Report on the operations of the Petrol Group and the company Petrol d.d., Ljubljana in the first nine months of 2011

November 2011

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STATEMENT OF THE MANAGEMENT BOARD

Members of the Management Board of Petrol d.d., Ljubljana, which comprises Tomaž Berločnik, President of the Management Board, Janez Živko, Member of the Management Board, Rok Vodnik, Member of the Management Board, and Samo Gerdin, Member of the Management Board/Worker Director, declare that to their best knowledge:

- the financial report of the Petrol Group and Petrol d.d., Ljubljana for the first nine months of 2011 has been drawn up in accordance with International Financial Reporting Standards and gives a true and fair view of the assets and liabilities, financial position and financial performance of the company Petrol d.d., Ljubljana and other companies included in the consolidation as a whole;
- the business report of the Petrol Group and Petrol d.d., Ljubljana for the first nine months of 2011 gives a fair view of the development and results of the company's operations and its financial position, including the description of key risks that the company Petrol d.d., Ljubljana and other companies included in the consolidation are exposed to as a whole;
- the report of the Petrol Group and the company Petrol d.d., Ljubljana for the first nine months of 2011 contains a fair presentation of significant transactions with related entities which has been prepared in accordance with International Financial Reporting Standards.

Tomaž Berločnik
President of the Management Board

Janez Živko
Member of the Management Board

Rok Vodnik
Member of the Management Board

Samo Gerdin
Member of the Management Board/Worker Director

INTRODUCTORY NOTES

The publication of the report on the operations of the Petrol Group and the company Petrol, d.d., Ljubljana, Dunajska 50, in the first nine months of 2011 is in compliance with the Market in Financial Instruments Act, the Ljubljana Stock Exchange Rules, Guidelines on Disclosure for Listed Companies and other relevant legislation.

The figures and explanation of the operations have been prepared on the basis of unaudited consolidated financial statements of the Petrol Group and unaudited financial statements of the company Petrol, d.d., Ljubljana for the first nine months of 2011 drawn up in compliance with the Companies Act and International Financial Reporting Standards (IFRS).

Subsidiaries have been included in the consolidated financial statements prepared in accordance with IFRS on the basis of the full consolidation method, while jointly controlled entities and associates have been included on the basis of the equity method.

In the stand-alone financial statements prepared in accordance with IFRS, investments in subsidiaries have been carried at historical cost, while investments in jointly controlled entities and associates have been carried at fair value as available-for-sale assets.

The report on the operations in the first nine months of 2011 has been published on the website of Petrol d.d., Ljubljana (http://www.petrol.si), and is available on demand at the registered office of Petrol d.d., Ljubljana, Dunajska cesta 50, 1527 Ljubljana, every working day between 8 am and 3 pm.

The Company's Supervisory Board discussed the report on the Company's operations in the first nine months of 2011 at its meeting held on 15 November 2011.

Table 1: Profile of the parent company Petrol d.d., Ljubljana

Company name	**Petrol, slovenska energetska družba, d.d., Ljubljana**
Abbreviated company name	**Petrol d.d., Ljubljana**
Registered office	**Dunajska cesta 50, 1527 Ljubljana**
Phone	**(01) 47 14 234**
Fax	**(01) 47 14 809**
Website	**http://www.petrol.si**
Activity code	**47.301**
Company registration number	**5025796000**
VAT ID	**SI 80267432**
Called-up capital	**EUR 52.24 m**
Number of shares	**2,086,301**
President of the Management Board	**Tomaž Berločnik**
Members of the Management Board	**Janez Živko, Rok Vodnik, Samo Gerdin (Worker Director)**
President of the Supervisory Board	**Tomaž Kuntarič**

List of acronyms and explanation of financial ratio calculations

Ratio/acronym	Explanation
SEE	Southeastern Europe
Merchandise	Includes automotive products, foodstuffs, accessories, tobacco and lottery products, coupons, cards and other merchandise
EEC	Efficient energy consumption
EBITDA	Operating profit or loss + regular depreciation and amortisation
Added value	Operating profit or loss + labour costs and costs considered as labour costs in substance + regular depreciation and amortisation
Earnings per share	Net profit or loss for the period / weighted average number of issued ordinary shares, excluding own shares
Book value of share	Equity as at period end / total number of shares

HIGHLIGHTS

Significant performance indicators for the Petrol Group

The Petrol Group	Unit	I.-IX.2011	I.-IX.2010	Plan I.-IX. 2011	Index 2011 / 2010	Index 2011 / plan 2011
Net sales revenues	EUR million	2,359.8	2,034.7	2,149.0	116	110
Gross profit or loss	EUR million	229.9	215.4	223.6	107	103
Operating profit or loss	EUR million	66.4	55.0	53.4	121	124
Net profit or loss	EUR million	36.2	35.5	39.7	102	91
EBITDA	EUR million	91.4	79.3	78.9	115	116
Non-current (long-term) assets as per day[3]	EUR million	612.9	597.0	612.9	103	100
Average number of employees[3]		3,578	3,530	3,578	101	100
Value added /employee	EUR thousands	42.6	39.7	39.3	107	108
Earnings per share	EUR	17.4	16.8	18.3	103	95
Net debt / equity		1.11	1.13	1.10	99	102

The Petrol Group	Unit	I.-IX.2011	I.-IX.2010	Plan I.-IX. 2011	Index 2011 / 2010	Index 2011 / plan 2011
Volume of petroleum products sold	thousand tons	1,723.1	1,697.2	1,694.8	102	102
Volume of liquefied petroleum gas sold	thousand tons	40.0	34.2	42.8	117	93
Volume of natural gas sold	thousand m^3	72,692	68,121	70,306	107	103
Electricity sold	MWh	798,553	244,469	764,290	327	104
Heat sold	MWh	50,797	43,350	51,587	117	98
Revenue from the sale of merchandise	EUR million	328.3	313.1	329.2	105	100
Investments in fixed assets[1,4]	EUR million	52.3	35.7	88.8	146	59
Number of service stations on the last day of the period[1,2]		448	441	467	102	96

[1] Plan as at 31. 12. 2011.

[2] Number of service stations as at 31.12.2010.

[3] The plan of non-current (long-term) assets and the plan of employees have been prepared as of 31.12.2011. For the calculation of inter-annual indicators, the balalnce-sheet data as of 30.09.2011 have bee takem into consideration.

[4] Yearly plan 2011 (Monitoring of annual plan delivery)

Figure 1: Volume of petroleum products sold by the Petrol Group

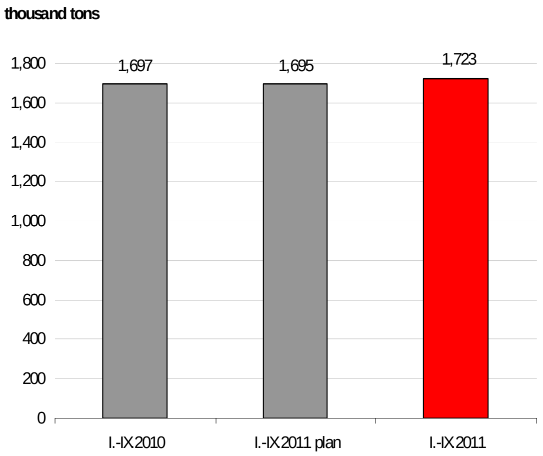


Figure 2: The Petrol Group's revenue from the sale of merchandise

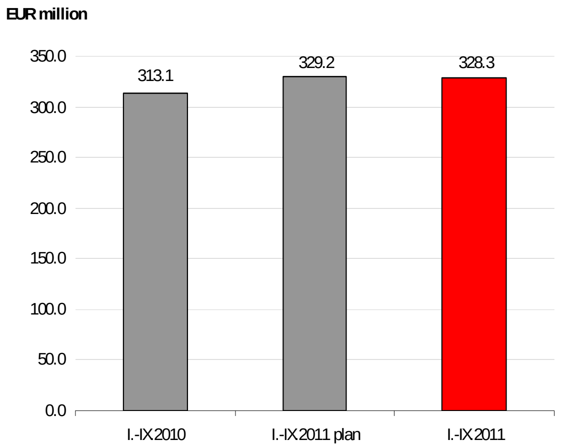


Figure 3: Increase in the number of service stations of the Petrol Group

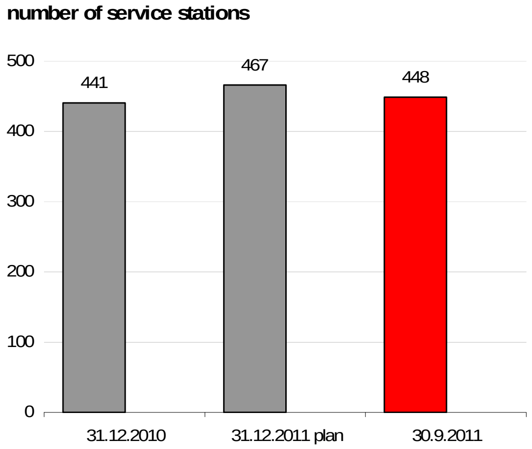


Figure 4: Net profit or loss of the Petrol group

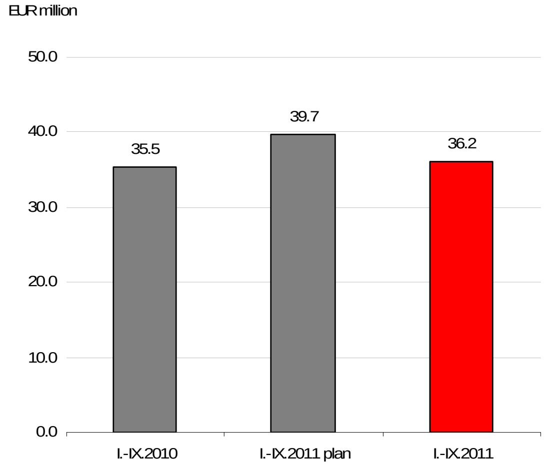


Figure 5: EBITDA

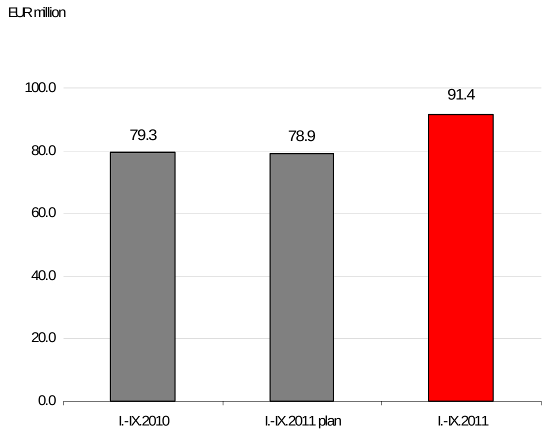
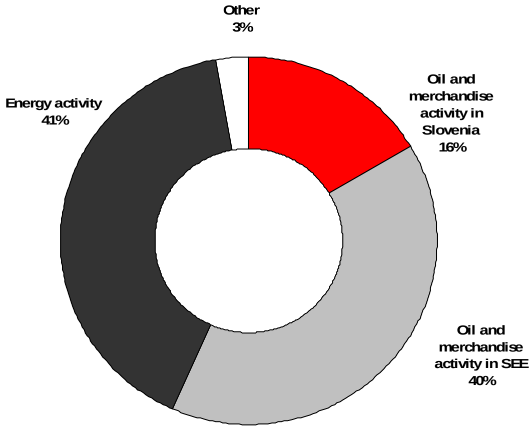


Figure 6: Breakdown of the Petrol Group's investments in the first nine months of 2011



BUSINESS REPORT

Operations of the Petrol Group

The Petrol Group's operations in the first nine months of 2011 were affected by the still demanding economic situation. Slovenia is expected to achieve an economic growth of no more than 1.5% in 2011, with business conditions remaining severe, mainly due to payment defaults and bankruptcies of construction and other companies. Compared with 2010, the number of the unemployed will continue to increase, whereas the rate of inflation is projected to go down slightly[1].

Table 2: The Petrol Group's financial performance indicators

EUR

The Petrol Group	Results I.-IX.2011	Results I.-IX.2010	2011/2010	Plan I.-IX. 2011	2011/P2011
Net sales revenues	2.359.810.582	2.034.701.332	116	2.148.956.962	110
Gross profit or loss	229.875.900	215.371.047	107	223.633.838	103
EBITDA	91.404.383	79.332.941	115	78.856.665	116
Net profit or loss	36.184.987	35.463.237	102	39.697.300	91
Non-current (long-term) assets as per day[1]	612.857.833	596.978.063	103	612.857.833	100
Average number of employees	3.578	3.530	101	3.578	100
Value added /employee	42.607	39.671	107	39.348	108

[1]The plan of non-current (long-term) assets has been prepared as of 31.12.2011. For the calculation of inter-annual indicators, the balalnce-sheet data as of 30.09.2011 have bee takem into consideration.

In the first nine months of 2011, the Petrol Group sold 1.7 million tons of petroleum products, which was 2 percent more than planned and 2 percent more than in the same period of 2010. In **Slovenia**, the Petrol Group sold 1.1 million tons of petroleum products in the period concerned, which accounted for 66 percent of the Petrol Group's total sales. In the same period, the Group sold 502 thousand tons of petroleum products in **SEE markets**, representing 29 percent of the Petrol Group's total sales, and 89 thousand tons in **EU markets**, which represented 5 percent of the Group's total sales.

In the first nine months of 2011, the Petrol Group generated 54 percent of oil and petroleum product sales in the retail market; the remaining 46 percent were generated in the wholesale market. At the end of September 2011, the Petrol Group's retail network consisted of 448 service stations, of which 313 in Slovenia, 85 in Croatia, 38 in Bosnia and Herzegovina, 6 in Serbia, 3 in Montenegro and 3 in Kosovo.

The Petrol Group generated EUR 328.3 million in revenue from the sale of merchandise in the period concerned, an increase of 5 percent compared with the same period of the previous year and in line with the plan.

In the same period, the Petrol Group sold 40 thousand tons of liquefied petroleum gas, which was 7 percent less than planned and 17 percent more than in the previous year, and 51 thousand tons (72,692 thousand m^3) of natural gas or 3 percent more than planned and 7 percent more than in the previous year.

In addition, the Petrol Group sold 798.6 thousand MWh of electricity, which was 4 percent more than planned and 227 percent more than in the same period of the previous year, and

[1] Institute of Macroeconomic Analysis and Development (IMAD): Autumn forecast of economic trends, September 2011

50.8 thousand MWh of heat, down 2 percent compared with the plan and a year-on-year increase of 17 percent.

Below we give a detailed presentation of the Petrol Group's operations in the first nine months of 2011 broken down by type of activity:

A. Oil and merchandise sales in Slovenia
B. Oil and merchandise sales in SEE markets
C. Energy activities

A. Oil and merchandise sales in Slovenia

The company engaged in oil and merchandise sales[2] in Slovenia and in the EU in the first nine months of 2011 was Petrol d.d., Ljubljana.

In the period concerned, the Petrol Group's **net sales revenue** generated from oil and merchandise sales in Slovenia and in the EU stood at EUR 1.7 billion, which accounted for 74 percent of the Petrol Group's total revenue. The revenue was 12 percent higher than in the same period of 2010 and 11 percent higher than planned, mainly thanks to higher oil prices.

The Petrol Group's sales of petroleum products in Slovenia

In the first nine months of 2011, the Petrol Group sold 1.1 million tons of petroleum products in Slovenia, which was 2 percent less than planned and 5 percent less than in the same period of the previous year. Of the above quantity, liquid fuels accounted for 1.09 million tons and other petroleum products for 44.4 thousand tons. The Group sold 4 percent more motor fuels (petrol and diesel fuel) than planned. As far as retail sales are concerned, the Group achieved good results in the motor fuel segment, compared with the plan and the previous year's results, thanks to competitive prices in comparison with the neighbouring countries among other factors. Due to deteriorated economic conditions and the resulting decrease in sales to businesses, wholesale sales recorded a drop both relative to the plan and the previous year's results. The sales of extra light heating oil were lower both compared with the plan as well as year-on-year, chiefly due to a higher volume of purchases at the end of 2010, relatively high prices and switching over to other, more affordable energy sources.

The Group sold 89.0 thousand tons of petroleum products in the EU market, which was 110 percent more than planned and represented a year-on-year increase of 51 percent.

Key impacts on operations

Setting of fuel prices in Slovenia

In Slovenia, fuel prices were set in accordance with the Regulation on the Price Methodology for Petroleum Products which was in force from 9 October 2010 to 9 October 2011. In the

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[2] The activities supporting oil and merchandise sales are performed by the companies Petrol Maloprodaja Slovenija d.o.o., Petrol Tehnologija d.o.o., Petrol VNC d.o.o., Petrol-Trade Handelsges.m.b.H., Cypet-Trade Ltd. and Cypet Oils Ltd.

regulation in question, the model-based margin for government-regulated petroleum products was set at a fixed amount (EUR 0.08363 for a litre of petrol, EUR 0.07841 for a litre of diesel fuel and EUR 0.05162 for a litre of extra light heating oil).

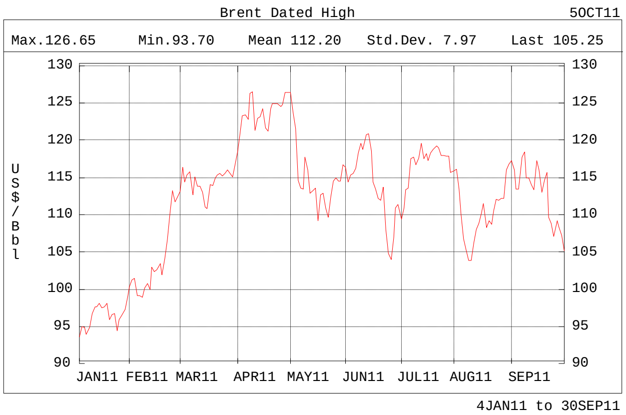
In Slovenia, gross margins for petroleum products, which are, under the model, set at a fixed amount and do not reflect changes in retail prices, are still below European average. In the case of petrol, they amounted to 83 percent of the average gross margin in EU countries, in the case of diesel fuel to 70 percent and in the case of extra light heating oil to no more than 53 percent.

Since 9 October 2011, the prices have been set in accordance with a new regulation on the price methodology for petroleum products, which shall remain in force for one year. In the regulation, the model-based margin for government-regulated petroleum products is set at a fixed amount (EUR 0.08530 for a litre of petrol, EUR 0.07998 for a litre of diesel fuel and EUR 0.05265 for a litre of extra light heating oil). When compared to the previous regulation, the margin increased by 2 percent. In the case of petrol, the new margin amounts to 84.7 percent of the average gross margin in EU countries, in the case of diesel fuel to 71.4 percent and in the case of extra light heating oil still to no more than 54.1 percent.

Changes in oil and petroleum product prices in the world market

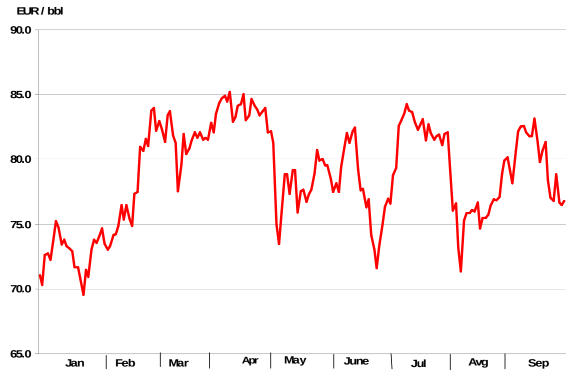
In the first nine months of 2011, the average price of Brent Dated crude oil was USD 112.20 per barrel. In the period concerned, the price of Brent crude peaked on 11 April 2011, reaching USD 126.56 per barrel. Its lowest price was recorded on 4 January 2011 at USD 93.70 per barrel. In 2011 the average price of oil expressed in US dollars was 45.3 percent higher year-on-year, while the average price expressed in euros increased by 32.8 percent. The prices of petrol and middle distillates followed the same trends as crude oil prices.

Figure 7: Changes in Brent Dated High oil price in the first nine months of 2011 in USD/barrel



SOURCE: Petrol, 2011

Figure 8: Changes in Brent Dated High oil price in the first nine months of 2011 in EUR/barrel



SOURCE: Petrol, 2011

Oil prices were mainly on an upward trend until the end of April 2011. In May, they did stabilise somewhat, mainly thanks to increased supply from a new refinery in the United States where petrol stocks increased after a period of lower demand brought about by high prices, and mostly ranged between 105 and 120 USD/barrel until the end of September.

During this period, the prices were mainly affected by the uncertain situation in the Middle East and North Africa (in Libya in particular) where the largest oil production facilities are located. Higher demand for oil was also the result of weather conditions, specifically cold winter in the northern hemisphere and the earthquake in Japan. The economic situation in the euro area is another factor affecting oil prices.

Despite production outages in Libya and high oil prices adversely affecting global economic growth, OPEC member countries decided at their regular meeting not to increase production quotas. For some OPEC members an acceptable price of oil lies within the range of 100-120 US dollars per barrel, with the International Energy Agency expecting, on the other hand, that supply will increase to offset the seasonal growth in demand.

Oil price movements will continue to be most affected by the situation in the Middle East as well as by economic growth expectations, US oil stocks and unemployment figures, and demand in China and India.

Changes in the US dollar to the euro exchange rate

The US dollar to the euro exchange rate ranged between 1.29 and 1.49 USD/EUR in the first nine months of 2011. The average exchange rate of the US dollar according to the exchange rate of the European Central Bank stood at 1.41 US dollars for 1 euro in the period concerned.

The Petrol Group's sales of merchandise in Slovenia

In the first nine months of 2011, the Petrol Group generated EUR 302.8 million in revenue from the sale of merchandise in Slovenia, which was in line with the plan and represented a year-on-year increase of 4 percent. In the period concerned, the sales within the tobacco segment and the sales of Petrol Club products increased the most compared with the previous year.

The sales range available at Petrol's points of sale is constantly changed and expanded to quickly adjust it to the needs of customers, thus opening up new business opportunities. In the first nine months of 2011, we focused on expanding the Bakery on the Go and the Pastry Corner projects, offering combined products (Breakfast and Snack to Go), organising sales campaigns around holidays and broadening the range of tickets for various events (Cankarjev dom).

The Petrol Group's sales of services in Slovenia

Services include renting of business premises and hospitality facilities, transport, carwash services, Magna services, management of storage facilities of ZORD and ZRSBR, coffee to go, sales promotions and other services. In the first nine months of 2011, the Petrol Group generated EUR 22.1 million in revenue from the services related to oil and merchandise sales in Slovenia, which was 1 percent more than planned and 1 percent more than in the same period of 2010.

B. Oil and merchandise sales in SEE markets

The following companies were engaged in oil and merchandise sales in SEE markets in the first nine months of 2011:
- Petrol d.d., Ljubljana,
- Petrol Hrvatska d.o.o.,
- Euro - Petrol, d.o.o., Rijeka,
- Petrol BH Oil Company d.o.o., Sarajevo,
- Petrol d.o.o. Beograd,
- Petrol Jadranplin d.o.o,
- Petrol-Butan d.o.o., and
- Petrol-Invest d.o.o.

In addition to the above companies, the jointly controlled entities Petrol – Oti – Slovenija L.L.C. and Petrol Bonus d.o.o. are also engaged in oil and merchandise sales in SEE markets.

On 8 August 2011, the company Petrol d.d., Ljubljana entered into a contract to acquire the remaining 50-percent interest in Petrol – Bonus d.o.o., a company engaged in the sale of petroleum products in Montenegro.

On 16 September 2011, Petrol d.d., Ljubljana signed a contract to acquire the remaining 49-percent interest in the company Euro-Petrol d.o.o. Once all suspensive conditions have been fulfilled, Petrol will become the sole owner of Euro-Petrol d.o.o.

In the first nine months of 2011, the Petrol Group's **net sales revenue** from oil and merchandise sales in SEE markets stood at EUR 501.0 million, which accounted for 21 percent of the Petrol Group's total revenue. The revenue was 20 percent higher than in the same period of 2010 and 7 percent higher than planned, thanks to both stronger sales and higher oil prices.

The Petrol Group's sales of petroleum products in SEE markets

In the first nine months of 2011, the Petrol Group sold 502.0 thousand tons of petroleum products in SEE markets, which was 2 percent more than planned and 13 percent more than in the same period of the previous year, thanks to the expansion of both the retail and the wholesale network. The sales of extra light heating oil increased by 37 percent year-on-year and the sales of motor fuels rose by 8 percent. A comparison with the plan reveals that the sales of extra light heating oil were higher by 30 percent and the sales of motor fuels lower by 2 percent.

In addition, the jointly controlled entities Petrol – Oti – Slovenija L.L.C. and Petrol Bonus d.o.o. together sold 21.6 thousand tons of petroleum products, up 23 percent from the same period of the previous year.

