand) and the Financing Profit/Loss (-657 thousand €).

The **Corporate Income Tax** stands for the expensed from deferred taxes in the amount of € -294 thousand, originating from utilisation of tax losses.

b) Notes to the STATEMENT OF FINANCIAL POSITION

Tangible fixed assets

Table 33: Tangible fixed assets of the company Intereuropa d.d. as at 31.03.2013

in 1000 €	31.03.2013	31.12.2012
Land and buildings	125,660	126,284
a) Land	75,397	75,397
b) Buildings	50,263	50,887
Other property, plant and equipment	2,242	2,513
Tangible fixed assets under construction	7	7
Total tangible fixed assets	**127,909**	**128,804**

The lower value of tangible fixed assets was largely attributable to the depreciation costs.

Intangible assets

Table 34: Intangible assets of the company Intereuropa d.d. as at 31.03.2013

in 1000 €	31.03.2013	31.12.2012
Long-term title rights	2,112	2,186
Long-term deferred development costs	3,895	3,906
Total intangible assets	**6,006**	**6,092**

Long-term financial investments excl. loans given and deposits

Tabela 35: Long-term financial investments excl. loans given and deposits of the company Intereuropa d.d. as at 31.03.2013

in 1000 €	31.03.2013	31.12.2012
Investments in shares and stakes of subsidiaries	47,506	47,481
Investments in stake of joitly controlled company	75	75
Investments in other shares and stakes	3,102	3,093
Total long-term financial investments excl. loans given and deposits	**50,683**	**50,650**

Loans and deposits given

Table 36: Loans and deposits given of the company Intereuropa d.d. as at 31.03.2013

in 1000 €	31.03.2013	31.12.2012
Long-term loans given	**7**	**7**
- to others	1	1
- deposits	6	6
Short-term loans given and deposits	**13,431**	**11,620**
- to subsidiaries	2,221	2,397
- to others	0	13
- deposits	11,210	9,210
Total loans given	**13,438**	**11,627**

Short-term operating receivables

Table 37: Short-term operating receivables of the company Intereuropa d.d. as at 31.03.2013

in 1000 €	31.03.2013	31.12.2012
Short-term operating receivables within the Group	900	827
Short-term interest receivables from Group companies	136	139
Other short-term operating receivables from Group companies	123	0
Short-term operating receivables from buyers (excl. the Group)	22,098	21,762
Short-term operating receivables from others	350	396
Other short-term assets	136	85
Total short-term operating receivables	**23,744**	**23,209**

Equity

Equity expresses equity financing of the company and is regarded as its liability to shareholders. Compared with the reporting date a year ago, the share of equity in the liabilities structure remained unchanged, amounting to 41 percent.

Provisions and long-term Deferred Revenues amount to € 5,191 thousand. The prevailing part (€ 4,160 thousand) comprises the provisions made to cover the liabilities from past operations.

The **long-term loans received and financial leases** amounted to EUR 105,451 thousand. In the reporting term they were decreased on account of transfer to short-term liabilities in the amount of € 828 thousand.

The short-term loans received and financial leases amounted to € 2,215 thousand. They increased due to the a.m. transfer of the portion of long-term liabilities payable in one year's term, and the repayments came to € 466 thousand.

Other short-term financial liabilities

Table 38: Other short-term financial liabilities of the company Intereuropa d.d. as at as at 31.03.2013

in 1000 €	31.03.2013	31.12.2012
Liabilities for dividends	74	74
Other short-term financial liabilities	950	1,266
Total other short-term financial liabilities	**1,024**	**2,846**

Other short-term financial liabilities arise from the early termination of the derivative financial instrument of cross-currency swap with currency option in the year 2012 (at the time of termination of the derivative, the unsettled liabilities were recognized as Other Short-Term Financial Liabilities that as of the Balance Sheet Date amounted to € 950 thousand).

Short-term operating liabilities

Table 39: Short-term operating liabilities of the company Intereuropa d.d. as at as at 31.03.2013

in 1000 €	31.03.2013	31.12.2012
Short-term opertaing liabilities to companies within the Group	232	252
Short-term opertaing liabilities to suppliers	16,084	14,587
Short-term opertaing liabilities from advances	74	19
Other short-term opertaing liabilities	2,438	3,317
Total short-term opertaing liabilities	**18,829**	**18,175**

Contingent liabilities

Table 40: Contingent liabilities of the company Intereuropa d.d. as at as at 31.03.2013

in 1000 €	31.03.2013	31.12.2012
From bank guarantees and guaratees given to Group members	7,121	8,612
From bank guarantees and guaratees given to others	6,102	6,088
Arising from legal proceedings	2,345	1,739
From D.S.U., družba za svetovanje in upravljanje	250	250
Total contingent liabilities	**15,818**	**16,689**

Related parties are the subsidiaries and the joint venture in the form of an entity in joint control, and the key managerial staff members /executives of the Parent company and of the controlled companies. Transactions in the business and financial area are conducted under market conditions.

IN BRIEF ...

Economic movements in the markets of Intereuropa have not brought positive changes to the reporting term. Players in logistics markets, both on the supply side and demand side, were still trying to cut their own slice of the cake that is getting smaller every day in the shrunken goods flows.

After the successfully completed financial restructuring at the end of last year, the Intereuropa Group was able to operate in accordance with the planned activities and fulfilled the financial goals set for the first quarter of this year. Further to intensified sales activities to acquire new customers and gain cost efficiency, we dedicated particular attention to preparations for Croatia accession to the EU this summer, which will have a significant impact on the downturn in the sale of promising customs services in Slovenia and in Croatia.

In the first three months of the current year, the Intereuropa Group achieved the target sales revenue and earned **Sales revenue** of **€ 39.8 million**. That sales result was 16 percent lower than in the first quarter of the year ago due to disposal of logistics centre Chekhov in Russia and considerable decrease in the volume of services purchased by our major customer (Top Shop Intl.), which we were unable to compensate with new business yet.

The target financial results for the reporting quarter were achieved on both levels, of the Group and of the Parent company; this year's operations are not comparable with the same term of 2012 because the disposal of logistics centre in Russia affected numerous items in our financial statements.

On the Group level, our **Operating Profit or Loss** for the reporting period came to **€ 2.3 million** and achieved the plan. We also accomplished the target share of Profit or Loss in the sales revenues (the EBIT Margin), which amounted to 5.8 percent.
The **Financing profit or loss** was negative **-0.8 million €,** which is entirely attributable to interest expenses. After tax, the **Net profit** of the Group came to **€ 1.0 million**.
At the end of the term the Group recorded a **net financial debt** at **€ 98.7 million**, which is one percent lower than at the year-end 2012.

The remaining part of current year still has a lot of challenges. The toughest one will be the allignment of operations and structure of services in the Slovenian and Croatian market after the Croatia joins the EU. Intensive preparations have been in course for several months, covering the sales activities, the alignment of organization and cost rationalisation.
The second major challenge will be a systematic building up of sales activities leading to achieve organic growth of the Group primarily in the field of complex logistics services that will be IT-supported and offer assured traceability of goods and orders. Customers' expectations are rising and getting more advanced, which offers us new possibilities to use our competitive advantages.

INTEREUROPA d.d.
President of Management Board
Ernest Gortan, Msc.