



**AKCIONARSKO DRUŠTVO
AERODROM NIKOLA TESLA BEOGRAD**

SECURITIES DISTRIBUTION PROSPECTUS

Belgrade, August 2011

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PROSPECTUS

A) PROSPECTUS INTRODUCTION

"Securities Commission shall not be liable for the truth and completeness of the data stated in the securities issuance prospectus or for the capability of securities issuer to meet the obligations regarding the securities issued".

1. SHARES ISSUER

1.1. Name, registered office, ID no., and tax identification number;

**AKCIONARSKO DRUŠTVO AERODROM NIKOLA TESLA
BEOGRAD, 11180 Beograd 59; ID No: 07036540, TIN:
100000539**

1.2. Basic activity;

5223-Air traffic services

1.3. Amount of core capital from the last financial statement

on June 30 2011 (in RSD 000)
Share and other capital 20,573,610
Reserves from profit 0
Revaluation reserves 0
Non-realised losses from securities available for sale 73
Non-distributed profit 2,811,375
TOTAL CAPITAL 23,384,912

NOTE: Authorized appraiser estimated market value of the share capital on 214,556,965.99 Euros, i.e. 20,573,610 thousand RSD, with balance on 01/01/2010. According to financial statements for 2010 value of core capital on 31/12/2010 is 20,573,610 thousand RSD. Capital is divided into 34,289,350 shares with individual nominal value of 600.00 RSD. The capital on June 30 2011 amounts RSD 23,384,912 thousand, which results from profit realisation in the period I - VI 2011 in amount of RSD 874,052 thousand.

2. SHARES ISSUED

2.1. Type, class, issue designation, securities CFI code, and ISIN number;

Shares type

-

Class

-

Issue designation

-

CFI code

-

ISIN number

-

3. SHARES ISSUE VOLUME

3.1. Total nominal value of all securities intended to be issued in RSD;

-

4. NUMBER OF THE PIECES OF SHARES AND THEIR NOMINAL VALUE

4.1. Total number of the securities intended to be issued;	-
4.2. Nominal value of one security	-

5. SELLING SHARE PRICE	
5.1. Price at which the securities are offered;	-
5.2. Method of payment for securities	-

6. RIGHTS AND OBLIGATIONS FROM SHARES	
6.1. Rights and Liabilities from Shares	<p>1. the right of access to legal acts and other documents and information of the company;</p> <p>2. the right of participation in the activity of the General Meeting, in line with the Act of Association;</p> <p>3. the right of vote at the General Meeting in line with the Act of Association;</p> <p>4. the right to the payment of dividends;</p> <p>5. the right of participation in the distribution of liquidation surplus after company liquidation;</p> <p>6. the right of preferential acquisition from new shares and convertible bonds;</p> <p>7. the right of the shares disposal in line with the law;</p> <p>8. other rights in line with the law.</p>
6.2. Pre-emption right	Owners of ordinary shares have got the right of pre-emption from new shares.
6.2.1. Persons having the pre-emption right and the right to shares payment and basis of the occurrence of that right (shareholders of ordinary shares, holders of warrants, convertible bonds, preferential convertible shares)	Shareholders of ordinary shares have got the pre-emption right from the following issues in proportion to the participation in the total value of the ordinary shares.
6.2.2. Total number of securities based on which the pre-emption right is exercised	Holders of ordinary shares who have pre-emptive right to purchase shares from the next issues proportionate to participation in 34,289,350 of issued ordinary shares.
6.2.3. Number of shares of new issue on which the	-

pre-emption right is exercised	
6.3. Tax liabilities of shareholders	Property tax, and in case of sale of shares on stock exchange the capital gains tax.
6.3.1. Tax to property, trade, profit, tax release, tax incentives	<p>Tax treatment of securities is set out in the laws: Law on Taxes to Property ("Off. Gazette of the Republic of Serbia" no. 26/01, 80/02, 135/04) Law on Tax to Income of Natural Persons ("Off. Gazette of the Republic of Serbia" no. 24/01, 80/02, 135/04) Law on Tax to Company ("Off. Gazette of the Republic of Serbia" no. 25/01, 80/02, 43/03, 84/04) Law on Temporary Exemption from Tax to Income of Natural Persons of Certain Types of Income ("Off. Gazette of the Republic of Serbia" no. 5/2009) Law on Amendments and Supplements of Law on Taxes to Property ("Off. Gazette of the Republic of Serbia" no. 5/2009)</p> <p>Tax to inheritance and gift. Article 14 of the Law sets out the obligation of the payment of the tax to inheritance and gift, to inherited securities or securities received as gift. Tax rates are progressive and depend on tax base. The tax to inheritance and gift is not paid by (Article 21 of the Law): - heir of the first line of inheritance, spouse, and parent of testator, i.e. receiver of gift of the first inheritance line and spouse of gift giver.</p> <p>Tax to capital gain. Taxpayer of income to capital is the natural person generating this income. Tax rate to capital income is 10%. Also, Article 61 of the Law sets out that dividend is subject to taxation, as capital income. The taxpayer who acquired securities before January 1994 is released from paying tax to capital profit. Base for taxation is difference between the purchase and sales value of securities in conformity with the provisions of the law.</p>
6.4. Method of settling any disputes between issuer and securities holder and name of court competent for dispute resolution	The Court of Commerce in Belgrade.

7. TIME, PLACE, AND DEADLINE FOR SHARES SUBSCRIPTION	
7.1. Business name, registered office, and working hours of BDD/ Bank and deadline within which shares subscription may be made (specifically state the deadline based on pre-emption right)	<p>-</p>

8. PLACE AND CONDITIONS OF SHARES PAYMENT	
8.1. Business name, registered office, address, deadline within which shares payment may be made, and business hours of the bank at which payment may be made;	-
8.2. Method in which the distribution of higher number of the subscribed and paid securities to the persons making subscription and payment of securities;	-
8.3. Consequences of failure to pay or delay of payment;	-
8.4. Number of securities which must be subscribed and paid in order for sales to be considered successful (success threshold);	-
8.5. Method and term of returning paid amounts in the event the sales fails at the interest rate calculated to paid funds and method of their calculation	-
8.6. Name and registered office of the entity keeping register and performing clearing and settlement of liabilities from the securities intended to be issued (Central Registry)	-

9. MARKET ON WHICH SECURITIES ARE TRADED	
9.1. Name and registered office of organised market, date of introducing the same type of shares on the organised market, volume of transactions with such securities type on the organised market in the past six months, and stating the highest and lowest achieved price	BEOGRADSKA BERZA AD Beograd, No. 1 Omladinskih brigada Str. 11070 Novi Beograd Shares have been exchanged on the Prime listing since 07/02/2011. In the period from 21/02/2011 until 15/08/2011 2,030,318 pieces of shares (RSD 1,060,085,415) was exchanged. Minimal closing price was RSD 463 and maximal closing price was RSD 632.

10. BRIEF OVERVIEW OF BASIC DATA ON SHARES ISSUER	
10.1. Date of passing the decision based on which the securities issuance is made and name of relevant authority which has passed the decision	-
10.2. Purpose of funds collected from the securities issuance;	-
10.3. Basic data on issuer's operation and development plan	-

11. BROKER-DEALER COMPANY AND/OR AUTHORISED BANK PARTICIPATING IN PUBLIC BID ORGANISATION	
11.1. Business name and registered office of agent, i.e. issue sponsor participating in the securities issuance organisation;	-
11.2. Business name and registered office of the organiser of issuance, if several entities participate in the issuance organisation;	-
11.3. Type of agreement on organising the issuance and type of the obligation of agent, i.e. issuance sponsor;	-

11.4. Amount of fee the agent, i.e. issue sponsor charges to the issuer for the services regarding the issuance organisation,	-
11.5. Obligation of agent, i.e. issue sponsor.	-

B) BASIC PROSPECTUS

"Prospectus for securities issuance, including the data provided in its annex, includes all important data enabling the investors the objective assessment of the financial and legal position of the securities issuer and the assessment of the rights and obligations from these securities".

"Prospectus for securities issuance does not provide the data which may result in creating wrong image with investors in terms of securities issuer, securities intended to be issued, and the securities of the issuer which have already been issued".

1. DATA ON THE ISSUER OF SHARES

1.1. Main data

1.1.1. Business name, seat, address, Registry code and Tax ID Number

AKCIONARSKO DRUŠTVO AERODROM NIKOLA TESLA BEOGRAD, 11180 Beograd 59, RC: 07036540, TIN: 100000539

1.1.2. Number and date of registration with the Business Registry Agency

**BD 7651/2011
Date of registration: 24/01/2011**

1.1.3. Date of incorporation

On December 22nd 1961, "Company for air traffic services - Belgrade Airport" was established by The National Committee of Novi Beograd Municipality. The new international airport was built in Surcin, 12 km west of Belgrade, and it was put into operation in 1962.

On 13th of March 1992 Board of directors of the Public company for air traffic "JUGOSLOVENSKI AEROTRANSPORT" passed the decision on establishment of JP Aerodrom "Beograd".

By entering into force of the Law on validity cession of the Law on establishment of public for air transport ("Official gazette of RS" No. 18/05) it is provided that as of the day of the operation beginning of Public company for air traffic "JAT AIRWAYS" assumes rights, obligations, resources, staff, documentation and cases of performing public authorizations of Public company "JUGOSLOVENSKI AEROTRANSPORT" and founding rights and obligations of that company in companies whose founder it is, except founding rights and obligations of that company in Public company Aerodrom "Beograd", founded by decision of Board of directors of Public company "JUGOSLOVENSKI AEROTRANSPORT" no. 01, dated on March 13th, 1992.

Government of Republic of Serbia passed decision, with reference mark 05, no. 343-7659/2004-001, dated on November 25, 2004, on establishment of Public company for airport management in Belgrade and airport services providing („Official gazette of RS no. 129/04), which entered into force on July 1st 2005. By this decision, Public company for airport management in Belgrade for public transport in air traffic and airport service providing, named Public company Aerodrom "Beograd" was established.

