Unaudited Business Report of the Telekom Slovenije Group and Telekom Slovenije, d.d.
for the period January – September 2013

Ljubljana, 27 November 2013
1. Introductory note


All the financial statements of the Telekom Slovenije Group and Telekom Slovenije have been compiled in accordance with the International Financial Reporting Standards. The financial statements for the period January – September 2013 have not been audited.

The Company's Supervisory Board discussed the Unaudited Business Report of the Telekom Slovenije Group and Telekom Slovenije for the first nine months of 2013 at its session on 27 November 2013.

Any significant changes to the data contained in the prospectus for listing on the stock exchange are regularly published by the Company on the Ljubljana Stock Exchange's SEOnet website and on the Company's website at www.telekom.si.

The Unaudited Business Report for the period January – September 2013 is also available on the Company's website at www.telekom.si.

1.1. Statement of responsibility of the Management Board

The members of the Management Board of Telekom Slovenije responsible for compiling the report of the Telekom Slovenije Group and Telekom Slovenije for the period January – September 2013, hereby confirm that to the best of our knowledge:

- the condensed financial statements have been compiled in accordance with international accounting standards on interim financial reporting, and give a true and fair picture of the assets, liabilities, financial position and operating results of the Telekom Slovenije Group and Telekom Slovenije, and
- the interim Business Report presents a fair picture of information regarding major transactions with related parties, in accordance with regulations.

Management Board of Telekom Slovenije, d.d.

Rudolf Skobe, MSc, President of the Management Board
Zoran Vehovar, MSc, Vice-President of the Management Board
Mateja Božič, MSc, Member of the Management Board
Zoran Janko, Member of the Management Board
Darja Senica, Member of the Management Board and Workers Director
2. Mission, vision, values and strategic objectives

Mission

The Telekom Slovenije Group is the best at connecting its users to family, co-workers and content – any time, any place.
We are the best at connecting individuals and families, and we are the best at connecting them to services that make their life easier, with relevant information and high-quality content. We provide for the high-quality, comprehensive and reliable connection of companies and institutions, and individual devices.

Vision

The leader in simple to use integrated communications.
By connecting all mobile and fixed information and communication technologies, services, multimedia content and devices, the Group will provide individuals and businesses a simple and secure user experience of the highest quality. It will thus remain the leader in the telecommunications sector in Slovenia and become a leader in the IT and media sectors. The Group will be a cost effective and profitable ICT operator on markets outside of Slovenia.

Values

We are a well-tuned team.
The employees of the Telekom Slovenije Group work in a creative environment, constantly in touch with the most cutting-edge technologies. We value commitment, self-initiative and entrepreneurial thinking.

We live with the user.
Our guiding principle is a satisfied customer. We ensure a friendly user experience with an attractive offer, carefully thought-out services and content, and excellent support.

We are reliable and innovative.
We have the most reliable and extensive networks, which will continue to ensure high-quality services in the future. We are pioneers in the introduction of the latest generations of mobile and fixed telecommunications and multimedia content, and above all ensure their connectivity.

We are proud of our roots and talents.
We invest responsibly in Slovenian society and the environment, and support the development of local expertise and innovative solutions between the markets on which we operate. We are responsibly aware of our importance to all of our partners and owners.
2.1. Strategic guidelines and objectives of the Telekom Slovenije Group

Based on the Management Board's proposal, Telekom Slovenije's Supervisory Board approved the Telekom Slovenije Group's business plan for 2013 and the next medium-term period with projections until 2017 in December 2012.

The business plan takes into account the macroeconomic situation and economic forecasts for Slovenia and the region where Telekom Slovenije is active via its subsidiaries, valid at the time the business plan was drafted. It also takes into account sectoral trends, in particular trends in the operations of leading operators faced with declining revenues from traditional services. These revenues are being replaced by revenues from the latest, most advanced ICT services, while the Company is searching for new business models that will facilitate long-term sustainable operations in accordance with sustainable development principles. The priorities in the implementation of the business plan remain the stabilisation of revenues and the reduction of costs. In this way, Group companies will be able to maintain and enhance the positive economic and social effects of their operations in the future.

Business expectations of the Telekom Slovenije Group for 2013

- Capex: around EUR 130 million,
- EBITDA: up to EUR 245 million, and
- Net operating profit: EUR 50 million.

3. Telekom Slovenije Group

3.1. Significant markets of the Telekom Slovenije Group
3.2. Structure and organisation

As at 30 September 2013 the Telekom Slovenije Group comprised the parent company Telekom Slovenije and the subsidiaries and joint ventures shown in the figure below with corresponding participating interests.

### Changes in the composition of the Group in 2013 (from 1 January to 30 September 2013)

- Following the entry of the transfer of the participating interest in the companies register in Banja Luka, Telekom Slovenije became 100% owner of Aneks d. o. o. Banja Luka (now Blicnet d. o. o. Banja Luka) on 21 February 2013.

- The subsidiary GVO, d. o. o. established its own subsidiary, GVO Telekommunikation, GmbH on 26 February 2013, with a registered office in Stadtlohn, Germany. GVO, d. o. o. is the sole owner of the company, which has share capital of EUR 25 thousand.

- On the basis of a new capital contribution, resolutions adopted by the general meeting and entry in the companies register in Bosnia and Herzegovina, Telekom Slovenije became the owner of a new participating interest in Aneks d. o. o. Banja Luka (now Blicnet d. o. o. Banja Luka) on 19 February 2013 in the amount of BAM 954,610.70.

- On the basis of a new capital contribution, resolutions adopted by the general meeting and entry in the companies register in Bosnia and Herzegovina, Telekom Slovenije became the owner of a new participating interest in Aneks d. o. o. Banja Luka (now Blicnet d. o. o. Banja Luka) on 15 May 2013 in the BAM equivalent of EUR 3 million.
3.3. Operating highlights

Operations were characterised by the following in the period January – September 2013:

- On the 20 September 2013 the APEK published a draft information memorandum that gives the conditions of the public tender via public auction for the allocation of radio frequencies for the provision of public communication services in radio frequency bands 800 MHz, 900 MHz, 1800 MHz, 2100 MHz and 2600 MHz. The APEK invited interested parties to submit their comments, although this is not required by law. Despite tremendous time pressures, the APEK decided to extend the deadline for the submission of comments until 11 November 2013 due to the complexity of the subject. Telekom Slovenije expects to be able to offer a fast internet connection to sparsely populated regions of Slovenia in the shortest time possible.

- The transfer of a portion of the activities of TSmedia, d. o. o. and Avtenta, d. o. o. to the parent company was completed on 1 April 2013, with the aim of consolidating operations in Slovenia and improving the effectiveness and competitiveness of the Telekom Slovenije Group.

- In accordance with its strategic plan, Avtenta made a breakthrough on the Slovenian insurance market in the e-business solutions segment. The range of document systems was enhanced with a CRM solution, which represents a significant milestone in the development of products for the insurance market and a source for generating revenues from this segment of operations in the future.

The Telekom Slovenije Group achieved the following in the period January – September 2013:

- The Group generated operating revenues of EUR 599.2 million, at the level achieved in the same period in 2012.

- Operating profit amounted to EUR 63.4 million, down 2% on the same period in 2012. Affecting Telekom Slovenije’s operating profit was lower net sales revenue, primarily as a result of the continuing decline in revenues from traditional voice telephony and lower revenues from mobile users due to the migration to new more affordable packages for subscribers.

- Net financial debt was up 7% or EUR 24.3 million on the last day of 2012 to stand at EUR 370.4 million as at 30 September 2013.

- EBITDA reached EUR 188.7 million or 31.5% of net sales revenue.

- The Telekom Slovenije Group’s net profit amounted to EUR 46.3 million, up EUR 3.1 million or 7% on the same period in 2012.

3.4. Key financial indicators for the Telekom Slovenije Group

Key financial performance indicators of the Telekom Slovenije Group

<table>
<thead>
<tr>
<th>in EUR thousand</th>
<th>I - IX 2013</th>
<th>I - IX 2012 – adjusted</th>
<th>Ind. 13/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenues</td>
<td>599,105</td>
<td>597,332</td>
<td>100</td>
</tr>
<tr>
<td>EBITDA</td>
<td>188,651</td>
<td>198,433</td>
<td>95</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>31.5%</td>
<td>33.2%</td>
<td>95</td>
</tr>
<tr>
<td>EBIT</td>
<td>63,382</td>
<td>64,734</td>
<td>98</td>
</tr>
<tr>
<td>Return on sales: ROS (EBIT/net sales revenue) in %</td>
<td>10.8%</td>
<td>11.0%</td>
<td>99</td>
</tr>
<tr>
<td>Net profit</td>
<td>46,278</td>
<td>43,180</td>
<td>107</td>
</tr>
<tr>
<td>Assets*</td>
<td>1,452,730</td>
<td>1,521,230</td>
<td>95</td>
</tr>
<tr>
<td>Equity*</td>
<td>753,457</td>
<td>786,236</td>
<td>96</td>
</tr>
<tr>
<td>Equity ratio in %*</td>
<td>51.9%</td>
<td>51.7%</td>
<td>100</td>
</tr>
<tr>
<td>Net financial debt*</td>
<td>370,376</td>
<td>346,049</td>
<td>107</td>
</tr>
</tbody>
</table>

Notes:
Pursuant to the requirements of IAS 1 and IAS 8, the financial statements for the comparative period have been adjusted for a change to an accounting policy. More information can be found in the financial report on pages 22 and 23.

* The comparable data for 2012 derives from the statement of financial position as at 31 December 2012.
### 3.5. Overview by company and key market

**Operating revenues**

<table>
<thead>
<tr>
<th></th>
<th>I - IX 2013</th>
<th>I - IX 2012 – adjusted</th>
<th>Ind. 13/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telekom Slovenije</td>
<td>501,449</td>
<td>501,518</td>
<td>100</td>
</tr>
<tr>
<td>Other companies in Slovenia</td>
<td>36,454</td>
<td>40,692</td>
<td>90</td>
</tr>
<tr>
<td>Ipko Group - Kosovo</td>
<td>52,355</td>
<td>52,048</td>
<td>101</td>
</tr>
<tr>
<td>Companies in Macedonia</td>
<td>60,533</td>
<td>54,143</td>
<td>112</td>
</tr>
<tr>
<td>Other companies abroad</td>
<td>15,553</td>
<td>14,598</td>
<td>107</td>
</tr>
<tr>
<td><strong>Total - unconsolidated</strong></td>
<td><strong>666,344</strong></td>
<td><strong>662,999</strong></td>
<td><strong>101</strong></td>
</tr>
<tr>
<td>Eliminations and adjustments</td>
<td>-76,239</td>
<td>-65,667</td>
<td>-</td>
</tr>
<tr>
<td><strong>Telekom Slovenije Group</strong></td>
<td><strong>599,105</strong></td>
<td><strong>597,332</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

**EBITDA – earnings before interest, taxes, depreciation and amortisation**

<table>
<thead>
<tr>
<th></th>
<th>I - IX 2013</th>
<th>I - IX 2012 – adjusted</th>
<th>Ind. 13/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telekom Slovenije</td>
<td>154,889</td>
<td>165,746</td>
<td>93</td>
</tr>
<tr>
<td>Other companies in Slovenia</td>
<td>-76,914</td>
<td>2,922</td>
<td></td>
</tr>
<tr>
<td>Ipko Group - Kosovo</td>
<td>21,313</td>
<td>21,107</td>
<td>101</td>
</tr>
<tr>
<td>Companies in Macedonia</td>
<td>10,632</td>
<td>7,053</td>
<td>151</td>
</tr>
<tr>
<td>Other companies abroad</td>
<td>2,090</td>
<td>1,961</td>
<td>107</td>
</tr>
<tr>
<td>Share in Gibtelecom</td>
<td>3,622</td>
<td>3,887</td>
<td>93</td>
</tr>
<tr>
<td><strong>Total - unconsolidated</strong></td>
<td><strong>190,632</strong></td>
<td><strong>202,276</strong></td>
<td><strong>94</strong></td>
</tr>
<tr>
<td>Eliminations and adjustments</td>
<td>-1,981</td>
<td>-3,843</td>
<td>-</td>
</tr>
<tr>
<td><strong>Telekom Slovenije Group</strong></td>
<td><strong>188,651</strong></td>
<td><strong>198,433</strong></td>
<td><strong>95</strong></td>
</tr>
</tbody>
</table>

**EBIT – earnings before interest and taxes**

<table>
<thead>
<tr>
<th></th>
<th>I - IX 2013</th>
<th>I - IX 2012 – adjusted</th>
<th>Ind. 13/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telekom Slovenije</td>
<td>54,685</td>
<td>58,587</td>
<td>93</td>
</tr>
<tr>
<td>Other companies in Slovenia</td>
<td>-3,711</td>
<td>855</td>
<td></td>
</tr>
<tr>
<td>Ipko Group - Kosovo</td>
<td>7,985</td>
<td>7,197</td>
<td>111</td>
</tr>
<tr>
<td>Companies in Macedonia</td>
<td>902</td>
<td>-4,013</td>
<td>-</td>
</tr>
<tr>
<td>Other companies abroad</td>
<td>-106</td>
<td>-87</td>
<td>-</td>
</tr>
<tr>
<td>Share in Gibtelecom</td>
<td>3,622</td>
<td>3,887</td>
<td>93</td>
</tr>
<tr>
<td><strong>Total - unconsolidated</strong></td>
<td><strong>63,377</strong></td>
<td><strong>66,426</strong></td>
<td><strong>95</strong></td>
</tr>
<tr>
<td>Eliminations and adjustments</td>
<td>5</td>
<td>-1,692</td>
<td>-</td>
</tr>
<tr>
<td><strong>Telekom Slovenije Group</strong></td>
<td><strong>63,382</strong></td>
<td><strong>64,734</strong></td>
<td><strong>98</strong></td>
</tr>
</tbody>
</table>

1Telekom Slovenije entered the demerger through acquisition of a portion of Avtenta, d. o. o. and TSmedia, d. o. o. in the companies register on 30 April 2013. The financial statements from the comparable period have been adjusted for the aforementioned transactions, as if the demerger through acquisition of both companies had been carried out during the comparable period.
### Net profit or loss

<table>
<thead>
<tr>
<th>in EUR thousand</th>
<th>I - IX 2013</th>
<th>I - IX 2012</th>
<th>adjusted</th>
<th>Ind. 13/1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telekom Slovenije</td>
<td>50,269</td>
<td>46,373</td>
<td>108</td>
<td></td>
</tr>
<tr>
<td>Other companies in Slovenia</td>
<td>-3,851</td>
<td>106</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Ipko Group - Kosovo</td>
<td>2,577</td>
<td>1,550</td>
<td>166</td>
<td></td>
</tr>
<tr>
<td>Companies in Macedonia</td>
<td>-762</td>
<td>-5,279</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Other companies abroad</td>
<td>-559</td>
<td>-554</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Share in Gibtelecom</td>
<td>3,622</td>
<td>3,887</td>
<td>93</td>
<td></td>
</tr>
<tr>
<td><strong>Total - unconsolidated</strong></td>
<td><strong>51,296</strong></td>
<td><strong>42,196</strong></td>
<td><strong>122</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Eliminations and adjustments</strong></td>
<td><strong>-5,018</strong></td>
<td><strong>-2,903</strong></td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Telekom Slovenije Group</strong></td>
<td><strong>46,278</strong></td>
<td><strong>40,293</strong></td>
<td><strong>107</strong></td>
<td></td>
</tr>
</tbody>
</table>

### CONNECTIONS AND SERVICES BY TYPE AND MARKET

#### Broadband connections

<table>
<thead>
<tr>
<th>Number of retail connections as at</th>
<th>30.9.2013</th>
<th>31.12.2012</th>
<th>Ind. 13/12</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Slovenia</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Macedonia</td>
<td>40,375</td>
<td>38,379</td>
<td>105</td>
</tr>
<tr>
<td>Kosovo</td>
<td>80,119</td>
<td>72,977</td>
<td>110</td>
</tr>
<tr>
<td>BiH</td>
<td>20,676</td>
<td>20,238</td>
<td>102</td>
</tr>
<tr>
<td>Albania</td>
<td>3,494</td>
<td>3,310</td>
<td>106</td>
</tr>
<tr>
<td><strong>Total SE Europe</strong></td>
<td><strong>144,664</strong></td>
<td><strong>134,904</strong></td>
<td><strong>107</strong></td>
</tr>
<tr>
<td><strong>Telekom Slovenije Group</strong></td>
<td><strong>348,766</strong></td>
<td><strong>340,960</strong></td>
<td><strong>102</strong></td>
</tr>
</tbody>
</table>

#### Fixed and mobile telephony connections

<table>
<thead>
<tr>
<th>Number of retail connections as at</th>
<th>30.9.2013</th>
<th>31.12.2012</th>
<th>Ind. 13/1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Slovenia, mobile telephony</td>
<td>1,111,264</td>
<td>1,130,400</td>
<td>98</td>
</tr>
<tr>
<td>Slovenia, fixed voice telephony</td>
<td>426,792</td>
<td>450,978</td>
<td>95</td>
</tr>
<tr>
<td>SE Europe, mobile telephony</td>
<td>1,122,902</td>
<td>966,354</td>
<td>116</td>
</tr>
<tr>
<td>- Macedonia</td>
<td>525,006</td>
<td>532,315</td>
<td>99</td>
</tr>
<tr>
<td>- Kosovo</td>
<td>597,896</td>
<td>434,039</td>
<td>138</td>
</tr>
<tr>
<td>SE Europe, fixed voice telephony</td>
<td>60,782</td>
<td>65,503</td>
<td>93</td>
</tr>
<tr>
<td><strong>Telekom Slovenije Group</strong></td>
<td><strong>2,721,740</strong></td>
<td><strong>2,613,235</strong></td>
<td><strong>104</strong></td>
</tr>
</tbody>
</table>

