AKTON Communications

CONSOLIDATED ANNUAL REPORT

FOR 2010

AKTON GROUP

CONTENTS:

ERNST & YOUNG

This is a translation of the original report in Slovene language

INDEPENDENT AUDITOR'S REPORT

To the owners of Akton d.o.o., Ljubljana

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Akton Group, Ljubljana, which comprise the consolidated statement of financial position as at December 31, 2010, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Slovenian Accounting Standards and with the requirements of the Slovenian Companies Act related to the preparation of the financial statements, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Akton Group, Ljubljana, as of December 31, 2010, and its financial performance and cash flows for the year then ended in accordance with Slovenian Accounting Standards and with the requirements of the Slovenian Companies Act related to the preparation of the consolidated financial statements.

Report on Other Legal and Regulatory Requirements

Management is also responsible for preparing the business report in accordance with the Slovenian Companies Act. Our responsibility is to assess whether the business report is consistent with the audited consolidated financial statements. Our work regarding the business report is performed in accordance with ISA 720, and restricted to assessing whether the business report is consistent with the consolidated financial statements and does not include reviewing other information originated from non-audited financial records.

The business report is consistent with the audited consolidated financial statements.

Ljubljana, May 20, 2011

ERNST & YOUNG
Revizija, poslovno svetovanje d.o.o., Ljubljana 1

Janez Uranič
Director
Ernst & Young d.o.o.
Dunajska 111, Ljubljana

Janez Hostnik
Certified Auditor

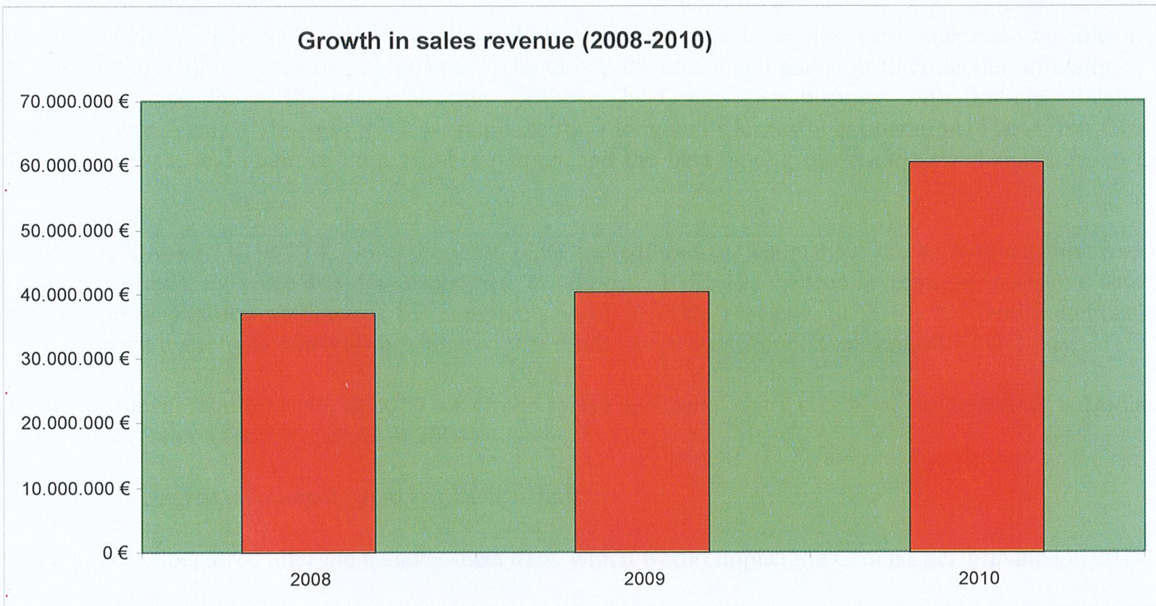
2 MANAGEMENT REPORT

2.1 PERFORMANCE RESULTS OF THE AKTON GROUP

The Group revenue

In 2010, the Akton Group generated net sales of EUR 60,424,926, representing an increase of 50% over the year 2009. In the second half of the year, the Group's performance was high above the planned revenue, exceeding the set plan by as much as 30.5%.

