



Non-Audited Interim Report

Luka Koper Group

January – June 2007

CONTENTS

Introduction	3
Luka Koper Group	3
Performance Highlights	4
Significant Events - January to June 2007	5
Relevant Post-Balance-Sheet Events	6
Ownership and Shares	6
Interim Performance	10
Human Resources	14
Business Excellence	15
Financial Statements of the Group with Notes	17
Non-Audited Consolidated Financial Statements of the Luka Koper Group	18
Non-Audited Financial Statements of Luka Koper d.d.	25

Introduction

Based on the provisions of the *Securities Market Act* and the *Ljubljana Stock Exchange Rules*, the port and logistics system operator *Luka Koper d.d.* discloses this non-Audited Interim Report for the half-year January to June 2007.

This Interim Report can be examined at Luka Koper d.d.'s registered headquarters at Vojkovo Nabrežje 38, 6501 Koper, Slovenia, and is also accessible via the company's website www.luka-kp.si from 10th August 2007 onwards.

Information as to the company's performance over the first six months of 2007 was introduced to the company's Supervisory Board on 19th July 2007.

Luka Koper promptly publishes any pertinent changes to information contained in the prospectus for stock exchange listing on SEOnet - seonet.ljse.si - the electronic information dissemination system of the Ljubljana Stock Exchange.

Luka Koper Group

The January to June 2007 non-audited financial statements for *Luka Koper d.d.* and the *Luka Koper Group* are compiled in accordance with the provisions of the *Companies Act RS* and are congruent with *International Financial Reporting Standards* (IFRS).

The consolidated financial statements of the *Luka Koper Group* encompass the financial statements of the parent company, the subsidiaries in which *Luka Koper d.d.* enjoys a majority holding, as well as the business performance of associated companies and jointly controlled companies. The latter are accounted for in the Group's consolidated statements using an equity method of calculation.

Luka Koper's ID as of 30th June 2007:

Title	Luka Koper d.d., a public limited liability port and logistics system operator
in short form	Luka Koper d.d.
Registered office	Vojkovo Nabrežje 38, 6501 Koper, Slovenia Tel: + 386 5 66 56 100 Fax: + 386 5 63 95 020 E-mail: portkoper@luka-kp.si Website: www.luka-kp.si
Company number	Application No. 066/10032200, registered at the Koper District Court, Slovenia
Registration number	5144353
Tax number	SI 89190033
Issued share capital	€ 58,420,964.78
Number of shares	14,000,000 no-par-value shares, of which: 7,140,000 are ordinary no-par-value shares, and 6,860,000 are participatory preference no-par-values shares with limited voting rights
Shares listing	Ljubljana Stock Exchange, prime market
Share ticker symbol	LKPG
President of the Management Board	Mr. Robert Časar
President of the Supervisory Board	Mr. Marko Starman

No. of companies in the <i>Luka Koper Group</i>	5
<i>Luka Koper d.d.</i> basic activities	seaport and logistics system operator and service provider;
Activities of <i>Luka Koper Group</i> companies	provision of a variety of port-related ancillary services pertaining to the core business

Companies encompassed by the *Luka Koper Group*:

**Percentage stake held
by Luka koper d.d.**

Subsidiary enterprises

Luka Koper Pristan d.o.o.	100
Luka Koper INPO d.o.o.	100
Adria Tow d.o.o.	50
Adria Terminali d.o.o.	100
Luka Kopar Beograd d.o.o.*	90

Associated companies

Intereuropa d.d.	24.81
Avtoservis d.o.o.	49.00
Golf Istra d.o.o.	20.00

Jointly controlled companies

Adria Transport d.o.o.	50
Kopinvest Netherlands B.V.	50
Adriaфин d.o.o.	50

* In the period January to June 2007, *Luka Kopar Beograd* was not subject to consolidation because it didn't operate and thus did not significantly impact the Group statements.

Performance Highlights

Table 1: Relevant performance indicators of Luka Koper d.d.

	January – June 2007	January – June 2006	Indices 2006/07
Operating revenues (in millions of euros)	55.949	49.539	113
Operating profits (in millions of euros)	11.792	9.887	119
Net profit for the 6-month period (in millions of euros)	14.883	9.581	155
Return on operating revenues (as a percentage)	21.08	19.96	106
Value added per employee (in euro)	43,303	39,470	110
Net profit per employee (in euro)	19,764	13,687	144
ROE – return on equity (as a percentage)	8.5	6.4	134

In the first half of 2007, *Luka Koper d.d.* generated € 56 million in operating revenues, which is a 13 percent increase on the same period in 2006.

The company also recorded positive trends in cargo throughput, which amounted to 7.7 million tonnes and is a year-on increase of 6 percent. The largest growth in cargo throughput volume was recorded in container freight (40%) and vehicles (19%).

Operating profits amounting to € 11.8 million were 19 percent ahead of the levels recorded in the first half of 2006. Net profit for the six-month period amounted to € 14.9 million, thus exceeding the January to June 2006 results by 55 percent.

Profitability deriving from performance is corroborated by value added per employee which in the first six-months of 2007 amounted to € 43,300, a year-on rise of 10 percent. Net profit per employee amounted to € 19,800, 44 percent ahead of the previous year.

As of 30th June 2007, return on equity amounted 8.5 %, which is nearly 30 percent up on the previous year's equivalent period.

In the first half of 2007, *Luka Koper d.d.* considerably surpassed expectations as regards all key business indicators, hence it can be seen that the set business objectives are being accomplished.

Significant Events - January to June 2007

This year *Luka Koper d.d.* is celebrating its 50th anniversary. The company has overseen half a century of expansion and growth, and thus a small local port developed into an important player in the European maritime market. Year after year Koper has handled increasing volumes of cargo, corroborating its status as a key entrepôt for the markets of Central Europe. But this anniversary is also a year of much activity and many challenges lie ahead as a result of the ambitious goals which have been set: ongoing growth in cargo throughput, an improved structure of services as well as ever better financial results.

In March 2007, the newly established *Adria Terminali d.o.o.* became the latest addition to the *Luka Koper Group*. In 100-percent ownership of the parent company, *Adria Terminali* operates real estate and plant at a new inland terminal in Sežana near the Italian border. In accordance with *Luka Koper's* development strategy, it is anticipated that this new enterprise will gradually develop into a European regional distribution centre which will facilitate the advancement of a transport logistics centre network as well as represent the backbone of the company's logistics system.

Together with the multinational *Trade Trans Invest* and the Hungarian company *MAV Kombi*, *Luka Koper d.d.* has signed a joint letter of intent for the co-construction of a container terminal in Curtici, a strategically important railway junction in Romania which lies near its border and main railway crossing with Hungary.

On 22nd March 2007, *Luka Koper d.d.* signed a contract with the *Istrabenz* holding company for the sale of its 26-percent stake in *Actual I.T. d.o.o.*; and despite *Luka Koper's* retreat from ownership, *Actual I.T* shall continue to provide the company with information technology support services.

In Argentina the President of *Luka Koper* Management Board and CEO of the *Establecimiento Santa Bárbara S.A.*, signed a letter of intent on business co-operation in the development of the Port of Mar del Plata, as well as the fostering of shipping logistics links and cargo transfers between the two ports.