#### VoIP services

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Slovenia, VoIP</td>
<td>152,576</td>
<td>149,263</td>
</tr>
<tr>
<td>SE Europe, VoIP</td>
<td>20,899</td>
<td>11,165</td>
</tr>
<tr>
<td><strong>Telekom Slovenije Group</strong></td>
<td><strong>173,475</strong></td>
<td><strong>160,428</strong></td>
</tr>
</tbody>
</table>

#### Number of mobile and fixed telephony connections

<table>
<thead>
<tr>
<th>Number of retail connections as at</th>
<th>30.9.2013</th>
<th>31.12.2012</th>
<th>Ind. 13/1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total mobile telephony</td>
<td>2,234,166</td>
<td>2,096,754</td>
<td>107</td>
</tr>
<tr>
<td>Total fixed voice telephony services*</td>
<td>661,049</td>
<td>676,909</td>
<td>98</td>
</tr>
<tr>
<td><strong>Telekom Slovenije Group</strong></td>
<td><strong>2,895,215</strong></td>
<td><strong>2,773,663</strong></td>
<td><strong>104</strong></td>
</tr>
</tbody>
</table>

* Sum of fixed voice telephony connections and VoIP services.
### Capex

<table>
<thead>
<tr>
<th></th>
<th>I - IX 2013</th>
<th>I - IX 2012 - adjusted</th>
<th>Ind. 13/1 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telekom Slovenije</td>
<td>41,644</td>
<td>35,178</td>
<td>118</td>
</tr>
<tr>
<td>Other companies in Slovenia</td>
<td>1,997</td>
<td>10,970</td>
<td>18</td>
</tr>
<tr>
<td>Ipko Group - Kosovo</td>
<td>8,018</td>
<td>8,726</td>
<td>92</td>
</tr>
<tr>
<td>Companies in Macedonia</td>
<td>13,887</td>
<td>2,691</td>
<td>516</td>
</tr>
<tr>
<td>Other companies abroad</td>
<td>3,658</td>
<td>3,353</td>
<td>109</td>
</tr>
<tr>
<td>Eliminations and adjustments</td>
<td>-1,426</td>
<td>2,842</td>
<td></td>
</tr>
<tr>
<td><strong>Telekom Slovenije Group</strong></td>
<td><strong>67,778</strong></td>
<td><strong>58,076</strong></td>
<td><strong>117</strong></td>
</tr>
</tbody>
</table>

### Employees

<table>
<thead>
<tr>
<th></th>
<th>30.9.2013</th>
<th>31.12.2012 - adjusted</th>
<th>Ind. 13/1 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telekom Slovenije</td>
<td>2,898</td>
<td>2,926</td>
<td>99</td>
</tr>
<tr>
<td>Other companies in Slovenia</td>
<td>694</td>
<td>690</td>
<td>101</td>
</tr>
<tr>
<td>Ipko Group – Kosovo</td>
<td>473</td>
<td>488</td>
<td>97</td>
</tr>
<tr>
<td>Companies in Macedonia</td>
<td>447</td>
<td>437</td>
<td>102</td>
</tr>
<tr>
<td>Other companies abroad</td>
<td>192</td>
<td>183</td>
<td>105</td>
</tr>
<tr>
<td><strong>Telekom Slovenije Group</strong></td>
<td><strong>4,704</strong></td>
<td><strong>4,724</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
3.6. Ownership structure and share trading

General information regarding shares

<table>
<thead>
<tr>
<th>Ticker symbol</th>
<th>TLSG</th>
</tr>
</thead>
<tbody>
<tr>
<td>Listing</td>
<td>Ljubljana Stock Exchange, prime market</td>
</tr>
<tr>
<td>Share capital (EUR)</td>
<td>272,720,664.33</td>
</tr>
<tr>
<td>Number of ordinary registered non-par value shares</td>
<td>6,535,478</td>
</tr>
<tr>
<td>Number of treasury shares</td>
<td>30,000</td>
</tr>
<tr>
<td>Number of shareholders as at 30 September 2013</td>
<td>11,530</td>
</tr>
</tbody>
</table>

Ownership structure and largest shareholders

There were no significant shifts in the ownership structure of Telekom Slovenije in the period January to September 2013. As at 30 September 2013 there were 11,530 shareholders entered in the share register, a decrease of 73 on the end of 2012, 60 of those being individual shareholders.

Primarily domestic corporates, who decreased their ownership stake by 0.3 percentage points to 8.88%, were active in sales transactions. Individual shareholders, who increased their stake by 0.5 percentage points to 11.12%, were most active in purchase transactions. In addition to the government, small shareholders remain the largest category of owners.

Ownership structure as at 30 September 2013

Republic of Slovenia 62.54%
Slovene Compensation Fund (SOD) 4.25%
Individual shareholders 11.12%
Domestic corporations 8.88%
Kapitalska družba d.d. (pension fund manager; KAD) 5.59%
Institutional investors 2.07%
Foreign corporations 4.97%
Brokerage houses 0.12%
Treasury shares 0.46%

Ten largest shareholders

As at 30 September 2013 the 10 largest shareholders held 77.75% of the Telekom Slovenije's share capital, down 0.42 percentage points on the last day in 2012.
Shareholder as at 30 September 2013  %  Shareholder as at 31 December 2012  %
1 Republic of Slovenia  62.54  Republic of Slovenia  62.54
2 Kapitalska družba, d. d.  5.59  Kapitalska družba, d. d.  5.59
3 Slovenska odškodninska družba, d. d.  4.25  Slovenska odškodninska družba, d. d.  4.25
4 Modra zavarovalnica, d. d. (PPS)  1.44  Modra zavarovalnica, d. d. (PPS)  1.44
5 Intersvet, d. o. o.  1.05  Intersvet, d. o. o.  1.14
6 Perspektiva FT, d. d.  0.75  Perspektiva FT, d. d.  0.75
7 NLB, d. d.  0.55  NLB, d. d.  0.55
8 Triglav mutual funds – Triglav equity fund  0.54  Triglav mutual funds – Triglav equity fund  0.62
9 DBS, d. d.  0.52  KD Galileo Flexible Asset Structure  0.57
10 NFD 1 (balanced flexible sub-fund)  0.52  NFD 1 (equity fund)  0.72
Total  77.75  Total  78.17

Shares held by the Management Board and the Supervisory Board of Telekom Slovenije

The table below lists the members of the Management Board and Supervisory Board who held TLSG shares as at 30 September 2013. Other members of the aforementioned bodies did not hold the Company’s shares.

<table>
<thead>
<tr>
<th>Name</th>
<th>Office</th>
<th>Number of shares</th>
<th>% of equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management Board</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rudolf Skobe, MSc</td>
<td>President of the Management Board</td>
<td>300</td>
<td>0.0046</td>
</tr>
<tr>
<td>Zoran Janko</td>
<td>Member of the Management Board</td>
<td>31</td>
<td>0.0005</td>
</tr>
<tr>
<td>Darja Senica</td>
<td>Member of the Management Board and Workers Director</td>
<td>338</td>
<td>0.0052</td>
</tr>
<tr>
<td>Supervisory Board</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adolf Zupan, MSc</td>
<td>Vice-President of the Supervisory Board</td>
<td>1,094</td>
<td>0.0167</td>
</tr>
<tr>
<td>Martin Gorišek</td>
<td>Member of the Supervisory Board</td>
<td>125</td>
<td>0.0019</td>
</tr>
<tr>
<td>Milan Richter</td>
<td>Vice-President of the Supervisory Board</td>
<td>1</td>
<td>0.0000</td>
</tr>
<tr>
<td>Matej Golob Matzele</td>
<td>Member of the Supervisory Board</td>
<td>22</td>
<td>0.0003</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>1,311</td>
<td>0.0292</td>
</tr>
</tbody>
</table>

Share trading and key share-related financial data

The share price rose by 12.04% over the first nine months of 2013 compared with the price at the beginning of the accounting period. The share price closed at EUR 107.00 on the last trading day of September.

Market capitalisation stood at EUR 699.3 million at the end of September, ranking TLSG shares second among all shares on the market, while TLSG shares were the third most traded security.

Trading statistics for TLSG shares on the Ljubljana Stock Exchange in the period January – September 2013/2012

<table>
<thead>
<tr>
<th>Standard price in EUR</th>
<th>I - IX 2013</th>
<th>I - IX 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>114.45</td>
<td>79.00</td>
</tr>
<tr>
<td>Low</td>
<td>77.50</td>
<td>58.01</td>
</tr>
<tr>
<td>Average</td>
<td>97.21</td>
<td>66.41</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Volume in EUR thousand</th>
<th>I - IX 2013</th>
<th>I - IX 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>25,639.75</td>
<td>13,101.00</td>
</tr>
<tr>
<td>Highest daily volume</td>
<td>1,536.83</td>
<td>569.06</td>
</tr>
<tr>
<td>Lowest daily volume</td>
<td>1.36</td>
<td>0.13</td>
</tr>
<tr>
<td>Average daily volume</td>
<td>137.85</td>
<td>71.98</td>
</tr>
</tbody>
</table>
### Movement in the TLSG share price compared to the SBI TOP and volume of trading in TLSG shares

![Graph showing movement in TLSG share price compared to SBI TOP and volume of trading in TLSG shares.](image)

*Source: Ljubljana Stock Exchange, archive of share prices*

### Key financial data relating to shares

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard price (P) of one share on the last trading day of the period in EUR</td>
<td>107.00</td>
<td>76.51</td>
</tr>
<tr>
<td>Book value (BV) of one share in EUR&lt;sup&gt;1&lt;/sup&gt;</td>
<td>119.66</td>
<td>123.93*</td>
</tr>
<tr>
<td>Earnings per share (EPS)&lt;sup&gt;2&lt;/sup&gt; in EUR</td>
<td>7.73</td>
<td>7.13</td>
</tr>
<tr>
<td>P/BV</td>
<td>0.89</td>
<td>0.62</td>
</tr>
<tr>
<td>Capital return per share during the year&lt;sup&gt;3&lt;/sup&gt;</td>
<td>12.04%</td>
<td>21.44%</td>
</tr>
</tbody>
</table>

<sup>1</sup> The book value of one share is calculated as the ratio of the book value of Telekom Slovenije’s equity on the last day of the period to the weighted average number of ordinary shares during the accounting period excluding treasury shares.

<sup>2</sup> Earnings per share is calculated as the ratio of Telekom Slovenije’s net operating profit for the accounting period to the weighted average number of ordinary shares during the accounting period excluding treasury shares.

<sup>3</sup> The capital return per share is calculated as the ratio of the share price on the final trading day of the period minus the share price on the first trading day of the period to the share price on the first trading day of the period.

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*Adjusted data as at 31 December 2012*
3.7. Market shares in key service segments

Number of users/connections on the Slovenian market

Source: Report for the second quarter of 2013, SORS

Telekom Slovenije Group market shares as at 30 June 2013 on key Slovenian markets

Source: Report for 2nd quarter of 2013, APEK
3.8. Risk management

Key risks are presented below by individual company and market.

Key risks for Telekom Slovenije

- Conditions in the area of regulation on the markets of fixed and mobile telecommunications remain uncertain. The European Commission presented a draft regulation for a single European electronic communications market in September. If the regulation is adopted, major legislative changes will be introduced significantly faster compared with a directive. Thus, the possibility of an individual operator influencing the content of a legislative act is minimal.

- Among market risks and risks linked to the competition, the risk remains of the migration of business and residential users to the fibre optic networks of competitors. Competition-market risks are managed by adapting the range of products and services, and by carrying out activities to promote sales and maintain existing subscribers. A great deal of attention is given to improving user support processes.

- Activities aimed at managing market shares also increase the risk of diminishing profitability for subscribers, which is managed through the optimisation of the range of products and services in terms of content and price, and through clear rules regarding the allocation of benefits and discounts to subscribers.

- Employee-related risks are primarily linked to achieving the internal restructuring plan, which could threaten the strategic objective to optimise the employee structure, the number of service providers and knowledge for the Company's continued development. Employees are reallocated to organisational units where staff shortages have been identified, while student workers are being gradually replaced by internal sources.

- Despite implemented measures (consistent adherence with internal rules regarding legal reviews and the formalisation of cooperation in the preparation of defence strategies in open proceedings, and the appropriate setting of priorities), legal risks linked to lawsuits and legislation and risks associated with procedures before the regulatory body remain.

- Revenue-loss risk in the process from centralised data capture to the "switch to bill" calculation is managed with an established system to prevent the outflow of revenues from the fixed telephony segment.

- Special attention is given to managing operational risks associated with information and communication technology (ICT) networks, services and devices, where exposure to specific risks is low or moderate taking into account the effects of implemented measures. Key measures for managing risks related to the functioning and security of ICT include the implementation of preventive measures to identify potential problems and critical points, and the testing and training of personnel for appropriate action. A BCM (business continuity management) project is in progress, in which we are upgrading the business continuity programme and procedures for taking action if extraordinary events occur (DRP or Disaster Recovery Plan). The resistance of the network to possible failures is being enhanced through the redundancy of key network elements.

- Exposure to financial risks is monitored regularly. The most significant source of credit risk (the risk of failure by subscribers and operators to fulfil obligations) is default by subscribers (retail segment) and operators (wholesale segment). We assess this risk as high. Measures to manage the credit risk associated with subscribers include the regular collection of debt, taking into account a subscriber's credit rating and the monitoring of shifts in a subscriber's traffic relative to average use, and the resulting measures. A system to manage the credit risk associated with operators was introduced this year with the aim of improving credit risk management.

- Exposure to liquidity and interest-rate risk has not risen. Liquidity risk is assessed as moderate, while interest-rate and currency risk are assessed as low. To manage risks associated with short-term solvency, the Company has established a system for managing and planning cash flows that facilitates the timely identification of potential shortfalls in liquid funds and decisions regarding measures. Unused short-term revolving loans and credit lines at domestic banks also provide a high level of financial flexibility to bridge unforeseen cash shortfalls. Risks associated with long-term solvency are also assessed as moderate, as the result of a predictable cash flow, an appropriate plan to repay long-term debt, anticipated measures to manage working capital, the composition of capital including a relatively stable proportion of equity and long-term reserve credit lines.
Key risks in the construction and maintenance of networks (GVO, d. o. o.)

- Revenue risk is managed by expanding operations to new, foreign markets and new areas.
- The risk associated with inappropriate decisions to expand the range of existing services is managed using preliminary analyses regarding market entry opportunities and by assessing the costs of additional employee training.
- Solvency risk is high. Short-term solvency risk is managed by planning and balancing cash flows, and via a credit line at the parent company, while overall solvency risk is managed by maintaining a stable and optimal capital structure. We are planning additional measures to mitigate risks: the periodic coordination of liquidity with Telekom Slovenije, upgrading of the monitoring of receivables, liabilities and inventories, and the adjustment of prices.

Key risks in the development of digital content and media (TSmedia, d. o. o.)

- The risk of a decline in leased advertising space is managed by investing in the technical and creative development of products.
- The risk that new services will not achieve positive sales results despite the positive response of the market based on preliminary market research is mitigated through intensive market communication and preparations for sales presentations.

Key risks for Soline, d. o. o.

- There is a risk that the rehabilitation of damaged sea walls will not be carried out to the planned extent owing to austerity measures implemented by the Slovenian government. Rehabilitation is a precondition for the European Commission to co-finance the project intended to preserve endangered species and habitats in the Sečovlje Salt pans Regional Park. This risk is managed through regular communication with the Ministry of Agriculture and the Environment.

Key risks on the Macedonian market

- The risk of falling prices on the end-user market due to declining wholesale prices is managed by searching for new markets and marketing approaches. We are planning additional projects (e.g. cloud computing services and Long Term Evolution or LTE technology) with the aim of compensating for a potential fall in revenues.
- We will mitigate the risk of network and technology obsolescence by implementing projects to modernise the network in terms of access, the core network and transmission.

Key risks for Kosovo

- Risks associated with the aggressive approach of the competition have risen due to the privatisation of the national operator, PTK/Vala. This risk is mitigated through a proactive market approach to attracting new subscribers and maintaining existing subscribers in all segments.
- The risk of lower revenues from the termination of calls from the rest of the world is managed by carefully monitoring market developments and carrying out business analyses.
- The risk associated with a change to the conditions that facilitate the use of the transmission network of the energy operator (KEK) is managed by analysing legal bases and planning various technical scenarios.
- Investments in the upgrading of the network are planned due to the obsolescence of the network and the resulting limited opportunities regarding the range of services.

Key risks for Blicnet, d. o. o.