Major contribution to the growth in sales was provided by voice and data telecommunications services in the inter-operator segment, rendered by the parent company in Ljubljana. The Group agreed several new contracts for interconnection of networks (wholesale of voice services), and increased the number of connections with existing business partners, all of whom are major regional and international operators. In total, at the year-end, there were 135 active connections. In data services segment, the Group successfully agreed a number of key general contracts with leading international operators and became the preferred partner for the region. As a consequence, the Group realized 33 new IPLC connections. The Group provides highly reliable international connections for the most demanding user of international data cable lines such as foreign embassies, bank systems and other international institutions. In total, at the end of 2010, the Group managed 167 data links: 72 IPLC and 95 IP connections for end users (2009: 96 data links: 44 IPLC and 52 IP connections).



The Group expenses

The operating expenses reached EUR 60,155,092 in 2010, with costs of inter-operator telecommunications services, rental costs and costs of other services accounting for the bulk of the costs. Labour costs fell by 2.2% in 2010 compared with the previous year. According to the valuation performed by a certified independent valuer of companies, goodwill was not impaired in 2010. Compared to the previous year, operational costs fell as a result of efforts to increase financial stability of the Company and in line with the long-term strategy of growth. The financial year 2010 was again rather challenging for the Group since in order to achieve the results, major efforts and financial resources were required to protect the Group's interests against independent government bodies as well as the courts. As a result, members of the Management of the Group were personally affected. Operators, who fail to adhere to clear legislative framework of operations, are causing direct damage to the Group as well as the telecommunications market.

Furthermore, damage is caused to the Group by two previous owners through litigation which is putting at risk the very existence of the Group by putting hardcore restrictions on the working capital. During the times of economic crisis, such activities can be fatal for otherwise a successful and developing company.
The Group is continuing its investments in strengthening relations with business partners by participation at business conferences abroad and is entering a new strategic cycle. In the next financial year the Group will continue to ensure cost optimization in line with the realized returns.

Employees
At 1 January 2010, the Akton Group employed 38 staff. There were no changes in the organisational framework of the Group. In terms of recruiting, our efforts were devoted to strengthening the legal and administrative divisions. The Group is aware of the value of its human resources and has adopted a long-term employment and development policy. At 31 December 2010, the Group employed 38 staff, whereas for 2011, the plan is to employ additional staff primarily in our subsidiary in Serbia.

Group profit
In the financial year under review, the Group generated EUR 63,508 of net profit. Losses of EUR 2,847,440 were brought forward from previous periods. At the year-end, accumulated losses of the Group amounted to EUR 2,783,932.

Global economic crisis continued to have its effect in 2010. The crisis had a major impact on severe decline in sales prices and gross margin. The latter dropped by as much as 40%, which was reflected in lower operating profit at the end of 2010. In 2011 the Group is expecting correction on international and local markets and an increased growth in operating results.

In financial terms, the Group performed very successfully in spite of a blockade of call completion by Mobitel in wholesale of voice services, and activities of the two former owners. Operating and financial liabilities were settled on a regular basis, and the majority of receivables were successfully collected, resulting in no major outstanding receivables. The Group devotes much attention to collection of claims and we have in place one of the best collection systems. The Group does business with first-class business partners where financial discipline is a prerequisite for a long and successful cooperation. The Akton Group has proven again and again to be a reliable partner and the best among the middle-sized operators in the region.

In 2010, we invested EUR 214,266 in property, plant and equipment. Majority of the amount was invested in expansion of existing voice and data capacities. In addition, EUR 19,754 was invested in intangible assets, primarily in acquisition of licences for equipment used in voice services. In 2010, the Group companies funded current operations and investments from the funds generated through their regular operations.

In line with legal requirements, in 2010 the Group raised additional share capital of the following subsidiary through conversion of loans granted in 2006:

Akton d.o.o., Zagreb, additional capital of EUR 419,689.

No events have occurred after the balance sheet date, which would impact the Group's performance in 2010.

The Group is investing on an ongoing basis in the development of data and voice services, assurance of high quality of services and introduction of new solutions. Investments are funded by the Group's own assets. The Group does not engage in R&D activities.

