



**SLOVINTEGRA**

CONSOLIDATED ANNUAL REPORT

BRATISLAVA JUNE 2008





The board of directors of Slovintegra, a. s.

## **INDEPENDENT AUDITOR `S REPORT FOR SHAREHOLDERS OF SLOVINTEGRA, A.S., BRATISLAVA.**

We have audited the accompanying consolidated financial statements of SLOVINTEGRA, a.s. (the "Company"), which comprise the balance sheet as at 31 December 2007, the statement of income, cash flow and changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### **Board of Directors' Responsibility for the consolidated Financial Statements**

The Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Slovak Act on Accounting. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **Auditor's Responsibility**

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

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

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

### **Opinion**

In our opinion, the consolidated financial statements give a true and fair view of the financial position of SLOVINTEGRA, a.s. as of 31 December 2007, and of the results of its operations and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Bratislava 29.júla 2008

EKOGE s.r.o.  
Pekná cesta 19, 831 05 Bratislava  
Obchodný register, Oddiel:Sro, Vložka č.9037/B  
Licencia SKAU č. 210



  
Ing. Gampe Marta  
Zodpovedný audítor  
Licencia SKAU č.96

## 1. ACTIVITIES OF THE GROUP IN 2007

For our company the year 2007 was a very successful year during which our portfolio of business activities expanded with new business areas namely production and sale of electric power, heat energy and gas, and dealing with these energetic media. In a short time, i.e. from May 2006 to September 2007 we managed to build and put combined-cycle into operation with the wattage of 80 MWe in the industrial park Levice. Our effort was crowned with success and at the beginning of October 2007 the combined-cycle was officially put into operation. Although the very start of this unit was accompanied with certain problems, today when we managed to resolve the essential part of these problems I can declare that investment in building this work was the right decision. Expected economic results in 2008 and also in next years will significantly influence profits of the parent company Slovintegra, too. In addition, we can be proud that the work will contribute in considerable extent to energetic self-sufficiency of Slovak republic, too.

In 2007 another subsidiary GasTrading, which operates in the industrial park Levice as well as Slovintegra Energy, started its business activity, too. It mainly executes gas supply for the combined-cycle, and also for other business subjects operating in the park. We also expect

an important and significant contribution to our future revenues from this subsidiary.

In 2007 building operations on the project of health center in Petržalka started at full blast. This center will focus on precautionary health protection, diagnostics and day-surgery. The realization of this project runs according to the plan. The crucial year however will be the year 2008 and our ambition is to do our best in order to provide services of the health center already at the beginning of the year 2009.

In another area of our business where we have been acting for a long time, i.e. in the field of financial investments, we have had alternate success. In the first half of the year our investment funds which are administered by reputable banks namely Banque Privé Edmond de Rothschild Europa, BNP Paribas and other, reached expected results. In the second half of the year the situation changed and there was an unpredictable forfeiture on the world financial markets in consequence of hypothecary crisis in USA. This hypothecary crisis hit the whole world thereafter, caused a lack of liquidity, noticeable enfeeblement of capital market and distrust of investors, which temporarily negatively influenced performance of our investment funds. I believe that the decrease of performance is just

temporary and after the stabilization of world financial markets will these investment funds gain original performance they had in 2006 and in the first half of 2007. Continual strengthening of the Slovak crown towards currencies EUR and USD had negative impact on financial investments. We managed to eliminate the strengthening of Slovak crown partially by derivative operations. The positive result of these operations will practically appear in our profit not until the year 2008 when their term of settlement occurs.

Overall, we can consider the year 2007 to be successful. We enlarged our business portfolio with entrepreneuring in power engineering and dealing with energetic media. I am convinced that the realization of these projects creates very good conditions for meeting our objectives in the future and it will bring the investors an added value in the growth of equity and sufficient amount of paid dividends thereafter.

In the next period we will focus our effort and endeavour mainly on improving the profits of the actual business portfolio and we will continue searching new lucrative business opportunities.

## 2. CONSOLIDATED GROUP

### Parent company

SLOVINTEGRA, a.s. Jašíkova 2, 821 03 Bratislava, is an incorporated company (hereinafter „Company“) funded the 27th of February 1995 and registered with the Commercial Registry of Slovak republic the 6th of April 1995. Consolidated Company statements of finances for the year which ended the 31st of December 2007 are ready on behalf of the company and its subsidiaries (hereinafter „Group“).

