



LUKA KOPER GROUP

NON-AUDITED INTERIM REPORT,
JANUARY – MARCH 2010

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PERFORMANCE HIGHLIGHTS OF LUKA KOPER GROUP

	January – March 2008	January – March 2009	January – March 2010	Indices 2010/2009
Income Statement				
Operating revenues	36,135,574	32,540,010	30,489,800	94
EBIT	8,685,790	5,871,662	3,354,543	57
Simplified cash flow (EBITDA)	13,257,295	11,199,736	9,884,771	88
Pre-tax profit	9,843,698	3,363,274	3,534,604	105
Net profit	8,384,014	2,891,350	3,395,998	117
	January – December 2008	January – December 2009	January – March 2010	Indices 2010/2009
Balance Sheet Statement				
Balance Sheet total	556,610,484	531,672,019	538,757,521	101
Long-term assets	509,161,405	505,003,934	515,562,010	102
Short-term assets	47,449,079	26,668,086	23,195,510	87
Equity	311,059,034	247,410,497	254,799,329	103
Long-term liabilities	116,475,883	166,936,750*	169,451,178*	102
Short-term liabilities	129,075,567	117,324,774	114,507,014	98
Financial liabilities	201,358,206	234,538,592	238,941,873	102
	January – March 2008	January – March 2009	January – March 2010	Indices 2010/2009
Cash Flow Statement				
Investments	24,773,472	31,857,218	8,405,541	26
	January – March 2008	January – March 2009	January – March 2010	Indices 2010/2009
Indicators				
Return on sales (ROS)	24.04 %	18.04 %	11.00 %	61
Return on equity (ROE)	10.00 %	3.69 %	5.41 %	147
Return on assets (ROA)	7.19 %	2.05 %	2.54 %	124
EBITDA margin	36.69 %	34.42 %	32.42 %	94
Debt to equity	26.09 %	66.64 %	93.78 %	141

- Due to failing to meet some financial obligations – in particular because of the impairment of financial investments – *Luka Koper d.d.* was obliged to reclassify said obligations as short-term liabilities at the end of fiscal 2009. Thanks to its regular servicing of all liabilities and stable business operations, *Luka Koper d.d.* doesn't anticipate that commercial banks shall withdraw from loan agreements. Thus the original maturity of financial liabilities is reported in the performance portion of

the interim report for 2009, as well as in this first quarter of 2010, regardless of the fact that the de-recognition disclosed in the business report has been reported in the financial statements.

GENERAL INFORMATION

INTRODUCTORY NOTE

Compliant with the provisions of the *Financial Instruments Market Act RS* and the *Ljubljana Stock Exchange Rules*, *Luka Koper d.d.*, Vojkovo Nabrežje 38, Koper, Slovenia, discloses this Non-Audited Non-Consolidated Interim Report for January – March 2010 of *Luka Koper d.d.* and the Non-Audited Consolidated Interim Report for January – March 2010 of the *Luka Koper Group* of companies.

The Non-Audited Interim Report on the performance of *Luka Koper d.d.* and the *Luka Koper Group* for January to March 2010 can be examined at *Luka Koper d.d.* registered headquarters at Vojkovo Nabrežje 38, 6501 Koper, Slovenia, as well as via the company's website www.luka-kp.si from 15th May 2010 onwards.

The company promptly publishes any pertinent changes to information contained in the prospectus for stock exchange listing on SEOnet, the online information system of the Ljubljana Stock Exchange.

PRESENTATION OF LUKA KOPER GROUP

Luka Koper, the port and logistics operator, with its registered office in Koper, Slovenia, is the parent company of the *Luka Koper Group* of companies.

	<i>Luka Koper,</i>
<i>Full title</i>	<i>a public limited liability port and logistics system operator</i>
<i>Short title</i>	<i>Luka Koper d.d.</i>
<i>Registered office</i>	<i>Vojkovo Nabrežje 38, Koper, Slovenia</i>
	<i>Telephone: 05 66 56 100</i>
	<i>Fax: 05 63 95 020</i>
	<i>E-mail: portkoper@luka-kp.si</i>
	<i>Website: www.luka-kp.si</i>
<i>Company registration</i>	<i>Application No. 066/10032200,</i>

	<i>registered at the Koper District Court, Slovenia</i>
<i>Registration number</i>	<i>5144353</i>
<i>Tax number</i>	<i>SI 89190033</i>
<i>Issued share capital</i>	<i>€ 58,420,964.78</i>
<i>Number of shares</i>	<i>14,000,000 ordinary no-par-value shares</i>
<i>Shares listing</i>	<i>Ljubljana Stock Exchange, prime market</i>
<i>Share ticker symbol</i>	<i>LKPG</i>
<i>President of the Management Board</i>	<i>Gregor Veselko, PhD</i>
<i>Vice President of the Management Board</i>	<i>Tomaž Martin Jamnik</i>
<i>Member of the Management Board</i>	<i>Marko Rems</i>
<i>President of the Supervisory Board</i>	<i>Dr. Janez Požar</i>
<i>No. of consolidated companies</i>	<i>7</i>
<i>Luka Koper d.d. core activity</i>	<i>Seaport and logistics system operator and service provider</i>
<i>Luka Koper Group activities</i>	<i>Support and ancillary services related to core activity</i>

As of 31st March 2010, the *Luka Koper Group* was, in addition to the parent company, composed of the following subsidiary, associated and jointly controlled enterprises:

SUBSIDIARIES	Percentage stake held by Luka Koper d.d.
Adria Investicije d.o.o.	100 %
Luka Koper INPO d.o.o.	100 %
Luka Koper Pristan d.o.o.	100 %
Adria Terminali d.o.o.	100 %
Adriasole d.o.o.	98 %
Ecoporto Koper d.o.o.	98 %
ASSOCIATED AND JOINTLY CONTROLLED COMPANIES	
Adria-Tow d.o.o.	50 %
Adria Transport d.o.o.	50 %
Adriaфин d.o.o.	50 %
Avtoservis d.o.o.	49 %
TOC d.o.o.	47.82 %
Railport Arad s.r.l.	33.33 %
Intereuropa d.d.	24.81 %
Golf Istra d.o.o.	20 %

Changes to the subsidiaries, associated and jointly controlled companies from January to March 2010 were as follows:

- Congruent with the notarial record of 28th January 2010, the company *Eco-Morje d.o.o.* is wound up following summary proceedings without liquidation. The company was dormant.
- Congruent with the notarial record of 28th January 2010, the company *Ecopark d.o.o.* is wound up following summary proceedings without liquidation. The company was dormant.
- A change in the shareholding of *Adria Terminali d.o.o.* was registered on 12th March 2010. In addition, *Luka Koper* purchased a 49 percent holding from the Slovak company *Spedition Trade Trans Holding a.s.* thus becoming a 100 % shareholder of *Adria Terminali d.o.o.*. At the same time, *Luka Koper d.d.* relinquished its holding in *Trade Trans Terminal s.r.l.* (Arad), in which the company had held a 17-percent stake.

The companies *Luka Koper Beograd d.o.o.*, *Luka Koper Deutschland GmbH* and *Kopinvest Netherlands B.V.* are undergoing liquidation procedure.

CORPORATE MANAGEMENT AND GOVERNANCE

Luka Koper d.d. Management Board

As of 31st March 2010, *Luka Koper d.d.* Management Board was comprised as follows:

- Dr. Gregor Veselko, President of the Management Board, commenced a five-year term on 16th June 2009.
- Tomaž Martin Jamnik, Deputy President of the Management Board, commenced a five-year term on 16th October 2009.
- Marko Rems, Member of the Management Board, commenced a five-year term on 1st March 2010.

A presentation of the Management Board members is accessible on the company's website www.luka-kp.si.

Luka Koper d.d. Management Board

As of 31st March 2010, the Supervisory Board was comprised of the following members:

Representatives of shareholders:

- Dr. Janez Požar, President of the Supervisory Board, appointed upon the proposal of the Republic of Slovenia, commenced a four-year term on 13th July 2009 (16th General Assembly of Shareholders).
- Tomaž Može, Deputy President of the Supervisory Board, appointed as the representative of other shareholders, commenced a four-year term on 13th July 2009 (16th General Assembly of Shareholders).
- Bojan Brank, Member of the Supervisory Board, appointed upon the proposal of the Republic of Slovenia, commenced a four-year term on 13th July 2009 (16th General Assembly of Shareholders).
- Dr. Marko Simoneti, Member of the Supervisory Board, appointed upon the proposal of the Republic of Slovenia, commenced a four-year term on 13th July 2009 (16th General Assembly of Shareholders).
- Jordan Kocjančič, Member of the Supervisory Board, appointed upon the proposal of the state funds of the Republic of Slovenia, commenced a four-year term on 13th July 2009 (16th General Assembly of Shareholders).
- Boris Popovič, Member of the Supervisory Board, appointed upon the proposal of the Koper Municipal Council, commenced a four-year term on 2nd September 2008 (14th General Assembly of Shareholders).

Representatives of employees:

- Mladen Jovičič, Employee Representative Member of the Supervisory Board, commenced a four-year term on 8th April 2009.
- Stojan Čepar, Employee Representative Member of the Supervisory Board, commenced a four-year term on 8th April 2009.
- Nebojša Topič, Employee Representative Member of the Supervisory Board, commenced a four-year term on 27th July 2008.

SIGNIFICANT EVENTS JANUARY – MARCH 2010
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JANUARY

- The company handled 1,506,878 tonnes of cargo, which is the highest ever January throughput volume in the history of the port.

MARCH

- Marko Rems assumed the position of the third member of the Management Board as endorsed by the Supervisory Board on 6th November 2009.

- By purchasing a 49-percent stake from the Slovak company *Spedition Trade Trans Holding a.s.*, *Luka Koper d.d.* became a 100 percent shareholder of the company *Adria Terminali d.o.o.* which operates the logistics centre in Sežana. At the same time, *Luka Koper d.d.* withdrew from the company *Trade Trans Terminal s.r.l.* (Arad) in which it had held a 17-percent stake.
- At the 17th General Assembly meeting, shareholders adopted the resolution that *Luka Koper d.d.* Management Board is obliged - within six months of said Assembly meeting - to bring an action for compensation of damages which the company incurred in relation to certain business transactions and as a consequence of violations of obligation by the erstwhile management and/or supervisory bodies. Compliant with the counter-proposal by the shareholders *KAD* (Capital Fund) and *SOD* (Slovenian Restitution Fund), which was also adopted by the Republic of Slovenia as the majority shareholder, *Pricewaterhouse Coopers d.o.o.* auditors are accordingly obliged to supplement their Special Audit Report in relation to four further areas.