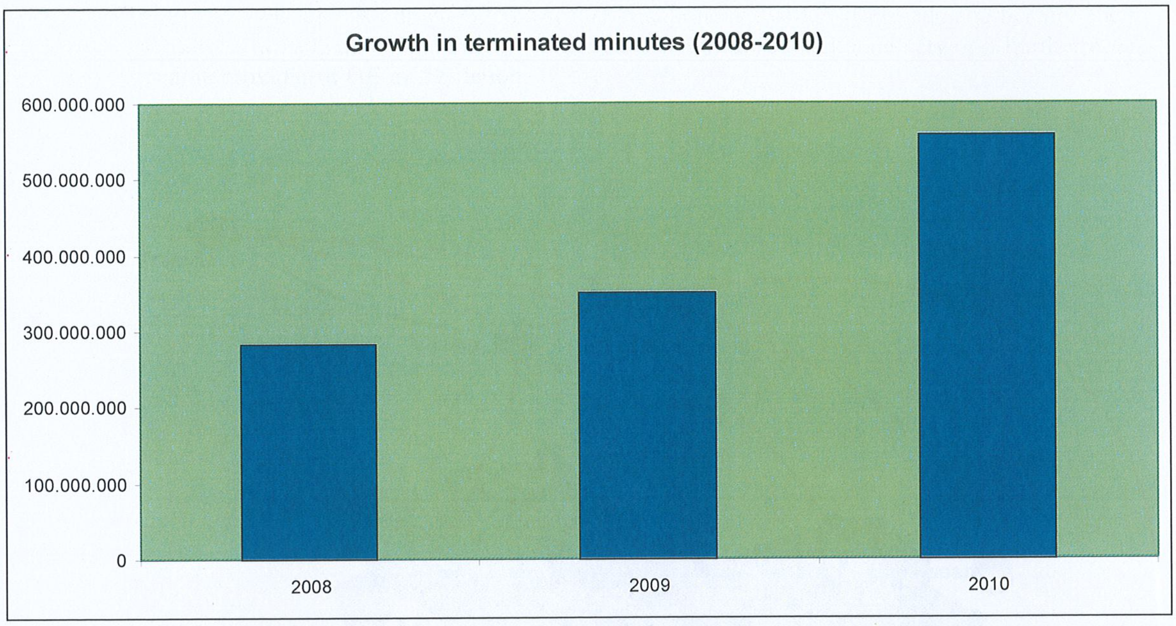
The Group possesses no real estate.

2.2 PRODUCTS AND SERVICES

2.2.1 Inter-operator sale of voice services

The Akton Group is present on three largest Central European intersections: PoP Vienna and PoP Frankfurt (twice), which allows us to set up international network connections (TDM, IP) with the major European and global operators. Closer at home, we are linked with national operators of fixed and mobile communications in the Adriatic region.

The Akton Group is the largest alternative provider of voice services in the region with 559 million terminated minutes annually.



2.2.2 Origin of calls

Services of origin of international calls are developed by the Group in Croatia, Serbia and Macedonia. In 2010, the operational growth in this particular segment was 31% above the result achieved in 2009, with the highest increase in services recorded on the Serbian market. Both, the operating scope and growth are above the plan and the Serbian market represents the highest potential among all the markets in the region.

2.2.3 Data services, leased lines and IP

In 2010, the Group consolidated its position as the leading integrator of technologically most advances connections and applications in the Adriatic region. Entering Serbia with direct connection to Belgrade was the most significant investment in new markets made in 2010 by the Group. At the same time, the Group remains loyal to its primary objective: to be the »One-Stop-Shop« service provider for international business partners in the whole of the region. Akton successfully strengthened its cooperation with local operators to allow its customers access to all locations in the region.

In recent years, the Group has developed into preferred provider of IPLC services in the Adriatic region of a large number of operators and business users. The list of countries where the Group provides data services comprises Slovenia, Croatia, Bosnia and Herzegovina, Serbia, Macedonia, Monte negro, Kosovo and Albania, which encompasses the whole of the Adriatic region. We see Bulgaria as a potential in the future. In 2010 the Group upgraded its network capacities in the direction towards Vienna and Frankfurt and, through its optical backbone network, also to Zagreb, Banja Luka, Sarajevo and Skopje.