- Legal risks associated with the placement of equipment are managed by searching for alternative locations.
- Competitive pressure, both in terms of price and the range of services, remains a significant risk factor. The Company regularly monitors the operations of the competition and regularly updates its own range of services.
4. Corporate governance

Management Board

Telekom Slovenije is managed by a five-member Management Board, comprising the following members:

- Rudolf Skobe, MSc, President
- Zoran Vehovar, MSc, Vice-President
- Mateja Božičič, MSc, member
- Zoran Janko, member
- Darja Senica, member and Workers Director

Members of the Management Board are appointed for a term of four years, which begins on the day of appointment.

Supervisory Board

The Supervisory Board has nine members, six of whom are shareholder representatives and three of whom are employee representatives. The members of the Supervisory Board submitted a statement of compliance with the criteria of independence in accordance with the Corporate Governance Code.

The Supervisory Board comprised the following members as at 30 September 2013:

Shareholder representatives, whose four-year term began on 27 April 2013 due to the expiry of the term of previous members of the Supervisory Board:
- Borut Jamnik, President
- Adolf Zupan, MSc, Vice-President
- Tomaž Berločnik, MSc, member
- Bernarda Babičič, MSc, member

Shareholder representatives, whose four-year term began on 1 July 2013:
- Dr Marko Hočevar, member
- Matej Golob Matzele, member

Employee representatives:
- Milan Richter, Vice-President
- Martin Gorišek, member
- Branko Sparavec, member

The four-year term of employee representatives ends on 13 November 2013.
### Composition of management and supervisory bodies at subsidiaries of the Telekom Slovenije Group as at 30 September 2013

#### Slovenia

<table>
<thead>
<tr>
<th>Company</th>
<th>Managing Director</th>
</tr>
</thead>
<tbody>
<tr>
<td>GVO, d. o. o.</td>
<td>Edo Škufca</td>
</tr>
<tr>
<td>Avtenta, d. o. o.</td>
<td>Vedran Krevatin</td>
</tr>
<tr>
<td>TSmedia, d. o. o.</td>
<td>Tomaž Pernovšek, MSc</td>
</tr>
<tr>
<td>Soline, d. o. o.</td>
<td>Klavdij Godnič</td>
</tr>
<tr>
<td>M-Pay, d. o. o.</td>
<td>Dr Dean Korošec</td>
</tr>
</tbody>
</table>

#### Other countries

<table>
<thead>
<tr>
<th>Company</th>
<th>Directors/Managing Director</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>IPKO Telecommunications LLC, Kosovo</strong></td>
<td>Rudolf Skobe, MSc (President), Bujar Musa (Vice-President), Artan Lahaj, Ciril Kafol, MSc and Robert Erzin, MSc</td>
</tr>
<tr>
<td><strong>CEO:</strong> Robert Erzin, MSc</td>
<td></td>
</tr>
<tr>
<td><strong>ONE DOOEL Skopje, Macedonia</strong></td>
<td>Ciril Kafol, MSc</td>
</tr>
<tr>
<td><strong>DIGI PLUS MULTIMEDIA DOOEL Skopje, Macedonia</strong></td>
<td>Janez Marovt</td>
</tr>
<tr>
<td><strong>Blicnet d. o. o. Banja Luka, Bosnia and Herzegovina</strong></td>
<td>Igor Bohorč, MSc</td>
</tr>
<tr>
<td><strong>PRIMO Communications Sh.p.k, Tirana, Albania</strong></td>
<td>Klemen Ramoveš, MSc (CEO), Marko Jagodič and Samo Jošt, MSc</td>
</tr>
<tr>
<td><strong>Due to the disposal of the 100% participating interest in this company, all three directors tendered their resignations on 6 November 2013.</strong></td>
<td></td>
</tr>
<tr>
<td><strong>SIOL d. o. o., Zagreb, Croatia</strong></td>
<td>Janez Marovt</td>
</tr>
<tr>
<td><strong>SIOL d. o. o. Podgorica, Montenegro</strong></td>
<td>Igor Bohorč, MSc</td>
</tr>
<tr>
<td><strong>SIOL d. o. o. Sarajevo, Bosnia and Herzegovina</strong></td>
<td>Igor Bohorč, MSc</td>
</tr>
<tr>
<td><strong>Gibtelecom Limited, Gibraltar</strong></td>
<td>Dr Joseph Garcia (President), Tim Bristow (CEO), Dilip D. Tirthdas, Marko Boštjančič, Zoran Vehovar, MSc and Brigita Boh, MSc</td>
</tr>
</tbody>
</table>

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**Unaudited Business Report of the Telekom Slovenije Group and Telekom Slovenije, d.d.** Page 16 of 45
5. Significant events in the period January – September 2013

January

- At the request of the Capital Assets Management Agency of the Republic of Slovenia and pursuant to Article 295 of the Companies Act and Articles 1 and 36 of Telekom Slovenije's Articles of Association, Telekom Slovenije's Management Board publishes the convening of the 23rd General Meeting to be held on 6 February 2013.
- Telekom Slovenije, as target company, receives a decision from the Securities Market Agency, based on which the Republic of Slovenia and six other legal entities in which the Slovenian government holds a participating interest are prohibited from exercising their voting rights associated with Telekom Slovenije. This prohibition applies until the aforementioned entities and Luka Koper, d. d. present a bid for the purchase of Telekom Slovenije shares or disposes of those shares.

February

- Antenna Group, a leading European media company, and Telekom Slovenije establish a joint venture that will manage Planet TV and help in the development of commercial television in Slovenia. Antenna Group will hold a 51% share in the company, while Telekom Slovenije's subsidiary TSmedia will hold a 49% share. Planet TV will continue to offer entertainment and news, and the broadcasting of local productions, the UEFA Champions League and some of the world's best movies and television series.
- To mark Internet Security Day, Telekom Slovenije and other Slovenian mobile operators and internet providers sign a code of conduct for providers of electronic communication services for the protection of users. Signatories of the code declare that they are socially responsible entities that are aware of the need to protect users from content that could be harmful to their physical, mental and moral development.
- In a public-private partnership with Telekom Slovenije and NIL, d. o. o., the City of Ljubljana kicks off the first phase of the free WiFreeLjubljana wireless broadband network in Ljubljana. Eighty access points are set up during the first phase of the project to cover parts of the wider city centre with a wireless signal. The network is available to residents and visitors to Ljubljana, and to public institutions and companies under the auspices of the City of Ljubljana. Use of the wireless network is free-of-charge for one hour a day.
- The 23rd General Meeting of Telekom Slovenije adopts a resolution on the payment of interim dividends and appoints new shareholder representatives to the Company's Supervisory Board. They are: Adolf Zupan, Matjaž Janša, MSc, Bernarda Babič, Miha Klun, Borut Jamnik and Tomaž Berločnik. Their term begins on 27 April 2013 when the term of the current Supervisory Board expires. Matjaž Janša, MSc and Miha Klun submit their resignations from their positions as members of the Supervisory Board on the same day.
- On 6 February 2013 the Supervisory Board of Telekom Slovenije approves the Management Board's proposal regarding the payment of interim dividends for 2012 in the gross amount of EUR 3.70 per share.
- Microsoft Slovenija, d. o. o. and the Ypsilon Institute, together with their partners Telekom Slovenije and the City of Ljubljana, present a new initiative, Ustvarjam kjerkoli (Create Anywhere) to raise awareness about the advantages of and opportunities for introducing more contemporary and flexible forms of work such as mobile work, work at home and telework for employees, companies and the environment as a whole.
- The subsidiary GVO Telekommunikation, GmbH is established, with its registered office in Stadtlohn, Germany and share capital of EUR 25 thousand. The GVO team begins the construction of a 30 kilometre-long optical backbone network in western Germany, which will bring the inhabitants of Saarbrücken faster access to the worldwide web and the use of the most state-of-the-art telecommunication services.
- Following the entry of the transfer of the participating interest in the companies register in Banja Luka, Telekom Slovenije becomes 100% owner of Aneks (now Blicnet).

March

- Telekom Slovenije receives a decision from the Ljubljana District Court in the commercial dispute with the plaintiff T-2, d. o. o. against the defendant Telekom Slovenije in which the court rejects the plaintiff's claim for the payment of EUR 129,556,756.00 and legally prescribed default interest from 16 January 2007 until payment, and orders the plaintiff to pay the defendant within 15 days legal costs in the amount of EUR 27,197.22 plus legally prescribed default interest, from the first day following the expiration of the established deadline for the fulfilment of obligations until payment.
- The Telekom Slovenije Group receives four Effie awards for market communication effectiveness: Telekom Slovenije receives a golden Effie for the project Lepo je verjeti (It's Nice to Believe), a silver Effie for the project Posel je tekma (Business is Competition) and for the Itak digital ELP platform, while TSmedia, d. o. o. receives
a bronze Effie for the project *Lupčka mi je dala* (She Gave Me a Kiss). SiOL's TViN project places among the finalists for this year's Effie awards. Telekom Slovenije also receives the most prestigious award for most effective advertiser.

- Telekom Slovenije presents its fourth generation LTE commercial mobile network and the accompanying range of packages and devices.
- With its TVim service, Ipko offers its users online digital television, smart phones and tablet computers. The TVim service was developed by TSmedia and functions on the same platform as Telekom Slovenije's SiOL TVIN.

**April**

- Close to 1,000 young people participate in six career workshops in the scope of the Itak Job project, which was created by Telekom Slovenije and the employment portal MojeDelo.com and helps young people throughout Slovenia prepare to search for their first job.
- The SiOL Beta Club project receives the EMErald award of Excellence 2013 from IABC in the customer relations category. The SiOL Beta Club is a website through which Telekom Slovenije offers its users and other interested parties the opportunity to test new SiOL services before commercial use.
- The ratings agency Moody's downgrades Telekom Slovenije from "Baa3" to "Ba1" with a negative outlook. The agency decided to downgrade the Company primarily based on its assessment that Telekom Slovenije is overly exposed to the domestic banking system, which threatens or limits its liquidity management.
- The 2013 national Eco-Quiz competition, which tests knowledge of environmental topics, is concluded. Telekom Slovenije is co-organiser of the competition for the fifth consecutive year. A total of 4,653 primary school students compete in the aforementioned competition during the 2012/2013 school year.
- The Supervisory Board meets at its final session of the current term, where it discusses and approves the audited annual report of Telekom Slovenije and the Telekom Slovenije Group for 2012.
- The transfer of a portion of the activities of TSmedia, d. o. o. and Avtenta, d. o. o. to the parent company Telekom Slovenije is carried out on 30 April 2013. The following activities were the subject of the transfer from TSmedia, d. o. o.:
  - technical development and management of platforms on which the transferring company creates media and provides services,
  - management of the 1188 call centre, and
  - the associated rights and duties.
- The following activities were the subject of the transfer from Avtenta, d. o. o.:
  - sales, implementation and maintenance/management of IT infrastructure solutions and services,
  - sales and implementation of hosting services, external hosting and cloud services,
  - sales, implementation and maintenance/management of network (IP) and security solutions and services,
  - set-up and maintenance of infrastructure for IT solutions for cloud services, and
  - the associated rights and duties.

**May**

- According to Slovenian consumers, Telekom Slovenije's Mobitel and SiOL brands offer the best price-to-quality ratio on the market among providers of telecommunication services for mobile devices and internet access services. This is the result of the Best Buy Award research carried out by the Swiss company ICERTIAS in Slovenia in accordance with the International Code on Market and Social Research adopted by the International Chamber of Commerce (ICC) and the European Society of Opinion and Marketing Research (ESOMAR).
- Telekom Slovenije informs the Company's shareholders and interested parties that the convening of general meetings and associated announcements (e.g. counter-proposals, the expansion of the agenda, etc.) will only be published on the website of the Agency of the Republic of Slovenia for Public Legal Records and Related Services (AJPES), in the Ljubljana Stock Exchange's SEOnet information system and on the Company's website at www.telekom.si in the Investor relations section. The Company will no longer publish the aforementioned announcements in the Official Gazette of the Republic of Slovenia.
- On 31 May 2013 ONE organises a symbolic public countdown to the switch to the digital television signal, thus successfully completing the activities which had been carried out since November 2012, when ONE was selected via tender to implement digitalisation, making Macedonia the first country in the region to implement this project.
- Mobile telephony using BH Telecom's 2G and 3G network is added to Blicnet's portfolio of fixed telephony, internet access and standard and high-definition digital television services, offered in Bosnia and Herzegovina under the Blicnet brand. This cooperation represents the logical continuation of the Group's presence in Bosnia
and Herzegovina, as it rounds out the range of services for private and business users. Following the introduction of mobile telephony, Blicnet users will be able to receive all telecommunication services in one place.

- Avtenta begins cooperation with the company VeriPark, a leading global provider of customer relationship management (CRM) solutions for the financial sector. VeriPark has developed the special VeriTouch package of solutions in accordance with the needs and processes of financial institutions. It links the standard functionalities of CRM tools with additional modules that cover the specificities of processes in the financial sector.

- The most sought after business directory in Slovenia, bizi.si, is also available as a mobile application since the end of May 2013. The users of Android smart phones enjoy simple access to contact, commercial, credit rating and financial information regarding business partners and the competition.

June

- Telekom Slovenije offers all of its Itak subscribers the use of the new advanced Itak Plejs service, which combines the most advanced web TV, video-on-demand and internet multimedia storage services in one place. Itak users may use the S package, which includes 10 GB of data transfer and access to Red Bull videos and the TV listing free-of-charge until the end of 2013.

- Telekom Slovenije presents the revised Instant Internet service Dan na dan (Day to Day) intended for those users who only occasionally require internet access. In addition to a new image, the aforementioned service, under the new name Predplačniški mobilni internet (Prepaid Mobile Internet) brings numerous new features, making the mobile internet even more accessible and convenient for users. The Predplačniški mobilni internet service is offered to users in two different packages. The first includes a SIM card that facilitates all-day internet use and costs EUR 9.90, while the second also includes the ZTE MF60 uFi mobile access point. This is the first prepaid package with a MiFi device that facilitates internet access for up to 10 users at a time via a laptop, tablet computer or mobile phone. Users will pay EUR 79 for the package.

- Telekom Slovenije prepares a special Eurobasket subscriber package that includes an unlimited number of calls and SMS/MMS, and a specific quantity of data transfer. The latter amounts to 200 MB, and to 1 GB during the promotional period from 20 June to 30 September this year. The package combines mobile and broadband services, and is available to new and existing subscribers to Mobitel and SiOL services.

- One presents a new package in the prepaid segment that includes calls to all networks in Macedonia. With the aforementioned package, all prepaid mobile telephony users and DaBest users receive an extraordinary offer for just MKD 79 per week: 60 minutes of calls in all mobile and fixed networks in Macedonia. One also updates its most popular prepaid packages and includes more call minutes in its own network.

- Avtenta presents itself at the SAP Forum, the largest commercial-training IT event in Slovenia. The company shares its expert knowledge with workshop participants, and presents examples of the use of mobile solutions for management from actual practice and a mobile strategy that benefits the company. The HANDS ON workshop was carried out in the scope of the forum, where Avtenta’s experts demonstrate that SAP really functions on tablet computers and phones, as well.

- IPKO Telecommunications LLC reaches the milestone of 500,000 active mobile telephony users in its network in Kosovo. The number of users was thus up 33% over a one year period, thus further solidifying IPKO Telecommunication LLC’s position on the mobile telephony market. This is the result of quality services and good customer care. With its high penetration rate on the mobile telephony market, the company has become the fastest growing mobile operator in Europe.

- The spring 2013 version of the Slovenian telephone directory is published on DVD. With its numerous functionalities, the directory facilitates much more than the search for contact data in a database of nearly 1,000,000 entities.

July

- At the 24th General Meeting of Telekom Slovenije’s shareholders of 1 July 2013, shareholders support the counterproposal regarding the use of distributable profit in the amount of EUR 100,839,530.63 for the 2012 financial year. Shareholders confirm the proposal to earmark EUR 53,995,467.40 for dividends in the gross amount of EUR 8.30 per share, which together with previously paid interim dividends in the gross amount of EUR 3.70 per share, bringing total dividends paid to EUR 78,065,736. The remaining distributable profit in the amount of EUR 22,773,794.63 is brought forward to the following year. At the same General Meeting, shareholders are briefed on the resignations of Matjaž Janša, MSc and Miha Klun (both shareholder representatives) from their positions as members of the Supervisory Board, effective 6 February 2013. Dr Marko Hočevar and Matej Golob Matzele are elected new members of Telekom Slovenije’s Supervisory Board. Their term begins on the day of their election by the General Meeting and runs until the expiration of the term of the current members of the Supervisory Board. Shareholders support proposed changes to the Company’s
Aneks is renamed Blicnet with the aim of achieving greater corporate recognition on the market.

- Telekom Slovenije includes the popular YouTube website in its SiOL TV service. This allows users to view and exchange videos that they may comment on and rate. YouTube for the TV screen is simple to manage, while video content is adapted to TV viewers.

- At an auction held by the Macedonian Electronic Communications Agency, ONE is awarded additional frequencies, enabling it to introduce new, 4G mobile technologies, including LTE technology. ONE will use the acquired frequency domain for the further development of the mobile network. Through the use of additional frequencies, ONE will provide users increased transfer speed in mobile data traffic, improved coverage by the mobile signal and the introduction of the most state-of-the-art LTE technology.