Statements of finances were drawn up in thousands of Sk. Slovak crown is a currency in which the statements are made and most of the transactions are realized.

In 2007 the company had 6 employees on average 1 boss included.

### Subsidiaries

#### Name and seat:

Trenčianske minerálne vody, a.s.,  
Jašíkova 2, 821 03 Bratislava,  
Slovak republic

#### Business area:

Bottling natural mineral water and production of soft drinks

IČO: 35 86 71 59

Interest: 100 %

Number of employees: 43, 3 bosses included

#### Name and seat:

GRANITOL, a.s.  
Partyzánska 464, 793 05 Moravský Beroun,  
Czech republic

#### Business area:

- production of goods made of plastic and sets
- metal-work
- locksmithing
- constructing, reparation, maintenance of reserved electric equipment

IČO: 00 01 21 14

Interest: 100 %

Number of employees: 378, 15 bosses included

#### Name and seat:

PORTFIN, o.c.p., a.s. – bond dealer  
Jašíkova 3, 821 03 Bratislava,  
Slovak republic

#### Business area:

- major investment activities
- minor investment activities

IČO: 35 87 35 31

Interest: 100 %

Number of employees: 5, 3 bosses included

**Name and seat:**

Microline Enterprise Limited  
8 Gregory Afxentiou Avenue, EL.PA.Livadiotis,  
Office 401, 6023 Larnaca, Cyprus

**Interest:** 100 %

In 2007 it did not execute any activity and did not have any employees. Upon a decision of a partner there have been liquidating works running on the company and the financial statements has not been made. Because of these reasons as well as because of the absorption faculty of finance higher than the consolidation effect this company has not been included into the consolidation package.

**Name and seat:**

Sunpalm Enterprise Limited  
EL.PA.Livadioti, Flat/office 401  
6023 Larnaca, Cyprus

**Interest:** 100%

In 2007 it did not execute any activity and did not have any employees. Upon a decision of a partner there have been liquidating works running on the company and the financial statement has not been made. Because of these reasons as well as because of the absorption faculty of finance higher than the consolidation effect this company has not been included into the consolidation package.

**Name and seat:**

GEOSAN GAMA, s.r.o.  
Šancová 48, 811 05 Bratislava,  
Slovak republic

**Business area:**

- engineering activity, acquisition activity in building industry, counselling in building industry, acquisition activity related to building administration and rent, real estate activity

**IČO:** 35 94 71 01

**Interest:** 50 %

**Number of employees:** 0

**Name and seat:**

GasTrading, s.r.o.  
Šafárikova 1, 934 01 Levice,  
Slovak republic

**Business area:**

- gas supply, distribution of gas

**IČO:** 36 28 58 71

**Interest:** since 1/2007 share 100 %

**Number of employees:** 7

**Name and seat:**

SLOVINTEGRA ENERGY, s.r.o.  
Šafárikova 1, 934 01 Levice,  
Slovak republic

**Business area:**

- retail, procurement of business, services and  
production within free business

**IČO:** 35 96 84 86

**Interest:** 67 %,

**Number of employees:** 16

**Name and seat:**

SI REAL, s.r.o.,  
Jašíkova 2, 821 03 Bratislava,  
Slovak republic

**Business area:**

- engineering activity, acquisition activity in  
building industry, counselling in building industry,  
acquisition activity related to building administration  
and rent, real estate activity

**IČO:** 36 29 27 88

**Interest:** 100 %

**Number of employees:** 0

**Name and seat:**

SI Medical, s.r.o.,  
Jašíkova 2, 821 03 Bratislava,  
Slovak republic

**Business area:**

- rent – acquisition activity

**IČO:** 36 68 04 78

**Interest:** 100 %

**Number of employees:** 0

**Name and seat:**

MULTIWORLD – Absolute One

**Interest:** 96,47 %

**Name and seat:**

Opti – Growth – First Optimal Growth

**Interest:** 99,9936 % Slovintegra, a.s.  
00,0064 % Portfin, o.c.p.

### 3. ACCOUNTING RULES

Consolidated financial statements were prepared in accordance with International Financial Reporting Standards (hereinafter „IFRS“) accepted by International Accounting Standards Board which had been issued as IAS till 2002.