RELEVANT POST-BALANCE-SHEET EVENTS

APRIL

- *Luka Koper d.d.* and the *SID Bank* sign a 15-year 30-million-euro loan agreement, a facility which will finance the completion of the Container Terminal extension at Pier I of the Port of Koper.

LUKA KOPER GROUP BUSINESS REPORT

ANALYSES OF THE PERFORMANCE OF LUKA KOPER GROUP

OPERATING REVENUES

Luka Koper Group's operating revenues in the first quarter of 2010 amounted to 30.5 million euros, which is six percent below the same period last year.

Figure 1: Operating revenues of the *Luka Koper Group* in the first quarters of 2008, 2009 and 2010

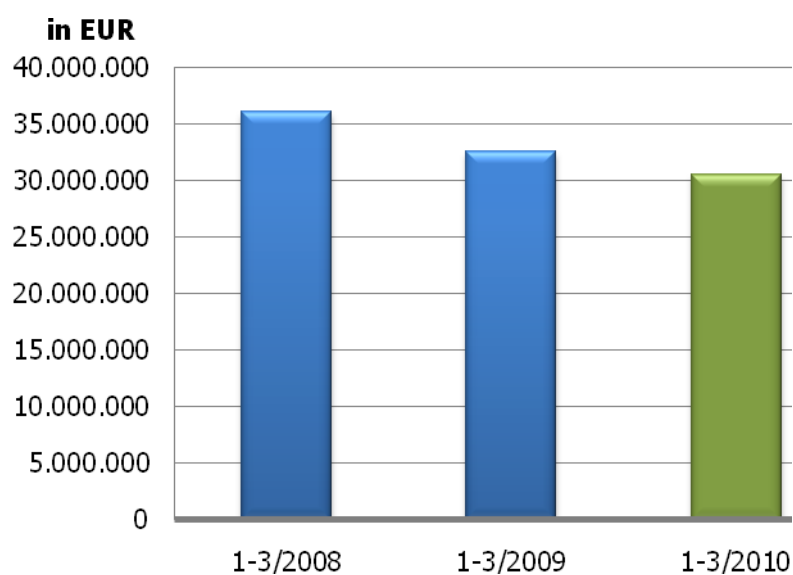
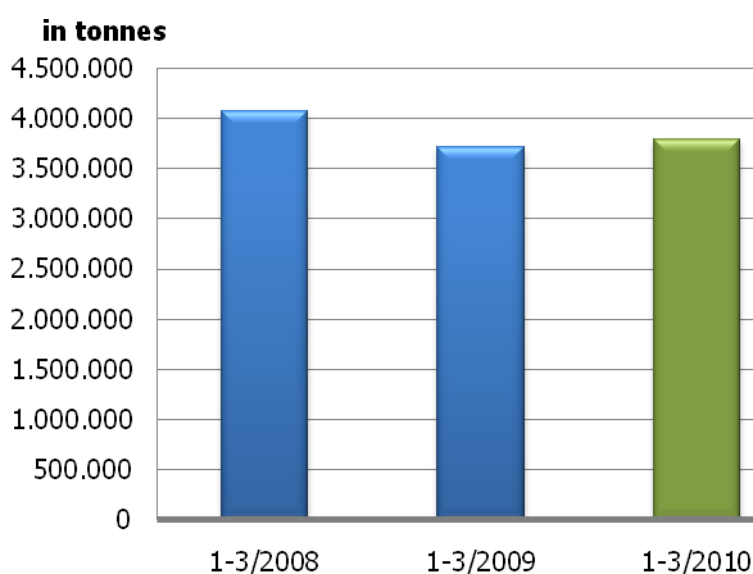


Figure 2: Cargo throughput in the first quarters of 2008, 2009 and 2010



The revenues of the parent company - *Luka Koper d.d.* - which recorded a two percent drop on the same period last year account for the majority - namely ninety-four percent – of the total operating revenues of the Group. Cargo throughput at the port, which is one of the main indicators of the physical volume of operations, exhibited a year-on increase of two percent. Lower throughput volumes were only recorded in relation bulk, break bulk and liquid cargos, whereas the tonnages of other cargo types were all above the January – March 2009 level. The two-percent decline in *Luka Koper d.d.* revenues – given the fact that the cargo throughput recorded a two-percent upturn – can in particular be attributed to the

more rapid turnover of cargo at the port, and the resultant down-turn in revenues from storage charges.

A decrease in sales revenues is also related to the exclusion of the company *Adria-Tow d.o.o.* from the full consolidation of accounting data ¹ which resulted in a three-percent (one million euro) fall in 2010 operating revenues. As of 31st March 2010, the company is consolidated by the equity method as a jointly controlled company. The total number of vessels arriving at the Port of Koper recorded a six percent decrease (463 vessels) on the same period in 2009.

Subsidiary enterprise revenues account for six percent of total Group revenues. The Sežana Terminal recorded a nineteen-percent increase, and the provision of hospitality and catering services a six-percent rise in revenues over the same period last year. Revenues generated by the provision of maintenance, manufacture and maritime-municipal utility services fell by sixteen percent.

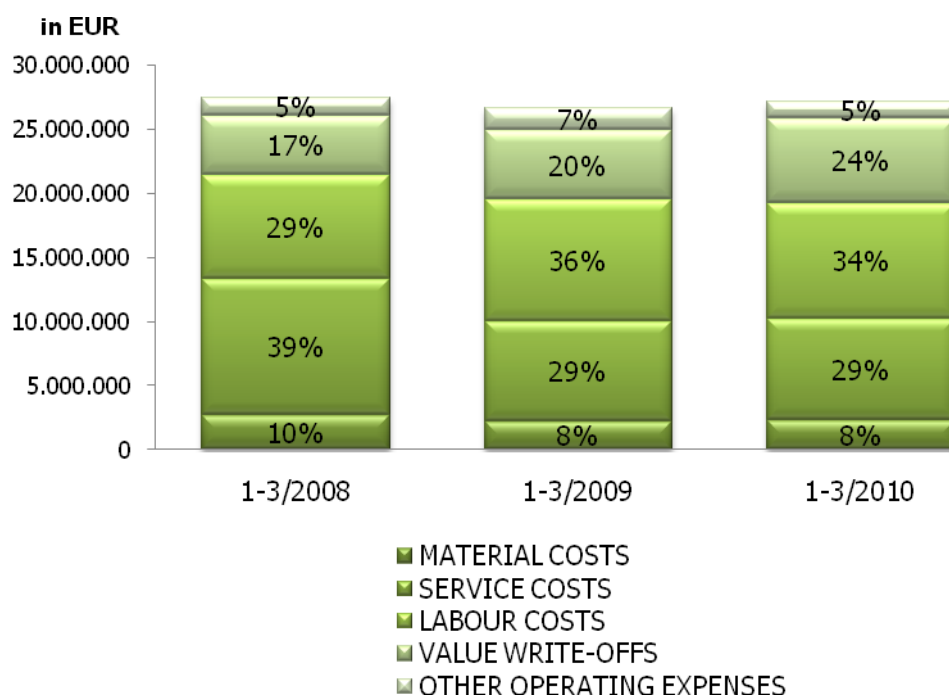
Foreign markets account for sixty-one percent of total operating revenues, namely some 30.5 million euros. The major portion is euro-denominated (ninety-five percent), while the remainder are denominated in US dollars.

OPERATING EXPENSES

In the first quarter of 2010, *Luka Koper Group's* operating expenses amounted to 27.1 million euros, which is a year-on rise of two-percent. Operating expenses were in particular affected by higher amortisation resultant from large investments in the modernisation of terminal facilities in 2009. The exclusion of the company *Adria-Tow d.o.o.* from full consolidation in 2010 attributed to a 2.4 percent (670,000 euros) drop in operating expenses.

¹ As of 30th June 2009, the company *Adria-Tow d.o.o.* was excluded from full consolidation.

Figure 3: Luka Koper Group operating expenses in the first quarters of 2008, 2009 and 2010



MATERIAL COSTS

Material costs rose by eight percent, which can mainly be attributed to higher energy consumption, in particular fuel. The year-on consumption of vehicle fuels rose as a consequence of increased throughput and the number of handling operations at storage areas.

SERVICE COSTS

A major portion of service costs (eighty-three percent) can be attributed to the port service providers, maintenance costs and other services costs. Service costs in the amount of 7.9 million euros recorded a year-on increase of one percent.

The costs of port service providers rose by six percent, which is the result of increased demand for services provided by contractors due to augmented container throughput and increased volume of additional services at the Timber Terminal.

Maintenance costs, which account for 1.8 million euros (six percent) of operating revenues, also recorded a five percent upturn.

The major portion of other service costs can be attributed to the provision of IT support and the concession fee. The *Luka Koper Group* allocated 820,000 euros into the modernisation and maintenance of the Group's information system, while the concession fee for January to March 2010 amounted to 970,000 euros.

The largest decrease within the service costs item was recorded in relation to appearances at fairs and exhibitions, as well as advertising and entertainment costs, together with work-related employee reimbursements.

LABOUR COSTS

Labour costs – which in the first quarter amounted to 9.1 million euros, a year-on decrease of five percent – account for one third of total operating expenses.

Labour costs, together with costs of port service providers, totalled 12.3 million euros in the first quarter, and thus recorded a two percent decrease on the same period last year. Such costs account for forty-four percent of all Group expenses, and as such they are the equivalent of thirty-nine percent of total operating revenues.

VALUE WRITE-OFFS

Amortisation rose by 1.2 million euros (twenty-three percent) which can be attributed to intense investments in the past year. Total amortisation amounted to 6.5 million euros, which is the equivalent of twenty-one percent of operating revenues generated by the Group.

OPERATING PROFIT

Operating profit generated from January to March 2010 in the amount of 3.4 million euros recorded a 2.5-million euro (forty-three percent) downturn on the January to March 2009 level. The major factor in this was decreased operational profitability in relation to the same period last year, including a six percent downturn in the volume of operating revenues as well as increased amortisation costs.