In April 2007 *Luka Koper d.d.* sold 44,279 shares (8.3% of total *Banka Koper d.d.* capital) to *Intesa Sanpaolo S.p.A.*. Following this disposal *Luka Koper d.d.* holds a 1.67% stake in *Banka Koper d.d.*

On 28th May 2007, *Luka Koper d.d.* hosted a celebration upon the establishment of a new logistics provider *POS-ESDC d.o.o* - the POSCO Europe Steel Distribution Centre - jointly founded by three Korean enterprises (*POSCO, Daewoo Logistics* and *Daewoo International*) in conjunction with *Luka Koper d.d.* The new company, in which *Luka Koper d.d.* holds a ten percent stake, is to develop Koper and Sežana as a distribution facility for Korean steel manufactures destined for the countries of Central and Eastern Europe.

Relevant Post-Balance-Sheet Events

On 19th July 2007, *Luka Koper* Management provided the Supervisory Board with information on the company's performance over the first half of 2007. At this same regular meeting Mr Marko Starman, President of the Supervisory Board, tendered his resignation, while Mr Boris Popovič was appointed as the new Board President by the members.

Further to this, the annual General Assembly of *Luka Koper d.d.* also took place on 19th July 2007. At this meeting shareholders:

- were presented with the 2006 Annual Report, as well as the Supervisory Board Report;
- adopted the proposal as to the apportionment of distributable profit for 2006;
- endorsed the operations of the Management and Supervisory Boards for 2006;
- determined the attendance fees of the President and members of the Supervisory Board;
- appointed *Deloitte Revizija d.o.o.*, Dunajska 9, Ljubljana, Slovenia, as the 2007 external auditor for the financial statements and operations of both *Luka Koper d.d.* and *Luka Koper Group*;
- adopted the proposal on the transformation of participating preference no-par-value shares with limited voting rights into the ordinary no-par-value shares;
- adopted the proposal as to changes to the company Statute;
- upon a proposal by the Government of the Republic of Slovenia, appointed Mr Marjan Bezjak and Ms Olga Franca to the company's Supervisory Board on a four-year mandate as shareholder's representatives.

Challenging actions were anticipated.

Ownership and Shares

Ownership Structure

As of 30th June 2007, the ten largest shareholders held 10,598,668 shares, namely 75.70 percent of *Luka Koper's* issued share capital (26.70% of ordinary shares).

Table 2: The largest shareholders as of 30th June 2007.

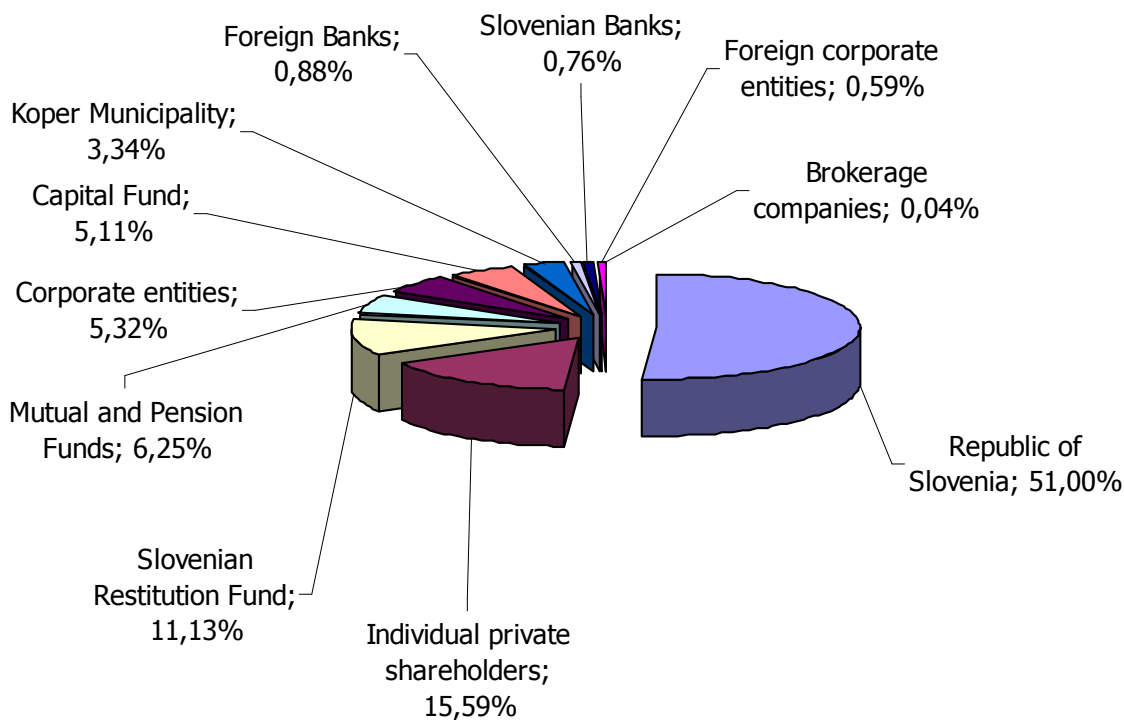
No.	Shareholder title	Shareholder's address	No. of shares	Percentage stake	Share of voting rights
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1.	REPUBLIKA SLOVENIJA	Gregorčičeva 20, 1000 Ljubljana	7,140,000	51.00%	51.00%*
2.	SLOVENSKA ODŠKODNINSKA DRUŽBA D.D.	Mala ulica 5, 1000 Ljubljana	1,557,857	11.13%	11.13%
3.	KAPITALSKA DRUŽBA D.D.	Dunajska cesta 119, 1000 Ljubljana	715,305	5.11%	5.11%
4.	MESTNA OBČINA KOPER	Verdijeva ulica 10, 6000 Koper	466,942	3.34%	3.34%
5.	KD GALILEO, VZAJEMNI SKLAD FLEKSIBILNE STRUKTURE NALOŽB	Celovška cesta 206, 1000 Ljubljana	151,905	1.09%	1.09%
6.	KD ID, DELNIŠKA ID D.D.	Celovška cesta 206, 1000 Ljubljana	147,655	1.05%	1.05%
7.	VIZIJA HOLDING ENA D.D.	Dunajska cesta 156, 1000 Ljubljana	118,585	0.85%	0.85%
8.	ZAVAROVALNICA TRIGLAV D.D.	Miklošičeva 19, 1000 Ljubljana	104,756	0.75%	0.75%
9.	ADRIATIC SLOVENICA D.D.	Ljubljanska cesta 3a, 6503 Koper	98,279	0.70%	0.70%
10.	DELNIŠKI VZAJEMNI SKLAD TRIGLAV STEBER I	Slovenska cesta 54, 1000 Ljubljana	97,384	0.70%	0.70%
TEN LARGEST SHAREHOLDERS TOTAL			10,598,668	75.70%	75.70%
TOTAL SHARES			14,000,000	100.00%	

* The state's holding includes 6,860,000 participating preference shares (some 49% of the company's total equity), which have limited voting rights.

At the end of June 2007, 11,955 shareholders were entered in the shareholder register of *Luka Koper d.d.*, which is a year-on increase of 28.4%. The total number of shareholders increased by 2,643, while holdings by private individual shareholders - whose portion grew by over two percentage points and now totals 15.6 percent - account for the most part of this increase.