Group consolidated financial statements imply financial statements of the parent company and subsidiaries.

Financial statements have been made on the basis of historical costs except property and liabilities which are shown in the fair value namely differentiating financial instruments, merchantable investments, investments available for sale and investments in real estate.

Financial statements follow from accounting records kept according to Slovak legislation and they regard some adjustments and reclassification in a way that the financial statements are in accordance with IFRS. Accounting rules, which are mentioned further, have been administered in consistent way for all periods that are presented in these financial statements, and for opening balance sheet as per IFRS made up at the date of change 1st of January 2004 for purpose of transformation to IFRS.

#### **Subsidiaries**

Are those that are controlled by the Company. The control exists when the Company has the power to manage directly or indirectly financial and operating rules in order to gain benefits from its activities. When evaluating control possible exercisable voting rights are taken into consideration. Financial statements of subsidiaries are included in consolidated financial statements from the start of the control till the end of the control. All inter-group transactions, balances, expenses and incomes are eliminated.

#### **The moment of sales recognition**

Revenues are evaluated in fair value of obtained counter-value or claims and represent sums that are obtained from supply of goods and services in standard business. Revenues are determined after deducting discounts, VAT or eventually other commercial taxes (excise tax). Revenues from supplies are carried to account in the moment when the goods are delivered and the ownership is transmitted (right of disposition).

#### **Foreign currency**

Transactions in foreign currency are converted with the exchange rate from the date of transaction. Exchange-rate differences that arise are included in expenditures or in incomes in the profit and loss account. At the date of compiling

the balance sheet financial assets and liability items denominated in foreign currency are converted to Slovak crowns with an exchange rate of National bank of Slovakia valid at the day when the balance sheet was made. Paper profits and losses by reason of movements of the exchange rates are fully included in profit and loss accounts.

Foreign operations represent foreign subsidiaries and associated companies. Their assets and liabilities were converted to Slovak crowns with an exchange rate of National bank of Slovakia valid at the day when the balance sheet was made. Expenses and incomes of foreign operations were converted to Slovak crowns with average exchange rates of National bank of Slovakia for a period. Exchange-rate differences during converting foreign operations are included in equity as conversion reserve and are included in profit and loss account when selling subsidiary or associated company.

#### **Social security and income schemes**

The Company pays lawful health, medicare and retirement security contributions and a contribution to the Employment fund of the gross earnings volume according to the rates valid for the concrete year. Costs for social security are included in the profit and loss account in the same

period as respective labour costs. The Company is not obliged to pay resources from the gross earnings volume to these funds beyond legally determined scope.

#### **Loan costs**

All loan costs are included in the profit and loss account.

#### **Income tax**

Income tax is paid from the profit in the amount of 19 % after the adjustment of referable and allowable items to tax base.

Deferred tax is counted by liability method for all temporary differences between tax and accounts value of assets and liabilities. Deferred tax is counted at a rate, which is expected for the period in which assets will be realized or liability will be settled up. Deferred tax is included in profit and loss accounts except cases when it is related to items which are included in equity accounts. Valed rate of the income tax as of 1st January 2006 is 19 % (as of 1st January 2005: 19 %). Main temporary differences for the purposes of deferred tax are formed by the differences between account and tax depreciations, by differences between acceptance of leasing for income tax and the moment of their recognition, by paper exchange-rate differences that have been fully admitted only since 2005 (according to the

Slovak legislation law on income tax). Deferred tax is also applied to temporary differences which arise while investing in subsidiaries and associated companies except cases when the accounting of temporary differences is under control and the temporary differences will be cleared in near future.

**Non-current tangible and intangible assets**

a) Owned assets

Lands, buildings and equipments are evaluated in acquisition costs. These costs contain prices of acquired assets and additional acquisition costs like transport charges, assembly, duty. Buildings and equipments self-produced are evaluated by direct material, direct labour and factory overhead.