Simplified cash flow generated by the *Group* over the first three months of 2010 expressed using the EBITDA indicator amounted to 9.9 million euros, which is a year-on decline of twelve percent.

FINANCIAL REVENUES AND EXPENSES

The surplus of financial revenues over financial expenses amounts to 180,000 euros. In particular the financial revenues from profit participation in associated companies, measured using the equity method, recorded an upward trend on the same period last year.

PROFIT FOR THE PERIOD

The financing gain augmented pre-tax operating profits to a total of 3.5 million euros. Net profit generated by the *Luka Koper Group* in the January – March 2010 period amounts to 3.4 million euros.

ASSETS

On 31st March 2010, the value of Luka Koper Group assets amounted to 538.8 million euros, which is a one percent increase on the end of 2009.

Tangible fixed assets in the amount of 389.4 million euros, together with long-term financial investments in the amount of 91 million euros, account for the major portion of long-term assets. The increase in the value of the *Luka Koper Group's* long-term financial investments from the end of 2009 can for the most part be attributed to the increase in share values as a consequence of the upturn in stock exchange share indices.

As of 31st March 2010, *Luka Koper Group's* current assets amount to 22.1 million euros, which is a fifteen percent fall on the level recorded at the end of 2009. The major decrease was, in particular, recorded in relation to short-term financial investments, i.e. bank deposits and short-term operating receivables.

EQUITY AND LIABILITIES

In comparison with the end of 2009, *Luka Koper Group* equity rose by three percent and accounts by forty-three percent of total equity and liabilities. Financial liabilities are equivalent of ninety-four percent of the *Group's* equity. The ratio between long- and short-term financial liabilities did not alter over the first three months of 2010. From January to March, however, the volume of debt financing rose by 4.4 million euros.

Due to its failing to meet some financial obligations – in particular because of the impairment of financial investments – *Luka Koper d.d.* was obliged to reclassify said obligations as short-term liabilities at the end of fiscal 2009. Thanks to its regular servicing of all liabilities and stable business operations, *Luka Koper d.d.* doesn't anticipate that commercial banks shall withdraw from loan agreements.

The *Luka Koper Group* regularly settles all long-term financial liabilities in compliance with its amortisation plans. The maintenance of long-term liquidity with the emphasis on the restructuring of short-term financial liabilities in relation to long-term ones, remains a priority in the financial management the *Group* as a whole.

MARKETING AND SALES

In the first quarter of 2010, marketing was characterised by intensive activities aimed at the acquisition of new clients and the consolidation of relationships with the existing business partners in order to provide additional trade flows and the provision of supplementary services to *Luka Koper* clients. During the first quarter of 2010, the company actively engaged in such markets as South Korea and Israel, where it has an established presence, in order to strengthen relations with its partners as well as familiarise them with the further development of the Port of Koper.

In addition, *Luka Koper* hosted a number of business delegations and organised meetings with potential clients; it also conducted discussions in relation to new potential deals which should lead to the establishment of new direct deep sea connections between the Port of Koper and markets currently serviced via Northwestern-European ports.

3,789,792 tonnes of cargo was handled by the Port of Koper between January and March 2010, which is five percent ahead of projections and a two percent increase on the same period last year. The largest year-on growth in throughput was recorded by the Container Terminal, and this is undoubtedly attributable to investments in the expansion of capacities and modernisation of its facilities.

Cargo Throughput and Sales

Table 1: Cargo throughput by type in the first quarters of 2008, 2009 and 2010

CARGO TYPE (in tonnes)	January – March 2008	January – March 2009	January – March 2010	Indices 2010/2009
General cargos	413,886	340,386	386,457	114
Container freight	743,688	675,878	1,023,566	151
Vehicles	215,091	83,577	104,178	125
Liquid cargos	615,400	719,870	632,120	88
Bulk and break bulk cargos	2,084,228	1,892,644	1,643,473	87
Total	4,072,293	3,712,355	3,789,794	102

Table 2: Throughput of container freight (in TEUs) and vehicles (in units) in the first quarters of 2008, 2009 and 2010

CARGO TYPES	January – March 2008	January – March 2009	January – March 2010	Indices 2010/2009
Container freight – in TEUs	86,272	85,867	111,984	130
Vehicles – in units	162,491	62,333	75,800	122

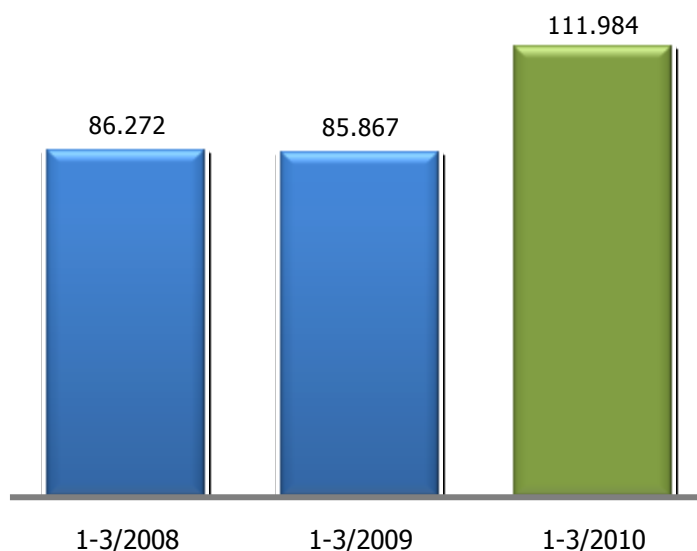
Table 3: Operating revenues by cargo type in the first quarters of 2008, 2009 and 2010

REVENUES (in euros)	January – March 2008	January – March 2009	January – March 2010	Indices 2010/2009
General cargo	9,543,205	8,151,591	8,601,876	106
Container freight	3,893,358	4,110,962	5,390,655	131
Vehicles	5,955,322	3,250,386	2,631,844	81
Liquid cargos	714,301	1,413,348	1,410,589	100
Bulk and break bulk cargos	9,784,472	9,761,512	7,610,793	78
Other cargos	6,244,916	5,852,211	4,844,043	83
Total	36,135,574	32,540,010	30,489,800	94

Container Freight

In the first three months of this year, the company handled 111,984 TEUs, which is more than thirty percent up on the same period last year. This increase can mainly be attributed to the redirection of trade flows from the northern to southern continental ports, and to a lesser extent to the invigoration of the economies of European hinterland markets. Further growth is anticipated over the coming months, though this most likely won't be as distinctive as in March, when the company achieved an absolute record in container throughput (45,619 TEUs), exceeding the erstwhile monthly record by 10,000 TEUs. Container freight revenue growth in the first quarter of 2010 was practically the same as the growth in actual container throughput.

Figure 4: Container throughput at the Port of Koper in the first quarters of 2008, 2009 and 2010 (in TEUs)

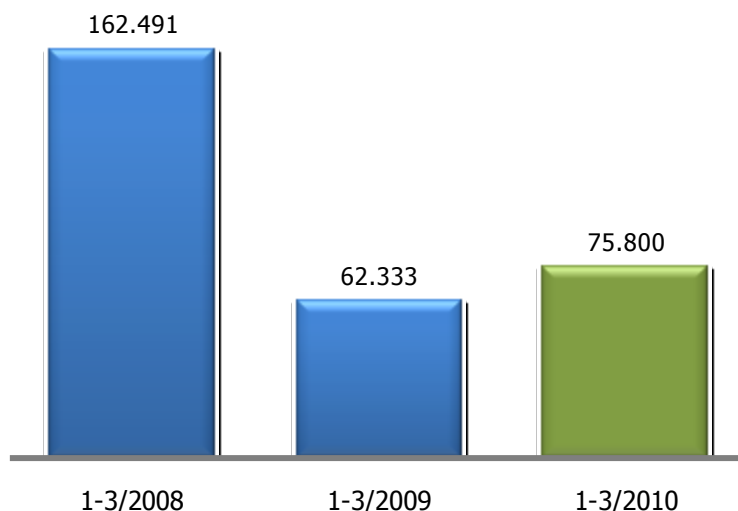


Vehicles

Throughput at the Car Terminal in January and February was similar to the previous year and thus didn't meet anticipated volumes; in March, however, renewed growth was apparent. The number of vehicles handled in the first quarter of 2010 amounted to 75,800 units, which is twenty-two percent ahead of the same period last year. Additional increases in vehicle throughput is anticipated over the next months.

Despite the rise in volumes from January to March, sales revenues dropped on the same period last year which can be attributed to lower revenues from storage charges; indeed, the number of vehicles in storage at the port fell by forty-eight percent on the first quarter of 2009.

Figure 5: Vehicle throughput in the first quarters of 2008, 2009 and 2010 (in units)



General Cargos

Over the first three months of 2010, a considerable increase has been recorded in the throughput of steel-stock, paper and PVC granulate at the General Cargo Terminal. In addition, the volume of project cargo is also on the increase, and good references acquired in relation to high quality operations in the past are yielding a return. A new acquisition at the Terminal – a higher load capacity crane – shall further increase handling capacities.

In relation to the Fruit Terminal, Koper's role as a European hub in the distribution of duty-paid perishables from Israel is being strengthened. Increased EU exports to the countries of the Middle East and North Africa has been observed at *Luka Koper's* Livestock Terminal, and as a consequence of the quality of its services, Koper has become well established in the export of breeding livestock. The volume of timber handled from January to March 2010 is comparable to the same period last year. The trend towards the increasing containerisation of timber exports continues.

The volume of general cargo handled increased more than the revenues being generated, this is directly attributable to a decrease in storage charges, itself a consequence of the more rapid turnover of freight in storage facilities, as well as a cut in chargeable rents.

Liquid Cargos

The throughput of non-petroleum-derivative liquid cargos in the first months of 2010 was much the same as it had been in the first quarter of 2010, whilst the volume of petroleum-derivatives fell. Overall, the total volume of liquid cargos was down by twelve percent on the same period last year. The new investments at the Alcohol Terminal will come on stream

during the second quarter of 2010. The rise in liquid-cargo sales revenues for the first quarter of 2010 exceeds the growth in volumes being handled.