In the international data communications market, in 2010, the scope of the Group's operations rose by 11.6%, over the previous year which is, in view of a sharp pressure on international prices, an exceptional result. In 2010 we again noted an increase in the activity on international markets. The Group has implemented an excellent sales strategy in this particular segment, which has been acknowledged by all major international operators. For 2011, the Group expects further growth in sales in this particular segment.

The Group is continually investing in new technologies, allowing it to improve its backbone network and, along with it, increase security, ensure faster routing and better use of the available capacities. The Group offers to its customers standardized L3 MPLS connections for Intranet/Internet or Common Service VPN. Our own backbone network also supports CsC (Carrier supporting Carrier) connections and provides QoS (Quality of Service) parameters, which are individually specified in the SLA (Service Level Agreement) to ensure the level of quality agreed. Customer are able to distribute bandwidth among various applications and protocols such as VoIP, video conference, ERP, SIP, Citrix, X-Windows, PC-Anywhere, Netshow, Netbios, NFS, HTTP, Internet access, e-mail and much more.

As planned, in 2010 the Group has implemented a secure backbone network to Belgrade and became the first alternative operator connecting all capital cities in the region in a uniform backbone network. Furthermore, in 2010 Akton became provider of GE in the region.

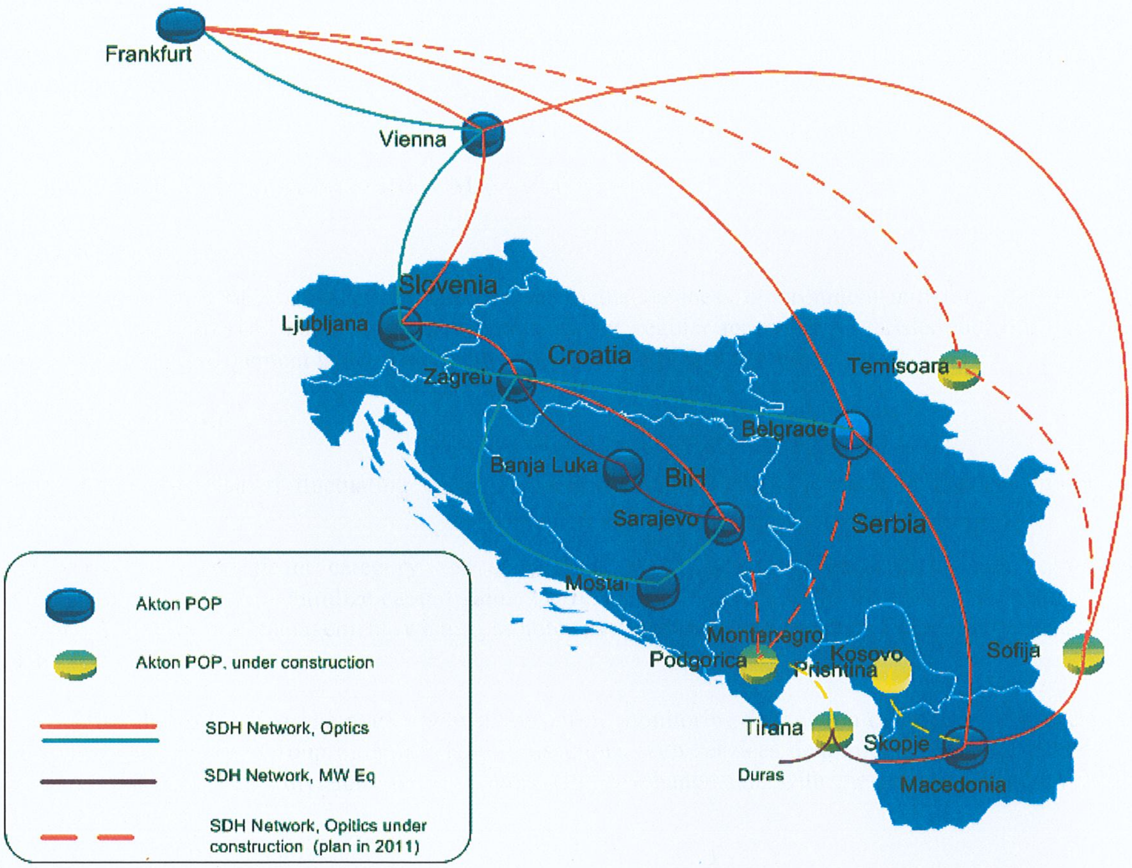


Figure 1: The Akton Group Backbone network in the region

2.3 STRATEGY

In the financial year 2010, the Group successfully pursued its strategic objectives and in the beginning of 2011, we will set out new long-term goals and strategic priorities for the period 2010-2014.