Non-current tangible and intangible assets is depreciated from expenses in the profit and loss account linearly during estimated lifetime. Non-current intangible assets which has undefinable lifetime is not depreciated. Lands are not depreciated. Estimated lifetimes according to main groups of non-current tangible assets are:

Buildings, constructions	20-30 years
Machines, equipments, means of transport	4 – 20 years
Long-term intangible assets	4-5 years

In accordance with IAS 36 an evaluation is being realized at the date of making the financial statements in order to see whether there is not a decrease on the value of the assets. Ascertained losses from the decrease of the value are directly included in the profit and loss account. Used interest rate in calculating present value of cash flow while determining the value from using is the one that is reasonable in terms of the company in economic environment of Slovakia.

Non-current assets, which is in the process of construction and is intended in the future to be an investment in real estate, is accounted till the time of completion in the amount of acquisition costs on the incomplete investments account. After completion it is reclassified to investment in the real estate account and is evaluated in fair value..

Expenses in connection with the change of the component, which belongs to the property item but is accounted separately including expenses on capital repair and great inspections, are capitalized. Other expenses following the date of acquisition are added to the carrying amount of the assets only when future profits compared to the initial amount are expected. Other expenses are recognized on the cost account of the profit and loss account.

#### b) Property and leasing

Leasing is classified as a financial leasing when all risk and advantages of the ownership are transferred to the lessee according to contract conditions. All other leasings are classified as operating leasing. Property and liability obtained on the basis of financial leasing are accounted in the lower value of the fair value from the date of acquisition and the present value of minimal leasing payments. Financial cost which represents a difference between total obligation from financial leasing and fair value of acquired property is accounted in the profit and loss account during the leasing period with the use of implicit interest rate.

#### **Non-current assets held for sale**

Non-current assets classified as held for sale is evaluated with lower value of the carrying amount and fair value (minus sale costs).

#### **Goodwill**

Goodwill which arises during the consolidation, represents exceeding acquisition investment cost from the share of identifiable assets and liabilities of subsidiaries and associated companies in fair value. Goodwill is accounted as an asset and is evaluated at least once a year on a decrease of the value. The loss from the decrease of the value is accounted in the profit and

loss account and is not accounted back. While sale of the subsidiary or associated company goodwill is accounted in the profit and loss account as a part of the sale result.

#### **Investments**

a) Investments in debt and property securities  
Investments in securities are accounted the date of trade and are initially evaluated with acquisition costs. Debt securities held till the maturity date are evaluated in amortisation costs and are evaluated on a decrease of the value that reflects irretrievability of sums.

Other investments are classified as merchandable or on disposition for sale. These investments are evaluated in fair value. The fair value is their quoted value at the date of the balance sheet. Profits and losses from merchandable securities are accounted on the profit and loss accounts. Profits and losses from securities on disposition for sale are included in equity on the account of evaluative differences.

#### b) Investments in real estate

The investment is reported in fair value which is determined yearly on the basis of the reference of independent expert. The fair value is based on current prices on the active market for similar items in the same location and under the same

conditions. Revenues and losses from the change of the fair value are included in the profit and loss account.

#### **Business and other liabilities**

Business and other liabilities are reported in their nominal value. Their value is decreased through allowance in estimated sum where the assumption is that it is not encashed.

#### **Derivative financial funds**

The Group uses derivative financial funds in order to ensure (hedge) against risks from changes in foreign currencies and interest rates which arise during its operating, financial and investment activity. In accordance with company rules the Group does not emit derivative financial funds for the purposes of merchandising. Even despite that the derivative financial funds which do not fulfil conditions of hedging, are recognized as merchandable tools.

Financial funds are initially recognized in acquisition costs. Then they are evaluated in fair value. The fair value of interest swap is the estimated sum which the Group should pay or cash in for terminating the swap at the date of balance sheet while current interest rates and credit value of third parties are taken into account. The fair value of the forward contract on foreign cur

rency is its quoted market value at the date of the balance sheet which is the present value of the quoted forward price.

#### **Financial funds and money equivalents**

Financial funds and money equivalents consist of cash and balances on the bank accounts and highly liquid investments with unimportant risk of change in a value that have the original maturity date three months or shorter from the purchase day. Short-term financial investments for merchandising are not considered as money equivalents.

