



datalab

Annual Report 2011

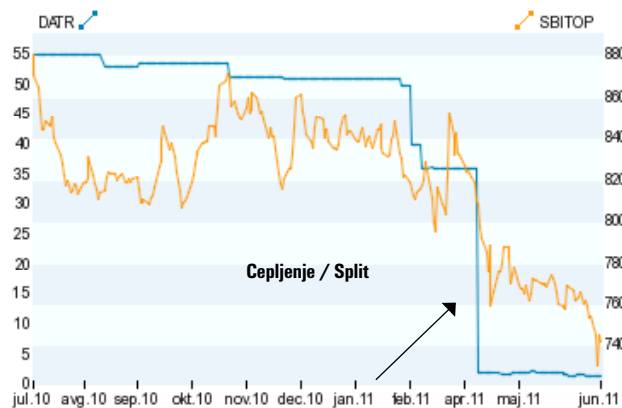
KEY FINANCIAL INFORMATION AND RATIOS	FY 2011 in €	FY 2010 in €	Index 11 / 10
Sales	3.662.567	3.425.648	107
Other operating revenue	1.486.121	1.571.179	95
Gross operating income	5.148.688	4.996.827	103
Operating profit/loss before taxes	558.071	525.296	106
Net operating profit/loss for the fiscal year	522.127	457.979	114
Net cash flow (profit + depreciation)	1.468.671	1.242.502	118
Balance sheet total	6.432.257	6.223.157	103
Fixed assets	4.997.489	4.403.413	113
Current assets	1.434.768	1.819.744	79
Capital	3.460.454	2.847.221	122
Long-term liabilities and allocations	1.514.453	771.732	196
Short-term liabilities and accrued costs and deferred revenue	1.457.350	2.604.204	56
Ratios			
Number of partner companies in Slovenia	36	59	61
Total profit/operating revenue in %	161	215	75
Total profit/capital in %	12,43	11,56	108
Net profit/capital in %	13,56	15,88	85
Net profit/share in euros *	13,85	15,27	91
Capital/balance sheet total in %	0,26	3,67 (0,25)	104
Liquidity (short-term assets ÷ long-term debt and accrued costs and deferred revenues) in %	56,41	45,15	125
Number of users	75,95	57,54	132
Number of companies	23.459	20.151	116
Number of consultants	7.666	6.353	121
Number of all full-time employees	249	447	56
Number of all employees in the Datalab group	83	81	102
Število vseh zaposlenih v DL skupini	102	97	106

*On 30 March 2011, additional shares were registered following a split (1:15). The numbers in parentheses show the corresponding amounts for the previous year converted to take account of the new number of shares.

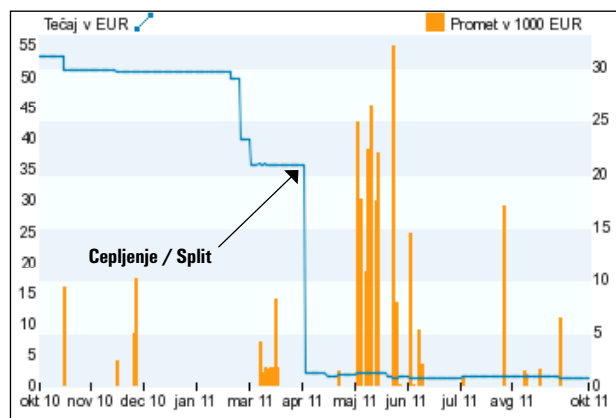
STOCK INFORMATION	30 June 2011	30 June 2010	Index 11 / 10
Number of issued common shares			
- of that purchased shares	27.887	22 (330)	8451
Book value of shares on last day of fiscal year (in euros) (capital/number of issued common shares)	1,88	24,59 (1,64)	115
Market price of shares at the Ljubljana Stock Exchange			
Highest price in the year (in euros)	3,67	60 (4)	92
Lowest price in the year (in euros)	1,44	54,9 (3,66)	39
Average price in the year (in euros)	3,05	55,89 (3,73)	82
Price on last trading day in year (in euros)	1,44	55 (3,66)	3
Market value of capital (in euros) (number of issued common shares × price on last trading day of year)	2.409.242	5.858.545	41
Yield per share in current year (price on last trading day of current year ÷ price on last trading day of previous year)	0,39	0,92	42
Yield per share in current year (price on last trading day of current year ÷ price on last trading day of previous year) (in euros)	-2,23	-5	45
P/BV (average market price of share ÷ book value of share)	1,62	2,27	71
P/E (average market price of share ÷ gross profit of fiscal year per share)	11,70	14,88	79

* On 30 March 2011, additional shares were registered following a split (1:15). The numbers in parentheses show the corresponding amounts for the previous year converted to take account of the new number of shares.

Fluctuation of Datalab shares compared to the SBITOP index for the period 1 July 2010 to 30 June 2011. Aside from blue chips, the Ljubljana Stock Exchange was inactive for most of the year, which is reflected in the fluctuation of our stock as well. Source: LJSE
 Note: In the period from 15 March to 30 March 2010, a 1:15 stock split occurred!



Fluctuation of Datalab stock and trading volume. Note: In the period from 15 March to 30 March 2010, a 1:15 stock split occurred!



	SI		HR		BA		SR		CG		MK		BG*								
	FY 11	FY 10	FY 11	FY 10	FY 11	FY 10	FY 11	FY 10	FY 11	FY 10	FY 11	FY 10	FY 11	FY 10	FY 11						
A. Sales	1.554	1.573	546	673	81	412	569	412	138	598	524	114	155	89	174	252	278	91	72	33	221
1. Net revenue from sales of products and services in domestic market	1.444	1.573	503	649	78	412	561	412	136	566	518	109	155	89	174	147	208	71	72	33	221
1. Net revenues from sales of products and services in domestic market, excluding rents	1.444	1.551	503	649	78	412	561	412	136	566	518	109	155	89	174	147	208	71	72	33	221
a. License fees	501	483	286	418	68	250	289	250	108	341	297	115	94	61	154	93	148	63	37	25	146
b. Software upgrades	845	866	180	196	92	116	196	116	169	175	165	106	24	26	94	21	16	134	10	3	298
c. Membership fees	45	58	20	20	101	15	14	15	91	26	23	115	1	2	21	2	4	48	2	1	488
d. Services	31	64	6	0	2.408	14	50	14	362	10	10	98	36	0	0	32	39	83	23	4	653
e. Marketing	2	16	8	11	75	4	6	4	140	9	16	59	0	0	0	0	0	0	0	0	0
f. Training and certification	0	30	3	4	78	4	14	4	319	5	8	64	1	0	0	0	1	0	0	0	0
g. Hosting services	62	18	0	0	344	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
h. Other	58	11	0	0	525	9	12	9	138	0	0	0	0	0	0	0	0	0	0	0	0
2. Net revenue from rent	0	23	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
III. Net revenue from sales of products and services in foreign markets	11	n/a	43	24	178	0	0	0	0	32	6	541	0	0	0	105	70	150	0	0	0
a. License fees	8	n/a	0	0	0	0	0	0	0	2	1	274	0	0	0	36	24	150	0	0	0
b. Upgrading	3	n/a	0	0	0	0	0	0	0	5	5	89	0	0	0	8	0	0	0	0	0
c. Membership fees	0	n/a	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0
d. Services	0	n/a	0	0	0	0	0	0	0	0	0	0	0	0	0	10	0	0	0	0	0
e. Marketing	0	n/a	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
f. Training and certification	0	n/a	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
g. Work for the corporation	0	n/a	40	24	165	0	0	0	0	21	0	0	0	0	0	51	46	111	0	0	0
h. Other	0	n/a	3	0	0	0	0	0	0	4	0	0	0	0	0	0	0	0	0	0	0
H. Expenses	1.437	n/a	537	633	85	397	559	397	141	541	525	103	135	111	122	253	260	97	121	90	135
Cost of materials, goods and services	1.102	n/a	353	474	74	280	395	280	141	372	391	95	63	75	84	114	128	89	36	26	143
1) Licensing fees	868	n/a	166	194	86	137	208	137	151	222	228	98	36	24	151	47	66	71	18	11	155
2) Rent	31	n/a	15	14	104	10	9	10	84	17	13	127	7	0	0	9	10	90	0	0	0
4) Service costs	199	n/a	167	262	64	129	171	129	133	129	148	87	19	51	37	54	52	104	19	12	155
j) of which sales costs	101	n/a	117	203	58	55	61	55	111	85	122	70	0	39	0	24	13	185	0	0	0
II Labor costs	332	n/a	164	150	109	90	127	90	142	139	129	108	72	36	198	125	132	95	81	61	131
J. J. Financial revenue	2	n/a	3	10	32	3	0	3	1	7	4	160	0	0	0	1	1	100	1	2	37
K. Financial expenses	0	n/a	5	3	134	2	4	2	213	29	16	184	4	0	0	4	5	80	0	0	300
V. Net profit/loss for the period	114	n/a	6	37	15	13	14	13	113	33	-5	-616	16	-22	-71	1	14	7	-47	-53	90

Overview of revenues by subsidiaries for the current year (1 July 2010 - 30 June 2011) and the previous year (1 July 2009 - 30 June 2010). #1 Because Slovenia was included in Datablab Tehnologije, d. d., before August 2010, information about revenues in Slovenia was altered with information from Datablab Tehnologije, d. d., for the corresponding period. #2 RLSG revenue remained at Datablab Tehnologije, d. d., due to simplified accounting, which is why this revenue is included in sales in Slovenia and also counted as operating revenue. #3 Bulgaria is (for the time being) not a part of the group, which is why this overview only provides orientation data.

Annual Report And Consolidated Annual Report Of Datalab Tehnologije, d.d., And Its Subsidiaries

For the period from 1 July 2010 to 30 June 2011

Ljubljana, november 2011

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Naziv [Izdajatelj podjetja]

Privzeto Področje

12/2012 12/2012

Osnovni kazalniki likvidnosti

Kazalnik	vrednost
Kratkoročni koeficient	0,58
Pospešeni koeficient	0,37
Hitri koeficient	0,04

Drugi kazalniki likvidnosti

Kazalnik	vrednost
Koeficient finančne stabilnosti	0,90
Kratkoročna sredstva proti vsem sredstvom	0,35
Neto obratna sredstva	-126.420,67

Način prikaza: 12/2012

2012

1. Izjava

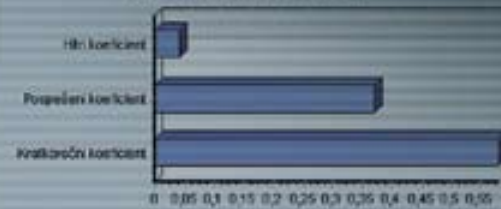


Kratkoročni koeficient podjetja za izbrano obdobje.
Razpon: 0-1, 1-2, 2-4



Pospešeni koeficient podjetja za izbrano obdobje.
Razpon: 0-0.5, 0.5-1, 1-2

Primerjava kazalnikov likvidnosti



Kazalniki likvidnosti po mesecih



1

Report of the executive director



It is our mission to facilitate the use of a cost-efficient business IT system on a worldwide level, and to provide this service to even the smallest businesses, thereby simplifying their operations, helping them to become more competitive, enhancing their chances for survival, and turning their data into profit.

2011? The first thing that comes to mind are three quarters of the concluding the financial reorganization that began in December 2008, securing funding and tending to the company, and a final quarter where we finally got our focus back on business. A year in which a great deal of effort was invested in improving the functioning of the program and the corporation. And processes – from development to debt collection. Oversight and disseminating information. Sales tactics and the diversification of sales channels. Things that are vitally important but that don't appear in the financial results until some time in the future.

Sales

The consolidated revenue of the group is 7% higher. The consolidated sales results for the Datalab group reveal growth of 7%, to 3.6 million euros, which is significantly below the planned results. The reason for this is the generally poor economic situation and the failure of local markets to keep up with global trends (they did not experience a respite and growth). In line with our knowledge of the characteristics of local markets, we could not predict this development. An additional reason is the change in the system of commissions and rewards for sales from our Partner system, which led to some outright opposition and even more discomfort and confusion within the sales network (see pages 20 and 39).

With license sales, we recorded a 6% growth of revenue, to 1.58 million euros (compared to 1.69 million euros in 2010) for the whole group. In the middle of July, we acquired our largest competitor in Serbia and its 17,000 users (see page 39). Due to the inactivity of this company's team, we did not achieve the acceleration of sales that we had expected from the acquisition of Blue Soft. An interesting future awaits us nonetheless; the consolidation of the market is obviously underway, and the pressure facing older providers is beginning to show in the form of drastically falling revenues. We must make an effort to preserve and enhance the competitiveness of our "ecosystem", and it is my belief that consolidation will continue in the future. Price pressures can also be seen at work in our license sales. We were compelled to offer customers affordable financing and sometimes even discounts on license purchases, which is why the revenue from license sales is less than the value of installed licenses.

Net revenue from software upgrades grew from 1.38 million euros to 1.44 million euros, a 4% increase. It is a fact that the entire region is witnessing a wave of bankruptcies, which directly affects revenue from existing users, as the installed base is shrinking. Price pressures can also be seen in the sale of software upgrades, as companies try to clamp down on costs any way they can. One way we are responding to price pressures is by enhancing the level of service users receive with an upgrade contract. In certain markets,

upgrade contracts include data services, and in all markets we guarantee the removal of bugs in the software free of charge.

Revenue from hosting services, which we began offering last year, grew by 244% to 62,000 euros. At present, this service is only available in Slovenia. In the coming year, we will begin to offer hosting throughout the region. Revenue from membership fees grew 12 % to 0.11 million euros, and service revenue grew 30% to 0.17 million euros. Revenue from training services continues to fall (down 52% to 22,000 euros), as does marketing revenue (down 46% to 25,000 euros).

Financial Results

The group presents consolidated assets in the value of 6.4 million euros (an increase of 3 %). Short-term receivables from operations fell by 25% to 1.07 million euros; long-term receivables from operations fell by 27% to 0.26 million euros. We improved the financing structure: short-term receivables were reduced by 1.1 million euros or 44% and now amount to 1.46 million euros; long-term receivables increased by 0.74 million euros or 96% and now amount to 1.51 million euros. In 2011, we reduced the company's liabilities by an amazing 0.4 million euros.

Sales increased by 7 %, for a total of 3.66 million euros; capitalized own products (the development of PANTHEON) were on the level of the previous year (95%) and amount to 1.32 million euros. Costs of materials, goods and services were reduced by 8% to 1.59 million euros; at 1.93 million euros, labor costs are 6% higher, while write-offs increased by 9% to 0.86 million euros. Financial revenue was 30% lower (0.10 million euros) due to the fact that new loan agreements were not entered into (insufficient liquidity); costs from financial liabilities were 35% lower (0.13 million euros).

The consolidated net business result amounts to 0.52 million euros, an improvement of 14% over the previous year.

In line with our strategic plans, we even began negotiations with potential investors. Negotiations are still underway, which is why we cannot disclose any details at this point.

In closing

In the 2011 fiscal year, we showed that we're back in the game. That we can do it. Revenue is below the planned levels, but, in light of the situation in shrinking markets, nonetheless represents an above average achievement. In a single year we added 3,573 users, or, in other words: in just one year we added 17% of all users from the previous 14 years, and the speed with which we are adding new users continues to grow! The foundation for growth is set in the right place: diverse customers, a diverse organization, a good, modern product, and constantly enhanced communications with users and other stakeholders. Datalab is starting to look and function like an organized multinational corporation. We are thinking about processes and ways to innovate them. All we need now is wind in our sales.

...and to repeat my statement from last year:

IT-supported operations are becoming a must, and we have the best position for dominating the market!

*Andrej Mertelj,
Executive Director*

A handwritten signature in black ink, appearing to read 'Andrej Mertelj', written in a cursive style.

Ljubljana, 26 October 2011

2

Chairman Of The Board's Report

With the 8th regular meeting of the assembly of the company Datalab Tehnologije, d. d., a one-tier management system has been introduced at the company. The Executive Board consists of three members, which is rational and in line with the current demands and needs for the management and supervision of the company.

In the period from 1 July 2010 to 30 June 2011, the Executive Board held 9 regular meetings and one correspondence session. Work at meetings primarily encompassed materials for the assembly, working materials pertaining to a strategic investor, measures associated with financial consolidation, belt-tightening measures, current business results, and measures for more effective oversight and reporting within the group.

At the meeting on 1 September 2010, the assembly was familiarized with the Executive Board's report on the verification and approval of the annual report of the company Datalab Tehnologije, d. d., together with the auditor's report, for the fiscal year from 1 July 2008 to 30 June 2009; decided on the use of distributable profits; named an auditor for the 2009 and 2010 fiscal years, and gave a discharge and a bonus to the Executive Board.

At the meeting on 28 February 2011, the assembly was familiarized with the Executive Board's report on the verification and approval of the annual report of the company Datalab Tehnologije, d. d., together with the auditor's report, for the fiscal year from 1 July 2009 to 30 June 2010. At the behest of the Executive Board, a capital injection from retained earnings in the amount of 1,500,000 euros was approved, as was the formation of legal reserves in the amount of 152,095 euros and the distribution 80,000 euros of the distributable profit for employee profit sharing; 352,099.65 euros remained unallocated.

In order to achieve improved liquidity of stock in the company Datalab Tehnologije, d. d., stock was split at a ratio of 1:15; the Executive Board received a discharge; an employee stock options scheme was introduced in subsidiaries; consent was given for the formation of a fund of own shares; the company UHY, d. o. o., was selected to audit the financial statements for the fiscal year 2011; and bonuses were awarded to employees and to the Board.

Because our potential strategic investor Slovak Investment Group had trouble securing capital, this entire deal was passed on to a different fund. As compensation, the company Datalab Tehnologije, d. d., received the entire documentation with permission to use it in the continuation of the process. The new potential investor has already performed the first part of due diligence, encompassing economic, legal, tax and financial matters. The second part, which also encompasses an overview of operations for the period from 1 July to 30 September 2010, will begin in the second half of October 2011.

We reached an agreement with NLB, d. d., on reprogramming our outstanding debt from short-term to long-term. A long-term 5-year loan obtained on the basis of the Republic of Slovenia Guarantee Scheme Act in the amount of 860,000 euros will be entirely used to pay off short-term loans.

In this fiscal year, we focused a great deal of attention on internal oversight and completed a project for weekly, monthly, quarterly and yearly reporting.

The weekly report analyzes the balance of receivables and payables at individual companies in the Datalab group. On the basis of mandatory instructions, we've defined procedures and measures in the event of past due receivables (notices, legal action, etc.); we have achieved important results and have successfully reduced the amount of past due receivables, and this is also evident in the balance sheet, which shows that the short-term receivables of the group have been reduced by 360,000 euros. This type of report turned out to be very useful, which is why we implemented it in PANTHEON, making it available to our users, who have already begun using it.

The monthly business reports of the companies in the group are intended for the presentation and analysis of results and their comparison with planned results and the results achieved in the previous accounting period, and facilitate timely responses in the event that deviations from the planned goals occur.

This type of reporting enables us to view the business results for the previous month on the 15th of every month. A program for the automatic consolidation of the business results of the group is also in the testing phase.

In order to enhance the transparency of operations at individual companies in the group, we carried out reorganization and set up a system of profit centers in accordance with accounting standards. Oversight will be performed on the level of profit centers on a monthly basis.

At the start of the fiscal year 2011, we commenced activities for planning for the period of the next 1+5 years; we secured adequate automatic transfers, oversight and comparisons on both the level of the profit center and that of financial statements, and in September we approved a mid-term economic plan.

What do we have planned for the upcoming fiscal year? Above-average growth of revenues, continuing successful cost monitoring, increasing the number of users, and approaching the magical number of 30,000 licenses sold.

*Lojze Zajc
Chairman of the Executive Board
President of the Audit Committee*





3

Company Presentation

3.1 GENERAL INFORMATION

Short name Datalab, d. d.

Full name: Datalab Tehnologije, družba za razvoj poslovno-informacijskih sistemov, d. d.

Registration: The company is registered at the District Court in Ljubljana under the number 03/06489 (21.11.2003), application number 138651000.

Type of organization: Public Limited Company

Share capital: 1.965.441,28 EUR

Company registration number: 1864629

Tax number: 87965399

Industry code: 58.290 –Other software publishing

Bank account: 1: NOVA LJUBLJANSKA BANKA 02010-0256382412

Bank account: 2: RAIFFEISEN BANKA 24203-9062687181

Bank account: 3: BANKA CELJE 06000-0100049106

Address: Kopraska 92, 1000 Ljubljana

Telephone: (01) 252 89 00

Fax (01) 252 89 10

e-mail: info@datalab.si

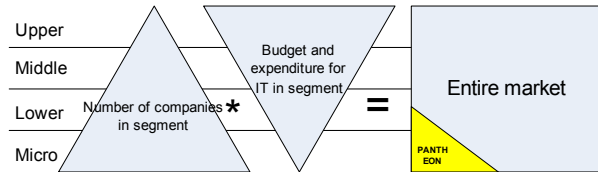
Website: www.datalab.si/www.datalab.eu

www.datalab.hr/www.datalab.ba/www.datalab.rs/www.datalab.me/

www.datalab-ks.com/www.datalab.com.mk/www.datalab.bg

3.2 SHORT PRESENTATION OF THE COMPANY

Datalab is a Slovenian company that works with the development of software. It offers comprehensive business IT solutions for small and mid-size companies under the simple but telling slogan Turning data into profit. From 2000 – when consulting and support activities were taken up by partner companies – to the present, we have grown to become a company that manages an entire ecosystem. Datalab develops and sells the software and manages implementation and



the distribution of knowledge and experience through its Partner Channel. We view the future of the company in providing software as a service (SaaS) and managing a cluster of companies.

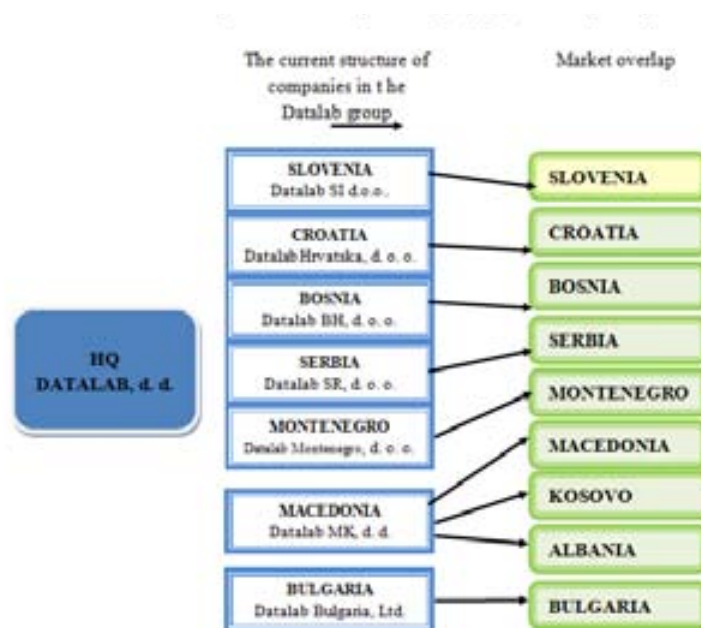
Datalab was founded in 1997 and became a stock company in 2003. Subsidiary companies operate in Croatia, Serbia, Montenegro, Bosnian and Herzegovina, Macedonia and Bulgaria.

Our product – PANTHEON – contains a transaction system for processing orders, invoices, and financial and personnel data and manufacturing resource planning. It is based on MS SQL Server data structure, and has been developed for Windows environment; it also works in Linux environment. PANTHEON supports e-business operations, enhancing the competitiveness of those who use it. PANTHEON has received a number of awards. In 1999, 2000, 2001, and 2002, PANTHEON received the title Best of Infos – Finalist, and in 2005 the Croatian magazine PC Chip named it the best business IT system in Croatia. In the same year, it also received an award for outstanding achievements in Serbia and Montenegro. Datalab was awarded the Oracle Partner of the Year 2007 in EE & CIS award. In 2008, Datalab became the first Slovenian company to receive the prestigious European Seal of Excellence award at CeBit. PANTHEON received a gold award for best e-solution, and Datalab received a silver award for best e-company at the Best e-company and Best e-solution Awards organized by the Public Agency of the Republic of Slovenia for Entrepreneurship and Foreign Investments, the Slovenian Chamber of Commerce, and the Ministry of Higher Education, Technology, and Science.