Bulk and Break Bulk Cargos

In the first quarter of 2010, Koper's European Energy Terminal (which handles coal and iron ore) recorded a slight decrease in throughput on the same period last year. Based on the predicted increase in steel production within the continental hinterland, the company anticipates renewed growth in iron ore throughput.

In the first quarter of this year, the Bulk Cargo Terminal recorded an increase in the throughput of minerals and other such raw materials; whilst soya met projections, however, cereals and alumina continue to decline.

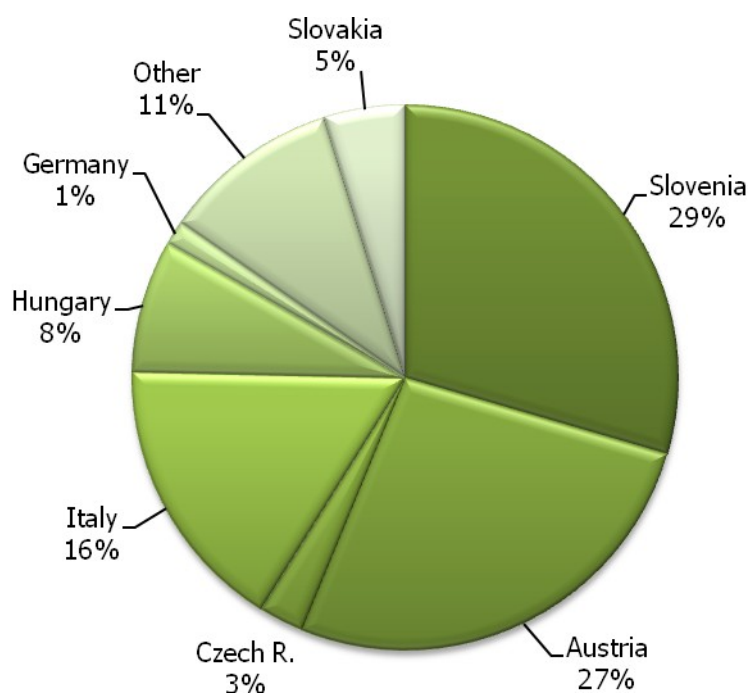
In comparison with the same period last year, the decrease in revenues generated by bulk and break bulk cargos surpassed that of the decline in throughput, in particular under the other revenues item, as well as sales revenues from the provision of additional services related to cargo.

Cargo Throughput and Sales by Markets

The portions of cargo throughput pertaining to the Austrian, Czech, Slovak and Hungarian markets rose in relation to the total volume of cargo handled. The largest growth was attained in the Austrian market, in particular as regards container freight the volume of which nearly doubled on the same period last year.

The domestic (Slovenian) market was the largest, and accounted for 1.1 million tonnes of cargo; it is closely followed by Austria (1 million tonnes of cargo handled), thence Italy, Hungary and Slovakia.

Figure 6: Cargo throughput by hinterland market of origin or destination - January to March 2010



RISK MANAGEMENT

All relevant types of risk are systematically monitored and managed at the level of the *Luka Koper Group*. In comparison with 2009, the *Group's* exposure to the most critical as well as all types of strategic, business and financial risks that have been detected, has not significantly altered during the first quarter of 2010.

INFORMATION ON THE LUKA KOPER SHARE

As of 31st March 2010, the company had a total of 14,810 shareholders, which is 0.01 of a percentage point less than a year previously. The ten largest shareholders held 75.68 percent of all *Luka Koper d.d.* stock. The largest shareholder remains the state - the Republic of Slovenia - which enjoys a 51 percent stake.

Table 4: Ten largest shareholders as of 31st March 2010

No.	Shareholder title	No. of shares	Voting rights
1.	REPUBLIKA SLOVENIJA	7,140,000	51.00%
2.	SLOVENSKA ODŠKODNINSKA DRUŽBA D.D.	1,557,857	11.13%
3.	KAPITALSKA DRUŽBA D.D.	712,304	5.09%
4.	MESTNA OBČINA KOPER	466,942	3.34%
5.	KD GALILEO, FLEKSIBILNA STRUKTURA NALOŽB	152,265	1.09%
6.	KD ID, DELNIŠKA ID D.D.	149,882	1.07%
7.	DELNIŠKI VZAJEMNI SKLAD TRIGLAV STEBER I	114,859	0.82%
8.	PERSPEKTIVA FT D.O.O.	110,895	0.79%
9.	ZAVAROVALNICA TRIGLAV D.D.	104,756	0.75%
10.	NEVENKA VIDMAR	85,719	0.61%
TEN LARGEST SHAREHOLDERS - TOTAL		10,595,479	75.68%
TOTAL SHARES		14,000,000	100.00%

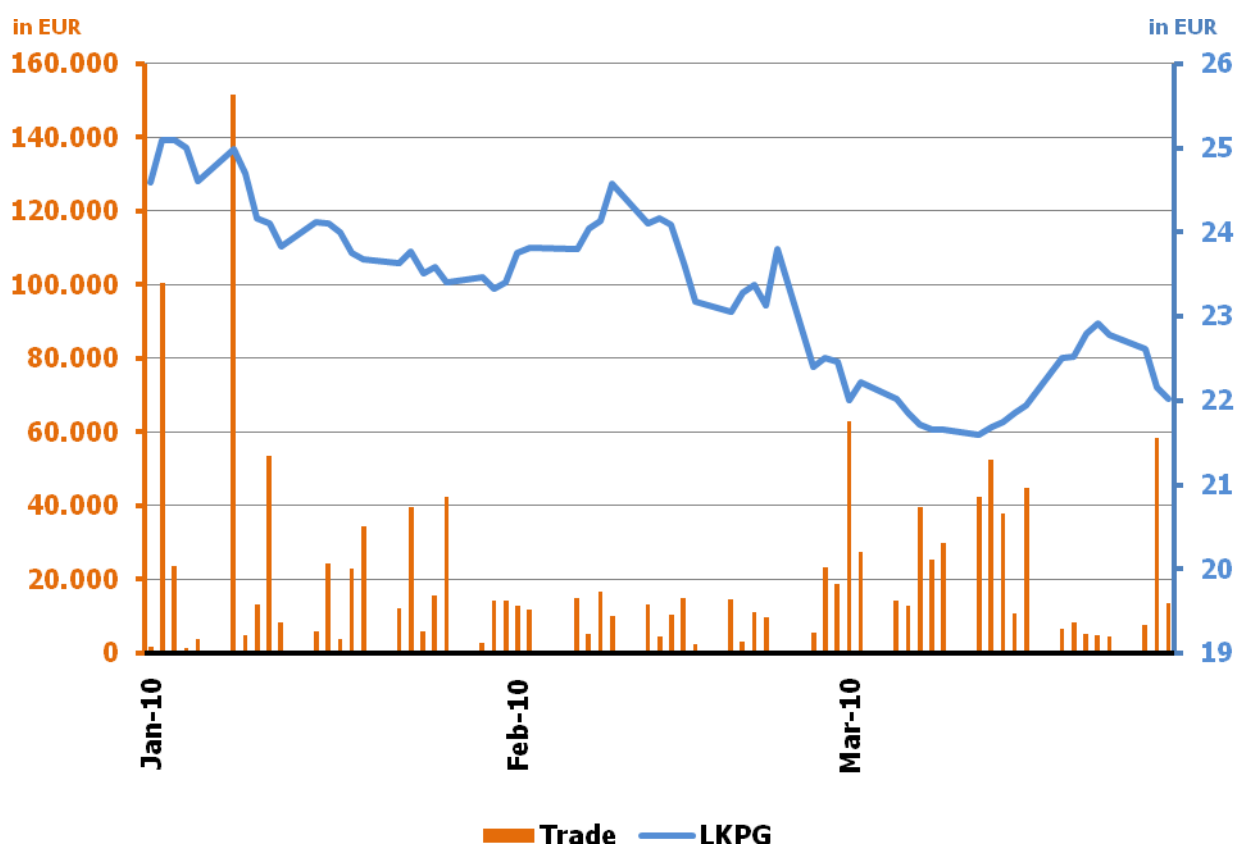
Trading in Luka Koper d.d. (LKPG) Shares

Table 5: Information on the LKPG share

	2010	2009
Number of shares issued as of 31 st March	14,000,000	14,000,000
Ordinary shares	14,000,000	14,000,000
Market capitalisation as of 31 st March (in million €)	308.28	266.42
Turnover (all transactions) January to March (in million €)	1.314	1.837
Lowest trading price January to March (in €)	21.59	18.80
Peak trading price January to March (in €)	25.10	25.50
Average trading price as of 31 st March (in €)	22.02	19.03

The average price of the *Luka Koper d.d.* share during the first quarter of 2010 was € 23.28, whereas its value during this period fluctuated between 22 and 25 euros. A total of 739 transactions and block trades were accomplished in LK stock over the quarter, and the total value of these trades amounted to € 1,313,831, with 56,600 shares changing ownership. The share's peak trading price was € 25.23, while its lowest trade was € 21.45. The share price has risen by sixteen percent on the same period last year, but fallen by eight percent since the end of 2009.

Figure 7: Movement of the LKPG share price and the aggregate value of daily trades with the share, January to March 2010



Number of Shares Held by Members of the Supervisory and Management Boards

As of 31st March 2010, the following members of the *Luka Koper d.d.* Supervisory Board held shares in the company:

Dr. Marko Simoneti, Member of Supervisory Board	590
Nebojša Topič, Member of Supervisory Board	9

As of 31st March 2010, the following members of the *Luka Koper d.d.* Management Board held shares in the company:

Dr. Gregor Veselko, President of Management Board	20
Tomaž Martin Jamnik, Deputy President of the Management Board	80

Dividend Policy

In the past, the company apportioned approximately one half of net profits as dividends to shareholders. Based on the resolution adopted by its 16th General Assembly of shareholders, *Luka Koper d.d.* did not remunerate dividends for 2008. Due to harsh conditions in the global economy, the completion of infrastructure investments and the loss generated in last year, the company shall not propose that the General Assembly remunerate dividends for fiscal 2009.

Net Earnings Per Share

Net earnings per share - calculated on the basis of net profit for January to March 2010, divided by the total number of shares issued - amounts to 0.05 euros.

Book Value of Share

As of 31st March 2010, the book value of share, calculated as the total value of equity divided by the total number of shares issued, amounted to 17.34 euros.