Figure 1: Ownership structure as of 30th June 2007.



Company Shares Held by Members of Supervisory and Management Boards

As of 30th June 2007, the following members of the Supervisory Board held *Luka Koper d.d.* shares:

Marko Starman, President	140
Tatjana Jazbec, member	412
Robert Jerman, member	704
Metod Mezek, member	150
Alverino Pavletič, member	1,567
Marko Valentinčič, member	100

As of 30th June 2007, the following members of Management Board held *Luka Koper d.d.* shares:

Marjan Babič, member	928
Pavle Krumenaker, member	3,328

Information on the LKPG Share

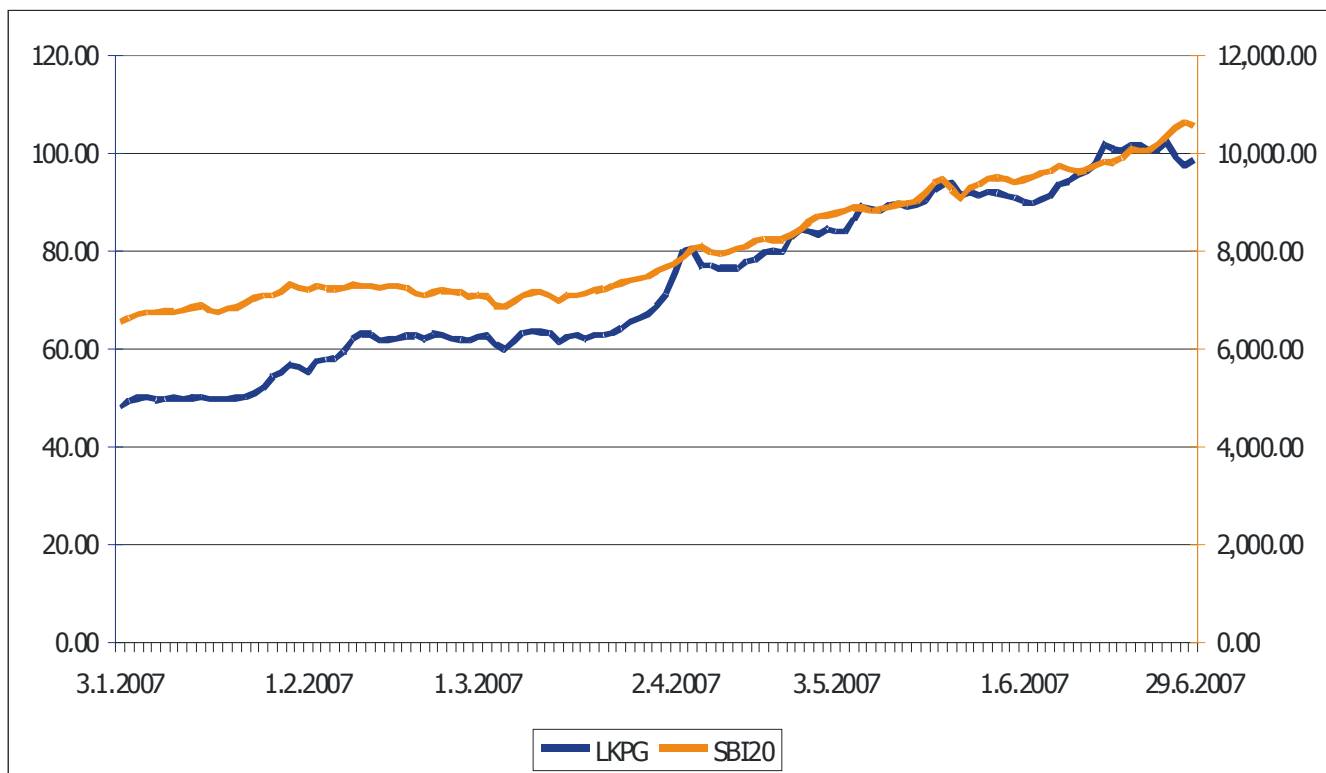
The table below provides pertinent information on LKPG share, the trading of which was transferred to the Ljubljana Stock Exchange prime market on 1st December 2006.

Table 3: LKPG share information

	2007	2006
No. of shares issued:	14,000,000	14,000,000
- preference shares	6,860,000	6,860,000
- ordinary shares	7,140,000	7,140,000
Market capitalisation as of 30 th June (in million €)	703.4	234.4
Turnover (all transactions) January – June period (in million €)	66.0	14.4
The lowest trading price in January – June period (in €)	48.11	24.19
The peak trading price in January – June period (in €)	102.36	32.99
Average price as of 30 th June (in €)	98.51	32.83

As of 30th June 2007, LKPG shares were trading at € 98.51 which is triple the price recorded on the same day in 2006. 920,067 shares were traded in a total of 7,498 transactions during the first half of 2007.

Figure 2: Growth in the price of a Luka Koper d.d. (LKPG) share, in comparison with the rise in the Slovenian Stock Exchange Index (SBI).



Gross Dividends

Luka Koper d.d. apportions approximately one half of net profits as dividends to its shareholders.

Dividends per share	in 2006	in 2005
Ordinary share	€ 1.09	€ 1.08
Preference share	€ 0.27	€ 0.27

13th annual General Assembly of *Luka Koper d.d.* took place on 19th July 2007, at which the shareholders adopted a proposal as to the apportionment of distributable profit for 2006. Those shareholders who were registered in the shareholder register as of 23rd July were entitled to the dividend. The company shall remunerate dividends for fiscal 2006 by 15th September 2007.

Net Earnings Per Share

Net earnings per share, calculated as the ratio between the net profit for January to June 2007 and the total number of shares issued, amounts to € 1.063. Taking into calculation ordinary shares only, net earnings per share amounts to € 2.084.

Book Value of Share

As of 30th June 2007, the book value of a share, calculated as the total value of equity divided by the total number of shares issued, amounts to € 22.40.

Treasury Stock

Luka Koper d.d. held no treasury stock during this period.

Committed Capital

Luka Koper d.d. holds no resolutions as to the commitment of capital.

Conditional Share Capital Increase

Luka Koper d.d. holds no resolutions as to any increase in share capital.

Interim Performance

During the first half of 2007, *Luka Koper d.d.* was managed by a four-member Management Board. The composition of both the Management and Supervisory Boards underwent no changes during this period.

The operating revenues of the parent company account for 92 percent of *Luka Koper Group* revenues, and due to the fact that other items pertaining to the financial statements of the parent company significantly affect the financial statements of the Group, its operations and performance simultaneously

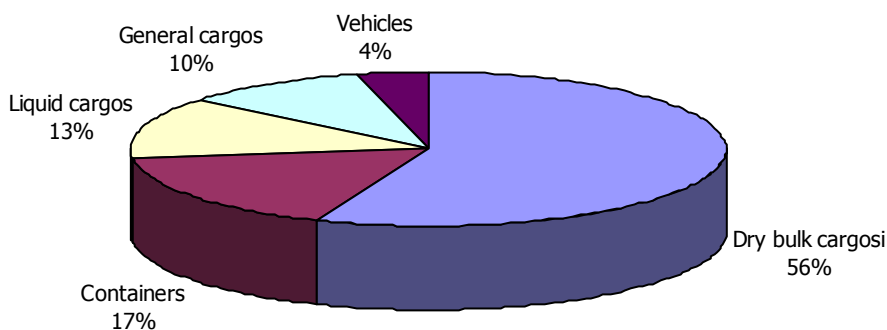
provide a fair degree of insight into the performance of the Group as a whole during the first-half of 2007.