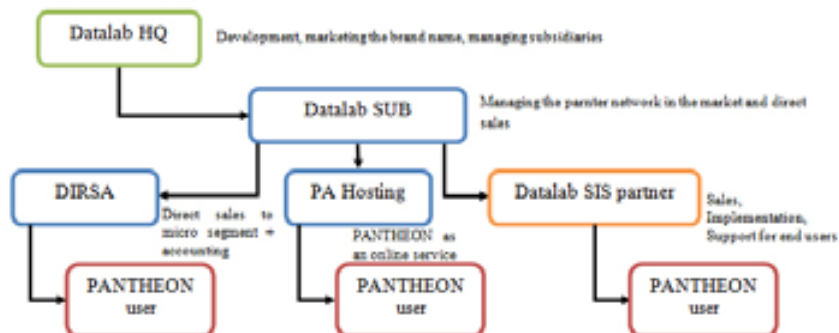
In the future, we must achieve several key goals: transition from PANTHEON licensing to the software as a service (SaaS) model, expansion of a successful Partner model to new areas, consolidation of smaller local business IT providers (the competition) in Datalab’s partner structure. By achieving these goals, we would like to achieve greater support from our partners, a larger market share, increased user satisfaction, and enhanced support quality. PANTHEON will be available to every company for a monthly fee that includes upgrading but not support. Subscription prices will range from 15.99 euros per user in developing markets to 62.99 euros per user in developed markets – in other words, prices will be comparable to the price of monthly mobile phone subscriptions. The PANTHEON Hosting product was successfully marketed in Slovenia in FY 2011, and we will begin to offer this product in our other markets in the coming years.

Marketing strategy

The Datalab Group is made up of the parent company, Datalab Tehnologije, d. d., and its subsidiary companies in individual countries. In Slovenia, Datalab Tehnologije, d. d., shifted the task of managing the Partner Channel to a separate company – Datalab SI, d. o. o., as is the case in all other countries where Datalab is present. The business plan for the next five years has been created to reflect this: The main company, Datalab Tehnologije, d. d., sees to development, marketing the brand, and managing the group; its subsidiaries (known as “subs”) see to managing the partner network in individual countries. The markets in Kosovo and Albania are covered by Datalab’s subsidiary in Macedonia. Operations in these markets appear in the reports of DL MK as revenue in foreign markets. Our Bulgarian subsidiary was founded in September 2009 and is operational; in FY 2011 we began the process for acquiring a 50% interest, and on 19 September 2011 we paid the equity capital and capital injection.



Relationship between management and sales in an individual market



Datalab has a number of sources of revenue:

- Our most important primary source of revenue (alongside license fees and user fees) are Upgrade Contracts (contracts that entitle end users to upgrade PANTHEON with the latest legislative changes and technological enhancements).
- Our second source of revenue are license fees for newly sold PANTHEON licenses. This source has been in decline due to market pressures and concomitant reductions of the sale price, and also due to changes in the paradigm (users opting for hosting), and we expect this trend to continue in the future.
- The third source of revenue are user fees (leasing and subscriptions), which include license fees and upgrades. Users pay these fees to subsidiaries for the right to use PANTHEON and for upgrades. Together with Hosting (see the chapter PANTHEON Hosting), whereby Datalab enables the use of PANTHEON as an online service via a data center, “pay as you go” licensing models are becoming an increasingly important source of revenue; in the future, this is where we expect the largest growth to occur.
- Membership fees are paid to Datalab by consultants and cover the use of tools and support (secondary revenue).
- Tertiary revenues include:
 - raining conducted by the Datalab Academy (founded in 2007) is billed directly to participants (Partners or end users); revenue encompasses the price of training and certification;
 - Advertising on Datalab’s websites (User Site) and in PANTHEON Novice, where Partners, users, and others can advertise their products and services;
 - Data subscriptions are an online service that updates the user’s data on a daily basis (exchange rates, registers, etc.) directly in PANTHEON.
- Other revenue: The PANTHEON Conference (a traditional event that brings together Partners and end users with the goal of exchanging information and best practices), revenue from interest on loans to subsidiaries.

Although the organization operates on a franchise model, Datalab does not collect a share of the revenue customers pay to our Partners.

At the start of FY 2010, we began intensively marketing our hosting service, that is, PANTHEON as a service. Furthermore, we are increasing the share of Upgrade Contracts. In the 2011 business year, we plan to increase revenue in these two segments and to increase tertiary revenue, that is, the sale of complementary services.

Division of tasks

Datalab has divided its operations into three levels, which also reflect cash flows.

Level 1: The parent company develops the software and related business practices and manages the entire network.

Level 2: Subsidiaries are in charge of localizing PANTHEON for their local markets. Localization includes translating the user interface and adapting the program to the legislative and business environment of the local markets. Subsidiaries provide support to partners and form a link between consultants at partner companies and developers at the parent company.

Each subsidiary must establish a local support center that provides support for sales, licensing, and smaller technical problems via telephone, online applications, and e-mail.

Level 3: Datalab partners or the internal ServiceDesk (which serves direct sales and PANTHEON Hosting) implement PANTHEON, provide support, and activate subscriptions for users. Due to shortcomings of the Partner Channel, which was not prepared/trained to support micro companies and which lacked a focus on accounting firms, in 2010 we began offering Datalab Direct sales and support via the Datalab ServiceDesk service. In FY 2011, we rounded out these activities with the direct sale of Upgrade Contracts.

3.3 PERSONNEL MAKE-UP

Slovenia remains in a recession. However, these economic circumstances are not, for the most part, reflected in the personnel make-up of the Datalab group. The number of employees on the level of the Datalab group has somewhat increased. A key change in the personnel make-up of the Datalab group can be noted in the Slovenia region, where changes in the breakdown of employees by department were the result of the creation of new departments and where changes in the type of employment altered the employee structure.

Number of employees by department in the Slovenia region of Datalab Tehnologije, d. d.

Department	30 June 2011	1 July 2010
Management	3	3
Sales	6	3
Development	21	34
Marketing	3	4
Accounting	3	3
Administration	4	2
DL Academy	1	2
Director of DL SI	0	1
ServiceDesk	4	0
PSS	8	0
IT	1	1
Total	54	53

Number of employees by level of education and companies in the Datalab group

Level of education	HQ		SI		HR		BA		SR		BG		MN		MK		DL Group	
			30.6.2011	1.7.2010	30.6.2011	1.7.2010	30.6.2011	1.7.2010	30.6.2011	1.7.2010	30.6.2011	1.7.2010	30.6.2011	1.7.2010	30.6.2011	1.7.2010	30.6.2011	1.7.2010
Grammar school																	0	0
Trade school	1	1															1	1
Four-year high school	13	25	14		3	2	1	2	2	2							33	31
Higher education	6	10	2				4	2	6	2		1	1				18	14
University education	13	15	4		5	5	7	8	3	4	1	4	4	8	7		44	44
Masters degree	1	2									3	3	1	1			5	6
Doctorate																		0
Total	34	53	20		8	7	12	12	11	8	3	4	6	6	8	7	102	97

Type of employment	DL	HQ	SI	HR	BA	SR	BG	MN	MK	DL group							
			30.6.2011	1.7.2010	30.6.2011	1.7.2010	30.6.2011	1.7.2010	30.6.2011	1.7.2010	30.6.2011	1.7.2010					
Full-time employee	27	37	11	8	7	12	11	9	8	3	4	6	6	8	7	83	79
Regular external contractors	7	12	1													8	13
Author contracts		1	1			1	2									3	2
Students		2	7													7	2
Total	34	53	20	8	7	12	12	11	8	3	4	6	6	8	7	102	97

In the above table, it can be seen that the Slovenia region experienced changes in the personnel make-up, most of which pertain to the type of employment. From the beginning of the Fiscal Year on 1 July 2010 to the end of the Fiscal Year on 30 June 2011, the number of students and the number of regular external contractors at the company changed. At the start of the Fiscal Year, we had 13 regular external contractors and 2 students; by the end of the Fiscal Year, the number of regular external contractors had been reduced to 8 and the number of students had increased to 7.

3.4 COMPANY ORGANS

Company Organs:

- Shareholder Assembly
- Executive Board

The Assembly is made up of the company's shareholders.

The Executive Board consists of three members:

- Lojze Zajc, Chairman of the Executive Board
- Tone Černe, Non-executive Director
- Andrej Mertelj, Executive Director

	Znesek	Delnic	Vseh delnic	% delavcem
FY 2009	49000	931	106519	0,87%
FY 2010	80.000	1.542	106.519	1,45%
FY 2011 (predlog uprave)	100.905	41.783	1.673.085	2,50%
Total				4,82%

3.5 COMPANIES IN THE DATALAB GROUP – SUBSIDIARIES

SLOVENIA

Datalab SI, d. o. o.
 Kopraska 92
 1000 Ljubljana, Slovenija
 Telephone: +386 1 252 89 00
 Fax: +386 1 252 89 10
 info@datalab.si
 www.datalab.si
 Director: Andrej Mertelj

CROATIA

Datalab Hrvatska, d. o. o.
 Trg. 1. Istarske brigade 6
 52100 Pula, Hrvatska
 Telephone: +385 52 500 084
 Fax: +385 52 500 087
 info@datalab.hr
 www.datalab.hr
 Director: Igor Sigmundovič

MONTENEGRO

Datalab MN, d. o. o.
 Vuka Karadžića 8/1
 81000 Podgorica, Črna gora
 Telephone: +382 81 232 101
 Fax: +382 81 232 101
 info@datalab.rs
 www.datalab.rs
 Director: Danko Obradović

SERBIA

Datalab Automotive, d. o. o.
 Bulevar dr Zorana Đinđića 4 a
 11000 Novi Beograd, Srbija
 Telephone: +381 11 214 67 27
 Fax: +381 11 214 01 83
 info@dl-automotive.rs
 www.dl-automotive.rs/
 Director: Persida Pandurović

BOSNIA AND HERZEGOVINA

Datalab BA, d. o. o.
 Hamdije Cemerlica br. 2/10
 71000 Sarajevo, BIH
 Telephone: +387 337 120 35
 Fax: +387 337 120 36
 info@datalab.ba
 www.datalab.ba
 Director: Nedim Pašić

MACEDONIA, KOSOVO, ALBANIA

Datalab MK, d. o. o.
 Samoilova 102
 1000 Skopje, Republic of Macedonia
 Telephone: +389 2 3290 956
 Fax: +389 2 3212 845
 info@datalab.com.mk
 www.datalab.com.mk
 Director: Sašo Jovanovski

BULGARIA

Datalab Bolgarija Ltd.
 13 Tintyava Str.
 1113 Sofija, Bolgarija
 Telephone: +359 2 960977
 Fax: +359 2 9609797
 info@datalab.bg
 www.datalab.bg
 Director: Marussia Margaritova

SERBIA

Datalab SR, d. o. o.
 ul. Bul. Mihajla Pupina 10v/115
 11000 Novi Beograd, Srbija
 Telephone: +381 1 311 94 39
 Fax: +381 1 311 94 39
 info@datalab.rs
 www.datalab.rs
 Director: Miodrag Ranisavljević

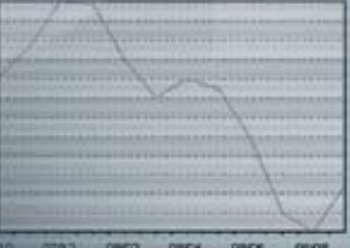


Struční včelník podbranya

Průběh Podbranya

Klikněte na položku

Struční elektřinové energie



Průběh porážky elektřinové energie za posledních 12 měsíců. V průměru kWh.

Struční elektřinové energie letos i loňsko



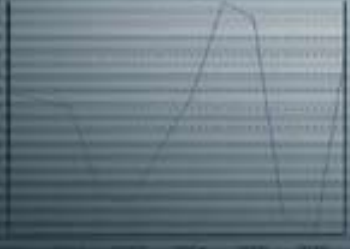
Průběh porážky elektřinové energie letos v porovnání s loňskem leto po měsících. V průměru kWh.

Klikněte na položku

Zapomenutí	
František Nešpor	
Štefan Čížek	
Libuše Nová	
Petrice Pavl	
Ladislav Čížek	
Václav Kříž	
Šimon Žig	
Andrzej Rofner	
Andrzej Šef	
Maja Nová	

Zapomenutí po Struční kilometrů, N a S se spočítá v průměru kWh.

Struční porážky proudu



Průběh porážky proudu za posledních 12 měsíců. V průměru kWh.

Struční porážky proudu letos i loňsko



Průběh porážky proudu letos v porovnání s loňskem leto po měsících. V průměru kWh.

Průběh na přejetých kilometrů

Období (CP)	Průběh (TLR)	TLR na km
2008/09	5896	502,154,00
2008/08	3600	261,397,05
2008/07	3894	279,251,84
2008/06	6021	424,721,34
2008/05	6204	387,998,16
2008/04	5347	207,003,61
2008/03	4608	322,632,12
2008/02	3950	269,618,96
2008/01	4025	238,793,00
2007/12	4412	243,506,52

Průběh na přejetých kilometrů po měsících v posledním letu.

4

Business Report

4.1 SALES IN THE 2011 FISCAL YEAR

Net revenues from sales: +7%
 Revenues from license sales: -6%
 Revenues from upgrades: +4%
 Services: +30%
 Hosting: +244%
 Marketing revenues: -46%
 Training: -52%

Sales in the 2011 fiscal year were still greatly impacted by the recession in all markets. The credit and investment crunch can be recognized in revenues from license sales, price pressures, and in the ecosystem's revenues from upgrade and maintenance contracts and services.

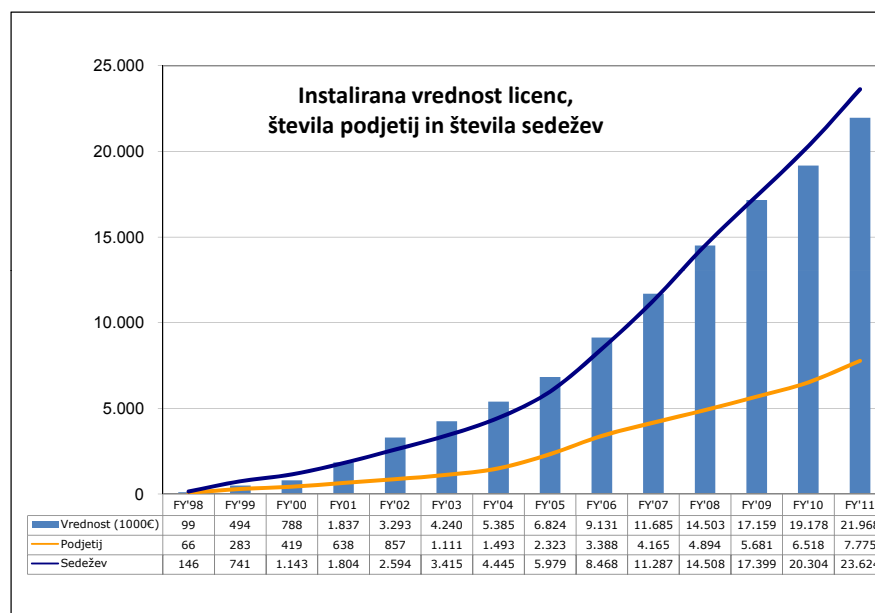
Additional complications and the slow-down of sales (particularly in the first and second quarters) were the result of the implementation of a new system for partner commissions. The previous system, under which Partners had a stake in the sale of Upgrade Contracts and therefore removed bugs, was replaced by a system of guaranteed Upgrade Contracts, under which bugs are removed by subsidiaries. Due to locked in revenue from existing users, the old system did not encourage sales to new users and was therefore threatened by the attrition of the installed base. The savings achieved through the termination of commissions were used to enhance our price flexibility and to increase commissions for the sale of new licenses.

In FY 2011, we activated 3,573 licenses (a 30% increase from the previous year), 615 of which were for our partners or educational institutions (a total value of 815,334 euros) and 125 of which were Hosting licenses (a total value of 121,653 euros). In total, we increased the installed base by a value of 2,800,237 euros, 1,863,250 euros of which will generate additional revenue from upgrades. The net revenues are less than this growth by an index of XXX due to discounts which were offered to end users for a limited time.

The center of and main impact on the sale of new licenses and the value of installed licenses is expected in FY 2012, when a considerable number of users will migrate from old programs, something they've been putting off in recent years.

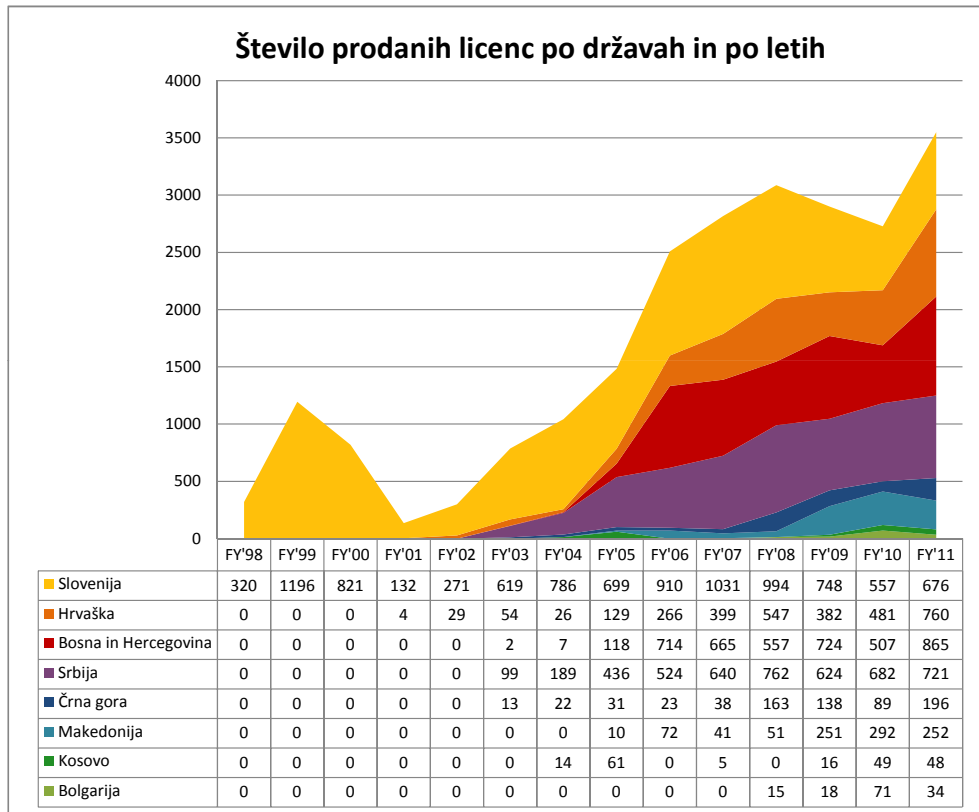


The number of companies that purchased PANTHEON in FY 2011.

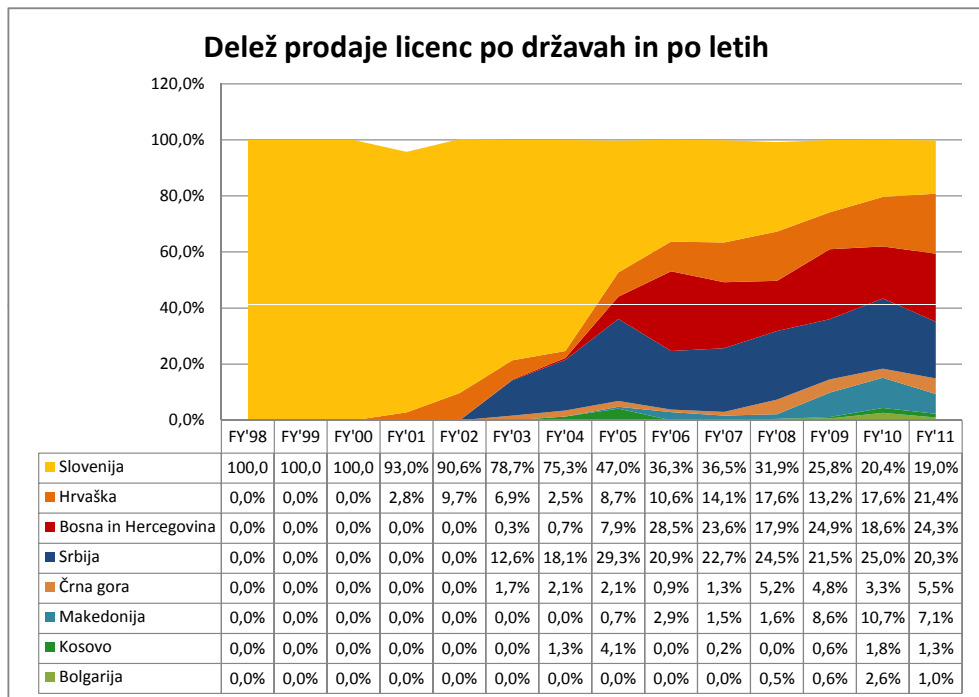




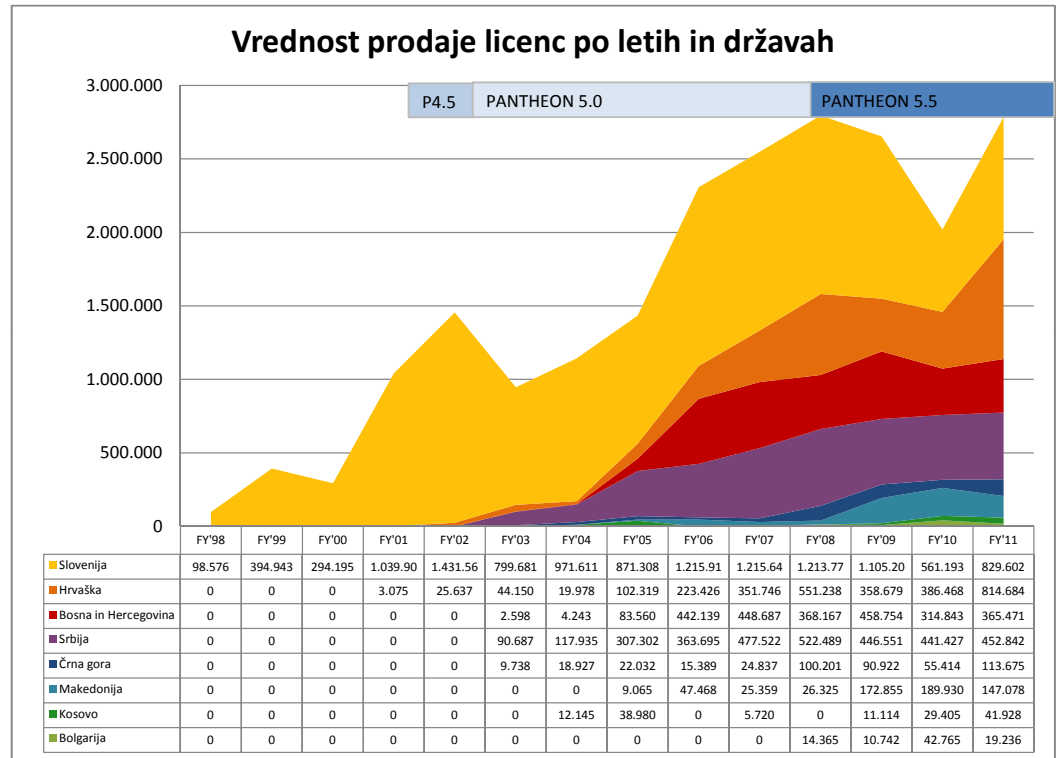
Graph of number of licenses sold by years and countries. A noted growth in the value of licenses in Croatia is the result of a donation of educational licenses.



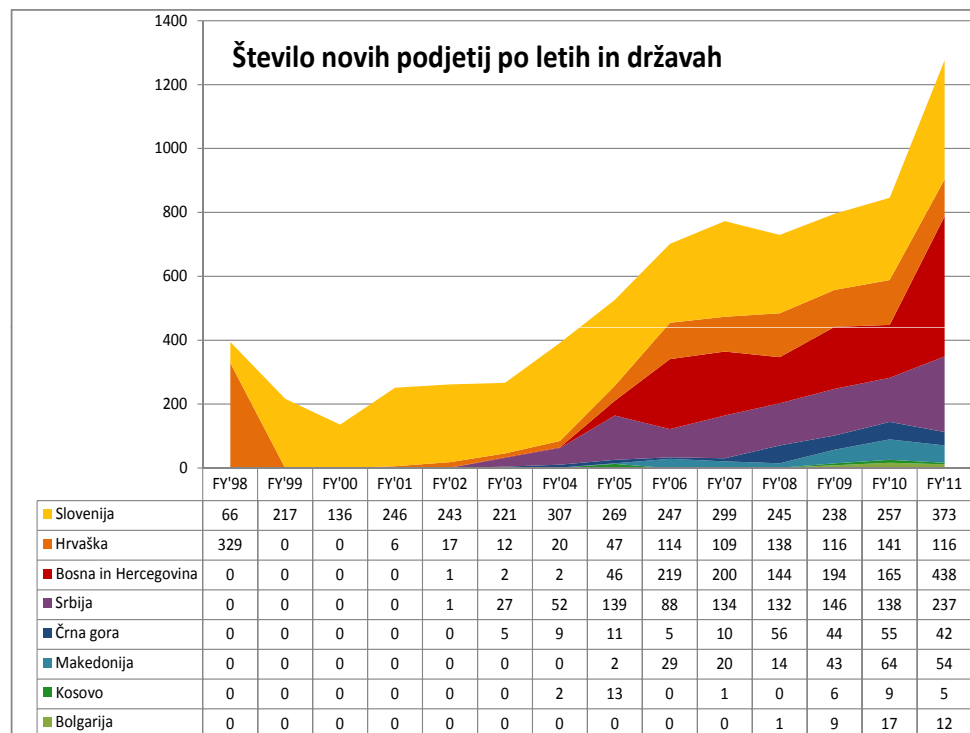
The graph reveals that the sale of licenses in Slovenia represented less than 19% of sales in FY 2011; Bosnia and Herzegovina charged into first place (24.3%) as a result of fiscalization and the OEM of sales.



