



**EVN Elektrostapanstvo na Makedonija AD,
Skopje**

Schedule of Investments

**For the investment period from 8
April 2006 to 7 April 2009**

**With the Report of the Auditor
Thereon**



KPMG Macedonia Ltd.
Soravia Center Skopje, 7th floor
Vojvoda Vasil Adzilarski Street bb
Skopje, R.Macedonia

Telephone +389 (2) 31 35 220
Fax +389 (2) 31 11 811
E-mail: kpmg@kpmg.com.mk

Independent Auditor's Report to the Management of EVN Elektrostopanstvo na Makedonija AD

We have audited the accompanying Schedule of Investments of EVN Elektrostopanstvo na Makedonija AD ("Company") for the investment period from 8 April 2006 to 7 April 2009. This schedule is the responsibility of Company's management. Our responsibility is to express an opinion on the schedule based on our audit.

We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedule is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the schedule. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the schedule. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Schedule of Investments of the Company for the investment period from 8 April 2006 to 7 April 2009 is prepared, in all material respects, in accordance with the basis of preparation described in Note 2 to the Schedule of Investments.

This report is intended solely for the use of the Ministry of Economy of the Republic of Macedonia in relation to the audit of the Schedule of Investments of the Company for the investment period from 8 April 2006 to 7 April 2009.

4 May 2009

Skopje

KPMG Macedonia doo

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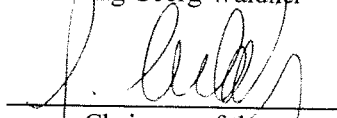
Schedule of Investments for the period from 8 April 2006 to 7 April 2009

In EUR

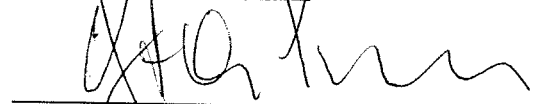
Code acc. SPA	Description according SPA	<i>Note</i>	Committed investments for the period from 8 April 2006 to 7 April 2009 according SPA	Executed from 8 April 2006 to 7 April 2009
1	Construction of new 110 kV transmission lines	4	1,800,000	406,669
2	Construction of new 110 kV transmission station	4	6,500,000	11,629,998
3	Rehabilitation of 110 kV transmission lines	4	900,000	53,351
4	Rehabilitation of 110 kV transmission stations	4	6,000,000	8,615,516
5	Construction of new 35 kV transmission lines	4	1,500,000	558,363
6	Construction of new 35 kV cable lines	4	900,000	50,639
7	Construction of new 35 kV transmission station	4	2,600,000	792,674
8	Rehabilitation of 35 kV transmission lines	4	3,000,000	340,357
9	Rehabilitation of 35 kV transmission stations	4	2,800,000	5,688,934
10	Construction of new 10 (20) KV ground lines	4	3,000,000	2,609,632
11	Construction of new 10 (20) cable lines	4	3,000,000	2,022,109
12	Construction of new transmission stations 10 (20) / 0,4 kV	4	3,000,000	6,441,346
13	Rehabilitation of 10 (20) kV ground lines	4	6,000,000	1,838,997
14	Rehabilitation of transmission stations 10 (20)/0,4 kV	4	3,000,000	852,834
15	Construction of new 0,4 kV ground lines	4	3,000,000	2,283,797
16	Construction of new 0,4 kV cable lines	4	2,400,000	2,196,620
17	Rehabilitation of 0,4 kV ground lines	4	4,500,000	3,883,220
18	Neutral grounding of ET 110/xkV	4	1,500,000	428,028
19	Rehabilitation of management of relcina security	4	2,400,000	809,509
20	Distribution center and telecommunication	4	8,300,000	3,159,047
21	Fixed assets (vehicles, equipment, tools)	4	8,300,000	19,838,883
22	Dispatcher	4	3,600,000	750,515
23	Project documentation	4	3,000,000	385,529
24	IT	4	5,500,000	5,732,491
25	Hydro power stations	4	1,500,000	24,289,056
26	Other	4	8,000,000	3,243,481
	TOTAL		96,000,000	108,901,595

The schedule of investments were authorized for issue by the Management Board of EVN Elektrostanstvo na Makedonija AD, Skopje on May 4, 2009 and were signed on their behalf by:

MMag Georg Waldner


Chairman of the
Management Board

Karl Heinz Grassmann


Vice Chairman of the
Management Board

Notes to the schedule of investments

1. General information

1.1 Information about the Company

EVN Elektrostopanstvo na Makedonija AD Skopje (the "Company") is a company domiciled in the Republic of Macedonia. The address of the Company's registered office is:

St. "11 October" no.9,
1000 Skopje,
Republic of Macedonia.

On 7 April 2006, EVN AG (ultimate parent) purchased 70.1% of the total share capital of the Company from the Government of the Republic of Macedonia. During the year the major shareholder acquired additional 19.9% of the share capital of the Company and became owner of 90% of the total share capital.

The Company is primarily involved in the distribution of electricity, for which on 28 November 2005 it acquired licenses for: Electricity Distribution (valid for a period of 35 years), Distribution System Management (valid for a period of 25 years) and License for retail tariff consumer electricity supply (valid for a period of 10 years).

The Company also owns eleven small hydro power stations. Seven of these are operated under a Rehabilitate, Operate, Transfer ("ROT") scheme which is valid until February 2013. On 28 November 2005, the Company was also approved a license for electricity generation by the four small hydro power plants and is valid for a period of 35 years.