Operating revenues amounted to € 56 million over the first six months of 2007, some 13 percent up on the equivalent period in 2006, as well as 4 percent ahead of projections. 91 percent of all revenues were generated through terminal operations, whilst business is not particularly affected by season variation or time of year.

Cargo throughput amounted to 7.7 million tonnes in the January to June 2007 period, which is a 6 percent increase on 2006 levels.

Cargo handled during the first six months encompassed 147,000 TEUs (containers) which is 40 percent above the level recorded in the first half of 2006. The 230,530 vehicles handled is a year-on increase of 19 percent. Further to this, both container and vehicle throughput were well ahead - respectively 30 percent and 11 percent - of the ambitious objectives set forth in the *Luka Koper* business plan.

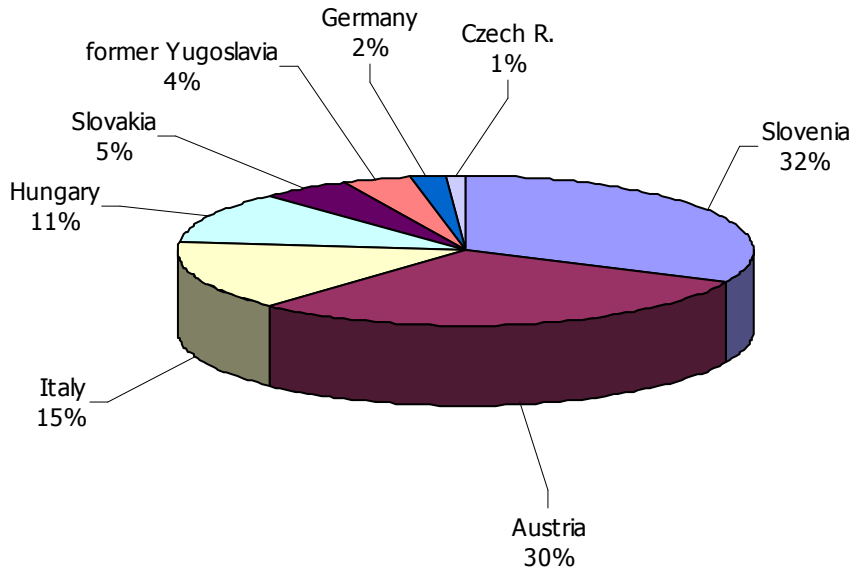
Figure 3: Structure of tonnage throughput of cargo, January to June 2007



The structure of throughput by cargo type reveals the predominant portion of dry bulk cargosi, though this pre-eminence is gradually diminishing over time. Significant growth may be observed as regards container freight and general cargo throughput.

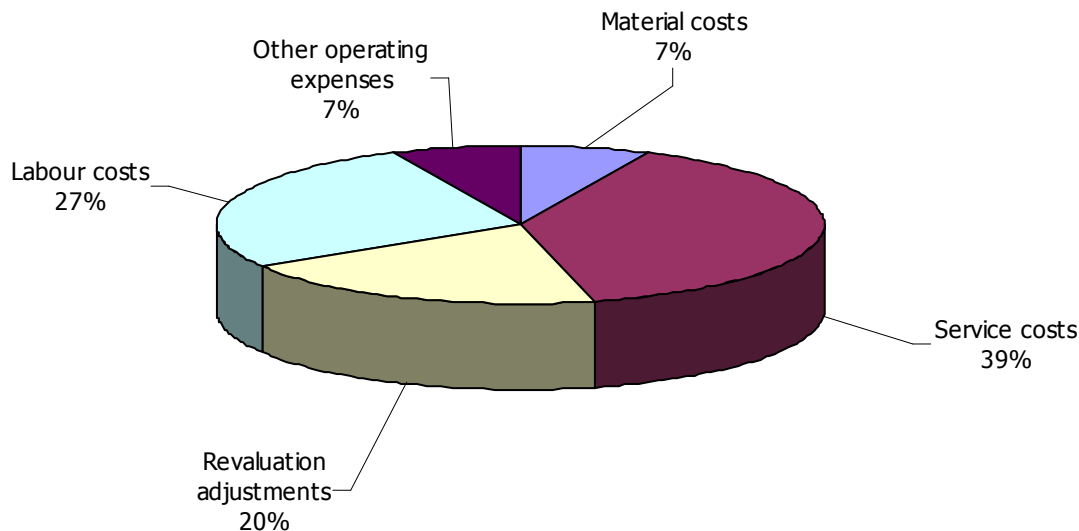
The structure of throughput by European country of origin or destination exhibits increases in the volumes pertaining to Slovenia (domestic market) as well as for Austria and Hungary (transshipment cargosi), respectively Slovenia's northern and eastern neighbours.

Figure 4: The structure of cargo throughput by European country of origin or destination, January – June 2007



The year-on growth in operating revenues stood at 13 percent, whilst **operating expenses** amounted to € 44.2 million, which is just 11 percent above January to June 2006 levels and 12 percent ahead of projections. The structure of operating expenses does not change considerably over time.

Figure 5: Structure of operating expenses January – June 2007



The major portion of service costs can be attributed to the operations of terminals and are directly related to the volume of cargo being handled. Key cost categories also encompass revaluation adjustments, of which the most important item amount-wise is depreciation. Such depreciation costs are ahead of the same period in 2006, and are also attributable to real-estate investment (namely Sežana) as well as intensive investments in handling equipment.

Return on sales (ROS) for January to June 2007 reveals that through the realisation of € 100 in sales the company generated € 21.10 in operating profit, which is a 6 percent year-on increase over the same period last year. Also the indicator of **value added per employee**, which in the first half of 2007 amounted to € 43,300, corroborates an annual growth trend of some 10 percent.

During the first half of 2007 the company generated € 7.5 million in **financial revenues**, which is 178 percent ahead of the 2006 level. The major portion of financial revenues can be attributed to the disposal of financial investments; special mention should be made of stock in *Banka Koper d.d.*. Other financial revenues encompass dividends and participatory revenues from other equity investments, revenues arising from exchange rate differences as well as interest revenues. **Financial expenses** between January and June 2007 amounted to € 1 million, which is a year-on rise of 18 percent. The major portion of financial expenses can be attributed to interest expenses pertinent to loans taken out by the company.

€ 42 million was allocated for **investments** in tangible fixed assets and real-estate during the first six months of 2007, which is 51 percent of the anticipated amount for the whole year. Investments in real-estate – in particular at Sežana – account for the major portion, while most of the remainder was used for the purchase of equipment for terminals.

Net profit generated in the first half of 2007 amounted to € 14.9 million, which is a year-on increase of 55 percent, and 9 percent ahead of expectations.

As to the **assets structure**, the major portion (88%) encompasses fixed assets which are entirely financed by long-term sources. Equity to liabilities ratio also continues to improve and declined by 5 percentage points over the last year to 79 percent, which is indicative of continuing improvement in the structure of sources of financing.