#### **Reserves**

Reserves are recognized when there exists the legal or constructive obligation like result of past events, it is probable that resources that represent economic benefit, would need to be used in order to settle the obligation and it is possible to reliably estimate the obligation sum.

#### **Reporting the segments**

Segment is a differentiating part dealing with production of goods or provide services (business segment) or supplying goods or services in certain economic environment (geographic segment) which is the subject of risks and advantages different from those that are exposed to other segments.

## 4. PROFITS

<b>Group profits analysis (thousands of Sk):</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
Income from the sale of goods	32 385	2 970	5 109
Income from the sale of plastic goods and sets and other products	2 266 416	1 599 011	1 538 633
Status change of corporate inventories	3 260	33 474	4 869
Interest income	41 355	137 828	77 563
Revenues from investment	2 352 318	4 407 808	11 152 732

## 5. COSTS

<b>Group costs analysis (thousands of Sk):</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
Financial costs	108 599	559 913	209 125
Consumption of material, energy and sold goods	1 759 706	1 226 961	1 151 090
Staff costs	201 822	167 217	171 207
Depreciations	110 466	167 217	82 402
Services costs	139 690	145 976	159 211
Interest expense	77 609	29 491	5 206
Sold securities and interests	2 204 011	4 344 335	8 037 579
Sale of shares in subsidiary			79 220

## 6. TAXES

Thousands of Sk	2007	2006	2005
Tax and hereof:	33 781	22 089	460 563
Deferred tax	2 150	-220	3 598

Except the value, which was recorded in the profit and loss account, the deferred tax liability was reported from the intermediate profit – carrying price of the assets, acquired from a subsidiary by another subsidiary in the amount of 67 thousands Sk.

## 7. GOODWILL

Thousands of Sk	2007	2006	2005
Total goodwill (hereof:)	291 216	289 189	267 752
Trenčianske minerálne vody, a.s.	15 191	15 191	4 682
Granitol, a.s.	262 805	262 805	262 805
GasTrading, s.r.o.	12 605	10 313	
GEOSAN,s.r.o.	615	615	

## 8. Merchandable Investments

Thousands of Sk	2007	2006	2005
Sale investments – non-current assets	6 901 251	8 141 165	340 300
Merchandable investments – current assets			1 568 598

The fair value of these securities result from market prices.

## 9. INVENTORIES

Inventories contain these items:	2007	2006	2005
Material	126 854	101 402	78 168
Work in progress	43 725	33 657	15 930
Finished goods	59 609	61 790	48 285
Goods	524	354	560
Minus: allowance	-5 809	-5 641	- 1739

## 10. OTHER ASSETS

Thousands of Sk	2007	2006	2005
Buildings, lands, equipment	2 720 396	2 045 871	394 254
Other intangible assets	35 841	51 798	73 568
Trade receivables and other	635 250	514 279	290 540
Financial funds a equivalents	832 037	1 663 166	9 692 550

### Buildings, lands and equipment

Buildings are registered in subsidiaries Trenčianske minerálne vody, a.s., Granitol, a.s. GEOSAN GAMA, s.r.o., GasTrading, s.r.o., Slovintegra Energy, s.r.o.. Acquired assets is - rehabilitative center of the company SI REAL, s.r.o. Equipment contains motor vehicles, production lines of goods and other equipment needed for production.

As of 31st December the property of Granitol, a.s. is mortgaged on behalf of Československej obchodnej banky, a.s. real estate – a building of central stock of finished goods and stock technology, long-term loan in Komerčna banka and UniCredit bank and short-term loan in UniCredit bank is secured with bianco bills, short-term operating loans in UniCredit Bank, KB and ČSOB are reinsured by rendered receivables.

### Intangible assets

Intangible assets recorderd on listed accounts are licence and software. The most important item is valuable right, fulfilling condition IAS 38. Useful period is 60 months.

### Financial funds

Balances in banks and financial funds represent money which are held by the Group and short-term bank deposits with the maturity date three months and less. Carrying values of the assets converge to their fair value.