Treasury Stock, Authorised Capital, Conditional Increase in Share Capital

As of 31st March 2010, the company didn't hold treasury stock. The *Luka Koper d.d.* statute doesn't anticipate any category of authorised capital by way of which the company's Management Board may increase share capital. Between January and March 2010, the company has had no grounds for any conditional increase in share capital.

INVESTMENT POLICY

During 2010, the company is focussing on selective investments in port infrastructure in order to meet the requirements for the more intensive implementation of its core business. At the *Group* level, the major portion of investment - 8.4 million euros - was allocated to the creation of the new Alcohol Terminal facility as well as the development of the Container Terminal hinterland area behind Berth 7A.

Alcohol Terminal

Completed in the first quarter of 2010, the Alcohol Terminal will operate as a Central European distribution centre for alcohol derivatives. The investment encompasses 33,000 m³ of new infrastructure as well as a new berth which is relocated fifteen metres towards the open sea. Its creation also resolves the issue of berth capacities as it allows the

simultaneous mooring of a tanker as well as bulk (soya and alumina) carriers. Test operations at the Terminal will commence in May 2010.

Hinterland of Berth 7A

Additional works in the reclamation of the hinterland area behind Berth 7A/1 got underway in the first quarter of 2010. Infill reclamation and the construction of a platform shall create further container storage areas and quayside access routes; rainwater runoff and sewerage systems are also provided by way of this development.

RESEARCH AND DEVELOPMENT

During the first quarter of 2010, *Luka Koper d.d.* continued its active participation in a number of European projects, as well as systematically developed its in-house research and development activities.

In January this year, the company and all interested local stakeholders responded to a public initiative project introduced by Slovenia's Minister of Economy. Entitled *Koper Logistics Centre and Commercial Development*, this programme aims to develop strategic infrastructure of national significance that will be co-financed by EU structural funds. In addition to this, the company has been actively engaged in five other EU projects namely: *SoNorA*, *Climeport*, *Memo*, *Backgrounds* and *Watermode*, as well the *FP7 StarNetRegio* project. A new *Hinterports* project was also launched within the context of the *Marco Polo* programme.

PROVISION OF I.T. SUPPORT

A number of projects, aimed at the optimisation of IT processes, the provision of better service to clients and enhanced cost efficiency, were all underway at the beginning of 2010.

The first quarter has seen the rolling out of the electronic documentary and e-invoice system, together with projects to further improve cost accounting processes, information provision and the enhancement of efficiency through the measure of individual dimensions of the business.

Following analyses, activities were launched to renew the rationalisation and management optimisation of printers and other devices, as well as integration of the bar-code warehouse management system with the company's *TinO* system for the management of cost accounting, operations and marketing, all of which shall contribute to the optimisation of the company's cost management.

SUSTAINABLE DEVELOPMENT

HUMAN RESOURCES MANAGEMENT

The reduction in the numbers of personnel, both within *Luka Koper d.d.* and the *Group*, continued throughout the first quarter of 2010. As of 31st March 2010, the *Luka Koper Group* had 1,022 employees.

Table 6: Number of employees per Luka Koper Group company – Q1 2008-2010

Company	31.3.2008	31.3.2009	31.12.2009	31.3.2010
Luka Koper d.d.	777	787	768	763
Luka Koper INPO d.o.o.	230	235	220	219
Luka Koper Pristan d.o.o.	12	14	8	7
Adria Terminali d.o.o.	33	33	35	32
Adriasole d.o.o.	--	--	1	1
TOTAL	1.052	1.069	1.032	1.022

* Due to the changed method of consolidation of *Luka Koper Group* companies, the comparison of employees with previous years only includes those enterprises which as of 31st March 2010 formed part of the *Luka Koper Group*. Also those companies within the *Group* which have no employees are not included in the above table.

The constraint on recruitment, which was adopted at the end of 2008, is still effective. Human resources management aims to reduce labour costs within the category of operating expenses, improve internal organisation and achieve the more efficient allocation of working hours, both within the parent company and the *Group* as a whole. Half of personnel departures are attributable to pension or disability retirements, while the remainder are a consequence of other forms of employment contract termination.

Employee churn remains low - under the five-percent threshold, while during this period sick leave in the parent company amounted to 4.5 percent of total hours, i.e. slightly lower than a year previously, whilst sick leave remained at 5.3 percent at the *Group* level.

A more cost efficient and selective approach is expressed in a somewhat lower average number of hours being dedicated to personnel education and training (from 5.3 per *Luka Koper d.d.* personnel in the first quarter of 2009, to 3.7 hours in 2010; and from 4.2 to 3.2 hours per employee for the *Group* as a whole). This year has also seen a reduced number of employees whose part-time studies are being co-financed by the company (from 5 percent in 2009 to 2.9 percent this year) as well as a reduction in the funding of education and training (from € 33,000 in Q1 last year to € 32,000 this year).

CONTROLLING ENVIRONMENTAL IMPACTS

Luka Koper d.d. is actively engaged in the acquisition of *Eco-Management and Audit Scheme* - *EMAS* - certification. Openness, honesty and the regular disclosure of environmental-impact information, together with the fulfilment of other statutory requirements, are key factors which make *EMAS* different from other environment management models and schemes.

The company promptly publishes on its www.zivetispristaniscem.si website the results of ongoing dust particle measurements (PM10 particulate) and noise levels around the port zone, as well as informs the public as to its environmental protection activities and reports. An additional reference monitoring station, which undertakes the continuous measurement of dust pollution in the direction of Bertoki, was set up just within the port zone.

In March 2010, *Luka Koper d.d.* submitted its annual reports on airborne, waste water and noise emissions to the Ministry of Environment and Spatial Planning – Slovenia's Environmental Agency. The results of emission monitoring are compliant with the legislative requirements.

As to light pollution, the company is implementing an illumination rehabilitation plan, further to which the measurements recently carried out vindicate the positive effects of reduced light radiation.

PARTNERSHIP WITH THE COMMUNITY

Charitable Donations and Sponsorship

The company allocated 282,000 euros for donation and sponsorship in the first quarter of 2010, the majority of which was provided to sports clubs bearing the *Luka Koper* name. A novelty introduced this year is the formation of a special *Living with the Port* fund, which aims to finance projects in such fields as ecology, education, culture, sport and humanitarian activities. A call for applications was published in March, and 229 projects were submitted by interested members of the public, and a special internal commission is now selecting the most worthy projects in accordance with the predetermined criteria. A further call for applications shall again be published in July.

National Spatial Plan

The draft of the National Spatial Plan for the future arrangement of the Port of Koper was presented to the public last October. *Luka Koper d.d.* has also participated in the preparation of views as well as responses to proposals and comments expressed by the public.

Public and Media Relations

The first quarter was characterised by increased media attention in relation to the General Assembly of *Luka Koper d.d.* shareholders which was held on 26th March 2010. Congruent with the company's communication policy Public Relations promptly responded to journalists' inquiries as well as endeavoured to protect the good name of the company.

BUSINESS EXCELLENCE

First rate companies carefully nurture their culture of excellence, which in *Luka Koper's* case is, in particular, exhibited in the high quality of its services: only excellent services are good enough for *Luka Koper* clients. The accomplishment of such an objective is also supported by the application of a variety of managerial tools and techniques, as well as standards and business models.

The activities of the Quality Department in the first quarter may be summarised in relation to three key fields of operation:

- maintenance and upgrade of ISO 9001 quality management system;
- promotion of teamwork and a spirit of initiative and resourcefulness;
- introduction of a variety of tools and approaches, as well as the implementation of improvements in their application.

FINANCIAL REPORT

NON-AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF LUKA KOPER GROUP

Table 7: Non-audited Income Statement of Luka Koper Group

(in euros)	January - March 2010	January - March 2009
Operating revenues	30,489,800	32,540,010
1. Net sales revenues	30,139,455	31,472,967
2. Change in the value of inventories	-	-
3. Capitalised own products and services	-	9,449
4. Other operating revenues	350,345	1,057,594
Operating expenses	-27,135,257	-26,668,348
5. Costs of material, goods and services	-10,172,367	-10,009,979
6. Labour costs	-9,074,051	-9,508,671
7. Value write-offs	-6,567,978	-5,390,811
8. Other operating expenses	-1,320,861	-1,758,887
9. Provisions	-	-
Operating profit	3,354,543	5,871,662
Financial revenues	2,789,618	541,838
10. Financial revenues from profit participation	2,602,939	225,486
11. Financial revenues from loans granted	81,809	112,986
12. Financial revenues from operating receivables	104,871	203,366
Financial expenses	-2,609,557	-3,050,226
13. Financial expenses from impairments and write-offs of financial investments	-459,571	-816,167
14. Financial expenses from financial liabilities	-2,082,759	-2,187,553
15. Financial expenses from operating liabilities	-67,227	-46,506
Financing gain (loss)	180,061	-2,508,388
Pre-tax profit	3,534,604	3,363,274
16. Corporation tax	-75,137	-464,563
17. Deferred tax	-63,469	-7,361
Net profit for the period	3,395,998	2,891,350
Net profit – majority shareholder	3,396,568	2,857,227
Net profit – minority shareholder	-570	34,123
Basic net earnings per share (in euros)	0.24	0.21

Table 8: Comprehensive Income Statement of Luka Koper Group

(in euros)	January - March 2010	January - March 2009
Profit for the period	3,395,998	2,880,103
Other comprehensive income for the period:		
Change in fair value of financial assets available for sale	4,396,720	2,114,440
Deferred taxes	-687,335	-422,888
Other comprehensive income for the period	3,709,385	1,691,552
Total comprehensive income for the period	7,105,382	4,571,655
Attributable to:		
- equity of majority shareholding	7,105,952	4,548,779
- minority equity	-570	22,876

Table 9: Non-audited Balance Sheet Statement of Luka Koper Group

ASSETS (in euros)	31.3.2010	31.12.2009
ASSETS	538,757,521	531,672,019
A. Long-term assets	515,562,010	505,003,934
I. Intangible fixed assets and long-term deferred costs	7,009,090	7,024,047
II. Tangible fixed assets	389,435,807	387,867,394
III. Real-estate investments	18,535,724	18,438,868
IV. Long-term financial investments	91,079,692	82,826,382
V. Long-term operating receivables	220,307	220,307
VI. Deferred tax assets	9,281,390	8,626,936
B. Current assets	22,076,202	25,964,736
I. Assets (disposal group)	1,382,987	1,382,987
II. Inventories	13,330	13,752
III. Short-term financial investments	854,729	3,228,597
IV. Short-term operating receivables	18,694,625	20,482,935
V. Short-term corporation tax assets	384,266	302,131
VI. Cash and liquid assets	746,265	554,334
C. Deferred expenses and accrued revenues	1,119,308	703,350
D. Off-balance-sheet assets	16,210,753	10,997,403