- Telekom Slovenije and Hrvatski Telekom, strategic partners in the area of roaming, prepare an exclusive summer offer for their mobile telephony users: for EUR 10 a month, the users of Mobitel services have unlimited access to the mobile internet in one of Hrvatski Telekom’s mobile networks (e.g. the HR-CRONET or T-Mobile HR network) until 30 September 2013.

- Since 19 July Telekom Slovenije offers its users satellite-based broadband internet access. The service is primarily intended for the inhabitants of those areas where the provision of broadband internet services was not previously possible. The majority of such areas are in rural Slovenia, while the service is also available in urban settlements. Telekom Slovenije provides satellite-based internet services through a satellite link of the company Eutelsat.

- Telekom Slovenije now offers its users the possibility of paying invoices for telecommunication services rendered via payment machines at Telekom centres. The payment machines facilitate the fast, simple and user friendly payment of invoices, without processing costs or fees.

- ONE successfully passes an examination by the organisation CIS Austria, and receives a certificate confirming compliance with the ISO 20000:2011 IT service management and ISO 27001:2005 information security standards. With the introduction of the new standards, the company demonstrates its readiness to upgrade its systems and processes, and its commitment to ensure the best user services and information security. In addition to the ISO 20000:2011 and ISO 27001:2005 certificates, ONE receives certification of compliance with the ISO 9001:2008 quality management standard.

- Aneks is renamed Blicnet with the aim of achieving greater corporate recognition on the market.

**August**

- Telekom Slovenije and Tušmobil, d. o. o. sign annex no. 1 to the agreement on the acknowledgement of debt, surety and the repayment of outstanding liabilities. Tušmobil, d. o. o. settles a portion of its debt to Telekom Slovenije in a lump-sum amount, and commits to settle the remainder in ten quarterly instalments, with the first instalment falling due for payment at the end of September 2015 and the last instalment falling due at the end of December 2017. Tušmobil, d. o. o. withdraws its suit against Telekom Slovenije based on the existence of the aforementioned agreement and the prohibition on the redemption of collateral instruments in proceedings before the Ljubljana District Court under file no. VIII Pg 5705/2012.

**September**

- Telekom Slovenije is the first Slovenian operator to offer the advantages of LTE high-speed data transfer to users of prepaid mobile internet service.

- The number of telephone numbers transferred to Blicnet's fixed network quadruples in August and September 2013. The main reason for increased interest in Blicnet's fixed services among the inhabitants of Bosnia and Herzegovina is the high quality of those services accompanied by an extremely affordable monthly subscription fee and the prices of calls in local and foreign networks.

- ONE is the first and only operator on the market to date to allow users to create their own subscriber packages to meet their needs and wishes. The offer is available to all new individuals and business users, and to existing subscribers who extend their subscriptions. Users may sign an agreement without a commitment or may opt for a 24-month agreement and the purchase of a mobile phone at a very affordable price.

- According to the latest research, energy represents the highest cost for ICT operators (ETNO ETF Report 2012, June 2013). Telekom Slovenije therefore made the decision already last year to optimise the efficiency of energy consumption and introduce an energy management system in accordance with the international standard SIST EN ISO 50001. Activities regarding the primary certification of the energy and environmental management systems (ISO 50001 and ISO 14001) are the focal point of the sixth annual meeting of ISO management system administrators and assessors.
- Since 30 September ONE offers pensioners in Macedonia the best subscriber package on the market: TOTAL S for this customer segment, which includes a free Alcatel 2000 mobile phone and a very affordable monthly subscription fee.
- Telekom Slovenije and TSmedia receive several WEBSI awards – web champions for digital communication. We receive first prize in the category of Socially Responsible Project for the Itak Job project, which was created with the aim of helping young people in the search for their first job. We also receive awards in the category of Special Digital Project; SIOI TVIN, which allows subscribers to receive TV programmes with respect to their subscriber package, places second in the aforementioned category, while the El Robusto application for Facebook, which helps Itak subscriber choose a mobile phone, places third. The Itak.si website likewise garners third place in the Business Website category. First place in the Voice of the People category is shared by two projects: the Najdi.si map, which takes first place in the Special Digital Project category, and the Planet Sioi.net online media, which is the winner in the Media category.

6. Significant events after the balance-sheet date

October

- The Company presents itself at the 13th Third Age Festival at Cankarjev Dom. The Teleoskrba (Telecare) service with First Aid Assistance is presented. The service is simple: a single touch of a button immediately establishes contact with a special call centre, a doctor or family members. The service is provided throughout Slovenia, and abroad in the event of medical assistance.
- In the scope of the Days of Slovenian Tourism, the Association of Slovenian Tourism Journalists announce the results of the national commission of the My Country – Beautiful and Hospitable project. The recipient of this year's Crystal Triglav, recognition for outstanding achievements in Slovenian tourism, is Soline with its Lepa Vida Thalasso Spa located in the Sečovlje Saltpans Regional Park.
- Telekom Slovenije presents an upgrade of the security system with the transmission of Infranet alarms signals based on IP technology. The IP-infranet network is intended to protect buildings such as banks and post offices, warehouses and other institutions, as well as more demanding private users. The basic advantage of the network is its highly reliable transmission of alarm signals in the event of break-ins, fire and other security incidents. Its characteristics place it at the highest level of alarm signal transmission systems in terms of all security standards.
- Telekom Slovenije continues with the intensive building of base stations for the needs of LTE technology, which provides Slovenian users an even faster mobile internet. To date, 182 base stations have been set up, covering 72 Slovenian cities and towns, while more than 50% of the population has been afforded the opportunity to use LTE technology. Coverage with Mobitel's LTE/4G signal is thus improving significantly in rural areas, as well. Slovenian users also have at their disposal an increasing number of devices and terminal equipment that support LTE technology: Telekom Slovenije sales centres already have 29 devices, from LTE smart phones and data devices to tablet computers.
- Slovenska odškodninska družba, d. d. signs a mandate agreement with the financial consulting company Citigroup Global Markets Limited on the sale of Telekom Slovenije shares held by Slovenska odškodninska družba, d. d., the Republic of Slovenia, Kapitalska družba, d. d., Zavarovalnica Triglav, d. d. and Pozavarovalnica Sava, d. d.

November

- In its first year of broadcasting, Planet TV can boast of an 80% rise in its share of viewers and the largest number of own-production programmes in Slovenia. As part of the autumn programme scheme, Planet TV viewers may watch UEFA Champions League games and numerous own-production programmes, such as Denar pada, Državljanski Toš, Ljubezen na deželi, Moj dragi zmory, Raketa, Planet Stand-Up, Kdo bo koga and the daily information programme Danes.
- Telekom Slovenije receives a decision from the Competition Protection Agency (hereinafter: the CPA) in the repeated procedure to determine the abuse of a dominant position relating to ISDN – ADSL. In its decision no. 3072-2/2004/132 of 25 October 2013, the CPA determines that in the period from 1 December 2002 to 5 September 2005 Telekom Slovenije abused its dominant position on the inter-operator broadband access market with bit-streaming via the copper-based network in the Republic of Slovenia, by making ADSL connections for internet providers conditional on the prior leasing of ISDN connections by end users. Telekom Slovenije will study the CPA's decision and make a decision regarding further measures.
- Telekom Slovenije presents the public the updated image of its umbrella brand, under which all services offered to users are brought together. From now on, the Company will communicate its entire range of
products and services, including broadband internet, fixed, mobile, prepaid and ICT services, under the Telekom Slovenije umbrella brand. In accordance with the Company's established marketing strategy, we are consolidating existing brands by combining their strengths and values in a single, powerful umbrella brand.

- Based on an agreement on the sale of its 100% participating interest in the Albanian company PRIMO Communications Sh.p.k concluded on 3 October 2013, the consent of the Albanian competition authorities and the fulfilment of other conditions, Telekom Slovenije transfers ownership of the aforementioned 100% participating interest to AD – TRADE SHPK on 6 November 2013. AD – TRADE SHPK pays the entire amount of consideration when the agreement on the sale of the 100% participating interest was signed.

- Telekom Slovenije's Works Council elects employee representatives to the Company's Supervisory Board. Milan Richter, Martin Gorišek and Dean Žigon were elected to the Company's Supervisory Board. Employee representatives are appointed to Telekom Slovenije's Supervisory Board for a four-year term of office that begins on 14 November 2013.
7. Financial statements of the Telekom Slovenije Group and Telekom Slovenije for the period January – September 2013

7.1. Introductory notes

The consolidated financial statements of the Telekom Slovenije Group and the financial statements of the parent company Telekom Slovenije for the reported period and the comparable period last year were compiled in accordance with the provisions of the Companies Act, the International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB), and interpretations of the International Financial Reporting Interpretations Committee (IFRIC).

The condensed interim financial statements for the period ending 30 September 2013 were prepared in accordance with IAS 34 Interim Financial Reporting, and must be read in conjunction with the annual financial statements compiled for the financial year ending 31 December 2012.

The accounting policies used in the compilation of the interim condensed financial statements are the same as those applied in the compilation of the financial statements for the financial year ending 31 December 2012, with the exception of an amended accounting policy regarding the valuation of cable ducts from a revaluation model to the historical cost model.

The accounting policy regarding measurement following recognition was amended on 1 January 2013, from a revaluation model to the historical cost model for cable ducts.

The reason for the aforementioned change lies in the fact that the majority of European telecoms value telecommunications equipment according to the historical cost model. This will improve comparability with the financial statements of other companies that provide the same or similar services.

IAS 16, which deals with property, plant and equipment, does not include special provisions regarding the disclosure of the aforementioned change to the associated accounting policy. Telekom Slovenije and the Telekom Slovenije Group therefore followed IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and adjusted their financial statements for past periods in accordance with the requirements of IAS 1 Presentation of Financial Statements.

The results of the change to the accounting policy on the financial statements of Telekom Slovenije and thus the consolidated financial statements were as follows:

<table>
<thead>
<tr>
<th>Balance as at 1 January 2012</th>
<th>EUR thousand</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decrease in the value of property, plant and equipment</td>
<td>-35,546</td>
</tr>
<tr>
<td>Decrease in the value of revaluation reserves for property, plant and equipment</td>
<td>-36,785</td>
</tr>
<tr>
<td>Increase in capital surplus</td>
<td>8,348</td>
</tr>
<tr>
<td>Decrease in deferred tax liabilities</td>
<td>-7,109</td>
</tr>
<tr>
<td>Change in net profit or loss for the period</td>
<td>1,631</td>
</tr>
<tr>
<td>Change in retained earnings</td>
<td>-1,631</td>
</tr>
<tr>
<td><strong>Balance as at 31 December 2012</strong></td>
<td><strong>Balance as at 31 December 2012</strong></td>
</tr>
<tr>
<td>Decrease in the value of property, plant and equipment</td>
<td>-33,507</td>
</tr>
<tr>
<td>Decrease in the value of revaluation reserves for property, plant and equipment</td>
<td>-36,347</td>
</tr>
<tr>
<td>Increase in capital surplus</td>
<td>7,866</td>
</tr>
<tr>
<td>Decrease in deferred tax liabilities</td>
<td>-5,026</td>
</tr>
</tbody>
</table>
Earnings per share – basic and adjusted EPS were up by EUR 0.26.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in net profit or loss for the period</td>
<td>1,672</td>
</tr>
<tr>
<td>Change in retained earnings</td>
<td>-1,672</td>
</tr>
</tbody>
</table>

**Balance as at 30 September 2013**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decrease in depreciation on property, plant and equipment</td>
<td>-1,524</td>
</tr>
<tr>
<td>Increase in deferred tax assets/liabilities</td>
<td>229</td>
</tr>
<tr>
<td>Increase in net profit or loss</td>
<td>1,295</td>
</tr>
</tbody>
</table>

Earnings per share – basic and adjusted EPS were up by EUR 0.20.

The consolidated income statement for the comparable period (except for the change to the aforementioned accounting policy) has been adjusted to illustrate the elimination of provisions, which the Group discloses as other operating revenues as of 2013, and the disclosure of capitalised own administrative costs, where assets produced at Group companies reduce specific types of costs as of 2013. The aforementioned adjustments do not affect the net operating results for the comparable period.

The consolidated statement of financial position has also been adjusted in terms of the structure of profit reserves and for the reclassification of non-current operating receivables from other financial assets to other non-current assets. The aforementioned adjustments do not affect the amount of the Group's capital.

The financial statements have been prepared on the historical cost basis, except for available-for-sale financial assets listed on the stock exchange and derivatives, which are disclosed at fair value, and land and buildings for which the Company uses the fair value model.

The compilation of the financial statements requires of management certain estimates, assessments and assumptions that affect the carrying amount of the assets and liabilities of Group companies, the disclosure of contingent liabilities as at the balance-sheet date and the amount of revenues and expenses of companies in the period ending on the balance-sheet date.

Management's estimates did not change during the accounting period and include the following assumptions:
- the depreciation period and residual value of property, plant and equipment and intangible assets,
- the fair value of land and buildings,
- adjustments to the value of doubtful receivables,
- provisions and contingent liabilities,
- international links,
- the impairment of concessions for UMTS and GSM, and
- the impairment of goodwill.

Telekom Slovenije entered the acquisition of a portion of Avtenta, d. o. o. and TSmedia, d. o. o. in the companies register on 30 April 2013. On that date, the acquiring company Telekom Slovenije, as universal legal successor, entered into all legal relationships associated with property, the subject of which was the acquired companies Avtenta, d. o. o. and TSmedia, d. o. o., and which is transferred to the acquiring company on the basis of the demerger and acquisition agreement. The financial statements from the comparable period have been adjusted for the aforementioned transactions, as if the demerger through acquisition of both companies had been carried out during the comparable period.

There was no authorised capital or conditional share capital increase during the reporting period.

The operations of the Telekom Slovenije Group and Telekom Slovenije are not seasonal.

All items in the financial statements of the Telekom Slovenije Group and Telekom Slovenije are disclosed in euros, rounded to thousand euro units.
Telekom Slovenije Group

The Telekom Slovenije Group comprises the parent company Telekom Slovenije, and the following subsidiaries and groups:

<table>
<thead>
<tr>
<th>Company</th>
<th>Country</th>
<th>30.9.2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>GVO, d. o. o.</td>
<td>Slovenia</td>
<td>100.00%</td>
</tr>
<tr>
<td>TSmedia, d. o. o.</td>
<td>Slovenia</td>
<td>100.00%</td>
</tr>
<tr>
<td>AVTENTA, d. o. o.</td>
<td>Slovenia</td>
<td>100.00%</td>
</tr>
<tr>
<td>SOLINE d. o. o.</td>
<td>Slovenia</td>
<td>100.00%</td>
</tr>
<tr>
<td>Skupina IPKO, Kosovo</td>
<td>Kosovo</td>
<td>93.11%</td>
</tr>
<tr>
<td>Blicnet d. o. o. Banja Luka</td>
<td>Bosnia and Herzegovina</td>
<td>100.00%</td>
</tr>
<tr>
<td>PRIMO Communications d. o. o.</td>
<td>Albania</td>
<td>100.00%</td>
</tr>
<tr>
<td>SIOL d. o. o.</td>
<td>Croatia</td>
<td>100.00%</td>
</tr>
<tr>
<td>ONE d.o.o., Skopje</td>
<td>Macedonia</td>
<td>100.00%</td>
</tr>
<tr>
<td>SIOL d. o. o. Sarajevo</td>
<td>Bosnia and Herzegovina</td>
<td>100.00%</td>
</tr>
<tr>
<td>SIOL d. o. o. Podgorica</td>
<td>Montenegro</td>
<td>100.00%</td>
</tr>
<tr>
<td>DIFI PLUS MULTIMEDIA DOOEL</td>
<td>Macedonia</td>
<td>100.00%</td>
</tr>
<tr>
<td>Skopje</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Within the Ipko Group, the parent company IPKO Telecommunications LLC holds a 100% participating interest in Media Works, d. o. o., Ipko Net Albania, d. o. o., and is party to a joint venture in DSN, d. o. o.

Telekom Slovenije holds a 100% economic ownership in IPKO Telecommunications LLC arising from the agreement on the purchase of the remaining participating interest signed with minority owners.

A 50% participating interest in Gibtelecom Limited and a 50% participating interest in M-Pay represent investments in joint ventures. Both companies are included in the consolidated financial statements according to the equity method.

TSmedia, d. o. o. holds a 49% participating interest in the associated company Antenna TV SL, d. o. o.

In February 2013 GVO, d. o. o. established the subsidiary GVO Telekommunikation GmbH in Germany, which is 100% owned by GVO, d. o. o.