It is provided by above-mentioned decision that Public company Aerodrom "Beograd" begins operation on September 1st 2005, and on the day of registering of Public company Aerodrom "Beograd" with competent Register, Public company Aerodrom "Beograd", founded by Decision of Board of directors of Public company "Jugoslovenski aerotransport", no. 01, dated on March 13th 1992 in line with the Law on establishing of Public company for air traffic ("Official gazette of RS" no. 9/92, terminates operations.

On 31st of August 2006, the Government of Republic of Serbia passed the Decision on amendment of Decision on establishment of public company for Belgrade airport management and airport services provision, by which the name of Aerodrom "Beograd" was changed into Aerodrom "Nikola Tesla" Beograd.

On June 17th 2010, the Government of Republic of Serbia under number 023-4432/2010-1 passed the Decision on change of legal status of the Public company Aerodrom "Nikola Tesla" Beograd from public company into joint stock company.

On June 22nd, Registry agency issued Rescript no. BD 68460/2010 on approval of request for change of legal status data of JP Aerodrom "Nikola Tesla" Beograd, while the company was registered as Akcionarsko društvo Aerodrom "Nikola Tesla" Beograd (closed joint stock company)

The Assembly of the company AD Aerodrom "Nikola Tesla" Beograd, on meeting held on 21/01/2011, passed

the Decision on conversion of the Company from closed joint stock company into open joint stock company no. 21-2/1.
On 24/01/2011 registration of AD Aerodrom "Nikola Tesla" Beograd with Registry Agency was carried out under Rescript no. BD 7651/2011.

1.1.4. Position of the issuer within the group		
1.1.4.1. Relations with other companies;		
1.1.4.2. Type of association of the issuer with other legal entities	-	
1.1.4.3. Basis for issuer's participation in management of other legal entities, i.e., basis for participation of other entities in management of the issuer's legal entity;	-	

1.1.5. Issuer's enactments
Place and time when and where Memorandum on Incorporation or Articles of Association or other issuer's enactments may be reviewed, with the last amendments and supplements;
The Article of Association and other enactments may be reviewed at the seat of AD Aerodrom "Nikola Tesla" Beograd, 11180 59, Legal Department, on Tuesdays and Thursdays at the time from 09.00 a.m. to 12.00 noon including prior announcement.

1.2. Issuer's capital	(in RSD 000)		
1.2.1. Capital (data from the last financial statement)	31/12/2009	31/12/2010	30/06/2011
1.2.1.1. Total capital;	21,986,617	22,510,860	23,384,912
1.2.1.2. Share capital (core capital)	20,573,610	20,573,610	20,573,610
1.2.1.3. Issue premium	-	-	-
1.2.1.4. Own shares	-	-	-
1.2.1.5. Other capital	-	-	-
1.2.1.6. Reserves from profit	-	-	-
1.2.1.7. Revaluation reserves	-	-	-
1.2.1.8. Non-realised losses from securities available for sale	-	73	73
1.2.1.9. Accumulated profit	1,413,007	1,937,323	2,811,375

1.2.2. Issued shares	
1.2.2.1. Number of ordinary issued shares, CFI code and ISIN number;	Number of ordinary shares: 34,289,350 CFI-ESVUFR, ISIN - RSANTBE11090
1.2.2.2. Number of preferential issued shares per classes, CFI code and ISIN number	-

1.2.2.3. Number of preferred convertible shares issued per classes, CFI and ISIN number	
1.2.2.4. Rights from shares per types and classes;	<p>1. the right of access to legal acts and other documents and information of the company;</p> <p>2. the right of participation in the activity of the General Meeting; the shareholder, that holds at least 500,000 shares has got the right of direct participation in the activity in General Meeting and direct exercise of voting right (direct voting) at General Meeting;</p> <p>3. the right of vote at the General Meeting in line with the Act of Association;</p> <p>4. the right to the payment of dividends;</p> <p>5. the right of participation in the distribution of liquidation surplus after company liquidation;</p> <p>6. the right of preferential acquisition from new shares and convertible bonds;</p> <p>7. the right of the shares disposal in line with the law;</p> <p>8. other rights in line with the law.</p>
1.2.2.5. Manner of issuing of shares;	<p>By The Decision of the Government of Republic of Serbia, number 023-4432/2010-1, on change of legal status of JP Aerodrom "Nikola Tesla" Beograd into closed joint stock company, the core capital is converted in 34,289,350 ordinary shares with individual nominal value of 600.00 RSD.</p> <p>By The Decision of the Government of Republic of Serbia, number 023-9013/2010-1, dated on 09/12/2010, on free of charge share transfer to citizens-right holders and employees and former employees of AD Aerodrom "Nikola Tesla" Beograd, the procedure and the manner of exercise of the right to free of charge transfer of shares of AD Aerodrom "Nikola Tesla" Beograd, to citizens registered in evidence list of right holders with Privatization Agency, as well as to employees and former employees in the issuer and its legal predecessor.</p>

1.2.3. Changes in capital

1.2.3.1. Provisions of issuer's enactments which relate to changes in equity

In issuer's general enactments there are no provisions in detail relating to changes in equity; therefore provisions on change in equity of the Company Law are applied.

1.2.3.2. Description of changes of the issued capital, revaluation and other reserves, subscribed unpaid capital, redeemed own shares, emission premium, own shares, total capital (data to be given for the previous three years) (in RSD 000);

	31/12/2008	*31/12/2009	31/12/2010	30/06/2011
Capital	12,832,365	21,986,617	22,510,860	23,384,912
- share capital	7,252,555	20,573,610	20,573,610	20,573,610
- issue premium	-	-	-	-
- own shares	-	-	-	-
- non-realised losses from securities	302	-	73	73
- reserves	234,941	-	-	-
- Revaluation reserves	3,256,596	-	-	-
- accumulated profit	2,088,575	1,413,007	1,937,323	2,811,375

***NOTE:** By its Conclusion number 023-448/2010-1, dated on 28/01/2010, the Government of RS recommended JP Aerodrom "Nikola Tesla" Beograd to select the most favourable consultant to give professional assistance in preparation and implementation of the procedure of legal status transformation from public company into joint stock company.

Article 27 of the Law on the right to free of charge shares and money consideration exercised by citizens within the process of privatization determines the deadline (30/06/2010) within which JP Aerodrom "Nikola Tesla" Beograd is obliged to change its legal status and disclose its core capital in shares with defined nominal value according to corrected book value of equity.

Selected authorized appraiser-Consortium estimated market value of the share capital on 214,556,965.99 Euros, i.e. 20,573,610,000 RSD, with balance on 01/01/2010 divided into 34,289,350 shares with individual nominal value of 600.00 RSD.

The Government of RS gave its consent to the Report on estimated market value of the share capital with balance on 01/01/2010, by Rescript number 023-4173/2010, dated on 04/06/2010.

After estimation adoption, JP Aerodrom "Nikola Tesla" Beograd made evidence of adopted estimation in its business books on 01/01/2010, correcting of initial balance, in accordance with IAS-8, over results from the previous period, which resulted in change of Tax balance and submission of Amended tax report for the year of 2009. Aforementioned resulted in change of initial balance 01/01/2010, and it will be stated in financial reports for the current year of 2010, as comparative results of the previous year.

Based on Decision of Board of directors of JP Aerodrom "Nikola Tesla" Beograd, number 04-100/1, dated on 31/05/2010, on capital increase, and Rescript of the Government of RS number 023-4175/2010, dated on 04/06/2010, on consent to the mentioned Decision on capital increase from its own assets by converting reserves and profit into core capital of JP Aerodrom "Nikola Tesla" Beograd, the company made evidence in its business books, of increase of core capital on 01/01/2010, by correcting of initial balance.

Based on Decision on capital increase from its own assets by converting reserves and profit into core capital of JP Aerodrom "Nikola Tesla" Beograd, no. 04-100/1, dated on 31/05/2010 the core capital was increased by 13,321,055,202.60 RSD (138,921,910.10 Euros) as follows:

- Reserves in amount of 234,940,870.68 RSD (2,450,138.81 Euros);
- Revaluation reserves (including non-realised securities losses) in amount of 11,494,400,503.74 RSD (119,872,190.53 Euros). Stated amount of revaluation reserves consists of cumulated revaluated reserves up to 31/12/2009, amounting 3,255,561,424.45 RSD (33,951,425.24 Euros) and revaluating reserves originating from equity assessment by method of net active capital in amount of 8,238,839,079.30 RSD (85,920,765.29 Euros);

- Part of non-distributed profit from the previous years in amount of 1,591,713,879.09 RSD (16,599,580.75 Euros). The part of the profit stated in corrected balance sheet on 01/01/2010 in amount of 1,413,006,650.89 RSD (14,735,888.35 Euros) refers to portioning of part of the profit from 2009 for the budget of Republic of Serbia and for participation in profit of employees, in line with decisions of Board of Directors. Up to the day of the profit payment an amount of 1,413,006,650.89 RSD was registered as liabilities of company.

Note that in an item core capital in the balance sheet on 31/12/2009 in amount of 7,252,554,746.49 RSD (75,637,055.88 Euros) it is disclosed basic state capital in amount of 7,157,361,707.57 RSD (74,642,311.80 Euros) and other core capital in amount of 95,193,038.92 RSD (994,744.08 Euros).

The difference of 95,193,038.92 RSD (994,744.08 Euros) between stated amount of core capital increase in amount of 13,321,055,202.60 RSD (138,921,910.10 Euros) and stated amount of core capital increase according to Decision of Board of Directors no.04-100/1 in amount of 13,416,248,292.43 RSD (139,914,654.18 Euros) results from other core capital in item core capital on 31/12/2009, which could not have been disclosed as increase through shorten balance sheet items, as it was stated in the decision, because it was already stated in overall core capital.