Graph of value of license sales by years and countries. A drop in the sale of licenses is clearly visible in the years of the transition between generations, followed by an increase in sales of the new generation in the following years.



Graph of the number of new companies by years and countries. IN FY 2011, the most noted growth took place in Bosnia (DEM, fiscalization) and in Serbia (migration from BlueSoft).

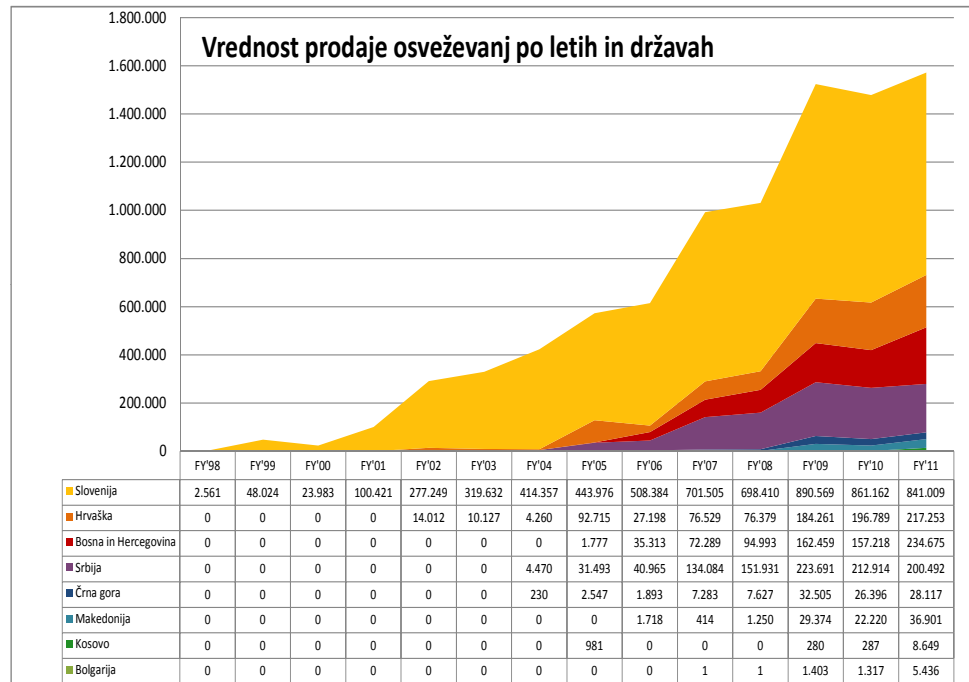


After the previous year, when, for the first time, we recorded a decline in the value of Upgrade Contracts sold, the situation in FY 2011 improved. Despite pricing pressures, the sale of Upgrade Contracts grew by 17% (6% not taking account of historical values). In order to turn this trend around and increase the number of Upgrade Contracts, we've added a usability guarantee (Data-

lab subs will remove bugs resulting from upgrading free of charge) and some additional services: automatic monitoring of the register of companies and blocked accounts in Slovenia, Croatia and Serbia. In all countries, we offer automatic downloading of PANTHEON registers, which must be regularly updated due to legislative changes, additional functionalities, etc. In the year ahead, we'll increase the basic price of Upgrade Contracts by 15-17%; this will be the first time in five years that we've updated the price list. Discount (bonus) systems will remain unchanged (5% discount for every year the user has an Upgrade Contract, maximum discount of 25%).



The gross value of the sale of Upgrade Contracts by years and countries.



The value of billed membership fees grew by 12 %. For a monthly membership fee of 50 euros in Slovenia or 30 euros in other countries, certified Team members at our Partners are entitled to technical support and to use the support tools on Datalab's Partner Site. We are seeing a decline in revenue from membership fees due to downsizing and rationalization at our Partners, and also due to "gray" consultants, that is, those who offer support services but are not licensed by Datalab or supported directly by Datalab (their certified colleagues usually submit questions on their behalf) and who do not pay membership fees. The only country to record a growth of membership fees in FY 2011 was Serbia, where this was due to the inclusion of BlueSoft's partner network.

Paid escalations (referring bugs/improvements to the HelpDesk) and service revenues grew by 30% despite a decline of about half in Slovenia. The largest growth was recorded in Bosnia and Herzegovina (+262%), where basic installation and support through the ServiceDesk were taken over under the heading of fiscalization. In FY 2011, Bosnia and Herzegovina was selected for a pilot project for support for the micro market segment, a segment which had not been adequately handled by the partner structure. The growth of revenue from services (from 0 to 36,000 euros) in Montenegro is the result of the acquisition of the company Actual Soft by the Montenegin subsidiary and the delegation of direct support to the ServiceDesk.

Marketing revenues, which in previous years had come mostly from PANTHEON Conferences, decreased by **38% in FY 2011** because, due to the recession, we could not organize Conferences. At the same time, we've increased revenue from the sale of advertising space on

our websites and from smaller events.

Hosting services for the comprehensive solution (ERP + upgrades + data server + backup copies + database administration) were still only offered in Slovenia in FY 2011, as datacenters have yet to be established in the other markets (low initial interest, incomplete orchestration, lack of administrative resources). However, the experience in Slovenia reveals that this type of offer is becoming increasingly interesting – revenue **from Hosting grew by 244%**.

Let's take a closer look at sales by country:

4.1.1 Slovenia

In Slovenia, a total of 9,781 (+7.8) licenses are in use at 3,364 (+12.47%) companies. The total value of licenses in Slovenia is 12.07 (+7%) million euros.

In FY 2011, 373 companies were implemented in Slovenia and now use PANTHEON for their business needs. 677 licenses of various kinds were sold (+10%), with a value of 830,000 euros; this is 45 % (!) less than in the period prior to this one. Because 125 licenses were activated in the framework of PANTHEON Hosting (120,000 euros) and price pressures could be noted (Microsoft Dynamics Nav for 1 euro, Perftech is offering a 75% discount, etc.), annual revenue from sales grew by 14%, while revenue from the leasing of licenses fell by half, as a result of which the total revenue from license sales experienced growth of only 4%. The sale of licenses through leasing could not be maintained on the same level due to a lack of access to financial resources for refinancing purchases.

At 98% of last year's realization, the sale of Upgrade Contracts remained on roughly the same level, as the wave of bankruptcies in Slovenia continues and partially affects our users (SCT, Merkur).



Companies that began using PANTHEON in FY 2011 (Slovenia).



Membership fees fell by 22% and revenues from services fell by 51%. A noticeable growth of revenue from what will be the most important revenue source in the future occurred: Hosting, a service only 14 months old, grew by 244% for a value of 61,655 euros.

The company was without leadership for nearly half a year (following the amiable resignation of director Marko Vodnik, Andrej Mertelj took over the guidance of the company as an agent authorized to sign per pro), as we looked for an ideal candidate. At the start of the new fiscal year we found him and named him director. Thanks are absolutely in order for the entire team, which showed a great deal of self-organization, survival instinct, and ambition on the sales front... Regardless of the economic crisis, they've shown some impressive results.

	FY 2011	FY 2010	Index
AKTIVA /(SREDSTVA)			
Stalna sredstva fiksna sredstva	13.531	0	
Obratna sredstva oz. gibljiva ali kratkoročna sredstva	311.400	0	
-od tega terjatve	291.225	0	
PASIVA			
Kapital	22.162	0	
Obveznosti	264.332	0	
Dolgoročne	1.011		
Kratkoročne	263.321	0	

Skrčena bilanca USPEHA	FY 2011	FY 2010	Index
PRIHODKI			
Prihodki od prodaje	1.454.662	0	
Skupni prihodki	1.456.750	0	
STROŠKI			
Stroški	1.437.496	0	
Poslovni izid iz poslovanja	17.582	0	
Neto finančni izid (razlika finančnih prihodkov in odhodkov)	1.522	0	
Davek	4.591	0	
Čisti poslovni rezultat	14.663	0	



Igor Sigmundović,
Director of Datalab HR

4.1.2 Croatia

The total number of installed licenses in Croatia is 3,077 (+32%); the number of companies using PANTHEON is 1,165 (+11%). The total value of licenses in the Croatian market, including EDU licenses and Partner licenses, is 2,884,400 euros (+39%).

In 2011, the macroeconomic situation failed to make even a slight turn for the better, which is one of the main reasons for the 23% drop in profits (license sales fell to 68% of the value of the previous year, and Upgrade Contract sales to 92%).

Throughout the first half of 2011, a decline in sales was noted in the Partner Channel (following the change of terms of the partners agreement). In this period, Datalab also made the transition to a direct approach in the market; however, due to the sales results achieved through the partner channel in 2010, the set goals were practically impossible to achieve.

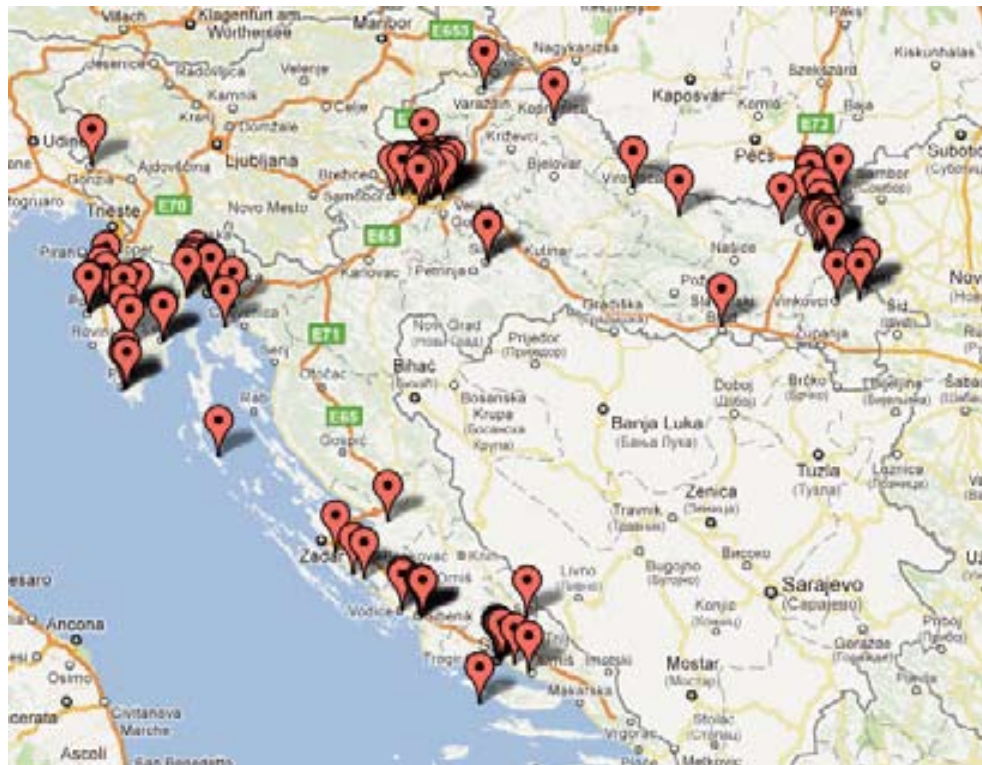
In the same period, we continued communicating and working with potential partners for

training and development, and in the framework of these efforts we signed a Datalab EDU agreement with Algebra University, the largest institute for IT-related education and training in Croatia with a vast network of schools throughout the country. An EDU agreement was also signed with the Azura Educational Center in Rijeka, and cooperation with two other institutions has been negotiated.

Furthermore, cooperation with some additional development partners and their vertical solutions will enable Datalab to expand and achieve enhanced access to a larger number of potential users in the future.

In light of changes at partner companies (there are currently 20) and in the number of consultants (there are currently 26), the existing Partner Channel has not experienced any essential changes compared with the previous year.

We successfully concluded the Partners from Competitors project with Excel Computers of Osijek; another project of this kind involving one of the largest accounting firms in Croatia is about to be signed, and negotiations with two more potential partners in this field are going well.



Companies that began using PANTHEON in FY 2011 (Croatia).

In the 2011 fiscal year, two educational days aimed mostly at existing users were held. Due to the positive response and satisfaction users expressed with projects of this kind, we will continue to organize similar projects in the future.

To address the need for direct user support, we've begun organizing a ServiceDesk service, which will provide support to a large number of users, in particular those just beginning work with PANTHEON.

Abstract from the auditor's report

In our opinion, the accounting statements are a truthful and objective description of the financial state of the company Datalab Tehnologije, d. o. o., Pula, as of 30.6.2011 and

of the results of the operations of the company in the period 1.7.2010 to 30.6.2011, which is in accordance with the standards of Croatian financial reporting, the accepted accounting policy, legislative regulations, and professional practice in the Republic of Croatia.

Certified auditors:

Mladen Stojanović, dipl. oec, Čedomir Mandarić, dipl. oec

	FY 2011	FY 2010	Index
ASSETS			
Fixed assets	66.008	35.223	187
Current assets (short-term assets)	159.377	173.094	92
- of that receivables	143.865	142.842	101
LIABILITIES			
Equity	72.237	68.262	106
Liabilities	158.048	140.055	113
Long-term	22.083		
Short-term	135.965	140.055	97

Abridged profit/loss statement	FY 2011	FY 2010	Index
Revenue			
Sales	543.494	649.425	84
Total revenue	549.373	673.945	82
Expenses			
Expenses	536.641	633.973	85
Operating profit/loss	9.455	39.972	24
Net financial profit/loss (difference between financial revenue and financial expenses)	-1.275	-6.820	19
Taxes	2.503	6.630	38
Net profit/loss	5.678	26.522	21



**Nedim Pašić, director
Datalab BA**

4.1.3 Bosnia and Herzegovina

The number of installed licenses in Bosnia and Herzegovina is 4,126 (+26.31%); the number of companies using PANTHEON is 1,615 (+45%). The total value of licenses in the market in Bosnia and Herzegovina is 2,488,959 euros (+17.23%)

The growth of the sale of new licenses in FY 2011 was 7.5%, while the sale of Upgrade Contracts experienced growth of 68.9% compared to the previous period. Total revenue increased by 41%.

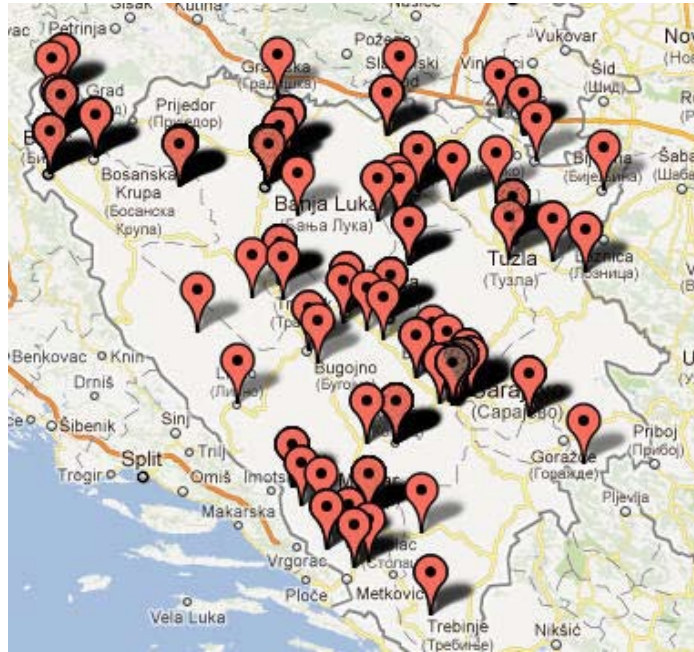
The sale of licenses was in keeping with a trend, as we foresaw weakened sales activity from the Partner Channel and replaced it with direct sales from Datalab. The sale of Upgrade Contracts experienced minute growth primarily due to two factors: direct sales conducted by Datalab and macroeconomic factors triggered by fiscalization.

The potential for developing the Partner Channel changed significantly, and we now have competition – other providers of ERP software who are taking advantage of fiscalization as an opportunity to maximize profits and are consequently not inclined to enter into any form of partnership.

We expect that they will recognize their opportunity and begin working with Datalab in 2012. At the same time, we've taken advantage of the opportunity to enter the market of small IT companies who don't have their own software and who allow us to compete with local providers with tradition and internal development.

As of 30 June 2011, the Partner Channel encompassed 96 consultants, 34 partner experts, 8 premium partner companies and 41 LX partner companies.

In FY 2011, the ServiceDesk was established in the framework of the PSS department. It provides direct support to users. In FY 2012, the formation of a profit center consisting of the ServiceDesk and 4 employees is planned. It will work exclusively with implementation activities and post-sales support and provide support for direct sales from Datalab to the micro segment.



Companies that began using PANTHEON in FY 2011 (Bosnia and Herzegovina).

INDEPENDENT AUDITOR’S REPORT

According to the agreement between the company Revizor, d. o. o., Sarajevo, and the company Datalab BA, d. o. o., Sarajevo, an audit of the financial statements of the company, composed of the balance sheet, the profit/loss statement, the cash flow report, and the statement of changes in equity. All individual reports were presented for the period from 1 July 2010 to 30 June 2011.

The company’s management is responsible for the correctness and accuracy of the reports serving as a basis for the audit; responsibility for the auditor’s report is borne by the company Revizor, d. o. o., Sarajevo, and the certified auditor who conducted the audit.

The audit was conducted in accordance with international auditing standards pertaining to the successfully execution of the corresponding clauses and recommendations of the International Financial Reporting Standards; with International Accounting Standards (IFRS/IAS) and other valid accounting regulations, with the purpose of achieving an reviewing the correctness of the financial statements of the company Datalab BA, d. o. o., Sarajevo.

In our opinion, the financial statements show the real and objective financial situation of the company for the period from 1 July 2010 to 30 June 2011; the statements and cash flows are in accordance with International Financial Reporting Standards.

Amra Rizvan, Certified Auditor

	FY 2011	FY 2010	Index
ASSETS			

FIXED ASSETS	8.857	9.185	96
CURRENT ASSETS	127.993	126.984	101
Receivables from sales	64.784	111.463	58
Other short-term receivables	17.425	718	2427
Cash and cash equivalents	15.873	8.198	194
LIABILITIES AND EQUITY			
EQUITY	86.882	72.437	120
LONG-TERM LIABILITIES	616	484	127
SHORT-TERM LIABILITIES	49.351	63.248	78
	FY 2011	FY 2010	Index
Sales	569.138	397.545	143
Operating expenses	185.551	125.838	147
Gross profit	383.587	271.707	141
Cost of management and administration	350.136	252.997	138
Operating profit	20.300	18.710	108
Financial revenue	18	12	150
Expenses for interest	3.883	1.096	354
Interest on profit	2.036	2.052	99
Net profit for the period	14.399	16.190	89



Miodrag Ranisavljević,
director Datalab SR

4.1.4 Serbia

4,677 (+18.23%) licenses were sold to 1,094 companies (+27.65%) in Serbia. The total value of licenses in the market in Serbia is 3,220,450 euros (+16.36%).

Growth of the value of the sale of new licenses in FY 2011 was 13%, while the sale of Upgrade Contracts grew by 5% compared to the previous fiscal year. Taking into account the current situation in the Serbian market (it has practically ground to a standstill), this kind of growth is an indicator of that an adequate balance between price and quality of services, which is a key purchase factor for PANTHEON software in the Serbian market, has been attained. Although the program is primarily intended for small and mid-size companies, in the Serbian market, PANTHEON has been shown to be an excellent platform for larger mid-size and large companies.

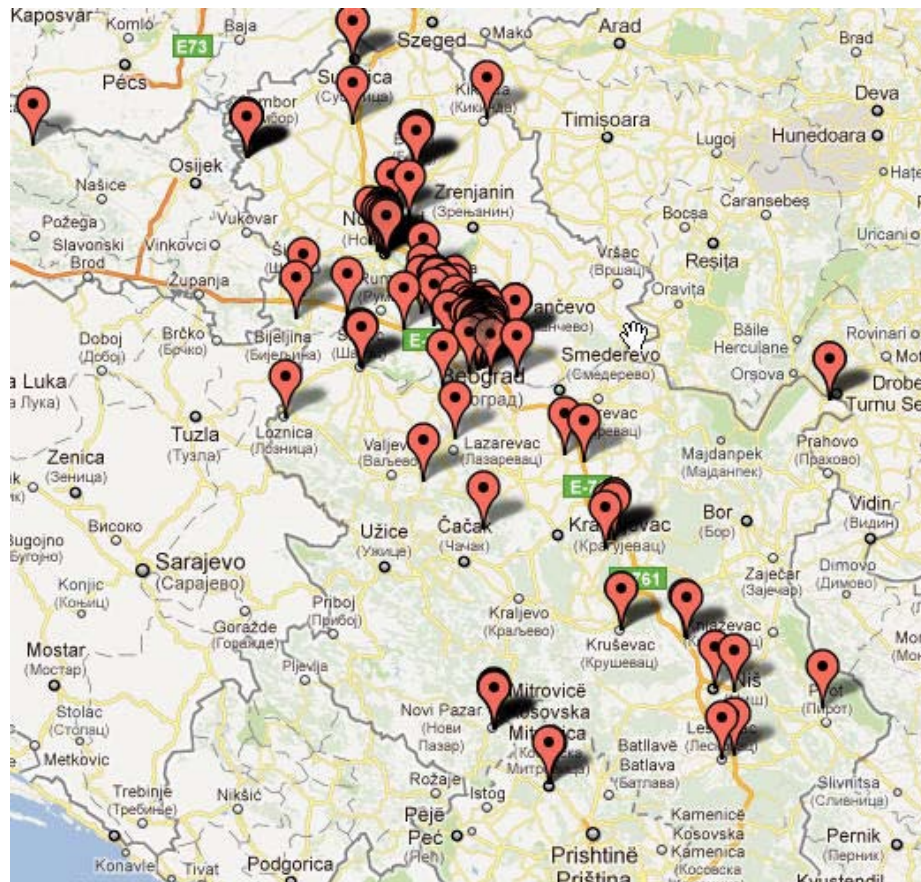
Despite the crisis, which has affected all branches of the economy, Datalab has invested additional efforts in improving the Partner Channel. The Partner Channel now has 89 consultants working at 38 partner companies, which represents a 292% growth of partner companies and a 33% growth in the number of consultants.

In FY 2011, a three-year agreement was signed with BlueSoft. This agreement is expected to bring about increased sales of both licenses and Upgrade Contracts.

The first PanCon (PANTHEON Conference) was held and attendance was excellent. The Conference will become a regular activity of Datalab Serbia.

Another new addition in FY 2011 was the ServiceDesk, which will handle direct support for users who cannot access other forms of help and support.

The total number of PANTHEON licenses sold in Serbia in FY 2011 is 693. In FY 2012, we expect the growth of sales to both existing and new companies, despite the consolidation of the market which we expect to see as a result of the economic crisis.



Companies that began using PANTHEON in FY 2011 (Serbia).

Abstract of the Auditor’s Report

In our opinion, the individual accounting statements represent the truthful financial state of the company on 30 June 2011 and the results of operations and cash flows for the period from 1 July 2010 to 30 June 2011, which are prepared in accordance with the Accounting and Auditing Act of the Republic of Serbia (Official Journal of the Republic of Serbia, št 46/2006 and 111/2009) and International Financial Reporting Standards.

Belgrade, 5 September 2011, prof. dr. Milivoj Cvetinović, certified auditor

Abridged balance sheet	FY 2011	FY 2010	Index
Assets			
Fixed assets	200.454	13.021	1539
Current assets (short-term assets)	226.288	176.178	128
- of that receivables	113.880	135.745	84
LIABILITIES			
Equity	119.968	85.012	141
Liabilities	302.812	104.187	291
Long-term	140.363		
Short-term	162.449	104.187	156



Tabela prikazuje porast števila partnerjev in partnerskih svetovalcev po državah v PL 09.

Abridged profit/loss statement	FY 2011	FY 2010	
Revenue			
Sales	598.020	509.678	117
Total revenue	607.326	537.019	113
Expenses			
Expenses	541.040	542.378	100
Operating profit/loss	59.519	-18.519	
Net financial profit/loss (difference between financial revenue and financial expenses)	-22.436	-4.998	449
Taxes	3.708		
Net profit/loss	33.375	-5.358	



Persida Pandurović,
Datalab Automotive

4.1.5 Serbia – DataLab Automotive, d. o. o.

This year as well, the main task of Datalab Automotive was maintaining and improving the integration of I'Car and PANTHEON, which has been successfully implemented running flawlessly at the company Hit Auto, d. o. o., for 3 years.

With the goal of obtaining new users, in the past year a number of presentations were held for interested customers: Fiat's distribution network in Serbia, Kia and Hyundai services, and VW, Audi and Seat sales partners in Belgrade.