Key impacts on operations

Setting of fuel prices in Croatia

Similar to Slovenia, the prices of petroleum products, i.e. petrol, diesel fuel and extra light heating oil, are government-regulated also in Croatia.

Between 16 April 2010 and 31 March 2011, the prices were set in accordance with the Petroleum Product Pricing Rules ("Pravilnik o utvrđivanju cijena naftnih derivata"). Retail prices of petroleum products changed fortnightly according to the prescribed methodology, provided that pre-duty prices increased or decreased by more than 2 percent, but the change in the existing retail price could not exceed 3 percent.

The gross margin was fixed at HRK 0.6 (EUR 0.080) for a litre of diesel fuel or petrol and HRK 0.4 (EUR 0.050) for a litre of extra light heating oil. In addition, retailers were allowed to include the costs of primary storage and handling into the margin, meaning the effective gross margin stood at HRK 0.764 (EUR 0.104) for a litre of petrol, HRK 0.775 (EUR 0.106) for a litre of diesel fuel and HRK 0.513 (EUR 0.078) for a litre of extra light heating oil.

Since 31 March 2011, the prices have been set in accordance with new Rules for Determining Maximum Retail Prices of Petroleum Products ("Pravilnikom o utvrđivanju najviših maloprodajnih cijena naftnih derivata"). Retail prices of petroleum products change fortnightly according to the prescribed methodology, but the change in the retail price relative to the previous period may not exceed 3 percent.

The gross margin is fixed at HRK 0.76 (EUR 0.103) for a litre of diesel or petrol and HRK 0.58 (EUR 0.078) for a litre of extra light heating oil. The prescribed methodology for setting maximum permitted retail prices of fuel is similar to the methodology in place in Slovenia. Also, the adjustment of prices is subject to changes in prices in the oil market and changes in the exchange rate of the US dollar against the national currency. The retail price includes a premium of HRK 0.04 (EUR 0.005) per litre of fuel which aims to encourage biofuel production. Retail prices may also be lower than the maximum price permitted. Alongside motorways and at certain service stations on the coast, however, they may exceed the highest model-based margin.

Setting of fuel prices in Bosnia and Herzegovina

In Bosnia and Herzegovina, the prices of petroleum prices are not government-regulated and are set freely in accordance with market conditions. The prices change weekly. In the Federation of Bosnia and Herzegovina, retailers notify the Federal Ministry of Commerce of new retail prices a day in advance, whereas in the Republic of Srpska changes in prices need not be notified in advance. Despite the free setting of prices, retail fuel prices do not vary significantly between service stations, but they are lower in the Republic of Srpska where lower procurement prices can be achieved thanks to its supply sources. In addition, there is increasingly more unfair competition which, as a result of dumping, poor fuel quality and fraud related to the quantity of the fuel dispensed, has an appreciably detrimental impact on Petrol's market position.

Setting of fuel prices in Serbia

After the new legislation liberalising Serbia's oil market (unregulated imports of oil and petroleum products) entered into force on 1 January 2011, the prices of petroleum products are no longer government-regulated and are set freely in accordance with market conditions.

Setting of fuel prices in Montenegro

In Montenegro, the prices of petroleum products are set in accordance with the Regulation on the Method of Setting Maximum Retail Prices ("Uredba o načinu obrazovanja maksimalnih maloprodajnih cijena"), which has been in force since 1 January 2011. The prices change fortnightly, provided that prices on the oil market (Platt's European Marketscan) and the exchange rates of the euro and the US dollar change by more than 5 percent. In addition to market oil prices and changes in the exchange rates of the euro and the US dollar, the price calculation methodology also includes all taxes and charges as well as an oil companies' margin. The gross margin was fixed at EUR 0.063 for a litre of petrol, EUR 0.064 for a litre of eurodiesel and EUR 0.076 for a litre of extra light heating oil. In addition, retailers were allowed by the model to include the costs of transhipment, handling, bank charges, storage, transport, distribution, retail operations and internationally recognised maximum loss of 0.5% into the margin.

Setting of fuel prices in Kosovo

In Kosovo, retail and wholesale prices of petroleum products are not government-regulated. Only in the case of sales of petroleum products to government institutions and state-owned companies are prices set in accordance with the prescribed methodology, which takes into account market prices, changes in the exchange rate of the euro and the US dollar, logistics costs and the maximum margin. These prices represent an unofficial basis for setting retail prices, which change two to three times a month.

The Petrol Group's sales of merchandise in SEE markets

In the first nine months of 2011, the Petrol Group generated EUR 25.5 million in revenue from the sale of merchandise in SEE markets, an increase of 10 percent compared with the same period of the previous year and 4 percent less than planned. The economic crisis, which affected the purchasing power of the general population, has also had an adverse impact on purchases at service stations, where the sales plan was exceeded only in the case of tobacco products.

Procurement and logistics of petroleum products and merchandise

Efficient procurement and logistics of petroleum products and merchandise are the key factors of the Petrol Group's successful operating performance. In 2011 the Petrol Group's main goals in this area consist of maintaining procurement terms achieved in 2010 and reducing the costs of logistics incurred by subsidiaries.

Petrol buys most of its petroleum products from the largest multinational oil companies and some from major global oil and petroleum products traders. Many years of continuous cooperation with reliable and competitive suppliers give Petrol the status of a partner. As in 2010, purchased petroleum products were mostly delivered by sea in the period concerned.

In September, the Group prepared a basis for the procurement of petroleum products in 2012, determining, for each of the Group's markets, a scenario dealing with the supply in 2012 and an optimum resource structure with regard to logistics.

As regards legislation, we took part in the presentation of a petroleum product margin sub-model that took place at competent Slovene ministries and IMAD, we prepared a comprehensive overview of petroleum legislation in Kosovo which is currently being aligned with EU laws, we continued discussions with Croatian ministries regarding the pricing model and the need for mandatory storage capacity, and participated in the process of commenting on amendments to petroleum legislation that is currently underway in Bosnia and Herzegovina.

As for merchandise procurement, we achieved target margin levels in respect of all merchandise groups other than car-care products, where we fell short due to a relatively mild winter. Alongside the goals for 2012 covering all subsidiaries and markets, a procurement policy for each merchandise group was defined and a key supplier strategy determined. In addition, the basis for drawing up price lists used for positioning and sales promotions at retail points of sale was redefined. To improve procurement conditions at Group level, we identified the suppliers or their key types of merchandise that are part of the sales range independently of country or market, and prepared a basis for entering into framework contracts (global suppliers).

Logistics-related activities were directed towards seeking out additional possibilities to reduce supply costs and increase the efficiency of supply chains. Also, a five-year strategy for operating inland fuel storage facilities was prepared which will serve as a basis for decisions regarding further investments and the extent of maintenance work on these facilities.

To optimise costs, we discontinued a lease on middle-distillate storage facilities of smaller capacity at the Port of Koper.

In September, the vehicles used to transport unit merchandise from the central distribution centre in Zalog were equipped with a new tracking and freightage calculation system to bring down transport costs.

On 23 September 2011, a contract was signed to acquire a 51-percent interest in the company Instalacija d.o.o. Sermin and a concentration notification form was therefore submitted to the Competition Protection Office in accordance with the contract. Through the execution of the acquisition contract, Petrol will gain a controlling influence over decision-making within Instalacija d.o.o., which is why we are already drawing up a programme to reorganise and streamline the company's operations.

C. Energy activities

In the first nine months of 2011, the Petrol Group's **net sales revenue** from energy activities stood at EUR 124.4 million, which accounted for 5 percent of the Petrol Group's total revenue. The revenue was 64 percent higher than in the same period of 2010 and 6 percent higher than planned.

Gas and heat

The following companies were engaged in the sale of gas and heat in the first nine months of 2011:
- Petrol d.d., Ljubljana,
- Petrol Energetika d.o.o.,
- Rp plin d.o.o.,
- Petrol-Trade Handelsges.m.b.H.,
- Petrol Hrvatska d.o.o.,
- Euro - Petrol, d.o.o., Rijeka,
- Petrol – Jadranplin d.o.o.,
- Petrol – Butan d.o.o.,
- Petrol BH Oil Company d.o.o., Sarajevo,
- Petrol d.o.o. Beograd,
- Rodgas a.d., and
- Petrol Gas Group d.o.o.

In the first nine months of 2011, the Petrol Group operated 30 gas supply concessions (24 for the supply of natural gas and 6 for the supply of liquefied petroleum gas). 22 concessions are operated by Petrol d.d., Ljubljana, 5 by Petrol Energetika d.o.o., 1 by Rodgas AD in Bačka Topola, and 1 by Petrol Gas Group d.o.o. in the municipality of Pećinci. By acquiring the company RP plin, d.o.o. in June 2011, Petrol also acquired a natural gas supply concession in the municipality of Šenčur. In addition, the company Petrol-Jadranplin d.o.o. has gas supply contracts in the towns of Šibenik and Rijeka.

At the end of September 2011, liquefied petroleum gas was supplied to customers also from 2,280 gas storage tanks in Slovenia and 328 gas storage tanks in Croatia, a total of 2,608 gas storage tanks.

In the period concerned, the Petrol Group sold 40.0 thousand tons of liquefied petroleum gas, which was 7 percent less than planned and 17 percent more than in the same period of the previous year. The Group also sold 51.0 thousand tons (72,692 thousand m^3) of natural gas, which was 3 percent more than planned and 7 percent more than in the same period of the previous year.

In the first nine months of 2011, the Petrol Group operated 5 district heating concessions. The Group also sold 50.8 thousand MWh of heat in the period concerned, which was 2 percent less than planned and represented a year-on-year increase of 17 percent.

Electricity

In the first nine months of 2011, electricity was produced, sold and distributed by Petrol Energetika d.o.o. and Petrol d.d., Ljubljana.

The Petrol Group sold 798.6 thousand MWh of electricity during this period, which was 4 percent more than planned and 227 percent more than in the same period of the previous year. The quantity of the electricity distributed stood at 239.7 thousand MWh.

In 2010 Petrol d.d., Ljubljana actively entered the electricity market in Slovenia. It set up a comprehensive infrastructure for wholesale trading in electricity in Slovenia and the neighbouring countries and for launching the sale of electricity to end users in Slovenia (businesses and households). At the beginning of 2011, the company began trading in electricity in Slovenia, Austria, Germany and Italy.

Electricity for households as part of the comprehensive energy supply is one of the services payable by the Petrol Gold card. At the end of September 2011, Petrol d.d., Ljubljana supplied electricity to approximately 12,000 households.

On 19 June 2011, Petrol d.d., Ljubljana signed a contract to acquire a 46.5507-percent interest in the company IGES d.o.o., signing further contracts on 20 June 2011 and 29 July 2011 to acquire a 6.8986-percent interest and a 46.5507-percent interest, respectively, in the company IGES d.o.o. Once all suspensive conditions have been fulfilled, the Petrol Group will become the sole owner of IGES. The company IGES d.o.o. and its subsidiaries are engaged in electricity trading both in Slovenia and in the EU and SE Europe, also selling it to end customers in Slovenia. In addition, IGES d.o.o. develops innovative solutions in the field of sustainable energy, efficient energy consumption and use of renewable resources. Considering that these are also part of the Petrol Group's activities, the Group thus consolidated its position as Slovenia's leading energy company.

Environmental and energy solutions

In the first nine months of 2011, the companies engaged in environmental and energy solutions were Petrol d.d., Ljubljana and Petrol Energetika d.o.o.

In the period concerned, the Petrol Group held three concessions for the operation of municipal wastewater treatment plants and the performance of public economic service of municipal wastewater treatment: in the municipality of Murska Sobota (capacity of 42,000 population equivalents), the municipality of Mežica (capacity of 4,000 population equivalents) and the municipality of Sežana (capacity of 6,000 population equivalents).

At the waste treatment plants in Murska Sobota, Mežica and Sežana, the treatment process and financial performance were in line with the plan in the first nine months of 2011.

In May 2011, Petrol d.d. began to operate a wastewater treatment plant at Vevče Paper Mill.

As an important member of Aquasystems d.o.o., Petrol d.d., Ljubljana is involved in the treatment of municipal wastewaters in the municipality of Maribor (capacity of 190,000 population equivalents).

By acquiring a biogas plant in Ihan at the end of 2010, Petrol entered the field of energy production from waste. The biogas plant processes liquid manure and by-products such as glycerol (waste by-product of biodiesel production), molasses, slaughter waste and food waste into biogas. Biogas is a mixture of methane and carbon dioxide with traces of other elements, produced by the biological breakdown of organic matter in the absence of oxygen. It is used for electricity production with heat as the by-product. Electricity produced at the biogas plant is already on the market, with plans to use waste heat also being drawn up.

In the field of energy solutions (EEC projects and use of renewable energy sources), a comprehensive supply of energy, energy services and advisory services is provided.

The product range included in household energy packages was expanded (heat pumps used for the preparation of sanitary water and heating, and pellet-fired boilers). In addition, photovoltaic power plants set up in 2010 began to operate.

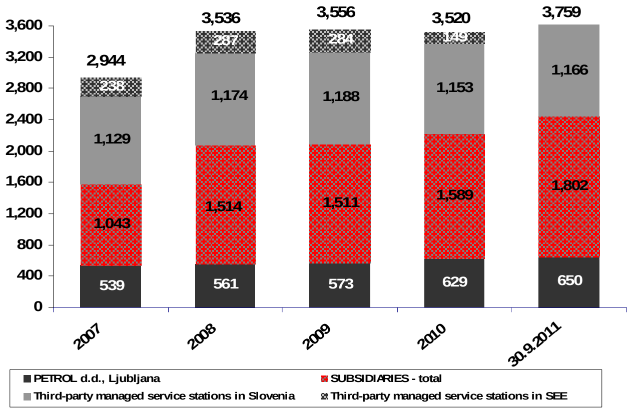
By acquiring a 74.9-percent interest in the company EL-TEC Mulej d.o.o. on 19 August 2011, the Petrol Group expanded its operations in the field of energy solution delivery. The company EL-TEC Mulej d.o.o. and its subsidiaries market top-quality products and comprehensive system services in the field of district energy, lighting efficiency, plumbing systems and energy management in buildings. The company operates in Slovenia, Croatia, Bosnia and Herzegovina, Serbia, Kosovo, Macedonia, Austria and Italy. Thanks to EL-TEC Mulej's know-how and use of specialised tools, Petrol will be able to pursue even more actively its long-term strategy of developing comprehensive energy solutions for existing and new customers both in Slovenia and abroad.

Sustainable development

Employees

On 30 September 2011, the Petrol Group had 3,759 employees, of which 31 percent worked for subsidiary companies and at third-party managed service stations abroad. Owing to expanded operations and incorporation of new companies in the Petrol Group, the number of employees increased by 239 compared with the end of 2010.

Figure 9: Changes in the number of employees of the Petrol Group and at third-party managed service stations in the period 2007-2011



Changes in the number of employees in the first nine months of 2011

In the first nine months of 2011, the Petrol Group employed 431 workers, the employment of 192 workers was terminated, while 86 employees were transferred to new posts within the Group.

Table 3: Changes in the number of employees of the Petrol Group and at third-party managed service stations in the first nine months of 2011

	Balance as at 30.9.2011	New employments/employmen in the Copmpany		Internal transfer of employees in the petrol Group		Total number of people joined in 2011	Total number of people left in 2011	Balance as at 31.12.2010
		Joined	Left	Joined	Left			
Petrol d.d.	650	32	18	10	3	42	21	629
Subsidiaries	1,802	299	88	48	46	347	134	1,589
Third-party managed service stations in Slovenia	1,166	93	76	28	32	121	108	1,153
Third-party managed service stations in SEE	141	7	10	0	5	7	15	149
The Petrol Group	**3,759**	**431**	**192**	**86**	**86**			**3,520**

Employee structure

At the end of September 2011, the average age of the Petrol Group employees was 41.4 years. 69 percent of employees were male and 31 percent were female.

The educational structure of the Petrol Group has been improving over the years. This is a result of employee training on the one hand and HR policy on the other. Newly hired employees with higher education thus improve the educational structure, while at the same time employees with lower education leave the company. Here it should be noted that the Petrol Group is interested in the training of its employees as knowledge represents one of Petrol's key competitive advantages.

As at 30 September 2011, the average education level of the Petrol Group employees, as measured on a scale of 1 to 8, stood at 4.8, meaning that on average the employees have completed secondary school.

Training

In the first nine months of 2011, 10,631 individuals took part in various forms of training. In all, the Petrol Group provided 57,742 teaching hours of training, which represents, on average, 16 teaching hours of training per employee in the period concerned.

During this period, the Group carried out technical and legally required training.

At the Petrol Group, particular attention is given to the training of outworkers (hauliers and students) and customers. In the period concerned, several seminars were organised in this field which were attended by 1,246 participants.

Performance acknowledgement

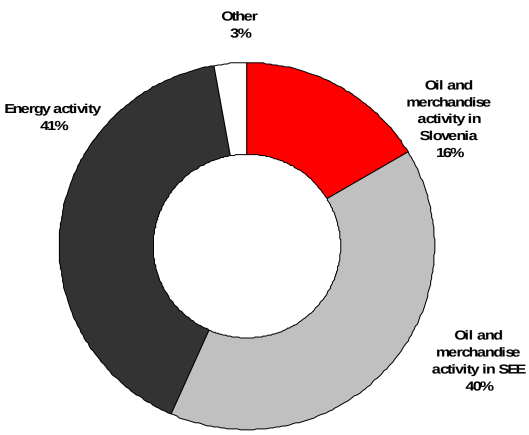
Performance orientation is the basis of the Petrol Group's remuneration system. Salaries thus consist of a fixed and variable part. Collective performance, which is calculated using a performance benchmark, is an important component of variable pay. For service stations and regional retail and wholesale units, the performance is calculated on a monthly basis, for corporate functions it is calculated semi-annually. Individual performance is acknowledged through bonuses awarded for extraordinary achievements and through promotion.

In 2010 Petrol received a basic Family Friendly Enterprise certificate. Through the implementation of 18 measures that were adopted, the company enables its employees to achieve a balance between professional and family life more easily. Moreover, the company Petrol Energetika d.o.o. received a bronze horse award in recognition of being an enterprise friendly towards women managers. The award was presented by the Women's Section of the Managers' Association of Slovenia.

Investments

In the first nine months of 2011, EUR 52.3 million was allocated to investments in property, plant and equipment, intangible assets and long-term investments. Out of the above amount, 16 percent was allocated to oil and merchandise sales in Slovenia, 40 percent to oil and merchandise sales in SE Europe markets, 41 percent to energy activities and 3 percent to the upgrading of information and other infrastructure.

Figure 9: Breakdown of the Petrol Group's investments in the first nine months of 2011



The quality system

Although quality systems used to focus mainly on increasing efficiency and excellence, they now incorporate an increasing number of sustainable development elements. These need to contain safeguards that are meant to provide an overall protection not only of the human environment but also of human beings themselves.

The Petrol Group's operations are based on the implementation of strict quality standards. Since 1997, we have been regularly upgrading and expanding the Group's quality management system, which is certified to the ISO 9001 standard. In addition to the certified quality and environment management systems (see table), the integrated quality system incorporates the requirements of the HACCP food safety management system, the requirements of the OHSAS occupational health and safety system, and the requirements of the BS 7799-2 information security system.

In May 2011, a recertification audit of the quality management systems accredited to the ISO 9001 standard and of the environmental management systems accredited to the ISO 14001 standard took place within the companies Petrol d.d., Ljubljana, Petrol Energetika d.o.o. and Petrol Tehnologija, d.o.o. All companies passed the audit, meaning the validity of their certificates was extended for another three-year period.

At Petrol Laboratory, which has in place a quality management system certified to the SIST EN ISO/IEC 17025:2005 standard (General requirements for the competence of testing and calibration laboratories), a monitoring visit was conducted by an accreditation body in February 2011 and the scope of accreditation was expanded to 3 new testing methods. Petrol Laboratory has 75 accredited methods altogether.

Within the company Petrol Tehnologija d.o.o., which has in place a quality management system that is certified according to the SIST EN ISO/IEC 17020 standard "General criteria for the operation of various types of bodies performing inspection", an audit was carried out in September. The range of accredited methods was extended to the flow gauge control in road tankers. Together with the new method, the company has 14 accredited testing methods for flow gauge control and pressurised equipment control.

Table 4: Overview of certificates and laboratory accreditations

Company	Quality management system	Environmental management system	Laboratory accreditations
Petrol d.d., Ljubljana	ISO 9001: 2000	ISO 14001: 2004	SIST EN ISO/IEC 17025:2005
Petrol Tehnologija d.o.o.	ISO 9001: 2000	ISO 14001: 2004	SIST EN ISO/IEC 17020:2004
Petrol Energetika d.o.o.	ISO 9001: 2000	ISO 14001: 2004	/
Petrol Hrvatska d.o.o., Zagreb	ISO 9001: 2000	/	/
Euro Petrol d.o.o., Rijeka	ISO 9001: 2000	ISO 14001: 2004	/

Social responsibility

Caring for social and environmental issues has been part of the Petrol's operations for a number of years. Demands and challenges are addressed based on a long-term strategy of growth and a firm awareness that supporting the environment in which we operate significantly affects our operation and development. For many years we have been helping wider social and local communities achieve a dynamic lifestyle and higher quality of life. We demonstrate our social accountability by supporting numerous sports, cultural, humanitarian and environmental protection projects. Petrol perceives social responsibility as a permanent commitment to cooperate with its business environment.

The following marked Petrol's social responsibility activities in the period concerned:

- in cooperation with the Slovene Red Cross and the Blood Transfusion Centre of Slovenia we organised a pan-Slovene blood donation campaign under the slogan "Give Energy to Save Lives", which was the most successful campaign of this sort in the last 10 years;
- we encouraged leading a healthy lifestyle: as part of the online campaign "Dress for a Troika Run", as many as 401 groups of three runners were given running suits to participate in a race in threes, an event that is traditionally being held as part of the Path Along the Wire event;

– we encouraged artistic creativity in children by organising the 21st edition of the Children to Adults fine arts competition, this year under the slogan "Energy for Life", in which more than 1,500 children took part and 111 artworks were given prizes;
– we are part of successes achieved by Slovene athletes: we extended a sponsorship contract with Dejan Zavec, a boxer, and signed a sponsorship contract with a tennis player Blaž Kavčič.

Business risks

Risk management

In the first nine months of 2011, the deteriorated economic conditions had a strong influence on business operations and the management of business risks in the Petrol Group.

The Business Risk Management Committee had four meetings in 2011. At the beginning of the year, first the Petrol Group Business Risk Management Rules were updated and then a basis for a reassessment of business risks within the Petrol Group was prepared. In June, two workshops were carried out for business risk assessors, followed by a business risk assessment exercise within the Petrol Group and the preparation, at the end of September, of the Petrol Group Business Risk Assessment Report 2011.

Petrol's business risk model comprises 20 business risk categories that are divided into two major groups:
- environment risks and
- performance risks.

According to the results of the 2011 business risk assessment exercise, the most relevant and probable business risks continue to comprise chiefly financial risks: price, credit, foreign exchange, liquidity and interest rate risks.

In addition to financial risks, the most relevant and probable risks include commercial risks, financial environment risks, business and financial decision-making risks, economic environment risks, strategic decision-making risks, and legislation and regulation risks.

Price and foreign exchange risk

The Petrol Group purchases petroleum products under international market conditions, pays for them mostly in US dollars and sells them in local currencies. Because the global oil market and the US dollar market constitute two of the most volatile global markets, the Petrol Group is exposed to both the price risk (changes in the prices of petroleum products) and the foreign exchange risk (changes in the EUR/USD exchange rate) when pursuing its core line of business. Since April 2000, the pricing model for petroleum products has allowed changes in world prices of petroleum products and exchange rates to be passed on to domestic prices. Consequently, the exposure of the Petrol Group to price and foreign exchange risks is considerably reduced.

As regards supplying electricity to end customers, the controlling company managed price and quantity risks in an appropriate manner by matching the terms of sale applicable to customers to suppliers' terms of procurement.

The controlling company supervises and offers advice on hedging against currency risks at subsidiary level. This mainly concerns the risks arising from changes in the EUR/HRK exchange rate in Croatia and the EUR/RSD exchange rate in Serbia. This summer, the EUR/HRK exchange rate did not follow the usual seasonal trends. As the market expectations that the EUR/HRK exchange rate will appreciate towards the end of the summer did not materialise, no forward contracts to hedge against movements in the EUR/HRK exchange rate were concluded. The Group used to be exposed to changes in the EUR/RSD exchange rate because of a long-term EUR-denominated loan taken out by a Serbian subsidiary. During the summer, the loan was repaid ahead of schedule, meaning the Group is now no longer exposed to foreign exchange risks in Serbia.

Transactions with derivatives are entered into only to hedge against price and foreign exchange risks and not for reasons of speculative nature.