In July 2013 the subsidiary Aneks, d. o. o. was renamed Blicnet, d. o. o. with the aim of achieving greater corporate recognition on the market.
### Consolidated income statement for the period ending 30 September 2013

<table>
<thead>
<tr>
<th>EUR thousand</th>
<th>I - IX 2013</th>
<th>I - IX 2012 adjusted</th>
<th>Ind 13/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>584,673</td>
<td>590,859</td>
<td>99</td>
</tr>
<tr>
<td>Other operating income</td>
<td>14,432</td>
<td>6,473</td>
<td>223</td>
</tr>
<tr>
<td>Share of profit or loss in joint ventures</td>
<td>3,622</td>
<td>3,887</td>
<td>93</td>
</tr>
<tr>
<td>Cost of goods and materials sold</td>
<td>-42,993</td>
<td>-32,398</td>
<td>133</td>
</tr>
<tr>
<td>Cost of materials</td>
<td>-14,594</td>
<td>-14,723</td>
<td>99</td>
</tr>
<tr>
<td>Cost of services</td>
<td>-238,431</td>
<td>-237,806</td>
<td>100</td>
</tr>
<tr>
<td>Employee benefits expense</td>
<td>-105,168</td>
<td>-111,207</td>
<td>95</td>
</tr>
<tr>
<td>Amortisation and depreciation expense</td>
<td>-125,269</td>
<td>-133,699</td>
<td>94</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>-12,890</td>
<td>-6,652</td>
<td>194</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td><strong>-539,345</strong></td>
<td><strong>-536,485</strong></td>
<td><strong>101</strong></td>
</tr>
<tr>
<td>Profit or loss from operations</td>
<td><strong>63,382</strong></td>
<td><strong>64,734</strong></td>
<td><strong>98</strong></td>
</tr>
<tr>
<td>Finance income</td>
<td>3,275</td>
<td>7,072</td>
<td>46</td>
</tr>
<tr>
<td>Finance costs</td>
<td>-13,461</td>
<td>-15,328</td>
<td>88</td>
</tr>
<tr>
<td>Share of profit or loss of associated company and jointly controlled entities</td>
<td>-3,615</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td><strong>Profit or loss before tax</strong></td>
<td><strong>49,581</strong></td>
<td><strong>56,483</strong></td>
<td><strong>88</strong></td>
</tr>
<tr>
<td>Income tax expense</td>
<td>-55</td>
<td>-8,394</td>
<td>1</td>
</tr>
<tr>
<td>Deferred tax</td>
<td>-3,248</td>
<td>-4,909</td>
<td>66</td>
</tr>
<tr>
<td><strong>Net profit or loss for the period</strong></td>
<td><strong>46,278</strong></td>
<td><strong>43,180</strong></td>
<td><strong>107</strong></td>
</tr>
<tr>
<td><strong>Basic and diluted earnings per share (in EUR)</strong></td>
<td><strong>7.11</strong></td>
<td><strong>6.64</strong></td>
<td><strong>107</strong></td>
</tr>
</tbody>
</table>
Consolidated statement of comprehensive income for the period ending 30 September 2013

<table>
<thead>
<tr>
<th>EUR thousand</th>
<th>I - IX 2013</th>
<th>I - IX 2012 – adjusted</th>
<th>Ind 13/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net profit or loss for the period</td>
<td>46,278</td>
<td>43,180</td>
<td>107</td>
</tr>
<tr>
<td>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prevedbene rezerve</td>
<td>-12</td>
<td>449</td>
<td>-</td>
</tr>
<tr>
<td>Revaluation of available-for-sale financial assets</td>
<td>91</td>
<td>-96</td>
<td>-</td>
</tr>
<tr>
<td>Deferred tax</td>
<td>-13</td>
<td>42</td>
<td>-</td>
</tr>
<tr>
<td>Net gain or loss from revaluation of available-for-sale financial assets</td>
<td>78</td>
<td>-54</td>
<td>-</td>
</tr>
<tr>
<td>Change in revaluation reserves for property, plant and equipment</td>
<td>0</td>
<td>-2,304</td>
<td>0</td>
</tr>
<tr>
<td>Deferred tax on change in revaluation reserves for property, plant and equipment</td>
<td>0</td>
<td>345</td>
<td>0</td>
</tr>
<tr>
<td>Net change in revaluation surplus for property, plant and equipment</td>
<td>0</td>
<td>-1,959</td>
<td>0</td>
</tr>
<tr>
<td>Other comprehensive income for the period</td>
<td>66</td>
<td>-1,564</td>
<td>-</td>
</tr>
<tr>
<td>Total comprehensive income for the period</td>
<td>46,344</td>
<td>41,616</td>
<td>111</td>
</tr>
</tbody>
</table>
### Consolidated statement of financial position as at 30 September 2013

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Intangible assets</strong></td>
<td>144,026</td>
<td>148,955</td>
<td>157,418</td>
<td>97</td>
</tr>
<tr>
<td><strong>Property, plant and equipment</strong></td>
<td>845,135</td>
<td>903,833</td>
<td>958,892</td>
<td>94</td>
</tr>
<tr>
<td><strong>Investments in joint ventures</strong></td>
<td>45,256</td>
<td>42,914</td>
<td>42,225</td>
<td>105</td>
</tr>
<tr>
<td><strong>Other investments</strong></td>
<td>11,104</td>
<td>7,166</td>
<td>8,277</td>
<td>148</td>
</tr>
<tr>
<td><strong>Other non-current assets</strong></td>
<td>24,431</td>
<td>19,482</td>
<td>28,884</td>
<td>125</td>
</tr>
<tr>
<td><strong>Investment property</strong></td>
<td>4,130</td>
<td>6,378</td>
<td>6,463</td>
<td>65</td>
</tr>
<tr>
<td><strong>Deferred tax assets</strong></td>
<td>17,945</td>
<td>21,238</td>
<td>22,561</td>
<td>84</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td>1,092,027</td>
<td>1,150,316</td>
<td>1,224,720</td>
<td>95</td>
</tr>
<tr>
<td><strong>Assets held for sale</strong></td>
<td>3,562</td>
<td>3,846</td>
<td>4,485</td>
<td>93</td>
</tr>
<tr>
<td><strong>Inventories</strong></td>
<td>26,078</td>
<td>22,628</td>
<td>22,787</td>
<td>115</td>
</tr>
<tr>
<td><strong>Trade and other receivables</strong></td>
<td>222,689</td>
<td>187,888</td>
<td>185,105</td>
<td>119</td>
</tr>
<tr>
<td><strong>Deferred expenses and accrued revenues</strong></td>
<td>45,797</td>
<td>33,105</td>
<td>17,163</td>
<td>138</td>
</tr>
<tr>
<td><strong>Income tax credits</strong></td>
<td>1,296</td>
<td>17,566</td>
<td>2,659</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>360,703</td>
<td>370,914</td>
<td>315,048</td>
<td>97</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>1,452,730</td>
<td>1,521,230</td>
<td>1,539,768</td>
<td>95</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Called-up capital</strong></td>
<td>272,721</td>
<td>272,721</td>
<td>272,721</td>
<td>100</td>
</tr>
<tr>
<td><strong>Capital surplus</strong></td>
<td>147,736</td>
<td>146,974</td>
<td>145,957</td>
<td>101</td>
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<tr>
<td><strong>Revenue reserves</strong></td>
<td>253,784</td>
<td>254,021</td>
<td>229,309</td>
<td>100</td>
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<tr>
<td><strong>Legal reserves</strong></td>
<td>51,619</td>
<td>51,619</td>
<td>51,663</td>
<td>100</td>
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<tr>
<td><strong>Reserves for own shares and interests</strong></td>
<td>3,671</td>
<td>3,671</td>
<td>3,671</td>
<td>100</td>
</tr>
<tr>
<td><strong>Own shares and interests</strong></td>
<td>-3,671</td>
<td>-3,671</td>
<td>-3,671</td>
<td>100</td>
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<tr>
<td><strong>Statutory reserves</strong></td>
<td>54,924</td>
<td>54,924</td>
<td>54,854</td>
<td>100</td>
</tr>
<tr>
<td><strong>Other revenue reserves</strong></td>
<td>147,241</td>
<td>147,478</td>
<td>122,792</td>
<td>100</td>
</tr>
<tr>
<td><strong>Retained earnings</strong></td>
<td>47,037</td>
<td>79,379</td>
<td>103,699</td>
<td>59</td>
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<tr>
<td><strong>Retained earnings from previous periods</strong></td>
<td>759</td>
<td>58,494</td>
<td>78,725</td>
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<tr>
<td><strong>Profit or loss for the period</strong></td>
<td>46,278</td>
<td>20,885</td>
<td>24,974</td>
<td>222</td>
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<tr>
<td><strong>Revaluation reserves for property, plant and equipment</strong></td>
<td>33,267</td>
<td>34,295</td>
<td>37,061</td>
<td>97</td>
</tr>
<tr>
<td><strong>Revaluation reserves for financial instruments</strong></td>
<td>33,267</td>
<td>34,295</td>
<td>37,061</td>
<td>97</td>
</tr>
<tr>
<td><strong>Translation reserve</strong></td>
<td>-1,777</td>
<td>-1,765</td>
<td>-2,096</td>
<td>101</td>
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<tr>
<td><strong>Total capital and reserves</strong></td>
<td>753,457</td>
<td>786,236</td>
<td>786,838</td>
<td>96</td>
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<tr>
<td><strong>Non-current deferred income</strong></td>
<td>10,018</td>
<td>7,147</td>
<td>8,579</td>
<td>129</td>
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<tr>
<td><strong>Provisions</strong></td>
<td>42,706</td>
<td>45,706</td>
<td>45,619</td>
<td>93</td>
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<tr>
<td><strong>Non-current operating liabilities</strong></td>
<td>223</td>
<td>210</td>
<td>286</td>
<td>106</td>
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<tr>
<td><strong>Interest bearing borrowings</strong></td>
<td>67,625</td>
<td>92,534</td>
<td>127,896</td>
<td>73</td>
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<tr>
<td><strong>Other non-current financial liabilities</strong></td>
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<td>315,278</td>
<td>308,484</td>
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<tr>
<td><strong>Deferred tax liabilities</strong></td>
<td>1,550</td>
<td>1,583</td>
<td>2,676</td>
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<tr>
<td><strong>Total non-current liabilities</strong></td>
<td>438,212</td>
<td>463,058</td>
<td>493,540</td>
<td>95</td>
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<tr>
<td><strong>Trade and other liabilities</strong></td>
<td>167,946</td>
<td>193,030</td>
<td>155,692</td>
<td>87</td>
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<tr>
<td><strong>Income tax payable</strong></td>
<td>54</td>
<td>230</td>
<td>35</td>
<td>23</td>
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<tr>
<td><strong>Interest bearing borrowings</strong></td>
<td>34,855</td>
<td>35,284</td>
<td>35,580</td>
<td>99</td>
</tr>
<tr>
<td><strong>Other current financial liabilities</strong></td>
<td>13,087</td>
<td>8,834</td>
<td>16,508</td>
<td>148</td>
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<tr>
<td><strong>Deferred income</strong></td>
<td>23,937</td>
<td>27,565</td>
<td>144</td>
<td></td>
</tr>
<tr>
<td><strong>Accrued costs and expenses</strong></td>
<td>34,390</td>
<td>23,937</td>
<td>27,565</td>
<td>144</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>261,063</td>
<td>271,856</td>
<td>259,390</td>
<td>96</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>699,273</td>
<td>734,914</td>
<td>752,930</td>
<td>95</td>
</tr>
<tr>
<td><strong>Total equity and liabilities</strong></td>
<td>1,452,730</td>
<td>1,521,230</td>
<td>1,539,768</td>
<td>95</td>
</tr>
</tbody>
</table>
### Consolidated statement of changes in equity for the period ending 30 September 2013

<table>
<thead>
<tr>
<th>EUR thousand</th>
<th>Called-up capital</th>
<th>Capital surplus</th>
<th>Revenue reserves</th>
<th>Retained earnings</th>
<th>Revaluation reserves for property, plant and equipment</th>
<th>Revaluation of available-for-sale financial assets (net)</th>
<th>Translation reserve</th>
<th>Total equity of owners of the Company</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance at 1 Jan 2013</strong></td>
<td>272,721</td>
<td>146,974</td>
<td>51,619</td>
<td>3,671</td>
<td>-3,671</td>
<td>54,924</td>
<td>147,478</td>
<td>79,379</td>
</tr>
<tr>
<td><strong>Net profit or loss for the period</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td><strong>Other comprehensive income for the period</strong></td>
<td></td>
<td></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td><strong>Total comprehensive income for the period</strong></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Dividends paid</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>Transactions with owners</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Transfer to other reserves</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Transfer to retained earnings and reserves</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Balance at 30 Sept 2013</strong></td>
<td>272,721</td>
<td>147,736</td>
<td>51,619</td>
<td>3,671</td>
<td>-3,671</td>
<td>54,924</td>
<td>147,241</td>
<td>47,037</td>
</tr>
</tbody>
</table>

### Consolidated statement of changes in equity for the period ending 30 September 2012

<table>
<thead>
<tr>
<th>EUR thousand</th>
<th>Called-up capital</th>
<th>Capital surplus</th>
<th>Revenue reserves</th>
<th>Retained earnings</th>
<th>Revaluation reserves for property, plant and equipment</th>
<th>Revaluation of available-for-sale financial assets (net)</th>
<th>Translation reserve</th>
<th>Total equity of owners of the Company</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance at 1 Jan 2012</strong></td>
<td>272,721</td>
<td>137,609</td>
<td>51,663</td>
<td>3,671</td>
<td>-3,671</td>
<td>54,854</td>
<td>122,792</td>
<td>103,699</td>
</tr>
<tr>
<td><strong>Effect of change in accounting policy</strong></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Balance as at 1.1.2012 - Adjusted</strong></td>
<td>272,721</td>
<td>145,957</td>
<td>51,663</td>
<td>3,671</td>
<td>-3,671</td>
<td>54,854</td>
<td>122,792</td>
<td>103,699</td>
</tr>
<tr>
<td><strong>Net profit or loss for the period</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Other comprehensive income for the period</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total comprehensive income for the period</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Dividends paid</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Transactions with owners</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Transfer to other reserves</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Transfer to retained earnings and reserves</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Balance at 30 Sept 2012</strong></td>
<td>272,721</td>
<td>146,720</td>
<td>51,680</td>
<td>3,671</td>
<td>-3,671</td>
<td>54,860</td>
<td>123,013</td>
<td>101,700</td>
</tr>
</tbody>
</table>
## Consolidated statement of cash flows for the period ending 30 September 2013

### EUR thousand

<table>
<thead>
<tr>
<th></th>
<th>I - IX 2013</th>
<th>I - IX 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit before tax</td>
<td>49,581</td>
<td>56,483</td>
</tr>
<tr>
<td>Adjustments for:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortisation expense</td>
<td>125,308</td>
<td>133,699</td>
</tr>
<tr>
<td>Impairment and write-offs of property, plant and equipment</td>
<td>1,112</td>
<td>1,919</td>
</tr>
<tr>
<td>Gain or loss on disposal of property, plant and equipment</td>
<td>181</td>
<td>488</td>
</tr>
<tr>
<td>Finance income</td>
<td>-3,275</td>
<td>-7,072</td>
</tr>
<tr>
<td>Finance costs</td>
<td>17,076</td>
<td>15,323</td>
</tr>
<tr>
<td>Change in assets held for sale</td>
<td>284</td>
<td>765</td>
</tr>
<tr>
<td>Change in trade and other receivables</td>
<td>-34,801</td>
<td>-25,510</td>
</tr>
<tr>
<td>Change in trade and other receivables</td>
<td>-12,692</td>
<td>-2,615</td>
</tr>
<tr>
<td>Change in other non-current assets</td>
<td>-2,740</td>
<td>10,246</td>
</tr>
<tr>
<td>Change in inventories</td>
<td>-3,450</td>
<td>-4,402</td>
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<td>Change in provisions</td>
<td>-3,000</td>
<td>-2,057</td>
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<tr>
<td>Change in deferred income</td>
<td>2,379</td>
<td>-760</td>
</tr>
<tr>
<td>Change in accruals</td>
<td>10,453</td>
<td>168</td>
</tr>
<tr>
<td>Change in trade and other payables</td>
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<td>-1,899</td>
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<tr>
<td>Income tax paid</td>
<td>15,297</td>
<td>-11,160</td>
</tr>
<tr>
<td><strong>Net cash from operating activities</strong></td>
<td>136,284</td>
<td>163,616</td>
</tr>
</tbody>
</table>

|                              |             |             |
| **Cash flows from investing activities** |             |             |
| Receipts from investing activities | 45,989     | 25,647      |
| Proceeds from sale of property, plant and equipment | 2,455       | 994         |
| Dividends received            | 1,424       | 1,367       |
| Interest received             | 1,284       | 2,399       |
| Disposal of non-current investments | 479         | 3,763       |
| Disposal of current investments | 40,347      | 17,124      |
| Disbursements from investing activities | -90,583    | -140,078    |
| Acquisition of property, plant and equipment | -45,972    | -45,125     |
| Acquisition of intangible assets | -21,815     | -15,794     |
| Acquisition of investments   | -5,461      | -67,793     |
| Investments in subsidiaries and joint ventures net of cash acquired and acquisition of minority interests | -8,061    | 0           |
| Interest bearing loans        | -9,274      | -11,366     |
| **Cash used in investing activities** | -44,594     | -114,432    |

|                              |             |             |
| **Cash flows from financing activities** |             |             |
| Receipts from financing activities | 0          | 390         |
| Paid in capital               | 0           | 390         |
| Disbursements from financing activities | -105,703   | -73,107     |
| Repayment of non-current borrowings | 25,386      | -25,386     |
| Interest paid                 | -2,165      | -2,271      |
| Dividends paid                | -78,152     | -45,451     |
| **Cash flow used in financing activities** | -105,703    | -72,717     |

|                              |             |             |
| **Net increase/decrease in cash and cash equivalents** |             |             |
| -14,013                      | -23,533     |

|                              |             |             |
| **Closing balance of cash**  | 30,061      | 37,732      |
Segment reporting

The operating segments by which the Group reports are Slovenia, Macedonia, Kosovo and other countries, where the criterion for segment reporting is the registered office where an activity is performed by an individual company.