Most of the leading automotive companies still haven't decided on a new IT system of the latest generation. The state-of-the-art combination of I'CarDMS and PANTHEON does not face serious competition from localized solutions for this branch.

In 2011, we also prepared to sign an agreement with Renault for the implementation of an ERP system at all of its dealerships in Serbia, regardless of whether they use I'CarDMS or Vektor (I'Car's competitor). In October, the agreement was signed.

At the conclusion of the fiscal year 2011, we only had a 25% stake in the company Datalab Automotive; its revenue represents a negligible share, which is why its financial data was not consolidated or audited.



Danko Obradović,
Datalab MN

4.1.6 Montenegro

Today in Montenegro, our software is used by 713 users (+37%) or 237 companies (+21.54%). The total value of licenses in the market in Montenegro is 451,153 euros (+33.69%)

Compared to FY 2010, the company's business increased by roughly 70%. The main change in operations came with the acquisition of consultants from the company Actual Soft Montenegro, which created the conditions for direct support. The situation in the market inhibited even more rapid growth of the company, and despite our efforts we did not succeed in expanding the partner network. The main reason for this was the small size of the market.

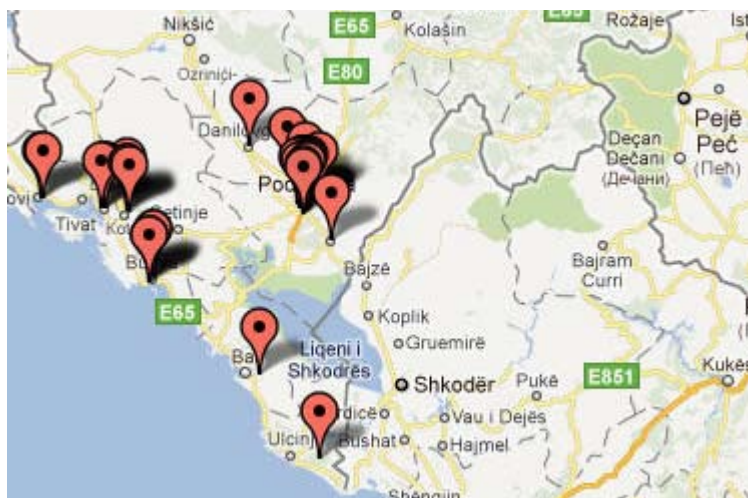
The agreement we signed with BlueSoft failed to produce the expected results; despite our best efforts, we could not make an impact on migrations due to a block from BlueSoft headquarters in Belgrade and unfulfilled promises.

The company Datalab MN has 6 employees. Our offices are located in an excellent location in Podgorica. We have 55 m² of office space. In our offices, we have the possibility of holding presentations for up to ten attendees.

In FY 2012 we plan on increasing the sale of licenses and services. We are focused on meeting the plan and achieving the best possible position for PANTHEON as the leading IT system in Montenegro. Another priority task will be signing as many Upgrade Contracts as possible.



Companies that began using PANTHEON in FY 2011 (Montenegro).



Abstract of the Auditor’s Report

In our opinion, the individual financial statements represent the truthful financial state of the company on 30 June 2011 and the results of operations and cash flows for the period from 1 July 2010 to 30 June 2011, which are prepared in accordance with the Accounting and Auditing Act of the Republic of Serbia (Official Journal of the Republic of Serbia, no. 2008/2006 and 111/2009) and International Financial Reporting Standards.
 Belgrade, 5 September 2011, prof. dr. Milivoj Cvetinović, certified auditor

PROFIT/LOSS STATEMENT	FY 2011	FY 2010	Index
	30. 6. 2011	30. 6. 2010	
OPERATING REVENUE	155.044	88.928	174
Operating revenue	155.044	88.928	174
OPERATING EXPENSES	135.303	106.222	127
Cost of materials	37.070	60.166	62
Labor cost	77.225	41.657	185
Depreciation	132	132	100
Other operating expenses	20.877	4.267	489
Operating profit	19.741	-17.296	-114
Net financial costs	3.902	6.074	64
Net profit/loss for the period	15.839	23.368	68

BALANCE SHEET	FY 2011	FY 2010	
	30. 6. 2011	30. 6. 2010	
ASSETS			
Fixed assets	358	556	64
Current assets	46.981	58.052	81
ASSETS TOTAL	47.339	58.608	81
LIABILITIES			
Capital and reserves	19.309	3.582	539
Short-term liabilities	28.030	55.026	51
LIABILITIES TOTAL	47.339	58.608	81



Sašo Jovanovski,
Datalab MK, zadolžen
za KO

4.1.7 Kosovo

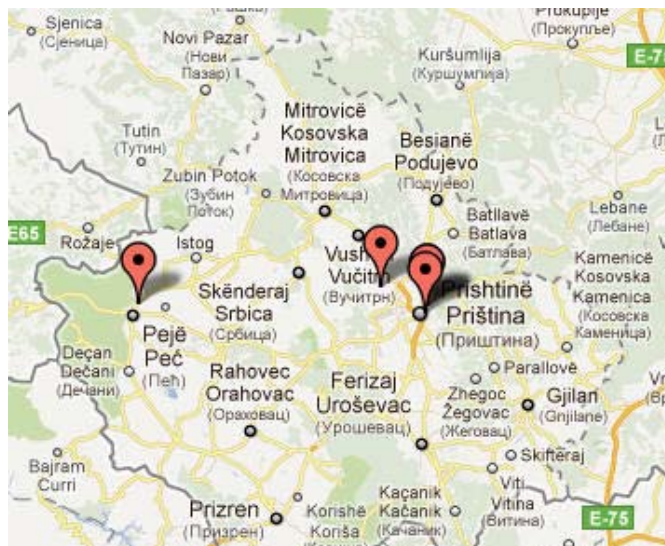
The number of installed licenses in Kosovo is 193 (+33.10%); the number of companies using PANTHEON is 36 (+16.3%). The total value of licenses in the market in Kosovo is 139,292 euros (+33.69%)

The market in Kosovo produced sound sales results in FY 2011. A growth of 173% compared to FY 2010 was generated in sales; the sale of Upgrade Contracts produced its first results, and with them its first revenues.

In 2011, we had sales to larger companies in Kosovo, which shows that the solutions we offer are sophisticated and that the market acknowledges their quality. Thus we successfully implemented PANTHEON at the largest brewery in Kosovo, at the manufacturing center of a pharmaceutical company, and at a construction company.

Revenues in 2011 were the result of direct sales in Kosovo, which we had not conducted in the past, when we sold PANTHEON only through partner companies in Kosovo. This experience showed that direct sales in Kosovo are possible because of close proximity and are profitable for larger projects.

At the end of 2011 we got another partner company. We have begun generating leads, the first task in marketing, with the new partner.



Companies that
began using
PANTHEON in FY
2011 (Kosovo).

4.1.8 Macedonia

The number of installed licenses in Macedonia is 969 (+35.15%); the number of companies using PANTHEON is 226 (+31.40%). The total value of licenses in the market in Macedonia is 618,080 euros (+31.23%).

The 2011 fiscal year was marked by the recession and reluctance to invest in software. Nonetheless, direct sales enabled us to achieve 104% of the sales figure envisioned in the plan, and with it 77% of the number of licenses of 2010. The period of the first three quarters of 2011 was one of severe recession in Macedonia, which led to weaker results than expected. The sales results are primarily the result of successful direct sales by Datalab MK, which accounted for 56% of all license sales this year, and of certain partners who grew from technicians into successful salesmen. In 2011, three partners generated over 10 % of total sales in the market. In comparison with 2010, when direct sales by Datalab MK accounted for 52%, slight growth could be noted.

The sale of Upgrade Contracts in 2011 was 182% of the comparable figure from 2010.



Sašo Jovanovski,
Datalab MK

Growth of this kind is primarily the result of a larger license base and greater focus on the sale of Upgrade Contracts.

In 2011, the trend of sales to companies with multiple users continued. PANTHEON has proved itself to be the only solution for these kinds of companies in Macedonia, and it is as such that PANTHEON has cemented its position in the market. Nonetheless, so as not to overlook the micro segment, we've continued an action for selling licenses of the L family (PANTHEON LT and LX) and for this purpose have conducted sales training for students.

At the end of the 2010 calendar year, we introduced a very strict rule system for support; all tickets submitted by users who have a support contract with Datalab MK, as well as all questions from partners and users in the process of implementation, are recorded and classified. This way, we've introduced call monitoring and eliminated the possibility of continuously providing services for companies who do not pay regularly, and by doing so have improved internal organization. This has significantly enhanced the efficiency of the work of the ServiceDesk.

One of the marketing tools that we successfully used in 2011 was direct marketing. This approach to new users will continue to be used in 2010, because we remain the only company to use this approach.



Companies that began using PANTHEON in FY 2011 (Macedonia).

Abstract

The company keeps accounting records and prepares all financial reports in accordance with the stipulations of clause 469 of Article 3 of the Companies Act of the Republic of Macedonia (Official Gazette of the Republic of Macedonia, no. 28/04 and 84/05) and regulations on keeping accounting records (Official Gazette of the Republic of Macedonia, no. 94/04, 05/11 and 116/05). In accordance with these regulations, they conform to the accounting standards valid in the Republic of Macedonia and the international accounting standards from the year 2003 determined by the International Accounting Standards Board. An annex to this clause, DTD 10 February 2005, pertains to the use of International Financial Reporting Standards (IFRS) 1, as well as the annex DTD 29 December 2005 for the use of IFRS 2, 3, 4, 5, 6 and 7.

Skopje 30 August 2011, PRO AUDIT Kumanovo, Sonja Zafirovic

Abridged balance sheet	FY 2011	FY 2010	
ASSETS			
Fixed assets	12.744	3.884	328
Current assets (short-term assets)	98.621	149.466	66
- of that receivables	79.420	126.596	63
LIABILITIES			
Equity	39.829	22.292	179
Liabilities	70.259	131.058	54
Long-term	0	0	
Short-term	70.259	131.058	54

Abridged profit/loss statement	FY 2011	PL'12	
Revenue			
Prihodki od prodaje	252.164	308.078	82
Skupni prihodki	258.376	308.526	84
Expenses			
Expenses	253.375	276.887	92
Operating profit/loss	4.203	31.639	13
Net financial profit/loss (difference between financial revenue and financial expenses)	-3.236	-17.628	18
Taxes	1958	89	
Net profit/loss	-990	13.922	2200

4.1.9 Bolgarija



Marussia Margaritova,
Director Datalab BG

In Bulgaria, a total of 150 PANTHEON licenses (+44.23%) have been sold to 39 (+44.44%) companies, for a total value of 96,888 euros (+42.75%).

The Bulgarian economy is slowly turning in the direction of further growth, which for the time being remains weak and unstable. We therefore expect roughly 2% annual growth for the second quarter of 2011, while growth for the entire year will be between 2.5 and 3%. We have the second highest rate of growth of unemployment in the EU, with unemployment at 11.5%, compared to 10% for the same period one year ago.

Competition in the market

The sale of software solutions fell by 23.8% to a total of 8.2 million euros, and now represents a mere 10.3% of the total revenues of the IT sector. Similarly, revenues from consulting and training have fallen by 8% to 4.9 million euros.

Due to a high degree of indebtedness among companies and the threat of insolvency, a number of large projects have been sidelined, while even more have been cancelled. Corruption and complex procedures for obtaining EU funds have led to a limited absorption of these funds, which companies could use to improve operations. In 2009/2010, ERP providers and their partners focused on the unsaturated segment of small and mid-size companies. Most ERP projects were small, if we measure them by the cost of implementation. Some providers began offering flexible pricing and promotional offers to reach users. Others opted for a more in-depth strategy involving additional services for systems implemented in previous years. Yet this was not enough to lift the Bulgarian ERP market to the levels of 2007 and 2008. IDC believes that the market will begin to pick up somewhat at the beginning of 2012.

In 2010 (CBN research) there were 315 software companies in Bulgaria, with 34% of all IT experts and a 19% share of the IT sector. Of these, 61 were ERP integrators (+ 14 compared to 2007), who together offer 31 systems (+3). Most ERP implementations were done in the following sectors: food processing, engineering, chemical industry, the electro industry, and the financial sector. ERP system have a weak presence in the construction industry, in services, in the wood and paper industry, and in the medical field. The research predicts that the ERP market will be chaotic and unpredictable, both in terms of revenues and in terms of marketing actions. A move away from older providers to newer players is expected.

The market leader is SAP, with a presence in 35 sectors and a 44% market share among large companies (among a field of 19 providers). It is second among small and mid-size companies, with a 13% market share (among a field of 23 providers).

Company	2009/€	2008/€	GROWTH 2009/2008
1 AS Systems	1536000	1655900	-7,2 %
2 Tonegan (BG)	176000	224000	-21,4 %
3 Team Vizion Bulgaria Ltd.	931360	1164200	-1,8 %
4 MicroInvest Ltd. (BG)	46676	28000	166,7 %
5 BonevSoft Auditing Ltd.	2360000	2309000	2,2 %
6 BORA Solutions Ltd. (BG)	64000	64000	-30,2 %
7 David Holding	2756000	2034000	35,5 %
8 Aloe Co. (BG)	191000	483000	-60,45%

Sales activities of Datalab BG

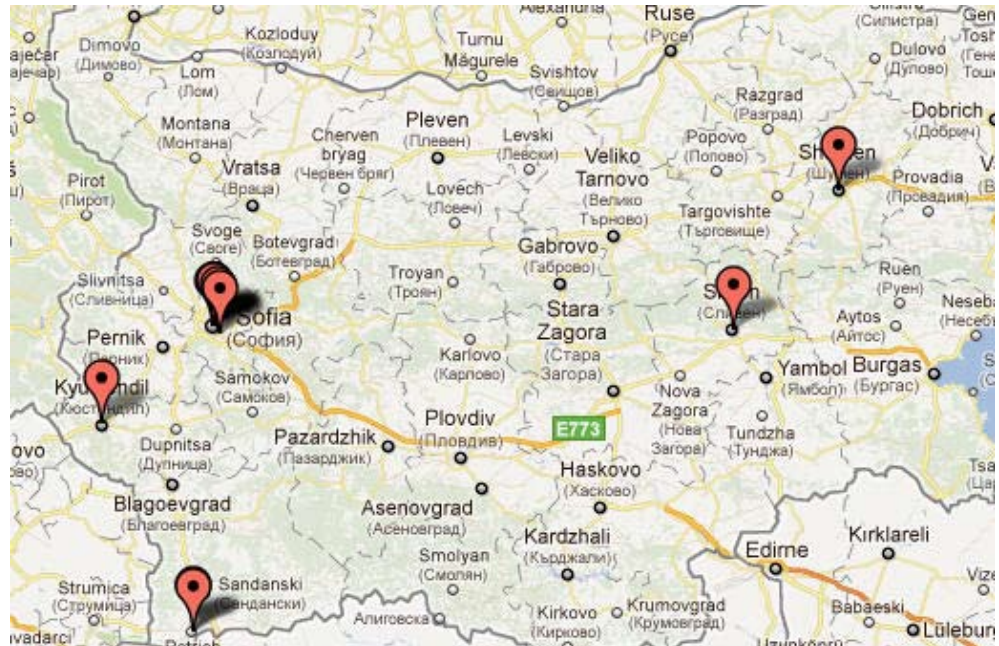
- Print ad in the Green Book of ERP Providers, Enterprise magazine – July 2010
- Presentation at this year’s meeting of the Kontrax group – September 2010
- Direct mail to newly founded companies – October 2010
- Direct mail – LX campaign – December 2010
- CD with LX demo version – 100 pcs. – March 2011
- Direct mail on the subject of EU subsidies – March 2011
- Joint advertising campaign with Kontrax in two Bulgarian magazines, Pari and Capital – April 2011
- Direct mail to companies in the food processing industry – May 2011
- Short article in Computer World magazine – June 2011

Future plans

1. Completely develop Datalab BG into a fully functioning subsidiary, including direct sales and ServiceDesk
 2. Expand the partner network
 3. Help our users obtain EU subsidies
- The European Community’s Competitiveness program, with a total value of 193 million euros for 2010
4. Appearance in the 2011 IDC BG Software Catalog
 5. Participation at the national accountants conference’s APIS event – February 2012
 6. December promotion (15% discount) – December 2011



Companies that began using PANTHEON in FY 2011 (Bulgaria)



A stake in the company Datalab BG had not been obtained at the close of the fiscal year 2011, which is why the company's financial data was not consolidated or audited.

4.1.10 Other Markets

A restart is necessary in the Romanian market, as the partner company with whom we were planning on entering the Romanian market has not fulfilled its obligations. We intend to launch a restart in this market, with an emphasis on marketing and building a partner network, following the stabilization of the economic situation. Until such time, we will maintain our presence in this market through PANTHEON companies/users with subsidiaries in Romania. PANTHEON is mostly translated, and the VAT system has been localized. The Personnel module still has to be localized.

We've completed our first implementation in Libya.

We are still actively looking for suitable partners with whom to develop a network in Albania. In the event that suitable partners cannot be found, we will begin offering our own sales and support, as in Macedonia. There were no other markets of note in FY 2011.

4.2 PARTNER CHANNEL (SALES AND IMPLEMENTATION)

In the 2011 fiscal year, we refocused partner agreements on the more intensive acquisition of new users and backed the move with a more stable development department that is less frustrating for partners. As a result of these two activities, we could restart efforts to acquire new partners. The impact from this move was felt most acutely in our expansive markets, Macedonia and Kosovo. In Bosnia we allowed ourselves to experiment with non-typical sales channels, such as OEM and access to the micro channel through packaged products available at retail stores. The ranks of partners in the more mature markets of Serbia, Croatia and Slovenia were replenished (especially in Serbia with the inclusion of Blue Soft's partners), yet a lack of new blood can still be felt in these markets – in particular partners who can sell to and implement larger users. Alongside the establishment of internet sales units, this will be one of the top sales priorities at all companies in the group in the coming year.

We believe that the economic crisis has slowed down most efforts to upgrade ERP systems, and that this can be seen in reduced numbers of licenses sold in this market throughout the region. Smaller providers with older technology who were having problems with sales even before the crisis are the most acutely affected. Their installed user base is eroding, resulting in increased per unit costs for maintenance on the existing software. In the coming years, users will reach the “point of no return” for their current provider. Our goal is to reach out to these providers while they still maintain good relations with their clients. We are offering them a chance to join the PANTHEON ecosystem and give their operations a new lease on life. For former competitors who are now partners (this program is internally known as Pfc – Partners from Competitors) such as Excel in Croatia, this program has been a huge mutual success and has led to many satisfied users.

Immediately after the close of the fiscal year, we acquired our largest competitor in the micro segment in Serbia – Blue Soft, a company with over 17,000 users. Unfortunately, easing the transition of users to PANTHEON was not high on the list of priorities of the company’s owner. The migration specialists did not work in the agreed upon manner, and warnings about the need to motivate partners, which we addressed to the company’s owner starting in the middle of the year (even expressing our readiness to waive a portion of our revenue towards this end) went unheard and unheeded. It therefore came as no surprise when, on 15 July 2011, the contractual quota was not reached. At the end of September (the licenses have a three-month return period), once the actual situation regarding the cut-off date was ascertained, we proposed an annex to the agreement that would remove the ascertained shortcomings. Blue Soft did not accept the proposal, but came back with its own proposal: a one time purchase in the amount of 500,000 euros, which is above the expected migration potential and as such unacceptable for Datalab. Sadly, a second opportunity to adapt was missed, and the decline of this company will be the likely consequence.

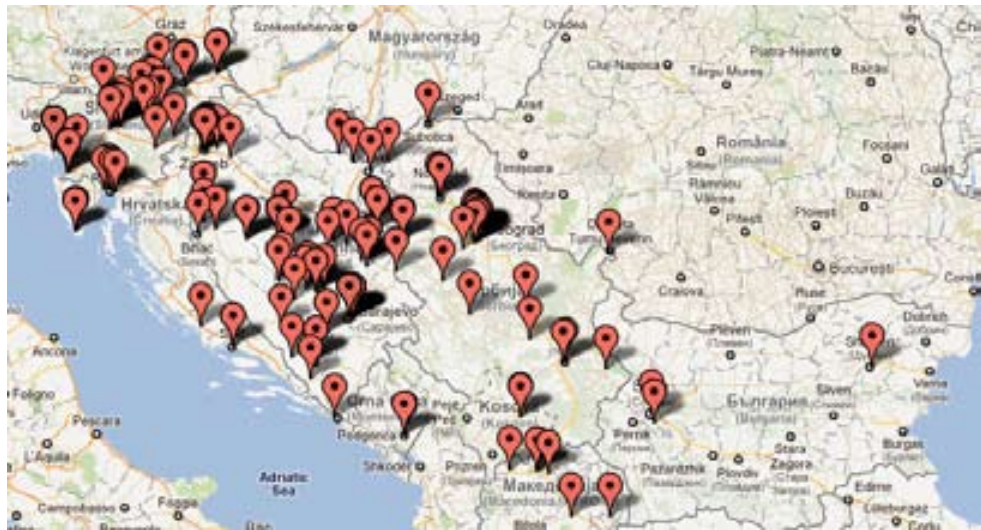
Rescuing our competitors (and their users) from the path to collapse, headaches and unnecessary costs is a difficult task that demands a great deal of time and energy. But when it works, it’s one of the fastest methods for expanding PANTHEON users and for the preservation and growth of established companies as Datalab partners.

Country	Total number of Partners			Number of all registered Partner consultants		
	PL '11	PL '10	Δ11/10	PL '11	PL '10	Δ11/10
SI	51	59	86 %	145	156	93 %
HR	29	24	121 %	75	69	109 %
BA	120	74	162 %	108	80	135 %
SR	36	45	80 %	112	120	93 %
MN	3	2	150 %	9	9	100 %
MK	7	5	140 %	7	4	175 %
KO	2	1	200 %	4	3	133 %
BG	4	5	80 %	5	6	83 %
Total	252	215	117 %	465	447	104 %

The table reveals the growth of the number of partners and partner consultants by country in FY 2011. The total number of all Partners includes Sales-Implementation Partners, Development Partners, and EDU Partners (companies that train end users) and Implementation Partners. We estimate that the total number of Partners in the market is actually about 20% higher than the one shown in the table, as the latter only includes those Partners who pay a monthly membership fee.



Geographic breakdown of Sales Implementation Partners in FY 2010 (left) and FY 2011 (right).



4.2.1 DEV Partner Program

The PANTHEON Developer Program encourages cooperation with companies which develop their own software solutions to supplement the features of the PANTHEON business IT system.

By making information available on our server and through regular training provided by the Datalab Academy, independent software producers receive support for the development of their solutions.

Partner solutions cover specific/niche-based business processes at companies. Vertical applications extend to the very heart of a company's operations: from B2B/B2C portals on the Internet to barcode solutions, business timekeeping, access to data, production management, project management support... PANTHEON and partner solutions form a one-of-a-kind combination that supports all processes within a company.

By combining PANTHEON with partner solutions, every company can effectively encompass all business operations in the company.

In FY 2011 we began offering a Marketplace to facilitate the simplified sale of applications of this kind, following the model of the iStore and the GoogleStore. To date, 38 applications from Slovenia have been registered; through operationalization, further development and simplified licensing, we expect considerable growth in the number of applications offered and the number of transactions.



For more information, visit our website at <http://www.datalab.si/partnerji/razvojni-dev-partnerji/>.

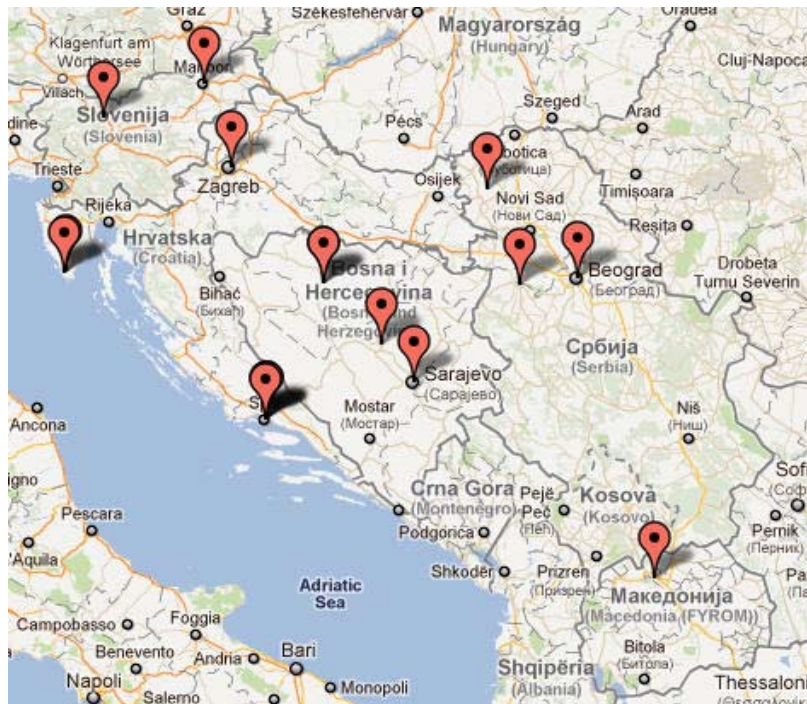
4.2.2 EDU Partner Program

The PANTHEON EDUcational Partner program is intended for cooperation with institutions where PANTHEON is used in the learning process. Through the program, educational institutions are outfitted free of charge with PANTHEON licenses, and also acquire the right to use Datalab Academy materials.