Current assets exceed short-term liabilities by 53 percent, meaning that the company is well capable of financing its business operations.

Return on equity (ROE), revealing the ratio between net profit and the average balance of equity - herein recalculated to an annual level to provide a better indication - is 34 percent ahead of 2006 levels.

Human Resources

A considerable increase in cargo throughput this year, together with ambitious plans for the future, are requiring an ever-greater degree of flexibility in internal organisation, the provision of a sufficient number of service providers, as well as the recruitment of additional personnel at all levels.

With a minimal turnover in personnel, *Luka Koper* has employed an additional 74 people this year, which is an 8.8 percent increase in just six months. In order to assure optimal staffing, the company shall continue to recruit throughout the second half of the year.

Due to the specific activities of the company, some operative staff – in particular qualified port machinery operators – are not readily available on the labour market, thus additional training of new staff to ensure that they are suitably qualified thus necessitates a major investment of time and money by the company.

In its recruitment of additional personnel, *Luka Koper* maintains criteria which also ensure an adequate cadre as well as ongoing professional education and training. In order to achieve this goal, the company provides and finances various courses and programmes to meet current and developmental requirements of both individual workers and the company itself. In the first six months of this year, *Luka Koper* invested € 96,000 in the provision of 11,000 hours of education and training for its staff, which is on average 15 hours per employee.

Recruitment and training programmes have resulted in an improvement in the education structure of personnel, as is illustrated in the table below:

Table 5: Employee education structure

As per	Level of education								Total
	VIII or more	VII	VI	V	IV	III	II	I	
31.12.2006	10	147	36	229	173	29	56	12	692
30.06.2007	10	168	41	246	194	28	54	12	753
% difference	+0	+14.2	+13.8	+7.4	+12.1	-3.4	-3.5	0	

Key:

I – III	Primary education
IV	Occupational education
V	High school / Grammar school
VI	Technical college / University college
VII	Bachelor's degree
VIII or more	Master's degree / Doctorate

Research into employee satisfaction, loyalty and estimations as to the internal operations of the company have now been organised for eight years in succession. The results reveal ongoing improvement, and indicate that *Luka Koper* performs well above the average for companies included in the nationwide *SiOK* comparative study into the organisational climate within Slovenian enterprises. This corroborates the efficiency of adopted approaches and measures aimed at improving efficiency and personnel satisfaction, together with the provision of adequate education and training programmes. *Luka Koper* staff perceived the greatest degree of improvement as regards management, which is a likely consequence of the special training programmes aimed at all managerial levels.

The results of the analyses corroborate the high degree of loyalty exhibited by employees. *Luka Koper's* workforce remain happy in their work and willing to invest additional time and endeavour to make their departments and company operations as a whole even more successful.

Business Excellence

Self-Assessment based on the EFQM Excellence Model

Self-assessment on the basis of the excellence model devised by the EFQM - European Foundation for Quality Management - is applied regularly within *Luka Koper d.d.*. It serves as a tool for the constant improvement in all fields of activity, and has been applied in terminal operations and throughout the company as a whole, as well as in *Luka Koper INPO d.o.o.* In 2006, *Luka Koper* was among 17 companies to reach the finals of the European Business Excellence Award.

Integrated Management System

Through the incorporation of various systems which interconnect individual aspects and elements of business processes, the *Luka Koper Group* has established an integrated management system based on international quality standards and the principles of business excellence.

Optimum operations - taking into consideration the efficient use of available resources – continue to be achieved through the integration of quality and environment management systems. Such instruments also take into consideration health and safety at work measures, conformity standards, information system operations, as well as the business excellence model.

A competent all-encompassing management system utilising appropriate best practise fully supports *Luka Koper's* operations. Due to the client's specific requirements, some terminals comply with additional standards, for example non-GMO certification for the separate handling and storage of GM-free soybeans at the Bulk Cargo Terminal.

A number of terminal operations as well as *Luka Koper INPO d.o.o.* and *Luka Koper Pristan d.o.o.* have introduced HACCP food safety management system, and shall subsequently undergo HACCP certification.

The integrated management system engenders constant improvements, and for every ten employees in the company there are at least four suggestions per year regarding proposals for operational improvement.

Financial Statements of the Group with Notes

The complete consolidated and non-consolidated financial statements, respectively pertaining to the *Luka Koper Group* of companies and the parent company *Luka Koper d.d.*, are compiled in accordance with International Financial Reporting Standards. These non-audited financial statements refer to the January to June 2007 period and encompass the following:

- Income Statement
- Balance Sheet Statement
- Cash Flow Statement, and
- Statement of Changes in Equity

The consolidated financial statements for the first time encompass the newly established company *Adria Terminali d.o.o.*, which began operations in March 2007.

Net earnings per share is calculated as a ratio between net profit for the accounting period, reduced by any net profit attributable to minority interests, divided by the number of ordinary shares.

Diluted earnings per share includes all shares in the denominator, i.e. participating preference and ordinary shares in *Luka Koper d.d.*

In the first six months of 2007, The *Luka Koper Group* increased **sales revenues** by 16 percent above the second half of 2006. **Operating costs** were up by 12 percent, whilst **operating profits** increased by 17 percent.

The *Luka Koper Group* generated a **net profit** of 21.2 million euros during the first six months of 2007, which is a 98 percent increase on the same period in 2006. This significant increase can in part be attributed to the partial sale of *Luka Koper's* investment in *Banka Koper d.d.*, as well as the favourable performance of associated enterprises.

Fixed assets account for 88 percent of all assets and are fully financed by long-term assets. 48 percent of the balance-sheet total is encompassed by tangible fixed assets together with real estate investments, the relative year-on increase of which can be attributed to a round of intensive investment, in particular at the new inland terminal at Sežana. Long-term financial investments, which - given the favourable stock market - increase over time, account for a further 40 percent of the balance-sheet total.

The portion of **equity** in the *Luka Koper Group* balance sheet total gradually decreases; as of 30th June 2007 it amounted to 78 percent. As a result, there is an increase in debts and liabilities; the portion of long-term and short-term liabilities in the balance sheet total was 2 percent ahead of the level recorded as of 31st December 2006.

Current assets within the Group **balance sheet total** considerably exceed short-term liabilities, hence the levels of working capital are more than adequate.