Results achieved in recent years demonstrate without a doubt that the Akton Group had followed its ambitious goals and had achieved excellent results in highly competitive markets. Our aim is to expand our success in international market by providing services to the largest companies in the region. International banking institutions and insurance undertakings, government institutions and trading companies represent target groups that are already beginning to emerge as users of our services.

The investments, which we plan in the future, will allow the Group to implement new connections in international hubs and to realize some key projects to ensure our future growth and development.

Key priorities of the Group in the period 2010-2014 are the following:

- One-Stop-Shop
- Competitive offerings
- Penetrating new markets
- Ensure financial stability
- Customer focus
- Searching for new niches
- Increase synergy between regional subsidiaries

The Akton Group is developing into the best provider of telecommunications services whose objective is to connect the region with the global world of telecommunications. Akton is focusing on partnerships, rather than competitors!

2.4 EXPOSURE TO RISK AND RISK MANAGEMENT

Risk management

We are aware of a number of risks that are present in the business environment and for this reason an integrated approach to risk management is prerequisite for regular monitoring of risks and effective risk management. Risk management is involved in all areas of our business activities.

2.4.1 Currency risk

Currency risk is the risk of fluctuating value of financial instruments as a result of changes in foreign exchange rates.

Currency risk is a significant category and as such is being monitored particularly with regards to investments as the risk can neutralize capital gains. Currency risk exists in terms of individual countries and as part of the country risk management, we also monitor past and expected currency fluctuation on our target markets.

The Group purchases USD on the market whilst constantly monitoring fluctuation of international exchange rate for the currency. The Group monitors daily transactions with services denominated in USD in order to mitigate the risk. Our sales division applies current USD exchange rate with the relevant discount which further reduces risks.

2.4.2 Interest and credit risk

Interest risk is the risk of the negative impact of changes in market interest rates on the value of financial instruments.

Credit risk is the risk that party to the contract on the financial instrument fails to settle its obligations thus causing the Company to incur financial loss.

In terms of securing funds for our own investing activities, interest rate is minimized through borrowing funds at a variable rate of interest.

The Group has set an excellent system of monitoring receivables maturity on a daily basis. Our business partners are informed few days in advance that certain receivables will mature. Consequently, the Group has no outstanding receivables that are disputed.

2.4.3 Liquidity risk

Liquidity risk is the risk of a shortage of available financial assets and consequently the Company's inability to settle its obligations within contractual terms. The Company is doing its utmost to ensure the most efficient use of its assets and is managing liquidity through regular planning of cash inflows and outflows.

In 2010, the Group was facing restrictions imposed by the courts on its working capital due to allegations made by two former owners. Working capital restrictions pose severe threat to the Group's future operating growth. The Group has successfully managed to resolve the problems and is awaiting final decision of the courts. However, such measures preclude further growth of the Company, result in unnecessary costs and reduce the net profit of the Company.

The interest rate policy also affects and ensures regulation of liquidity risks as we are able to determine monthly outflow of interest costs. Similarly, we also monitor other liquidity categories on a daily basis, which allows us to make additional projections for the future. Through daily monitoring of liquidity needs we try to optimize allocation of funds per individual companies and in future we plan a transition to cash-management services. The available revolving credit provides us with sufficient security in terms of our needs and we do not fear any major liquidity issues in the future.

2.5 SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

No events have occurred after the balance sheet date which would affect the financial statements for the year ended 31 December 2010. In 2011, the Company's operations are running as planned.

2.6 RELATED PARTY TRANSACTIONS

In all transactions with the parent company, Akton had obtained suitable payments and has not suffered any loss as a result of transactions carried out or as a result of any actions that were either performed or suspended in given circumstances.