Map showing Education Partners that use PANTHEON in the learning process.

- Faculty of Organizational Sciences
- Faculty of Economics and Business Maribor
- University of Split Faculty of Economics
- School of Economics and Business Sarajevo
- School of Economics and Trade Šabac
- Faculty of Economics Skopje
- School for Accounting and Regulated Business
- School for Electrical Engineering and Computing
- Algebra IT Education and School of Computing
- Azura Adult Education Institute, Pula



For more information, visit our website at: www.datalab.si/datalab_partnerji/izobrazevalne_ustanove/

4.3 MARKETING AND COMMUNICATIONS

4.3.1 Strategic directions

Through its marketing activities, Datalab tries to present the concept of a business IT system in the simplest and most understandable way to companies of all sizes and activities. It is our goal to foster an awareness of how a business IT solution that supports company management, operational overviews, and regulatory compliance is crucial for successful operations, and to get companies to begin to analyze their data and turn it into profit. "Turning data into profit" – that's Datalab's motto.

When positioning the PANTHEON brand name, we always keep in mind our fundamental promise to make it possible for companies of all sizes to use a powerful business IT system. Our software is affordable, localized for 8 countries, in compliance with all relevant legislation in a given country at any given moment, and suitable for companies of all sizes and in all business sectors. Datalab's "ecosystem" brings together over 100 partner companies throughout the region on a daily basis; they see to sales, consulting, implementation, the development of so-called custom solutions, and technical support for end users of the PANTHEON business IT system.

4.3.2 Marketing as active sales support

All marketing activities conducted in the Slovenian market and other markets in the Adriatic region (including Bulgaria), are aligned with the clear guidelines of positioning and enhancing awareness of the Datalab and PANTHEON brand names. We have secured the rights to both names with the Slovenian Intellectual Property Office.

In Slovenia and other countries where Datalab is present, we've set up call centers with which we generate new sales opportunities. Throughout the year, we conduct so-called ATL (Above-The-Line) and BTL (Below-The-Line) campaigns; with each passing year, we are further optimizing our communications tools and methods, both in Slovenia and in the other markets where Datalab is present.

We advertise mostly in media that deal with the areas of the economy, entrepreneurship, and financial issues. Advertising for specific activities also appears in relevant sector-specific media (for example, accounting services, manufacturing, etc.)

Together with our Partners, we organize promotions aimed at generating new users. In the area of sales lead generation and management, this year as well we've upgraded our approach to potential users. All leads are subjected to a more exacting classification, which is a great help for sales. At the same time, from the very beginning we've been working on establishing a closer relationship between Datalab and the customer – methods used include in-depth telephone conversations and contact via e- and classic mail for providing potential users with essential information. We use an internally developed CRM tool (Datalab's Partner Site) to manage these kinds of customer relations; the Partner Site is constantly enhanced and upgraded to ensure an optimal overview of the individual statuses of all potential customers.

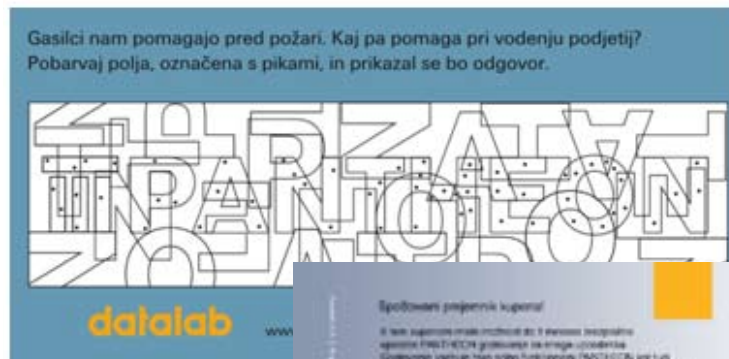
Marketing campaigns based on direct contact with potential users (through e- and classic mail and telephone calls) see the ever more intensive inclusion of Implementation Partners, as only in this way is it possible to achieve the loyalty of the members of their sales teams. Through joint actions of this kind, we can offer solutions tailor-fitted to the needs of target users – some Implementation Partners have developed custom solutions for specific corporate and industrial branches. Sector-specific solutions greatly increase the value of our product, as, in line with our goal of achieving the widest possible level of usability of our solution, PANTHEON is not tailored to the needs of any specific sector or type of user.

We organize presentations for potential users. The presentations combine a general presentation of PANTHEON with a focus on the specific fields in which participants have expressed interest. The presentations are aimed primarily at companies looking to replace their current IT system or purchase a new system, and who are gathering information from potential providers. In FY 2011, potential customers also expressed a great deal of interest in the field of e-accounting (hosting).

4.3.3 Primeri marketinških materialov po podružnicah

4.3.3.1 Datalab Slovenia

Example of a print advertisement for PANTHEON



4.3.3.2 Datalab BiH

Bosnia and Herzegovina – Example of packaging for a promotional CD, Advertisement at a bowling center

4.3.3.3 Datalab Serbia

Serbia – PANTHEON demo CD, Print advertisements

4.3.3.4 Datalab Croatia

Croatia – Print advertisement

Poslovno informacijski sustav PANTHEON™ 5.5 s novim i naprednijim radnim okruženjem omogućava pouzdanije i preglednije poslovanje.

Novo napredno radno okruženje Vam omogućava još preglednije i pouzdanije poslovanje, što doprinosi povećanju produktivnosti, a samim time i konkurentnosti.

PANTHEON™
datalab Business operating system

Promijenite podatke u dobit!

PANTHEON™ 5.5 je poslovno informacijski sustav namijenjen malim i srednje velikim poduzećima. PANTHEON™ se trenutno koristi u više od 8.000 poduzeća s preko 24.000 zadovoljnih korisnika u 8 država regije.

Omogućava praćenje cjelokupnog poslovnog procesa u poduzeću, neovisno o djelatnosti. Jedan program za sva područja poslovanja: od računovodstva, financija, logistike i servisa do kadrova i proizvodnje.

Više o poslovno informacijskom sustavu PANTHEON™, lokalizacijama i podršci saznajte na www.datalab.hr

ZAGREB	AUG PANTHEON (01) 29 82 911, KARA SPIN (081) 50 12 378, LIDER CENTAR (01) 66 35 557, OSMILIC (01) 65 47 111, ITS PARTNER (01) 63 45 260, EXCEL COMPUTERS (099) 885 805 5, AC KONTO (01) 46 67 490, LAB 2000 (01) 30 36 994	<p>Datalab Tehnologije d.o.o. Pula Trg J. Ivanjke brijuni 6 548 02100 Pula t: 052 380 147 f: 052 508 080 info@datalab.hr www.datalab.hr</p>
OSIJEK	EXCEL COMPUTERS (031) 204 530, DEKO INFORMATIKA (090) 585 3 350	
RIJEKA	INTEC (051) 819 302	
SPLIT	BIS GAT (099) 413 2042	
PULA	AJNE INFORMATICA (052) 348 600, ONEX (052) 504 911	
OPUZLIK	NEO TECH (081) 1 98 1 081	
SARAJEVO	VEJHOF (020) 217 524	
PLOČA	LUNDO (020) 670 402	

4.3.3.5 Datalab Montenegro

Montenegro – Example of a print advertisement in a magazine

5.5 koristi da iskoristite potencijal svojih podataka u svakoj djelatnosti

Šta PANTHEON može da uradi za Vas

Podgorica

Active Call Management	020 279 900
MSL Soft	020 202 246
Wave Office	020 947 200
Imart	020 264 746
IT	020 274 480
City Electronic	020 444 612
Business Integration & Business Intelligence	020 227 246
Calix System	020 279 580
Quam	020 279 580
Datalab d.o.o.	020 279 900
Opticom	020 279 900
Opticom	020 279 900

Podgorica

4.3.3.6 Datalab Macedonia (also covers Kosovo)

Macedonia
– Example
of an online
advertisement

Kosovo - Example of
a promotional letter

Macedonia -
Examples of
promotional letters

4.3.3.7 Datalab Bulgaria

Bulgaria – Entry
in the register of
companies

4.3.4 User 2 User – Recommend PANTHEON

We've also begun to intensively reward PANTHEON users who recommend the program to their friends and business partners. All users who share their experiences with PANTHEON and recommend the system to others will be awarded 10 % of the value of the PANTHEON licenses installed at the new user's company. Users can use the amount towards credit. In this fiscal year, we expanded the rewards system to PANTHEON Hosting: everyone who recommends Hosting is rewarded with 20% of the value of the licenses leased on the basis of their recommendation. In this case, the reward is deducted from the monthly bill of the person or company who made the recommendation. The promotion is also active in Bosnia and Herzegovina, Montenegro, Serbia, Croatia, and Macedonia.

4.3.5 Events and sponsorship

In the 2011 fiscal year we organized some meetings and appeared as a sponsor at a small number of events:

- A first: In the framework of the Datalab Academy, we began organizing free courses for new users with the goal of making it as easy as possible to begin working with PANTHEON.
- In June the Regional Institute for Information Technology at Small and Mid-size Companies was founded by five companies: Datalab, BlueSoft, SezamPro Hosting, Data, and OnLine Computers. The basic mission of the Institute is to exchange hands-on knowledge in the field of business IT. It will create and publish practical examples, best practices, databases and various templates and examples which will make it easier, faster and cheaper for companies and entrepreneurs to implement and use various information technologies in their operations. The Institute will also offer advice and support to the online community.
- We also appeared as a silver sponsor at Accountant Week, which took place at the Accounting Institute in the town of Brezovica near Ljubljana. Datalab was represented by Director Andrej Mertelj; the subject of his seminar was why an entrepreneur needs a good accountant.
- Datalab appeared as a gold sponsor at the 12th Congress of Accounting Services, which took place in Portorož. We presented PANTHEON Hosting and the advantages that come with entrusting accounting to PANTHEON.
- In December we organized a PANTHEON training event, which was attended by over 200 participants. The event was combined with a New Year's Party for partners, users and employees.
- UserGroup meetings aimed at sharing experiences among users, partners, and Datalab were held throughout the year. Each meeting focuses on a specific area of work with the program and concludes with a relaxed chat over beer and pizza.
- In the framework of the Entrepreneurship Days event, we presented a special offer for newly founded companies. A lecture by Datalab CEO Andrej Mertelj generated a great deal of interest. His speech covered an interesting subject, as the title shows: Accounting for R&R Projects and their Impact on the Financial Situation of a Company.
- In May, we were a sponsor of the ZAUH EXPO, where we participated in a presentation of electronic paper-free operations together with our partner Jamada and our accounting partner Biro Bonus.
- June was marked by the PANTHEON Conference, a two-day event which took place at Bled. Users could choose from a number of useful courses, and a number of partners and other sponsors had an opportunity to present their products and services.

4.3.6 Keeping key groups informed

4.3.6.1 PANTHEON Novice

Each month, we send an e-circular to our users, Partners, employees, and other interested parties. PANTHEON Novice (PANTHEON News) presents the most important events of the previous months, news, program enhancements, tips and new features, presentations of Partner companies, and other interesting news collected from throughout the Datalab community. Twice a year, we prepare a print edition of PANTHEON Novice.

Because we wish to keep our users and Partners in markets outside of Slovenia informed about what's going on at Datalab, and because a concern for the environment is our priority, we also send an electronic version of PANTHEON Novice to Bosnia and Herzegovina, Serbia, Montenegro, Macedonia, and Croatia. Each month, a total of 6,500 recipients find a copy in their inboxes. We constantly update our database of users. Those who would like to receive a complimentary monthly copy of PANTHEON Novice, can send us an e-mail at marketing@datalab.si. An archive of past issues is available at <http://www.datalab.si/o-podjetju/medijsko-sredisce/arhiv-e-novic/>.

4.3.6.2 Corporate and Partners Update

At Datalab Tehnologije, d. d., we prepare a Weekly and Partner's Update each week. The Weekly Update keeps all Datalab employees at HQ and all subsidiaries informed about what's going on at the company and provides other important information. Through our Partner's Update, DEV and Sales-Implementation Partners receive up-to-the-minute information about new features, improvements, and upgrades in PANTHEON, as well as important information about events at Datalab and within the broader Datalab ecosystem. The goal of the Updates is to keep all employees at Datalab and our Partner companies throughout the Adriatic region informed about actual events within the company and in PANTHEON. All important news also appears on our corporate website (www.datalab.eu).

4.3.6.3 Investor Information

We have a special webpage for notifying investors, <http://www.datalab.si/vlagatelj/>. Here, we publish results, plans and news regarding the situation at the company. The basic communications tool for informing investors are releases on SeoNet, which are outfitted with more in-depth information on our website.

For the needs of the financial community, we've also prepared an Investor Newsletter. The Newsletter is published twice a year, and contains a summary of all key points of Datalab's operations in the past two quarters.

4.3.6.4 UserSite



With PANTHEON’s UserSite, our goal is to enable PANTHEON users and other interested groups to contribute knowledge, experience and help for other users. The goal is to use crowdsourcing to create a knowledge base from which the entire Datalab ecosystem could easily draw knowledge and which, most importantly, is free to use.

The key factor that led us at Datalab began thinking about self-help and support within the community was the limited number of consultants available at partner companies. Paid support is considerably more costly than the methods mentioned above, and we have thereby reduced the costs of owning and using PANTHEON. Users will find a wide range of information which they can use to remove problems themselves (documentation, videos, development documentation), or they can ask the community for help (forums, remote support).

Under the slogan “Join the tribe”, the PANTHEON online community brings together a wide range of people, from Datalab employees (in Slovenia and at all subsidiar-

ies) to PANTHEON users, partners, accountants, entrepreneurs, and more. Our “tribe” also has a growing number of fans of Facebook.

The UserSite was initially intended only for PANTHEON users; in November 2010, it became available to the general public. It contains news about the program and related contents (entrepreneurship, legislature, events, etc.), and offers users multiple ways to access support (official support via the HelpDesk and telephone, unofficial support via the forum), videos (PANTHEON TV), comprehensive documentation on the site’s Wiki (which means that every visitor can edit the contents), an encyclopedia of entrepreneurship (featuring content by guest authors)... All of this contest is interlinked in a system which can detect what a user is reading or viewing and guide them to similar contents that may be of interest. This way, we guide users from the problem to the solution, and achieve enhanced support for work with the program.

The UserSite is not a typical portal limited to providing users with forums where they can get answers to questions about work with PANTHEON quickly and free of charge. Our ambition went further: we have created a complex yet at the same time user-friendly information center for small and mid-size businesses. It also offers a number of interesting contents for entrepreneurs covering the fields of marketing, management, operations, accounting, etc.

Back to PANTHEON users... Our update UserSite offers users a number of new features, and

we are pleased that we've succeeded in achieving on of our fundamental goals – the forum has come to life as an additional, free channel for support for users where users themselves can offer support to and receive support from other users.

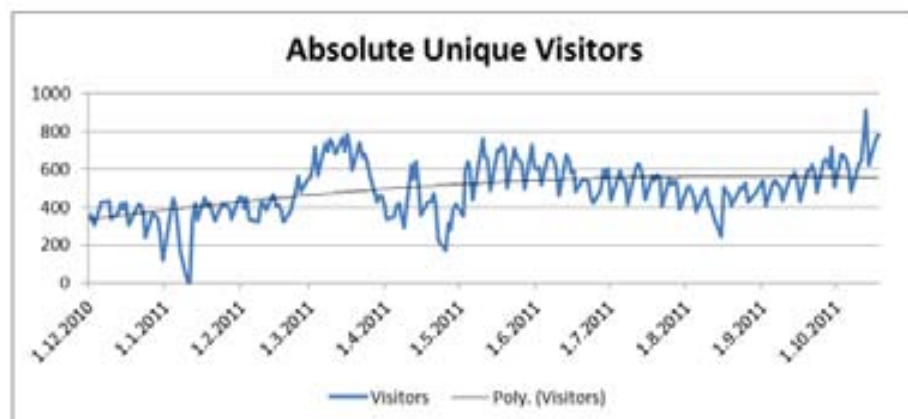
We would also like to show our concern for maintaining a good relationship with users and of course with other visitors to our UserSite by strengthening personal contacts – towards this end we organize a meeting with the users who are most active on the UserSite each month at Harfa restaurant. We also encourage visitors to communicate with other attractive prize draws, and are successfully expanding our Facebook community through a growing number of fans of Datalab.

In the future we plan to revive and modernize the Marketplace, where our partners offer their own solutions which are either linked to PANTHEON or run on the basis of PANTHEON. We are currently renovating the Marketplace in line with the Apple Store model, which envisions us providing concrete solutions that can be immediately downloaded and used. Furthermore, we will expand the solutions offered to include a much wider range of business activities and will link solutions for companies globally in all countries, and in this way give users contacts for projects which may interest them and simplify possibilities for the use of PANTHEON.

We will also enhance the transparency of the forum and update its appearance and enable users to track certain topics on the forum for the past 24 hours and receive updates on the desired topics via e-mail. Long term plans include setting up a so-called name forum, where guest experts from a number of fields will answer visitors' questions. At the same time, we would like to continue enriching our Entrepreneurship Encyclopedia with new and interesting entries and would like to add even more videos in the framework of PANTHEON TV..

We wish to increase participation from experts who are no longer employed at Datalab ("PANTHEON pals") on our expert forum, and would also like to get more contributions for our Entrepreneurship Encyclopedia and video contents in the framework of PANTHEON TV. That's why, on top of prize draws (which take place both on the UserSite and on Facebook) and informal monthly meetings with UserSite visitors, we are also planning a project with the working name "Datalab Cash".

It's designed as a rewards system: Every PANTHEON user receives an initial amount of credits, which he or she can increase with answers on the forum or by writing contributions for the Entrepreneurship Encyclopedia Wiki or uploading videos to the video gallery. "Datalab Cash" thus gained can be used for posting questions on the forum, attending training in the framework of the Datalab Academy, purchasing new licenses, advertising on the UserSite, etc.



The chart shows the number of visitors to the User Site by day (not including weekends) from 1 December 2010 to 18 October 2011. Source: Google Analytics. Day-to-day, the number of visitors fluctuates by about 200, and the number of visitors ranges from 400 to 800, depending on the time of the year - summer months see fewer visitors, while in autumn the number of visitors returns to its spring levels, with even a bit of further growth.

4.3.7 Datalab's Website Updated

In the middle of September 2010, the updated www.datalab.si website set sail, as we anticipated in last year's report. We broke the presentation of the program down into three sections, each aimed at a different target group: the so-called Basic section for companies with basic IT needs, the so-called Professional section with advanced functions for more demanding users, the Accounting section for accounting firms, and the Public Companies section for companies in the public sector. By doing this, we wished to enable potential customers to easily determine which version of the program is right for them.

In terms of design, we tried to make the site more transparent and less cluttered than before. Our contact information is more prominently displayed, and the general orientation of the site is geared more towards sales. Our website is also a center for corporate information such as public announcements, annual reports, information about the company and its subsidiaries, etc. The website is therefore generally aimed at potential customers as well as all those looking for information pertaining to the company, while the UserSite is intended for users of the program and information pertaining to program use.



Image : Datalab's redesigned website

4.4 MARKET SHARE

In 2010, the international market intelligence firm IDC published a report on the business software market in Slovenia. Datalab achieved an 8.6% market share, which puts us in third place among providers. Datalab's good ranking is a reflection of the current situation in the market for business systems in the segment of small and mid-size companies.

The report also states that the effects of the crisis could still be felt in 2010, but that the situation had somewhat improved over the previous year. For the future, the researchers predict that small and mid-size business will gain in importance for providers of business solutions because the segment of large companies is already fairly saturated, while there is still potential for new implementations among smaller companies. With the improvement of the economic climate, customers will also look for advanced functionalities that suit their business processes, and providers will have to respond. The report predicts the greatest growth in the field of business analytics,

as these tools provide users with an enhanced overview of operations at their companies, which the crisis has shown to be essential to timely responses and survival. And it is precisely in these fields that Datalab is most active: a number of new functionalities simplify routine tasks, and we've used the PANTHEON's business analytics program to reveal where the holes – and the money – in our organization are.

4.5 CUSTOMER SATISFACTION INDEX

In the first and second quarters of FY 2011, we conducted CSI (Customer Satisfaction Index) research of user satisfaction with PANTHEON in Slovenia as well as in Bosnia and Herzegovina, Serbia, Croatia, Macedonia and Montenegro.

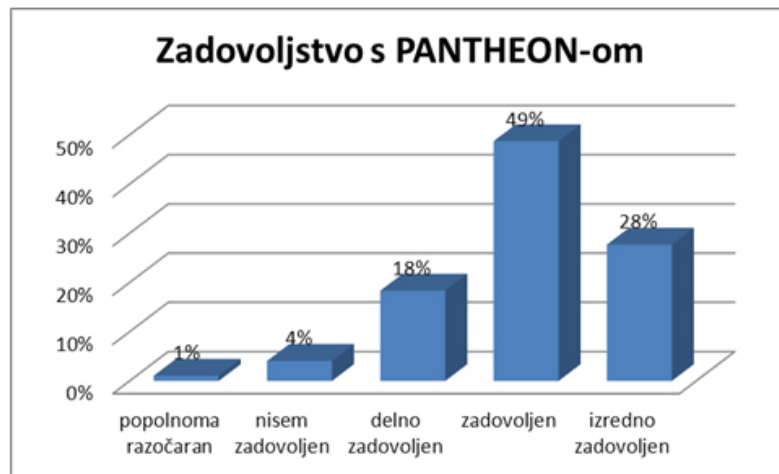
In Slovenia, 413 users were included in the research; 319 users were included in Bosnia and Herzegovina, 70 in Croatia, 168 in Serbia, 58 in Montenegro, and 78 in Macedonia. The research questionnaire contained 22 questions grouped under the following headings:

- Satisfaction with PANTHEON software and its features
- Questions about marketing
- Satisfaction with customer support and Help
- Satisfaction with documentation and support mechanisms

Below, you'll find a summary of some of the results for Slovenia.



A large majority of users (77%) were satisfied or very satisfied with PANTHEON software.

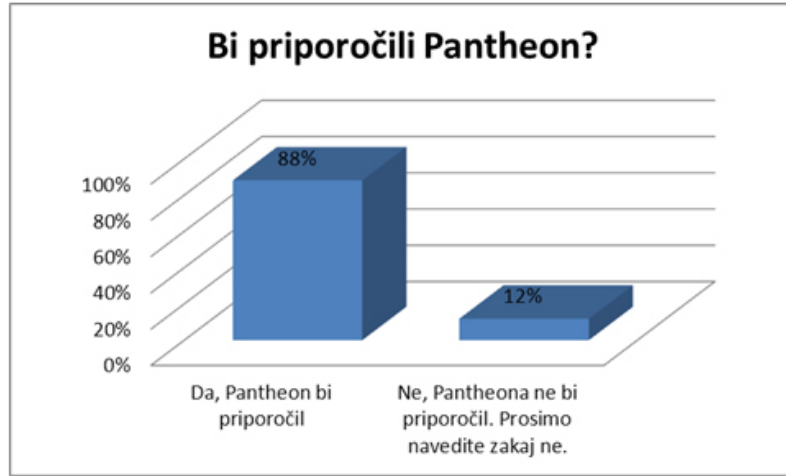


To a large extent (83%), PANTHEON meets the expectations of users throughout the region.





88 % of PANTHEON users (average) would recommend the program to their friends, associates, and business partners. Those who would not recommend the program listed complexity and upgrading difficulties as the key reasons for their decision.



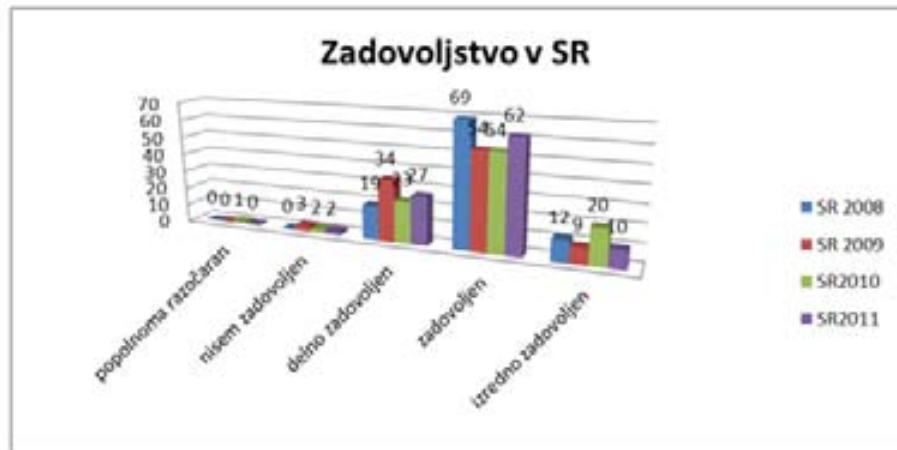
Overview of user satisfaction, 2008-2011, for countries where CSI analysis was conducted all four years:



From 2008 to 2011, satisfaction with PANTHEON grew; the percentage of users who were very pleased in Slovenia grew by 10 percentage points, from 12 % to 22 %.