Non-Audited Consolidated Financial Statements of the Luka Koper Group

Table 6: Non-audited Income Statement of the Luka Koper Group, January to June 2007

(in millions of euros)	January – June 2007	January – June 2006	Indices 2007/2006
Operating revenues	60.806	53.650	113
1. Net sales revenues	59.687	51.519	116
<i>a. Revenues from domestic market</i>	<i>15.231</i>	<i>10.963</i>	<i>139</i>
<i>b. Revenues from foreign markets</i>	<i>44.456</i>	<i>40.556</i>	<i>110</i>
2. Change in the value of inventories	0	0	-
3. Capitalised own products and services	0.001	0	-
4. Other operating revenues	1.118	2.131	52
Operating expenses	47.370	42.155	112
5. Costs of goods, material and services	19.996	17.025	117
<i>a. Material costs</i>	<i>3.588</i>	<i>2.768</i>	<i>130</i>
<i>b. Service costs</i>	<i>16.408</i>	<i>14.257</i>	<i>115</i>
6. Labour costs	14.613	13.396	109
<i>a. Costs of salaries</i>	<i>10.704</i>	<i>9.801</i>	<i>109</i>
<i>b. Costs of social insurance contributions</i>	<i>2.051</i>	<i>1.821</i>	<i>113</i>
<i>c. Other labour costs</i>	<i>1.858</i>	<i>1.774</i>	<i>105</i>
7. Value write-offs	9.516	7.138	133
<i>a. Depreciation</i>	<i>9.294</i>	<i>6.959</i>	<i>134</i>
<i>b. Revaluated operating expenses of fixed assets</i>	<i>0.041</i>	<i>0</i>	<i>-</i>
<i>c. Revaluated operating expenses of current assets</i>	<i>0.181</i>	<i>0.179</i>	<i>101</i>
8. Other operating expenses	3.245	4.596	71
Operating profit	13.436	11.495	117
Financial revenues	12.810	2.601	492
9. Financial revenues from profit participation	12.140	1.628	746
<i>a. in Group enterprises</i>	<i>0</i>	<i>0</i>	<i>-</i>
<i>b. in associated companies</i>	<i>5.246</i>	<i>-0.244</i>	<i>-</i>
<i>c. in other companies</i>	<i>6.894</i>	<i>1.750</i>	<i>394</i>
<i>d. other investments</i>	<i>0</i>	<i>0.122</i>	<i>-</i>
10. Financial revenues from loans granted	0.503	0.051	985
<i>a. to others</i>	<i>0.503</i>	<i>0.051</i>	<i>985</i>
11. Financial revenues from operating receivables	0.167	0.922	18
<i>a. from others</i>	<i>0.008</i>	<i>0.725</i>	<i>1</i>
<i>d. exchange-rate gains</i>	<i>0.159</i>	<i>0.197</i>	<i>81</i>

Financial expenses	1.065	954	111
12. Financial expenses from impairments and write-offs of financial investments	0.019	0	-
13. Financial expenses from financial liabilities	0.796	0.592	134
<i>a. loans granted by associated companies</i>	0	0.004	-
<i>b. loans granted by banks</i>	0.688	0.531	130
<i>c. from other financial liabilities</i>	0.108	0.056	191
14. Financial expenses from operating liabilities	0.250	0.362	69
<i>a. to suppliers, and bills payable</i>	0.001	0.001	100
<i>b. exchange-rate losses</i>	0.249	0.361	69
Pre-tax profit	25.181	13.142	192
17. Corporation tax	3.585	2.269	158
18. Deferred taxes	0.116	0.038	302
Net operating profit for the accounting period	21.480	10.835	198
Net profit – minority shareholders	0.293	0.275	107
Net profit for the accounting period	21.187	10.560	201
	(in euro)	(in euro)	
Basic net earnings per share	€ 2.97	€ 1.48	201
Diluted net earnings per share	€ 1.51	€ 0.75	201

Table 7: Non-audited Balance Sheet Statement of the Luka Koper Group as of 30th June 2007

ASSETS (in millions of euros)	30.6.2007	31.12.2006	Indices 2007/2006
ASSETS	423.897	366.404	116
A. Fixed assets	373.894	326.910	114
I. Intangible fixed assets and long-term deferred costs	0.626	0.650	96
II. Tangible fixed assets	190.802	163.280	117
III. Real-estate investments	14.568	7.853	186
IV. Long-term financial investments	166.988	154.108	108
V. Long-term operating receivables	0.019	0.012	158
VI. Deferred tax assets	0.891	1.007	88
B. Current assets	49.463	39.403	126
I. Assets (disposal group)	0.092	0.125	74
II. Inventories	0.006	0.004	150
III. Short-term financial investments	21.075	16.321	129
IV. Short-term operating receivables	27.593	22.332	124
V. Cash and liquid assets	0.697	0.622	112
C. Deferred expenses and accrued revenues	0.540	0.091	-
D. Off-balance-sheet assets	19.850	19.850	100

LIABILITIES (in millions of euros)	30.6.2007	31.12.2006	Indices 2007/2006
EQUITY AND LIABILITIES	423.897	366.404	116
A. Capital	329.813	294.887	112
Capital – majority shareholder	327.576	292.943	112
I. Called-up capital	58.421	58.421	100
II. Capital reserves	89.563	89.563	100
III. Retained earnings (reserves)	101.295	101.295	100
IV. Revaluation surplus	33.589	20.189	166
V. Retained net profit	23.520	13.530	175
VI. Net profit for January to June	21.187	9.945	213
Capital – minority shareholder	2.237	1.944	115
B. Provisions	10.258	10.081	102
C. Long-term liabilities	53.705	45.324	118
I. Long-term financial liabilities	37.661	33.280	113
II. Long-term operating liabilities	6.011	6.013	100
III. Deferred tax liabilities	10.033	6.030	166
D. Short-term liabilities	26.018	15.250	171
I. Short-term financial liabilities	3.044	2.251	135
II. Short-term operating liabilities	22.974	12.999	177
E. Accrued expenses and deferred revenues	4.103	0.862	-
F. Off-balance-sheet liabilities	19.850	19.850	100

Table 8: Non-audited Cash Flow Statements for the Luka Koper Group January to June 2007

(in millions of euros)	January – June 2007	January – June 2006
Cash flow from operating activities		
Income Statement Items	19.073	9.772
Operating revenues (excluding revaluations) and financial revenues from operating receivables	60.385	50.652
Operating expenses without depreciation (excluding revaluations) and financial expenses from operating liabilities	-37.611	-38.573
Corporation tax and other taxes not included under operating expenses	-3.701	-2.307
Changes in net current assets per Balance Sheet items (including accrued expenses/revenues and deferred expenses/revenues, provisions, as well as deferred receivables and tax liabilities)	11.558	1.998
Changes in operating receivables	-5.293	-1.874
Changes in deferred expenses and accrued revenues	-0.449	-0.411
Changes in deferred tax assets	0.116	-0.714
Changes in assets (group for disposal) held for sale	0.034	0

Non-Audited Interim Report, January – June 2007

Changes in inventories	-0.001	0
Changes in operating liabilities	9.730	-1.563
Changes in accrued expenses and deferred revenues, and provisions	3.418	2.264
Changes in deferred tax liabilities	4.003	4.295
Net inflows (outflows) from operating activities	30.631	11.770
Cash flows from investment activities		
Inflows from investments	13.311	4.198
Inflows from interest and profit participation pertaining to investments	7.564	2.649
Inflows from disposal of tangible fixed assets	0	1.444
Inflows from disposal of long-term financial investments	5.747	0
Inflows from disposal of short-term financial investments	0	0.105
Outflows from investments	48.038	18.381
Outflows for acquisition of intangible fixed assets	0.171	3.468
Outflows for acquisition of tangible fixed assets	36.181	0
Outflows for acquisition of real-estate investments	6.932	0
Outflows for acquisition of long-term financial investments	0	14.913
Outflows for acquisition of short-term financial investments	4.754	0
Net inflows (outflows) from investment activities	-34.727	-14.183
Cash flows from financing activities		
Inflows from financing activities	5.218	5.271
Inflows from paid-up capital	0.045	5.271
Inflows from increased long-term financial liabilities	4.381	0
Inflows from increased short-term financial liabilities	0.792	0
Outflows from financing activities	1.046	2.405
Outflows for interest payable pertaining to financing	1.046	0.593
Outflows for the payment of long-term financial liabilities	0	0.869
Outflows for the payment of short-term financial liabilities	0	0.943
Net inflows (outflows) from financing activities	4.172	2.866
Closing balance of cash and cash equivalents	0.697	1.966
Net cash inflow for the accounting period	0.076	0.454
Opening balance of cash and cash equivalents	0.622	1.512