1.2.3.3. Important elements of the issuer's Memorandum on Incorporation on approved capital, date of making of the decision, and amount of increase of the capital

According to Article 12 of The Article of Association of AD Aerodrom "Nikola Tesla" Beograd, total core capital consists of monetary subscribed and paid up core capital of the company, which on 01/01/2010 amounts 214,556,965.99 Euros, which is, in line with the certificate of Association of Banks of Serbia, at middle exchange rate of National Bank of Serbia on 01/01/2010, 20,573,610 thousand RSD. On the day of 31/05/2010 Board of directors of JP Aerodrom "Nikola Tesla" passed the Decision on capital increase, no. 04-100/1, and on the day of 04/06/2010 Government of RS made Rescript on consent to the mentioned Decision on capital increase from its own assets by converting reserves and profit into core capital of JP Aerodrom „Nikola Tesla“ Beograd, no. 023-4175/2010. The amount of capital increase is 139,914,654.18 Euros, which amounts, converted into RSD per middle exchange rate of National Bank of Serbia on the day of 01/01/2010, 13,416,248,292.43 RSD, according to estimation of equity value of JP Aerodrom "Nikola Tesla" Beograd (April 2010).

Estimated core capital value of JP Aerodrom "Nikola Tesla" Beograd, after the increase is 214,556,965.99 Euros, which amounts, converted into RSD per middle exchange rate of National Bank of Serbia on the day of 01/01/2010, 20,573,610,000.00 RSD. Detailed explanation on capital change is given in the note in previous item.

1.2.3.4. Important elements of the Memorandum of Association, date of making of the decision on provisional increase of capital, amount of increase of capital, number and type of issued shares, with a detailed description of terms for their issuing

The Article of Association does not contain provisions on provisional increase of capital.

1.2.4. Own shares

1.2.4.1. number and percentage of own shares according to class;

-

1.2.4.2. time and reason for acquiring;

-

1.2.4.3. data on the portfolio of own shares;

-

1.3. BOOKKEEPING VALUE OF ISSUER'S SHARES AND TRADE OF ISSUER'S SECURITIES

1.3.1. Bookkeeping value of shares

1.3.1.1. The last calculated bookkeeping value of shares per classes and date when the value was determined,

and if the last bookkeeping value of shares was calculated based on data without a report of the authorized auditor, then bookkeeping value of shares which was determined based on revised data; short description of the method used for calculation of the bookkeeping value of shares;

Accounting value of shares, pursuant to The Business rules of Belgrade Stock Exchange, according to financial statements for 30/06/2011, have been calculated in line with the formula: total assets (24,540,401,000) deduced by the loss exceeding capital value (0), long-term reserving and liabilities (1,858,561,000) and deferred tax liabilities (296,928,000), and divided by the sum of total issued shares (34,289,350). Accounting value of shares amounts RSD 681.99.

1.3.2. Trade of issuer's securities

1.3.2.1. Organized market where issuer's shares are traded;

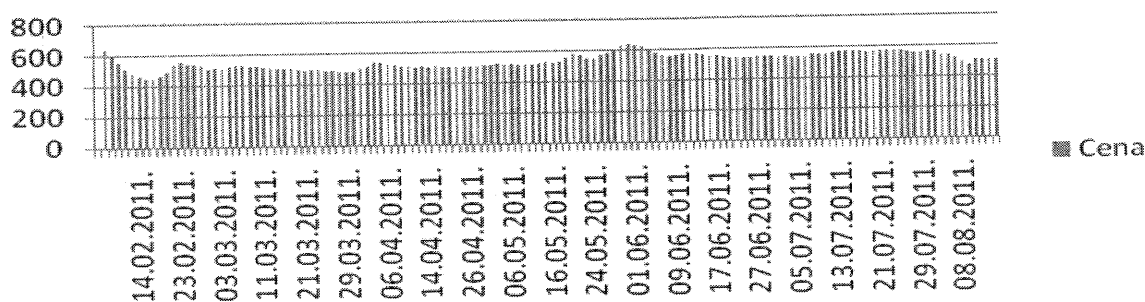
Beogradska berza ad Beograd No. 1, Omladinskih brigade St, 11070 Novi Beograd

1.3.2.2. Time set for trading of shares;

In line with the Belgrade Stock Exchange Rulebook

1.3.2.3. Graphic presentations of daily oscillations of the price and trade volume in the previous six months – where axis *x* designates date, while axis *y* designates price, i.e., trading volume;

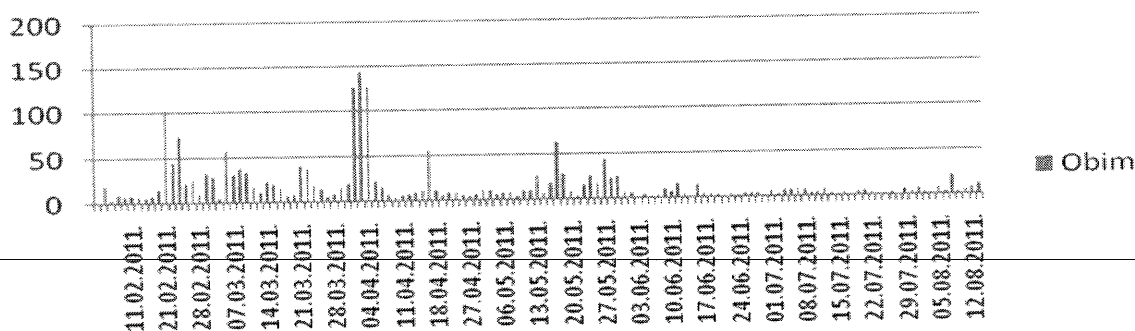
Grafički prikaz dnevnih oscilacija cene akcija



1 Graphical display of daily share price oscillations

Data on oscillation of share price in period from 07/02/2011 until 15/08/2011 taken from the web site belex.rs.

Obim



2 Graphical display of daily share traffic volume oscillations

Data on oscillation of share traffic volume in period from 07/02/2011 until 15/08/2011 taken from the web site belex.rs.

1.4. SHAREHOLDERS

1.4.1. Name/business name of shareholder	Number of shares with voting right	% shares with voting right	
REPUBLIC OF SERBIA	28,482,097	83.06397	
SG SRBIJA CUSTODI ACCOUNT	347,914	1.01464	
ERSTE BANK CUSTODY	230,825	0.67317	
EAST CAPITAL ASSET MANAG.	193,795	0.56518	
UNICREDIT BANK AUSTRIA AG	118,550	0.34573	
DANSKE INVEST TRANS-BALKAN FUN	101,328	0.29551	
CITIGROUP GLOBAL MARKET LTD	70,894	0.20675	

HYPO CUSTODY 4	52,580	0.15334	
THE ROYAL BANK OF SCOTLAND N.V	51,888	0.15132	
SG SPLITSKA BANKA	45,232	0.13191	

(The table provides the data for the entities having more than 5% of shares with voting right or for 10 largest shareholders with voting rights.)

Data source: CENTRAL SECURITIES DEPOSITORY AND CLEARING HOUSE of 08/15/2011 at 12:00 pm.

2. OPERATIONS, ASSETS AND LIABILITIES OF THE ISSUER

2.1. ISSUER'S ACTIVITY

Apart from data on the issuer, if the issuer has the position of a parent company, the same data are also to be given for dependent companies (in which the issuer has 25% and more equity share) together with the business name, seat, register number of the dependent company and percentage of equity share and decision-making which the parent company has in a dependent company;

2.1.1. Principal activity

2.1.1.1. Name and code of the principal activity;5223-Air traffic services

2.1.2. Revenue from operations

2.1.2.1. Value of revenue from operations based on which the issuer realized the biggest revenue in the previous three years;

	RSD (000) 2008	RSD (000) 2009	RSD (000) 2010	RSD (000) 01/06-30/06 2011
Revenues from service provision	3,576,731	4,012,623	4,719,080	2,279,453
Revenues from sale of goods- kerosene	530,805	221,084	339,645	435,345
Other operating income	328,209	351,851	410,187	197,154
Interest income	123,758	217,956	161,998	74,560
Income from positive exchange rate difference	213,225	141,795	264,476	98,459
Extraordinary income	132,618	467,744	543,643	8,545
Overall:	4,905,346	5,413,053	6,439,029	3,093,516

2.1.3. Position at the market

2.1.3.1. Assessment of issuer's share at the market of goods and services per issuer's activities; main competitors at the market and assessment of their share at the market;

According to data on service providing from area of basic activity, i.e. passengers and aircraft handling in air traffic, measured by physical indicators, with 2.7 million passengers and 22,102 movements, Aerodrom "Nikola Tesla" made increase in passenger number in 2010 by 13.3% and in aircraft movements by 8.7%. According to the data for the first 6 months of 2011, measured by physical indicators, 10,509 air movements were operated and 1,335,409 passengers were transported. In other words, in comparison to the same period of the previous year, the number of taking-offs is 6% higher and the number of transported passengers is 20% higher.

In the field of competitiveness in Republic of Serbia and assessment of service market share in area of basic activity, i.e. air traffic services, Airport Nis "Konstantin Veliki" had 23,627 passengers and 558 aircraft movements in previous calendar year. Regarding market share of the concurrence, which has realised minimal increase and its market share is negligible, AD Aerodrom "Nikola Tesla"

Beograd has 99.1% of market share in view of number of passengers in air traffic, and 97.7% of performed aircraft movements.

According to data for the first 6 months of 2011, measured by physical indicators 10,509 taking-offs were performed and 1,335,409 passengers were transported. In comparison to the same period of the previous year, the number of taking-offs increased by 6% and the number of passengers increased by 20%.

2.1.4. Operations performed out of the seat

2.1.4.1. Name of the place, apart from the seat of the issuer, where the issuer performs its activity – organizational and business units and representative offices;

Issuer does not perform operations out of the seat.