3 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

3.1 CONSOLIDATED BALANCE SHEET at 31 December 2010

In EUR

	Notes	31.12.2010	31.12.2009
Assets		**18,221,900**	**13,986,185**
A. Non-current assets		**7,893,402**	**7,993,349**
I. Intangible assets and long-term deferred costs	1	6,331,097	6,323,226
1. Concessions, patents, and licences		52,427	40,968
2. Goodwill		6,278,670	6,278,670
3. Other long-term deferred costs		0	3,588
II. Property, plant and equipment	2	1,297,976	1,367,128
3. Other plant and equipment		1,297,976	1,330,623
4. Property, plant and equipment under construction		0	36,505
VI. Deferred tax assets	3	264,330	302,995
B. Current assets		**10,231,808**	**5,937,995**
II. Inventories	4	97,424	134,564
III. Short-term investments		0	146
1. Short-term loans		0	146
b) Short-term loans to others		0	146
IV. Short-term operating receivables	5	9,237,222	5,722,634
1. Short-term trade receivables		7,096,022	4,613,548
2. Short-term operating receivables due from others		2,141,200	1,109,086
V. Cash	6	897,161	80,652
C. Short-term deferred costs and accrued revenue		**96,690**	**54,841**
Of f balance sheet records	12	**4,668,824**	**3,761,759**

	Notes	31.12.2010	In EUR 31.12.2009
Equity and liabilities		**18,221,900**	**13,986,185**
A. Equity	7	**4,566,781**	**4,503,816**
I. Called-up capital		**4,915,686**	**4,915,686**
1.Share capital		4,915,686	4,915,686
II. Capital surplus		**2,434,649**	**2,434,649**
III. Revenue reserves		**6,621**	**6,621**
1. Legal reserves		6,621	6,621
V. Retained earnings		**(2,847,440)**	**(2,958,111)**
VI. Net profit for the year		**63,508**	**110,671**
VII. Consolidation reserve		**(6,243)**	**(5,700)**
C. Long-term liabilities		**2,844,065**	**721,049**
I. Long-term financial liabilities		**2,844,065**	**706,023**
1. Long-term financial liabilities to banks	8	1,964,500	0
2. Other long-term financial liabilities	9	879,565	706,023
II. Long-term operating liabilities		**0**	**15,026**
1. Long-term operating liabilities from advances		0	15,026
D. Short-term liabilities		**10,781,146**	**8,690,004**
II. Short-term financial liabilities	10	**873,541**	**3,181,770**
1. Short-term financial liabilities to banks		873,541	2,987,793
2. Other short-term financial liabilities		0	193,978
III. Short-term operating liabilities	11	**9,907,605**	**5,508,233**
1. Short-term supplier payables		8,338,858	4,544,840
2. Short-term operating liabilities from advances		1,973	1,505
3. Other short-term operating liabilities		1,566,775	961,889
E. Short-term accrued costs and deferred revenue		**29,907**	**71,316**
Off balance sheet records	12	**4,668,824**	**3,761,759**