Credit risk

To manage receivables, we revamped our operating receivables management system at the beginning of 2011. We have thus updated the instructions on the management of receivables from legal entities, we stepped up the collection of receivables, we are quicker to discontinue sales on open account to defaulting customers and we accelerated the use of legal remedies to collect receivables. Particular attention is given to individual treatment of major customers. Also, we have tightened even more the conditions for approving the amount of exposure (limit) to individual buyers and broadened the range of first-class credit insurance instruments (mortgages, pledges, bank guarantees, insurance with SID - Prva kreditna zavarovalnica d.d. Ljubljana, collaterals, corporate guarantees, securities, promissory notes, bills of exchange etc.).

In the first nine months of 2011, more attention was devoted to the collection of receivables from construction companies in Slovenia and collection of receivables in SEE markets where the solvency of the business sector is even worse than in Slovenia. Receivables are systematically monitored by age, region and organisational unit as well as by quality and individual customer. To monitor receivables, we use a joint computer-based receivables management application which provides us with automated control over the exposure to individual customers and the possibility to respond immediately.

Credit risk was also the most significant risk to which the controlling company was exposed in connection with electricity sales to natural and legal entities in the first nine months of 2011, but was successfully managed using the above measures.

Despite the general weakening of the financial strength of our customers due to liquidity problems, decreased production and a drop in exports, we estimate that credit risks are successfully managed within the Petrol Group. Our estimate is based on the nature of our products, our market share, our large customer base and the big range of credit insurance instruments. The Petrol Group will not be able, however, to completely avoid the consequences of a large number of bankruptcies that are to take place by the end of 2011.

Liquidity risk

The financial crisis in the Slovene and global financial market resulted in a substantially increased vigilance of the banking sector when it comes to financing individuals and companies.

It can be said, however, that the Petrol Group has a good selection of short-term funding at its disposal also in 2011, which provides it with affordable short-term financing. But the fact remains that the increase in petroleum product prices requires a higher amount of short-term financing. This, however, is being successfully ensured for the time being. In view of the forecasts of further increases in oil prices in the coming period and the resulting increase in the Group’s needs for short-term financing, we are constantly actively working with banks to increase our credit lines.

Cash flow management requires considerable attention and prudence, especially as regards the planning of cash inflows from lay away sales, because a substantial number of our customers have problems financing their operations due to a general increase in the number of defaults and a decrease in sales.

The Petrol Group is capable of meeting all of its outstanding liabilities at any given moment. The Group's successful operations in particular are a guarantee for the Group's long-term solvency and increase the amount of its equity capital.

Interest rate risk

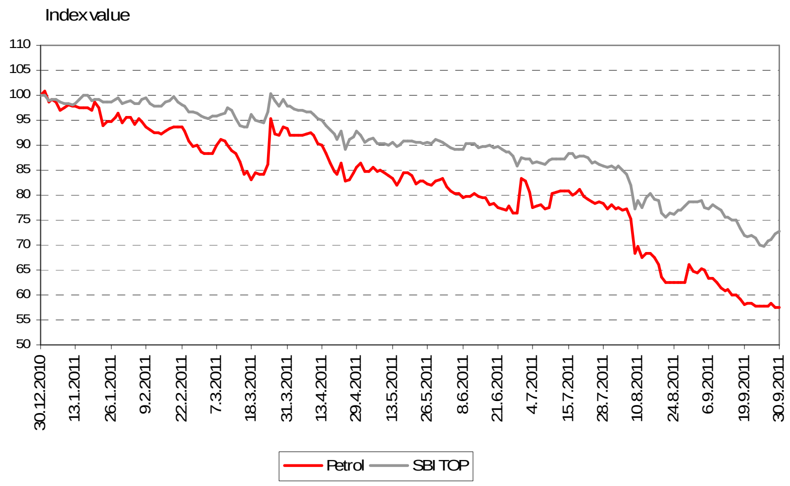
The Petrol Group regularly monitors its exposure to the interest rate risk. The controlling company’s long-term loans contain a variable interest rate which is linked to EURIBOR. The average EURIBOR rate was higher in the first nine months of 2011 than at the end of 2010, but was still very low historically speaking. The Petrol Group's overall borrowing interest rate as at 30 September 2011 was also higher than at the end of 2010.

To hedge against exposure to the interest rate risk, a portion of variable interest rates is transformed into a fixed interest rate using derivative financial instruments. Exposure to the interest rate risk is hedged up to the amount of half of the Petrol Group's net interest position. When deciding whether to pursue additional hedging activities, forecasts regarding interest rate changes are considered. The time of hedging and the type of instruments used to this effect are determined on the basis of market conditions. In August and September 2011, the extent of interest rate hedging was increased by 29 percent relative to the end of 2010. IRS contracts now amount to EUR 216 million.

The share

In the first nine months of 2011, share prices at the Ljubljana Stock Exchange were on average lower than at the end of 2010. This is also reflected in the SBITOP, the Slovene blue-chip index, which is used as a benchmark that provides information on changes in the prices of the largest and most liquid shares traded on a regulated market and also comprises Petrol's share. Relative to the end of 2010, the SBITOP dropped 27.3 percent as at the end of September 2011, with Petrol's share losing 42.4 percent of its value. In terms of trading volume, which stood at EUR 24.8 million between January and September 2011, Petrol's share was ranked third among the shares traded on the Ljubljana Stock Exchange. In terms of market capitalisation, which stood at EUR 326.8 million as at 30 September 2011, the share was ranked fourth and accounted for 6.4 percent of the total Slovene stock market capitalisation.

Figure 10: Changes in Petrol d.d., Ljubljana's closing share price base index and changes in the SBITOP index in the first nine months of 2011 compared with the end of 2010



In the first nine months of 2011, the price of Petrol's share ranged between EUR 156.50 and EUR 274.00 per share, while its average price in the period stood at EUR 222.23. Earnings per share stood at EUR 15.62, with the share's book value amounting to EUR 210. Petrol d.d., Ljubljana had 37,466 shareholders as at 30 September 2011. At the end of September 2011, 60,364 shares or 2.89 percent of all shares were held by foreign legal or natural persons. Compared with the end of 2010, the number of foreign shareholders increased by 0.3 percentage points.

Figure 11: Closing price and the volume of trading in Petrol's share in the first nine months of 2011

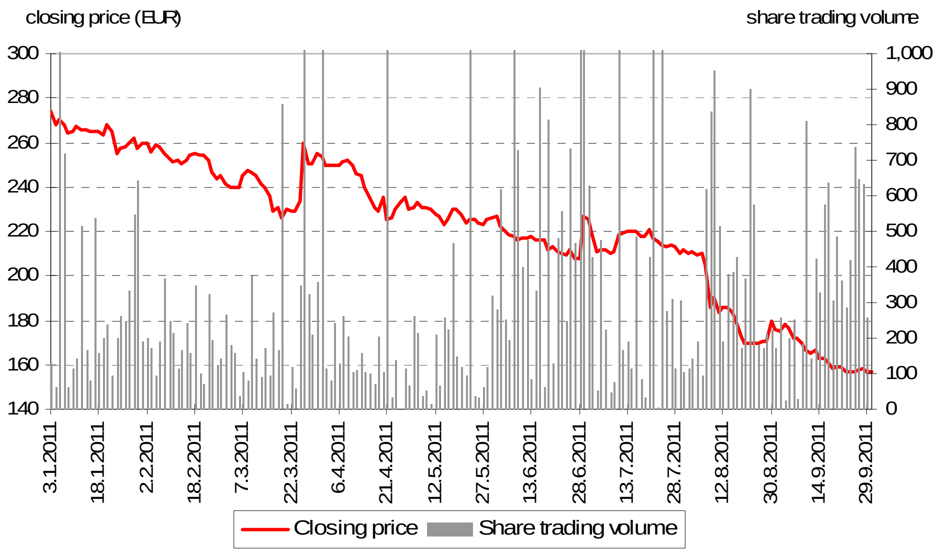


Figure 12: Ownership structure of Petrol d.d., Ljubljana as at 30 September 2011

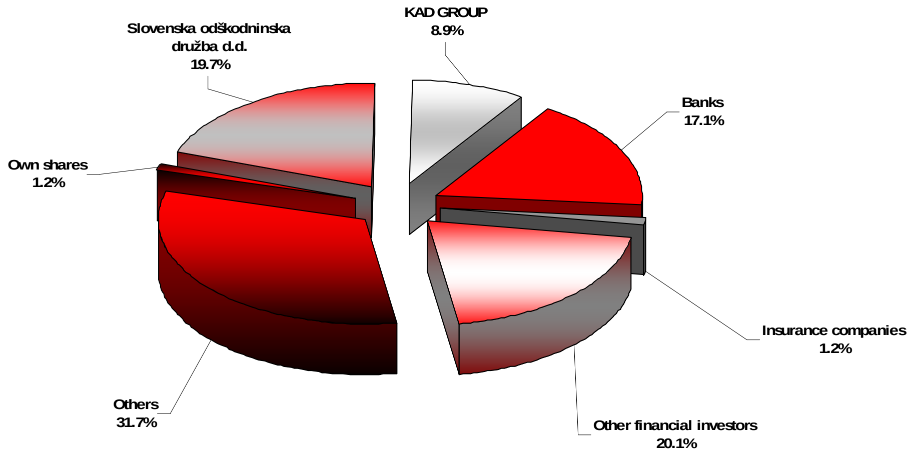


Table 5: Changes in the ownership structure of Petrol d.d., Ljubljana (comparison between 30 September 2011 and 31 December 2010)

	30.9.2011		31.12.2010	
	Number of shares	%	Number of shares	%
Slovenska odškodninska družba d.d.	412,009	19.7%	412,009	19.7%
KAD GROUP	184,852	8.9%	184,852	8.9%
Banks	357,546	17.1%	311,232	14.9%
Insurance companies	25,719	1.2%	25,344	1.2%
Other financial investors	419,199	20.1%	452,828	21.7%
Others	662,273	31.7%	675,333	32.4%
Own shares	24,703	1.2%	24,703	1.2%
Total	2,086,301	100.0%	2,086,301	100.0%

Table 6: 10 largest shareholders of Petrol d.d., Ljubljana as at 30 September 2011

	Shareholder name	Adress	Number of shares	Holding in %
1	SLOVENSKA ODŠKODNINSKA DRUŽBA, D.D.	MALA ULICA 5, 1000 LJUBLJANA	412,009	19.75%
2	KAPITALSKA DRUŽBA, D.D.	DUNAJSKA CESTA 119, 1000 LJUBLJANA	172,639	8.27%
3	NLB d.d.	TRG REPUBLIKE 2, 1000 LJUBLJANA	126,365	6.06%
4	ISTRABENZ D.D.	CESTA ZORE PERELLO-GODINA 2, 6000 KOPER	84,490	4.05%
5	GB D.D., KRANJ	BLEIWEISOVA CESTA 1, 4000 KRANJ	84,299	4.04%
6	VIZIJA HOLDING, K.D.D.	DUNAJSKA CESTA 156, 1000 LJUBLJANA	71,676	3.44%
7	VIZIJA HOLDING ENA, K.D.D.	DUNAJSKA CESTA 156, 1000 LJUBLJANA	63,620	3.05%
8	VZAJEMNI SKLAD NFD 1 DELNIŠKI	TRDINOVA ULICA 4, 1000 LJUBLJANA	58,358	2.80%
9	HYPO BANK D.D.	DUNAJSKA CESTA 117, 1000 LJUBLJANA	43,500	2.09%
10	NOVA KBM D.D.	ULICA VITA KRAIGHERJA 4, 2000 MARIBOR	42,985	2.06%

Table 7: Shares owned by members of the Supervisory and Management Board as at 30 September 2011

Name and Surname	Position	shares	Share of equity
Supervisory Board		**135**	**0.01%**
Internal members		**135**	**0.01%**
1. Boštjan Trstenjak	Supervisory Board Member	-	0.0000%
2. Franc Premrn	Supervisory Board Member	135	0.0065%
3. Andrej Tomplak	Supervisory Board Member	-	0.0000%
External members		**-**	**0.00%**
1. Tomaž Kuntarič	Supervisory Board President	-	0.0000%
2. Bruno Korelič	Supervisory Board Vice-president	-	0.0000%
3. Urban Golob	Supervisory Board Member	-	0.0000%
4. Dari Južna	Supervisory Board Member	-	0.0000%
5. Irena Prijović	Supervisory Board Member	-	0.0000%
Management Board		**250**	**0.01%**
1. Tomaž Berločnik	Management Board President	-	0.0000%
2. Janez Živko	Management Board Member	40	0.0019%
3. Mariča Lah	Management Board Member	40	0.0019%
4. Rok Vodnik	Management Board Member	170	0.0081%
5. Samo Gerdin	Management Board Member/Worker Director	-	0.0000%

Authorised capital

At the 20th General Meeting of Petrol d.d., Ljubljana of 6 May 2010, the resolution on the proposed amendment to the Articles of Association granting power to the Management Board to increase, with the approval of the Supervisory Board and without an additional resolution of the General Meeting, the share capital of the company, within five years after the entry of this amendment in the Register of Companies, up to the amount of one half of the share capital as at the date of the adoption of this resolution, which totals EUR 26,120,488.52 in nominal terms, by issuing new shares as consideration (authorised capital) was adopted.

Contingent increase in called-up capital

In the period up to 30 September 2011, the General Meeting of Petrol d.d., Ljubljana did not adopt any resolutions regarding the contingent increase in called-up capital.

Dividends

In accordance with the resolution of the 21st General Meeting of 19 May 2011, Petrol d.d., Ljubljana paid out a gross dividend for 2010 of EUR 7.50 per share in August 2011. The gross dividend per share for 2009 stood at EUR 5.90 (payable in August 2010).

Own shares

Petrol d.d., Ljubljana did not repurchase its own shares in the first nine months of 2011. As at 30 September 2011, the company held 24,703 own shares, representing 1.2 percent of its registered share capital. The total cost of own shares equalled EUR 2.6 million as at 30 September 2011 and was EUR 1.26 million lower than their market value on the said date.

Own shares were purchased between 1997 and 1999. Initially, 10,371 own shares were acquired, which was followed by the purchase of additional 22,830 own shares. The company may acquire own shares only for the purposes laid down in Article 247 of the Companies Act (ZGD-1) and for remuneration to the Management Board and the Supervisory Board. Own shares are used in accordance with the company's Articles of Association.

Regular participation at investors' conferences and external communication

Petrol d.d., Ljubljana has set up a programme of regular cooperation with domestic and foreign investors, which consists of public announcements, individual meetings and presentations, and public presentations. The company regularly attends investors' conferences that are organised each year by the Ljubljana Stock Exchange, Vienna Stock Exchange and various banks. In the first nine months of 2011, the company attended four important investors' conferences. In the first half of April, Petrol attended an investors' conference in Zuers, Austria, which was organised by Raiffeisen Centrobank. In the second half of April, it took part in the Slovene Capital Market Day in Ljubljana, an event organised by the Ljubljana Stock Exchange and its partners. In June and September, Petrol participated in two online roadshows of Slovene companies, which were organised by the Ljubljana Stock Exchange and technically supported by Thomson Reuters. The recording of the September roadshow presentation is available on our website (http://www.petrol.si/za-vlagatelje/javne-objave/petrol-se-je-predstavil-na-spletni-konferenci-ljubljanske-borze-0) and on the website of the Ljubljana Stock Exchange. The company also had several individual meetings with domestic and foreign investors in the first nine months of 2011.

Management Board

On 10 January 2011, Aleksander Svetelšek resigned from the position of President of the Management Board of Petrol d.d., Ljubljana. On the same day, Rok Vodnik was appointed in his place for the period until 1 February 2011. On 1 February, Tomaž Berločnik became the President of the Management Board of Petrol d.d., Ljubljana for a 5-year term of office.

On 15 September 2011, Roman Dobnikar resigned as member of the Management Board.

Supervisory Board

On 22 August 2011, Žiga Debeljak resigned as member of the Supervisory Board of Petrol d.d., Ljubljana.

General Meeting

At the 21st General Meeting of Petrol d.d., Ljubljana held on 19 May 2011, the following resolutions were adopted:

- to distribute the accumulated profit of EUR 15,647,257.50 as dividends payable to shareholders, which represents a gross amount of EUR 7.50 per share, and transfer the accumulated profit of EUR 3,325,943.83 to other revenue reserves. Dividends shall be paid out of the net profit for 2010;
- to grant a discharge from liability to the Management Board and the Supervisory Board for the year 2010;
- to appoint the company KPMG Slovenija, podjetje za revidiranje, d.o.o., Ljubljana, as auditor of the financial report and reviewer of the business report for the year 2011;
- to amend the Articles of Association of Petrol d.d., Ljubljana, thus abolishing the position of Vice-president of the Management Board and joint representation and changing the provisions regarding the quorum and conditions applicable to decision-making and selection of Management Board members;
- to determine the remuneration of Supervisory Board members. The president of the Supervisory Board shall thus receive a monthly gross remuneration of EUR 1,200.00 and other Supervisory Board members a monthly gross remuneration of EUR 1,000.00.

Other explanations by Petrol d.d., Ljubljana

The prospectus of the company Petrol d.d., Ljubljana, which has been prepared for the purpose of listing the shares on the stock exchange, is published on the Company’s website. All amendments have been published in the company’s strategy document, annual report of Petrol d.d., Ljubljana and public announcements that are available at the company's website and at the website of the Ljubljana Stock Exchange, d.d. (SEOnet). In September 2009, a prospectus of Petrol d.d., Ljubljana for admission of bonds to trading on a regulated market was prepared.

Events after the end of the period

– Mariča Lah’s term of office as member of the Management Board of Petrol d.d., Ljubljana ended on 14 October 2011.

FINANCIAL REPORT

FINANCIAL STATEMENTS OF THE PETROL GROUP AND THE COMPANY PETROL D.D., LJUBLJANA

Income statement of the Petrol Group and Petrol d.d., Ljubljana

(in EUR)	Notes	The Petrol Group 1-9 2011	The Petrol Group 1-9 2010	Index 11/10	Petrol d.d. 1-9 2011	Petrol d.d. 1-9 2010	Index 11/10
Sales revenue		2,359,810,582	2,034,701,332	116	2,001,197,371	1,739,559,455	115
Cost of merchandise sold		(2,129,934,682)	(1,819,330,285)	117	(1,821,739,316)	(1,575,343,280)	116
Gross profit		**229,875,900**	**215,371,047**	**107**	**179,458,055**	**164,216,175**	**109**
Cost of materials	4	(18,292,688)	(18,530,435)	99	(8,331,786)	(7,207,525)	116
Cost of services	5	(82,878,853)	(82,013,033)	101	(84,151,488)	(82,187,490)	102
Labour costs	6	(38,372,757)	(39,039,766)	98	(17,948,468)	(19,003,917)	94
Depreciation and amortisation	7	(26,265,027)	(25,523,868)	103	(17,380,805)	(16,497,020)	105
Other costs	8	(2,140,744)	(2,035,358)	105	(1,308,529)	(1,258,514)	104
Operating costs		**(167,950,069)**	**(167,142,460)**	**100**	**(129,121,076)**	**(126,154,466)**	**102**
Other revenue	2	4,745,449	7,448,957	64	3,379,815	5,309,486	64
Other expenses		(317,740)	(652,903)	49	(11,676)	(56,162)	21
Operating profit		**66,353,540**	**55,024,641**	**121**	**53,705,119**	**43,315,033**	**124**
Share of profit from equity accounted investees		**8,386,667**	**9,427,120**	**89**	**-**	**-**	-
subsidiaries, associates and jointly controlled entities		**-**	**-**	**-**	**9,369,083**	**17,073,475**	**55**
Other finance income	9	51,803,030	52,639,899	98	47,302,118	50,413,406	94
Other finance expenses	9	(83,991,510)	(73,273,358)	115	(73,386,774)	(66,242,842)	111
Net finance costs		**(32,188,480)**	**(20,633,459)**	**156**	**(26,084,656)**	**(15,829,436)**	**165**
Profit before tax		**42,551,727**	**43,818,302**	**97**	**36,989,546**	**44,559,072**	**83**
Tax expense		(7,672,301)	(8,532,804)	90	(5,542,244)	(8,019,094)	69
Deferred tax		1,305,561	177,739	-	763,885	252,289	303
Tax		**(6,366,740)**	**(8,355,065)**	**76**	**(4,778,359)**	**(7,766,806)**	**62**
Net profit for the period		**36,184,987**	**35,463,237**	**102**	**32,211,188**	**36,792,266**	**88**
Net profit attributable to:							
Owners of the controlling company		35,900,833	34,736,186	103	32,211,188	36,792,266	88
Non-controlling interest		284,154	727,051	39	-	**-**	**-**
Basic and diluted earnings per share	10	17.41	16.85	103	15.62	17.85	88

Accounting policies and notes are an integral part of these financial statements and should be read in conjunction with them.

Statement of comprehensive income of the Petrol Group and Petrol d.d., Ljubljana

	The Petrol Group		Petrol d.d.	
(in EUR)	1-9 2011	1-9 2010	1-9 2011	1-9 2010
Net profit for the period	**36,184,987**	**35,463,237**	**32,211,188**	**36,792,266**
Net gains on available-for-sale financial assets	0	54,818	(70,400)	54,818
Net effective portion of changes in fair value of cash flow hedges	1,846,153	62,210	1,846,153	62,210
Attribution of changes in the equity of associates	0	(178,566)	-	-
Foreign exchange differences	(555,472)	(1,337,150)	-	-
Other comprehensive income	**1,290,681**	**(1,398,688)**	**1,775,753**	**117,028**
Total comprehensive income for the year	**37,475,668**	**34,064,549**	**33,986,941**	**36,909,293**
Total comprehensive income attributable to:				
Owners of the controlling company	37,652,317	33,348,430	33,986,941	36,909,293
Non-controlling interest	(176,649)	716,119	-	-

Accounting policies and notes are an integral part of these financial statements and should be read in conjunction with them.

Statement of financial position of the Petrol Group and Petrol d.d., Ljubljana

		The Petrol Group			Petrol d.d.		
(in EUR)	Notes	30 September 2011	31 December 2010	Index 11/10	30 September 2011	31 December 2010	Index 11/10
ASSETS							
Non-current (long-term) assets							
Intangible assets	11	23,663,269	23,394,325	101	5,129,420	4,596,036	112
Property, plant and equipment	12	575,522,005	573,361,635	100	325,763,181	328,944,955	99
Investment property		13,702,559	14,293,359	96	13,574,677	14,186,872	96
Investments in subsidiaries	13	8,241,579	-	-	211,677,272	200,531,434	106
Investments in jointly controlled entities	14	28,852,069	16,386,748	176	71,325,545	61,270,000	116
Investments in associates	15	123,233,253	119,535,318	103	154,860,000	154,860,000	100
Available for sale financial assets	16	11,537,302	11,338,780	102	11,458,259	11,259,737	102
Financial receivables	17	12,207,823	10,944,605	112	9,979,772	10,443,715	96
Operating receivables	18	950,223	966,472	98	950,223	966,472	-
Deferred tax assets		35,836,134	35,074,080	102	37,597,603	37,274,223	101
		833,746,216	**805,295,322**	**104**	**842,315,952**	**824,333,444**	**102**
Current assets							
Inventories	19	137,315,812	108,421,227	127	121,606,861	90,193,443	135
Financial receivables	20	17,263,140	13,674,416	126	11,827,163	7,627,732	155
Operating receivables	21	321,169,079	312,122,226	103	272,818,776	285,951,240	95
Corporate income tax assets		52,406	437,355	12	0	0	-
Financial assets at fair value through profit or loss	22	8,231,177	3,848,931	214	8,231,177	3,848,931	214
Advances and other assets	23	8,259,880	4,167,703	198	7,772,202	2,661,009	292
Cash and cash equivalents		13,971,397	17,543,771	80	10,802,117	14,773,479	73
		506,262,891	**460,215,629**	**110**	**433,058,297**	**405,055,834**	**107**
Total assets		***1,340,009,107***	***1,265,510,951***	***106***	***1,275,374,249***	***1,229,389,278***	**104**
EQUITY AND LIABILITIES							
Equity attributable to owners of the Petrol Group							
Called-up capital		52,240,977	52,240,977	100	52,240,977	52,240,977	100
Capital surplus		80,991,385	80,991,385	100	80,991,385	80,991,385	100
Legal reserves		61,989,616	61,988,761	100	61,749,884	61,749,884	100
Reserves for own shares		2,604,670	2,604,670	100	2,604,670	2,604,670	100
Own shares		(2,604,670)	(2,604,670)	100	(2,604,670)	(2,604,670)	100
Other revenue reserves		122,878,816	119,367,602	103	113,303,547	109,792,331	103
Hedging reserve		(4,157,531)	(6,003,684)	69	(4,157,531)	(6,003,684)	69
Fair value reserve		401,641	401,641	100	101,786,625	101,857,024	100
Foreign exchange differences		(3,898,437)	(3,803,768)	102	0	0	-
Retained earnings		81,867,032	64,940,254	126	32,211,188	18,973,201	170
		392,313,499	**370,123,168**	**106**	**438,126,074**	**419,601,118**	**104**
Non-controling interest		**34,281,355**	**34,458,004**	**99**	**-**	**-**	**-**
Total equity		**426,594,854**	**404,581,172**	**105**	**438,126,074**	**419,601,118**	**104**
Non-current liabilities							
Provisions for employee benefits		3,953,465	3,953,944	100	2,066,543	2,066,543	100
Other provisions		3,218,247	2,677,566	120	2,538,403	2,538,403	100
Long-term deferred revenue		12,424,243	14,025,330	89	12,424,243	13,532,594	92
Financial liabilities	24	278,922,761	318,821,179	87	240,513,422	293,077,579	82
Operating liabilities		1,380,312	1,364,060	101	1,373,532	1,357,182	-
Deferred tax liabilities		6,370,495	6,497,196	98	25,191,649	25,209,249	100
		306,269,523	**347,339,275**	**88**	**284,107,793**	**337,781,550**	**84**
Current liabilities							
Financial liabilities	24	210,557,461	173,244,281	122	134,384,626	131,661,896	102
Operating liabilities	25	382,611,170	328,437,942	116	406,565,975	331,060,070	123
Corporate income tax liabilities		1,280,418	2,854,687	45	678,125	1,712,921	40
Other liabilities	26	12,695,681	9,053,594	140	11,511,655	7,571,723	152
		607,144,730	**513,590,504**	**118**	**553,140,382**	**472,006,610**	**117**
Total liabilities		**913,414,253**	**860,929,779**	**106**	**837,248,174**	**809,788,160**	**103**
Total equity and liabilities		***1,340,009,107***	***1,265,510,951***	***106***	***1,275,374,249***	***1,229,389,278***	**104**

Accounting policies and notes are an integral part of these financial statements and should be read in conjunction with them.