## 11. BANK LOANS

Thousands of Sk	2007	2006	2005
Bank loans	250 386	1 174 105	5 530

Bank loans consist of loans provided by different commercial banks for the purchase of non-current properties or operating loans in Granitol. Here, the long-term loan from Komerčná banka and UniCredit bank and the short-term loan from UniCredit bank is reinsured by blanc bills, short-term operating loans in UniCredit, KB and ČSOB are reinsured by rendered receivables.

## 12. RESERVES

Thousands of Sk	2007	2006	2005
Reserves	39 893	31 780	28 650

## 13. SHARE CAPITAL

Share capital was during 2007 decreased by 400 thousands of Sk. It contains following:

Share capital amount: 1 097 700 000 Sk

Pay-off amount: 1 097 700 000 Sk

count, type, form  
face value:

9 754 common shares, stock certificate,  
face value: 50 000 Sk

122 common shares, stock certificate,  
face value: 5 000 000 Sk

## 14. FUNDS

Thousands of Sk	2007	2006	2005
Funds	1 121 50	1 210 110	1 311 752

Funds of the parent company in the amount of 873 496 thousands of Sk as of 31st of December were adjusted by revaluation reserve adjustment from assets (exchange rate differences).

## 15. RETAINED PROFITS

Thousands of Sk	2007	2006	2005
Retained profits	8 383 671	9 022 549	9 594 162

Retained profits are adjusted by intermediate profit of acquired property of subsidiaries, writing-off adjustments, referred tax from intermediate profit.

Multiworld Absolute One and OPTI Growth in which the parent company has interests was as of 31.12.2007 counted in fair value. Their possible influence on the profit or loss result was adjusted within the retained profit in the following way:

Thousands of Sk	
Total value MULTIWORLD	3 275 295
interest 97,31 % belonging to Slovintegra,a.s.	3 159 677
loss MULTIWORLD	- 44 728

Thousands of Sk	
Total value OPTI GROWTH	2 677 430
interest 00,0064 % belonging to Portfin, o.c.p.	171
interest 99,9936 % belonging to Slovintegra,a.s.	3 008 390
profit OPTI GROWTH	-331 131

## FINANACIAL ANALYSIS

### a) Liquidity indicators

Indicator	Individual financial statement of the parent company 2007	Consolidated financial statement of the group 2007
Available liquidity	27,52	1,30
Current liquidity	27,75	2,29
Total liquidity	27,82	2,70

**Available liquidity** – the indicator predicates about the relation between the most liquid part of the property (financial property) and short-term liabilities. Optimal values of the indicator are in the scale 0,2 – 0,6.

**Current liquidity** – short-term receivables are added to the indicator's numerator. Rec

ommended values are those in the interval 1 – 1,5. Short-term liabilities should not exceed the volume of financial property and short-term receivables.

**Total liquidity** – inventories are added to the indicator's numerator. Guiding value is the interval 2 – 2,5.

### b) Activity indicators

Indicator	Individual financial statement of the parent company 2007	Consolidated financial statement of the group 2007
Assets turnover	0,23	0,42
Turnover period of short-term receivables	1,36 dní	46,86dní
Paying-off period of short-term liabilities	6,12 dní	48,93dní

The subsidiaries deteriorate the indicator of maturity date of short-term receivables and short-term liabilities.

### c) indicator of indebtedness

Indicator	Individual financial statement of the parent company 2007	Consolidated financial statement of the group 2007
Total indebtedness	2,31 %	8,53 %
Loan indebtedness	1,54 %	2,14 %
Equity interest (self-financing)	97,69 %	-
Equity interest in the group	-	91,46 %
Equity interest of the parent company in the group	-	91,97 %

Total indebtedness of the parent company is hugely low, up to 97,69 % of the assets are covered by own funds. Total indebtedness in the group is also very low, up to 91,46 % of the assets are covered by own

funds. In comparison with last two indicators a high capital interest of the parent company in subsidiaries included in the consolidated financial statement is evident.

### d) Indicators of profitability

Indicator	Individual financial statement of the parent company 2007	Consolidated financial statement of the group 2007
Return on assets (ROA)	1,48 %	1,15 %
Profitability of the equity capital of the parent company	1,52 %	-
Profitability of the equity capital in the group	-	1,25 %
Profitability of the equity capital of property shares in the group	-	1,26 %

## 17. EVENTS AFTER THE DATE OF BALANCE SHEET

After 31st of December there were no events that would significantly change presented data in these financial statements that it

would be necessary to change the financial statements or add these notes.