3.2 CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 December 2010

In EUR

	Notes	2010	2009
1. Net sales	13	**60,424,926**	**40,336,116**
a) Sales on the local market		3,056,716	3,749,469
b) Sales on foreign markets		57,368,209	36,586,647
4. Other operating revenue (including revaluation revenue)		**41,945**	**8,226**
5. Costs of goods, materials and services	14	**(58,573,912)**	**(37,584,903)**
a) Costs of goods and materials sold and costs of materials used		(65,185)	(56,627)
b) Costs of services		(58,508,727)	(37,528,276)
6. Labour costs	14	**(1,304,272)**	**(1,333,373)**
a) Payroll costs		(976,440)	(992,670)
b) Social security insurance costs		(86,002)	(98,160)
c) Pension insurance costs		(125,844)	(131,440)
d) Other costs of labour		(115,986)	(111,103)
7. Write-downs	14	**(260,918)**	**(1,064,205)**
a) Amortisation and depreciation		(242,361)	(392,095)
b) Revaluation operating expenses from fixed assets		(1,889)	(672,110)
c) Revaluation operating expenses from current assets		(16,668)	0
8. Other operating expenses	14	**(15,990)**	**(17,097)**
OPERATING PROFIT		**311,778**	**344,763**
10. Financial revenue from loans		**147**	**551**
a) Financial revenue from loans to others		147	551
11. Financial revenue from operating receivables		**8,562**	**4,504**
a) Financial revenue from operating receivables due from others		8,562	4,504
13. Financial expenses from financial liabilities		**(198,086)**	**(186,568)**
a) Financial expenses from borrowings from banks		(150,846)	(152,773)
b) Financial expenses from other financial liabilities		(47,240)	(33,795)
14. Financial expenses from operating liabilities		**(15,985)**	**(17,396)**
a) Financial expenses from supplier payables and bills payable		(4,447)	(4,605)
b) Financial expenses from other operating liabilities		(11,537)	(12,792)
PROFIT FROM ORDINARY ACTIVITIES		**106,417**	**145,854**
15. Other revenue		**8,673**	**10,029**
16. Other expenses		**(10,875)**	**(9,236)**
TOTAL PROFIT		**104,215**	**146,647**
17. Income tax		**(2,041)**	**(779)**
18. Deferred tax	3	**(38,666)**	**(35,197)**
19. Net profit for the period		**63,508**	**110,671**

3.3 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME for 2010

		In EUR
	2010	**2009**
1. Net profit for the year	63,508	110,671
2. Total comprehensive income	63,508	110,671

3.4 CONSOLIDATED CASH FLOW STATEMENT for 2010

		In EUR
	2010	**2009**
A. Cash flows from operating activities		
a) Items derived from the income statement	**480,421**	**1,355,638**
Operating revenue (except revaluation) and financial revenue from operating receivables	60,442,161	40,358,875
Operating expenses excluding depreciation and amortization (except revaluation) and financial expenses from operating liabilities	(59,921,033)	(38,967,261)
Income tax and other taxes not included in operating expenses	(40,707)	(35,976)
b) Changes in net operating assets in balance sheet items (including accruals and deferrals, provisions and deferred tax assets and liabilities)	**862,304**	**31,952**
Opening less closing operating receivables	(3,514,589)	352,714
Opening less closing deferred costs and accrued revenue	(41,850)	(17,872)
Opening less closing deferred tax assets	38,665	35,198
Opening less closing assets (disposal groups) held for sale	0	0
Opening less closing inventories	37,140	12,360
Closing less opening operating liabilities	4,384,346	170,902
Closing less opening accrued costs and deferred revenue, and provisions	(41,409)	(521,350)
Closing less opening deferred tax liabilities	0	0
c) Net cash from operating activities (a+b)	**1,342,724**	**1,387,590**
B. Cash flows from investing activities		
a) Cash receipts from investing activities	**60,673**	**4,926**
Interest and dividends received from investing activities	733	2,422
Cash receipts from disposal of intangible assets	0	0
Cash receipts from disposal of property, plant and equipment	59,794	0
Cash receipts from disposal of investment property	0	0
Cash receipts from disposal of long-term investments	0	0
Cash receipts from disposal of short-term investments	146	2,504
b) Cash disbursements from investing activities	**(234,020)**	**(97,869)**
Cash disbursements to acquire intangible assets	(19,754)	(30,892)
Cash disbursements to acquire property, plant and equipment	(214,266)	(66,977)
Cash disbursements to acquire investment property	0	0
Cash disbursements to acquire long-term investments	0	0
Cash disbursements to acquire short-term investments	0	0
c) Net cash from investing activities (a+b)	**(173,347)**	**(92,943)**
C. Cash flows from financing activities		
a) Cash receipts from financing activities	**15,185,899**	**12,509,303**
Cash proceeds from paid-in capital	0	0
Cash proceeds from increase in long-term financial liabilities	792,000	0
Cash proceeds from increase in short-term financial liabilities	14,393,899	12,509,303
b) Cash disbursements from financing activities	**(15,538,768)**	**(13,829,776)**
Interest paid on financing activities	(145,820)	(159,273)
Cash repayments of equity	0	0
Cash repayments of long-term financial liabilities	0	(800,000)
Cash repayments of short-term financial liabilities	(15,392,948)	(12,870,503)
Dividends and other profit shares paid	0	0
c) Net cash from financing activities (a+b)	**(352,869)**	**(1,320,473)**
D. Closing balance of cash	**897,161**	**80,652**
Net cash inflow or outflow for the period (sum total of Ac, Bc and Cc)	**816,508**	**(25,826)**
Opening balance of cash	**80,652**	**106,478**