Table 9: Non-audited Statement of Changes in Equity of Luka Koper Group, January – June 2006

(in millions of euros)	Share capital	Capital reserves	Legal reserves	Other retained earnings	Retained net profit	Net profit for January to June	Revaluation surplus	Total
	I/1	II/1	III/1	III/4	IV/1	V/1	VI/2	
Opening balance as of 1st January 2006	58.424	89.567	18.861	73.743	10.521	11.050	7.615	269.781
Transfer to equity	0	0	0	0	0	10.560	5.271	15.831
Additional paid-in capital								0
Net profit for January to June						10.560		10.560
Revaluation surplus							5.271	5.271
Specific equity revaluation adjustment								0
Transfer within equity	0	0	0	0	11.050	-11.050	0	0
Appropriation of net profit upon a resolution by the Management Board and Supervisory Board								0
Appropriation of net profit for the formation of additional reserves upon a resolution of the General Assembly								0
Other appropriations of portions of equity					11.050	-11.050		0
Transfer from equity	0	0	0	0	0	0	0	0
Distribution of dividends								0
Premiums paid to members of the Management Board and Supervisory Board								0
Transfer of specific equity revaluation adjustment								0
Balance as of 30th June 2006	58.424	89.567	18.861	73.743	21.571	10.560	12.886	285.612
Capital – minority shareholders								
Balance as of 30th June 2006	50	26	5	785	303	275	0	1.443

Non-Audited Interim Report, January – June 2007

Capital – total	58.474	89.593	18.866	74.528	21.874	10.835	12.886	287.055
Net profit, revenues and expenses directly attributed to equity						10.560	5.271	15.831

Table 10: Non-audited Statement of Changes in Equity of the Luka Koper Group, January to June 2007

(in millions of euros)	Share capital	Capital reserves	Legal reserves	Other retained earnings	Retained net profit	Net profit for January to June	Revaluation surplus	Total
	I/1	II/1	III/1	III/4	IV/1	V/1	VI/2	
Opening balance as of 1st January 2007	58.421	89.563	18.865	82.430	13.530	9.945	20.189	292.944
Transfer to equity	0	0	0	0	9.945	11.242	13.400	34.587
Net profit for January to June						21.187		21.187
Revaluation surplus								0
Specific equity revaluation adjustment					9.945	-9.945	13.400	13.400
Transfer within equity	0	0	0	0	45	0	0	45
Appropriation of net profit upon a resolution by the Management Board and Supervisory Board								0
Appropriation of net profit for the formation of additional reserves upon a resolution of the General Assembly								0
Other appropriations of portions of equity					45			45
Transfer from equity	0	0	0	0	0	0	0	0
Distribution of dividends								0
Premiums paid to members of the Management Board and Supervisory Board								0

Non-Audited Interim Report, January – June 2007

Distribution to employees								0
Balance as of 30th June 2007	58.421	89.563	18.865	82.430	23.520	21.187	33.589	327.576
Capital – minority shareholders								
Balance as of 30th June 2007	0.050	0.026	0.005	1.087	0.776	0.293	0	2.237
Capital – total	58.471	89.589	18.870	83.517	24.296	21.480	33.589	329.813

Non-Audited Financial Statements of Luka Koper d.d.

Table 11: Non-audited Income Statement of Luka Koper d.d., January to June 2007

(in millions of euros)	January – June 2007	January – June 2006	Indices 2007/2006
Operating revenues	55.949	49.539	113
1. Net sales revenues	55.175	47.723	116
<i>a. Revenues from sales on domestic market</i>	12.837	10.277	125
<i>b. Revenues from sales on foreign market</i>	42.338	37.446	113
2. Change in the value of inventories	0	0	-
3. Capitalised own products and services	0	0	-
4. Other operating revenues	0.773	1.816	43
Operating expenses	44.157	39.652	111
5. Costs of goods, material and services	20.354	17.265	118
<i>a. Material costs</i>	3.176	2.419	131
<i>b. Service costs</i>	17.177	14.846	116
6. Labour costs	11.847	11.150	106
<i>a. Costs of salaries</i>	8.721	8.198	106
<i>b. Costs of social insurance contributions</i>	1.668	1.497	111
<i>c. Other labour costs</i>	1.457	1.455	100
7. Value write-offs	8.752	6.679	131
<i>a. Depreciation</i>	8.530	6.500	131
<i>b. Revaluated operating expenses of fixed assets</i>	0.041	0	-
<i>c. Revaluated operating expenses of current assets</i>	0.181	0.179	101
8. Other operating expenses	3.204	4.558	70
Operating profit	11.792	9.887	119
Financial revenues	7.524	2.711	278
9. Financial revenues from profit participation	6.894	1.872	394
<i>a. in other companies</i>	6.894	1.750	394
<i>b. other investments</i>	0	0.122	-
10. Financial revenues from loans granted	0.466	0.050	932
<i>a. to others</i>	0.466	0.050	932
11. Financial revenues from operating receivables	0.165	0.789	72
<i>a. Group companies</i>	0.001	0	-
<i>b. others</i>	0.006	0.599	-
<i>a. exchange-rate gains</i>	0.158	0.190	83
Financial expenses	1.043	0.886	118
12. Financial expenses arising from impairments and write-offs financial investments	0.006	0	0

13. Financial expenses from financial liabilities	0.793	0.539	147
<i>a. from loans granted by Group companies</i>	<i>0.104</i>	<i>0</i>	<i>-</i>
<i>b. from loans granted by associated companies</i>	<i>0</i>	<i>0.004</i>	<i>-</i>
<i>c. from loans granted by banks</i>	<i>0.689</i>	<i>0.530</i>	<i>130</i>
<i>d. from other financial liabilities</i>	<i>0</i>	<i>0.005</i>	<i>-</i>
14. Financial expenses from operating liabilities	0.244	0.347	70
<i>a. other operating liabilities</i>	<i>0</i>	<i>0.001</i>	<i>-</i>
<i>b. exchange-rate losses</i>	<i>0.244</i>	<i>0.346</i>	<i>70</i>
Pre-tax profit	18.274	11.713	156
17. Corporation tax	3.289	2.104	156
18. Deferred taxes	0.102	0.028	366
19. Net profit for the accounting period	14.883	9.581	155

Table 12: Non-audited Balance-Sheet Statement of Luka Koper d.d. as of 30th June 2007