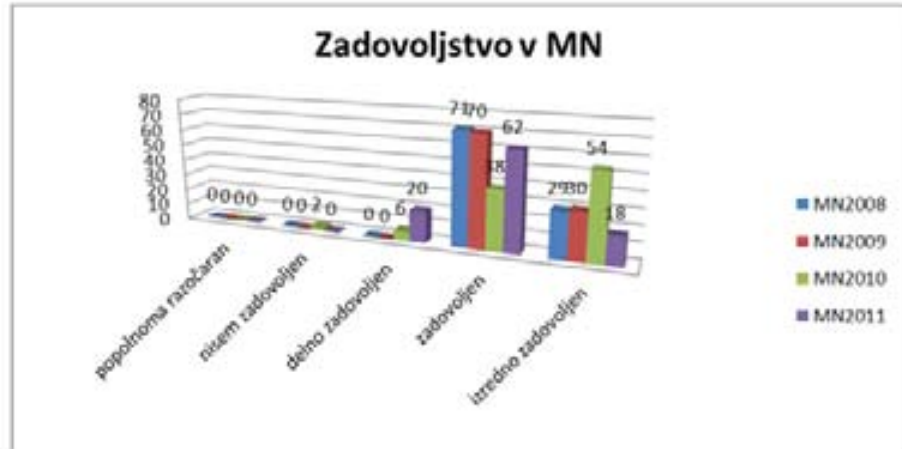


In the same period, the percentage of users who were pleased grew by 8% in Serbia, while the number of users who were exceptionally pleased with the program fell.

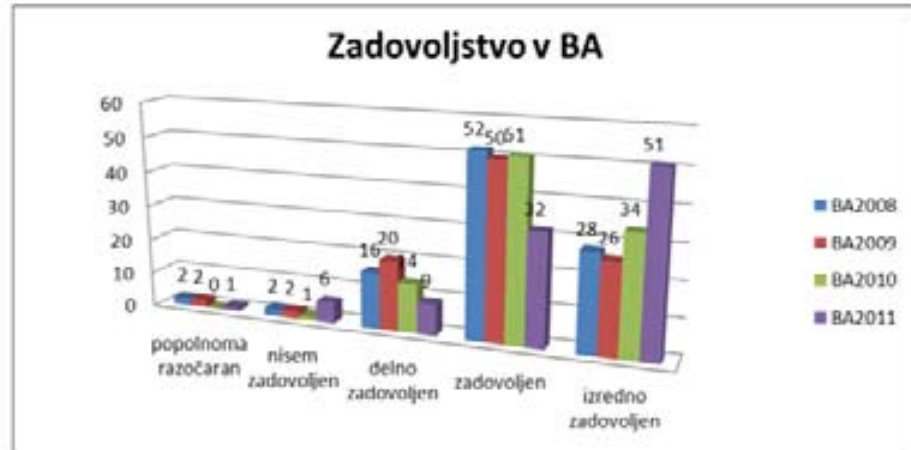




In Montenegro, the share of satisfied and very pleased users was between 80% and 100% all four years.



User satisfaction in Bosnia and Herzegovina is constantly growing, with the share of pleased and very pleased users showing the greatest growth.



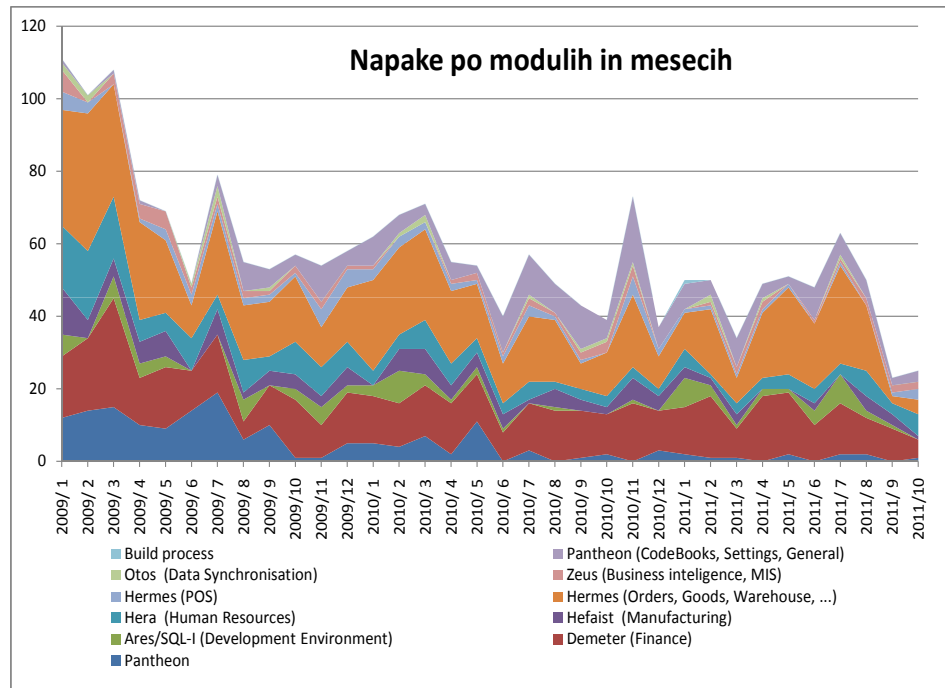
User satisfaction in Croatia was measured only for the past 3 years; users who are satisfied with PANTHEON show the greatest growth in this period.



4.6 SOFTWARE DEVELOPMENT IN THE FISCAL YEAR 2011

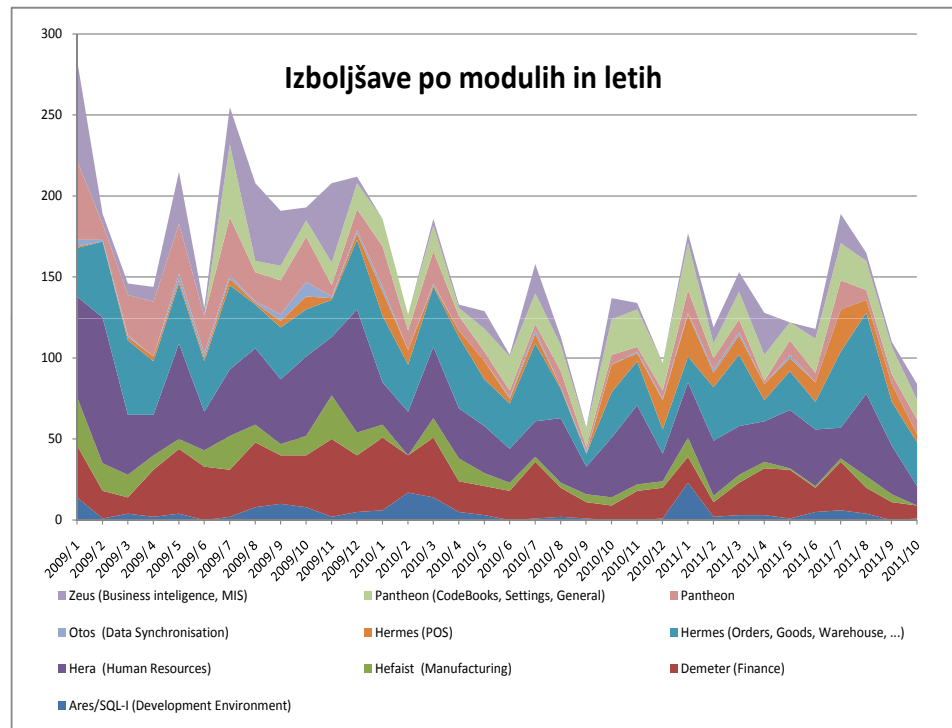
Like in the previous year, roughly one third of our resources have been put into tidying up PANTHEON 5.5's code. Here, tidying up means refactoring overly complex pieces of code, moving SQL code from Delphi to stored procedures, and implementing additional indexes and referential integrity methods. We have started optimizing the database and removing cursors. This results in smaller and faster program code that is easier to maintain and build upon.

Like every year, most of our resources went into improvements. Many were required by law, but we rather implement functions that generate new value, reduce the amount of users' work. An overview of significant improvements in the individual modules is presented in the following pages. We are pleased to report that the User Site hosts a well-visited online forum where discussions can take place. The development team started making exact specifications of planned new features or changes, and database schemas and program forms are defined in advance. Such whitepapers are then presented to the expert public (internally, partners) and to the general public (advanced users). The whitepapers are published in a wiki, therefore the collective brain can work wonders. In combination with User Groups (advanced users from a certain field) and regular PSS conferences, we have a wide array of feedback sources which can be used to fuel further development ideas.

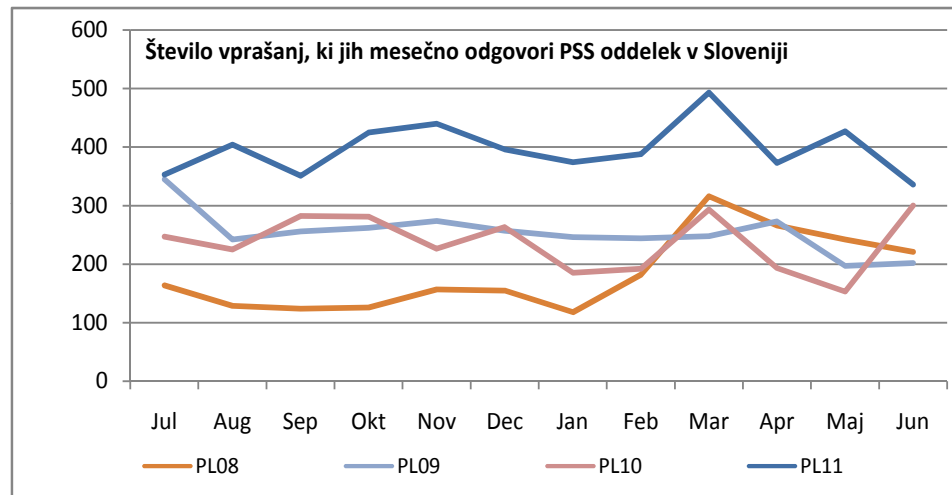


Let's take a look at some statistics. Apart from the user count, one of the most important figures is the number of bugs found and fixed. In March, we made focused effort on fixing a significant amount of old, non-critical errors.

The chart shows the number of errors by months and modules. A constant downward trend for errors in all modules can be observed. Peaks (November 2010, July 2011) are mostly due to considerable changes in legislation (and incomplete regulations about it).

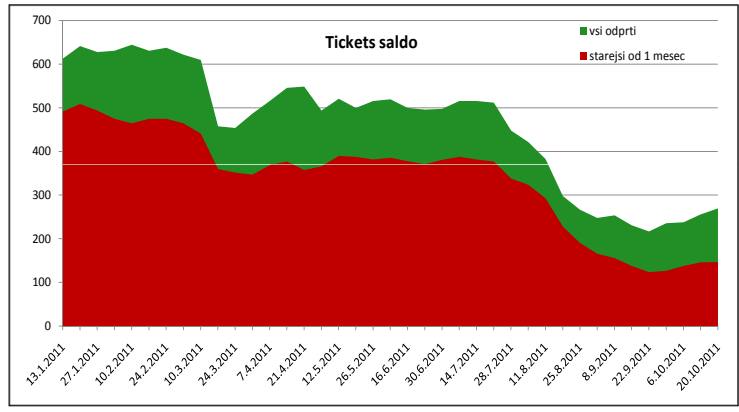


The number of improvements made in PANTHEON per month has, after dropping in FY 2010 due to refactoring, started to rise again in FY 2011.



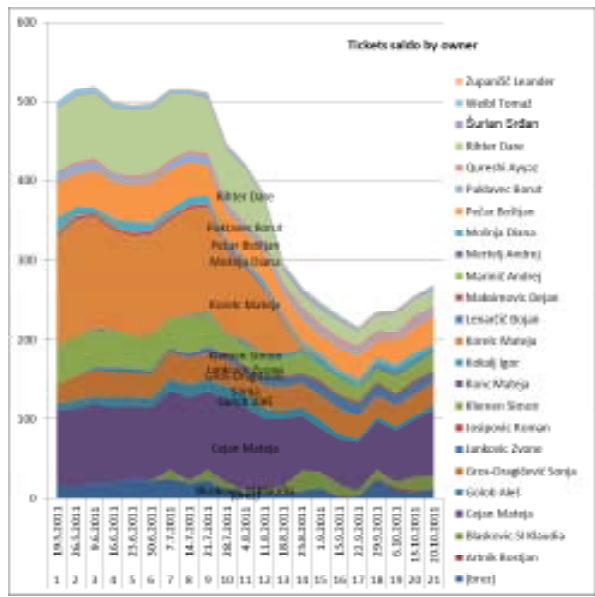
The number of support incidents directed to Datalab was steady in the last two years, but has risen by 67% in FY 2011. Some of that can be attributed to the guarantee we provide for program upgrades, but most of it is due to inquiries of partners and advanced users. If we look at the chart representing user support provided by partners, it can be observed why it is impossible that we could provide support by ourselves alone. To improve the service level of our Support Team, we have introduced performance measurements and evaluations.

The development team follows Datalab's mission and wants to make users' work in those difficult times as easy as possible, that is why we decided to pay special attention to Help Desk incidents. One of the most common complaints from partners and users was that incidents were piling up and were not answered within a reasonable time. And it was true. Incidents started piling up when development of PANTHEON 5.5 started and we placed full focus on development; the pile was not falling off until December 2010.



The chart clearly shows how our response times have improved. Much effort has been placed on solving old incidents in the first quarter and their number dropped by 200. A period of intense refactoring and development followed (legislation

changed, especially regarding VAT), during which the number of old incidents remained at the same level; during the summer, less new incidents, new people and the efforts of the whole team allowed us to drastically lower the number of unsolved incidents. Now, in the season of rising numbers of incidents and after the quarterly release and its first patch, there are 250 open incidents, of that 150 older than one month. We hope and wish that other members of the PAN-THEON family will follow suit and thus be more accommodating towards users' requests and problems.



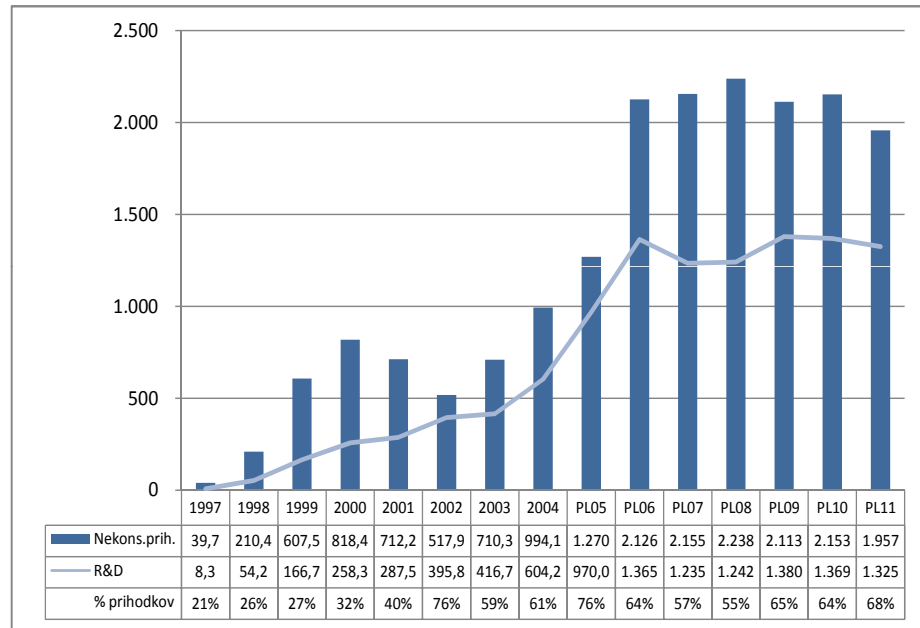
Let us have a look at the types of incidents. Most of them (45% or 1321) were due to insufficient partner or user knowledge (types Insufficient customer knowledge, Unsubstantiated ticket, Remote support work, On-site support work, Explanation, Customer error). Another large group are improvement proposals, which represent 40% or 1190 incidents (types Request rejected, Request approved, Payment of special service, Improvement, Datalab programming) and 15% of incidents were related to errors (types Error, Guarantee).

4.6.1 Investment in Software Development

We invested 1.33 million euros into the development of PANTHEON in FY 2011 (compared to 1.37 million euros in FY 2010). The production value of PANTHEON as of 30 June 2010 was 11.08 million euros (carrying value of 4.2 million euros in financial statements). The value of this intangible asset was determined using the Hierarchy of Valuation Standards and other applicable valuation models.*



Investments in development 1997 – FY 2011 in 000 euros. There is a notable drop in non-consolidated revenue of Datalab Tehnologije, d. d. (the parent company), because a subsidiary, Datalab SI, was established to assume operations in Slovenia..



More about capitalization and write-off of development on page 129.



Boštjan Pečar,
Product Manager

4.6.2 Development of PANTHEON 5.5 in FY 2011

PANTHEON – Core of the Software Suite – 226 Improvements

- We reworked the program code and moved many operations to stored procedure, thus making the upgrade faster, which mostly shows when upgrading multiple remote databases because there is much less traffic between the program and the database. The program provides more feedback about any errors that occurred during the upgrade. The new feature Quick Upgrade allows rapid deployment of critical patches within a few hours of its release. No other upgrade is necessary in that case.
- Automatic Logoff makes sure that concurrent licenses are not unnecessarily occupied by logging off users after a set time.
- Design Form allows users to customize PANTHEON’s windows to suit their needs, i.e. remove fields that they don’t use to get a tidier appearance.
- What’s new presents an overview of the latest improvements, bugs and videos, and can be accessed from the logon window.
- Importing subject data from the AJ PES database is available to all users with upgrade eligibility agreements at no extra charge. The same feature allows checking subject information with the AJ PES database and changing a single piece of information (e.g. tax identification number) for all subjects. It also checks whether a subject has filed for bankruptcy, or is in

liquidation or compulsory liquidation proceedings.

- The Bonitete service is available for companies in Slovenia, Croatia and Serbia, and allows direct access from the subjects register to the online service where companies' ratings and financial standing can be viewed.
- Exchanging registers through a web service allows updating data without manual data entry.
- Items that have been used in the last few documents are presented in new documents, making it faster to select items for a give customer or supplier.
- In item pricing, the duration of special discounts can be specified.
- In templates, the Value field can be customized with a SQL select query.
- For reports, the wizard Report Header on Every Page allows placing a header on every report page. Full screen mode allows a better preview of reports.



Mateja Korelc,
Product Manager

Hermes Module – Orders, Goods, VAT, Customs and Service – 302 Improvements

There were 302 improvements made in Orders, Goods, VAT, Customs and Service modules in the fiscal year 2011.

Emphasis was on further localization for each country's legal requirements. Among the more general features made in the last year, the following are especially noteworthy: excise duty for issuing and receiving; new module Customs Warehousing; user-defined costing factors in the Administration Panel; other improvements are listed below by country.

Improvements related to all localized versions:

- define terms of sale based on retail price if issuing goods from a warehouse that is tracked by retail prices;
- logic of recurring invoicing and order line items moved to stored procedures;
- new procedure Create Transfer Automatically;
- in report criteria for Orders, Goods, Customs, and Service, multiple subject types, departments and cost centers can be selected;
- added Documentation panel to Orders documents;
- added Create button to Orders documents which transfers the whole current order to the specified document.

Specific improvements related to individual localization versions:

Bosnia and Herzegovina:

- two new commercial records reports (TRG1 and TRG2);
- new VAT registration;
- integration of fiscalization printers from Neosoft, E-Link, KimTec, and Tring for wholesale documents.

Bulgaria:

- export Intrastat reports to XML file.

Croatia:

- new PDV-K form for 2010;
- export PDV-K form to XML file;
- added packaging waste register;
- added report on collected and sold quantity of packaging waste.

Kosovo:

- new VAT registration;

- VAT account moved to stored procedure.

Macedonia:

- export VAT registration to XML file.

Serbia:

- added KMPDV form;
- added three new reports for the ecology tax.

Slovenia:

- added new report Environmental Duty for Waste EE equipment;
- added new report Environmental Duty for Packaging Waste;
- added reports Order + UPN and UPN form;
- added reports Invoice + UPN and UPN form;
- added Environmental Duty Register;
- added new group of reports KIR and KPR for 2011;
- added submitting of the forms DDV-O, PD-O and RP-O to the Tax Administration through a

web service;

- amendments to the reports KPR and DDV-O in accordance with new tax regulations of 16

March 2011;

- changed how the account for compliance with article 66a of the VAT Act is entered in the

VAT window;

- new XML schemas for submitting VAT account to eDavki e-tax system;
- added report Reporting to DURS under art. 66a of ZZDV-1;
- gathering data for tax records moved to stored procedure;
- optimized gathering of data in tax records for the needs of article 66a of the VAT Act.



Diana Mošnja,
Product Manager

Hermes Module – POS – Retail Sales – 64 Improvements

A major field in FY 2011 was the so-called fiscalization: support for tax-controlled cash registers and printers. Datalab's POS team partnered up with fiscal printer vendors and printer driver developers. As soon as a printer become certified for fiscalization, we try to support it in the program as soon as possible. After development and testing, we write detailed instructions how to get started with the printer and PANTHEON. This year we adapted the whole fiscalization module for the needs fiscal cash registers in the Federation of Bosnia and Herzegovina and with it we also prepared the basis for the upcoming fiscalization in Slovenia.

Basic features of fiscalization are retail receipts, returned receipts (i.e. complaints) and cash register closure. We also added other practical functions for retail sales: receipt copy, current cash balance, deposit, reports for a date range, drawer opening, and custom texts before and after the receipt. Fiscalization processes are completed in localized versions for Bosnia and Herzegovina, Serbia, Montenegro, Macedonia, and Bulgaria.

PANTHEON also supports tax-controlled wholesale invoices where it is required by law (Bosnia and Herzegovina). Working with wholesale invoices is equally simple as with retail receipts; invoices and returned invoices are core features and the same helper features are present as for retail. Printing to fiscal printers takes into account the excise duty calculated in outgoing documents.

The POS window now opens much faster; at least 50% with large databases with several years of data. Much effort has been placed into refactoring of POS program code; it has been tested with problematic databases and the difference in speed is surely more than noticeable.

We updated to look of the POS receipt. The total is now larger; users can set the font size on the receipt (items and payment) and define active fields in the receipt's line items.

We made some minor improvements to the user interface for easier work:

- the cash register has been split into two parts,
- the numeric/alphanumeric keyboard on the POS touch screen can be enabled or disabled as needed,
- the numeric keyboard can be used to enter item codes (if it is only digits); this applies to the POS touch screen.

Added the Administration Panel for the RT edition; it contains the sections: Upgrade, About, Backup, Referential Integrity Check, Import/Export Data, and connection parameters for connecting to the master database (for synchronization).

Furthermore, we added a Loyalty Card module for customer loyalty programs. Features:

- subjects/subject groups included in loyalty programs,
- creation of loyalty cards,
- creation of loyalty programs: special price lists, special item prices, special benefits,
- campaigns, price lists and benefits can be created automatically,
- campaigns, benefits and loyalty card can be activated or deactivated automatically.

Subject checking is now possible also in retail; we added three new authorizations for POS regarding selling to subjects with a certain status: Allow blocking with blocked subjects, Allow issue to partially blocked subjects, Allow issue to subjects in liquidation.

Touch screen profiles allow renumbering profile groups and items in profile groups as well as profile hierarchy and a graphical representation of it. The report preview window has also been adapted for touch screens.

We added the calculation of excise duty to relevant outgoing documents.

The carrier of an order can be specified and shown on POS receipts.

The current user can now be changed without restarting the RT edition.

Discounts can be defined for individual payment methods for the receipt total.

Line items can now be added to POS documents also from documents of the type 350 (apart from preliminary invoices, transfer and internal documents).



Simon Klemen,
Product Manager

DEMETER – Financials – 193 Improvements

Like in previous years, we spent much time on code optimization. All larger parts of program code, most notably automatic posting, has been moved to stored procedures. Most core operations in the program are now processed on the server and no longer on the client computer by the executable itself.

Naturally, we have added some completely new features. The most notable is arguably the Reminders module. It allows gathering data about outstanding payments on a given date, sorting them by the time they are overdue, and printing or sending reminders by email. User feedback confirms that this is a very helpful module in difficult economic times.

Another new module is the one for preparing multilateral set-offs. PANTHEON had a set-off feature (preparing data and importing results) even before it became required by law. After the Act on Prevention of Late Payments was passed, we had very little time to make it conformant to legal requirements and out of this a new module was born. Because the feature is related to VAT, we worked a lot with the Goods module team.