Statement of changes in equity of the Petrol Group

(in EUR)	Called-up capital	Capital surplus	Revenue reserves				Hedging reserve	Fair value reserve	Foreign exchange differences	Retained earnings	Equity attributable to owners of the Petrol Group	Equity attributable to non-controlling interest	Total
			Legal reserves	Reserves for own shares	Own shares	Other revenue reserves							
As at 1 January 2010	52,240,977	80,991,385	61,974,850	2,604,670	(2,604,670)	110,420,597	(7,590,800)	527,948	(1,495,562)	53,160,388	**350,229,783**	31,310,329	**381,540,112**
Dividend payments for 2009						(12,163,428)					**(12,163,428)**		**(12,163,428)**
											0	771,717	**771,717**
Transactions with owners	**0**	**0**	**0**	**0**	**0**	**(12,163,428)**	**0**	**0**	**0**	**0**	**(12,163,428)**	**771,717**	**(11,391,711)**
Net profit for the current year										34,736,186	**34,736,186**	727,051	**35,463,237**
Other changes in comprehensive income							62,210	(123,748)	(1,326,218)		**(1,387,756)**	(10,932)	**(1,398,688)**
Total changes in comprehensive income	**0**	**0**	**0**	**0**	**0**	**0**	**62,210**	**(123,748)**	**(1,326,218)**	**34,736,186**	**33,348,430**	**716,119**	**34,064,549**
As at 30 September 2010	**52,240,977**	**80,991,385**	**61,974,850**	**2,604,670**	**(2,604,670)**	**98,257,169**	**(7,528,591)**	**404,201**	**(2,821,780)**	**87,896,574**	**371,414,785**	**32,798,165**	**404,212,950**
As at 1 January 2011	52,240,977	80,991,385	61,989,616	2,604,670	(2,604,670)	119,367,602	(6,003,684)	401,641	(3,803,768)	64,939,399	**370,123,168**	34,458,004	**404,581,172**
Dividend payments for 2010										(15,461,985)	**(15,461,985)**		**(15,461,985)**
Transfer of neto profit 2010						3,511,216				(3,511,216)	**0**		**0**
Transactions with owners	**0**	**0**	**0**	**0**	**0**	**3,511,216**	**0**	**0**	**0**	**(18,973,201)**	**(15,461,985)**	**0**	**(15,461,985)**
Net profit for the current year										35,900,833	**35,900,833**	284,154	**36,184,987**
Other changes in comprehensive income							1,846,153		(94,669)		**1,751,484**	(460,803)	**1,290,681**
Total changes in comprehensive income	**0**	**0**	**0**	**0**	**0**	**0**	**1,846,153**	**0**	**(94,669)**	**35,900,833**	**37,652,317**	**(176,649)**	**37,475,668**
As at 30 September 2011	**52,240,977**	**80,991,385**	**61,989,616**	**2,604,670**	**(2,604,670)**	**122,878,816**	**(4,157,531)**	**401,641**	**(3,898,437)**	**81,867,032**	**392,313,499**	**34,281,355**	**426,594,854**

Accounting policies and notes are an integral part of these financial statements and should be read in conjunction with them.

Statement of changes in equity of Petrol d.d., Ljubljana

(in EUR)	Called-up capital	Capital surplus	Revenue reserves: Legal reserves	Revenue reserves: Reserves for own shares	Revenue reserves: Own shares	Revenue reserves: Other revenue reserves	Hedging reserve	Fair value reserve	Retained earnings	Total
As at 1 January 2010	52,240,977	80,991,385	61,749,884	2,604,670	(2,604,670)	100,845,326	(7,590,801)	103,084,537	2,137,232	**393,458,540**
Dividend payments for 2009						(12,163,428)				**(12,163,428)**
Transactions with owners	**0**	**0**	**0**	**0**	**0**	**(12,163,428)**	**0**	**0**	**0**	**(12,163,428)**
Net profit for the current year									36,792,266	**36,792,266**
Other changes in comprehensive income							62,210	54,818		**117,028**
Total changes in comprehensive income	**0**	**0**	**0**	**0**	**0**	**0**	**62,210**	**54,818**	**36,792,266**	**36,909,293**
As at 30 September 2010	**52,240,977**	**80,991,385**	**61,749,884**	**2,604,670**	**(2,604,670)**	**88,681,898**	**(7,528,592)**	**103,139,355**	**38,929,498**	**418,204,405**
As at 1 January 2011	52,240,977	80,991,385	61,749,884	2,604,670	(2,604,670)	109,792,331	(6,003,684)	101,857,024	18,973,201	**419,601,118**
Dividend payments for 2010									(15,461,985)	**(15,461,985)**
Transfer of neto profit 2010						3,511,216			(3,511,216)	**0**
Transactions with owners	**0**	**0**	**0**	**0**	**0**	**3,511,216**	**0**	**0**	**(18,973,201)**	**(15,461,985)**
Net profit for the current year									32,211,188	**32,211,188**
Other changes in comprehensive income							1,846,153	(70,400)		**1,775,753**
Total changes in comprehensive income	**0**	**0**	**0**	**0**	**0**	**0**	**1,846,153**	**(70,400)**	**32,211,188**	**33,986,941**
As at 30 September 2011	**52,240,977**	**80,991,385**	**61,749,884**	**2,604,670**	**(2,604,670)**	**113,303,547**	**(4,157,531)**	**101,786,625**	**32,211,188**	**438,126,074**

Accounting policies and notes are an integral part of these financial statements and should be read in conjunction with them.

Cash flow statement of the Petrol Group and Petrol d.d., Ljubljana

(in EUR)	The Petrol Group 30 September 2011	The Petrol Group 30 September 2010	Petrol d.d. 30 September 2011	Petrol d.d. 30 September 2010
Cash flows from operating activities				
Net profit for the period	**36,184,987**	**35,463,237**	**32,211,188**	**36,792,266**
Adjustments for:				
Taxes	6,366,740	8,355,065	4,778,359	7,766,805
Depreciation of property, plant and equipment	25,546,459	24,855,383	16,839,082	16,014,158
Amortisation of intangible assets	718,568	668,485	541,723	482,862
(Gain) / loss on disposal of property, plant and equipment	(198,183)	(584,787)	(137,386)	(211,938)
Revenues from assets under management	(49,050)	(49,634)	(49,050)	(42,481)
Net (decrease)/formation of provisions fro employee benefits	0	(43,534)	0	0
Net (decrease in)/creation of provisions for employee benefits	(1,060,964)	(1,138,386)	(1,108,351)	(1,148,048)
Change in inventories	3,448,242	2,311,028	2,366,058	1,851,677
Net finance (income)/expense	12,215,368	12,536,749	10,819,486	7,317,405
Net (decrease in)/creation of allowance for operating receivables	7,443,018	2,992,246	3,859,258	1,249,146
Share of profit of subsidiaries	407,015	0	0	0
Share of profit of jointly controlled entities	(2,274,076)	(1,980,602)	0	0
Share of profit of associates	(6,519,606)	(7,446,518)	0	0
Finance income from dividends received from subsidiaries	0	0	(6,546,262)	(5,617,065)
Financial revenues from dividends received from joint ventures	0	0	0	(3,849,709)
Finance income from dividends received from associates	0	0	(2,821,667)	(3,919,500)
Cash flow from operating activities berfore the change of working capital	**82,228,518**	**75,938,732**	**60,752,438**	**56,685,579**
Net (decrease in)/creation of other liabilities	3,642,087	794,254	3,939,338	1,403,952
Net decrease in/(creation of) other assets	(313,224)	(1,986,939)	(2,582,339)	(2,990,207)
Change in inventories	(32,238,626)	(10,261,713)	(33,619,702)	(8,292,825)
Change in operating and other receivables	(20,975,280)	(51,303,115)	4,479,574	(38,613,097)
Change in operating and other liabilities	57,665,463	94,641,826	76,975,174	61,461,385
Cash generated from operations	**90,008,938**	**107,823,045**	**109,944,483**	**69,654,788**
Interest paid	(16,183,471)	(15,547,650)	(13,869,719)	(14,190,836)
Taxes paid	(8,725,026)	(2,727,554)	(6,577,039)	(1,245,100)
Net cash from operating activities	**65,100,441**	**89,547,841**	**89,497,725**	**54,218,851**
Cash flows from investing activities				
Payments for investments in subsidiaries	(8,285,296)	(3,745,124)	(12,824,854)	(3,539,120)
Payments for investments in jointly controlled entities	(10,554,545)	(3,673,776)	(10,554,545)	(3,673,776)
Receipts from intangible assets	202,476	7,196	0	0
Payments for intangible assets	(1,211,921)	(465,046)	(1,070,020)	(349,714)
Receipts from property, plant and equipment	1,626,883	2,986,804	1,073,593	901,567
Payments for property, plant and equipment	(38,544,149)	(32,562,504)	(18,329,819)	(14,865,267)
Payments for financial assets available for sale	37,314	0	37,314	0
Receipts from loans granted	9,813,329	5,949,455	18,510,772	7,199,884
Payments for loans granted	(14,673,864)	(15,977,176)	(22,293,629)	(7,343,477)
Interest received	6,096,947	5,075,295	5,689,540	2,403,894
Dividends received from subsidiaries	0	0	6,546,262	5,617,065
Dividends received from joint ventures	0	3,849,709	0	3,849,709
Dividends received from associates	2,821,667	3,919,500	2,821,667	3,919,500
Dividends received from others	163,115	160,499	163,115	160,499
Net cash from investing activities	**(52,508,044)**	**(34,475,169)**	**(30,230,604)**	**(5,719,235)**
Cash flows from financing activities				
Payments for bonds issued	(15,354)	(15,354)	(15,354)	(15,354)
Proceeds from borrowings	1,347,174,507	1,244,833,603	561,985,005	723,322,402
Repayment of borrowings	(1,347,595,570)	(1,279,857,893)	(609,459,603)	(757,230,174)
Dividends paid to shareholders	(15,748,532)	(12,157,951)	(15,748,532)	(12,157,951)
Net cash from financing activities	**(16,184,949)**	**(47,197,595)**	**(63,238,484)**	**(46,081,077)**
Increase / (decrease) in cash and cash equivalents	**(3,592,552)**	**7,875,077**	**(3,971,363)**	**2,418,538**
Changes in cash and cash equivalents				
At the beginning of the year	**17,543,771**	**7,789,488**	**14,773,479**	**6,909,640**
Translation differences	20,178	(31,679)	0	0
Increase/(decrease)	(3,592,552)	7,875,077	(3,971,363)	2,418,538
At the end of the period	**13,971,397**	**15,632,887**	**10,802,117**	**9,328,179**

Accounting policies and notes are an integral part of these financial statements and should be read in conjunction with them.

NOTES TO THE FINANCIAL STATEMENTS

1. Reporting entity

Petrol d.d., Ljubljana (hereinafter the "Company") is a company domiciled in Slovenia. The address of the Company's registered office is Dunajska cesta 50, 1527 Ljubljana. Below we present consolidated financial statements of the Group for the period ended 30 September 2011 and separate financial statements of the company Petrol d.d., Ljubljana for the year ended 30 September 2011. The consolidated financial statements comprise the Company and its subsidiaries and the Group's interests in associates and jointly controlled entities (together referred to as the "Group"). A more detailed overview of the Group's structure is presented chapter Organisational structure of the Petrol Group in Appendix 1 of this report.

2. Basis of preparation

a. Statement of compliance

The financial statements of Petrol d.d., Ljubljana and consolidated financial statements of the Petrol Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The Company's management approved the Company's financial statements and the Group's consolidated financial statements on 10 November 2011.

These financial statements are prepared based on the same accounting policies used for the preparation of financial statements for the year ended 31 December 2010. Interim financial reporting is prepared based on IAS 34 Interim Financial Reporting

b. Basis of measurement

The consolidated and separate financial statements have been prepared on the historical cost basis except for the following assets and liabilities that are carried at fair value:
- derivative financial instruments,
- financial assets at fair value through profit or loss,
- available-for-sale financial assets,
- investments in associates and jointly controlled entities (applies to the Company).

c. Functional and presentation currency

These financial statements are presented in euros (EUR) without cents, the euro also being the Company's functional currency. Due to rounding, some immaterial differences may arise as concerns the sums presented in tables.

d. Use of estimates and judgements

Preparation of financial statements requires management to make estimates, judgements and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of financial statements, and the reported amounts of revenue and expenses in the reporting period.
Estimates and assumptions are used in the following judgements:
- estimating useful lives of depreciable assets,
- asset impairment testing,
- estimating the fair value of investments in associates and jointly controlled entities (applies to the Company only),
- estimating the fair value of available-for-sale financial assets,
- estimating the fair value of financial assets at fair value through profit or loss,
- estimating the fair value of derivative financial instruments,
- estimating the net realisable value of inventories,
- estimating the collectible amount of receivables,
- estimating the necessary amount of provisions, etc.

Because estimates are subject to subjective judgement and a certain degree of uncertainty, actual results might differ from the estimates. How the estimates are produced and the related assumptions and uncertainties are disclosed in the notes to the above items.

Estimates are reviewed regularly. Changes in accounting estimates are recognised in the period in which the estimates are changed if a change affects that period only. If a change affects future periods, they are recognised in the period of the change and in any future periods.

e. Prior period errors

The Group/Company corrects prior period errors retrospectively in the first financial statements authorised for issue after their discovery. The Group/Company corrects errors:
- by restating the comparative amounts for the prior period(s) presented in which the error occurred;
- if the error occurred before the earliest prior period presented, by restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

The Group/Company did not identify prior period errors in the period ended 30 September 2011.

3. Significant accounting policies of the Group

In these financial statements, the Group and group companies have applied the accounting policies set out below consistently to all periods presented herein.

a. Basis of consolidation

The consolidated financial statements comprise the financial statements of the controlling company and of its subsidiaries. A subsidiary is an entity in which the controlling company holds a controlling equity interest or has a controlling influence on other grounds.

Business combinations
Control is the power to govern the financial and operating policies of an entity or a company so as to obtain benefits from its activities. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another.

The Group measures goodwill at the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the assets acquired and liabilities assumed, all measured as at the acquisition date. The consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration and share-based payment awards of the acquiree that are replaced mandatorily in the business combination. If a business combination results in the termination of pre-existing relationships between the Group and the acquiree, then the termination amount (as contained in the agreement) and the value of the off-market element is deducted from the consideration and recognised in other expenses.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably. The Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Subsidiaries
Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidaries were changed and brought into line with the Group's policies. Losses relating to non-controlling interests in a subsidiary are allocated to the non-controlling interest item even if this leads to a negative balance of this item.

Acquisitions from entities under common control
Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling company’s consolidated financial statements. The components of equity of the acquired entities are added to the same components within Group equity except that any share capital of the acquired entities is recognised as part of share premium. Any cash paid for the acquisition is recognised directly in equity.

Loss of control
After loss of control the Group derecognises the assets and liabilities of the respective subsidiary, non-controlling interests and other components of equity pertaining to the subsidiary. Any surpluses or deficits on loss of control are recognised in the income statement. If the Group maintains an interest in a subsidiary, such interest is measured at

fair value on the date the control is lost. Subsequently, the interest is accounted for in equity as investment in associate (using the equity method) or available-for-sale financial asset, depending on the level of control retained.

Investments in associates and jointly controlled entities
Associates are those entities in which the Group has significant influence, but not control, over their financial and operating policies. Jointly controlled entities are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for financial and operating decisions.

Investments in associates and jointly controlled entities are accounted for using the equity method. The consolidated financial statements include the Group's share of the profit and loss of equity accounted jointly controlled entities, after adjustments to align the accounting policies, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses of an associate or a jointly controlled entity exceeds its interest in such an entity, the carrying amount of that interest (including any long-term investments) is reduced to nil, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate or the jointly controlled entity.

Transactions eliminated on consolidation
Intra-group balances and any gains and losses arising from intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates (accounted for using the equity method) are eliminated to the extent of the Group's interest in the entity. Unrealised losses are eliminated using the same method, provided there is no evidence of impairment.

b. Foreign currency translation

Translation of transactions in foreign currencies
Transactions in foreign currencies are translated to the functional currency at the exchange rate at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date. Foreign exchange gains or losses are the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items denominated in foreign currencies and measured at historical cost are translated to the functional currency using the exchange rate at the date of the transaction. Foreign exchange differences are recognised in the income statement.

Translation of group companies' financial statements from the functional to the reporting currency
The consolidated financial statements are presented in euros, which is the controlling company's local and reporting currency. Line items of each group company that are included in the financial statements are measured in the currency of the primary economic environment in which such a company operates and are translated, for consolidation purposes, to the reporting currency as follows:

- assets and liabilities from each statement of financial position presented are translated at the ECB exchange rate at the reporting date;
- revenue and expenses of foreign operations are converted to euros at exchange rates on the conversion date.

Foreign exchange differences are recognised in other comprehensive income and disclosed in the translation reserve under equity.

Foreign exchange differences arising from the translation of investments in subsidiaries abroad are reported in comprehensive income. In the case of non-wholly-owned subsidiaries abroad, the proportionate share of translation difference is transferred to non-controlling interest.
When a foreign subsidiary is disposed, resulting in the loss of control, significant influence or joint control, the relevant amount accumulated in translation reserve is classified to operating profit or loss as gain or loss on disposal. If the Group disposes only a part of its interest in a subsidiary abroad that includes a foreign operation, but maintains control, the proportionate share of the accumulated amount is re-attributed to non-controlling interest. In the case of partial disposal of an interest in an associate or joint venture that includes a foreign operation, while maintaining significant influence or joint control, the proportionate share of the accumulated amount is reallocated to profit or loss.

c. Financial instruments

Financial instruments consist of the following items:

- non-derivative financial assets,
- non-derivative financial liabilities,
- derivative financial instruments.

Impairment of financial assets is detailed in note j1.

c1. Non-derivative financial assets

The Group has the following non-derivative financial assets: cash and cash equivalents, receivables and loans, and investments. The accounting policies for investments in jointly controlled entities and associates are presented in point a.

The Group initially recognises bonds and deposits on the date that they are originated. All other financial assets are recognised initially on the trade date or the date at which the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire or when it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Upon initial recognition, non-derivative financial instruments of the Group are classified into one the following groups: financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables, and available-for sale financial assets. Their classification depends on the purpose for which an instrument was acquired.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or that are not classified as loans and receivables or as financial assets at fair value through profit or loss.

They are measured at fair value provided that it can be determined and that the resulting gains or losses are recognised directly in comprehensive income or equity, except for impairment losses and foreign exchange gains or losses, until such assets are derecognised. When an available-for-sale financial asset is derecognised, the cumulative gain or loss in other comprehensive income for the period is transferred to profit or loss.

If their fair value cannot be measured reliably because the range of reasonable fair value estimates is significant and the probabilities of the various estimates cannot be reasonably assessed, the Company measures the financial asset at cost. If a financial asset is carried at cost, that fact is disclosed.

Financial assets at fair value through profit or loss

A financial asset is classified at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Group is able to manage such financial assets and make purchase and sale decisions based on their fair value. Upon initial recognition, attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

The Group's financial assets measured at fair value through profit or loss mainly consist of unrealised derivative financial instruments assessed on the reporting date.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Depending on their maturity, they are classified as current financial assets (maturity of up to 12 months from the date of the statement of financial position) or long-term financial assets (maturity of more than 12 months from the date of the statement of financial position). In the balance sheet, loans and receivables are carried as operating and other receivables and measured at amortised cost using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances, bank deposits with maturities of three months or less, and other current and highly liquid investments with original maturities of three months or less.

c2. Non-derivative financial liabilities

The Group initially recognises debt securities issued on the date that they are originated. All other financial liabilities are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Group has the following non-derivative financial liabilities: loans, bonds issued and trade payables. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Depending on their maturity, they are classified as short-term financial liabilities (maturity of up to 12 months from the date of the statement of financial position) or long-term financial liabilities (maturity of more than 12 months from the date of the statement of financial position).

c3. Derivative financial instruments

Derivative financial instruments are recognised initially at fair value. Attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

- When a derivative is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction that could affect profit or loss, the effective portion of changes in the fair value of the derivative is recognised in comprehensive income for the period and presented in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised directly in profit or loss. If the hedging instrument no longer meets the criteria for hedge accounting or the hedging instrument is sold, terminated or exercised, then the Group is to discontinue hedge accounting. The cumulative gain or loss recognised in other comprehensive income remains presented in the hedging reserve as long as the forecast transaction does not affect profit or loss. If the forecast transaction is no longer expected to occur, then the balance in other comprehensive income is recognised immediately in profit or loss. In other cases, the amount recognised in other comprehensive income is transferred to profit or loss in the same period in which the hedged item affects profit or loss.
- The effects of other derivatives not designated as the hedging instrument in a hedge of the variability in cash flows or not attributable to a particular risk associated with a recognised asset or liability are recognised in profit or loss.

The Group has the following derivative financial instruments:

Forward contracts
The Group purchases petroleum products in US dollars, but sells them primarily in euros. Because purchases and sales are made in different currencies, mismatches occur between purchase and selling prices that are hedged against using forward contracts.
The fair value of forward contracts on the balance sheet date is determined by means of publicly available information about the value of forward contracts in a regulated market on the reporting date for all outstanding contracts. Gains and losses are recognised in profit or loss.

Commodity swaps
When petroleum products and electricity are purchased or sold, mismatches occur between purchase and selling prices that are hedged against using commodity swaps.
The fair value of commodity swaps on the balance sheet date is determined using publicly available information about the value of commodity swaps as at the balance sheet date, issued by relevant institutions. Gains and losses are recognised in profit or loss.

Interest rate swaps and collars
Interest rates on loans received are exposed to a risk of interest rate fluctuations which is hedged against using interest rate swaps and collars. The fair value of interest rate swaps and collars on the balance sheet date is determined by discounting future cash flows arising as a result of a variable interest rate (interest proceeds from a swap) and a fixed interest rate (payment of interest on a swap).

When an interest rate swap is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a recognised asset or liability or a forecast transaction, the effective portion of the gain or loss on the instrument is recognised directly in comprehensive income. The ineffective portion of the gain or loss on the instrument is recognised in profit or loss.

d. Equity

Share capital
The called-up capital of the controlling company Petrol d.d. takes the form of share capital, the amount of which is defined in the Company's articles of association, has been registered with the Court and is paid up by owners. Dividends on ordinary shares are recognised as a liability in the period in which they were approved by the General Meeting.

Capital surplus
General equity revaluation adjustments as at 31/12/2003 comprised the revaluation of share capital made before the year 2002, in accordance with the then applicable Slovene Accounting Standards. Because of the transition to International Financial Reporting Standards, the revaluation adjustment was transferred to capital surplus. It can only be used to increase share capital.