2.1.5. Special circumstances

2.1.5.1. Other important facts and circumstances in connection with issuer's operations which could affect the data on issuer's operations;

In line with criteria defined by the Law on the right to free of charge shares and money consideration exercised by citizens within the process of privatization ("Off. Gazette of RS" No. 123/07 and No. 30/10) and conducted procedure of application collection for inscription in register of right holders and inscription in register of employees and former employees carried out by Privatization agency of RS, dated on 09/12/2010, according to Decision of Government of RS No. 023-9103/2010-1, 16.85% of share capital of AD Aerodrom "Nikola Tesla" Beograd has been transferred, as follows: 14.06% or 4,820,689 shares to citizens of Republic of Serbia, on share to each shareholder and 2.79% or 956,673 shares to employees and former employees of AD Aerodrom "Nikola Tesla" Beograd and fund of shareholders. According to data of the Central Securities Depository and Clearing House, on 08/15/2011 Republic of Serbia has got 28,482,097 ordinary shares, which represents 83.06397% of total share capital of AD Aerodrom "Nikola Tesla" Beograd.

On July 12 2011, based on data of the Central Securities Depository and Clearing House AD Aerodrom "Nikola Tesla" has got 3,504,338 shareholders.

2.1.6. Discontinuations in operations

2.1.6.1. Discontinuations in issuer's operations in the previous three years and reasons for discontinuations;

There have been no discontinuations in operations

2.2. ISSUER'S ASSETS AND LIABILITIES

Apart from data on the issuer, if the issuer has the position of a parent company, the same data are also to be given for dependent companies, together with business names of dependent companies;

2.2.1. Buildings, plant and equipment

2.2.1.1. Data on buildings, type, location, area, value of the buildings, including the buildings leased or rented;

All buildings and land, stated in the following table are contained in business accounting books within invoice groups 02-Buildings, plants and equipment, as follows: 020-Land; 022-Constructions and 04-Investment Property

Name and type of land	Land purpose	Location	Land area (ha)	Property value on 31/12/2010 in 000
Agricultural	-	11180 Beograd 59	317.97 ha	7,622,359

Construction		11180 Beograd 59	58.92 ha	1,412,454
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FACILITIES used for business activity in AD AERODROM NIKOLA TESLA BEOGRAD

Name and type of building	Building purpose	Location	Building area (m ²)	Property value on 31/12/2010 in 000
Terminal building T1 and T2	Passenger and aircraft handling	11180 Beograd 59	49,741	4,246,701
Runway	Aircraft taking off and landing	11180 Beograd 59	208,200	1,711,352
Apron	Aircraft approach to terminal building	11180 Beograd 59	42,228	1,101,367
Taxiway	Aircraft taxiing	11180 Beograd 59	118,300	945,588
Roads	Transport routes in front of and around airport	11180 Beograd 59	37,236	108,717
Parking places	Parking places in front of airport building	11180 Beograd 59	11,459	34,964
Cargo-customs warehouse	Warehouse	11180 Beograd 59	10,035	297,806
Technical base	Business facility	11180 Beograd 59	4,282	183,364
Restaurant for employees		11180 Beograd 59	517	18,970
Restaurant "Borik"		11180 Beograd 59	223	14,332
Temporary traffic directorate	Business facility	11180 Beograd 59	911	15,711
Traffic garage I		11180 Beograd 59	670	14,228
Traffic garage II		11180 Beograd 59	873	20,378
Ramp		11180 Beograd 59	20,000	55,232
Rain drainage-collector		11180 Beograd 59		319,968
Liquid waste drainage		11180 Beograd 59		161,060
Heating station		11180 Beograd 59	768	19,947
Heating pipelines		11180 Beograd 59		254,321
Plumbing		11180 Beograd 59		158,234
Wire fence for runway protection		11180 Beograd 59	20,000	22,389
Apartment rented to employees		Novi Beograd, Vespučijeva 8	169	21,591

Other business facilities	11180 Beograd 59	108,202
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***Non-written-off property (facilities) value in the ownership of AD Aerodrom "Nikola Tesla" Beograd after estimation on the day of 1st of January 2010 totals RSD 9,834,422 thousand.**

All properties (land and buildings) being evidenced in accounting books of AD Aerodrom "Nikola Tesla" Beograd are in ownership of Republic of Serbia. By the Conclusion no. 351-4468/2010-1 the Government agrees and acknowledges that AD Aerodrom "Nikola Tesla" Beograd, 11180 Belgrade 59, on behalf and in favour of Republic of Serbia, as owner of the constructing land, on location provided, by planning documentation, for constructing and reconstructing of the complex Aerodrom "Nikola Tesla" in Belgrade, exercises investor's rights and manages organizing operations and performs professional activities of development, planning, projecting, constructing, annexing, restructuring, adaptation, readjustment, investing and current maintenance of facilities, equipment and installations, equipping and protection of the airport complex, organizing of professional control of constructing, signalling installation, equipping of construction land with communal, line, traffic and other infrastructure at the airport complex, in line with the valid planning documentation.

The registering process of proprietary right on property of Aerodrom "Nikola Tesla" Beograd is in the works.

FACILITIES LEASED BY AD AERODROM "NIKOLA TESLA" BEOGRAD as of 31/12/2010.

Facility name	Facility type (purpose)	Address	Facility area or area of the leased part (m2)	
Restaurant "Borik"		11180 Beograd 59	223	
Apartments rented to employees		Novi Beograd, Vespučijeva	169	
Part of T-1 and T-2		11180 Beograd 59	6,205	
Cargo-customs warehouse -part		11180 Beograd 59	1,742	
Other facilities - part		11180 Beograd 59	2,658	

NOTE: In 2010 overall business facility leasing revenue amounts RSD 410,187,000, whereas in the first half of 2011 it amounts RSD 197.154 thousands.

2.2.1.2. Value of plant and equipment
Value of plant and equipment on the day 31/12/2010 amounts 1,553,888 thousand RSD.
2.2.2. Share in equity of other legal entities
AD Aerodrom "Nikola Tesla" participates with 0.02539% in share capital of Privredna banka Beograd, i.e. it has 633 shares of Privredna banka Beograd a.d. Beograd. Nominal value of the shares of Privredna banka Beograd is 1,000.00 RSD. Total nominal value of shares of Privredna banka Beograd in possession of AD Aerodrom "Nikola Tesla" Beograd amounts 633,000.00 RSD.

2.2.3. Patents, concessions, special licences

2.2.3.1. Short data on terms and expected duration of approved concessions, patents, significant commercial contracts, franchising contracts, special licenses for import or export of goods or performing of activities, etc.;

Among important certificates, approvals and contracts, AD Aerodrom "Nikola Tesla" has got the following:

- The Certificate for use of airport for public traffic, issued by Directorate for Civil Aviation of Serbia;
- The Approval for ground handling service providing, issued by Directorate for Civil Aviation of Serbia;
- The Certificate on operating qualification of training centre issued by Directorate for Civil Aviation of Serbia and inspection control (for period of two years) for:
 - (a) Ground handling services,
 - (b) Propriety control for manoeuvring areas,
 - (c) Fire-fighting personnel,
 - (d) Training centre for work with dangerous materials.

By virtue of The Lease Agreement for business facilities, business facilities has been rented to "Dufry"d.o.o. Beograd for provision of catering and trade services, with unique right, for period not shorter than 15 years, with validity from April 3rd 2006.

2.2.4. Largest capital investments

2.2.4.1. Description of the biggest investments and withdrawals of invested funds in previously stated forms of assets in the previous three years and description of the manner in which each of the investments was funded; description of other significant investments and withdrawals of invested funds and the manner in which the investments were funded

	DESCRIPTION	2008	2009	2010
1.	NON-CURRENT ASSETS--TOTAL	667,678	311,858	539,317
1.1.	Intangible investments	-	2,039	-
1.2.	Land	454,158	-	-
1.3.	Buildings	99,535	17,018	54,668
1.4.	Plants and equipment	90,897	198,746	411,374
1.5.	Other	-	-	-
1.6.	Ongoing investments	23,088	94,055	73,275

All stated invests for stated years are financed with own resources.

2.2.5. Pledge rights

2.2.5.1. Basic data on issuer's assets on which pledge right is constituted: type of pledge, value of pledge assets and pledge receivables, pledge duration, business name of the pledge creditor;

AD Aerodrom "Nikola Tesla" Beograd did not mortgage its real estates.

2.2.6. Litigations and other proceedings

2.2.6.1. Data only for significant proceedings before a court or administration body: number of proceedings in which the issuer is the defendant and total value of all proceedings; number of proceedings in which the issuer is the plaintiff and total value of all proceedings; proceedings in connection with the right of industrial property and abuse of monopoly position are stated separately;

As of August 15 2011, there are 153 litigations registered where AD Aerodrom "Nikola Tesla" Beograd is respondent and contingent liabilities based on the litigations made against AD Aerodrom "Nikola Tesla" Beograd amount to app. RSD 139,677 thousand. The company management does not expect any materially significant losses in the following period based on the disputes. The company has got provisions for the litigations in the amount of RSD 92,311 thousand. Most of the litigations made against AD Aerodrom "Nikola Tesla" Beograd are labour disputes (128 labour disputes).

Besides, the AD Aerodrom "Nikola Tesla" Beograd has litigations against 19 third parties the most significant portion of which includes RSD 112,471 thousand. The company management cannot give predictions of the outcome for mentioned litigations, but it signifies that for part of the litigations, amounting to RSD 39,917 thousand, the verdicts reached in the first instance are in favour of the company.