## 18. RELATED PERSONS

Transactions between the company and its subsidiaries, which are related persons, were eliminated in the consolidation and therefore they are not mentioned in these notes.

### Business transactions

During the year, the group of the companies entered into transactions with related persons which are the Group members:

Thousands of Sk	Costs		Incomes	
	2007	2006	2007	2006
Slovintegra, a.s.	16 648	16 821	32 981	8 070
Trenčianske min. vody, a.s.	3 543	1 927	35	26
Granitol, a.s.	5		3 490	2 038
SI REAL, s.r.o.	5 794	1 721		
GEOSAN GAMA, s.r.o.	6 613	6 010		
GasTrading, s.r.o.	7 846	43	416 279	
Slovintegra Energy, s.r.o.	429 139	388	105	
Portfin, o.c.p., a.s.	6	4	16 770	17 239

Thousands of Sk	Receivables		Liabilities	
	2007	2006	2007	2006
Slovintegra, a.s.	1 933 762	222 476	31 383	1 238
Trenčianske min. vody,a.s.	30 000		4	395
Granitol, a.s.		395		
SI REAL, s.r.o.			206 794	46 712
GEOSAN GAMA, s.r.o.			132 269	125 657
GasTrading, s.r.o.	132 621		104 342	50 043
Slovintegra Energy,s.r.o.	125		1 623 108	35
Portfin, o.c.p, a.s.	1 392	1 278	4	

Purchases and sales were executed in current prices according to the price list of the Group. Receivables and liabilities, which are unpaid, are unsecured and will be paid in

money. There were no guarantees provided or accepted. No allowances for receivables, which concern related persons, were made.

## 19. EXPECTED FUTURE PROGRESS

The year 2008 will be a year of company development, consolidation of our group business activity and mainly in the field of energetics and health with searching new business activities.

Our attention will be paid to the development of new subsidiaries Slovintegra Energy and GasTrading which started their business activities during 2007. We will focus on profit maximization in these companies and their global contribution within the group.

We will also focus on finishing building the health center in Petržalka and its equipment with the most modern health technology. We have to build the organizational and personnel architecture of the health center, direct its marketing activities the way to be able to start the operational regime of the company SI Medical at the beginning of 2009.

## CONSOLIDATED BALANCE SHEET

Assets	for the period as of 12/31/05	for the period as of 12/31/06	for the period as of 12/31/07
Non-current assets	1 076 092	10 528 023	9 948 704
Buildings, lands, equipment	394 254	2 045 871	2 720 396
Goodwill	267 752	289 189	291 216
Intangible assets	73 568	51 798	35 841
Other sales investments	340 300	8 141 165	6 901 251
Other intangible assets	218		
Current assets	11 727 301	2 484 337	1 728 502
Inventories	141 204	191 562	224 903
Trade receivables and other	315 476	514 279	635 250
Financial funds and equivalents	9 692 550	1 663 166	832 037
Merchandisable investments	1 568 598		
Other current assets	9 473	115 330	36 312
Assets total	12 803 393	13 012 360	11 677 206

<b>Equity and Liabilities</b>	<b>for the period as of 12/31/05</b>	<b>for the period as of 12/31/06</b>	<b>for the period as of 12/31/07</b>
Total equity	12 077 693	11 390 682	10 680 514
Share capital	1 099 550	1 098 100	1 097 700
Own shares and interests	-1 296	-420	-420
Funds	1 311 752	1 210 110	1 121 650
Minority interest	73 525	60 343	77 913
Retained earnings/unpaid loss	9 594 162	9 022 549	8 383 671
Total liabilities	725 700	1 621 678	996 692
Long-term liabilities	52 489	1 256 440	355 463
Long-term loans	5 530	1 174 105	250 386
Deferred tax	3 598	7 081	8 443
Other long-term liabilities/reserves	43 361	75 254	96 634
Short-term liabilities	673 211	365 238	641 229
Trade liabilities and other	93 090	203 465	420 293
Tax liabilities	417 899	810	19 636
Short-term loans	129 852	107 506	54 114
Short-term reserves	31 428	31 780	39 893
Other short-term liabilities	942	21 677	107 293
Total own shares and liabilities	12 803 393	13 012 360	11 677 206