1.2 Information about the reporting period

In accordance with article 7.1.1.1 from the Share Purchase Agreement (SPA) signed between EVN AG and the Ministry of Economy of the Republic of Macedonia (MoE), the Company has undertaken investment commitments as defined in Annex 5B to the SPA to be made in the following periods:

- First investment period from 8 April 2006 to 7 April 2007;
- Second investment period from 8 April 2007 to 7 April 2008, and
- Third investment period from 8 April 2008 to 7 April 2009.

In accordance with SPA the Company has submitted to MoE the performed investments for the period from 8 April 2006 to 7 April 2007 together with the performed investments for the period from 8 April 2007 to 7 October 2007 presented as separate schedule. In this way the investments made in the period from 8 April 2007 to 7 October 2007 have been treated as an integral part of the first investment period.

Notes to the schedule of investments

2. Basis of preparation

The investments executed from 8 April 2006 to 7 April 2009, have been presented by recognizing investment activities stated in the books by the Company that have fully completed the investment process including those activities which at the close of the reporting period are not yet fully completed as long as firm and legally enforceable commitments for investments have been performed.

The committed investments for the period from 8 April 2006 until 7 April 2009 according SPA have been taken from Annex 5B to the Share Purchase Agreement (SPA) signed between EVN AG and the Ministry of Economy (MoE) of the Republic of Macedonia.

3. Foreign currency transactions

Company's functional currency is Macedonian Denars (MKD). Transactions in foreign currencies are translated to the functional currency at the exchange rate at the date of the transaction.

The Schedule of Investments is presented in EUR. Transactions are retranslated from the functional currency (MKD) to the presentation currency (EUR) by using the following exchange rate.

	From 8 April 2006 to 7 April 2007 MKD	From 8 April 2007 to 7 October 2007 MKD	From 8 October 2007 to 7 April 2008 MKD	From 8 April 2008 to 7 April 2009 MKD
1 EUR	61.19	61.19	61.2	61.4

Notes to the schedule of investments

4. Schedule of Investments per investment period

<i>In EUR</i>			First investment period		Second investment period	Third investment period	Total investments	
Code acc. SPA	Description according SPA	Note	Committed investments from 8 April 2006 until 7 April 2009 according SPA	From 8 April 2006 to 7 April 2007	From 8 April 2007 to 7 October 2007	From 8 October 2007 to 7 April 2008	From 8 April 2008 to 7 April 2009	From 8 April 2006 to 7 April 2009
1	Construction of new 110 KV transmission lines	5	1,800,000	1,480	9,493	269,157	126,539	406,669
2	Construction of new 110 KV transmission station	6	6,500,000	3,436,229	3,341,713	3,045,172	1,806,884	11,629,998
3	Rehabilitation of 110 KV transmission lines	7	900,000	34,307	10,108	8,486	450	53,351
4	Rehabilitation of 110 KV transmission stations	8	6,000,000	684,347	1,654,028	3,309,631	2,967,510	8,615,516
5	Construction of new 35 KV transmission lines	9	1,500,000	113,862	93,201	-	351,300	558,363
6	Construction of new 35 KV cable lines	10	900,000	36,277	10,478	-	3,884	50,639
7	Construction of new 35 KV transmission station	11	2,600,000	721,149	59,696	-	11,829	792,674
8	Rehabilitation of 35 KV transmission lines	12	3,000,000	252,252	32,957	55,148	-	340,357
9	Rehabilitation of 35 KV transmission stations	13	2,800,000	499,131	548,101	490,415	4,151,287	5,688,934
10	Construction of new 10 (20) KV ground lines	14	3,000,000	145,505	1,000,600	122,570	1,340,957	2,609,632
11	Construction of new 10 (20) cable lines	15	3,000,000	1,478,713	220,772	148,986	173,638	2,022,109
12	Construction of new transmission stations 10 (20) / 0,4 KV	16	3,000,000	1,500,559	368,002	2,912,413	1,660,372	6,441,346
13	Rehabilitation of 10 (20) KV ground lines	17	6,000,000	137,557	901,124	321,279	479,037	1,838,997
14	Rehabilitation of transmission stations 10 (20)/0,4 KV	18	3,000,000	230,416	281,384	25,430	315,604	852,834
15	Construction of new 0,4 KV ground lines	19	3,000,000	338,932	111,530	104,891	1,728,444	2,283,797
16	Construction of new 0,4 KV cable lines	20	2,400,000	778,172	206,576	406,415	805,457	2,196,620
17	Rehabilitation of 0,4 KV ground lines	21	4,500,000	823,760	115,176	455,557	2,488,727	3,883,220
18	Neutral grounding of ET 110/xkV	22	1,500,000	162,671	193,684	44,379	27,294	428,028
19	Rehabilitation of management of relcina security	23	2,400,000	42,910	150,453	-	616,146	809,509
20	Distribution center and telecommunication	24	8,300,000	659,952	5,571	7,474	2,486,050	3,159,047
21	Fixed assets (vehicles, equipment, tools)	25	8,300,000	2,562,878	5,565,145	2,466,647	9,244,213	19,838,883
22	Dispatcher	26	3,600,000	65,639	4,251	534,859	145,766	750,515
23	Project documentation	27	3,000,000	-	314,468	5,137	65,924	385,529
24	IT	28	5,500,000	423,971	745,656	1,016,384	3,546,480	5,732,491
25	Hydro power stations	29	1,500,000	2,303,750	-	15,546,921	6,438,385	24,289,056
26	Other	30	8,000,000	238,190	780,132	769,463	1,455,696	3,243,481
	Total		96,000,000	17,672,609	16,724,299	32,066,814	42,437,873	108,901,595