2.2.7. Total amount of issuer's liabilities not due until the day of submitting of the application

-

2.2.7.1. Amount of issuer's liabilities based on bank loans

As of December 31st 2010 AD Aerodrom „Nikola Tesla“ Beograd has the following liabilities attributable to the loans received:

**Account 414020-long-term loans from Piraeus Bank -179,740.78 Euros with final maturity in 2013;
Account 415-long-term loans from –European Investment Bank (EIB)-11,485,080.67 Euros with final maturity in 2025;**

Account 419110-long-term liability for financial leasing from Porsche -99,792.26 Euros with final maturity in 2012;

Account 419120-Long-term liability for financial leasing from Hypo -2,342,775.49 Euros with final maturity in 2014;

Account 419150- Long-term liability for foreign financial leasing from Vestergaard -167,577.00 Euros with final maturity in 2011

Note: Liabilities from received loans with due date during 2011 amount EUR 1,755,187.29. In the period from 01/01/2011 until 30/06/2011 it was paid off EUR 878,592.50 of liabilities per loans and there are loans with due date up to the end of 2011 in amount of EUR 876,594.79

2.2.7.2. Amount of issuer's liabilities based on issued debtor securities

-

2.2.7.3. Other issuer's liabilities

Liabilities toward suppliers in country, abroad and other liabilities of the issuer on 31/12/2010 amount RSD 175,194.73 thousand and on 30/06/2011 amount RSD 201,594.92 thousand.

2.2.8. Total amount of issuer's liabilities not paid when due until the day of submitting of the application

AD Aerodrom "Nikola Tesla" Beograd does not have non-settled overdue as of the date of

prospectus preparation.

2.2.8.1. Amount of issuer's liabilities based on bank loans

AD Aerodrom "Nikola Tesla" Beograd does not non-settled overdue as of the date of prospectus preparation.

2.2.8.2. Amount of issuer's liabilities based on issued debtor securities

-

2.2.8.3. Other issuer's liabilities

AD Aerodrom "Nikola Tesla" Beograd does not have non-settled overdue as of the date of prospectus preparation.

2.2.9. Employees

2.2.9.1. Total number of issuer's employees and the number of employees with a certain degree of qualification and average number of employees in the previous three years;

Qualification degree	2008	2009	2010
OTHERS	127	129	129
Secondary school	189	191	187
College degree	26	30	33
University degree	66	69	68
M.Sc.	-	1	1
Dr.	1	1	1
Total:	409	421	419
Average number of employees in the past 3 years	416		

Number of employees excludes employed via service organizations.

2.2.9.2. Total value of liabilities toward employees

As of 31/12/2010 the issuer does not have overdue towards employees.

2.3. FINANCIAL DATA

2.3.1. Data from issuer's non-consolidated financial statements for the previous three years

2.3.1.1. Balance sheet for the previous three years

Balance sheets for the previous three years and half-year of 2011 in RSD 000

ASSETS:	31/12/2008	31/12/2009	31/12/2010	30/06/2011
TOTAL ASSETS:	15,432,249	24,463,720	24,682,152	25,540,401
Non-current action property	12,692,773	20,938,592	20,737,783	20,547,396
Non-paid subscribed capital				
Goodwill				
Intangible investment	12,566	8,067	861	3,887
Real estates, plants, equipment and biological agencies	12,533,813	20,799,629	20,626,125	20,433,045
Property, plants and equipment	12,519,737	20,785,070	20,611,274	20,418,245
Investment property	13,409	13,899	14,332	14,332
Biological agencies	667	660	519	468
Long-term financial investments	146,394	130,895	110,797	110,464
Share in capital	287	462	389	389
Other long-term financial investments	146,107	130,433	110,408	110,075
Working property	2,739,476	3,525,129	3,944,369	4,993,005
Stocks	85,754	116,906	117,010	153,875
Non-current assets intended for sale and assets of operation discontinued				-
Short-term receivables, investments and cash	2,653,722	3,408,223	3,827,359	4,839,130
Receivables	680,186	1,069,333	1,336,942	1,643,276
Receivables of amount paid above income-tax				-
Short-term financial investments	1,766,136	2,164,557	2,180,671	2,857,414
Cash and cash equivalents	172,224	121,175	259,206	328,876
VAT and prepayments and accrued income	35,176	53,158	50,540	9,564
Deferred tax liabilities				-
Business property	15,432,249	24,463,720	24,682,152	25,540,401
Loss above capital amount				

Off-balance sheet assets	24,435	62,169	132,322	261,178
LIABILITIES:	31/12/2008	31/12/2009	31/12/2010	30/06/2011
TOTAL LIABILITIES:	15,432,249	24,463,720	24,682,152	25,540,401
Capital:	12,832,365	21,986,617	22,510,860	23,384,912
Core capital	7,252,555	20,573,610	20,573,610	20,573,610
Non-paid up subscribed capital				
Reserves	234,941	-	-	-
Revaluation reserves	3,256,596	-	-	-
Non-realised incomes from securities				
Non-realised losses from securities	302	-	73	73
Profit	2,088,575	1,413,007	1,937,323	2,811,375
Loss				
Repurchased own shares				
Long-term reserves and liabilities	2,408,879	2,160,348	1,874,364	1,858,561
Long-term reserves	121,094	166,803	140,576	137,975
LONG-TERM LIABILITIES	1,561,378	1,381,862	1,327,920	1,281,866
Long-term loans	1,215,907	1,121,882	1,138,765	1,106,003
Other long-term liabilities	345,471	259,980	189,155	175,863
Short-term liabilities	726,407	611,683	405,868	438,720
Short-term financial liabilities	299,708	311,888	186,835	89,088
Liabilities from assets intended for sale and assets of operation discontinued				
Business liabilities	218,213	152,507	138,346	103,414
Other short-term liabilities	56,371	26,790	566	34,702
Liabilities from VAT and other public revenues and accrued costs and deferred revenues	107,784	72,367	45,867	199,417
Liabilities from profit-tax	44,331	48,131	34,254	12,099
Deferred tax liabilities	191,005	316,755	296,928	296,928
Off-balance sheet liabilities	24,435	62,169	132,322	261,178

2.3.1.2. Income statement for the previous three years;

Income statements for the previous three years and half-year of 2011 in RSD thousand

REVENUES AND EXPENDITURES:	31/12/2008	31/12/2009	31/12/2010	30.06.2011.
TOTAL REVENUES:	4,905,346	5,413,053	6,439,029	3,093,516

Business revenues:	4,435,745	4,585,558	5,468,912	2,911,952
- Sale revenues	4,107,536	4,233,707	5,058,725	2,714,798
- Revenue from consumption of own products				-
- Increase in value of inventories				-
- Decrease in value of inventories				-
- Other operating revenues	328,209	351,851	410,187	197,154
TOTAL EXPENDITURES:	3,496,807	3,382,465	4,076,339	2,146,867
Business expenditures	2,933,713	2,807,813	3,263,172	1,970,474
- Purchase value	502,885	190,274	305,012	413,493
- Material expenses	272,379	303,785	367,873	179,316
- Costs of salaries, salary compensations, and other personal expenses	660,087	678,548	715,895	439,829
- Costs of amortization and reservations	670,786	715,373	777,371	324,363
- Other business expenditures	827,576	919,833	1,097,021	613,473
BUSINESS PROFIT	1,502,032	1,777,745	2,205,740	941,478
BUSINESS LOSS				
Financial revenues	336,983	359,751	426,474	173,019
Financial expenditures	415,585	297,779	317,296	157,134
Other revenues	132,618	467,744	543,643	8,545
Other expenditures	147,509	276,873	495,871	19,259
PROFIT FROM PRE-TAXING REGULAR OPERATING	1,408,539	2,030,588	2,362,690	946,649
LOSS FROM PRE-TAXING REGULAR OPERATING				
Net profit of operations discontinued				
Net loss of operations discontinued				
PROFIT BEFORE TAXING	1,408,539	2,030,588	2,362,690	946,649
LOSS BEFORE TAXING				
Income tax				
Period tax expenditure	79,521	121,025	145,194	72,597
Deferred period tax expenditure				
Deferred period tax revenue	7,506	8,209	19,827	
Paid-up personal receivings to employer			300,000	
NET PROFIT	1,336,524	1,917,772	1,937,323	874,052
NET LOSS				
Net profit for minority investors				
Net profit for owners of parent legal entity				
PROFIT PER SHARE				

Basic profit per share				
Diluted profit per share				

2.3.1.3. Cash flow statement for the previous three years

Cash flow statements for the previous three years and half-year for 2011 in RSD 000

1		ADP	31/12/2008	31/12/2009	31/12/2010	30/06/2011
A.	CASH FLOWS FROM BUSINESS ACTIVITY					
I	Cash inflow from business activities (from 302 to 305)	301	4,520,748	4,578,317	5.794.065	2,920,016
	1. Sale and received advance payments	302	4,238,604	4,208,484	5.306.744	2,645,408
	2. Interests received from business activity	303	3,114	3,864	930	1,136
	3. Other inflows from regular operations	304	279,030	365,969	486.391	273,472
II	Cash outflow from business activities (from 306 to 311)	305	2,888,167	2,876,312	3.281.147	1,921,542
	1. Payments for suppliers and given advance payments	306	1,764,509	1,635,227	1.974.590	1,246,937
	2. Costs of salaries, salary compensations, and other personal expenses	307	716,874	697,239	747.923	409,341
	3. Paid interest	308	111,021	108,591	95.909	37,976
	4. Income-tax	309	31,635	117,225	159.070	94,752
	5. Payment from other public revenues	310	264,128	318,030	303.655	132,536
III	Net cash inflow from business activities (301-305)	311	1,632,581	1,702,005	2.512.918	998,474
IV	Net cash outflow from business activities (305-301)	312	-	-	-	-
B.	CASH FLOW FROM INVESTMENT ACTIVITIES					
I	Cash inflow from investment activity (from 314 to 318)	313	115,454	209,128	317.256	62,234
	1. Sale of shares and portions (net inflows)	314	-	-	-	0
	2. Sale of intangible investments, properties, plants and equipment	315	4,049	22	367	1,617
	3. Other financial investments (net inflows)	316	-	-	174.179	0
	4. Interests received from investment activities	317	111,405	209,106	142.710	60,617
	5. Dividends received	318	-	-	-	0