3.5 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2010:

In EUR

	Share capital	Capital surplus	Legal reserves	Retained earnings	Net profit for the year	Consolidation reserve	Total
A2. Opening balance at 1 Jan 2010	**4,915,686**	**2,434,649**	**6,621**	**(2,958,111)**	**110,671**	**(5,700)**	**4,503,816**
B2. Total comprehensive income for the period	**0**	**0**	**0**	**0**	**63,508**	**0**	**63,508**
a) Net profit for the year	0	0	0	0	63,508	0	63,508
B3. Movements within equity	**0**	**0**	**0**	**110,671**	**(110,671)**	**(543)**	**(543)**
a) Appropriation of the net profit to other capital elements according to a decision of the Management and the Supervisory Board	0	0	0	110,671	(110,671)	0	0
f) Other changes in equity	0	0	0	0	0	(543)	(543)
D. Closing balance at 31 Dec 2010	**4,915,686**	**2,434,649**	**6,621**	**(2,847,440)**	**63,508**	**(6,243)**	**4,566,781**

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2009:

In EUR

	Share capital	Capital surplus	Legal reserves	Retained earnings	Net profit for the year	Consolidation reserve	Total
A2. Opening balance at 1 Jan 2009	**4,915,686**	**2,434,649**	**7,659**	**(3,015,971)**	**57,860**	**(1,004)**	**4,398,879**
B2. Total comprehensive income for the period	**0**	**0**	**0**	**0**	**110,671**	**0**	**110,671**
a) Net profit for the year	0	0	0	0	110,671	0	110,671
B3. Movements within equity	**0**	**0**	**(1,038)**	**57,860**	**(57,860)**	**(4,696)**	**(5,734)**
a) Appropriation of the net profit to other capital elements according to a decision of the Management and the Supervisory Board	0	0	0	57,860	(57,860)	0	0
f) Other changes in equity	0	0	(1,038)	0	0	(4,696)	(5,734)
D. Closing balance at 31 Dec 2009	**4,915,686**	**2,434,649**	**6,621**	**(2,958,111)**	**110,671**	**(5,700)**	**4,503,816**

4 NOTES TO THE FINANCIAL STATEMENTS

4.1 COMPANY PROFILE

Firm:	Akton Telekomunikacijski inženiring d.o.o.
Abbreviated title:	Akton d.o.o.
Head office:	Dunajska cesta 63, Ljubljana
Legal form:	Limited liability company
Incorporated:	on 22 May 1990, registration number 1/06892/00
Principal activity:	Activity code 61.900, Other telecommunications
Share capital:	EUR 4,915,685.55
Owner:	ATEL EUROPE B.V., Koningslaan 17, Amsterdam, the Netherlands is the sole owner of the Company
Management Board:	Igor Košir, Director Miha Novak, Procurator
Subsidiaries:	AKTON d.o.o. Croatia, AKT.ONLINE d.o.o. Bosnia and Herzegovina, AKTON d.o.o. Serbia, AKTON d.o.o.e.l. Macedonia.
Financial year:	Financial year covers the same period as the calendar year.

The following companies in the Akton Group are included in consolidation:

Company	Head office	Ownership share in 2010	Ownership share in 2009
AKTON d.o.o.	Bani 75, Buzin, Zagreb, Croatia	100%	100%
AKT.ONLINE d.o.o.	Fra Anđela Zvizdovića 1, Sarajevo, BIH	100%	100%
AKTON d.o.o., Beograd	Bulevar Mihajla Pupina 6/16, Beograd, Serbia	100%	100%
AKTON d.o.o.e.l.	Belasica 2, Skopje, Macedonia	100%	100%

Average number of employees by educational level:

Educational level/year	2010	2009
Level 5	16	17
Level 6	5	4
Level 7	17	17
Total	38	38