Legal and other reserves
Legal and other reserves comprise shares of profit from previous years that have been retained for a dedicated purpose, mainly for offsetting eventual future losses. When created, they are recognised by the body responsible for the preparation of the annual report or by a resolution of this body.

Reserves for own shares
If the parent company or its subsidiaries acquire an ownership interest in the parent company, the amount paid, including transaction costs less tax, is deducted from total equity in the form of own shares until such shares are cancelled, reissued or sold. If own shares are later sold or reissued, the consideration received is included in capital surplus net of transaction costs and related tax effects.

e. Intangible assets

Intangible fixed assets are carried at cost less accumulated amortisation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the assets. Borrowing costs directly attributable to the acquisition or production of a qualifying asset are recognised as part of the cost of that asset. Intangible fixed assets are subsequently measured using the cost model. In addition to goodwill and rights arising from concessions for the construction of gas networks and distribution of natural gas, which are described below, the Group's intangible fixed assets comprise mostly software. Other than goodwill, the Group does not have intangible assets with unidentifiable useful lives.

- ***Goodwill***

The Group's goodwill is the result of business combinations. For the measurement of goodwill upon initial recognition, see point a.

Goodwill is measured at cost less any accumulated impairment losses. In respect of equity accounted investments, the carrying amount of goodwill is included in the carrying amount of the investment, and the impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity accounted investment.

- ***Concessions for the construction of gas networks and distribution of natural gas***

The Group recognises an intangible long-term asset arising from a service concession arrangement when it has a right to charge for usage of the concession infrastructure. An intangible long-term asset received as consideration for providing construction or upgrade services in a service concession arrangement is measured at fair value upon initial recognition. Subsequent to initial recognition, the intangible long-term asset is measured at cost less accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure relating to intangible assets is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part of this asset will flow to the Group and the cost can be measured reliably. All other expenditure is recognised in profit or loss as expenses as soon as they are incurred.

Amortisation

Amortisation is calculated on a straight-line basis, taking into account the useful life of intangible fixed assets. This method reflects the expected pattern of consumption of the asset. Amortisation begins when an asset is available for use.

The estimated useful lives for the current and comparative periods are as follows:

(in %)	2011	2010
Concessions	3.45-20.00 %	3.45-20.00 %
Computer software	10.00-25.00 %	10.00-25.00 %

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Impairment of assets is explained in more detailed in point j2.

f. Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, with the exception of land, which is measured at cost less any impairment. Cost includes expenditure that is directly attributable to the acquisition of the assets. Parts of an item of property, plant and equipment having different useful lives are accounted for as separate items of property, plant and equipment. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are recognised as part of the cost of that asset. Items of property, plant and equipment are subsequently measured using the cost model.

Subsequent expenditure

Expenditure related to the replacement of a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. All other expenditure (e.g. day-to-day servicing) is recognised in profit or loss as expenses as soon as they are incurred.

Depreciation

Depreciation is calculated on a straight-line basis, taking into account the useful life of each part (component) of an item of property, plant and equipment. This method reflects the expected pattern of consumption of the asset.

Leased assets are depreciated by taking into account the lease term and their useful lives. Land is not depreciated. Depreciation begins when an asset is available for use. Construction work in progress is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

(in %)	2011	2010
Buildings:		
Buildings at service stations	2.50-10.00 %	2.50-10.00 %
Above-ground and underground reservoirs	2.85 -50.00 %	2.85 -50.00 %
Underground service paths on service stations	5.00-14.30 %	5.00-14.30 %
Other buildings	1.43-50.00 %	1.43-50.00 %
Equipment:		
Equipment - Mechanical and electronic equipment for maintenance	10.00-25.00 %	10.00-25.00 %
Gas station equipment	3.33-20.00 %	3.33-20.00 %
Pumping equipment at service stations	5.00-25.00 %	5.00-25.00 %
Motor vehicles	10.00-25.00 %	10.00-25.00 %
Freight cars - rail tankers	25.00 %	25.00 %
Computer hardware	15.00-25.00 %	15.00-25.00 %
Office equipment - furniture	6.70-12.5 %	6.70-12.5 %
Small tools:	10-33.33 %	33.33 %
Environmental fixed assets:	5.00-25.00 %	5.00-25.00 %

Residual values and useful lives of an asset are reviewed annually and adjusted if appropriate. If the carrying amount of an asset is greater than its estimated recoverable amount, the asset's carrying amount is immediately written down to its recoverable amount and recognised in profit or loss. Impairment of assets is explained in more detailed in point j2.

Gains and losses on disposal or elimination are determined by comparing the proceeds from disposal with the carrying amount. Gains and losses on disposal are recognised in the income statement. Available-for-sale items of property, plant and equipment are presented separately from other assets and are not depreciated in the year of the disposal.

Environmental fixed assets

Environmental fixed assets acquired under a scheme for the creation and use of revenue deferred for the purpose of environmental rehabilitation are carried and presented separately. More information about environmental fixed assets is available in point l.

g. Investment property

Investment property is property held by the Group either to earn rental income or for capital appreciation or for both.

Investment property is measured using the cost model. Subsequent to its recognition, the asset is recognised at cost less accumulated depreciation and accumulated impairment losses. Depreciation method and rates are the same as for items of property, plant and equipment. Impairment of assets is explained in more detailed in point j2.

Subsequent expenditure

Subsequent expenditure relating to investment property is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part of this asset will flow to the Group and the cost can be measured reliably. All other expenditure is recognised in profit or loss as expenses as soon as they are incurred.

h. Leased assets

A lease is classified as a finance lease when under the terms of the lease substantially all the risks and rewards of ownership are transferred to the lessee. Other leases are treated as operating leases, in which case the leased assets (acting as a lessee) or long-term financial receivables (acting as a lessor) are not recognised in the Group's statement of financial position.

Finance lease

- The Group as a lessor

Amounts due from lessees in a finance lease are treated as receivables and amount to the value of the investment leased out. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the leased out net investment that has not yet been realised.

- The Group as a lessee

Assets acquired under a finance lease are carried at the lower of fair value or minimum payments to the end of the lease less accumulated depreciation and impairment losses. Finance lease expenses are recognised using the effective interest rate method.

Operating lease

In the income statement, rental income earned under an operating lease is recognised either as cost (leased assets) or income (leased out assets) on a straight-line basis.

i. Inventories

Inventories of merchandise and materials are measured at the lower of historical cost and net realisable value. The historical cost of inventories comprises the cost, which is made up of the purchase price, import duties and direct costs of purchase. Any discounts are subtracted from the purchase price. Direct costs of purchase include transportation costs, costs of loading, transhipment and unloading, transport insurance costs, goods tracking costs, costs of agency arrangements and other similar costs incurred before initial storage and borne by the purchaser, and non-refundable duties. Discounts on purchase prices include discounts indicated on invoices and subsequently obtained discounts relating to a specific purchase.

The cost formula is based on the first-in first-out principle (FIFO). The FIFO method assumes that the items of inventories that are purchased or produced first are also the first to be sold. Accordingly, the use of inventories is calculated using the initial actual cost, while the final inventories are determined using the final actual cost.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The realisable value of inventories is assessed at least once a year based on their balances as at the date of the annual financial statements of the Group. The inventories that have not changed for more than a year are written off. Damaged, expired and unusable inventories are written off regularly during the year on an item by item basis.

j. Impairment

j1. Financial assets

A financial asset is impaired if objective evidence indicates that one or more loss events have occurred that had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group for which the Group granted its approval, indications that a debtor will enter bankruptcy, and the disappearance of an active market for an instrument. In addition, for an investment in an equity security, a significant (more than 20%) or prolonged (longer than 9 months) decline in its fair value below its cost is objective evidence of impairment.

Impairment of receivables and loans granted

The Group considers evidence of impairment for receivables individually or collectively. All significant receivables are assessed individually for specific impairment. If it is assessed that the carrying amount of receivables exceeds their fair value, i.e. the collectible amount, the receivables are impaired. Receivables for which it is assumed they will not be settled by the original date of payment or up to their full amount are deemed doubtful; should court proceedings be initiated, they are deemed disputed.

Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics. Receivables are grouped together by age. In assessing collective impairment, the Group uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

The Group evaluates evidence about the impairment of loans individually for each significant loan.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the estimated future cash flows discounted at the original effective interest rate. Losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Impairment of available-for-sale financial assets

Impairment losses on available-for-sale financial assets are recognised by transferring any cumulative loss that has been previously recognised in other comprehensive income for the period and presented in the fair value reserve to profit or loss. Any subsequent increase in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income for the period or in fair value reserve.

j2. Non-financial assets

The Group reviews at each reporting date the carrying amounts of significant non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, impairment loss is estimated at each reporting date.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing the asset's value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

The impairment of an asset or a cash generating unit is recognised if its carrying amount exceeds its recoverable amount. Impairment is recognised in the income statement. Impairment losses recognised in respect of a cash generating unit are allocated first to reduce the carrying amount of any goodwill allocated to the unit, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of the reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed to the extent that the asset's increased carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation if no impairment loss had been recognised in previous years.

Goodwill that forms part of the carrying amount of an equity accounted investment in an associate or jointly controlled entity is not recognised separately and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

k. Provisions

Provision are recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

The most significant provisions include:

Provisions for employee benefits
Pursuant to the law, the collective agreement and the internal rules, the Group is obligated to pay its employees jubilee benefits and termination benefits on retirement, for which it has established long-term provisions. Other obligations related to employee post-employment benefits do not exist.
Provisions amount to estimated future payments for termination benefits on retirement and jubilee benefits discounted to the end of the reporting period. The calculation is made separately for each employee by taking into account the costs of termination benefits on retirement and the costs of all expected jubilee benefits until retirement. The calculation using the projected unit credit method is performed by a certified actuary. Termination benefits on retirement and jubilee benefits are charged against the provisions created.

Provisions for employee benefits in relation to franchised service stations
The business cooperation contracts concluded by the Company with the franchised service stations stipulate that the rights of employees of the franchised service stations to jubilee benefits and termination benefits on retirement are equal as the rights of employees of the Company. The contractual obligation of the Company to reimburse the costs arising from such rights to employees at franchised service stations represents the basis for recognition of long-term provisions. Provisions amount to estimated future payments for termination benefits on retirement and jubilee benefits discounted to the end of the reporting period. The obligation is calculated separately for each employee of the franchised service stations by estimating the costs of termination benefits on retirement and the costs of all expected jubilee benefits until retirement. The calculation using the projected unit credit method is performed by a certified actuary. Reimbursed costs arising from termination benefits on retirement and jubilee benefits are charged against the provisions created.

l. Long-term deferred revenue

Long-term deferred revenue from gas network connection fees
When connected to the gas network, the users pay a fixed fee, entitling them to be connected to the established network. Since the benefits from the service rendered are expected throughout the period of gas supply to the user, the revenue from the connection fee is deferred in proportion to the estimated period during which the benefits will flow to Petrol. The Group estimates that the period during which the benefits will flow to it equals the term of

concession for the gas network. This term ranges between 20 and 35 years, depending on a specific concession agreement.

Long-term deferred revenue from environmental fixed assets
Long-term deferred revenue from environmental fixed assets comprises deferred revenue from funds granted for the environmental rehabilitation of service stations, road tankers, storage facilities and the clean-up of the bitumen dump at Pesniški Dvor. Environmental assets, presented as part of the Group's property, plant and equipment items, were approved by means of a decision of the Ministry of the Environment and Spatial Planning as part of the ownership transformation of the company Petrol d.d., Ljubljana and were recognised as such in the opening financial statements of Petrol d.d., Ljubljana as at 01/01/1993 that were prepared in accordance with the regulations governing the ownership transformation of companies. Deferred revenue is restated under revenue in proportion to the depreciation of environmental fixed assets and the funds used for the clean-up of the bitumen dump at Pesniški Dvor.

A portion of deferred revenue payable in the period under 12 months is restated under short-term deferred revenue.

m. Recognition of revenue

Sales revenue is recognised at the fair value of the consideration received or receivable, net of returns and discounts, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, there is certainty about the recovery of receivables, the associated costs and possible return of goods, and there is no continuing involvement by the Group with the goods sold.

Revenue is recognised as follows:

Sale of goods
A sale of goods is recognised when the Group delivers goods to a customer, the customer accepts the goods, and the collectability of the related receivables is reasonably assured.

Sale of services
A sale of services is recognised in the accounting period in which the services are rendered, by reference to the stage of completion of the transaction assessed on the basis of the actual service provided as a proportion of total services to be provided.

n. Finance income and expenses

Finance income comprises interest income on financial assets, gains on the disposal of available-for-sale financial assets, changes in the fair value of financial assets at fair value through profit or loss, foreign exchange gains and gains on hedging instruments that are recognised in the income statement. Interest income is recognised as it accrues using the effective interest method.

Finance expenses comprise borrowing costs (unless capitalised), foreign exchange losses, changes in the fair value of financial assets at fair value through profit or loss, impairment losses recognised on financial assets, and losses on hedging instruments that are recognised in the income statement. Borrowing costs are recognised in the income statement using the effective interest method.

o. Taxes

Taxes comprise current tax and deferred tax liabilities. Income tax is recognised in the income statement except to the extent that it relates to business combinations or items recognised directly in other comprehensive income.

Current tax liabilities are based on the taxable profit for the year. Taxable profit differs from the net profit reported in the income statement as it excludes revenue and expense items taxable or deductible in other years and other items that are never subject to taxation or deduction. The Group's current tax liabilities are calculated using the tax rates effective on the reporting date.

Deferred tax is accounted for in its entirety using the statement of financial position liability method for temporary differences between the tax base of assets and liabilities and their carrying amounts in separate financial statements. Deferred tax is determined using the tax rates (and laws) that were effective on the statement of financial position date and are expected to apply when a deferred tax asset is realised or a deferred tax liability is settled.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which they can be utilised in the future.

p. Determination of fair value

A number of the Group's accounting policies require the determination of fair value, for both financial and non-financial assets and liabilities.

Fair value is the amount for which an asset could be sold or a liability exchanged between knowledgeable, willing parties in an arm's length transaction.

The Group determines the fair value of financial instruments by taking into account the following fair value hierarchy:
- Level 1 comprises quoted prices in active markets for identical assets or liabilities;
- Level 2 comprises values other than quoted prices included within Level 1 that are observable either directly (as prices in less active markets) or indirectly (e.g. values derived from quoted prices in an active market);
- Level 3 comprises inputs for assets or liabilities that are not based on market data.

The Group uses quoted prices as the basis for the fair value of financial instruments. If a financial instrument is not quoted on a regulated market and the market is considered as inactive, the Group uses inputs of Levels 2 and 3 for determining the fair value of a financial instrument. Where applicable, further information about the assumptions made when determining fair values is disclosed in the notes specific to that asset or liability of the Group.

The methods of determining the fair values of individual groups of assets for measurement and/or reporting purposes are described below.

Intangible assets
The fair value of intangible assets is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

Property, plant and equipment
The fair value of property, plant and equipment recognised as a result of business combinations is the same as their market value. The market value of property is the estimated amount for which a property could be sold on the date of valuation and after proper marketing. The market value of equipment is based on the approach using quoted market prices for similar items.

Investment property
The value of investment property is assessed by considering the aggregate of the estimated cash flows expected to be received from renting out the property. A yield that reflects the specific risks is included in the property valuation based on discounted net annual cash flows.

Inventories
The fair value of inventories acquired in business combinations is determined based on their expected selling price in the ordinary course of business less the estimated costs of sale.

Financial assets at fair value through profit or loss and available-for-sale financial assets
The fair value of financial assets at fair value through profit or loss and available-for-sale financial assets is determined by reference to the above fair value hierarchy for financial instruments. If their fair value cannot be measured reliably because the range of reasonable fair value estimates is significant and the probabilities of the various estimates cannot be reasonably assessed, the Company measures the financial asset at cost.

Receivables and loans granted
The fair value of receivables and loans is calculated as the present value of future cash flows, discounted at the market rate of interest at the end of the reporting period. The estimate takes into account the credit risk associated with these financial assets.

Non-derivative financial liabilities
Fair value is calculated, for reporting purposes, based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period.

Derivative financial instruments
- The fair value of forward contracts equals their listed market price at the reporting date.
- The fair value of interest rate swaps at the reporting date is assessed by discounting future cash flows from the variable interest rate (interest received from a swap) and the fixed interest rate (interest paid under a swap).
- The fair value of commodity swaps equals their listed market price at the reporting date.

q. Earnings per share

The Group presents basic and diluted earnings per share for its ordinary shares. Basic earnings per share are calculated by dividing the profit or loss attributable to ordinary shareholders by the weighted average number of ordinary shares during the period. Diluted earnings per share are calculated by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares during the period for the effects of all potential ordinary shares, which comprise convertible bonds and share options granted to employees. Because the Group has no convertible bonds or share options granted to employees, its basic earnings per share are the same as its diluted earnings per share.

r. Operating segments

An operating segment is a component of the Group that engages in business activities from which it earns revenues and incurs expenses that relate to transactions with any of the Group's other components. The operating results of operating segments are reviewed regularly by the executive officers of the Group to make decisions about resources to be allocated to a segment and assess the performance of the Group.
In the preparation and presentation of the financial statements, the Group uses the following segments:
- oil and merchandise sales,
- energy activities.

s. Cash flow statement

The section of the cash flow statement referring to operating activities has been prepared using the indirect method based on data derived from the statement of financial position as at 31 December 2010 and 30 September 2011 and data derived from the income statement for the period ended 30 September 2011. The section referring to investing and financing activities has been prepared using the direct method. Default interest paid and received in connection with operating receivables is allocated to cash flows from operating activities. Interest on loans, and dividends paid and received are allocated to cash flows from financing activities.

4. Significant accounting policies of the Company

The Company has applied the accounting policies set out below consistently to all periods presented herein.

a. Foreign currency translation

Transactions in foreign currencies are translated to the functional currency at the exchange rate at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date. Foreign exchange gains or losses are the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items denominated in foreign currencies and measured at historical cost are translated to the functional currency using the exchange rate at the date of the transaction. Foreign exchange differences are recognised in the income statement.

b. Investments in subsidiaries

In the Company's financial statements, investments in subsidiaries have been accounted for at cost. The Company recognises income from an investment only to the extent that they originate from a distribution of accumulated profits of the investee arising after the date of acquisition.

c. Investments in associates and jointly controlled entities

In accordance with IAS 39, the Company accounts for investments in associates and jointly controlled entities as available-for-sale financial assets. They are measured at fair value and the resulting gains or losses are recognised directly in other comprehensive income, except for impairment losses. When an investment is derecognised, the cumulative gain or loss in other comprehensive income for the period is transferred to profit or loss.

d. Financial instruments

Financial instruments consist of the following items:
- non-derivative financial assets,
- non-derivative financial liabilities,
- derivative financial instruments.

Impairment of financial assets is detailed in note k2.

d1. Non-derivative financial assets

The Company has the following non-derivative financial assets: cash and cash equivalents, receivables and loans, and investments. The accounting policies for investments in jointly controlled entities and associates that are measured as available-for-sale financial assets are presented in point c.

The Company initially recognises bonds and deposits on the date that they are originated. All other financial assets are recognised initially on the trade date or the date at which the Company becomes a party to the contractual provisions of the instrument. The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire or when it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Upon initial recognition, non-derivative financial instruments of the Company are classified into one the following groups: financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables, and available-for sale financial assets. Their classification depends on the purpose for which an instrument was acquired.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or that are not classified as loans and receivables or as financial assets at fair value through profit or loss. The Company measures investments in associates and jointly controlled entities as available-for-sale financial assets.

They are measured at fair value provided that it can be determined and that the resulting gains or losses are recognised directly in comprehensive income or equity, except for impairment losses and foreign exchange gains or losses, until such assets are derecognised. When an available-for-sale financial asset is derecognised, the cumulative gain or loss in other comprehensive income for the period is transferred to profit or loss.

If their fair value cannot be measured reliably because the range of reasonable fair value estimates is significant and the probabilities of the various estimates cannot be reasonably assessed, the Company measures the financial asset at cost. If a financial asset is carried at cost, that fact is disclosed.

Financial assets at fair value through profit or loss

A financial asset is classified at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Company is able to manage such assets and make purchase and sale decisions based on their fair value. Upon initial recognition, attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

The Company's financial assets measured at fair value through profit or loss mainly consist of unrealised derivative financial instruments assessed on the reporting date.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Depending on their maturity, they are classified as current financial assets (maturity of up to 12 months from the date of the statement of financial position) or long-term financial assets (maturity of more than 12 months from the date of the statement of financial position). In the balance sheet, loans and receivables are carried as operating and other receivables and measured at amortised cost using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances, bank deposits with maturities of three months or less, and other current and highly liquid investments with original maturities of three months or less.

d2. Non-derivative financial liabilities

The Company initially recognises debt securities issued on the date that they are originated. All other financial liabilities are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company has the following non-derivative financial liabilities: loans, bonds issued and trade payables. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Depending on their maturity, they are classified as short-term financial liabilities (maturity of up to 12 months from the date of the statement of financial position) or long-term financial liabilities (maturity of more than 12 months from the date of the statement of financial position).

d3. Derivative financial instruments

Derivative financial instruments are recognised initially at fair value. Attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

- When a derivative is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction that could affect profit or loss, the effective portion of changes in the fair value of the derivative is recognised in comprehensive income for the period and presented in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised directly in profit or loss. If the hedging instrument no longer meets the criteria for hedge accounting or the hedging instrument is sold, terminated or exercised, then the Company is to discontinue hedge accounting. The cumulative gain or loss recognised in other comprehensive income remains presented in the hedging reserve as long as the forecast transaction does not affect profit or loss. If the forecast transaction is no longer expected to occur, then the balance in other comprehensive income is recognised immediately in profit or loss. In other cases, the amount recognised in other comprehensive income is transferred to profit or loss in the same period in which the hedged item affects profit or loss.

- The effects of other derivatives not designated as the hedging instrument in a hedge of the variability in cash flows or not attributable to a particular risk associated with a recognised asset or liability are recognised in profit or loss.

The Company has the following derivative financial instruments:

Forward contracts

The Company purchases petroleum products in US dollars, but sells them primarily in euros. Because purchases and sales are made in different currencies, mismatches occur between purchase and selling prices that are hedged against using forward contracts.
The fair value of forward contracts on the balance sheet date is determined by means of publicly available information about the value of forward contracts in a regulated market on the reporting date for all outstanding contracts. Gains and losses are recognised in profit or loss.

Commodity swaps

When petroleum products and electricity are purchased or sold, mismatches occur between purchase and selling prices that are hedged against using commodity swaps.
The fair value of commodity swaps on the balance sheet date is determined using publicly available information about the value of commodity swaps as at the balance sheet date, issued by relevant institutions. Gains and losses are recognised in profit or loss.

Interest rate swaps and collars

Interest rates on loans received are exposed to a risk of interest rate fluctuations which is hedged against using interest rate swaps and collars. The fair value of interest rate swaps and collars on the balance sheet date is determined by discounting future cash flows arising as a result of a variable interest rate (interest proceeds from a swap) and a fixed interest rate (payment of interest on a swap).
When an interest rate swap is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a recognised asset or liability or a forecast transaction, the effective portion of the gain or loss on the instrument is recognised directly in comprehensive income. The ineffective portion of the gain or loss on the instrument is recognised in profit or loss.

e. Equity

Share capital

The called-up capital of the company Petrol d.d. takes the form of share capital, the amount of which is defined in the Company's articles of association, has been registered with the Court and is paid up by owners. Dividends on ordinary shares are recognised as a liability in the period in which they were approved by the General Meeting.

Capital surplus

General equity revaluation adjustments as at 31/12/2003 comprised the revaluation of share capital made before the year 2002, in accordance with the then applicable Slovene Accounting Standards. Because of the transition to International Financial Reporting Standards, the revaluation adjustment was transferred to capital surplus. It can only be used to increase share capital.

Legal and other reserves

Legal and other reserves comprise shares of profit from previous years that have been retained for a dedicated purpose, mainly for offsetting eventual future losses. When created, they are recognised by the body responsible for the preparation of the annual report or by a resolution of this body.

Reserves for own shares
If the Company acquires an ownership interest, the amount paid, including transaction costs less tax, is deducted from total equity in the form of own shares until such shares are cancelled, reissued or sold. If own shares are later sold or reissued, the consideration received is included in capital surplus net of transaction costs and related tax effects.

f. Intangible assets

Intangible fixed assets are carried at cost less accumulated amortisation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the assets. Borrowing costs directly attributable to the acquisition or production of a qualifying asset are recognised as part of the cost of that asset. Intangible fixed assets are subsequently measured using the cost model. The Company does not have intangible assets with unidentifiable useful lives.