	II	Cash outflows from business activities (320 to 322)	319	1,689,336	655,409	651.807	894,540
		1. Purchase of shares and portions (net outflows)	320	-	-	-	0
		2. Purchase of intangible investments, properties, plants and equipment	321	639,648	392,119	651.807	153,290
		Other financial investments (net outflows)	322	1,049,688	263,290	-	739,290
	III	Cash net inflow from investment activities (313-319)	323	-	-	-	
	IV	Cash net outflow from investment activities (319-313)	324	1,573,882	446,281	334.551	830,306
C.		CASH FLOWS FROM FINANCING ACTIVITIES					
	I	Cash inflow from financing activities (from 326 to 328)	325	-	-	-	
		1. Core capital increase	326	-	-	-	
		2. Long-term and short-term loans (net inflows)	327	-	-	-	
		3. Other long-term and short-term liabilities	328	-	-	-	
	II	Cash outflow from financing activities (from 330 to 333)	329	257,574	1,311,993	2.047.474	93,492
		1. Redemption of own shares and portions	330	-	-	-	0
		2. Long-term and short-term loans (net outflows)	331	167,355	205,501	207.051	47,773
		3. Financial leasing	332	90,219	104,099	127.420	45,719
		4. Paid-up dividends	333	-	1,002,393	1.713.003	0
	III	Cash inflow from financing activities (325-329)	334	-	-	-	0
	IV	Cash outflow from financing activities (329-325)	335	257,574	1,311,993	2.047.474	93,492
D.		OVERALL CASH OUTFLOW (301 + 313 + 325)	336	4,636,202	4,787,445	6,111,321	2,982,250
E.		OVERALL CASH INFLOW (305+319+329)	337	4,835,077	4,843,714	5,980,428	2,907,574
F.		NET CASH INFLOW (336-337)	338	-	-	130,893	74,676
G.		NET CASH OUTFLOW (337-336)	339	198,875	56,269	-	0
H.		CASH AT THE BEGINNIGN OF ACCOUNTING PERIOD	340	356,401	172,224	121,175	259,206
I.		POSITIVE EXCHAGE RATE	341	45,447	6,045	13,810	150

	DIFFERENCES FROM CASH CONVERSION						
J.	NEGATIVE EXCHANGE RATE DIFFERENCES FROM CASH CONVERSION	342	30,749	825	6,672	5,156	
K.	CASH AT THE END OF ACCOUNTING PERIOD (338-339+340+341-342)	343	172,224	121,175	259.206	328,876	

2.3.1.4. Statement of changes in equity for the previous three years (in RSD 000)

Statements of changes in equity for the previous three years and half-year of 2011 in RSD 000

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2008

Description	Core capital	Other capital	Unpaid subscribed capital	Issue premium	Reserves	Revaluation reserves	Non-distributed profit	Own shares	Total
Balance as of 1 January of previous 2007 year	7.157.362	95.284			236.216	3.360.853	-	613.739	11.463.454
Corrected opening balance as of 1 January of previous 2007 year	7.157.362	95.284			236.216	3.230.264	-	389.244	11.108.370
Total increases in the previous year	-	4.159			-	1.546	-	361.886	367.591
Total decreases in the previous year	-	162			1.275	2.585	-	-	4.022
Balance as of 31 December of previous 2007 year	7.157.362	99.281			234.941	3.229.225	-	751.130	11.471.939
Adjustment of material significant errors and change of accounting policy in the current year - decrease	-	-			-	41.516	-	-	41.516
Corrected opening balance as of 1 January 2008	7.157.362	99.281			234.941	3.270.741	-	751.130	11.513.455
Total increases in the current year	-	-			-	-	302	1.337.445	1.337.143
Total decreases in the current year	-	4.088			-	14.145	-	-	18.233
Balance as of 31 December of current 2008 year	7.157.362	95.193			234.941	3.256.596	302	2.088.575	12.832.365

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2009										
Description	Core capital	Other capital	Un paid sub scri be d cap ital	Issu e pre miu m	Reserve s	Revaluation reserves	Non - reali sed loss from secu ritie s	Non-distributed profit	Total	
Balance as of 1 January of previous 2008 year	7,157,362	99,281			234,941	3,229,225	-	751,130	11,471,939	
Corrected opening balance as of 1 January of previous 2008 year	7,157,362	99,281			234,941	3,270,741	-	751,130	11,513,455	
Total increases in the previous year	-	-			-	-	302	1,337,445	1,337,143	
Total decreases in the previous year	-	4,088			-	14,145	-	-	18,233	
Balance as of 31 December of previous 2008 year	7,157,362	95,193			234,941	3,256,596	302	2,088,575	12,832,365	
Adjustment of material significant errors and change of accounting policy in the current year - increase	-	-			-	-	-	-	-	
Adjustment of material significant errors and change of accounting policy in the current year - decrease	-	-			-	-	-	-	-	
Corrected opening balance as of 1 January 2009	7,157,362	95,193			234,941	3,256,596	302	2,088,575	12,832,365	
Total increases in the current year	-	-			-	-	-	1,706,386	1,706,386	
Total decreases in the current year	-	-			-	908	175	1,002,393	1,003,126	
Balance as of 31 December of current 2009 year	7,157,362	95,193			234,941	3,255,688	127	2,792,568	13,535,625	

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2010								
Description	Core capital	Other capital	Unpaid subscribed capital	Reserves	Revaluation reserves	Non-realised loss from securities	Non-distributed profit	Total
Balance as of 1 January of previous 2009 year	7157362	95193		234941	3256596	302	2088575	12832365
Corrected opening balance as of 1 January of previous 2009 year	7157362	95193		234941	3256596	302	2088575	12832365
Total increases in the previous year							1706386	1706386
Total decreases in the previous year					908	175	1002393	1003126
Balance as of 31 December of previous 2009 year	7157362	95193		234941	3255688	127	2792568	13535625
Adjustment of material significant errors and change of accounting policy in the current year - increase	13416248				8238839		212153	21867240
Adjustment of material significant errors and change of accounting policy in the current year - decrease		95193		234941	11494527	127	1591714	13416248
Corrected opening balance as of 1 January 2010	20573610						1413007	21986617
Total increases in the current year						73	1937323	1937250
Total decreases in the current year							1413007	1413007
Balance as of 31 December of current 2010 year	20573610					73	1937323	22510860

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM 1 JANUARY TO JUNE 30 2011

Description	Core capital	Other capital	Unpaid subscribed capital	Reserves	Revaluation reserves	Non-realised loss from securities	Non-distributed profit	Total
Balance as of 1 January of previous 2010 year	7,157,362	95,193	0	234,941	3,255,688	127	2,792,568	13,535,625
Correction of materially significant errors and changes of accounting policies in the previous year-increase	13,416,248	0	0	0	8,238,839	0	212,153	21,867,240
Correction of materially significant errors and changes of accounting policies in the previous year-decrease	0	95,193	0	234,941	11,494,527	127	1,591,714	13,416,248
Corrected opening balance as of 1 January of previous 2010 year (1+2-3)	20,573,610	0	0	0	0	0	1,413,007	21,986,617
Total increases in the previous year	0	0	0	0	0	73	1,937,323	1,937,250
Total decreases in the previous year	0	0	0	0	0		1,413,007	1,413,007
Balance as of 31 December of previous 2010 year (4+5-6)	20,573,610	0	0	0	0	73	1,937,323	22,510,860
Correction of materially significant errors and changes of accounting policies in the current year-increase	0	0	0	0	0	0	0	0
Correction of materially significant errors and changes of accounting policies in the current year-decrease	0	0	0	0	0	0	0	0
Corrected opening balance as of 1 January 2011 (7+8-9)	20,573,610	0	0	0	0	73	1,937,323	22,510,860
Total increases in the current year	0	0	0	0	0		874,052	874,052
Total decreases in the current year	0	0	0	0	0		0	0
Balance as of 30 June of current 2010 year (10+11-12)	20,573,610	0	0	0		73	2,811,375	23,384,912

2.3.1.5. Significant explanations of certain positions in financial statements contained in the notes to financial statements.

■

2.3.1.6. Auditor's final opinion

**KPMG d.o.o. Beograd**

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Matični broj 17148656
Račun 265-1100310000190-61
Raiffeisen banka a.d. Beograd
PIB 100058593

JP AERODROM "NIKOLA TESLA", BEOGRAD

TRANSLATION**Independent Auditor's Report**

We have audited the accompanying financial statements of Javno preduzeće Aerodrom "Nikola Tesla", Beograd (hereinafter: the Company), which comprise the balance sheet as at 31 December 2007, and the income statement, statement of changes in equity and cash flow statement for the year then ended.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Law on Accounting and Auditing of the Republic of Serbia (as published in the "Official Gazette of the Republic of Serbia" 46/2006). This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have conducted our audit in accordance with the Law on Accounting and Auditing of the Republic of Serbia (as published in the "Official Gazette of the Republic of Serbia" 46/2006) and International Standards on Auditing as issued by the International Federation of Accountants. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the 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 principles used and the reasonableness of accounting estimates made by management.

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

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Upisani osnovni kapital Društva od EUR 50.790,42 uplaćen, odnosno unet je u celosti.
KPMG d.o.o. Beograd je jednočlano društvo.

Basis for Qualified Opinion

We were unable to perform a reconciliation of the actual balance and carrying amount of spare parts as at 31 December 2007 and 31 December 2006.

Qualified Opinion

In our opinion, except for the effects of the matter referred to in the preceding paragraph, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2007, and the results of its operations and cash flows for the year then ended, in accordance with the Law on Accounting and Auditing of the Republic of Serbia (as published in the "Official Gazette of the Republic of Serbia" 46/2006).