The disclosure of operations by segment is based on the financial statements of Telekom Slovenije Group companies. Sales between segments are carried out at market value.

I - IX 2013

<table>
<thead>
<tr>
<th>EUR thousand</th>
<th>Slovenia</th>
<th>Macedonia</th>
<th>Kosovo</th>
<th>Other countries</th>
<th>Exclusions and adjustments</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td>External sales</td>
<td>491,554</td>
<td>45,818</td>
<td>38,814</td>
<td>8,487</td>
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<td>584,673</td>
</tr>
<tr>
<td>Intersegment sales</td>
<td>36,018</td>
<td>10,813</td>
<td>12,838</td>
<td>6,949</td>
<td>-66,618</td>
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</tr>
<tr>
<td>Total segment revenue</td>
<td>527,572</td>
<td>56,631</td>
<td>51,652</td>
<td>15,436</td>
<td>-66,618</td>
<td>584,673</td>
</tr>
<tr>
<td>Other revenue</td>
<td>10,331</td>
<td>3,902</td>
<td>703</td>
<td>117</td>
<td>-621</td>
<td>14,432</td>
</tr>
<tr>
<td>Share in profit or loss of joint ventures</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>3,622</td>
<td>0</td>
<td>3,622</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>-486,929</td>
<td>-59,631</td>
<td>-44,370</td>
<td>-15,659</td>
<td>67,244</td>
<td>-539,345</td>
</tr>
<tr>
<td>Operating profit per segment</td>
<td>50,974</td>
<td>902</td>
<td>7,985</td>
<td>3,516</td>
<td>5</td>
<td>63,382</td>
</tr>
<tr>
<td>Finance income</td>
<td>3,275</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance costs</td>
<td>-13,461</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share of profit or loss in joint ventures</td>
<td>-3,615</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit before tax</td>
<td>49,581</td>
<td></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>Income tax expense</td>
<td>-55</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred tax</td>
<td>-3,248</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit for the period</td>
<td>46,278</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Segments assets

<table>
<thead>
<tr>
<th>EUR thousand</th>
<th>Slovenia</th>
<th>Macedonia</th>
<th>Kosovo</th>
<th>Other countries</th>
<th>Exclusions and adjustments</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment assets for reporting purposes</td>
<td>1,171,310</td>
<td>96,537</td>
<td>141,883</td>
<td>37,234</td>
<td>5,766</td>
<td>1,452,730</td>
</tr>
<tr>
<td>Segment liabilities for reporting purposes</td>
<td>258,007</td>
<td>20,750</td>
<td>10,332</td>
<td>11,491</td>
<td>398,693</td>
<td>699,273</td>
</tr>
</tbody>
</table>

I - IX 2012 – adjusted

<table>
<thead>
<tr>
<th>EUR thousand</th>
<th>Slovenia</th>
<th>Macedonia</th>
<th>Kosovo</th>
<th>Other countries</th>
<th>Exclusions and adjustments</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td>External sales</td>
<td>503,588</td>
<td>42,507</td>
<td>38,376</td>
<td>6,388</td>
<td>0</td>
<td>590,859</td>
</tr>
<tr>
<td>Intersegment sales</td>
<td>33,128</td>
<td>10,293</td>
<td>13,584</td>
<td>8,154</td>
<td>-65,159</td>
<td>0</td>
</tr>
<tr>
<td>Total segment revenue</td>
<td>536,716</td>
<td>52,800</td>
<td>51,960</td>
<td>14,542</td>
<td>-65,159</td>
<td>590,859</td>
</tr>
<tr>
<td>Other revenue</td>
<td>5,494</td>
<td>1,343</td>
<td>88</td>
<td>56</td>
<td>-508</td>
<td>6,473</td>
</tr>
<tr>
<td>Share in profit or loss of joint ventures</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>3,887</td>
<td>0</td>
<td>3,887</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>-482,768</td>
<td>-58,156</td>
<td>-44,851</td>
<td>-14,700</td>
<td>63,990</td>
<td>-536,485</td>
</tr>
<tr>
<td>Operating profit per segment</td>
<td>59,442</td>
<td>-4,013</td>
<td>7,197</td>
<td>-102</td>
<td>-1,677</td>
<td>64,734</td>
</tr>
<tr>
<td>Finance income</td>
<td>7,072</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance costs</td>
<td>-15,328</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share of profit of associates and joint ventures</td>
<td>5</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit before tax</td>
<td>56,483</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income tax expense</td>
<td>-8,394</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred tax</td>
<td>-4,909</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit for the period</td>
<td>43,180</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Segments assets

<table>
<thead>
<tr>
<th>EUR thousand</th>
<th>Slovenia</th>
<th>Macedonia</th>
<th>Kosovo</th>
<th>Other countries</th>
<th>Exclusions and adjustments</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment assets for reporting purposes</td>
<td>1,182,052</td>
<td>88,253</td>
<td>147,393</td>
<td>32,734</td>
<td>64,916</td>
<td>1,515,348</td>
</tr>
<tr>
<td>Segment liabilities for reporting purposes</td>
<td>242,550</td>
<td>23,690</td>
<td>10,078</td>
<td>9,493</td>
<td>445,842</td>
<td>731,653</td>
</tr>
</tbody>
</table>
Net sales revenues

<table>
<thead>
<tr>
<th>EUR thousand</th>
<th>I - IX 2013</th>
<th>I - IX 2012 - adjusted</th>
<th>Index 13/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile end-user market</td>
<td>241,315</td>
<td>245,302</td>
<td>98</td>
</tr>
<tr>
<td>Fixed end-user market</td>
<td>183,961</td>
<td>190,682</td>
<td>96</td>
</tr>
<tr>
<td>Wholesale market</td>
<td>141,284</td>
<td>134,764</td>
<td>105</td>
</tr>
<tr>
<td>Other revenues and other merchandise</td>
<td>18,113</td>
<td>20,111</td>
<td>90</td>
</tr>
<tr>
<td><strong>Total net sales revenues</strong></td>
<td><strong>584,673</strong></td>
<td><strong>590,859</strong></td>
<td><strong>99</strong></td>
</tr>
</tbody>
</table>

Net sales revenue was down 1% or EUR 6,186 thousand on the first nine months of 2012 to stand at EUR 584,673 thousand, primarily due to lower revenues from fixed services and merchandise on the end-user market. Revenues from mobile services and merchandise on the end-user market were also down, by 2%. Revenues generated on the wholesale market were up EUR 6,520 thousand or 5% on the same period in 2012.

Cost of services

<table>
<thead>
<tr>
<th>EUR thousand</th>
<th>I - IX 2013</th>
<th>I - IX 2012</th>
<th>Ind 13/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telecommunications services</td>
<td>97,946</td>
<td>92,761</td>
<td>106</td>
</tr>
<tr>
<td>Cost of leased lines</td>
<td>7,230</td>
<td>5,666</td>
<td>128</td>
</tr>
<tr>
<td>Multimedia services costs</td>
<td>20,000</td>
<td>17,441</td>
<td>115</td>
</tr>
<tr>
<td>Sale incentives</td>
<td>19,151</td>
<td>17,476</td>
<td>110</td>
</tr>
<tr>
<td>Sale commissions</td>
<td>7,125</td>
<td>7,080</td>
<td>101</td>
</tr>
<tr>
<td>Maintenance</td>
<td>21,806</td>
<td>28,235</td>
<td>77</td>
</tr>
<tr>
<td>Rental costs</td>
<td>15,114</td>
<td>15,078</td>
<td>100</td>
</tr>
<tr>
<td>Costs of trade fairs, advertising and sponsorship</td>
<td>16,271</td>
<td>15,441</td>
<td>105</td>
</tr>
<tr>
<td>Professional services</td>
<td>8,848</td>
<td>10,118</td>
<td>87</td>
</tr>
<tr>
<td>Insurance, marketing and entertainment</td>
<td></td>
<td>3,227</td>
<td>3,227</td>
</tr>
<tr>
<td>Insurance</td>
<td>3,327</td>
<td>3,227</td>
<td>103</td>
</tr>
<tr>
<td>Transport services</td>
<td>3,070</td>
<td>3,519</td>
<td>87</td>
</tr>
<tr>
<td>Cost of banking services</td>
<td>1,247</td>
<td>1,444</td>
<td>86</td>
</tr>
<tr>
<td>Other services</td>
<td>16,298</td>
<td>19,072</td>
<td>85</td>
</tr>
<tr>
<td><strong>Total cost of services</strong></td>
<td><strong>238,431</strong></td>
<td><strong>237,806</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Costs of services during the reporting period were at the level recorded in the same period last year (index 100). There was a notable decline in the costs of fixed asset maintenance and other services, while the costs of leased lines, multimedia content, sales promotions and telecommunication services were up.

Operating profit

EBIT was down EUR 1,352 or 2% on the same period in 2012, at EUR 63,382 thousand. A net profit of EUR 46,278 thousand was achieved (an increase of EUR 3,098 thousand or 7% on the same period in 2012), despite a net financial loss of EUR 10,186 thousand.

Intangible assets

Intangible assets were down by the total amount of EUR 4,929 thousand, primarily as the result of amortisation charged during the accounting period.
Property, plant and equipment
The Group amended its accounting policy regarding the measurement of cable ducts following recognition, beginning with the 2013 financial year. A transition was made from a revaluation model to the historical cost model. The effects and a detailed explanation are given in point 7.1 of the Introductory notes.

Property, plant and equipment totalled EUR 845,135 thousand as at 30 September 2013, accounting for 58.2% of total assets, and were down EUR 58,698 thousand primarily as the result of depreciation. Commitments for property, plant and equipment totalled EUR 10,536 thousand as at 30 September 2013.

Operating and other receivables
Operating and other receivables amounted to EUR 222,689 thousand as at 30 September 2013, an increase of EUR 34,801 thousand or 19% compared with the balance at the end of 2012.

Financial instruments
Current financial assets
Current financial assets were down EUR 30,587 thousand on the balance as at 31 December 2012 to stand at EUR 31,220 thousand, primarily as the result of a decrease in bank deposits.

Financial liabilities
Financial liabilities totalled EUR 431,657 thousand as at 30 September 2013, representing a decrease of EUR 20,273 thousand on the end of the 2012, broken down as follows:
- borrowings received in the amount of EUR 102,480 thousand were down EUR 25,338 thousand owing to repayments during the accounting period;
- liabilities for bonds issued in the amount of EUR 309,563 thousand were up EUR 11,367 thousand on the balance at the end of the year on account of the associated interest accrued in the period January – September 2013; and
- liabilities for finance leases and liabilities for interest rate swaps and other financial liabilities in the amount of EUR 19,641 thousand, a decrease of EUR 6,302 thousand on the end of 2012.
The fair value of financial instruments is compared with their book value in the table below.

### Book value and fair value of financial instruments as at 30 September 2013

<table>
<thead>
<tr>
<th>EUR thousand</th>
<th>Book value</th>
<th>Fair value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-current financial assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Available-for-sale financial assets</td>
<td>4,258</td>
<td>4,258</td>
</tr>
<tr>
<td>Loans granted</td>
<td>6,844</td>
<td>6,844</td>
</tr>
<tr>
<td>Operating receivables</td>
<td>24,431</td>
<td>24,431</td>
</tr>
<tr>
<td><strong>Current financial assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans granted</td>
<td>1,905</td>
<td>1,905</td>
</tr>
<tr>
<td>Bank deposits</td>
<td>29,315</td>
<td>29,315</td>
</tr>
<tr>
<td>Cash and cash equivalents, and receivables for corporate income tax</td>
<td>31,357</td>
<td>31,357</td>
</tr>
<tr>
<td><strong>Non-current financial liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bonds</td>
<td>298,756</td>
<td>306,000</td>
</tr>
<tr>
<td>Borrowings received</td>
<td>67,625</td>
<td>67,625</td>
</tr>
<tr>
<td>Other operating liabilities</td>
<td>17,334</td>
<td>17,334</td>
</tr>
<tr>
<td><strong>Current financial liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bonds</td>
<td>10,807</td>
<td>10,807</td>
</tr>
<tr>
<td>Liabilities for interest rate swaps</td>
<td>490</td>
<td>490</td>
</tr>
<tr>
<td>Borrowings received</td>
<td>34,855</td>
<td>34,855</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>1,790</td>
<td>1,790</td>
</tr>
<tr>
<td>Operating liabilities</td>
<td>167,946</td>
<td>167,946</td>
</tr>
</tbody>
</table>

Non-current financial assets primarily comprise investments in shares and participating interests in companies and banks that are classified as available-for-sale financial assets. Financial assets listed on the stock exchange are recognised at fair value, while other financial assets are recognised at historical cost.

**Fair value hierarchy**

The following hierarchy was used in recognising and disclosing the fair value of financial instruments using a valuation technique:

1. Category 1: determining fair value by directly quoting an officially published price on an active market;
2. Category 2: other techniques for determining fair value on the basis of assumptions with a significant impact on fair value that are in line with current observable market transactions with the same instruments, either directly or indirectly; and
3. Category 3: other techniques for determining fair value on the basis of assumptions with a significant impact on fair value that are not in line with current observable market transactions with the same instruments and investments valued at historical cost.
Fair value hierarchy

<table>
<thead>
<tr>
<th>Available-for-sale financial assets</th>
<th>30.9.2013</th>
<th>Category 1</th>
<th>Category 2</th>
<th>Category 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equities and other financial investments</td>
<td>4,258</td>
<td>1,226</td>
<td>0</td>
<td>3,032</td>
</tr>
</tbody>
</table>

| Derivatives | |
|-------------||
| For hedging interest-rate risk | -490 | 0 | -490 | 0 |

<table>
<thead>
<tr>
<th>Available-for-sale financial assets</th>
<th>31.12.2012</th>
<th>Category 1</th>
<th>Category 2</th>
<th>Category 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equities and other financial investments</td>
<td>4,335</td>
<td>1,301</td>
<td>0</td>
<td>3,034</td>
</tr>
</tbody>
</table>

| Derivatives | |
|-------------||
| For hedging interest-rate risk | -1,118 | 0 | -1,118 | 0 |

Dividends
Based on the resolution of the General Meeting of 6 February 2013, Telekom Slovenije paid interim dividends in the amount of EUR 24,070 thousand or EUR 3.70 per share. Based on the resolution of the General Meeting of shareholders of 1 July 2013, additional dividends in the amount EUR 53,995 thousand or EUR 8.30 per share were paid.

Contingent liabilities from lawsuits
No new lawsuits were filed against the Group in the period from 31 December 2012 until the day this report was compiled that could have a significant impact on the financial statements for the first nine months of 2013.

Telekom Slovenije and Tušmobil, d. o. o. signed annex no. 1 to the agreement on the acknowledgement of debt, surety and the repayment of outstanding liabilities. Tušmobil, d. o. o. settled a portion of its debt to Telekom Slovenije in a lump-sum amount, and committed to settle the remainder in ten quarterly instalments, with the first instalment falling due for payment at the end of September 2015 and the last instalment falling due at the end of December 2017. Tušmobil, d. o. o. withdrew its suit against Telekom Slovenije based on the existence of the aforementioned agreement and the prohibition on the redemption of collateral instruments in proceedings before the Ljubljana District Court under file no. VIII Pg 5705/2012.

Contingent liabilities from guarantees issued
The Group had provided the following guarantees as at 30 September 2013:
- a guarantee for a long-term loan in the amount of EUR 125,646 thousand,
- a performance guarantee and warranty bond in the amount of EUR 4,631 thousand,
- a guarantee as security for contractual obligations in the amount of EUR 865 thousand,
- a guarantee as security for an overdraft facility and payments in the amount of EUR 7,725 thousand, and
- other guarantees in the amount of EUR 4,242 thousand.

None of the above stated liabilities meet the conditions for recognition on the statement of financial position, and the Group does not expect any material consequences as a result thereof.

Transactions with related parties
Related parties of the Group include the Republic of Slovenia as the majority shareholder of Telekom Slovenije, other shareholders, the Management Board, members of the Supervisory Board and their family members.

Transactions with natural persons
Natural persons (the President and members of the Management Board, and the President and members of the Supervisory Board) held 1,911 shares in Telekom Slovenije as at 30 September 2013, representing a holding of 0.0292%.
Events after the balance-sheet date

November

- Based on an agreement on the sale of its 100% participating interest in the Albanian company PRIMO Communications Sh.p.k concluded on 3 October 2013, the consent of the Albanian competition authorities and the fulfilment of other conditions, Telekom Slovenije transfers ownership of the aforementioned 100% participating interest to AD – TRADE SHPK on 6 November 2013. AD – TRADE SHPK pays the entire amount of consideration when the agreement on the sale of the 100% participating interest was signed.

7.3. Condensed unaudited financial statements of Telekom Slovenije for the period January – September 2013

The financial statements of Telekom Slovenije include the business events, assets and liabilities that were transferred to Telekom Slovenije as the acquiring company in accordance with the demerger and acquisition agreement. The portion of operations acquired are included in Telekom Slovenije's financial statements from 1 January 2013 onwards, i.e. for the entire reporting period.