LIABILITIES (in euros)	31.3.2010	31.12.2009
EQUITY AND LIABILITIES	538,757,521	531,672,019
Equity	254,799,329	247,410,496
A. Equity – majority shareholder	254,719,267	247,043,315
I. Called-up capital	58,420,965	58,420,965
II. Capital reserves	89,562,703	89,562,703
III. Legal reserves	18,876,842	18,876,842
IV. Other revenues reserves	60,544,410	60,544,410
V. Revaluation surplus	14,753,979	11,044,595
VI. Retained net profit	9,163,800	15,706,530
VII. Net profit for the period	3,396,568	-7,112,730
B. Equity – minority shareholder	80,062	367,181
C. Provisions	13,965,896	13,884,933
D. Long-term liabilities	61,470,765	47,972,817
I. Long-term financial liabilities	57,843,765	45,032,490
II. Long-term operating liabilities	178,515	179,178
III. Deferred tax liabilities	3,448,485	2,761,149
E. Short-term liabilities	207,579,142	220,912,556
I. Short-term financial liabilities	181,098,107	189,506,103
II. Short-term operating liabilities	26,277,262	31,406,453
III. Short-term corporation tax liabilities	203,773	0
F. Accrued expenses and deferred revenues	942,389	1,491,218
G. Off-balance-sheet liabilities	16,210,753	10,997,403

Table 10: Non-audited Cash Flow Statement of Luka Koper Group

(in euros)	January – March 2010	January – March 2009
<i>Cash flows from operating activities</i>		
a) Net profit	3,459,467	2,898,712
Pre-tax profit	3,534,604	3,363,274
Corporation taxes and other taxes not included in operating expenses	-75,137	-464,562
b) Adjustments for	6,329,917	8,000,435
Amortisation (+)	6,530,228	5,328,074
Operating revenue revaluation related to investing and financing items (-)	-57,894	-9,793
Operating expense revaluation related to investing and financing items (+)	0	16,907
Financial revenues, less financial revenues from operating	-2,684,748	-338,473

receivables (-)		
Financial expenses, less financial expenses from operating liabilities (+)	2,542,331	3,003,720
b) 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)	-4,103,312	2,787,353
Changes in operating receivables	1,706,175	1,020,254
Changes in deferred expenses and accrued revenues	-415,959	-788,691
Changes in deferred tax assets	0	0
Changes in assets (disposal group) held for sale	0	0
Changes in inventories	421	3,124
Changes in operating liabilities	-4,926,082	1,977,330
Changes in accrued expenses and deferred revenues, and provisions	-467,867	575,336
Changes in corporation tax liabilities	0	0
c) Net inflows (outflows) from operating activities (a + b)	5,686,072	13,686,500
<i>Cash flows from investment activities</i>		
a) Inflows from investments	9,991,079	15,293,705
Inflows from interest and profit participation related to investments	2,610,169	225,487
Inflows from disposal of intangible fixed assets	0	0
Inflows from disposal of tangible fixed assets	282,893	9,793
Inflows from disposal of real-estate investments	0	0
Inflows from disposal of long-term financial investments	522,999	0
Inflows from disposal of short-term financial investments	6,575,018	15,058,425
b) Outflows from investments	-17,805,844	-42,030,338
Outflows for acquisition of intangible fixed assets	-126,811	-917,885
Outflows for acquisition of tangible fixed assets	-8,277,992	-28,767,075
Outflows for acquisition of real-estate investments	-738	-2,172,258
Outflows for acquisition of long-term financial investments	-4,839,160	-1,625,326
Outflows for acquisition of short-term financial investments	-4,561,143	-8,547,794
c) Net inflows (outflows) from investments activities (a + b)	-7,814,765	-26,736,633
<i>Cash flows from financing activities</i>		
a) Inflows from financing activities	304,099,541	62,126,271
Inflows from paid-up capital	0	0
Inflows from increased long-term financial liabilities	194,901,094	10,219,181

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Inflows from increased short-term financial liabilities	109,198,447	51,907,090
b) Outflows from financing activities	-301,778,917	-55,424,344
Outflows for interest payable related to financing	-2,082,759	-2,187,553
Outflows for capital refunds	0	0
Outflows for payment of long-term financial liabilities	-193,154,302*	-1,007,731
Outflows for payment of short-term financial liabilities	-106,541,958*	-52,182,414
Outflows for payment of dividends and other profit participation	102	-46,646
c) Net inflows (outflows) from financing activities (a + b)	2,320,624	6,701,927
Closing balance of cash and cash equivalents	746,265	1,569,013
Net cash inflow (outflow) for the period (sum total of net cash Ac, Bc and Cc)	191,931	-6,348,206
Opening balance of cash and cash equivalents	554,334	7,917,219

* Note: Due to the introduction in 2010 of the new SAP module which supports information to Management for the purpose of planning, reporting, as well as monitoring the operations, as well as for the management of financial liabilities and some financial investments, *Luka Koper Group* has had to recognise the existing financial liabilities as new liabilities and consequently balance the erstwhile financial liabilities maintained in the previous mode. In the Cash Flow Statement, this is disclosed as actual payments of the existing financial liabilities and the borrowing of new funds, although in terms of content it is merely the accounting recognition of the changed mode of keeping these categories in the new module.

Table 11: Non-audited Statement of Changes in Equity of Luka Koper Group, January – March 2009

STATEMENT OF CHANGES IN EQUITY (in euros)	Called-up capital	Capital reserves	Legal reserves	Other revenue reserves	Retained net profit	Net profit for the financial year	Fair value reserve	Total
Opening balance as of 1st January 2009	58,420,965	89,562,703	18,877,775	100,333,556	25,058,917	10,049,468	5,293,292	307,596,678
Transfer to equity	0	0	0	0	0	2,857,227	1,691,552	4,548,779
Net profit for the financial year						2,857,227		2,857,227
Change in the fair value of available-for-sale investments							1,691,552	1,691,552
Transfer within equity	0	0	0	0	10,049,468	-10,049,468	0	0
Formation of other revenue reserves upon the resolution of Management and Supervisory Boards								
Transfer to other revenue reserves upon the resolution of General Assembly								
Transfer of net profit for the previous year to retained net profit					10,049,468	-10,049,468		
Transfer from equity	0	0	0	0	0	0	0	0
Distribution of dividends								
Remunerations for Supervisory Board members								
Balance as of 31st March 2009	58,420,965	89,562,703	18,877,775	100,333,556	35,108,385	2,857,227	6,984,845	312,145,457
Equity – minority shareholders								
Balance as of 31st March 2009	1,050,945	25,651	4,979	2,404,890	-72,436	22,876	0	3,436,906
Equity – total	59,471,910	89,588,355	18,882,755	102,738,447	35,035,950	2,880,103	6,984,845	315,582,363

Table 12: Non-audited Statement of Changes in Equity of Luka Koper Group, January – March 2010

STATEMENT OF CHANGES IN EQUITY (in euros)	Called-up capital	Capital reserves	Legal reserves	Other revenue reserves	Retained net profit	Net profit for the financial year	Revaluation surplus	Total equity	Equity – minority shareholders	Equity - total
Opening balance as of 1st January 2010	58,420,965	89,562,704	18,876,841	60,544,410	15,706,530	-7,112,730	11,044,595	247,043,314	367,181	247,410,495
Net profit for the financial year						3,396,568		3,396,568	-570	3,395,998
Other comprehensive income for the period							3,709,385	3,709,385		3,709,385
Comprehensive income for the period						3,396,568	3,709,385	7,105,952	-570	7,105,383
Formation of other revenue reserves upon the resolution of Management and Supervisory Boards								0	0	0
Transfer to other revenues reserves upon the resolution of General Assembly								0	0	0
Transfer of net profit for the previous year to retained net profit					-7,112,730	7,112,730		0	0	0
Distribution of dividends								0		0
Transfer form equity								0	-286,549	-286,549
Buyout of minority shareholders					570,000			570,000		570,000
Other								0		0
Balance as of 31st March 2010	58,420,965	89,562,704	18,876,841	60,544,410	9,163,800	3,396,568	14,753,979	254,719,266	80,062	254,799,328

NOTES TO THE FINANCIAL STATEMENTS OF LUKA KOPER GROUP

The financial statements of the *Luka Koper Group* for January to March 2010, i.e. as at 31st March 2010, include the financial statements of the parent company, *Luka Koper d.d.*, as well as the statements of its subsidiary companies, together with the attributable profits or losses of associated and jointly controlled enterprises.

The non-audited financial statements of *Luka Koper Group* as of 31st March 2010 are compiled in accordance with the same accounting policies and principles applicable in 2009.

Statement of Compliance

The financial statements have been compiled in accordance with the Companies Act RS and International Financing Reporting Standards (IRS) as adopted by the EU.

Basis for the Preparation of Financial Statements

The financial statements have been compiled in euros (EUR), rounded to the nearest unit. Through these consolidated financial statements *Luka Koper Group* wants to provide the broadest sphere of users useful information on the finances, performance and changes in financial standing from January to March 2010, in comparison with data for the previous year.

Fair value has been used and disclosed in relation to available-for-sale financial assets and real-estate investments, whilst other financial statement items have been presented either at cost or amortised cost.