Belgrade, 23 June 2008



KPMG d.o.o. Beograd


Nina Buratovic
Certified Auditor

This is a Translation of the Original Report on the Financial Statements issued in Serbian Language. We are responsible for the translation of the Report on the Financial Statements and not for any other documents.

Translation of the auditors' report issued in the Serbian language

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF BELGRADE "NIKOLA TESLA" AIRPORT, PUBLIC COMPANY

We have audited the accompanying financial statements (pages 3 to 41) of Belgrade "Nikola Tesla" Airport, a Public Company (the "Company"), which comprise the balance sheet as of December 31, 2008, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

The financial statements of the Company as of and for the year ended December 31, 2007 were audited by another auditor whose report dated June 23, 2008 expressed a qualified opinion since it could not satisfy itself as to the compliance between the actual and carrying value of spare parts as of December 31, 2007 and 2006.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting regulations of the Republic of Serbia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.

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

(Continued)

Audit • Tax • Consulting • Financial Advisory,

Member of
Deloitte Touche Tohmatsu

Translation of the auditors' report issued in the Serbian language

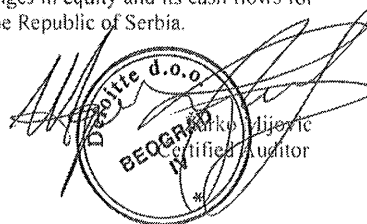
INDEPENDENT AUDITORS' REPORT

**TO THE BOARD OF DIRECTORS OF BELGRADE "NIKOLA TESLA" AIRPORT, PUBLIC
COMPANY (Continued)**

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2008, and its financial performance, changes in equity and its cash flows for the year then ended, in accordance with the accounting regulations of the Republic of Serbia.

Belgrade, April 3, 2009





**BAKER TILLY
WB REVIZIJA**

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E-mail: office@bakertillywb.com

INDEPENDENT AUDITORS' REPORT

To the Managing Board of Public Company Airport "Nikola Tesla" Belgrade

We have audited the accompanying financial statements of Public Company Airport "Nikola Tesla" Belgrade (hereinafter: "the Company"), which comprise the balance sheet as at 31 December 2009, and the related income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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



Agencija za privredne registre • Broj registracije: BD 14665 • Upisani i uplaćeni kapital: 4.501,08 EUR
PIB: 100040745 • Tekući račun: 170-30006666000-63 • UniCredit Bank Srbija a.d. Beograd

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Managing Board of Public Company Airport "Nikola Tesla" Belgrade (continued)

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of 31 December 2009, and the results of its operations, and its cash flows for the year then ended, in accordance with regulations of Republic of Serbia.

Belgrade, 5 March 2010



Sladana Jovanović
Sladana Jovanović
Registered Auditor

2.3.2. Data from issuer's consolidated financial statements for the previous three years

2.3.2.1. Legal entities included in consolidated statement;

2.3.2.2. Consolidated balance sheet

2.3.2.3. Consolidated income statement

2.3.2.4. Consolidated cash flow statement for the previous three years;

2.3.2.5. Consolidated statement of changes in equity for the previous three years;

2.3.2.6. Significant explanations of certain positions in financial statements contained in the notes to financial statements.

-

2.3.2.7. Auditor's final opinion

2.3.3. Significant indices of operations and success

2.3.3.1. Significant indices of operations such as indices of liquidity, solvency, net current assets, indices of profitability and others, appropriate to the principal activity of the issuer, For issuers from the financial sector for which special regulations define the type, manner of accounting and level of certain indices, their realized and defined value

I LIQUIDITY RATIOS	2008	2009	2010	30/06/2011
First grade liquidity	0.23709	0,198101	0.638646	0,749626
Second grade liquidity	3.653216	5,571878	9.430059	11,030110
II NET WORKING FUND				
Net working fund ratio (according to working resources)	0.734837	0,826479	0.897102	0,912133
Net working fund ratio (according to business property)	0.130446	0,119093	0.143363	0,178317
III FINANCIAL STRUCTURE INDICATORS				
Financial stability	0.831529	0,898744	0.91203	0,915605
Company indebtedness rate (liabilities/business liabilities)	0.148247	0,081490	0.070245	0,067367
Company indebtedness rate (liabilities /own capital)	0.178282	0,090671	0.07702	0,073577
Capital/non-current property relation	1.010998	1,050052	1.0855	1,138096
IV SUCCESS INDICATORS				
Gross profit rate	0.287144	0,375128	0.366933	0,306011
Net profit rate	0.272463	0,354287	0.300872	0,282543
Total capital profitability after taxing (net profit/	0.086606	0,078392	0.007849	0,034222

average business liabilities)				
Total capital profitability after taxing (net profit/average own capital)	0.104153	0,087225	0.086062	0,037377
BASIC ASSETS/OWN RESOURCES RELATION	0.989122	0,952333	0.921235	0,87866
WORKING ASSETS/BORROWED ASSETS	1.137241	1,631741	2.104377	12,68649

2.3.4. Staff costs

2.3.4.1. Costs of salaries for the previous three months, individually, in gross and net amounts

Value (in RSD 000)	<u>May 2011</u>	<u>June 2011</u>	<u>July 2011</u>	<u>TOTAL</u>
Net	29,603	29,291	29,534	88,428
Tax	4,640	4,585	4,629	13,854
contributions	7,452	7,345	7,439	22,236
Gross*	41,695	41,221	41,602	124,518

* Data include net salary, tax, and contributions at the charge of employees.

2.3.5. Profit/loss per share

2.3.5.1. The following is to be stated for the previous three business years:

- net amount of profit or loss per share, based on financial statement;

If the number of shares has changed in the previous three years, data relating to new circumstances, and method for determining the value of shares in replacement of shares;

Description	2008	2009	2010
PROFIT in RSD 000			1,937,323
Number of shares			34,289,350
Profit/loss per share			-

2.3.6. Paid dividends

2.3.6.1. The following is stated:

- date of payment of dividend, for the previous three years;

- amount of paid dividend per share for each class individually;

Aerodrom "Nikola Tesla" Beograd, as public company, didn't pay dividends, and it distributed profit in line with decision of Board of directors and with approval on that decision, of the Government. Profit distribution was carried out as follows:

1. There was no profit distribution for the year of 2007;
2. For the year of 2008, profit was distributed to the founder, Republic of Serbia, in amount of RSD 1,002,393,326.14, JP Aerodrom "Nikola Tesla" Beograd in amount of RSD 306,686,337.29 as core capital increase and employees as profit share in amount of RSD 27,444,771.43;
3. For the year of 2009, profit was distributed to the founder, Republic of Serbia, in amount of RSD 1,350,000,000.00, JP Aerodrom "Nikola Tesla" Beograd in amount of RSD 320,056,915.14 as core capital increase and employees as profit share in amount of RSD 35,561,879.46.

Closed joint stock company Aerodrom "Nikola Tesla", in line with Decisions of the Government no. 41-7298/2010-1, dated on 14/10/2010 and no.343-4458/2010, dated on 17/06/2010, paid interim dividend for the year of 2010 on 30/12/2010, in amount of RSD 300,000,000.00, according to Decisions of General meeting of AD Aerodrom "Nikola Tesla" Beograd, no. 04-251/1 and no.04-252/1.

On July 29 2011 Extraordinary Assembly of the Company made the Decision no.21-18/1 on profit distribution for 2010, by which the profit is distributed as follows:

- For the dividend gross amount of RSD 1,118,661,259.40
- For AD Aerodrom Nikola Tesla amount of RSD 818,661,259.39.

By the Decision of the Board of Directors no 04-119/1, dated on July 29 2011, the payment of the dividend for 2010 is approved and it is established in money by the Assembly of the Company.

The dividend payment will be realised in line with the Notification of the Ministry of Finance dated on March 2 2011 and the Conclusion of the Government of Republic of Serbia 05 no. 41-6062/2011 dated on July 28 2011.

The dividend payment began on August 2 2011 and will be realised up to November 30 2011 in line with the Notification of the Ministry of Finance and company liquidity.

-amount of the paid dividend per share for each share individually;

-Ordinary shares: RSD 32. 6241605455 gross amount per share

- (ex-dividend day) – certain date immediately before the day of payment of dividend on which entities registered as shareholders are entitled to receive dividends, regardless of the fact that on the day of payment of dividend shareholders may be other entities;

On the meeting held on July 26 2011, the Board of Directors of AD Aerodrom Nikola Tesla established December 31 2010 as the day of establishment of the list of shareholders of AD Aerodrom Nikola Tesla Beograd with the right on dividend from the profit distribution for the business year of 2010 (the dividend day).

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2.3.7. Off balance sheet items

2.3.7.1. Description of important off balance sheet items; (in RSD 000)

On off balance sheet items there are administered receivables and liabilities for issued and received drafts and warranties in regard with regular operations. Total value of off balance sheet assets on 31/12/2010 amounts RSD 132,322 thousand and refers to:

- Received Performance bonds, in RSD, from supplier, in amount of RSD 33,806 thousand;
- Received Performance bonds, in foreign currency, from suppliers and recovery security instruments for service provided to purchasers, in amount of RSD 92,369 thousand;
- Issued Payment security bonds, in RSD, for provided services, to providers, in amount of RSD 4,500 thousand;
- Issued Payment security bonds, in foreign currency, for provided services, to providers, in amount of RSD 1,079 thousand;
- Received domestic drafts (1,084 pcs) and foreign drafts (1 piece), issued domestic drafts (328 pcs) and foreign drafts (1 piece).

2.4. OTHER IMPORTANT FACTS

2.4.1. Other important facts which could affect decision-making of investors, on issuer's operations, activities and financial position

-

3. ISSUER'S DEVELOPMENT POLICY

3.1. Issuer's planned development activities

3.1.1. Planned increase of capital

3.1.1.1. Plans concerning increase of issuer's capital, manner of the increase and planned time for increase;

Up to the moment of prospectus development, the issuer has no plans concerning increase of capital.