Another improvement related to legal requirements is the Quarterly Report for AJPES. Both this and the multi-lateral set-off were developed solely for the Slovene localized version.

A module we really enjoyed working on, not only because it is not related to legal requirements but because we are confident it will make users' work easier, is the Accounting Management Console. Its main purpose is:

- recurring invoicing to clients for performed accounting services and
- internal overview of work performed by the accounting firm's employees.

We made 193 big and small improvements this year. I am convinced that even the smallest improvement may mean a lot to many users. I would like to point out a few other minor improvements of the year:

- mass printing of financial reports,
- automatic posting of POS receipts according to the account matrix in Payment Methods,
- received and issued invoices can be posted with an additional number along the linked document,
- fixed asset can be posted separately by department or by cost center,
- a second account can be specified for some reports,
- export data about posting for audit purposes,
- post statuses can be specified,
- custom procedures can be used for importing and exporting data,
- etc.

A new team member with extensive experience in finance and user support joined us in the last quarter of the fiscal year. I am convinced that we will be able to make many improvements quicker and better because of that.



Mateja Cejan,
Product Manager

HERA – Personnel, Payroll, Travel Management – 303 Improvements

Apart from fulfilling legal requirements, we spent much time on user experience and decreasing the need for manual data entry. This will save users much time with common tasks.

I would like to point out the following improvements:

In the Employment module, applicant data can be imported from Europass XML files, therefore eliminating the need to type in data from CVs.

Trip routes can now be displayed in Google Maps. A route can not only be viewed, its length can be imported into the trip document as distance.

Pay slips can be sent to employees by email. This is another step towards a paperless office, eliminating the need to print pay slips.

In employee evaluation and with proper authorizations, a department head can enter evaluations for the whole department. Considering that different companies use different evaluation systems, the evaluation formula is customizable and supports variables. To make regular evaluations easier, we added a wizard that creates a new evaluation based on the previous one. Evaluation results can also be sent by email to the evaluated employees.

PANTHEON contains all information about a company's organizational structure, that is why

we added the option to make an organizational chart of the company, by departments, positions of employment, and employees. Custom shapes can be used, and the color and layout of the chart can be changed.

The Personnel module is by far the most country-specific, therefore I will list some significant improvements for each country.

Slovenia:

- standard classification of occupations,
- variables for public employee salary (GE edition),
- moved checkbox Additional General Relief into the Reliefs tab,
- new PD-1 and PD-2 forms,
- new rates for assessment of personal income tax and relief, additional general relief,
- export for Moja naložba pension fund.

Bosnia and Herzegovina:

- new forms: RAD-1, MIP-1023, 1002 and files for export, PK-1001,
- merging reports of different legislations into one common report,
- length of service bonus for merged localizations.

Croatia:

- forms: RAD-1G, RAD-1 by branch offices, XML for IDD form, XML for ID form, OTP, OP, MPP-1,
- records on employees' working hours, records on other persons,
- various specifications for overpaid tax and income tax,
- new rates for assessing income tax,
- wizard for calculating refund from the Tax Administration,
- looking for compensations for leave/sick leave.

Montenegro:

- forms: M1, M2, M3, JPR, IOPPD with XML,
- added Submitter field to the Administration Panel.

Macedonia:

- form PDD-GI,
- salary specification,
- calculate from net amount in the case of minimum salary.

Serbia:

- forms: M-4/SP and M4 single; IOSI; Confirmation of payouts in the period; OZ-11 by branches; form 14 – Reported dangerous occurrences; form 13 – Reported sickness at work; form 13 – Reported professional diseases; form 11 – Reported accidents at work; form 8 – Conducted inspections of working conditions; form 7 – Records on hazardous materials at work,
- XML for OPJ-7, OPJ-6, OPJ-5, OPJ-4, OPJ-3, OPJ-2, OPJ-1 and OPJ, PP OD-1 and PP OD.

The future will stay true to Datalab's slogan Turning Data Into Profit, as we will continue to work on automation. This goes especially for users who work with several databases (accounting firms) and switching from one to another takes too much of their time.



Sonja Gros,
Product Manager

HEFAIST – Manufacturing – 65 Improvements

In FY 2011, there have been 65 improvements in the Manufacturing module, apart from refactoring. Some were quite extensive. One of them is dismantling as a production process, which is the reverse of assembling (e.g. in the wood industry: cutting logs into timber). For the time being, this is implemented only in the SE edition. The SE edition has seen many minor improvements, like issuing materials for a compound service in a work order.

Further improvements include: use of excise warehouses; the overview of produced products includes secondary products of dismantling; in mass processing, the production date can apart from a fixed date be the date of the work order, as is usual in some companies.

Complex manufacturing in the MF edition has seen improvements in specifications, work orders, forward planning, and minor improvements in analyses. Major improvements include:

1. Specifications:
 - added mass delete of product specifications,
 - added mass delete of the history of product specifications.
2. Work orders:
 - added check for inactive items in specifications,
 - added check for specification existence to mass transfer of orders,
 - added navigator to entering of finished work,
 - added criterion Component to Split to WO function,
 - Split costs to WO allows split according to produced quantity,
 - Split materials to WO allows split according to produced quantity,
 - added reversal to Split to WO function,
 - the following information is stored and displayed through linked documents: production time, set-up time, price, key, and line in movement document,
 - added resource of operation to entering of finished work.
3. Plan:
 - saving and displaying of the parameters of forward material plan update,
 - added overview of use of components in assemblies in the overview of the forward material plan update,
 - report with criteria and parameters of the forward material plan update.

ZEUS – Business Intelligence – 130 Improvements



Borut Puklavec,
Product Manager

There have been some larger projects and many small ones in FY 2011 as well as code refactoring and drawing experience from practical use.

To start with the latter, I am pleased to say that we applied our own practical experience in development. Together with Datalab's management, we developed a weekly report that brings together data from all Datalab's subsidiaries and is used for internal controlling (see <https://user-site.datalab.eu/Player/TabId/130/Videoid/1087/Kontroling-V-Datalabu.aspx>). The report has proven very useful, that is why we released it together with PANTHEON to the general public. We are doing the same with planning, as Datalab makes extensive use of it for its own purposes. Planning has thus seen many useful improvements, like comparing financial statements planned/achieved by departments, data import (e.g. from Excel), discounts, column totals, etc.

Among the largest improvements is cube customization. Cubes can be customized in two

ways. The first is to select whether a cube dimension is included or not. Users can exclude unnecessary cubes, thus keeping cube size down. This opens the possibility to add new out-of-the-box dimensions (i.e. prepared by Datalab), which we did not provide until now because of the risk of adding too many dimensions and producing overly large cubes, especially for users with large databases. We added the new dimension Department of line item, which was suggested by several users. The other way to customize cubes is to create one's own cubes. Users can create them themselves or with the help of their partner, add them into PANTHEON and use them like out-of-the-box cubes.

Another large improvement is linking of plan data with OLAP cubes, extending the usefulness of ZEUS Analyses; now results can be compared with plans in pivot tables.

We spent much time on code refactoring. This brought along many improvements that may be hidden from view, but result in faster and more stable functioning. Cubes are processed faster, the plan/result comparison is more stable, etc.

Development continues in all areas. In FY 2012, we will add an Annual Report feature, which will take off much work in preparing annual reports; many new things are planned for ZEUS Planning (inflow/outflow plan based on sales/purchase plan, quarterly totals, password-protected export to Excel, designing reports, etc.); we are working on advanced dashboard components; ZEUS Analyses features will be extended; the whole module will be integrated more tightly with other parts of PANTHEON; and many more.

ARES – 68 Improvements



**Dare Rihter,
Product Manager**

We focused on improving the stability and compatibility of the compiler, which has now reached the usability and stability levels of stand-alone development environments like Delphi.

After thorough preparations and testing and in cooperation with its authors, a new ARES procedure compiler was integrated. The compiler makes it possible for procedures created by developer partners to run within PANTHEON. Because ARES is very tightly integrated into the program, every change requires a delicate approach and that is why we were preparing for the compiler change for over a year. The new compiler brought along hardly awaited features that were either defective or completely missing in previous versions. One of them is generic exception handling, which makes many things easier in programming and was practically the last step for the compiler to take advantage of all exception-related features already present in Windows environments. Exception handling is one of the most highly delicate areas in program code and the improvements in this area brought along by the new compiler have made ARES code much more stable.

The new compiler also improved core performance of ARES procedures, which allowed to extend the range of registered functions available to developers.

Furthermore, we updated the integrated SQL Profiler. Profiling allows us to see how program code is executed and find pieces of code that are slow or in some other way subpar.

Even though ARES supports import/export data from various external sources, there was no simple way import/export data for the average user. That is why we created simple-to-use wizards for importing data that is in a prescribed format. For example, an Excel file with a proper structure can now be imported into PANTHEON with just a few clicks.

One of the things that run in the background and generally remain unnoticed are helper tools we use for creating PANTHEON executables and distributing them as setup packages. The program build system was updated and resulted in significant speed and stability gains; consequently it takes less time for all files related to PANTHEON upgrades to be created. We started updating the setup system and are starting to change how localizing PANTHEON works. This will drastically reduce the time it takes us to deliver new program versions – from patches to releases.

Code refactoring also became a constant in our work. We are always optimizing program code so that it is more manageable and easier to maintain, thus shortening the release cycle of new features. Bottlenecks due to long-lasting continuous development, constant feature expansion and fast growth of the amount of program code may hold down program performance; they are also removed in the process. We have started refactoring SQL code, or in other words, eliminating bottlenecks that are hampering performance of databases on Microsoft SQL Server and Oracle Database.

In line with code refactoring we also had to update our testing processes, which include an extensive auto-testing system that runs every day on the latest program code. With the help of auto-testing, we have managed to keep the number of errors all over PANTHEON at a considerably lower level than any time before refactoring started

4.6.3 PANTHEON Auto-Testing

The development of the auto-testing system continued in FY 2011. Currently, there are over 7000 tests joined into over 1700 scenarios. Seven new users have started using the system and we added ten new areas of testing (one person can test several areas). Over 40 employees use the system.

The build system was updated in the first half of the year and with that it was integrated more tightly into the testing system. This integration and partial optimization resulted in several advantages:

- automatic detection of test type change (Alpha, Release Candidate),
- eliminated risk of directory structure changes and their influence on the testing system,
- eliminated risk of using an incorrect version of the application for recording tests,
- faster set-up for auto-testing (structures, upgrades),
- easier maintenance of the testing system.

Increased numbers of users and test scenarios call for an upgrade of the virtual machines that are used for running automated tests. The upgrade is underway and it will allow us to add new users and run all planned tests in time. The goal is to provide the same conditions for test recording and test execution.

Users have a firm grasp of recording so-called keyword tests in TestComplete 7 and are ready to learn advanced testing methods. In the future, we will be documenting the use of those advanced methods in Datalab's internal operations manual. The goal is to have more robust tests, cover more cases with one test, and make the whole system easier to maintain.

We would like that also our partners take advantage of automatic testing for their own solutions. We already have the prerequisites for including their solutions (security and data encryption). We will continue towards unleashing the potential of the auto-testing system for our partners.



Adnan Uzunalić



Marko Perme

Watch a presentation at: <https://usersite.datalab.eu/Player/TabId/130/VideoId/100/Avtotestiranje-V-PANTHEONu.aspx>

The auto-testing system depends also on other systems. Its integrity is crucial; that is why we will continue to ensure identical conditions for test recording and test execution, but we will also work on decreasing the influence of other systems (like it was with the build system) or improving their integration. On the other hand, the auto-testing system detects any errors/events in other processes (build, upgrade) and we will continue to improve the system of notifications about those errors/events to process owners.

An overview of recorded scenarios by months and fields (2961 tests total in FY 2011, which is 13% more than in FY 2010):

This investment will help us lower our costs, which is especially important in these troubled times.

Module	Jul	Avg	Sep	Okt	Nov	Dec	Jan	Feb	Mar	Apr	Maj	Jun	Total
All	4		11		3			1				1	20
Ares	3	4	1			8	1	4	38		1	1	61
Hefaist	36	11	31	6	2	21	7		20	1		7	142
Hera	35	11	291	32		69	34	5	87	38	17	52	671
Hermes - Blago	22	20	116	37	25	88	17	18	55	5	16	44	463
Hermes - Denar	80	15	74	58	42	60	20	3	73	12	455	24	916
Hermes - Naročila	4	1	7	12	11	21			8		2	3	69
Hermes - Pos	37	16	46	82	21	102	74	8	3	21	4	2	416
Hermes - Sifranti	9	1	17	16	28	18	4	4	9	4	8	9	127
System								3	1				4
Zeus	9	1	4	19		12		3	13	6		2	69
Total	239	80	598	264	132	399	157	49	307	87	504	145	2961

4.6.4 Internal IT (236 Improvements)

partner.datalab.eu

Partner Site

In FY 2011, we changed the main logic for authorization in the Business layer and Data Access layer. We also implemented client-side controls that speed up Partner Site client rendering and speed up client-side work.

We also implemented hosting sales – all automation in our sales process is now available to the hosting sales process. We also implemented types of serial numbers. This is one of the most sensitive update in the system, after which all partner companies and hosting licenses have active upgrade eligibility agreements without human action in the system.

Regarding sales requirements, we implemented a new logic that works in accordance with the new Partnership Agreement for FY 2012. Most sales features are deployed in the Report section, where sales managers are able to manage their team’s results. Some of those reports are automatically generated and sent to the desired people by email.

Intra Site

We implemented SharePoint Server 2007 in FY 2010, which provides easier and more effective management and deployment.

There were a number of changes in the auto-testing application.

Changes in PANTHEON's development process require changes in the Remarks module. We linked each remark with to the relevant Help topic, which helps us to generate user-oriented reports about what has been done in PANTHEON. There is also the Build calendar option, which is used on several Datalab sites and is directly connected to PANTHEON's build deployment process.

We created a number of useful statistical reports, which are needed in the management and monitoring of development and testing processes, User Site and other areas. The number of those reports is constantly growing as demand is always on the rise.

User Site

In FY 2011, the User Site went through a major renewal and design change process (News, What's New, forum ratings, latest five activities on the site, portal localization, etc.).

Exchange rates for most banks in all countries are available at the User Site.

We implemented several business registers: imported them from an external source (web service) and into PANTHEON; the AJPES database is imported daily and monthly; there is a PANTHEON News web service and the register of bank accounts; those are some of the major user-oriented topics, implemented at the User Site or through it.

We also upgraded video gallery, the forums and wiki features. Wiki forum discussions, Newsletter, analyses and report queries are some other topics that were developed further.

We also finished the Marketplace 2.0 and a module for version differences.

In the background, there were some technical improvements and actions, like upgrade to DevExpress 10 and DNN Framework optimization (Heavy Caching, Gzip, etc.).

Hosting automation

This is new project and we are still working on it. Hosting automation will help all PANTHEON users deploying and setting up a PANTHEON database on Datalab's hosting servers, manage their users from their company, accounting firm or partner company.

4.7 TRAINING – DATALAB ACADEMY

4.7.1 Mission of the Datalab Academy

Datalab Academy formally started work in June 2008 (FY 2008). The Academy provides training and certification to Partners and end-users. Training courses are carried out in Datalab Academy classrooms and at other venues as classical frontal teaching. They are led by instructors and qualified trainers. Community-based mechanisms for self-learning are another active and free of charge method. You can access online videos, written material (PANTHEON user guides) and active forums (intended to build the knowledge base and active user community collaboration).

We at the Academy strive to boost and strengthen the PANTHEON community with all forms of training. This way we also encourage trust in the PANTHEON brand so that it does not only represent a good and high-performance business information system but it includes a variety of quality and low-cost services.

4.7.2 Training Courses/Certification at the Datalab Academy Classrooms and Other Venues

We offer our own classrooms or provide training at rented training venues where we are carrying out courses/certifications for PANTHEON users and partners. In the fiscal year 2011 most of our activities were carried out at other training venues (education seminars and events) and directed at creating materials for self-learning methods.

We carried out courses at the Datalab Academy classrooms on the premise (in direct contact with instructors) where our surveys have shown that in more than half of the cases our competent users wish to build on the skills.

Besides carrying out regular training, we tried to bring activities closer to users and meet their requirements. For this purpose we created tailor-made training courses intended for groups (courses carried out according to the requirements and individual users' availability) as well as counseling for individuals (one-on-one contact between customer and instructor).

Invitation to tailor-made training courses and counseling – Slovenia



In FY 2011, we continued with carrying out free of charge training for new PANTHEON users with the aim of increasing the number of new participants, boosting general knowledge and in particular user satisfaction. All new users who expressed a wish were included in intensive and free of charge introductory training sharing key information and best possible overview of options PANTHEON has got to offer. At the same time we tried to help partners with product implementation with customers. In addition, we wanted to help customers in their attempts to set up their business operations and cooperate with support partners.

4.7.3 Training Activities by Individual Countries

4.7.3.1 Slovenia



In FY 2011, the Academy realized training courses which were attended by 866 participants (100% more than the previous year). Courses were carried out from July 2010 (on a monthly basis) to June 2011. There were altogether 51 workshops/courses, of that three large educational events.

The Academy puts great emphasis on the quality of educational and training services it provides.

A trainee satisfaction index (TSI) is assembled by handing out surveys after each training course. The participants assess quality of the course with marks from 1 (unsatisfactory) to 5 (excellent). The obtained results show that we managed to increase the quality of services from an average mark below 4.0 in 2007 to an adequate 4.32 in 2008, 4.36 in 2009, 4.37 in 2010 and 4.38 in 2011.

Bosnia and Herzegovina

We carried out two sets of training courses for partners and users in Bosnia and Herzegovina. The first set was from 22 February to 4 March 2011, and the other from 6 May to 13 May 2011.

The first set included 10 different courses. An average course lasted eight hours. Courses were attended by PANTHEON users and students of the Faculty of Economics (the latter free of charge).

41 participants attended the courses. Participants gave the courses an average rating of 4.

Training in the classroom of Datalab BH, Sarajevo



The second set of courses was carried out in May 2011 (from 5 May to 10 May 2011) and consisted of 9 different courses, which lasted four hours on average. 38 participants attended the courses. Participants gave the courses an average rating of 4.

4.7.3.3 PANTHEON Conference From a Problem to a Practical Solution

An educational event within the PANTHEON Conference line titled From a Problem to a Practical Solution was organized on 21 December 2011 in Sarajevo.

The event was attended by PANTHEON users, partners and potential new customers. The many and various presentations were aimed at different target groups: management, accountants, computer experts, etc. One of the focus points of the event were tax-controlled cash registers in the Federation of Bosnia and Herzegovina and related all-in-one solutions.

The event lasted from 10:00 to 17:00 and hosted 13 speakers from Datalab and partner companies. It was attended by over 150 people.

VIP invitation to the Conference in Bosnia and Herzegovina

4.7.3.4 Serbia



After the merger with Blue Soft, training courses were held for Blue Soft distributors in December 2010. 50 distributors replied to our mail and telephone invitations; we split them into three groups. The whole training was provided free of charge.

In April 2011, we organized several training courses for PANTHEON users. The courses were by modules: Basics, System, Orders, Goods, Financials, Simple Manufacturing, Personnel, Payroll, Fixed Assets, VAT, Travel Management, Designing Report, ZEUS, and Using Support. On average, there were 10 people present at each course.

In April 2011, we organized a sales training for our partners. Topics included: pre-sale activities, sales techniques, presentation techniques, negotiation techniques, post-sales activities, and customer relations.

4.7.3.5 Makedonija



Training for external staff in Macedonia

Training for new external staff and consultants was held in two terms. In July 2010 and through five courses, the local Datalab experts instructed nine external salespeople in PANTHEON LT and LX for selling in the micro segment. The courses also covered sales training with the best sales practices in Macedonia. A similar training was organized in March 2011 with seven people.

4.7.4 Educational Events

4.7.4.1 PANTHEON Conference, Slovenia (1 December 2010, Unija, Brezovica pri Ljubljani)

On 1 December 2010, the Academy organized a one-day educational event at the Unija accounting firm; PANTHEON users could learn about how to use the program and attend other interesting seminars and workshops about accounting, management and marketing. There were 28 presentations and 164 participants. The presentations were held by Datalab's and external experts; we also invited marketing guru Mr. Aleš Lisac who spoke about ways to increase sales, profits and company image.

PANTHEON Conference, 1 December 2010, Unija, Brezovica pri Ljubljani



4.7.4.2 PANTHEON Conference, Slovenia (1 and 2 June 2011, Golf Hotel, Bled)

The 6th PANTHEON Conference was held on 1 and 2 June 2011 at the Golf Hotel in Bled. Traditionally, the conference started with a keynote presentation by Datalab's Executive Director Andrej Mertelj. Together with Datalab's experts, he went through key improvements in the last year, most notable the User Site and community building, and new features in PANTHEON.

tures in PANTHEON.

Guest of honor was Janez Škrabec, director and owner of the company Riko and one of Slovenia's most reputable and assertive entrepreneurs. He has an interview with national radio host Katja Černela on the topic Success Formulas for International Business.

Over the two days of the conference, Datalab's experts presented many useful topics to PANTHEON users and guest speakers



talked about other interesting business-related topics. We would like to point out especially two: Saša Einsiedler, TV host and consultant for mediation and performance in public who talked about successful and convincing communications, and Nataša Tovornik, management and business consultant who presented the basic personality types and how one should adapt when communicating with each of them. A

hot spot of the conference was surely the joint presentation of AJPES' and DURS' experts on the most problematic new provisions of the Act on Prevention of Late Payments and the amendment to the VAT Act.

There were 49 speakers and over 260 participants from all over Slovenia.

**PANTHEON
Conference, 1 and 2
June 2011, Bled**

4.7.4.3 PANTHEON Conference, Serbia (20 May 2011, Holiday Inn, Belgrade)

The first PANTHEON Conference in Serbia was held on 20 May 2011 at the Holiday Inn Hotel in Belgrade.

Presented were PANTHEON's new features and Datalab's sales plans for Serbia. Focus was on features that save users' time and assist them in various tasks in these difficult times.

The conference was opened by Executive Director Andrej Mertelj; local Datalab experts and partners presented various topics. The conference concluded with lunch at the hotel restaurant.



**PANTHEON
Conference, 20 May
2011, Holiday Inn,
Serbia**

4.7.4.4 PANTHEON Conference, Bosnia and Herzegovina (21 December 2010, Sarajevo Hotel, Sarajevo)

The 3rd PANTHEON Conference in Bosnia and Herzegovina was held on 21 December 2011 at the Sarajevo Hotel. 150 PANTHEON users, partners and guests attended.

13 speakers had 20 interesting workshops. A hot topic were tax-controlled cash registers, new PANTHEON features and useful tips. 5% of each participation fee was donated to the NGO Otvorena mreža.

PANTHEON Conference, 21 December 2011, Sarajevo Hotel



4.7.5 PANTHEON TV – Video Instructions

4.7.5.1 PANTHEON TV in Slovenia

In FY 2010, the Academy in Slovenia put all its efforts into creating an efficient and user-friendly self-learning tool. Using funds from the Feniks project we created online learning tools which can be accessed at any time from the comfort of your home or office. In FY 2011 we went a step further; we updated the video gallery and formed a true video portal, PANTHEON TV.

It is designed as a simple and user-friendly way of learning about PANTHEON. Users watch videos that guide them through the desired topic. Video instructions bridge a gap for those users which cannot personally visit our regular training courses or want to invest as little money and energy in them.

Gallery of instructional videos



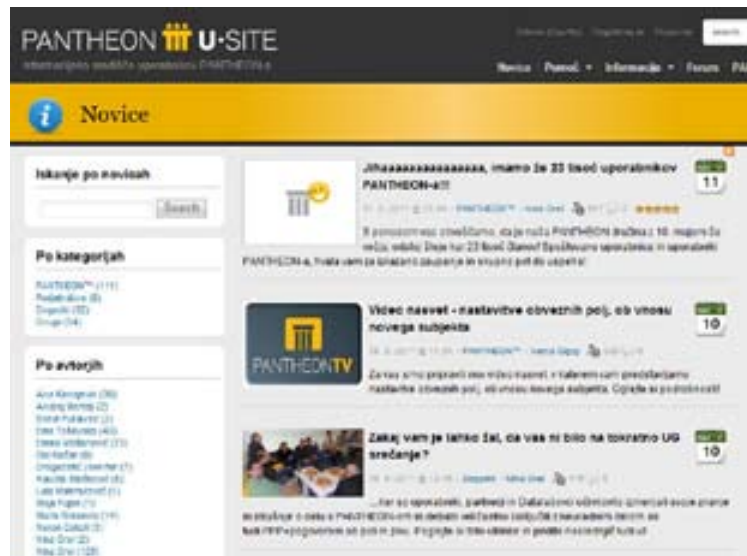
To access video instructions and start learning, you have to visit the User Site (<https://usersite.datalab.eu>) where you can find video instructions for the Slovene version.

Video instructions are also available for Bosnia and Herzegovina, Serbia, Croatia, and Macedonia.