Additional Notes to the Income Statement

Operating revenues

(in euros)	January - March 2010	January - March 2009
OPERATING REVENUES	30,489,800	32,540,010
Net sales revenues on domestic market	11,586,153	11,271,988
Net sales revenues on foreign markets	18,553,302	20,200,979
Capitalised own products and services	0	9,449
Other operating revenues	350,345	1,057,594

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Costs of goods, materials and services

(in euros)	January - March 2010	January - March 2009
COSTS OF GOODS, MATERIALS AND SERVICES	10,172,367	10,009,979
Material costs	2,274,096	2,187,792
Service costs	7,898,271	7,822,187

Labour costs

(in euros)	January - March 2010	January - March 2009
LABOUR COSTS	9,074,051	9,508,671
Costs of salaries	6,933,266	7,166,911
Social insurance costs	1,267,920	1,373,675
Other labour costs	872,865	968,085

Value write-offs

(in euros)	January - March 2010	January - March 2009
VALUE WRITE-OFFS	6,567,978	5,390,811
Amortisation of fixed assets	6,529,783	5,184,461
Amortisation of real-estate investments	445	143,613
Revaluation of operating expenses	37,750	62,737

Other operating expenses

(in euros)	January - March 2010	January - March 2009
OTHER EXPENSES	1,320,861	1,758,887
Charges unrelated to labour and other costs	1,251,647	1,315,164
Environmental protection expenditure	21,896	124,864
Other costs	47,318	318,859

Financial revenues

(in euros)	January - March 2010	January - March 2009
FINANCIAL REVENUES	2,789,618	541,838
Financial revenues from profit participation	2,602,939	225,486
Financial revenues from loans granted	81,809	112,986
Financial revenues from operating receivables and foreign exchange gains	104,871	203,366

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Financial expenses

(in euros)	January - March 2010	January - March 2009
FINANCIAL EXPENSES	2,609,557	3,050,226
Financial expenses from impairments and write-offs of financial investments	459,571	816,167
Financial expenses from financial liabilities	2,082,759	2,187,553
Financial expenses from operating liabilities and foreign exchange losses	67,227	46,506

Operating profit for the period

(in euros)	January - March 2010	January - March 2009
PRE-TAX PROFIT	3,534,604	3,363,274
Corporation tax	-75,137	-464,563
Deferred tax	-63,469	-7,361
Net profit for the period	3,395,998	2,891,350
NET EARNINGS PER SHARE	0.24	0.21

Additional Notes to the Balance Sheet Statement

Tangible and intangible fixed assets and real-estate investments

(in euros)	31.3.2010	31.12.2009
INTANGIBLE FIXED ASSETS AND LONG-TERM DEFERRED EXPENSES & ACCRUED REVENUES	7,009,090	7,024,047
TANGIBLE FIXED ASSETS	389,435,807	387,867,394
1. Land and buildings	239,709,425	238,656,765
a. Land	12,072,877	12,072,877
b. Buildings	227,636,548	226,583,888
2. Plant and machinery	95,519,485	98,533,530
3. Other plant and equipment	148,951	148,952
4. Tangible fixed assets under acquisition	54,057,946	50,528,147
REAL-ESTATE INVESTMENTS	18,535,724	18,438,868

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Long-term financial investments

(in euros)	31.3.2010	31.12.2009
LONG-TERM FINANCIAL INVESTMENTS	91,079,692	82,826,382
1. Long-term financial investments, less loans	86,022,167	80,072,885
2. Long-term loans	5,057,525	2,753,497

Current assets

(in euros)	31.3.2010	31.12.2009
CURRENT ASSETS	22,076,202	25,964,736

Equity

(in euros)	31.3.2010	31.12.2009
EQUITY	254,799,329	247,410,496
EQUITY – majority shareholder	254,719,267	247,043,315
CALLED-UP CAPITAL	58,420,965	58,420,965
CAPITAL RESERVES	89,562,703	89,562,703
REVENUE RESERVES	79,421,252	79,421,252
1. Legal reserves	18,876,842	18,876,842
2. Other revenue reserves	60,544,410	60,544,410
REVALUATION SURPLUS	14,753,979	11,044,595
RETAINED NET PROFIT	9,163,800	15,706,530
NET PROFIT FOR THE FINANCIAL YEAR	3,396,567	-7,112,730
EQUITY – minority shareholder	80,062	367,181

Long-term liabilities

(in euros)	31.3.2010	31.12.2009
LONG-TERM LIABILITIES	61,470,765	47,972,817
LONG-TERM FINANCIAL LIABILITIES	57,843,765	45,032,490
LONG-TERM OPERATING LIABILITIES	178,515	179,178
DEFERRED TAX LIABILITIES	3,448,485	2,761,149

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Short-term liabilities

(in euros)	31.3.2010	31.12.2009
SHORT-TERM LIABILITIES	207,579,142	220,912,555
SHORT-TERM FINANCIAL LIABILITIES	181,098,107	189,506,103
SHORT-TERM OPERATING LIABILITIES	26,481,034	31,406,453

**NON-AUDITED NON-CONSOLIDATED FINANCIAL STATEMENTS
OF LUKA KOPER D.D.**

Table 13: Non-audited Income Statement of Luka Koper d.d.

(in euros)	January – March 2010	January – March 2009
Operating revenues	28,800,213	29,319,825
1. Net sales revenues	28,742,133	28,622,895
2. Change in the value of inventories	-	-
3. Capitalised own products and services	-	-
4. Other operating revenues	58,080	696,930
Operating expenses	-25,587,704	-24,214,139
5. Costs of goods, material and services	-10,305,992	-9,923,712
6. Labour costs	-7,608,237	-7,664,894
7. Value write-offs	-6,300,076	-4,877,150
8. Other operating expenses	-1,373,399	-1,748,383
9. Provisions	-	-
Operating profit	3,212,509	5,105,686
Financial revenues	249,316	387,295
10. Financial revenues from profit participation	75,579	100,000
11. Financial revenues from loans granted	74,815	90,330
12. Financial revenues from operating receivables	98,922	196,965
Financial expenses	-2,666,789	-2,297,768
13. Financial expenses from impairments and write-offs of financial investments	-455,659	-
14. Financial expenses from financial liabilities	-2,144,236	-2,252,263
15. Financial expenses from operating liabilities	-66,894	-45,505
Financing loss	-2,417,473	-1,910,473
Pre-tax profit	795,036	3,195,213
16. Corporation tax	0	-319,521
17. Deferred tax	-63,108	-1,929
Net profit for the period	731,928	2,873,763
Basic net earnings per share (in euros)	0.05	0.21

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Table 14: Statement of Comprehensive Income of Luka Koper d.d.

(in euros)	January – March 2010	January – March 2009
Profit for the period	731,928	2,873,762
Other comprehensive income for the period:		
Change in fair value of financial assets available for sale	4,396,720	2,114,440
Deferred taxes	-687,335	-422,888
Other comprehensive income for the period – total	3,709,385	1,691,552
Total comprehensive income for the period	4,441,313	4,565,314

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Table 15: Non-audited Balance Sheet Statement of Luka Koper d.d.

ASSETS (in euros)	31.3.2010	31.12.2009
ASSETS	525,450,052	521,534,016
A. Long-term assets	503,495,558	496,479,516
I. Intangible fixed assets and long-term deferred costs	7,009,090	7,024,047
II. Tangible fixed assets	353,829,020	352,506,587
III. Real-estate investments	37,545,974	37,449,118
IV. Long-term financial investments	95,663,275	89,988,457
V. Long-term operating receivables	220,307	220,307
VI. deferred tax assets	9,227,892	9,291,000
B. Current assets	21,046,122	24,365,362
I. Assets (disposal group)	1,382,987	1,382,987
II. Short-term financial investments	775,602	2,564,111
III. Short-term operating receivables	18,229,247	19,929,684
IV. Short-term corporation tax assets	0	0
V. Cash and liquid assets	658,286	488,580
C. Deferred expenses and accrued revenues	908,372	689,138
D. Off-balance-sheet assets	16,210,753	10,997,403
LIABILITIES (in euros)	31.3.2010	31.12.2009
EQUITY AND LIABILITIES	525,450,052	521,534,016
A. Equity	242,779,100	238,337,787
I. Called-up capital	58,420,965	58,420,965
II. Capital reserves	89,562,703	89,562,703
III. Other revenue reserves	79,309,524	79,309,524
IV. Revaluation surplus	14,753,979	11,044,595
V. Retained net profit	0	0
VI. Net profit for the period	731,929	0
B. Provisions	6,024,602	6,032,940
C. Long-term liabilities	61,370,312	47,874,671
I. Long-term financial liabilities	57,843,765	45,032,490
II. Long-term operating liabilities	78,063	81,032
III. deferred tax liabilities	3,448,484	2,761,149
D. Short-term liabilities	214,767,041	228,104,650
I. Short-term financial liabilities	191,246,481	199,625,466
II. Short-term operating liabilities	23,520,560	28,479,184
E. Accrued expenses and deferred revenues	508,996	1,183,967
F. Off-balance-sheet liabilities	16,210,753	10,997,403

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Table 16: Non-audited Cash Flow Statement of Luka Koper d.d.

(in euros)	January – March 2010	January – March 2009
<i>Cash flows from operating activities</i>		
a) Net profit	795,037	2,875,692
Pre-tax profit	795,037	3,195,212
Corporation taxes and other taxes not included in operating expenses	0	-319,520
b) Adjustments for	8,661,730	6,883,460
Amortisation (+)	6,268,326	4,827,045
Operating revenue revaluation related to investing and financing items (-)	-56,097	-9,793
Operating expense revaluation related to investing and financing items (+)	-	4,275
Financial revenues, less financial revenues from operating receivables (-)	-150,394	-190,330
Financial expenses, less financial expenses from operating liabilities (+)	2,599,895	2,252,263
b) Changes in net current assets per Balance Sheet items (including accrued expenses/revenues and deferred expenses/revenues, as well as deferred receivables and tax liabilities)	-4,163,701	-996,707
Changes in operating receivables	1,659,573	-2,425,142
Changes in deferred expenses and accrued revenues	-219,235	-605,242
Changes in deferred tax assets	-	
Changes in assets (disposal group) held for sale	-	
Changes in inventories	-	
Changes in operating liabilities	-4,920,730	1,574,205
Changes in accrued expenses and deferred revenues, and provisions	-683,309	459,472
Changes in deferred tax liabilities	-	
c) Net inflows (outflows) from operating activities (a + b)	5,293,065	8,762,445
<i>Cash flows from investment activities</i>		
a) Inflows from investments	7,677,385	13,158,732
Inflows from interest and profit participation related to investments	236	
Inflows from disposal of intangible fixed assets	-	
Inflows from disposal of tangible fixed assets	281,096	25,666
Inflows from disposal of real-estate investments	-	
Inflows from disposal of long-term financial investments	594,666	158,850
Inflows from disposal of short-term financial investments	6,801,387	12,974,216