3.1.2. Planned increase of business activities

3.1.2.1. Introduction of new types of activities, increase of volume of operations within the framework of existing activities;

AD Aerodrom "Nikola Tesla" Beograd is not planning introduction of new types of activities.

Within existing activities, AD Aerodrom "Nikola Tesla" Beograd anticipates increase of traffic volume in comparison to achieved volume in 2010, as follows:

- **Air-operations by 6%, and**
- **Passengers by 11%.**

Effects of anticipated traffic volume increase are increase of total revenues in 2011 by app. 13% and profit increase by app. 3% in comparison to achievement estimation for 2010.

3.1.3. Planned investments

3.1.3.1. Planned capital investments in, and expected effects, real property and in other legal entities, planned amount of funds for investments and manner of funding of investments;

In order to achieve its strategic object-position of the leading regional airport, AD Aerodrom "Nikola Tesla" Beograd is planning to invest significant resources in improvement of all capacities, enlargement of physical traffic volume, efficiency improvement and productivity enhancement in airport service providing area up to 2014.

With a view to satisfying manifested and predicted requests for new airport menus, quest for airport services and other airport improvement demands (normative, ecological, business...) the most significant planned investment activities for the period 2011-2014 subsume the following:

- **BUILDINGS AND INFRASTRUCTURE:**

- 1. Widening of waiting room and finger halls A and C**
- 2. Apron C enlargement**
- 3. Terminal 1-reconstruction**
- 4. Construction of business building of the company**
- 5. Reconstruction and change of purpose of the heating station**
- 6. Construction of the building for general aviation-terminal building, hangar, apron and parking place**
- 7. Apron B enlargement**
- 8. Construction and equipping of official passages D and E, for access control in security-restrictive zone of airport**
- 9. Construction of internal transport routes and access roads to airport complex**
- 10. Readjustment of A taxiway and B, G and H taxiways**

In following period expected investments in stated and other buildings, infrastructure and equipment are as follows:

In 2011 12,310,000 EUR

In 2012 14,790,000 EUR

In 2013 15,660,000 EUR

In 2014 10,225,000 EUR

AD Aerodrom "Nikola Tesla" Beograd is planning to finance all stated investments from own resources.

3.1.4. Business trends

3.1.4.1. Issuer's expectations concerning development of operations, trend of prices of services offered and/or goods sold;

Air traffic service market movements are every year more turbulent and there are many factors affecting direction and strength of these movements. Therefore, observing of the correct trend is exceptionally difficult, especially for the long-term business plans. There is much greater number of factors affecting directly or indirectly business success. While earlier, for airport business success it was enough to understand which destinations are insufficiently used and work on development, today it is much more complex issue, standing upon studying of passenger's needs, by predicting of micro movements on certain destinations and cooperation with air-carriers on partnership level.

AD Aerodrom "Nikola Tesla" Beograd follows with great attention and directs its activities according to ongoing on air traffic service marker. There is noticeable greater number of low-cost companies, which more and more compete with regular air-carriers and make mix of varieties on different levels. That impels airports to adjust its business (for example, to build new terminal buildings only for low-cost traffic or to readjust old buildings for this type of traffic). Influence of traditionally big companies reduces (for example British Airways) and further operation is in associating and cost reduction.

In line with afore stated AD Aerodrom "Nikola Tesla" Beograd will, firstly, work on service quality improvement along with rational approach to defining necessary expenses. In the area of basic activity, i.e. ground handling services in air traffic, AD Aerodrom "Nikola Tesla" Beograd is planning price observing of other airports in the region and, according to traffic development and needs manifested, it will continue the trend of positive levelling, through limited cost increase influence and decrease of current prices, in order to keep relevant competitiveness. In this manner, subsistence of the current users will be secured, through acceptable cost decrease, and attractiveness for new air carriers will increase.

3.1.5. Position of the company within the industry

AD Aerodrom "Nikola Tesla" Beograd is a successful company for many years with a leading position among companies providing airport services in Serbia, but also in the countries of former Yugoslavia.

Considering wider region, in this moment AD Aerodrom "Nikola Tesla" Beograd with 2.7 million passengers per year is in the same rank with the airport in Sofia, which has 3.2 million passengers per year. It is getting closer to the airport in Bucharest that transports 4.5 million passengers per year, while the airports in Budapest (over 8 million pax per year) and in Vienna (over 18 million pax per year) are significantly in advance, due to their larger market, stronger economic position and membership in EU.

Business policy in 2011 it is provided traffic volume increase in comparison to 2010 by 6% of air-operations and by 11% of number of passengers.

Planned total revenue for 2011 is 13% higher than achievement estimation for 2010.

Planned net revenue for 2011 is 3% higher than the estimated for 2010.

3.1.5.1. Assessment of the issuer concerning its position within the industry it belongs to;

By its successful business AD Aerodrom "Nikola Tesla" Beograd made its position in economic sector and today, according to most of parameters, is in the group of leading companies. AD Aerodrom "Nikola Tesla" Beograd plans its activities in a manner to keep up with the pace of leading companies.

With further investments and correct business policy, AD Aerodrom "Nikola Tesla" Beograd will keep on recording results higher than average, both in physical volume of provided services and in service quality, and from the point of the region, it will gradually move up to the results of other airports, such as those in Vienna and Budapest, whilst outpacing some others.

4. DATA ON MEMBERS OF THE BOARD OF DIRECTORS AND THE SUPERVISORY BOARD

4.1. MEMBERS OF THE BOARD OF DIRECTORS AND THE SUPERVISORY BOARD

Name of Director;	Velimir Radosavljević, General Director
Name and position of a member of the Board of Directors;	Mile Novačković, President Denijal Kozličić, member Nebojša Andrić, member Dejan Milovanović, member Borisav Kovačević, member Slobodan Jovanović, member Ljupko Đekić, member Ksenija Kavedžić, member
Name and position of a member of the Supervisory board.	Slobodan Veličković, president Goran Malbaša, member Dragoslav Stanković, member

4.2. REWARDS AND OTHER EXPENSES OF THE ISSUER

4.2.1. Rewards paid to members of the Board of Directors (Data for the previous three years individually, in net amounts, for the C.E.O. and members of the Board of Directors):

- total amount of salaries and other rewards to BoD members;

	Remunerations paid to the Board of Directors members	Salaries paid to General Director
year		
2008	15,847,859	4,761,201
2009	3,523,562	2,222,303*
2010	3,431,080	2,651,153

* Note: Salaries paid to General Director for the year of 2009 refers to salaries paid to Deputy of Director General, as JP Aerodrom "Nikola Tesla" Beograd did not have assigned General Director in 2009.

- total amounts of credits or loans approved for BoD members;

year	Board of Directors	Supervisory Board	Management
2008	-	-	-

2009	-	-	-
2010	-	-	-
- total amount of other payments to BoD members.			
-			

4.2.2. Rewards paid to members of the Supervisory board (Data for the previous three years individually, in net amounts):

- total amount of rewards to members of the Supervisory board *;

year	Net amount
2008	-*
2009	1,022,892
2010	690,346

***NOTE: JP Aerodrom "Nikola Tesla" Beograd, as legal predecessor of AD Aerodrom "Nikola Tesla" Beograd had Supervisory Board from 01/01/2009 to 30/06/2010, and closed joint stock company AD Aerodrom "Nikola Tesla" Beograd did not have Supervisory Board from 01/07/2010 up to the day when it became open joint stock company AD Aerodrom "Nikola Tesla" Beograd. Assignment of the members of the Supervisory Board was carried out on the Assembly meeting held on June 30th, 2011.**

- total amount of other payments to members of the Supervisory board;

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4.2.3. Special rights and benefits realized by members of BoD and the Supervisory board

Other incomes, other benefits or other rights which members of BoD and the supervisory board realize from the issuer;

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4.2.4. Business transactions between the issuer and members of BoD and the Supervisory Board

Business transactions of significant volume concluded between the issuer and members of BoD and the supervisory board, or the issuer and entities linked with members of BoD and the supervisory board in the last year;

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4.3. SHARE OF MANAGEMENT AND EMPLOYEES IN THE ISSUED CAPITAL OF THE ISSUER

4.3.1. The following is stated:

- share of members of BoD and the supervisory board in the issued capital;

The members of the Management and Board of Directors do not have share in share capital.

- share of other employees of the issuer in the issued capital of the issuer;

Employees do not have significant share in the share capital of the issuer. In line with the data of the Central Registry (15 August 2011), there are no employees with the share exceeding 0.1% of share capital of the issuer.

- issuer's policy toward share of employees in the issued capital.

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5. RESPONSIBLE PERSONS

5.1. NAME AND SURNAME OF THE PERSON RESPONSIBLE FOR THE CONTENT OF THIS PROSPECTUS

Violeta Jovanović
Director of Commercial Department

Ljiljana Simonović
Director of Financial Department

Zoran Ilić
Director Of Investment And Development Department

Snežana Skorić
Director Of Legal Department

5.2. Person responsible for the prospectus content signs the following statement:

STATEMENT: Herewith I state that the prospectus contains true, correct, complete and all important data on the issuer and stocks and bonds of importance for decision-making of investors.

Velimir Radosavljević
General Director

DATE: August 2011

ISSUER:
AD AERODROM NIKOLA TESLA BEOGRAD

CORPORATIVE AGENT:
KOMERCIJALNA BANKA AD BEOGRAD
– AUTHORIZED BANK

Velimir Radosavljević, General Director

Coordinator
Jasminka Mirčić

Director
Vladimir Garić

6. DECISIONS OF THE COMMISSION

6.1. Number and date of the decision of the commission on approval of the prospectus for issuing of shares.

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