Concessions for the construction of gas networks and distribution of natural gas
The Company recognises an intangible long-term asset arising from a service concession arrangement when it has a right to charge for usage of the concession infrastructure. An intangible long-term asset received as consideration for providing construction or upgrade services in a service concession arrangement is measured at fair value upon initial recognition. Subsequent to initial recognition, the intangible long-term asset is measured at cost less accumulated amortisation and any accumulated impairment losses.

Other intangible assets
Other intangible assets that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses. Other intangible assets of the Company mainly consist of software.

Subsequent expenditure
Subsequent expenditure relating to intangible assets is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part of this asset will flow to the Group and the cost can be measured reliably. All other expenditure is recognised in profit or loss as expenses as soon as they are incurred.

Amortisation
Amortisation is calculated on a straight-line basis, taking into account the useful life of intangible fixed assets. This method reflects the expected pattern of consumption of the asset. Amortisation begins when an asset is available for use.

The estimated useful lives for the current and comparative periods are as follows:

(in %)	2011	2010
Concessions	3.45-20.00 %	3.45-20.00 %
Computer software	10.00-25.00 %	10.00-25.00 %

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Impairment of assets is explained in more detailed in point k2.

g. Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, with the exception of land, which is measured at cost less any impairment. Cost includes expenditure that is directly attributable to the acquisition of the assets. Parts of an item of property, plant and equipment having different useful lives are accounted for as separate items of property, plant and equipment. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are recognised as part of the cost of that asset. Items of property, plant and equipment are subsequently measured using the cost model.

Subsequent expenditure
Expenditure related to the replacement of a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. All other expenditure (e.g. day-to-day servicing) is recognised in profit or loss as expenses as soon as they are incurred.

Depreciation
Depreciation is calculated on a straight-line basis, taking into account the useful life of each part (component) of an item of property, plant and equipment. This method reflects the expected pattern of consumption of the asset. Leased assets are depreciated by taking into account the lease term and their useful lives. Land is not

depreciated. Depreciation begins when an asset is available for use. Construction work in progress is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

(in %)	2011	2010
Buildings:		
Buildings at service stations	2,50-10,00 %	2,50-10,00 %
Above-ground and underground reservoirs	2,85 -50,00 %	2,85 -50,00 %
Underground service paths on service stations	5,00-14,30 %	5,00-14,30 %
Other buildings	1,43-50,00 %	1,43-50,00 %
Equipment:		
Equipment - Mechanical and electronic equipment for maintenance	10,00-25,00 %	10,00-25,00 %
Gas station equipment	3,33-20,00 %	3,33-20,00 %
Pumping equipment at service stations	5,00-25,00 %	5,00-25,00 %
Motor vehicles	10,00-25,00 %	10,00-25,00 %
Freight cars - rail tankers	25,00 %	25,00 %
Computer hardware	15,00-25,00 %	15,00-25,00 %
Office equipment - furniture	6,70-12,5 %	6,70-12,5 %
Small tools:	10-'33,33 %	33,33 %
Environmental fixed assets:	5,00-25,00 %	5,00-25,00 %

Residual values and useful lives of an asset are reviewed annually and adjusted if appropriate. If the carrying amount of an asset is greater than its estimated recoverable amount, the asset's carrying amount is immediately written down to its recoverable amount and recognised in profit or loss. Impairment of assets is explained in more detailed in point k2.

Gains and losses on disposal or elimination are determined by comparing the proceeds from disposal with the carrying amount. Gains and losses on disposal are recognised in the income statement. Available-for-sale items of property, plant and equipment are presented separately from other assets and are not depreciated in the year of the disposal.

Environmental fixed assets
Environmental fixed assets acquired under a scheme for the creation and use of revenue deferred for the purpose of environmental rehabilitation are carried and presented separately. More information about environmental fixed assets is available in point l.

h. Investment property

Investment property is property held by the Company either to earn rental income or for capital appreciation or for both.

Investment property is measured using the cost model. Subsequent to its recognition, the asset is recognised at cost less accumulated depreciation and accumulated impairment losses. Depreciation method and rates are the same as for items of property, plant and equipment. Impairment of assets is explained in more detailed in point j2.

Subsequent expenditure
Subsequent expenditure relating to investment property is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part of this asset will flow to the Group and the cost can be measured reliably. All other expenditure is recognised in profit or loss as expenses as soon as they are incurred.

i. Leased assets

A lease is classified as a finance lease when under the terms of the lease substantially all the risks and rewards of ownership are transferred to the lessee. Other leases are treated as operating leases, in which case the leased assets (acting as a lessee) or long-term financial receivables (acting as a lessor) are not recognised in the Company's statement of financial position.

Finance lease
The Company acts only as a lessor. Amounts due from lessees in a finance lease are treated as receivables and amount to the value of the investment leased out. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the leased out net investment that has not yet been realised.

Operating lease
In the income statement, rental income earned under an operating lease is recognised either as cost (leased assets) or income (leased out assets) on a straight-line basis.

j. Inventories

Inventories of merchandise and materials are measured at the lower of historical cost and net realisable value. The historical cost of inventories comprises the cost, which is made up of the purchase price, import duties and direct costs of purchase. Any discounts are subtracted from the purchase price. Direct costs of purchase include transportation costs, costs of loading, transhipment and unloading, transport insurance costs, goods tracking costs, costs of agency arrangements and other similar costs incurred before initial storage and borne by the purchaser, and non-refundable duties. Discounts on purchase prices include discounts indicated on invoices and subsequently obtained discounts relating to a specific purchase.

The cost formula is based on the first-in first-out principle (FIFO). The FIFO method assumes that the items of inventories that are purchased or produced first are also the first to be sold. Accordingly, the use of inventories is calculated using the initial actual cost, while the final inventories are determined using the final actual cost.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The realisable value of inventories is assessed at least once a year based on their balances as at the date of the annual financial statements. The inventories that have not changed for more than a year are written off. Damaged, expired and unusable inventories are written off regularly during the year on an item by item basis.

k. Impairment

k1. Financial assets
A financial asset is impaired if objective evidence indicates that one or more loss events have occurred that had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company for which the Company granted its approval, indications that a debtor will enter bankruptcy, and the disappearance of an active market for an instrument. In addition, for an investment in an equity security, a significant (more than 20%) or prolonged (longer than 9 months) decline in its fair value below its cost is objective evidence of impairment.

Impairment of receivables and loans granted
The Company considers evidence of impairment for receivables individually or collectively. All significant receivables are assessed individually for specific impairment. If it is assessed that the carrying amount of receivables exceeds their fair value, i.e. the collectible amount, the receivables are impaired. Receivables for which it is assumed they will not be settled by the original date of payment or up to their full amount are deemed doubtful; should court proceedings be initiated, they are deemed disputed.

Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics. Receivables are grouped together by age. In assessing collective impairment, the Company uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

The Company evaluates evidence about the impairment of loans individually for each significant loan.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the estimated future cash flows discounted at the original effective interest rate. Losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Impairment of available-for-sale financial assets
Impairment losses on available-for-sale financial assets are recognised by transferring any cumulative loss that has been previously recognised in other comprehensive income for the period and presented in the fair value reserve to profit or loss. Any subsequent increase in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income for the period or in fair value reserve.

k2. Non-financial assets
The Company reviews at each reporting date the carrying amounts of significant non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing the asset's value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").
The impairment of an asset or a cash generating unit is recognised if its carrying amount exceeds its recoverable amount. Impairment is recognised in the income statement.

Impairment losses recognised in prior periods are assessed at the end of the reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed to the extent that the asset's increased carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation if no impairment loss had been recognised in previous years.

l. Provisions

Provision are recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

The most significant provisions include:

Provisions for employee benefits
Pursuant to the law, the collective agreement and the internal rules, the Company is obligated to pay its employees jubilee benefits and termination benefits on retirement, for which it has established long-term provisions. Other obligations related to employee post-employment benefits do not exist. Provisions amount to estimated future payments for termination benefits on retirement and jubilee benefits discounted to the end of the reporting period. The calculation is made separately for each employee by taking into account the costs of termination benefits on retirement and the costs of all expected jubilee benefits until retirement. The calculation using the projected unit credit method is performed by a certified actuary. Termination benefits on retirement and jubilee benefits are charged against the provisions created.

Provisions for employee benefits in relation to franchised service stations
The business cooperation contracts concluded by the Company with the franchised service stations stipulate that the rights of employees of the franchised service stations to jubilee benefits and termination benefits on retirement are equal as the rights of employees of the Company. The contractual obligation of the Company to reimburse the costs arising from such rights to franchised service stations represents the basis for recognition of long-term provisions. Provisions amount to estimated future payments for termination benefits on retirement and jubilee benefits discounted to the end of the reporting period. The obligation is calculated separately for each employee of the franchised service stations by estimating the costs of termination benefits on retirement and the costs of all expected jubilee benefits until retirement. The calculation using the projected unit credit method is performed by a certified actuary. Reimbursed costs arising from termination benefits on retirement and jubilee benefits are charged against the provisions created.

m. Long-term deferred revenue

Long-term deferred revenue from gas network connection fees
When connected to the gas network, the users pay a fixed fee, entitling them to be connected to the established network. Since the benefits from the service rendered are expected throughout the period of gas supply to the user, the revenue from the connection fee is deferred in proportion to the estimated period during which the benefits will flow to Petrol. The Company estimates that the period during which the benefits will flow to it equals the term of concession for the gas network. This term ranges between 20 and 35 years, depending on a specific concession agreement.

Long-term deferred revenue from environmental fixed assets
Long-term deferred revenue from environmental fixed assets comprises deferred revenue from funds granted for the environmental rehabilitation of service stations, road tankers, storage facilities and the clean-up of the bitumen dump at Pesniški Dvor. Environmental assets, presented as part of the Company's property, plant and equipment items, were approved by means of a decision of the Ministry of the Environment and Spatial Planning as part of the ownership transformation of the company Petrol d.d., Ljubljana and were recognised as such in the opening financial statements of Petrol d.d., Ljubljana as at 01/01/1993 that were prepared in accordance with the regulations governing the ownership transformation of companies. Deferred revenue is restated under revenue in proportion to the depreciation of environmental fixed assets and the funds used for the clean-up of the dump at Pesniški Dvor.

A portion of deferred revenue payable in the period under 12 months is restated under short-term deferred revenue.

n. Recognition of revenue

Sales revenue is recognised at the fair value of the consideration received or receivable, net of returns and discounts, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, there is certainty about the recovery of receivables, the associated costs and possible return of goods, and there is no continuing involvement by the Company with the goods sold.

Revenue is recognised as follows:

Sale of goods
A sale of goods is recognised when the Company delivers goods to a customer, the customer accepts the goods, and the collectability of the related receivables is reasonably assured.

Sale of services
A sale of services is recognised in the accounting period in which the services are rendered, by reference to the stage of completion of the transaction assessed on the basis of the actual service provided as a proportion of total services to be provided.

o. Finance income and expenses

Finance income comprises interest income on financial assets, dividend income, gains on the disposal of available-for-sale financial assets, changes in the fair value of financial assets at fair value through profit or loss, foreign exchange gains, gains on hedging instruments that are recognised in the income statement, and income generated as a result of mergers.

Interest income is recognised as it accrues using the effective interest method. Dividend income is recognised in the Company's income statement on the date that a shareholder's right to receive payment is established. If the fair value of net assets acquired in a merger exceeds the carrying amount of the investment in the acquired company, the difference is carried as finance income for the period in which the merger took place.

Finance expenses comprise borrowing costs (unless capitalised), foreign exchange losses, changes in the fair value of financial assets at fair value through profit or loss, impairment losses recognised on financial assets, and losses on hedging instruments that are recognised in the income statement. Borrowing costs are recognised in the income statement using the effective interest method.

p. Taxes

Taxes comprise current tax and deferred tax liabilities. Income tax is recognised in the income statement except to the extent that it relates to business combinations or items recognised directly in other comprehensive income.
Current tax liabilities are based on the taxable profit for the year. Taxable profit differs from the net profit reported in the income statement as it excludes revenue and expense items taxable or deductible in other years and other items that are never subject to taxation or deduction. The Company's current tax liabilities are calculated using the tax rates effective on the reporting date.

Deferred tax is accounted for in its entirety using the statement of financial position liability method for temporary differences between the tax base of assets and liabilities and their carrying amounts in separate financial statements. Deferred tax is determined using the tax rates (and laws) that were effective on the statement of financial position date and are expected to apply when a deferred tax asset is realised or a deferred tax liability is settled.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which they can be utilised in the future.

q. Determination of fair value

A number of the Company's accounting policies require the determination of fair value, for both financial and non-financial assets and liabilities.

Fair value is the amount for which an asset could be sold or a liability exchanged between knowledgeable, willing parties in an arm's length transaction.

The Company determines the fair value of financial instruments by taking into account the following fair value hierarchy:
- Level 1 comprises quoted prices in active markets for identical assets or liabilities;
- Level 2 comprises values other than quoted prices included within Level 1 that are observable either directly (as prices in less active markets) or indirectly (e.g. values derived from quoted prices in an active market);
- Level 3 comprises inputs for assets or liabilities that are not based on observable market data.

The Company uses quoted prices as the basis for the fair value of financial instruments. If a financial instrument is not quoted on a regulated market and the market is considered as inactive, the Company uses inputs of Levels 2 and 3 for determining the fair value of a financial instrument. Where applicable, further information about the assumptions made when determining fair values is disclosed in the notes specific to that asset or liability of the Company.
The methods of determining the fair values of individual groups of assets for measurement and/or reporting purposes are described below.

Intangible assets
The fair value of intangible assets is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

Property, plant and equipment
The fair value of property, plant and equipment recognised as a result of business combinations is the same as their market value. The market value of property is the estimated amount for which a property could be sold on the date of valuation and after proper marketing. The market value of equipment is based on the approach using quoted market prices for similar items.

Investment property
The value of investment property is assessed by considering the aggregate of the estimated cash flows expected to be received from renting out the property. A yield that reflects the specific risks is included in the property valuation based on discounted net annual cash flows.

Inventories
The fair value of inventories acquired in business combinations is determined based on their expected selling price in the ordinary course of business less the estimated costs of sale.

Financial assets at fair value through profit or loss and available-for-sale financial assets
The fair value of financial assets at fair value through profit or loss and available-for-sale financial assets is determined by reference to the above fair value hierarchy for financial instruments. If their fair value cannot be measured reliably because the range of reasonable fair value estimates is significant and the probabilities of the various estimates cannot be reasonably assessed, the Company measures the financial asset at cost.

Investments in associates and jointly controlled entities
The fair value of investments in associates and jointly controlled entities is determined by reference to the above fair value hierarchy for financial instruments. The methods of determining the value of and input assumptions for each investment are specifically presented in disclosures.

Receivables and loans granted
The fair value of receivables and loans is calculated as the present value of future cash flows, discounted at the market rate of interest at the end of the reporting period. The estimate takes into account the credit risk associated with these financial assets.

Non-derivative financial liabilities
Fair value is calculated, for reporting purposes, based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period.

Derivative financial instruments
- The fair value of forward contracts equals their listed market price at the reporting date.
- The fair value of interest rate swaps at the reporting date is assessed by discounting future cash flows from the variable interest rate (interest received from a swap) and the fixed interest rate (interest paid under a swap).
- The fair value of commodity swaps equals their listed market price at the reporting date.

r. Earnings per share

The Company presents basic and diluted earnings per share for its ordinary shares. Basic earnings per share are calculated by dividing the profit or loss attributable to ordinary shareholders by the weighted average number of ordinary shares during the period. Diluted earnings per share are calculated by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares during the period for the effects of all potential ordinary shares, which comprise convertible bonds and share options granted to employees. Because the Company has no convertible bonds or share options granted to employees, its basic earnings per share are the same as its diluted earnings per share.

s. Cash flow statement

The section of the cash flow statement referring to operating activities has been prepared using the indirect method based on data derived from the statement of financial position as at 31 December 2010 and 30 September 2011 and data derived from the income statement for the period ended 30 September 2011. The section referring to investing and financing activities has been prepared using the direct method. Default interest paid and received in connection with operating receivables is allocated to cash flows from operating activities. Interest on loans, and dividends paid and received are allocated to cash flows from financing activities.

Notes to individual items in the financial statements

1. Segment reporting

Because the financial report consists of the financial statements and the accompanying notes of the Group as well as of the Company, only the Group's operating segments have been disclosed.

An operating segment is a component of the Group that engages in business activities from which it earns revenues and incurs expenses that relate to transactions with any of the Group's other components. The operating results of operating segments are reviewed regularly by the executive officers of the Group to make decisions about resources to be allocated to a segment and assess the performance of the Group.

The Group's executive officers monitor information on two levels: on the micro level, in which case individual units are monitored, and on the macro level, where information is monitored only in terms of certain key information that can be used to make comparisons with similar companies in Europe. Given the enormous amount of information and their sensitivity on the micro level, the Group only discloses macro-level information in its annual report.

The Group thus uses the following segments in the preparation and presentation of the financial statements:
- oil and merchandise sales,
- energy activities.

Oil and merchandise sales consist of:
- sale of oil and petroleum products,
- sale of supplementary merchandise.

Supplementary merchandise is comprised of automotive products, foodstuffs, accessories, tobacco and lottery products, coupons and cards.

Energy activities consist of:
- gas and heat
- electricity
- enviromental and energy solution.

The Group's operating segments in the period 1-9 2010:

(in EUR)	Oil trading	Energy activities	Total	Income statement/ Statement of financial position
Sales revenue	2,735,995,279	96,025,064	2,832,020,343	
Revenue from subsidiaries	(777,121,093)	(20,197,918)	(797,319,010)	
Sales revenue	1,958,874,187	75,827,146	2,034,701,332	2,034,701,332
Net profit or loss for the year	25,836,603	8,899,583	34,736,186	34,736,186
Interest income *	2,462,879	919,463	3,382,342	3,382,342
Interest expense *	(6,112,582)	(2,282,000)	(8,394,582)	(8,394,582)
Depreciation of property, plant and equipment, investment property and amortisation of intangible assets	21,406,972	4,116,896	25,523,868	25,523,868
Revenue from equity accounted investees	2,269,191	7,157,929	9,427,120	9,427,120
Total assets	*1,003,806,399*	*218,733,576*	*1,222,539,975*	*1,222,539,975*
Equity accounted investments	39,860,940	101,403,248	141,264,188	141,264,188
Property, plant an equipment, intangible assets and investment property	497,696,042	99,282,021	596,978,063	596,978,063
Other assets	466,249,417	18,048,307	484,297,724	484,297,724

* Interest income and expenses are estimated based on a segment's share of investments and assets in total investments and assets.

The Group's operating segments in the period 1-9 2011:

(in EUR)	Oil and merchendise sales	Energy activities	Total	Income statement / Statement of financial position
Sales revenue	3,264,995,939	139,803,880	3,404,799,819	
Revenue from subsidiaries	(1,029,622,089)	(15,367,148)	(1,044,989,237)	
Sales revenue	2,235,373,850	124,436,732	2,359,810,582	2,359,810,582
Net profit of loss for the year	27,277,983	8,907,004	36,184,987	36,184,987
Interest income *	4,280,161	1,763,730	6,043,891	6,043,891
Interest expenses *	(10,365,256)	(4,271,220)	(14,636,476)	(14,636,476)
Depreciation of property, plant and equipment, investment property, and amortisation of intangible assets	21,478,306	4,786,721	26,265,027	26,265,027
Revenue from equity accounted investees	1,758,667	6,628,000	8,386,667	8,386,667
Total assets	*1,087,607,017*	*252,402,090*	*1,340,009,107*	*1,340,009,107*
Equity accounted investments	40,450,126	111,635,195	152,085,322	152,085,322
Property, plant and equipment, intangible assets and investment property	501,288,362	111,599,471	612,887,833	612,887,833
Other assets	545,868,529	29,167,423	575,035,952	575,035,952

* Interest income and expenses are estimated based on a segment's share of investments and assets in total investments and assets.

2. Other revenue

(In EUR)	The Petrol Group 1-9 2011	The Petrol Group 1-9 2010	Petrol d.d. 1-9 2011	Petrol d.d. 1-9 2010
Utilisation of environmental provisions	1,214,196	1,215,648	1,214,196	1,215,648
Payment of court fees	1,074,204	73,533	1,074,204	55,688
Reversal of accrued costs, expenses	554,210	3,771,009	493,904	3,487,014
Gain on disposal of fixed assets	299,356	778,220	225,115	331,854
Cash discounts, rebates received	198,964	448,980	100,419	75,077
Compensation from insurance companies	122,614	148,716	84,178	38,830
Other revenue	1,281,905	1,012,851	187,799	105,375
Total other revenue	**4,745,449**	**7,448,957**	**3,379,815**	**5,309,486**

3. Cost of sales and general and administrative costs

(in EUR)	The Petrol Group Cost of sales	The Petrol Group General and administrative costs	The Petrol Group Total	Petrol d.d. Cost of sales	Petrol d.d. General and administrative costs	Petrol d.d. Total
1-9 2010						
Costs of material	17,382,780	1,147,655	18,530,435	6,623,125	584,400	7,207,525
Costs of services	68,970,333	13,042,700	82,013,033	72,230,419	9,957,071	82,187,490
Labour costs	26,531,195	12,508,571	39,039,766	10,660,021	8,343,896	19,003,917
Depreciation and amortisation	22,979,424	2,544,444	25,523,868	15,084,323	1,412,697	16,497,020
Other costs	527,631	1,507,727	2,035,358	120,828	1,137,686	1,258,514
Other operating expenses	408,324	244,579	652,903	56,113	49	56,162
Total	**136,799,687**	**30,995,676**	**167,795,363**	**104,774,829**	**21,435,799**	**126,210,628**

(in EUR)	The Petrol Group Cost of sales	The Petrol Group General and administrative costs	The Petrol Group Total	Petrol d.d. Cost of sales	Petrol d.d. General and administrative costs	Petrol d.d. Total
1-9 2011						
Costs of material	17,123,644	1,169,044	18,292,688	7,687,763	644,023	8,331,786
Costs of services	70,129,722	12,749,131	82,878,853	74,147,106	10,004,382	84,151,488
Labour costs	27,168,663	11,204,094	38,372,757	10,910,482	7,037,986	17,948,468
Depreciation and amortisation	23,948,456	2,316,571	26,265,027	16,126,534	1,254,271	17,380,805
Other costs	803,577	1,337,167	2,140,744	279,200	1,029,329	1,308,529
Other operating expenses	132,795	184,945	317,740	11,127	549	11,676
Total	**139,306,857**	**28,960,952**	**168,267,809**	**109,162,212**	**19,970,540**	**129,132,752**

4. Costs of material

(in EUR)	The Petrol Group 1-9 2011	The Petrol Group 1-9 2010	Petrol d.d. 1-9 2011	Petrol d.d. 1-9 2010
Costs of energy	12,486,119	13,804,219	3,995,889	3,554,755
Costs of consumables	5,018,321	3,811,281	3,918,197	3,074,726
Write-off of small tools	152,250	147,313	27,929	44,812
Other costs of materials	635,998	767,622	389,772	533,231
Total costs of materials	**18,292,688**	**18,530,435**	**8,331,786**	**7,207,525**

5. Costs of services

(in EUR)	The Petrol Group 1-9 2011	The Petrol Group 1-9 2010	Petrol d.d. 1-9 2011	Petrol d.d. 1-9 2010
Costs of service station managers	22,831,872	23,066,205	21,797,183	21,827,351
Costs of transport services	20,303,062	19,625,904	19,197,880	18,755,832
Lease/Rents payment	7,176,731	7,280,723	6,659,814	6,705,112
Costs of fixed asset maintenance services	6,539,229	7,115,343	6,454,699	7,077,570
Costs of payment transactions and bank services	4,756,856	4,559,713	3,759,465	3,731,381
Costs of fairs, advertising and entertainment	3,916,851	3,556,417	3,235,804	2,883,349
Contributions for operating along motorways	3,790,480	3,658,406	2,984,282	2,747,420
Costs of professional services	3,327,815	3,588,590	2,312,920	2,263,151
Costs of insurance premiums	2,633,074	2,251,026	1,919,207	1,563,406
Costs of fire protection and physical and tehnical security	1,251,115	1,239,945	1,204,943	1,266,971
Fees for the building site use	1,010,578	905,647	917,839	820,634
Costs of environmental services	844,316	502,846	679,694	834,122
Reimbursement of work-related costs to employees	682,462	630,808	247,533	234,469
Concession charges	517,656	438,457	250,425	173,421
Outsourcing costs	316,226	325,343	1,214	2,606
Property management	281,429	167,941	10,586,205	9,849,931
Membership fees	208,461	157,092	134,351	96,340
Other costs of services	2,490,640	2,942,627	1,808,030	1,354,424
Total costs of services	**82,878,853**	**82,013,033**	**84,151,488**	**82,187,490**

6. Labour costs

(in EUR)	The Petrol Group 1-9 2011	The Petrol Group 1-9 2010	Petrol d.d. 1-9 2011	Petrol d.d. 1-9 2010
Salaries	28,488,658	28,749,893	13,463,200	14,052,211
Costs of pension insurance	2,158,376	2,194,765	1,271,298	1,291,745
Costs of other insurance	2,637,738	2,580,219	1,050,358	1,080,952
Transport allowance	1,372,445	1,365,233	442,546	435,764
Meal allowance	970,625	916,126	385,081	367,565
Annual leave allowance	992,367	952,581	436,079	451,718
Supplementary pension insurance	599,007	616,311	375,815	369,314
Other allowances and reimbursements	1,153,541	1,664,638	524,091	954,648
Total labour costs	**38,372,757**	**39,039,766**	**17,948,468**	**19,003,917**

7. Depreciation and amortisation

(in EUR)	The Petrol Group 1-9 2011	The Petrol Group 1-9 2010	Petrol d.d. 1-9 2011	Petrol d.d. 1-9 2010
Amortisation of intangible assets	718,568	668,485	541,723	482,862
Depreciation of property, plant and equipment	24,938,287	24,229,250	16,209,514	15,364,473
Depreciation of investment propert	608,172	626,133	629,568	649,685
Total depreciation and amortisation	**26,265,027**	**25,523,868**	**17,380,805**	**16,497,020**

8. Other costs

(in EUR)	The Petrol Group 1-9 2011	The Petrol Group 1-9 2010	Petrol d.d. 1-9 2011	Petrol d.d. 1-9 2010
Sponsorships and donations	902,829	998,504	837,914	905,820
Environmental charges and charges unrelated to operations	680,990	375,281	145,729	163,570
Loss on sale/elimination of property, plant and equipment	101,173	193,433	87,474	119,916
Other costs	455,752	468,140	237,412	69,208
Total other costs	**2,140,744**	**2,035,358**	**1,308,529**	**1,258,514**

For clearer presentation the Group Petrol and the company Petrol d.d., Ljubljana reclassified operating receivables' allowance, reversal and write-offs of to other financial income and expenses. To ensure consistency with the current year, the Group reclassified in the comparative year 2010 the allowance of receivables of EUR 3,569,224 to finance expenses (note 9) and EUR 576,978 reversal of receivables to finance income. Company Petrol d.d., Ljubljana reclassified EUR 1,316,143 to finance expenses and EUR 66,997 to finance income.