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b) Outflows from investments	-15,088,300	-36,483,971
Outflows for acquisition of intangible fixed assets	-126,811	-636,580
Outflows for acquisition of tangible fixed assets	-7,770,108	-18,300,144
Outflows for acquisition of real-estate investments	-738	-3,772,257
Outflows for acquisition of long-term financial investments	-2,252,344	-5,757,855
Outflows for acquisition of short-term financial investments	-4,938,299	-8,017,135
c) Net inflows (outflows) from investment activities (a + b)	-7,410,915	-23,325,239
Cash flows from financing activities		
a) Inflows from financing activities	316,395,797	63,900,365
Inflows from paid-up capital	-	
Inflows from increased long-term financial liabilities	194,901,094	10,219,181
Inflows from increased short-term financial liabilities	121,494,703	53,681,184
b) Outflows from financing activities	-314,108,242	-56,347,781
Outflows for interest payable related to financing	-2,144,736	-2,252,263
Outflows for capital refunds	-	
Outflows for payment of long-term financial liabilities	-193,154,302*	-1,007,731
Outflows for payment of short-term financial liabilities	-118,809,307*	-53,041,141
Outflows for payment of dividends and other profit participation	102	-46,646
c) Net inflows (outflows) from financing activities (a + b)	2,287,555	7,552,585
Closing balance of cash and cash equivalents	658,285	535,880
Net cash inflow (outflow) for the period (sum total of net cash Ac, Bc and Cc)	169,705	-7,010,209
Opening balance of cash and cash equivalents	488,580	7,546,089

* Note: Due to the introduction in 2010 of the new SAP module which supports information to Management for the purpose of planning, reporting, as well as monitoring the operations, as well as for the management of financial liabilities and some financial investments, *Luka Koper Group* has had to recognise the existing financial liabilities as new liabilities and consequently balance the erstwhile financial liabilities maintained in the previous mode. In the Cash Flow Statement, this is disclosed as actual payments of the existing financial liabilities and the borrowing of new funds, although in terms of content it is merely the accounting recognition of the changed mode of keeping these categories in the new module.

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Table 17: Non-audited Statement of Changes in Equity of Luka Koper d.d., January – March 2009

STATEMENT OF CHANGES IN EQUITY (in euros)	Called-up capital	Capital reserves	Legal reserves	Other revenues reserves	Retained net profit	Net profit for the financial year	Fair value reserve	Total
	I/1	II/1	III/1	III/4	IV/1	V/1	VI/2	
Opening balance as of 1st January 2009	58,420,965	89,562,703	18,765,115	100,333,556	12,534,193	6,867,662	5,293,293	291,777,487
Transfer to equity	0	0	0	0	0	2,873,762	1,691,552	4,565,314
Net profit for the financial year						2,873,762		2,873,762
Change in the fair value of available-for-sale financial investments							1,691,552	1,691,552
Transfer within equity	0	0	0	0	6,867,662	-6,867,662	0	0
Formation of other revenue reserves upon the resolution of Management and Supervisory Boards								
Transfer to other revenue reserves upon the resolution of General Assembly								
Transfer of net profit for the previous year to retained net profit					6,867,662	-6,867,662		
Transfer from equity	0	0	0	0	0	0	0	0
Dividend distribution								
Remunerations for Supervisory Board members								
Balance as of 31st March 2009	58,420,965	89,562,703	18,765,115	100,333,556	19,401,855	2,873,762	6,984,845	296,342,801

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Table 18: Non-audited Statement of Changes in Equity of Luka Koper d.d., January – March 2010

STATEMENT OF CHANGES IN EQUITY (in euros)	Called-up capital	Capital reserves	Legal reserves	Other revenue reserves	Retained net profit	Net profit for the financial year	Fair value reserve	Total
	I/1	II/1	III/1	III/4	IV/1	V/1	VI/2	
Opening balance as of 1st January 2010	58,420,965	89,562,703	18,765,115	60,544,409	0	0	11,044,595	238,337,787
Net profit for the financial year						731,928		731,928
Other comprehensive income for the period							3,709,385	3,709,385
Comprehensive income for the period	0	0	0	0	0	731,928	3,709,385	4,441,313
Formation of other revenue reserves upon the resolution of Management and Supervisory Boards								
Transfer to other revenue reserves upon the resolution of General Assembly								
Transfer of net profit for the previous year to retained net profit								
Dividend distribution								
Other								
Balance as of 31st March 2010	58,420,965	89,562,703	18,765,115	60,544,409	0	731,928	14,753,980	242,779,100

NOTES TO THE FINANCIAL STATEMENTS OF LUKA KOPER D.D.

Luka Koper d.d., port and logistics system operator, with its registered office in Koper, Republic of Slovenia, is the parent company of the *Luka Koper Group* of companies. The financial statements are compiled for the period January to March 2010, i.e. as at 31st March 2010.

The non-audited financial statements of *Luka Koper d.d.* as of 31st March 2010 are compiled in accordance with the same accounting policies and principles applicable in 2009.

Statement of Compliance

The financial statements have been compiled in accordance with the Companies Act RS and International Financing Reporting Standards (IRS) as adopted by the EU.

Basis for Preparation of Financial Statements

The financial statements have been compiled in euros (EUR), rounded to the nearest unit. By way of these financial statements *Luka Koper d.d.* wishes to provide the broadest sphere of users useful information on the finances, performance and changes in its financial standing from January to March 2010, in comparison with data for the previous year.

Fair value has been used and disclosed in relation to available-for-sale financial assets and real-estate investments, whilst other financial statement items have been presented at cost or amortised cost.

Operating revenues

(in euros)	January - March 2010	January - March 2009
OPERATING REVENUES	28,800,213	29,319,825
Sales revenues on domestic market	10,909,143	9,280,928
Sales revenues on foreign markets	17,832,990	19,341,967
Other operating revenues	58,080	696,930

Costs of goods, materials and services

(in euros)	January - March 2010	January - March 2009
COSTS OF GOODS, MATERIALS AND SERVICES	10,305,992	9,923,712
Material costs	2,129,825	1,889,883
Service costs	8,176,167	8,033,829

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Labour costs

(in euros)	January - March 2010	January - March 2009
LABOUR COSTS	7,608,237	7,664,894
Costs of salaries	5,891,529	5,828,164
Social insurance costs	1,046,253	1,116,647
Other labour costs	670,455	720,084

Value write-offs

(in euros)	January - March 2010	January - March 2009
VALUE WRITE-OFFS	6,300,076	4,877,150
Amortisation of fixed assets	6,109,404	4,683,432
Amortisation of real-estate investments	158,922	143,613
Revaluated operating expenses	31,750	50,105

Other operating expenses

(in euros)	January - March 2010	January - March 2009
OTHER EXPENSES	1,373,399	1,748,383
Charges unrelated to labour and other costs	1,239,153	1,280,266
Environmental protection expenditure	88,123	166,758
Other costs	46,123	301,359

Financial revenues

(in euros)	January - March 2010	January - March 2009
FINANCIAL REVENUES	249,316	387,295
Financial revenues from profit participation	75,579	100,000
Financial revenues from loans granted	74,815	90,329
Financial revenues from operating receivables and foreign exchange gains	98,922	196,965

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Financial expenses

(in euros)	January - March 2010	January - March 2009
FINANCIAL EXPENSES	2,666,789	2,297,768
Financial expenses from financial liabilities	2,144,235	2,252,263
Financial expenses from impairments and write-offs of financial investments	455,659	-
Financial expenses from operating liabilities and foreign exchange losses	66,895	45,505

Operating profit for the period

(in euros)	January - March 2010	January - March 2009
PRE-TAX PROFIT	795,036	3,195,213
Corporation tax	0	319,521
Deferred tax	-63,108	-1,929
Net profit for the period	731,928	2,873,762
NET EARNINGS PER SHARE	0.05	0.21

Additional Notes to the Balance Sheet Statement

Tangible and intangible fixed assets and real-estate investments

(in euros)	31.3.2010	31.12.2009
INTANGIBLE FIXED ASSETS AND LONG-TERM DEFERRED EXPENSES & ACCRUED REVENUES	7,009,089	7,024,047
TANGIBLE FIXED ASSETS	353,829,020	352,506,587
1. Land and buildings	214,993,738	213,904,856
a. Land	6,261,660	6,261,659
b. Buildings	208,732,079	207,643,197
2. Plant and machinery	90,721,679	94,015,714
3. Other plant and equipment	138,696	138,696
4. Tangible fixed assets under acquisition	47,974,907	44,447,321
REAL-ESTATE INVESTMENTS	37,545,974	37,449,118

Long-term financial investments

(in euros)	31.3.2010	31.12.2009
LONG-TERM FINANCIAL INVESTMENTS	95,663,275	89,988,457

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1. Long-term financial investments, less loans	91,238,480	87,234,960
2. Long-term loans	4,424,795	2,753,497

Short-term operating receivables

(in euros)	31.3.2010	31.12.2009
SHORT-TERM OPERATING RECEIVABLES	18,229,246	19,929,684

Equity

(in euros)	31.3.2010	31.12.2009
EQUITY	242,779,100	238,337,787
CALLED-UP CAPITAL	58,420,965	58,420,965
CAPITAL RESERVES	89,562,703	89,562,703
REVENUE RESERVES	79,309,524	79,309,524
1. legal reserves	18,765,115	18,765,115
2. Other revenue reserves	60,544,409	60,544,409
REVALUATION SURPLUS	14,753,979	11,044,595
RETAINED NET PROFIT	0	0
NET PROFIT FOR THE FINANCIAL YEAR	731,928	0

Long-term liabilities

(in euros)	31.3.2010	31.12.2009
LONG-TERM LIABILITIES	61,370,312	47,874,671
LONG-TERM FINANCIAL LIABILITIES	57,843,765	45,032,490
LONG-TERM OPERATING LIABILITIES	78,063	81,032
DEFERRED TAX LIABILITIES	3,448,484	2,761,149

Short-term liabilities

(in euros)	31.3.2010	31.12.2009
SHORT-TERM LIABILITIES	214,767,041	228,104,650
SHORT-TERM FINANCIAL LIABILITIES	191,246,481	199,625,466
SHORT-TERM OPERATING LIABILITIES	23,520,560	28,479,184