## CONSOLIDATED PROFIT AND LOSS ACCOUNT

Thousands of Sk	for the period roku 2005	for the period roku 2006	for the period roku 2007
Income from the sale of goods	5 109	2 970	32 385
Income from the sale of own goods and services	1 538 633	1 599 011	2 266 416
Status changes of corporate inventories	4 869	33 474	3 260
Material and energy consumption	1 146 755	1 222 688	1 360 917
Sold goods	4 335	4 273	398 789
Staff costs	171 207	167 217	201 822
Depreciations	82 402	89 897	110 466
Services	159 211	145 976	139 690
Other costs	54 839	65 628	181 326
Other income	69 199	78 303	139 380
Interest income	77 563	137 828	41 355
Interest expense	5 206	29 491	77 609
Sold securities and interests	8 037 579	4 344 335	2 204 011
Result of sale of interest	79 220		
Other financial costs	209 125	559 913	108 599
Income from sold securities and interests	10 941 432	4 366 748	2 024 852
Revenues from long-term financial assets	211 300	41 060	327 466
Other financial revenues	147 893	234 494	115 902
Profit before tax	3 046 119	-135 530	167 787
Tax costs	460 563	22 089	33 781
Profit after tax	2 585 556	-157 619	134 006
Minority interest	-4 889	-27 989	-37 705

## CONSOLIDATED EQUITY ACCOUNT

Thousands of Sk	12/31/06	increase	decrease	transfer	12/31/07
Equity	11 390 682	212 323	834 031	0	10 680 514
Share capital	1 098 100		400		1 097 700
Own shares and interests	-420				-420
Funds	1 210 110				1 121 650
revaluation reserves from assets overestimation	-154 266	402 420			248 154
funds	1 359 719		486 223		873 496
Minority interest	60 343	17 570			77 913
Retained earnings/unpaid loss	9 022 549	194 753	833 631	0	8 383 671
retained earnings	9 045 512	162 801	439 080		8 769 233
profit/loss adjustment	-22 963	31 952	394 551		-385 562

# CONSOLIDATED CASH FLOW ACCOUNT

Thousands of Sk	for the period as of 12/31/06	for the period as of 12/31/07
Cash flow of economic activities	x	x
Profit from current account period	-135 530	167 787
Non-financial operations	-4 417 012	-553 596
Depreciations of long-term intangible and tangible assets	89 897	110 466
Status change of accrued and deferred income items	9 236	164 634
Dividends and other shares of profits accounted to incomes	-4 407 808	-327 466
Other items of non-financial character, influencing profit from current activity with the exception of those that must be itemized	-130 208	-501 230
Influence of status change of labour capital with the exception of items that are part of financial funds and money equivalents	-599 740	-831 573
Status change of receivables from operating activity	-198 803	-120 971
Status change of liabilities from operating activity	-328 708	-710 602
Status change of inventories		
Cash flow made in operating activities with the exception of incomes and expenditures that must be on separate lines		
Incomes from dividends and other profit sharings with the exception of those that are included in investment activities		
Cash flow made in operating activities before income tax cash flow of account unit and cash flow from extra activity	-636 355	-889 916
Income tax expenses of account unit		-33 781
Net cash flow from operating activities	-636 355	-923 697
Cash flow from investment activities (IA)	x	x
Expenses on acquisition of long-term tangible assets (-)	-8 099 171	-674 525
Other income related to investment activity (+)	0	1 239 914
Net cash flow from investment activity	-8 098 953	565 389
Cash flow from financial activities (FA)	x	x
Expenses related to the decrease of equity	610 482	-439 480
Net cash flow from financial activities	705 924	-439 480
Net increase or decrease of financial funds	-8 029 384	-797 788
Status of financial funds and money equivalents at the beginning of accounting period	9 692 550	1 663 166
Status of financial funds and money equivalents at the end of accounting period before taking into consideration exchange-rate differences at the date of financial statement	*1 663 166	*832 037

\* obchodovateľné krátkodobé finančné investície nie sú súčasťou peňažných ekvivalentov



**SLOVINTEGRA**

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