9. Other financial income and expenses

(in EUR)	The Petrol Group 1-9 2011	The Petrol Group 1-9 2010	Petrol d.d. 1-9 2011	Petrol d.d. 1-9 2010
Foreign exchange differences	28,508,602	23,348,763	26,230,612	22,144,480
Gain on derivatives	16,102,866	23,618,341	16,102,866	23,553,225
Interest income	6,043,891	4,830,209	4,699,991	4,383,170
Reversal and written off of receivables	953,817	576,978	74,518	66,997
Other finance income	193,854	265,608	194,131	265,533
Total other finance income	**51,803,030**	**52,639,899**	**47,302,118**	**50,413,406**
Loss on derivatives	(26,277,782)	(24,805,936)	(26,277,782)	(24,538,464)
Foreign exchange differences	(33,832,666)	(30,690,556)	(30,431,783)	(27,963,098)
Interest expense	(14,636,476)	(13,522,906)	(11,975,273)	(11,781,846)
Allowance of receivables	(8,396,835)	(3,569,224)	(3,933,775)	(1,316,143)
Other finance expenses	(847,751)	(684,736)	(768,161)	(643,291)
Total other finance expenses	**(83,991,510)**	**(73,273,358)**	**(73,386,774)**	**(66,242,842)**
Net total	(32,188,480)	(20,633,459)	(26,084,656)	(15,829,436)

10. Earnings per share

	The Petrol Group		Petrol d.d.	
	30 September 2011	30 September 2010	30 September 2011	30 September 2010
Net profit (in EUR)	35,900,833	34,736,186	32,211,188	36,792,266
Number of shares issued	2,086,301	2,086,301	2,086,301	2,086,301
Number of own shares at beginning of the year	24,703	24,703	24,703	24,703
Number of own shares at end of tehe year	24,703	24,703	24,703	24,703
Weighted average number of ordinary shares issued	2,061,598	2,061,598	2,061,598	2,061,598
Diluted average number of ordinary shares	2,061,598	2,061,598	2,061,598	2,061,598
Basic and diluted earnings per share (in EUR/share)	17.41	16.85	15.62	17.85

Basic earnings per share are calculated by dividing the owners' net profit by the weighted average number of ordinary shares, excluding ordinary shares owned by the Company. The Group and the Company have no potential dilutive ordinary shares, so the basic and diluted earnings per share are identical.

11. Intangible assets

Intangible assets of the Petrol Group

(in EUR)	Software	Concessions	Goodwill	Ongoing investments	Total
Cost					
As at 1 January 2010	**4,879,363**	**9,085,094**	**14,111,306**	**87,175**	**28,162,938**
Additions	0	6,048	0	0	6,048
New acquisitions	0	0	496,890	469,035	965,925
Disposals/impairments	0	(7,195)	0	0	(7,195)
Transfer from ongoing investments	338,178	109,787	0	(447,965)	0
Translation differences	147	2,778	0	83	3,008
As at 30 September 2010	5,217,688	9,196,512	14,608,196	108,328	29,130,724
Accumulated amortisation					
As at 1 January 2010	**(3,543,320)**	**(2,157,326)**	**0**	**0**	**(5,700,646)**
Amortisation	(394,517)	(273,968)	0	0	(668,485)
Disposals	0	(4,186)	0	0	(4,186)
Translation differences	85	(406)	0	0	(321)
As at 30 September 2010	(3,937,752)	(2,435,886)	0	0	(6,373,638)
Net carrying amount as at 1 January 2010	**1,336,043**	**6,927,768**	**14,111,306**	**87,175**	**22,462,292**
Net carrying amount as at 30 September 2010	**1,279,937**	**6,760,626**	**14,608,196**	**108,328**	**22,757,086**

(in EUR)	Software	Concessions	Goodwill	Ongoing investments	Total
Cost					
As at 1 January 2011	**5,561,566**	**9,150,501**	**15,175,764**	**123,170**	**30,011,001**
New acquisitions	12,061	132,500	0	1,067,359	1,211,920
Disposals	(278)	(192,656)	0	(39,181)	(232,115)
Transfer from ongoing investments	672,396	0	0	(672,396)	0
Translation differences	(2,814)	(30,115)	0	(850)	(33,779)
As at 30 September 2011	6,242,931	9,060,230	15,175,764	478,102	30,957,027
Accumulated amortisation					
As at 1 January 2011	**(4,096,899)**	**(2,519,776)**	**0**	**0**	**(6,616,676)**
Amortisation	(444,711)	(274,089)	0	0	(718,800)
Disposals	33	29,613	0	0	29,646
Translation differences	2,032	10,039	0	0	12,071
As at 30 September 2011	(4,539,545)	(2,754,213)	0	0	(7,293,758)
Net carrying amount as at 1 January 2011	**1,464,666**	**6,630,725**	**15,175,764**	**123,170**	**23,394,325**
Net carrying amount as at 30 September 2011	**1,703,386**	**6,306,017**	**15,175,764**	**478,102**	**23,663,269**

Intangible assets of Petrol d.d., Ljubljana

(in EUR)	Software	Concessions	Ongoing investments	Total
Cost				
As at 1 January 2010	**4,444,557**	**4,210,146**	**20,485**	**8,675,188**
New acquisitions			349,714	349,714
Transfer from ongoing investments	328,583	0	(328,583)	0
	0	318,268	0	318,268
As at 30 September 2010	4,773,140	4,528,414	41,616	9,343,170
Accumulated amortisation				
As at 1 January 2010	**(3,274,895)**	**(1,041,068)**	**0**	**(4,315,963)**
Amortisation	(348,920)	(130,722)	0	(479,642)
	0	(76,420)	0	(76,420)
As at 30 September 2010	(3,623,815)	(1,248,210)	0	(4,872,026)
Net carrying amount as at 1 January 2010	**1,169,662**	**3,169,078**	**20,485**	**4,359,225**
Net carrying amount as at 30 September 2010	**1,149,325**	**3,280,204**	**41,616**	**4,471,144**

(in EUR)	Software	Concessions	Ongoing investments	Total
Cost				
As at 1 January 2011	**5,120,637**	**4,528,414**	**18,000**	**9,667,051**
New acquisitions	0	0	1,070,020	1,070,020
	(278)	(29,796)	0	(30,074)
Transfer from ongoing investments	669,993	0	(669,993)	0
	1,022	120,168	0	121,190
As at 30 September 2011	5,791,374	4,618,786	418,027	10,828,188
Accumulated amortisation				
As at 1 January 2011	**(3,776,141)**	**(1,294,875)**	**0**	**(5,071,016)**
Amortisation	(400,932)	(140,791)	0	(541,723)
	278	29,796	0	30,074
	(248)	(115,855)	0	(116,103)
As at 30 September 2011	(4,177,043)	(1,521,725)	0	(5,698,768)
Net carrying amount as at 1 January 2011	**1,344,496**	**3,233,539**	**18,000**	**4,596,036**
Net carrying amount as at 30 September 2011	**1,614,331**	**3,097,061**	**418,027**	**5,129,420**

12. Property, plant and equipment

Property, plant and equipment of Petrol group

(in EUR)	Land	Buildings	Plant	Equipment	Ongoing investments	Total
Cost						
As at 1 January 2010	**173,944,220**	**529,465,149**	**21,954,260**	**146,711,649**	**27,764,401**	**899,839,679**
	1,227,234	1,359,243	0	688,503	1,435,083	4,710,063
New acquisitions	0	0	0	435	27,889,661	27,890,096
Disposals/impairments	(1,669,626)	(935,522)	(75,853)	(4,464,552)	38,460	(7,107,093)
Transfer from ongoing investments	3,070,916	9,073,310	741808	5386370	(18,272,404)	0
Transfer to investment property	0	(18,898)	0	0	0	(18,898)
Transfer from investment property	334,379	226,906	0	0	0	561,285
Foreign exchange differences	(94,018)	(880,877)	0	(39,467)	(1,004,126)	(2,018,488)
As at 30 September 2010	176,813,105	538,289,311	22,620,215	148,282,938	37,851,075	923,856,644
Accumulated depreciation						
As at 1 January 2010	**0**	**(225,138,332)**	**(11,737,656)**	**(108,208,444)**	**0**	**(345,084,432)**
Depreciation	0	(1,669,626)	(1,669,626)	(1,669,626)	0	(1,669,626)
Depreciation - impairment	0	56,316	0	1,754	0	58,070
Disposals	0	569,101	75,853	4,060,122	0	4,705,076
Transfer to investment property	0	369	0	0	0	369
Transfer from investment property	0	(1,669,626)	0	0	0	(1,669,626)
Foreign exchange differences	0	393,394	0	27,089	0	420,483
As at 30 September 2010	0	(227,458,404)	(13,331,429)	(105,789,105)	0	(343,239,686)
Net carrying amount as at 1 January 2010	**173,944,220**	**304,326,817**	**10,216,604**	**38,503,205**	**27,764,401**	**554,755,247**
Net carrying amount as at 30 September 2010	**176,813,105**	**310,830,907**	**9,288,786**	**42,493,831**	**37,851,076**	**580,616,958**

(in EUR)	Land	Buildings	Plant	Equipment	Ongoing investments	Total
Cost						
As at 1 January 2011	**182,678,251**	**545,783,941**	**24,644,975**	**147,557,166**	**39,761,397**	**940,425,730**
New acquisitions	1,049,663	3,451,612	0	956,222	24,058,173	29,515,670
Disposals/impairments	(736,955)	(2,944)	(27,763)	(2,446,272)	(482,465)	(3,696,399)
Transfer from ongoing investments	3,034,987	12,068,268	413,694	8,233,563	(23,750,512)	0
Transfer to investment property	0	(17,373)	0	0	0	(17,373)
Transfer from investment property	0	4,757	0	0	0	4,757
Foreign exchange differences	(734,204)	(524,868)	0	(329,067)	561,109	(1,027,030)
As at 30 September 2011	185,291,742	560,763,393	25,030,906	153,971,612	40,147,702	965,205,355
Accumulated depreciation						
As at 1 January 2011	**0**	**(244,588,795)**	**(12,241,499)**	**(110,233,801)**	**0**	**(367,064,095)**
Depreciatio	0	(15,901,135)	(1,238,468)	(7,935,007)	0	(25,074,610)
Disposals	0	125,845	26,802	2,115,052	0	2,267,699
Transfer from investment property	0	(4,757)	0	0	0	(4,757)
Foreign exchange differences	0	(16,010)	0	208,423	0	192,413
As at 30 September 2011	0	(260,384,852)	(13,453,165)	(115,845,333)	0	(389,683,350)
Net carrying amount as at 1 January 2011	**182,678,251**	**301,195,146**	**12,403,476**	**37,323,365**	**39,761,397**	**573,361,635**
Net carrying amount as at 30 September 2011	**185,291,742**	**300,378,541**	**11,577,741**	**38,126,279**	**40,147,702**	**575,522,005**

Property, plant and equipment of Petrol d.d., Ljubljana

(in EUR)	Land	Buildings	Equipment	Ongoing investments	Total
Cost					
As at 1 January 2010	**90,503,833**	**359,919,862**	**114,593,847**	**9,355,695**	**574,373,237**
	438,047	30,712,878	3,406,425	5,605,907	40,163,257
New acquisitions	0	0	0	11,593,409	11,593,409
Disposals/impairments	(538,799)	(867,407)	(4,090,522)	(52)	(5,496,780)
Transfer from ongoing investments	732,906	3,501,835	3,486,596	(7,721,337)	0
Transfer to investment property	0	(18,898)	0	0	(18,898)
Transfer form investment property	334,379	226,906	0	0	561,285
As at 30 September 2010	91,470,366	393,475,176	117,396,346	18,833,622	621,175,510
Accumulated depreciation					
As at 1 January 2010	**0**	**(193,510,462)**	**(94,083,893)**	**0**	**(287,594,355)**
	0	(5,961,972)	(936,692)	0	(6,898,664)
Depreciation	0	(10,724,200)	(4,311,455)	0	(15,035,655)
Disposals	0	534,622	3,943,786	0	4,478,408
Transfer to investment property	0	369	0	0	369
Transfer from investment property	0	(62,925)	0	0	(62,925)
As at 30 September 2010	0	(209,724,568)	(95,388,254)	0	(305,112,822)
Net carrying amount as at 1 January 2010	**90,503,833**	**166,409,400**	**20,509,954**	**9,355,695**	**286,778,881**
Net carrying amount as at 30 September 2010	**91,470,366**	**183,750,608**	**22,008,092**	**18,833,622**	**316,062,686**

(in EUR)	Land	Buildings	Equipment	Ongoing investments	Total
Cost					
As at 1 January 2011	**95,446,668**	**401,063,692**	**116,564,137**	**22,605,201**	**635,679,698**
	316,431	1,557,777	714,146	0	2,588,354
New acquisitions	0	0	0	12,347,469	12,347,469
Disposals/impairments	(331,378)	12,139	(1,958,247)	(482,483)	(2,759,969)
Transfer from ongoing investments	2,586,573	4,931,778	6,329,356	(13,847,707)	0
Transfer to investment property	0	(17,373)	0	0	(17,373)
Transfer form investment property	0	4,757	0	0	4,757
As at 30 September 2011	98,018,294	407,552,770	121,649,392	20,622,480	647,842,936
Accumulated depreciation					
As at 1 January 2011	**0**	**(213,288,015)**	**(93,446,727)**	**0**	**(306,734,742)**
	0	(340,071)	(582,179)	0	(922,250)
Depreciation	0	(11,528,103)	(4,785,612)	0	(16,313,715)
Disposals	0	146,711	1,749,000	0	1,895,711
Transfer from investment property	0	(4,757)	0	0	(4,757)
As at 30 September 2011	0	(225,014,235)	(97,065,518)	0	(322,079,753)
Net carrying amount as at 1 January 2011	**95,446,668**	**187,775,677**	**23,117,410**	**22,605,201**	**328,944,955**
Net carrying amount as at 30 September 2011	**98,018,294**	**182,538,535**	**24,583,874**	**20,622,480**	**325,763,181**

13. Investment in subsidiaries

Investments in subsidiaries are eliminated from the Group's financial statements during consolidation.

(In EUR)	30 September 2011	30 September 2010
Balance at 1 January	200,531,434	213,663,092
New acquisitions	13,346,143	4,384,460
Disposals	(2,200,305)	(18,174,723)
Balance as at 30 September	**211,677,272**	**199,872,829**

14. Investments in jointly controlled entities

(in EUR)	The Petrol Group 30 September 2011	The Petrol Group 30 September 2010	Petrol d.d. 30 September 2011	Petrol d.d. 30 September 2010
As at 1 January	**16,386,748**	**15,318,725**	**61,270,000**	**61,137,000**
Attributed profit	2,274,076	1,980,602	0	0
Dividends received	0	(3,849,709)	0	0
New investments	10,554,545	3,673,776	10,554,545	3,673,776
Disposals	(363,300)	0	(499,000)	0
As at 30 September	**28,852,069**	**17,123,394**	**71,325,545**	**64,810,776**

15. Investments in associates

(in EUR)	The Petrol Group 30 September 2011	The Petrol Group 30 September 2010	Petrol d.d. 30 September 2011	Petrol d.d. 30 September 2010
As at 1 January	119,535,318	121,282,983	154,860,000	155,070,965
Attributed profit/loss	6,519,606	7,446,517	0	0
Dividends received	(2,821,667)	(3,919,500)	0	0
Transfer to subsidiaries	0	(446,000)	0	(446,000)
Net decrease through equity	0	(223,206)	0	0
As at 30 September	**123,233,253**	**124,140,794**	**154,860,000**	**154,624,965**

16. Available for sale financial assets

(in EUR)	The Petrol Group 30 September 2011	The Petrol Group 30 September 2010	Petrol d.d. 30 September 2011	Petrol d.d. 30 September 2010
As at 1 January	11,338,780	14,866,548	11,259,737	14,787,505
New acquisitions	205,098	0	205,098	0
Exchange differences	0	0	0	0
Disposals	(6,576)	(1,481,633)	(6,576)	(1,481,633)
As at 30 September	**11,537,302**	**13,384,915**	**11,458,259**	**13,305,872**

17. Non current financial receivables

(in EUR)	The Petrol Group 30 September 2011	The Petrol Group 31 December 2010	Petrol d.d. 30 September 2011	Petrol d.d. 31 December 2010
Finance lease receivables	7,965,176	7,965,176	3,940	3,940
Loans and other financial receivables	4,242,647	2,979,429	9,975,832	10,439,775
Total non-current financial receivables	**12,207,823**	**10,944,605**	**9,979,772**	**10,443,715**

18. Non current operating receivables

(in EUR)	The Petrol Group 30 September 2011	The Petrol Group 31 December 2010	Petrol d.d. 30 September 2011	Petrol d.d. 31 December 2010
Receivables from companies	1,426,404	1,426,404	1,426,404	1,426,404
Allowance for receivables from companies	(1,426,404)	(1,426,404)	(1,426,404)	(1,426,404)
Receivables from municipalities	852,691	882,547	852,691	882,547
Other receivables	97,532	83,925	97,532	83,925
Total non-current operating receivables	**950,223**	**966,472**	**950,223**	**966,472**

19. Inventories

(in EUR)	The Petrol Group 30 September 2011	The Petrol Group 31 December 2010	Petrol d.d. 30 September 2011	Petrol d.d. 31 December 2010
Spare parts and materials inventories	1,267,607	1,530,176	0	0
Merchandise:	135,721,230	106,819,024	121,279,887	90,121,416
- fuel	*108,104,819*	*83,171,888*	*96,914,881*	*70,274,634*
- other petroleum products	*5,214,539*	*4,524,343*	*5,136,930*	*4,328,249*
- other mercandise	*22,401,872*	*19,122,793*	*19,228,076*	*15,518,533*
Virtual cards inventories	326,975	72,027	326,975	72,027
Total inventories	**137,315,812**	**108,421,227**	**121,606,861**	**90,193,443**

20. Short-term financial receivables

(in EUR)	The Petrol Group 30 September 2011	The Petrol Group 31 December 2010	Petrol d.d. 30 September 2011	Petrol d.d. 31 December 2010
Loans granted	16,642,471	13,154,362	12,262,490	8,043,142
Adjustment to the value of loans granted	(640,884)	(640,853)	(640,884)	(640,853)
Time deposits with banks (3 months to 1 year)	728,760	545,934	0	0
Interest receivables	172,558	180,073	206,604	209,483
Allowance for interest receivables	(6,885)	(6,885)	(6,885)	(6,885)
Finance lease receivables	367,120	441,786	5,838	22,845
Total short-term financial receivables	**17,263,140**	**13,674,416**	**11,827,163**	**7,627,732**

21. Short-term operating receivables

(in EUR)	The Petrol Group 30 September 2011	The Petrol Group 31 December 2010	Petrol d.d. 30 September 2011	Petrol d.d. 31 December 2010
Trade receivables	331,784,787	323,798,611	282,328,999	294,487,393
Allowance of trade receivables	(33,265,113)	(26,360,688)	(20,749,686)	(17,211,342)
Operating receivables from state and other institutions	11,515,951	12,198,013	2,554,606	6,190,466
Operating interest receivables	3,004,806	2,573,260	2,120,656	3,200,358
Allowance for interest receivables	(1,213,551)	(1,066,994)	(1,145,802)	(1,002,968)
Receivables from insurance companies (loss events)	260,773	289,026	259,577	260,073
Other operating receivables	9,081,426	749,822	7,450,426	27,260
Allowance for other receivables	0	(58,822)	0	0
Total short-term operating receivables	**321,169,079**	**312,122,226**	**272,818,776**	**285,951,240**

22. Financial assets at fair value through profit or loss

(in EUR)	The Petrol Group 30 September 2011	The Petrol Group 31 December 2010	Petrol d.d. 30 September 2011	Petrol d.d. 31 December 2010
Financial assets under management	1,073,385	1,342,358	1,073,385	1,342,358
Assets arising from interest rate swaps	420,435	508,101	420,435	508,101
Assets arising from commodity swaps	300,789	293,969	300,789	293,969
Assets arising from forward contracts	6,436,568	1,704,503	6,436,568	1,704,503
Total financial assets at fair value through profit or loss	**8,231,177**	**3,848,931**	**8,231,177**	**3,848,931**

23. Advances and other assets

(in EUR)	The Petrol Group 30 September 2011	The Petrol Group 31 December 2010	Petrol d.d. 30 September 2011	Petrol d.d. 31 December 2010
Advances	4,351,704	1,637,081	2,968,756	386,407
Deferred expenses of annual leave and other allowance	492,054	0	368,193	0
Uninvoiced services and goods	1,335,461	668,463	2,833,864	958,463
Prepaid subscriptions, specialised literature, etc.	536,276	427,831	530,227	420,620
Prepaid insurance premiums	1,141,916	674,712	723,437	487,511
Other short-term deferred costs and expenses	401,165	239,621	59,398	40,942
Uninvoiced natural gas and LPG	1,304	359,147	288,327	367,066
Total advances and other assets	**8,259,880**	**4,167,703**	**7,772,202**	**2,661,009**

24. Financial liabilities

(in EUR)	The Petrol Group 30 September 2011	The Petrol Group 31 December 2010	Petrol d.d. 30 September 2011	Petrol d.d. 31 December 2010
Short-term financial liabilities				
Bank loans	202,077,013	160,593,173	118,029,478	112,580,839
Liabilities to banks arising from interest rate swaps	5,233,122	7,440,127	5,233,122	7,440,127
Liabilities to banks arising from forward transactions	0	491,910	0	491,910
Liabilities to banks arising from commodity swaps	0	764,648	0	764,648
Finance lease liabilities	573,323	2,183,469	0	0
Other loans and financial liabilities	2,674,003	1,770,954	11,122,026	10,384,371
	210,557,461	**173,244,281**	**134,384,626**	**131,661,896**
Non-current financial liabilities				
Bank loans	223,783,832	263,880,880	190,457,125	243,005,929
Bonds issued	50,056,297	50,071,650	50,056,297	50,071,650
Finance lease liabilities	5,082,632	4,868,649	0	0
	278,922,761	**318,821,179**	**240,513,422**	**293,077,579**
Total financial liabilities	**489,480,222**	**492,065,460**	**374,898,048**	**424,739,475**

25. Short-term operating liabilities

(In EUR)	The Petrol Group 30 September 2011	The Petrol Group 31 December 2010	Petrol d.d. 30 September 2011	Petrol d.d. 31 December 2010
Trade liabilities	270,712,626	237,994,077	312,672,541	254,775,459
Excise duty liabilities	54,934,500	54,705,104	51,505,764	51,582,432
Value added tax liabilities	21,893,043	14,265,803	17,590,629	12,781,396
Import duty liabilities	17,520,966	8,630,269	10,163,321	2,214,167
Liabilities to employees	5,619,759	5,439,128	3,093,669	2,968,938
Environment pollution charge liabilities	4,088,138	3,234,479	3,890,953	3,198,415
Other liabilities to the state and other state institutions	1,754,044	338,561	1,578,719	100,826
Liabilities arising from advances and collaterals	1,009,055	577,957	925,547	497,229
Social security contribution liabilities	549,773	583,765	259,710	306,023
Liabilities associated with the distribution of profit or loss	435,789	390,357	435,789	390,357
Other liabilities	4,093,477	2,278,442	4,449,333	2,244,828
Total short-term operating and other liabilities	**382,611,170**	**328,437,942**	**406,565,975**	**331,060,070**

26. Other liabilities

(in EUR)	The Petrol Group 30 September 2011	The Petrol Group 31 December 2010	Petrol d.d. 30 September 2011	Petrol d.d. 31 December 2010
Accrued costs on sales - Magna Card	2,903,818	0	2,980,713	0
Accrued environment expenses	1,267,776	1,267,776	1,267,776	1,267,776
Accrued leave expenses	1,159,938	1,220,517	726,650	726,650
Accrued expenses for tanker demurrage	358,237	358,237	358,237	358,237
Accrued litigation expenses	294,259	866,251	189,376	726,847
Accrued motorway site lease payments	197,651	156,407	197,651	131,284
Accrued concession fee expenses	127,228	152,546	49,091	152,546
Accrued expenses for uninvoiced goods	96,909	1,308,861	158,904	1,278,153
Accrued goods shortages	0	544,713	0	544,713
Other accrued costs	3,488,346	1,341,866	2,951,447	830,628
Deferred default interest income	397,901	397,901	397,901	397,901
Deferred Magna prepayment card revenue	317,006	526,980	317,006	526,980
Deferred revenue from assigned contributions	244,878	114,113	116,608	114,113
Deferred revenue from gas connections	71,381	315,338	65,816	296,635
Deferred revenues from heating	0	234,782	0	0
Other deferred revenues	1,770,353	247,306	1,734,479	219,260
Total other liabilities	**12,695,681**	**9,053,594**	**11,511,655**	**7,571,723**

27. Financial instruments and risks

This chapter presents disclosures about financial instruments and risks. Risk management is explained in chapter Business risks.