The portion of Avtenta, d. o. o.'s operations transferred to Telekom Slovenije in accordance with the demerger agreement generated a net profit of EUR 1,069 thousand, operating revenues of EUR 6,896 thousand and operating expenses of EUR 5,819 thousand during the first four months of the year.

The portion of TSmedia, d. o. o.'s operations transferred to Telekom Slovenije in accordance with the demerger agreement generated a net profit of EUR 234 thousand, operating revenues of EUR 4,133 thousand and operating expenses of EUR 3,894 thousand during the first four months of the year.

Telekom Slovenije amended its accounting policy regarding measurement following recognition on 1 January 2013, from a revaluation model to the historical cost model for cable ducts.

The reason for the aforementioned change lies in the fact that the majority of European telecoms value telecommunications equipment according to the historical cost model. This will improve comparability with the financial statements of other companies that provide the same or similar services. More about the change is given in point 7.1 of the Introductory notes.

The comparative financial statements of Telekom Slovenije have been adjusted for the effects of the change to the aforementioned accounting policy. The comparative financial statements were also adjusted for the effects of the transfer of a portion of Avtenta, d. o. o. and TSmedia, d. o. o. as if the transfer of the portion of operations, assets and liabilities was carried out during the comparable period.

Telekom Slovenije's income statement for the comparable period (except for the change to the aforementioned accounting policy) has been adjusted to illustrate the elimination of provisions, which the Company discloses as other operating revenues as of 2013, and the disclosure of capitalised own administrative costs, where assets produced at the Company reduce specific types of costs as of 2013. The aforementioned adjustments do not affect the net operating results for the comparable period.

Telekom Slovenije's statement of financial position has also been adjusted for the reclassification of non-current operating receivables from other financial assets to other non-current assets. The aforementioned adjustment does not affect total assets.
### Income statement of Telekom Slovenije for the period ending 30 September 2013

<table>
<thead>
<tr>
<th>EUR thousand</th>
<th>I - IX 2013</th>
<th>I - IX 2012 – adjusted</th>
<th>Ind. 13/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>494,448</td>
<td>498,559</td>
<td>99</td>
</tr>
<tr>
<td>Other operating income</td>
<td>7,001</td>
<td>2,959</td>
<td>237</td>
</tr>
<tr>
<td>Cost of goods and materials sold</td>
<td>-39,719</td>
<td>-30,124</td>
<td>132</td>
</tr>
<tr>
<td>Cost of materials</td>
<td>-9,192</td>
<td>-9,901</td>
<td>93</td>
</tr>
<tr>
<td>Cost of services</td>
<td>-206,078</td>
<td>-202,151</td>
<td>102</td>
</tr>
<tr>
<td>Employee benefits expense</td>
<td>-82,084</td>
<td>-88,728</td>
<td>93</td>
</tr>
<tr>
<td>Amortisation and depreciation expense</td>
<td>-100,204</td>
<td>-107,159</td>
<td>94</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>-9,487</td>
<td>-4,868</td>
<td>195</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td><strong>-446,764</strong></td>
<td><strong>-442,931</strong></td>
<td><strong>101</strong></td>
</tr>
<tr>
<td>Profit or loss from operations</td>
<td></td>
<td></td>
<td>93</td>
</tr>
<tr>
<td>Finance income</td>
<td>12,119</td>
<td>14,884</td>
<td>81</td>
</tr>
<tr>
<td>Finance costs</td>
<td>-13,318</td>
<td>-14,496</td>
<td>92</td>
</tr>
<tr>
<td><strong>Profit or loss before tax</strong></td>
<td><strong>53,486</strong></td>
<td><strong>58,975</strong></td>
<td><strong>91</strong></td>
</tr>
<tr>
<td>Income tax expense</td>
<td>0</td>
<td>-7,835</td>
<td>0</td>
</tr>
<tr>
<td>Deferred tax</td>
<td>-3,217</td>
<td>-4,767</td>
<td>67</td>
</tr>
<tr>
<td><strong>Net profit or loss for the period</strong></td>
<td><strong>50,269</strong></td>
<td><strong>46,373</strong></td>
<td><strong>108</strong></td>
</tr>
</tbody>
</table>

### Statement of comprehensive income of Telekom Slovenije for the period ending 30 September 2013

<table>
<thead>
<tr>
<th>EUR thousand</th>
<th>I - IX 2013</th>
<th>I - IX 2012 prilagojeno</th>
<th>Ind. 13/12</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net profit or loss for the period</strong></td>
<td><strong>50,269</strong></td>
<td><strong>46,373</strong></td>
<td><strong>108</strong></td>
</tr>
<tr>
<td>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revaluation of available-for-sale assets</td>
<td>91</td>
<td>-96</td>
<td>-</td>
</tr>
<tr>
<td>Revaluation of available-for-sale financial assets</td>
<td>-13</td>
<td>42</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net gain or loss from revaluation of available-for-sale financial assets</strong></td>
<td><strong>78</strong></td>
<td><strong>-54</strong></td>
<td>-</td>
</tr>
<tr>
<td>Change in revaluation reserves for property, plant and equipment</td>
<td>0</td>
<td>-2,304</td>
<td>-</td>
</tr>
<tr>
<td>Deferred tax on change in revaluation reserves for property, plant and equipment</td>
<td>0</td>
<td>345</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net change in revaluation surplus for property, plant and equipment</strong></td>
<td>0</td>
<td><strong>-1,959</strong></td>
<td>-</td>
</tr>
<tr>
<td><strong>Other comprehensive income for the period</strong></td>
<td><strong>78</strong></td>
<td><strong>-2,013</strong></td>
<td>-</td>
</tr>
<tr>
<td><strong>Total comprehensive income for the period</strong></td>
<td><strong>50,347</strong></td>
<td><strong>44,360</strong></td>
<td><strong>113</strong></td>
</tr>
</tbody>
</table>
### Statement of financial position of Telekom Slovenije as at 30 September 2013

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intangible assets</td>
<td>63,599</td>
<td>69,522</td>
<td>77,603</td>
<td>91</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>693,687</td>
<td>747,324</td>
<td>805,740</td>
<td>93</td>
</tr>
<tr>
<td>Investments in joint ventures</td>
<td>125,406</td>
<td>121,918</td>
<td>116,145</td>
<td>103</td>
</tr>
<tr>
<td>Other investments</td>
<td>170,185</td>
<td>165,510</td>
<td>167,048</td>
<td>103</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>28,786</td>
<td>22,606</td>
<td>34,939</td>
<td>127</td>
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<tr>
<td>Investment property</td>
<td>4,130</td>
<td>6,378</td>
<td>6,463</td>
<td>65</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>17,286</td>
<td>20,549</td>
<td>21,649</td>
<td>84</td>
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<tr>
<td><strong>Total non-current assets</strong></td>
<td><strong>1,103,079</strong></td>
<td><strong>1,153,807</strong></td>
<td><strong>1,229,588</strong></td>
<td><strong>96</strong></td>
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<tr>
<td>Assets held for sale</td>
<td>3,562</td>
<td>3,846</td>
<td>4,485</td>
<td>93</td>
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<tr>
<td>Inventories</td>
<td>17,551</td>
<td>14,168</td>
<td>14,364</td>
<td>124</td>
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<tr>
<td>Trade and other receivables</td>
<td>201,287</td>
<td>167,444</td>
<td>164,215</td>
<td>120</td>
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<tr>
<td>Deferred expenses and accrued revenues</td>
<td>37,405</td>
<td>25,433</td>
<td>12,676</td>
<td>147</td>
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<tr>
<td>Income tax credits</td>
<td>740</td>
<td>17,497</td>
<td>746</td>
<td>4</td>
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<tr>
<td>Current financial assets</td>
<td>57,846</td>
<td>79,254</td>
<td>43,918</td>
<td>73</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>22,737</td>
<td>31,824</td>
<td>43,957</td>
<td>71</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td><strong>341,128</strong></td>
<td><strong>339,466</strong></td>
<td><strong>284,361</strong></td>
<td><strong>100</strong></td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>1,444,207</strong></td>
<td><strong>1,493,273</strong></td>
<td><strong>1,513,949</strong></td>
<td><strong>97</strong></td>
</tr>
<tr>
<td><strong>EQUITY AND LIABILITIES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Called-up capital</td>
<td>272,721</td>
<td>272,721</td>
<td>272,721</td>
<td>100</td>
</tr>
<tr>
<td>Capital surplus</td>
<td>143,753</td>
<td>142,991</td>
<td>141,974</td>
<td>101</td>
</tr>
<tr>
<td>Revenue reserves</td>
<td>251,701</td>
<td>251,701</td>
<td>227,236</td>
<td>100</td>
</tr>
<tr>
<td>Legal reserves</td>
<td>50,434</td>
<td>50,434</td>
<td>50,434</td>
<td>100</td>
</tr>
<tr>
<td>Reserves for own shares and interests</td>
<td>3,671</td>
<td>3,671</td>
<td>3,671</td>
<td>100</td>
</tr>
<tr>
<td>Own shares and interests</td>
<td>-3,671</td>
<td>-3,671</td>
<td>-3,671</td>
<td>100</td>
</tr>
<tr>
<td>Statutory reserves</td>
<td>54,544</td>
<td>54,544</td>
<td>54,544</td>
<td>100</td>
</tr>
<tr>
<td>Other revenue reserves</td>
<td>146,723</td>
<td>146,723</td>
<td>122,258</td>
<td>100</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>76,348</td>
<td>103,878</td>
<td>121,051</td>
<td>73</td>
</tr>
<tr>
<td>Retained earnings from previous periods</td>
<td>26,079</td>
<td>76,046</td>
<td>108,093</td>
<td>34</td>
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<tr>
<td>Profit or loss for the period</td>
<td>50,269</td>
<td>27,832</td>
<td>12,958</td>
<td>181</td>
</tr>
<tr>
<td>Revaluation reserves for property, plant and equipment</td>
<td>33,266</td>
<td>34,294</td>
<td>37,107</td>
<td>97</td>
</tr>
<tr>
<td>Revaluation reserves for financial instruments</td>
<td>689</td>
<td>611</td>
<td>548</td>
<td>113</td>
</tr>
<tr>
<td><strong>Total capital and reserves</strong></td>
<td><strong>778,478</strong></td>
<td><strong>806,196</strong></td>
<td><strong>800,637</strong></td>
<td><strong>97</strong></td>
</tr>
<tr>
<td>Non-current deferred income</td>
<td>9,067</td>
<td>8,252</td>
<td>7,995</td>
<td>110</td>
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<tr>
<td>Provisions</td>
<td>38,148</td>
<td>39,125</td>
<td>42,403</td>
<td>98</td>
</tr>
<tr>
<td>Non-current operating liabilities</td>
<td>214</td>
<td>12</td>
<td>277</td>
<td>1,783</td>
</tr>
<tr>
<td>Interest bearing borrowings</td>
<td>67,222</td>
<td>92,104</td>
<td>127,185</td>
<td>73</td>
</tr>
<tr>
<td>Other non-current financial liabilities</td>
<td>312,258</td>
<td>311,977</td>
<td>305,135</td>
<td>100</td>
</tr>
<tr>
<td>Deferred tax liabilities</td>
<td>1,550</td>
<td>1,583</td>
<td>2,676</td>
<td>98</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td><strong>428,459</strong></td>
<td><strong>453,053</strong></td>
<td><strong>485,671</strong></td>
<td><strong>95</strong></td>
</tr>
<tr>
<td>Trade and other liabilities</td>
<td>159,213</td>
<td>168,264</td>
<td>141,725</td>
<td>95</td>
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<tr>
<td>Income tax payable</td>
<td>7</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Interest bearing borrowings</td>
<td>34,717</td>
<td>35,101</td>
<td>35,502</td>
<td>99</td>
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<tr>
<td>Other current financial liabilities</td>
<td>12,100</td>
<td>8,795</td>
<td>16,424</td>
<td>138</td>
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<tr>
<td>Deferred income</td>
<td>4,448</td>
<td>4,699</td>
<td>17,842</td>
<td>95</td>
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<tr>
<td>Accrued costs and expenses</td>
<td>26,785</td>
<td>17,165</td>
<td>16,149</td>
<td>156</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td><strong>237,270</strong></td>
<td><strong>234,024</strong></td>
<td><strong>227,641</strong></td>
<td><strong>101</strong></td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>665,729</strong></td>
<td><strong>687,077</strong></td>
<td><strong>713,312</strong></td>
<td><strong>97</strong></td>
</tr>
</tbody>
</table>

**Total equity and liabilities** | **1,444,207** | **1,493,273** | **1,513,949** | **97**  |
### Statement of changes in equity of Telekom Slovenije for the period ending 30 September 2013

<table>
<thead>
<tr>
<th>EUR thousand</th>
<th>Called-up capital</th>
<th>Capital surplus</th>
<th>Revenue reserves</th>
<th>Retained earnings</th>
<th>Revaluation reserves for property, plant and equipment</th>
<th>Revaluation of available-for-sale financial assets (net)</th>
<th>Total equity of owners of the Company</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Balance at 1 Jan 2013</strong></td>
<td>272,721</td>
<td>142,991</td>
<td>50,434</td>
<td>3.671</td>
<td>-3.671</td>
<td>54,544</td>
<td>146,723</td>
</tr>
<tr>
<td>Net profit or loss for the period</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other comprehensive income for the period</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total comprehensive income for the period</strong></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>50,269</td>
</tr>
<tr>
<td>Dividends paid</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-78,065</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Transactions with owners</strong></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-78,065</td>
</tr>
<tr>
<td>Transfer to retained earnings and reserves</td>
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<td></td>
<td></td>
<td></td>
<td>266</td>
<td>-1,028</td>
<td></td>
</tr>
<tr>
<td><strong>Balance at 30 Sept 2013</strong></td>
<td>272,721</td>
<td>143,753</td>
<td>50,434</td>
<td>3.671</td>
<td>-3.671</td>
<td>54,544</td>
<td>146,723</td>
</tr>
</tbody>
</table>

### Statement of changes in equity of Telekom Slovenije for the period ending 30 September 2012

<table>
<thead>
<tr>
<th>EUR thousand</th>
<th>Called-up capital</th>
<th>Capital surplus</th>
<th>Revenue reserves</th>
<th>Retained earnings</th>
<th>Revaluation reserves for property, plant and equipment</th>
<th>Revaluation of available-for-sale financial assets (net)</th>
<th>Total equity of owners of the Company</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Balance as at 1. 1. 2012 – initially reported</strong></td>
<td>272,721</td>
<td>133,626</td>
<td>50,434</td>
<td>3.671</td>
<td>-3.671</td>
<td>54,544</td>
<td>122,258</td>
</tr>
<tr>
<td>Merger</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,353</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Effect of change in accounting policy</td>
<td>8,348</td>
<td></td>
<td></td>
<td></td>
<td>-36,785</td>
<td>-28,437</td>
<td></td>
</tr>
<tr>
<td><strong>Balance as at 1. 1. 2012 – recalculated</strong></td>
<td>272,721</td>
<td>141,974</td>
<td>50,434</td>
<td>3.671</td>
<td>-3.671</td>
<td>54,544</td>
<td>122,258</td>
</tr>
<tr>
<td>Net profit or loss for the period</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>46,537</td>
<td>-1,959</td>
<td>-45,538</td>
</tr>
<tr>
<td>Other comprehensive income for the period</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-1,959</td>
<td>-54</td>
<td>-2,013</td>
</tr>
<tr>
<td><strong>Total comprehensive income for the period</strong></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>46,373</td>
</tr>
<tr>
<td>Dividends paid</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-45,538</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Transactions with owners</strong></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-45,538</td>
</tr>
<tr>
<td>Transfer to other reserves based on the decision of the Management Board</td>
<td>763</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>786</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Balance at 30 Sept 2012</strong></td>
<td>272,721</td>
<td>142,737</td>
<td>50,434</td>
<td>3.671</td>
<td>-3.671</td>
<td>54,544</td>
<td>122,199</td>
</tr>
</tbody>
</table>
Cash flow statement of Telekom Slovenije for the period ending 30 September 2013