ASSETS (in millions of euros)	30.6.2007	31.12.2006	Indices 2007/2006
ASSETS	395.624	340.141	116
A. Fixed assets	349.156	207.383	168
I. Intangible fixed assets and long-term deferred costs	607	649	94
II. Tangible fixed assets	176.811	149.277	118
III. Real estate investments	14.568	7.853	186
IV. Long-term financial investments	156.347	148.688	105
V. Long-term operating receivables	0.019	0.012	158
VI. Deferred tax assets	0.802	0.904	89
B. Current assets	46.104	32.673	141
I. Assets (group for disposal) held for sale	0.091	0.125	73
II. Inventories	0	0	-
III. Short-term financial investments	19.604	11.238	174
IV. Short-term operating receivables	26.075	20.994	124
V. Cash and liquid assets	0.333	0.316	105
C. Deferred expenses and accrued revenues	0.364	0.085	-
D. Off-balance-sheet assets	14.605	14.605	100
LIABILITIES (in millions of euros)	30.6.2007	31.12.2006	Indices 2007/2006
EQUITY AND LIABILITIES	395.624	340.141	116
A. Capital	313.631	285.348	110
I. Called-up capital	58.421	58.421	100

II. Capital reserves	89.563	89.563	100
III. Retained earnings	101.195	101.195	100
IV. Revaluation surplus	33.589	20.189	166
V. Retained net profit	15.980	6.003	266
VI. Net profit for January to June	14.883	9.977	149
B. Provisions	3.504	3.638	96
C. Long-term liabilities	44.255	34.615	128
I. Long-term financial liabilities	34.147	28.512	120
II. Long-term operating liabilities	0.075	0.073	103
III. Deferred tax liabilities	10.033	6.030	166
D. Short-term liabilities	30.185	15.685	192
I. Liabilities pertaining to group for disposal	0	0	-
II. Short-term financial liabilities	8.504	3.817	223
III. Short-term operating liabilities	21.681	11.868	183
E. Accrued expenses and deferred revenues	4.050	0.855	-
F. Off-balance-sheet liabilities	14.605	14.605	100

Table 13: Non-audited Cash Flow Statements of Luka Koper d.d., January to June 2007

(in millions of euros)	January – June 2007	January – June 2006
Cash flows from operating activities		
Items of Income Statement	16.975	14.271
Operating revenues (excluding revaluation) and financial revenues from operating receivables	55.528	49.451
Operating revenues without depreciation (excluding revaluation) and financial expenses from operating liabilities	-35.162	-33.048
Corporation tax and other taxes not included under operating expenses	-3.391	-2.132
Changes in net current assets per Balance Sheet items (including accrued expenses/revenues and deferred expenses/revenues, provisions, as well as deferred receivables and tax liabilities)	11.381	5.309
Changes in operating receivables	-5.112	-1.690
Changes in deferred expenses and accrued revenues	-0.279	-0.298
Changes in deferred tax assets	0.102	-0.642
Changes in assets (group for disposal) held for sale	0.034	0
Changes in inventories	0	0
Changes in operating liabilities	9.571	0.316
Changes in accrued expenses and deferred revenues, and provisions	3.062	3.328
Changes in deferred tax liabilities	4.003	4.295

Inflows (outflows) from operating activities (a+b)	28.356	19.580
Cash flows from investment activities		
Inflows from investments	13.259	4.172
Inflows from interest and profit participation pertaining to investments	7.524	2.617
Inflows from disposal of intangible fixed assets	0	0.280
Inflows from disposal of tangible fixed assets	0	0
Inflows from disposal of real estate investments	0	0
Inflows from disposal of long-term financial investments	5.735	0
Inflows from disposal of short-term financial investments	0	1.275
Outflows from investments	50.882	22.052
Outflows for acquisition of intangible fixed assets	0.154	0
Outflows for acquisition of tangible fixed assets	35.430	8.354
Outflows for acquisition of real estate	6.932	0
Outflows for acquisition of long-term financial investments	0	13.698
Outflows for acquisition of short-term financial investments	8.366	0
Inflows (outflows) from investment activities (a+b)	-37.623	-17.880
Cash flows from financing activities		
Inflows from financing activities	10.322	4.347
Inflows from paid-up capital	0	4.347
Inflows from increased long-term financial liabilities	5.635	0
Inflows from increased short-term financial liabilities	4.687	0
Outflows from financing activities	1.037	5.846
Outflows for interest payable pertaining to financing	1.037	0.673
Outflows for capital repayments	0	0
Outflows for the payment of long-term financial liabilities	0	4.423
Outflows for the payment of short-term financial liabilities	0	0.750
Outflows for dividends and other participation in profit	0	0
Inflows (outflows) from financing activities (a+b)	9.285	-1.498
Closing balance of cash and cash equivalents	333	1.572
Net cash inflow for the accounting period	0.018	0.202
Opening balance of cash and cash equivalents	315	1.370

Table 14: Non-audited Statement of Changes in Equity of Luka Koper d.d., January to June 2006

(in millions of euros)	Share capital	Capital reserves	Legal reserves	Other retained earnings	Retained net profit	Net profit for January to June	Revaluation surplus	Total
	I/1	II/1	III/1	III/4	IV/1	V/1	VI/2	
Opening balance as of 1st January 2006	58.424	89.567	18.766	73.743	14.350		7.615	262.465
Transfer to equity	0	0	0	0	0	9.581	5.271	14.852
Additional paid-in capital								0
Net profit for the financial year						9.581		9.581
General equity revaluation adjustment							5.271	5.271
Specific equity revaluation adjustments								0
Transfer within equity	0	0	0	0	0	0	0	0
Appropriation of net profit upon a resolution by the Management Board and Supervisory Board								
Appropriation of net profit for the formation of additional reserves upon a resolution of the General Assembly								
Other appropriations of portions of equity								
Transfer from equity	0	0	0	0	0	0	0	0
Distribution of dividends								
Premiums paid to members of the Management Board and Supervisory Board								
Distribution to employees								
Special equity revaluation adjustment								
Balance as of 30th June 2006	58.424	89.567	18.766	73.743	14.350	9.581	12.886	277.317

Table 15: Non-audited Statement of Changes in Equity of Luka Koper d.d., January to June 2007

(in millions of euros)	Share capital	Capital reserves	Legal reserves	Other retained earnings	Retained net profit	Net profit for January to June	Revaluation surplus	Total
	I/1	II/1	III/1	III/4	IV/1	V/1	VI/2	
Balance as of 31st December 2006	58.421	89.563	18.765	82.430	6.003	9.977	20.189	285.348
Transfer to equity	0	0	0	0	0	14.883	13.400	28.283
Additional paid-in capital								0
Net profit for January to June						14.883		14.883
General equity revaluation adjustment								0
Special equity revaluation adjustments							13.400	13.400
Transfer within equity	0	0	0	0	9.977	-9.977	0	0
Appropriation of net profit upon a resolution by the Management Board and Supervisory Board								
Appropriation of net profit for the formation of additional reserves upon a resolution of the General Assembly								
Other appropriations of portions of equity					9.977	-9.977		
Transfer from equity	0	0	0	0	0	0	0	0
Distribution of dividends								
Premiums paid to members of the Management Board and Supervisory Board								
Distribution to employees								
Special equity revaluation adjustment								
Balance as of 30th June 2007	58.421	89.563	18.765	82.430	15.980	14.883	33.589	313.631