27.1 Credit risk

The Group is exposed to various types of financial risks, which are regularly monitored by relevant departments and responded to in time by taking appropriate measures and using various hedging instruments.

Having maximum exposure to credit risk is the carrying amount of financial assets which was the following as at 30 September 2011:

(in EUR)	The Petrol Group 30 September 2011	The Petrol Group 31 December 2010	Petrol d.d. 30 September 2011	Petrol d.d. 31 December 2010
Available-for-sale financial assets	11,537,302	11,338,780	11,458,259	11,259,737
Non-current financial receivables	12,207,823	10,944,605	9,979,772	10,443,715
Non-current operating receivable	21,881,200	966,472	21,881,200	966,472
Short-term financial receivables	17,263,140	13,674,416	11,827,163	7,627,732
Short-term operating receivable	330,766,973	312,122,226	282,416,670	285,951,240
Cash and cash equivalents	13,971,397	17,543,771	10,802,117	14,773,479
Financial assets at fair value through profit or los	8,231,177	3,848,931	8,231,177	3,848,931
Total assets	**415,859,012**	**370,439,201**	**356,596,358**	**334,871,306**

The item that was most exposed to credit risk on the reporting date were short-term operating receivables.

The Group's short-term operating receivables by maturity:

(in EUR)	not yet due	up to 30 days overdue	31 to 60 days overdue	61 to 90 days overdue	more than 90 days overdue	Total
	breakdown by maturity					
Trade receivables	229,810,917	39,382,222	11,841,426	4,091,331	38,672,716	**323,798,611**
Allowances for trade receviables	0	(1,511)	(3,386)	(2,665,661)	(23,690,130)	**(26,360,688)**
Operating receivables from state and other institutions	11,488,643	709,370	0	0	0	**12,198,013**
Interest receivables	294,487	389,225	142,621	60,782	1,686,145	**2,573,260**
Allowances for interest receivables	0	0	(237)	(46,795)	(1,019,962)	**(1,066,994)**
Other receivables	749,206	7,922	6,478	6,428	209,995	**980,029**
As at 31 December 2010	242,343,253	40,487,227	11,986,902	1,446,085	15,858,762	**312,122,226**

(in EUR)	not yet due	up to 30 days overdue	31 to 60 days overdue	61 to 90 days overdue	more than 90 days overdue	Total
	breakdown by maturity					
Trade receivables	227,216,929	28,433,689	11,140,461	6,436,879	58,556,829	**331,784,787**
Allowances for trade receviables	0	(279)	(5,454)	(2,113,418)	(31,145,962)	**(33,265,113)**
Operating receivables from state and other institutions	11,515,951	0	0	0	0	**11,515,951**
Interest receivables	322,868	109,614	110,298	231,071	2,230,955	**3,004,806**
Allowances for interest receivables	0	0	0	(44,921)	(1,168,630)	**(1,213,551)**
Other receivables	8,435,362	3,966	4,816	21,241	876,814	**9,342,199**
As at 30 September 2011	247,491,110	28,546,990	11,250,121	4,530,852	29,350,006	**321,169,079**

The Company's short-term operating receivables by maturity:

(in EUR)	not yet due	up to 30 days overdue	31 to 60 days overdue	61 to 90 days overdue	more than 90 days overdue	Total
	breakdown by maturity					
Trade receivables	213,999,829	42,724,375	11,005,363	4,028,657	22,729,169	**294,487,393**
Allowances for trade receviables	0	0	0	(1,425,047)	(15,786,295)	**(17,211,342)**
Interest receivables	376,379	77,712	514,063	29,627	1,804,676	**2,802,457**
Allowances for interest receivables	0	0	0	(29,627)	(973,341)	**(1,002,968)**
Other receivables	6,875,700	0	0	0	0	**6,875,700**
As at 31 December 2010	**221,251,908**	**42,802,087**	**11,519,426**	**2,603,610**	**7,774,209**	**285,951,240**

(in EUR)	not yet due	up to 30 days overdue	31 to 60 days overdue	61 to 90 days overdue	more than 90 days overdue	Total
	breakdown by maturity					
Trade receivables	204,165,157	25,013,852	14,345,077	5,307,035	33,497,878	**282,328,999**
Allowances for trade receviables	0	0	0	(2,092,897)	(18,656,789)	**(20,749,686)**
Interest receivables	3,743	67,331	41,984	103,962	1,903,636	**2,120,656**
Allowances for interest receivables	0	0	0	(33,786)	(1,112,016)	**(1,145,802)**
Other receivables	10,264,609	0	0	0	0	**10,264,609**
As at 30 September 2011	214,433,509	25,081,183	14,387,061	3,284,314	15,632,709	**272,818,776**

Changes in allowances for operating receivables of the Group:

(in EUR)	Allowance for short-term operating receivables	Allowance for short-term interest receivables	Total
As at 1 January 2010	(29,699,103)	(1,070,330)	**(30,769,433)**
Net changes in allowances affecting profit or loss	3,337,480	(12,494)	**3,324,986**
Changes in allowances not affecting profit or loss	2,047	13,547	**15,594**
New acquisitions as a result of business combination	(126,745)	0	**(126,745)**
Foreign exchange diffrences	66,809	2,284	**69,093**
As at 31 December 2010	**(26,419,513)**	**(1,066,993)**	**(27,486,506)**

(in EUR)	Allowance for short-term operating receivables	Allowance for short-term interest receivables	Total
As at 1 January 2011	(26,419,513)	(1,066,993)	**(27,486,506)**
Net changes in allowances affecting profit or loss	(7,383,186)	(61,733)	**(7,444,919)**
Changes in allowances not affecting profit or loss	416,090	(84,182)	**331,908**
Foreign exchange diffrences	121,496	(643)	**120,853**
As at 30 September 2011	**(33,265,113)**	**(1,213,551)**	**(34,478,664)**

Changes in allowances for operating receivables of the Company:

(in EUR)	Allowance for short-term operating receivables	Allowance for short-term interest receivables	Total
As at 1 January 2010	(13,363,314)	(964,098)	**(14,327,412)**
New acquisitions as a result of merger	(582,140)	(17,598)	**(599,738)**
Net changes in allowances affecting profit or loss	(3,265,888)	(39,081)	**(3,304,969)**
Changes in allowances not affecting profit or loss	0	17,809	**17,809**
As at 31 December 2010	**(17,211,342)**	**(1,002,968)**	**(18,214,310)**

(in EUR)	Allowance for short-term operating receivables	Allowance for short-term interest receivables	Total
As at 1 January 2011	(17,211,341)	(1,002,969)	**(18,214,310)**
Net changes in allowances affecting profit or loss	(3,759,818)	(59,606)	**(3,819,424)**
	221,472	0	**221,472**
Changes in allowances not affecting profit or loss	0	(83,227)	**(83,227)**
As at 30 September 2011	**(20,749,687)**	**(1,145,802)**	**(21,895,489)**

The Group/Company measures the degree of receivables management using days sales outstanding:

	The Petrol Group		Petrol d.d.	
(in days)	1-9 2011	1-12 2010	1-9 2011	1-12 2010
Days sales outstanding				
Contract days	38	39	39	42
Overdue receivables in days	22	19	18	17
Total receivables	**60**	**58**	**57**	**58**

27.2 Liquidity risk

The Group/Company manages liquidity risks through:
- standardised and centralised treasury management at Group level,
- uniform approach to banks in Slovenia and abroad,
- computer-assisted system for the management of cash flows of the parent company and all itssubsidiaries,
- centralised collection of available cash through cash pooling.

Half of the Group's/Company's total revenue is generated through its retail network in which cash and payment cards are used as the means of payment. This ensures regular daily inflows and mitigates liquidity risks.

In addition, the Group/Company has credit lines at its disposal both in Slovenia and abroad, the size of which enables the Group to meet all its due liabilities at any given moment. Due to the financial crisis, the Group/Company now devotes even more attention to the planning of cash flows, which enables it to anticipate any liquidity surpluses or shortages in time and manage them optimally.

The majority of financial liabilities arising from long-term and short-term loans are those of the parent company, which also generates the majority of revenue.

The Group's liabilities by maturity, for period ended on 31. December 2010:

(in EUR)	Liability	0 to 6 months	6 to 12 months	1 to 5 years	more than 5 years
Non-current financial liabilities	318,821,179	0	0	266,256,918	52,564,261
Non-current operating liabilities	1,364,060	0	0	6,879	1,357,181
Short-term financial liabilities	173,244,281	127,056,966	46,187,315	0	0
Short-term operating liabilities	328,437,942	319,994,870	8,443,072	0	0
As at 31 December 2010	**821,867,463**	**447,051,836**	**54,630,387**	**266,263,797**	**53,921,442**

The Group's liabilities by maturity, for period ended on 30. September 2011:

(in EUR)	Liability	0 to 6 months	6 to 12 months	1 to 5 years	more than 5 years
Non-current financial liabilities	278,922,761	0	0	271,294,122	7,628,639
Non-current operating liabilities	1,380,312	0	0	6,780	1,373,532
Short-term financial liabilities	210,557,461	143,597,139	66,960,322	0	0
Short-term operating liabilities	382,611,170	381,305,648	1,305,522	0	0
As at 30 September 2011	**873,471,704**	**524,902,787**	**68,265,844**	**271,300,902**	**9,002,171**

The Company's liabilities by maturity, for period ended on 31 December 2010:

(in EUR)	Liability	0 to 6 months	6 to 12 months	1 to 5 years	more than 5 years
Non-current financial liabilities	293,077,579	0	0	292,247,911	829,668
Non-current operating liabilities	1,357,182	0	0	0	1,357,182
Short-term financial liabilities	131,661,896	92,250,030	39,411,865	0	0
Short-term operating liabilities	331,060,070	330,950,872	109,198	0	0
As at 31 December 2010	**757,156,727**	**423,200,902**	**39,521,063**	**292,247,911**	**2,186,850**

The Company's liabilities by maturity, for period ended on 30 September 2011:

(in EUR)	Liability	0 to 6 months	6 to 12 months	1 to 5 years	more than 5 years
Non-current financial liabilities	240,513,422	0	0	240,513,422	0
Non-current operating liabilities	1,373,532	0	0	0	1,373,532
Short-term financial liabilities	134,384,626	73,709,836	60,674,790	0	0
Short-term operating liabilities	406,565,975	405,438,976	1,126,999	0	0
As at 30 September 2011	**782,837,555**	**479,148,812**	**61,801,789**	**240,513,422**	**1,373,532**

27.3 Foreign exchange risk

Because the Group/Company purchases petroleum products in US dollars, while sales in the domestic and foreign markets are made in local currencies, it is exposed to the risk of changes in the EUR/USD exchange rate.

Hedging is performed in accordance with the Group's rules for the management of price and foreign exchange risks prepared on the basis of the Regulation on the Price Methodology for Petroleum Products. The exposure to changes in the EUR/USD exchange rate is hedged against using foreign exchange hedging. The EUR/USD exchange rate is thus fixed at the rate recognised under the Regulation on the Price Methodology for Petroleum Products and the margin is maintained. The hedging instruments used are forward contracts entered into with banks.

Considering that forward contracts for hedging against foreign exchange risks are entered into with first-class Slovene banks, the Group/Company estimates that the counterparty default risk is nil.

The Group is exposed to foreign exchange risks also in dealing with subsidiaries in SE Europe. The risk incurred is a risk of changes in the EUR/HRK exchange rate arising from the sales of euro-denominated goods in Croatia and a risk of changes in the EUR/RSD exchange rate arising from a bank loan of a Serbian subsidiary denominated in EUR. Considering that due to an illiquid market the cost of hedging against changes in the above exchange rates would be excessive and that the above items represent only a small part of the Group's operations, the Group is not exposed to significant risks in this area.

27.4 Price risk

The Group/Company hedges petroleum product prices primarily by using commodity swaps (variable to fixed price swap). Partners in this area include global financial institutions and banks or suppliers of goods, which is why the Group/Company believes that the counterparty default risk is nil.

27.5 Interest rate risk

In the financing of capital investments and current operations, interest rate risks are incurred as the Group/Company enters into long-term loan agreements based on Euribor, which changes on a daily basis. As far as short-term financing is concerned, loan agreements have a fixed interest rate, but they too are progressively adapted to the changes in Euribor.
Interest rate hedging is conducted in accordance with the Group's policy for hedging against business risks as laid down in the rules on business risk management and instructions for hedging against interest rate risks.

Cash flow hedging is performed as follows:
- partly through current operations (the Group's/Company's interest rate on operating receivables being Euribor-based)
- partly through financial markets (the interest rate on bank deposits being Euribor-based)
- partly through forward markets by entering into interest rate swaps.

Hedging through the use of derivatives is aimed at achieving a fixed interest rate and, consequently, constant cash flows (cash flow hedging) amounting to the fixed interest rate plus an interest margin. The Group/Company therefore recognises the instrument designated as effective directly in equity.

To hedge against interest rate risks, the Group/Company uses multiple financial instruments, of which most frequently the interest rate swap.

Because partners in this area include first-class Slovene banks, the Group/Company estimates that the counterparty default risk is nil.

27.6 Equity management

The main purpose of equity management is to ensure capital adequacy, the best possible financial stability, and long-term solvency for the purpose of financing operations and achieving maximum shareholder value.

To this end, the Company and the Group regularly monitor the debt-to-equity ratio:

	The Petrol Group		Petrol d.d.	
(in EUR)	30 September 2011	31 December 2010	30 September 2011	31 December 2010
Non-current financial liabilities	278,922,761	318,821,179	240,513,422	293,077,579
Short-term financial liabilities	210,557,461	173,244,281	134,384,626	131,661,896
Total financial liabilities	489,480,222	492,065,460	374,898,048	424,739,475
Total equity	426,594,854	404,581,172	438,126,074	419,601,118
Debt/Equity	**1.15**	**1.22**	**0.86**	**1.01**
Net financial liabilities	475,508,825	474,521,689	364,095,931	409,965,996
Net Debt/Equity ratio	**1.11**	**1.17**	**0.83**	**0.98**

The high price of petroleum products demands high net working capital of the Group, which needs to be financed and thus the indebtedness of the Group is increased.

27.7 Carrying amount and fair value of financial instruments

	The Petrol Group				Petrol d.d.			
	30 September 2011		31 December 2010		30 September 2011		31 December 2010	
(in EUR)	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Non-derivative financial assets at fair value								
Available-for-sale financial assets	11,537,302	11,537,302	11,338,780	11,338,780	11,458,259	11,458,259	11,259,737	11,259,737
Non-derivative financial assets at amortised cost								0
Financial receivables	29,470,963	29,470,963	24,619,021	24,619,021	21,806,935	21,806,935	18,071,447	18,071,447
Operating receivables	322,119,302	322,119,302	313,088,698	313,088,698	273,768,999	273,768,999	286,917,712	286,917,712
Cash	13,971,397	13,971,397	17,543,771	17,543,771	10,802,117	10,802,117	14,773,479	14,773,479
Total non-derivative financial assets	**377,098,964**	**377,098,964**	**366,590,270**	**366,590,270**	**317,836,310**	**317,836,310**	**331,022,375**	**331,022,375**
Non-derivative financial liabilities at amortised cost								
Bank loans an other liabilities	(494,713,344)	(486,994,553)	(483,368,776)	(488,076,386)	(369,664,926)	(372,412,379)	(416,042,790)	(420,750,400)
Operating liabilities	(383,991,482)	(383,991,482)	(329,802,002)	(329,802,002)	(407,939,507)	(407,939,507)	(332,417,252)	(332,417,252)
Total non-derivative financial liabilities	**(878,704,826)**	**(870,986,035)**	**(813,170,778)**	**(817,878,388)**	**(777,604,433)**	**(780,351,886)**	**(748,460,042)**	**(753,167,652)**
Derivative financial instruments at fair value								
Derivative financial instruments (assets)	8,231,177	8,231,177	3,848,931	3,848,931	8,231,177	8,231,177	3,848,931	3,848,931
Derivative financial instruments (liabilities)	(5,233,122)	(5,233,122)	(8,696,684)	(8,696,684)	(5,233,122)	(5,233,122)	(8,696,684)	(8,696,684)
Total derivative financial instruments	**2,998,055**	**2,998,055**	**(4,847,753)**	**(4,847,753)**	**2,998,055**	**2,998,055**	**(4,847,753)**	**(4,847,753)**

28. Related party transactions

(in EUR)	The Petrol Group 1-9 2011	The Petrol Group 1-9 2010	Petrol d.d. 1-9 2011	Petrol d.d. 1-9 2010
Sales revenues:				
Subsidiaries	-	-	197,824,812	151,947,009
Jointly controlled entities	12,203,687	5,126,028	11,822,451	5,063,331
Associates	1,502,566	5,529,005	1,502,566	5,049,960
Cost of merchandise sold:				
Subsidiaries	-	-	801,408,946	597,846,631
Jointly controlled entities	0	288,433	0	288,433
Associates	28,999,559	38,329,585	1,110,428	16,111,194
Cost of sales				
Subsidiaries	-	-	15,045,510	14,377,647
Jointly controlled entities	4,760,327	5,418,020	4,760,275	5,418,020
Associates	37,600	54,050	36,428	51,407
General and administrative costs:				
Subsidiaries	-	-	0	0
Jointly controlled entities	2,800	2,400	0	0
Associates	3,614	4,151	3,401	3,536
Finance income from interest in group companies:				
Subsidiaries	-	-	6,546,262	5,617,065
Jointly controlled entities	2,432,861	2,312,869	0	3,849,709
Associates	6,519,606	7,463,723	2,821,667	3,919,500
Financial expenses for interests in group companies:				
Jointly controlled entities	565,800	332,267	0	0
Associates	0	17,205	0	0
Finance income from interests:				
Subsidiaries	-	-	1,947,840	1,626,234
Jointly controlled entities	280,446	118,469	0	0
Associates	1,029	12,322	1,029	11,406
Finance expenses for interest				
Subsidiaries	-	-	452,833	322,505
Jointly controlled entities	43,851	43,632	43,851	43,632
Associates	0	1,279	0	1,279

(in EUR)	The Petrol Group 30 September 2011	The Petrol Group 31 December 2010	Petrol d.d. 30 September 2011	Petrol d.d. 31 December 2010
Investments in group companies:				
Subsidiaries	8,241,579	-	210,097,273	200,531,435
Jointly controlled entities	28,852,069	16,386,748	71,325,545	61,270,000
Associates	123,233,253	122,294,012	154,860,000	154,860,000
Non-current financial receivables:				
Subsidiaries	-	-	10,026,950	7,554,815
Jointly controlled entities	7,961,235	7,961,235	0	0
Associates	0	0	0	0
Short-term operating receivables:				
Subsidiaries	-	-	69,640,299	65,027,893
Jointly controlled entities	4,965,379	2,378,482	4,624,636	2,365,472
Associates	302,725	389,491	302,725	389,491
Short-term financial receivables:				
Subsidiaries	-	-	3,958,364	5,017,758
Jointly controlled entities	361,282	418,941	0	0
Short-term deposits (up to 3 months)				
Subsidiaries	-	-	0	269,131
Short-term financial liabilities:				
Subsidiaries	-	-	8,900,737	9,065,459
Jointly controlled entities	1,225,570	1,181,719	1,225,570	1,181,719
Short-term operating liabilities:				
Subsidiaries	-	-	220,813,233	133,175,186
Jointly controlled entities	50,625	755,055	45,369	774,127
Associates	1,767,143	8,394,055	19,377	1,589,989

29. Contingent liabilities

Contingent liabilities for guarantees issued

As at 30 September 2011 is the value of contingent liability in amount of EUR 480,262,793.

(in EUR)	Petrol d.d. 30 September 2011	Petrol d.d. 31 December 2010	Petrol d.d. 30 September 2011	Petrol d.d. 31 December 2010
Guarantee issued to:	**Value of guarantee issued**		**Guarantee amount used**	
Cypet-Trade, Ltd	166,772,677	170,626,506	193,443,799	116,218,602
Petrol - Bonus d.o.o.	0	154,500,000	0	0
Petrol-Trade G.m.b.H.	12,172,421	12,265,061	1,219,930	1,925,852
Euro - Petrol d.o.o.	31,814,740	42,486,881	23,655,643	33,689,049
Petrol Hrvatska d.o.o.	53,889,344	32,290,475	37,164,574	18,224,741
Bio goriva d.o.o.	5,406,000	5,406,000	436,000	436,000
Petrol Energetika d.o.o.	13,462,007	15,262,006	5,329,527	556,854
Petrol BH Oil Company d.o.o.	2,914,364	1,789,522	1,795,939	1,391,429
Jadranplin d.o.o.	4,195,326	3,007,803	1,986,429	1,000,000
Aquasystems d.o.o.	911,309	911,309	911,309	911,309
Rodgas AD	0	300,000	0	100,000
Petrol d.o.o. Beograd	5,245,000	0	5,245,500	0
Petrol Tehnologija d.o.o.	50,000	50,000	0	26,522
Cypet Oils, Ltd.	0	0	0	0
Total	**296,833,188**	**438,895,563**	**271,188,650**	**174,480,358**
Other guarantees	7,114,187	4,739,271	7,114,187	4,739,271
Bills of exchange issued as security	18,965,317	23,444,918	18,965,317	23,444,918
Total contingent liabilities for guarantees issued	**322,912,692**	**467,079,752**	**297,268,154**	**202,664,547**

Contingent liabilities for lawsuits

In the period between 31 December 2010 and till the day of these financial statements, there were no new lawsuits filled against The Group or Company that would materially affect the financial statements in the third quarter of 2011.

Off-balance-sheet assets and liabilities to D.S.U. d.o.o.

In accordance with provisions of Article 57 of the Regulation on the Methodology for Preparing Opening Balance Sheets and a contract for the establishment of off-balance-sheet records of assets and contingent liabilities entered into with the Development Fund of the Republic of Slovenia (whose legal successor is the company D.S.U. d.o.o.), the Company reduced its assets on account of their elimination from the balance sheet and establishment of off-balance-sheet records of investments and receivables for goods due from Energoinvest, Bosanski Brod, in the republics of former Yugoslavia. The value of the contingent liability arising from investments is estimated at SIT 0, whereas the estimated value of the receivables for goods totals SIT 184,000,000. The Company's off-balance-sheet assets and liabilities arising from the above items stood at EUR 767,818 as at 30 September 2011.

30. Events after the reporting date

There were no events after the reporting date that would significantly affect the financial statements for the nine months of 2011.

Appendix 1: Organisational structure of the Petrol Group