<table>
<thead>
<tr>
<th>EUR thousand</th>
<th>I-IX 2013</th>
<th>I-IX 2012 prilagojeno</th>
<th>Ind 13/12</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit before tax</td>
<td>53,486</td>
<td>58,975</td>
<td>91</td>
</tr>
<tr>
<td>Adjustments for:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortisation expense</td>
<td>100,204</td>
<td>107,159</td>
<td>94</td>
</tr>
<tr>
<td>Impairment and write-offs of property, plant and equipment</td>
<td>1,112</td>
<td>1,919</td>
<td>58</td>
</tr>
<tr>
<td>Gain or loss on disposal of property, plant and equipment</td>
<td>223</td>
<td>485</td>
<td>-</td>
</tr>
<tr>
<td>Finance income</td>
<td>-12,119</td>
<td>-14,884</td>
<td>81</td>
</tr>
<tr>
<td>Finance costs</td>
<td>13,319</td>
<td>14,496</td>
<td>92</td>
</tr>
<tr>
<td>Change in assets held for sale</td>
<td>284</td>
<td>765</td>
<td>37</td>
</tr>
<tr>
<td>Change in trade and other receivables</td>
<td>-33,843</td>
<td>-6,496</td>
<td>521</td>
</tr>
<tr>
<td>Change in deferred expenses and accrued revenues</td>
<td>-11,972</td>
<td>-13,174</td>
<td></td>
</tr>
<tr>
<td>Change in other non-current assets</td>
<td>-3,932</td>
<td>12,814</td>
<td>-31</td>
</tr>
<tr>
<td>Change in inventories</td>
<td>-3,383</td>
<td>-4,262</td>
<td>79</td>
</tr>
<tr>
<td>Change in provisions</td>
<td>-977</td>
<td>-2,220</td>
<td>44</td>
</tr>
<tr>
<td>Change in deferred income</td>
<td>564</td>
<td>-1,419</td>
<td>-40</td>
</tr>
<tr>
<td>Change in accruals</td>
<td>9,620</td>
<td>-339</td>
<td>-2,838</td>
</tr>
<tr>
<td>Change in trade and other payables</td>
<td>-8,920</td>
<td>-514</td>
<td>1,735</td>
</tr>
<tr>
<td>Income tax paid</td>
<td>16,014</td>
<td>-11,966</td>
<td></td>
</tr>
<tr>
<td><strong>Net cash from operating activities</strong></td>
<td><strong>119,680</strong></td>
<td><strong>141,339</strong></td>
<td><strong>85</strong></td>
</tr>
</tbody>
</table>

| **Cash flows from investing activities** |           |                       |           |
| Receipts from investing activities | 57,284  | 45,856  | 125 |
| Proceeds from sale of property, plant and equipment | 0  | 994  | 0 |
| Dividends received | 1,539  | 1,418  | 109 |
| Interest received | 8,319  | 13,281  | 63 |
| Disposal of non-current investments | 4,925  | 12,637  | 39 |
| Disposal of current investments | 42,501  | 17,526  | 243 |
| **Disbursements from investing activities** | **-81,011**  | **-133,041**  | **61** |
| Acquisition of property, plant and equipment | -30,877  | -27,341  | 113 |
| Acquisition of intangible assets | -10,767  | -8,708  | 124 |
| Acquisition of investments | -5,117  | -67,592  | 8 |
| Investments in subsidiaries and joint ventures net of cash acquired and acquisition of minority interests | -11,421  | -11,270  | 101 |
| Interest bearing loans | -22,829  | -18,130  | 126 |
| **Cash used in investing activities** | **-23,727**  | **-87,185**  | **-** |

| **Cash flows from financing activities** |           |                       |           |
| Receipts from financing activities | 0  | 250  | 0 |
| Current borrowings | 0  | 250  | 0 |
| **Disbursements from financing activities** | **-105,040**  | **-72,969**  | **144** |
| Repayment of non-current borrowings | -25,258  | -25,258  | 100 |
| Interest paid | -2,630  | -2,260  | 72 |
| Dividends paid | -78,152  | -45,451  | 172 |
| **Cash flow used in financing activities** | **-105,040**  | **-72,969**  | **144** |
| **Net increase/decrease in cash and cash equivalents** | **-9,087**  | **-18,565**  | **49** |
| **Closing balance of cash** | **22,737**  | **25,392**  | **90** |
| **Opening balance of cash** | **31,824**  | **43,957**  | **72** |
Notes to the financial statements of Telekom Slovenije

Net sales revenues

<table>
<thead>
<tr>
<th>EUR thousand</th>
<th>I - IX 2013</th>
<th>I - IX 2012 – adjusted</th>
<th>Index 13/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile end-user market</td>
<td>198,030</td>
<td>203,538</td>
<td>97</td>
</tr>
<tr>
<td>Fixed end-user market</td>
<td>154,934</td>
<td>163,866</td>
<td>95</td>
</tr>
<tr>
<td>Wholesale market</td>
<td>132,414</td>
<td>122,667</td>
<td>108</td>
</tr>
<tr>
<td>Other revenues and other merchandise</td>
<td>9,070</td>
<td>8,488</td>
<td>107</td>
</tr>
<tr>
<td><strong>Total net sales revenues</strong></td>
<td><strong>494,448</strong></td>
<td><strong>498,559</strong></td>
<td><strong>99</strong></td>
</tr>
</tbody>
</table>

Net sales revenue was down 1% in the period January to September 2013 relative to the same period the previous year, primarily on account of mobile services and merchandise on the end-user market (lower revenues from calls due to the migration to new integrated packages) and fixed services and merchandise on the end-user market (due to declining revenues from traditional voice telephony), while revenues on the wholesale market (primarily due to growth in international transit traffic), other revenues and revenues from merchandise are rising.

Cost of services

<table>
<thead>
<tr>
<th>EUR thousand</th>
<th>I - IX 2013</th>
<th>I - IX 2012 – adjusted</th>
<th>Ind 13/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telecommunications services</td>
<td>98,685</td>
<td>93,093</td>
<td>106</td>
</tr>
<tr>
<td>Cost of leased lines</td>
<td>8,013</td>
<td>5,918</td>
<td>135</td>
</tr>
<tr>
<td>Multimedia services costs</td>
<td>17,555</td>
<td>16,570</td>
<td>106</td>
</tr>
<tr>
<td>Sale incentives</td>
<td>14,403</td>
<td>13,845</td>
<td>104</td>
</tr>
<tr>
<td>Sale commissions</td>
<td>4,526</td>
<td>5,145</td>
<td>88</td>
</tr>
<tr>
<td>Maintenance</td>
<td>22,713</td>
<td>25,848</td>
<td>88</td>
</tr>
<tr>
<td>Rental costs</td>
<td>9,055</td>
<td>7,989</td>
<td>113</td>
</tr>
<tr>
<td>Costs of trade fairs, advertising and sponsorship</td>
<td>11,334</td>
<td>9,979</td>
<td>114</td>
</tr>
<tr>
<td>Professional services</td>
<td>5,643</td>
<td>6,792</td>
<td>83</td>
</tr>
<tr>
<td>Insurance, marketing and entertainment</td>
<td>484</td>
<td>771</td>
<td>63</td>
</tr>
<tr>
<td>Insurance</td>
<td>2,722</td>
<td>2,665</td>
<td>102</td>
</tr>
<tr>
<td>Transport services</td>
<td>2,699</td>
<td>3,159</td>
<td>85</td>
</tr>
<tr>
<td>Cost of banking services</td>
<td>845</td>
<td>1,037</td>
<td>81</td>
</tr>
<tr>
<td>Other services</td>
<td>7,401</td>
<td>9,340</td>
<td>79</td>
</tr>
<tr>
<td><strong>Total cost of services</strong></td>
<td><strong>206,078</strong></td>
<td><strong>202,151</strong></td>
<td><strong>102</strong></td>
</tr>
</tbody>
</table>

Costs of services were up 2% on the same period last year, primarily due to higher costs of leased lines, the costs of trade fairs, advertising, sponsorship and representation, the costs of leasing of property, plant and equipment, the costs of multimedia content (higher costs of software rights for IPTV due to the upgrading and enhancement of the programme scheme) and telecommunication services (higher costs of transit that are directly related to rising revenues), costs of sales promotions (on account of efforts to maintain existing users) and costs of insurance premiums. Reimbursements of work-related costs were down on the same period last year, as were the costs intellectual and personal services, the costs of maintenance of property, plant and equipment, the costs of sales commissions and the costs of banking, postal, transport and other services.

Operating profit

EBIT was down 7% or EUR 3,902 thousand on the same period last year to stand at EUR 54,685 thousand, owing to a 1% decrease in net sales revenue in the context of a 1% increase in operating expenses. The reasons for the lower EBIT lie primarily in lower revenues from mobile and fixed services and merchandise on
the end-user market, higher costs of services and an increase in other operating expenses (increase in revaluation of receivables).

**Finance income**
Finance income was down 19% or EUR 2,765 thousand on the same period in 2012, primarily owing to lower interest and dividend income.

**Finance costs**
Finance costs were down 8% on the same period in 2012, primarily as the result of a decrease in interest expense.

**Net profit**
Net profit in the amount of EUR 50,269 thousand was up 8% or EUR 3,896 thousand on the same period in 2012.

**Intangible assets**
Intangible assets primarily comprise licences and computer programmes. Intangible assets were down by the total amount of EUR 5,923 thousand, primarily as the result of amortisation charged during the accounting period.

**Property, plant and equipment**
The Company amended its accounting policy regarding the measurement of cable ducts following recognition, beginning with the 2013 financial year. A transition was made from a revaluation model to the historical cost model. The effects and a detailed explanation are given in point 7.1 of the Introductory notes.

Property, plant and equipment accounted for 48% of the Company's total assets. The decrease in property, plant and equipment in the amount of EUR 53,637 thousand was primarily the result of depreciation charged during the accounting period in the amount of EUR 83,475 thousand, while new acquisitions totalled EUR 30,877 thousand. Commitments for property, plant and equipment totalled EUR 14,863 thousand as at 30 September 2013.

**Investments in subsidiaries and joint ventures**
Telekom Slovenije increased the share capital of Blicnet, d. o. o. during the reporting period by EUR 3,488 thousand.

**Other financial assets**
Other financial assets were up EUR 4,675 thousand, primarily owing to an increase in long-term loans to Group companies.

**Other non-current assets**
Other non-current assets were up owing to an increase in instalment sales of merchandise.

**Operating and other receivables**
Operating and other receivables amounted to EUR 201,287 thousand as at 30 September 2013, an increase of EUR 33,843 thousand compared with the balance at the end of 2012.

**Financial instruments**

**Current financial assets**
Current financial assets were down EUR 21,408 thousand, primarily owing to a decrease in bank deposits.

**Financial liabilities**
Financial liabilities totalled EUR 426,297 thousand as at 30 September 2013, representing a decrease of EUR 21,680 thousand on the end of 2012, broken down as follows:
- borrowings received in the amount of EUR 101,939 thousand were down EUR 25,266 thousand owing to repayments of principle and interest in the period January – September 2013;
- liabilities for bonds issued in the amount of EUR 309,563 thousand were up EUR 11,367 thousand
primarily on account of interest accrued in the period January – September 2013; and
- liabilities for finance leases, liabilities for interest rate swaps and other liabilities in the amount of EUR 14,795 thousand were down EUR 7,781 thousand.

**Fair value hierarchy**

The following hierarchy was used in recognising and disclosing the fair value of financial instruments using a valuation technique:

1. Category 1: fair value is determined by directly quoting an officially published price on an active market;
2. Category 2: other techniques for determining fair value on the basis of assumptions with a significant impact on fair value that are in line with current observable market transactions with the same instruments, either directly or indirectly; and
3. Category 3: other techniques for determining fair value on the basis of assumptions with a significant impact on fair value that are not in line with current observable market transactions with the same instruments and investments valued at historical cost.

**Fair value hierarchy**

<table>
<thead>
<tr>
<th>Assets measured at fair value</th>
<th>30. 9. 2013</th>
<th>Category 1</th>
<th>Category 2</th>
<th>Category 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Available-for-sale financial assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equities and other financial investments</td>
<td>4,258</td>
<td>1,226</td>
<td>0</td>
<td>3,032</td>
</tr>
<tr>
<td>Derivatives</td>
<td>For hedging interest-rate risk</td>
<td>-490</td>
<td>0</td>
<td>-490</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Assets measured at fair value</th>
<th>31. 12. 2012</th>
<th>Category 1</th>
<th>Category 2</th>
<th>Category 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Available-for-sale financial assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equities and other financial investments</td>
<td>4,333</td>
<td>1,301</td>
<td>0</td>
<td>3,032</td>
</tr>
<tr>
<td>Derivatives</td>
<td>For hedging interest-rate risk</td>
<td>-1,118</td>
<td>0</td>
<td>-1,118</td>
</tr>
</tbody>
</table>

**Book value and fair value of financial instruments as at 30 September 2013**

<table>
<thead>
<tr>
<th>EUR thousand</th>
<th>Book value</th>
<th>Fair value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-current financial assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Available-for-sale financial assets</td>
<td>4,258</td>
<td>4,258</td>
</tr>
<tr>
<td>Loans granted</td>
<td>165,927</td>
<td>165,927</td>
</tr>
<tr>
<td>Operating receivables</td>
<td>28,786</td>
<td>28,786</td>
</tr>
<tr>
<td><strong>Current financial assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans granted</td>
<td>57,846</td>
<td>57,846</td>
</tr>
<tr>
<td>Bank deposits</td>
<td>29,315</td>
<td>29,315</td>
</tr>
<tr>
<td>Cash and cash equivalents, and receivables for corporate income tax</td>
<td>22,737</td>
<td>22,737</td>
</tr>
<tr>
<td><strong>Non-current financial liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bonds</td>
<td>298,756</td>
<td>306,000</td>
</tr>
<tr>
<td>Borrowings received</td>
<td>67,222</td>
<td>67,222</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>13,502</td>
<td>13,502</td>
</tr>
<tr>
<td><strong>Current financial liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bonds</td>
<td>10,807</td>
<td>10,807</td>
</tr>
<tr>
<td>Liabilities for interest rate swaps</td>
<td>490</td>
<td>490</td>
</tr>
<tr>
<td>Borrowings received</td>
<td>34,717</td>
<td>34,717</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>1,293</td>
<td>1,293</td>
</tr>
<tr>
<td>Operating liabilities</td>
<td>159,213</td>
<td>159,213</td>
</tr>
</tbody>
</table>
**Dividends**

Based on the resolution of the General Meeting of 6 February 2013, Telekom Slovenije paid interim dividends in the amount of EUR 24,070 thousand or EUR 3.70 per share. Based on the resolution of the General Meeting of shareholders of 1 July 2013, additional dividends in the amount EUR 53,995 thousand or EUR 8.30 per share were paid.

**Contingent liabilities from lawsuits**

No new lawsuits were filed against Telekom Slovenije in the period from 31 December 2012 until the day this report was compiled that could have a significant impact on the financial statements for the first nine months of 2013.

Telekom Slovenije and Tušmobil, d. o. o. signed annex no. 1 to the agreement on the acknowledgement of debt, surety and the repayment of outstanding liabilities. Tušmobil, d. o. o. settled a portion of its debt to Telekom Slovenije in a lump-sum amount, and committed to settle the remainder in ten quarterly instalments, with the first instalment falling due for payment at the end of September 2015 and the last instalment falling due at the end of December 2017. Tušmobil, d. o. o. withdrew its suit against Telekom Slovenije based on the existence of the aforementioned agreement and the prohibition on the redemption of collateral instruments in proceedings before the Ljubljana District Court under file no. VIII Pg 5705/2012.

**Contingent liabilities from guarantees issued**

The Group had provided the following guarantees as at 30 September 2013:

- a guarantee for a long-term loan in the amount of EUR 125,646 thousand,
- a performance guarantee and warranty bond in the amount of EUR 3,522 thousand,
- a guarantee as security for contractual obligations in the amount of EUR 680 thousand,
- a guarantee as a security for an overdraft facility and payments in the amount of EUR 7,425 thousand, and
- other guarantees in the amount of EUR 353 thousand.

None of the above stated liabilities meet the conditions for recognition on the statement of financial position, and the Company does not expect any material consequences as the result thereof.

**Transactions with related parties**

Related parties of the Company include the Republic of Slovenia as the majority shareholder of Telekom Slovenije, other shareholders, the Management Board, members of the Supervisory Board and their family members.

**Transactions with related parties**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Receivables from group companies</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subsidiaries</td>
<td>205,852</td>
<td>198,304</td>
</tr>
<tr>
<td>Joint ventures</td>
<td>0</td>
<td>10</td>
</tr>
<tr>
<td>Associates</td>
<td>10</td>
<td>0</td>
</tr>
<tr>
<td><strong>Liabilities to group companies</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subsidiaries</td>
<td>16,192</td>
<td>28,178</td>
</tr>
<tr>
<td>Joint ventures</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Associates</td>
<td>89</td>
<td>0</td>
</tr>
</tbody>
</table>

**Net sales revenues**

<table>
<thead>
<tr>
<th>EUR thousand</th>
<th>I - IX 2013</th>
<th>I - IX 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidiaries</td>
<td>15,515</td>
<td>12,745</td>
</tr>
<tr>
<td>Joint ventures</td>
<td>134</td>
<td>0</td>
</tr>
</tbody>
</table>
### Associates

<table>
<thead>
<tr>
<th></th>
<th>791</th>
<th>0</th>
</tr>
</thead>
</table>

### Purchase of materials and services within the Group

<table>
<thead>
<tr>
<th></th>
<th>42,447</th>
<th>43,830</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidiaries</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Joint ventures</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>Associates</td>
<td>960</td>
<td>0</td>
</tr>
</tbody>
</table>

### Events after the balance sheet date

**November**

- Based on an agreement on the sale of its 100% participating interest in the Albanian company PRIMO Communications Sh.p.k concluded on 3 October 2013, the consent of the Albanian competition authorities and the fulfilment of other conditions, Telekom Slovenije transfers ownership of the aforementioned 100% participating interest to AD – TRADE SHPK on 6 November 2013. AD – TRADE SHPK pays the entire amount of consideration when the agreement on the sale of the 100% participating interest was signed.