Users with an internet connection and the necessary hardware can watch over 300 instructional videos, 300 recorded events, over 200 video tips and business advice. All users have full and free access to the videos, which are currently available in five languages. Our goal for the next year is to provide video instructions for all localized versions of the Adriatic region.

Users are generally more inclined to visit courses in person (as questionnaires filled out by participants show). Users are still rather reluctant to self-learning through videos and to bring up necessary discipline; questionnaires show they prefer videos as supplements to courses, not as the main method of learning.

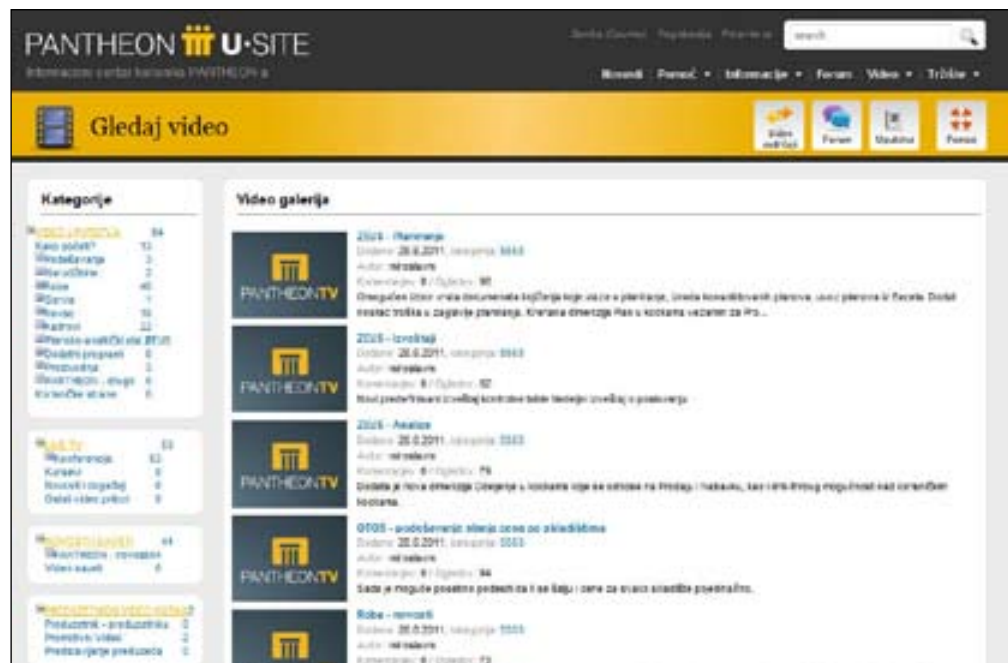
To motivate users to use learning videos more, we regularly publish new content and make recorded courses available for subsequent viewing.



Invitations to users to view new videos at the User Site

Initially reluctant, users are starting to accept this approach; videos about new developments in PANTHEON are getting over 500 views each, which is definitely a motivation to continue creating such content.

Video instructions are also available for Bosnia and Herzegovina, Serbia, Croatia, and Macedonia. Our goal for the next year is to provide video instructions for all localized versions of the Adriatic region



Video gallery – PANTHEON TV in Serbia

4.7.6 Building the Knowledge of PANTHEON Users from the Start

We at Datalab Academy are aware that the use of PANTHEON knowledge is what helps boost trust in the PANTHEON brand and product line. For this purpose we offer to the entire user community an extensive set of knowledge tools which are available free of charge. They are available as:

- Getting Started” training courses for beginners;
- recorded PANTHEON video instructions (“Getting Started”);

We are aware that any start is difficult. It is difficult when starting to learn how to walk, swim, drive a car, etc. Besides willpower and desire to learn, you also need knowledge and skills.

For those of our users which will not read our user-friendly guides or try to learn using video instructions, we prepared an introductory free of charge training entitled Getting Started with PANTHEON.

It consists of three sections. The users are first introduced to:

- the program environment,
- general information about registers (basic settings, subjects, items, etc.),
- document types – settings and how they are used.

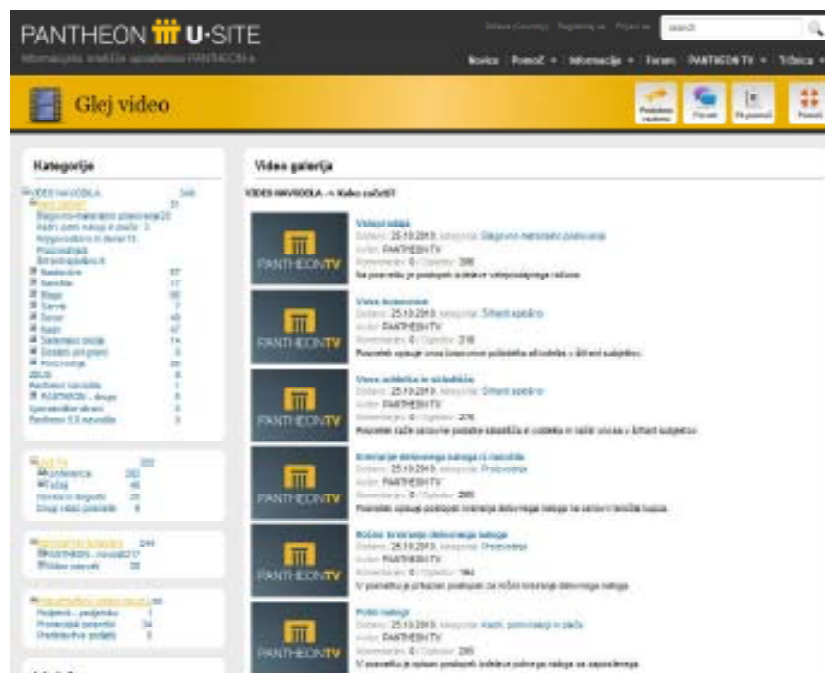
The courses deal with practical cases (participants follow the instructions given by the instructor on their computers). They are usually held every month and last 3 hours.

Free introductory courses are organized twice per month. These introductory training courses are a must. They enable new users to get working with the program as soon as possible.

4.7.6.2 Instructional Videos for Beginners

To make PANTHEON usage as easy as possible and bring it closer to users, we updated the extensive text documentation with instructional videos for beginners.

These videos use a fictional company to show how common tasks in the program are performed: ordering and paying materials, storing them, using them in a production process, and finally selling and delivering products to retail customers and businesses



PANTHEON TV – instructional videos for beginners

4.7.7 Informing the PANTHEON Community about Training Activities of the Datalab Academy

The PANTHEON community is informed about training activities of Datalab Academy in PANTHEON e-News which are sent out monthly. It contains a monthly training course schedule and other news and information. Twice per year we make a print version of the News.



PANTHEON e-News

Notifications about the Academy’s current training activities are sent out monthly. Included are:

- training schedule for the current month,
- course program,
- dates and prices.

Readers are also directed to the Academy section of Datalab’s web site (<http://www.datalab.si/podpora/izobrazevanja-in-tecaji/>)



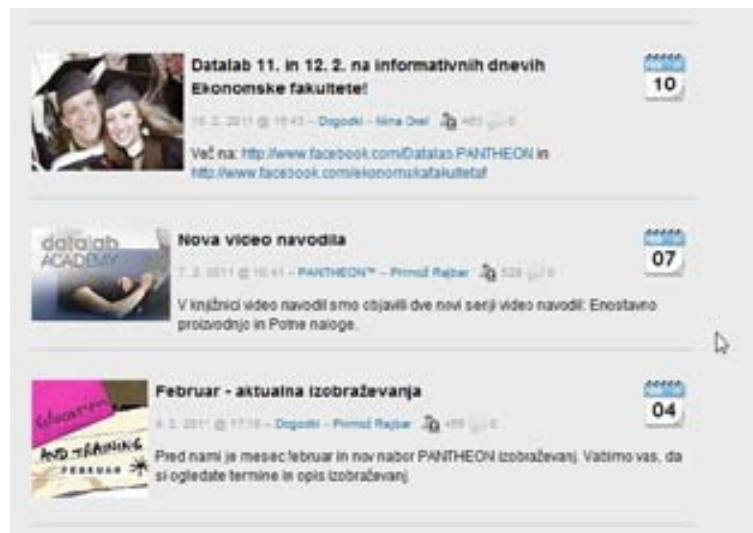
Monthly notification about the Academy's activities in Slovenia

At the Academy, we are aware about the importance of post-sales activities related to sales and training services. All participants who sign up for training courses taking place in the Academy’s classrooms and at other venues are notified regularly. The notifications contain information about the course’s location and time. Moreover, we always provide participants with a map to the location, inform them about terms of payment and about the training sign-up and sign-off clause.

4.7.7.4 Notifications at the User Site

The User Site contains notifications about the Academy's activities in two sections: News and Events. We keep users constantly informed about various training options through emails, web sites and printed matter.

In the News section we publish short motivational calls-to action. The Events section contains schedules, programs and prices.



News and events at the User Site, Slovenia

4.8 NOTABLE EVENTS IN THE FISCAL YEAR 2011 (1 JULY 2010 TO 30 JUNE 2011)

JULY 2010

- The Academy started offering free introductory courses so that users can have a smoother start with PANTHEON.
- The Regional Institute for Information Technology in Small and Mid-Size Businesses was founded by five companies: Datalab, Blue Soft, SezamPro Hosting, Data, and OnLine Computers. Its purpose is to exchange practical knowledge about business IT. The institute creates and publishes case studies, best practices, data, and examples that allow business to introduce information technology better, faster and cheaper into their operations. It also provides counsel and assistance to the online community.
- The Serbian company Blue Soft, d. o. o., became a part of the Datalab group; Datalab purchased the copyright for the SME solution BlueSoft 04. Its development will continue as part of PANTHEON's lighter editions. Mr. Vitošević, founder of Blue Soft, is to become Datalab's consultant for micro companies. Datalab's distribution network of 150 distributors is to be expanded with Blue Soft's over 30; they are to provide support and perform customizations. Blue Soft plans to invest into a regional support and call center that would cover users in Serbia, Montenegro, and Bosnia and Herzegovina.
- Datalab SI, d. o. o., was founded. It was founded to improve the activities between Datalab, partners and users, and consequently the operation of the whole PANTHEON community. Datalab Tehnologije, d. d. continues to develop the program for the whole group and deliver top-of-the-line PANTHEON products. Datalab SI starts covering the Slovene market. Mr. Marko Vodnik becomes its managing director.
- The 20,000th PANTHEON license is sold on 30 June 2010.

AUGUST 2010

- A general meeting was called for 1 September 2011 in order to increase capital from authorized capital and carry out the procedures for the conversion of receivables started in FY 2010, and issue and register shares.

SEPTEMBER 2010

- Datalab was a silver sponsor at the Accounting Week at the Institute of Accounting in Brezovica pri Ljubljani. Executive Director Andrej Mertelj held a presentation about why a business needs a good accountant.
- With the conversion of receivables, 23 out of the 24 lots of new shares (or 5020 out of 5117 shares) in a total value of 256,773 euros were subscribed.

OCTOBER 2010

- Datalab was the gold sponsor at the 12th Congress of Accounting Firms in Portorož. We presented PANTHEON Hosting and its benefits to accounting businesses.

NOVEMBER 2010

- At the event Days of Entrepreneurship, Datalab presented its offer for new companies. There was much interest for the Andrej Mertelj's presentation entitled Accounting for R&D Projects and Its Influence on a Company's Financial Standing.
- The User Site was redesigned and new content added: tips on business, accounting and other fields, videos, forums, business encyclopedia, etc.
- Datalab's annual report 2009 won the award for best annual report among small and midsize businesses in 2009. The competition is held by the Chamber of Commerce and Industry of Slovenia which awards the best annual reports of companies and financial institutions. The award placed Datalab alongside such corporate giants like Krka and Zavarovalnica Triglav, that received awards in other categories.
- Datalab published the Annual Report for the Fiscal Year 2010 on 30 November and held an accompanying press conference.
- The Executive Board approved the employee profit sharing scheme and initiated the necessary procedures.

DECEMBER 2010

- On 1 December, Datalab organized a PANTHEON educational event, bringing together over 200 people; it concluded in a year-end party for users, partners and employees.
- Datalab reached an agreement with the NLB bank about converting its liabilities from short-term to long-term. A 5-year loan of 860,000 euros was taken out under the Republic of Slovenia Guarantee Scheme and is in its entirety meant for the repayment of short-term loans.
- The Central Securities Registry (KDD) entered the shares issued at conversion.

JANUARY 2011

- The 7,000th company started using PANTHEON on 13 January 2011.
- The annual general meeting for FY 2010 was called.

FEBRUARY 2011

- The Datalab teams from all countries got together in a team building event in Bovec, Slovenia.
- The unaudited financial report for the first half of FY 2011 was published on 28 February.

- The annual general meeting was successful: a capital increase from retained profit was approved; reserves were allocated; shares were split 1:15; a discharge was given; employee profit sharing with shares was approved also for subsidiaries; formation of a fund of own shares was approved; the auditor for FY 2011 was selected; bonuses to employees and the management were approved.

MARCH 2011

- The capital increase and changed number of shares was entered into the register on 15 March.
- Trading with Datalab shares was suspended on 24 March due to the split.
- The Central Securities Registry entered the additional shares on 28 March.
- The Ljubljana Stock Exchange listed the additional shares on 30 March.
- The managing director of Datalab SI consensually ends his employment.

APRIL 2011

- A Sales Boot Camp in Brčko, Bosnia and Herzegovina, was organized for all salespeople in the Datalab group and the partner network.
- Datalab started purchasing shares for the profit sharing scheme.
- Official talks were started with an investment fund.

MAY 2011

- Datalab was a sponsor at the ZAUH EXPO and presented paperless business together with partners Jamada and Biro Bonus.
- The 23,000th PANTHEON license was sold.
- Datalab signed a binding agreement about the entry of strategic foreign partner Slovak Investment Group, a mixed Austrian-Slovak venture capital fund. It is to acquire an up to 14.96% stake (300,000 shares), partially with a capital increase from subscribed capital, purchasing shares and other financial instruments (convertible loan or convertible bonds). The strategic partner's total investment amounts to 999,000 euros, or 3.33 euro per share, which is a 51-percent premium to the share's market price at that time.

JUNE 2011

- A two-day PANTHEON Conference is held in Bled. Numerous useful topics were covered, and many partners and sponsors were present.
- IDC's report on the ERP systems market in Slovenia in 2010 placed Datalab third with a 8.6% market share. The good result was a reflection of its dominant market position among ERP systems for small and midsize businesses.
- Slovak Investment Group was having problems providing capital, that is why the whole deal was handed over to another fund. As compensation, the whole documentation was handed over, along with the permission to use it in other deals

4.9 NOTABLE EVENTS IN THE FISCAL YEAR 2012 (SINCE 1 JULY 2011)

JULY 2011

- Unaudited data from the balance sheet and profit/loss statement for Datalab Tehnologije, d. d., and Datalab SI, d. o. o., were published.
- Talks with the other venture fund were started; within the following 60 days, economic, legal, tax and financial due diligences were completed.
- Management changes: David Čeplak became managing director of Datalab SI, d. o. o.; then

managing director of Datalab Croatia Igor Sigmundović became Chief Operations Officer in Datalab Tehnologije, d. d.; the new managing director of Datalab Croatia became Tihomir Stričević, until then director of Excel Computers, Osijek.

SEPTEMBER 2011

- The 24,000th PANTHEON license was sold on 14 September.
- Datalab was a silver sponsor at the Accounting Week, traditionally organized by the Institute of Accounting.
- Talks with the venture fund about valuation were continuing; the documentation about implementation was getting started; the possibilities about the suggested financial instrument were being sorted out.

OCTOBER 2011

- The business cooperation with Blue Soft that had started on 15 July 2010 was terminated on 5 October 2011.
- Datalab was the gold sponsor at the Congress of Accounting Firms in Portorož.
- A boot camp for the manufacturing module was organized for the whole Datalab group.
- Implementation documents for the capital increase were finalized, representations and warranties were specified, and the results of the first quarter were thoroughly reviewed.
- An agreement has been signed with Renault Serbia to implement PANTHEON with all their larger resellers.

4.10 PLANS FOR THE FISCAL YEAR 2012

Datalab is introducing profit centers into the whole organization and is forming groups of people who manage those areas on their own. Controlling for each profit center will be performed monthly.

We have introduced “champions” who choose a specific area of our business (e.g. partner network, sales of upgrade eligibility agreements, etc.) where they innovate sales methods and try out the effects of greater flexibility. If their innovations prove successful they are applied to the whole organization.

We will continue to expand our Service Desk support team, so they will be able to quickly solve issues of a rapidly growing number of hosting users and the accounting firms that cater to micro companies.

Accounting firms are an important market segment and we are targeting it with a whole-some approach: we will be developing features specific for their needs (e.g. payroll over multiple databases at once, setting parameters and data in all child databases, automated reporting) and other useful tools (e.g. the Accounting Management Console). We will be integrating support for various document management/archiving systems; a universal interface will make those systems more accessible and bring the paperless office somewhat closer.

We will release an edition of the program specially developed for farm accountancy called PANTHEON FA that will cover the requirements of the European Union’s Farm Accountancy Data Network (FADN).

The number of users using the hosted e-accounting system will be increased. Hosting centers will be set up in Serbia, Croatia, Bosnia and Herzegovina, and Macedonia.

A 30-90% revenue growth in single segments in all markets is expected.

Competitive vendors will be joined to the organization, thus consolidating the market. Yesterday’s competitors will become associates. Building upon development, accounting and education partnerships will continue.

The Datalab Academy will be replaced by a system of webinars – online training.

Expansion of the User Site will continue; content that reduces the cost of software use will be added.

The employee profit sharing scheme will be extended and unified for all companies in the group.

4.11 RISK MANAGEMENT IN THE GROUP

Even though the group and the companies within it are small, risk management is one of the basic fields that every business must constantly develop. The most important and most likely risks have been identified and sorted by importance and probability. Internal control mechanisms have been revised, and risk monitoring and management methods have been devised. The objective of risk management is the identification of risks and using them to one's own advantage.

Risks have been divided into two groups, business risks and financial risks, as shown below.

Business Risks

Area of risk	Description	Treatment	Exposure
Recession	Risk of small companies going out of business, thus reducing Datalab's installed base; smaller budgets.	Positioning: business intelligence as a tool for reducing costs. Increased consolidation of competitors into the group. Attract more users with e-accounting and hosting.	High
Intellectual property	Risk of software patents and legal actions.	Active participation against software patents.	Low
Development process	Risk of not bringing product development to a conclusion.	Project-oriented processes, supervision of development, process optimization.	Low
Reliability of suppliers and business partners	Risk of non-competitive or interrupted deliveries.	Constant supervision of contractual agreements.	Moderate
Competition	The emergence of new or strengthening of existing competitors.	Monitoring the competition; constant improvements to the business model (e.g. installment plans for customers, partnership benefits) and products (not lowering the pace of software development). Shift from CAPEX to OPEX in PANTHEON Hosting	Moderate
Technological obsolescence	Competitors drastically lowering their prices to keep their sales up.	Constant development; new product generation roughly every four years.	Majhna Low
Drop in capacity of the Partner Network	Risk of non-competitive product due to technological obsolescence	PfC program je varianta t.i. »earn-out« zdržitve, kjer je partner izplačan z deležem prihodkov, ki ga total ostvarimo. Rizik za družbo je običajno samo pavšal v višini cca 3-5% planiranih prihodkov.	Low

Upad kapacitete partnerske mreže	Drop in the number of partners or capacity overload due to existing projects.	Expanding the partner network; reducing the time spent for support and implementation. Establishing EDU partnerships with educational institutions. Liberalization of support services (accounting firms, self-employed consultants, peer support).	Moderate
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4.11.2 Financial Risks

Area of risk	Description	Treatment	Exposure
Drop in stock price	Lower demand for financial instruments due to financial crisis.	Intensifying communication with analysts and investors, presenting opportunities in the recession and emphasizing mid-term growth potential. Current shareholders not willing to sell below value.	High
Insufficient loan sources	Risk of significantly reduced access to loans.	Selling long-term lease contracts; using other financial instruments (bonds) for refinancing lease sales. Taking advantage of the national loan guarantee scheme.	High
Changing interest rates	Risk of changed conditions for taking out and financing loans.	Long-term loans with fixed interest rates.	Moderate
Credit risk	Risk of customers' non-payment.	Withdrawing services, blocking software use, debt collection, securing payments.	High
Reduced Liquidity	Risk of not being able to settle current obligations.	Planning in monitoring liquidity and properly managing lines of credit. Reducing outstanding payments. Stricter monitoring of subsidiaries' debts.	Moderate
Property damage	Risk of fire, explosion, halted operations.	Proper insurance. Saving data in a remote digital locker on a daily basis.	Low

4.12 CORPORATE SOCIAL RESPONSIBILITY

Even though a company's basic purpose is generating profit for its stakeholders, the way in which it sets out to achieve this goal is also important. A company's activities must produce positive effects for its clients, partners, employees and their families, and the community. Datalab and

other companies in the group respect the principles of corporate social responsibility:

- fair and equal treatment of all employees;
- ethical and fair business practice;
- respect of basic human rights;
- environmental consciousness;
- good relations with the local community and society in general;
- giving back and support to the community.

In May 2011, we made a donation to the diving club M3 Novo mesto, which organized a river bed cleaning of the Krka river under the title EKO – SUB Krka 2011.

Also in May, we made a donation to the Kekec Foundation for children at risk, which in turn gave it Nina and her son Matjaž who was cerebral paralysis. The donation is intended for the purchase of a customized car so Matjaž can be taken to school and neurological physiotherapy. We hope the donation will help at least a little to a better future for him.

In addition, we annually pay a members' fee for LUGOS (open source community) at the Slovenian Institute for Standardization supporting the open source movement.

For more information on corporate social responsibility visit
<http://www.datalab.si/o-podjetju/druzbeno-odgovornost/>.

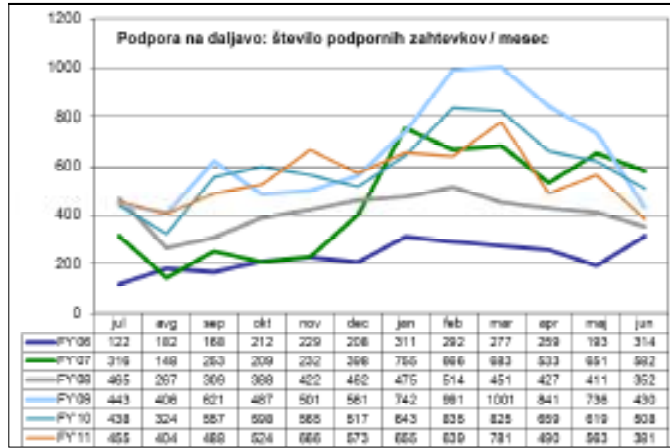
4.13 SUSTAINABLE DEVELOPMENT AND ENVIRONMENTAL POLICY

Datalab is very conscious of the environment. Even though its work takes place in a "clean" industry that does not directly produce huge amounts of pollutants, through a sound environmental policy, we can actively contribute to saving the planet.

Datalab is a large user of energy, most of which is used for powering computers and air conditioning. To reduce the negative impact, all of Datalab's computers are EPA certified, and its computer monitors use power saving features. The single largest power users are servers and server room air conditioning. In FY 2011, virtualization and network attached storage allowed us to replace 15 physical servers, thus significantly decreasing power use for server operation and cooling.

In FY 2009 we started with weekly and monthly Skype conferences of the group's directors; this year we started doing the same for all meetings. Teleconferences (Skype, ISL Groop) allow teams to function over remote locations and make it possible to geographically spread out development. This lowers the need for physical presence (e.g. visiting a subsidiary, meetings) and improves communications all over the organization. Web conferences are now used to hold weekly meetings of subsidiary directors, weekly meetings of the Development Team, and monthly meetings of the Development Team, the Support Team and their colleagues in other countries.

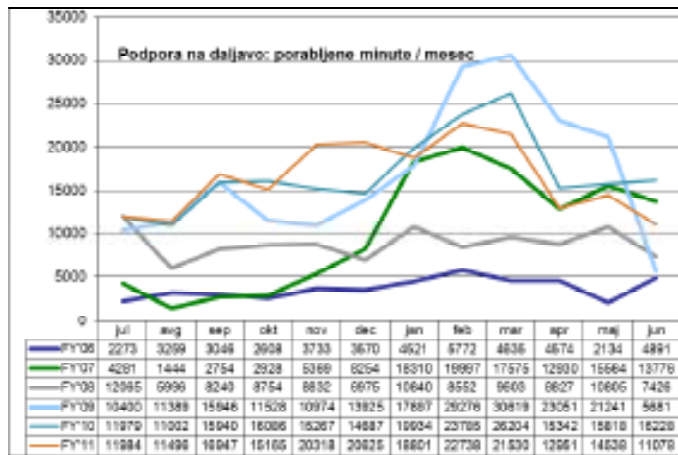
Environmental Sustainability Dashboard in PANTHEON is used for monitoring consumption of electricity and cost of heating and cooling.



The annual report also serves as an example of how we contribute to environment preservation since we do not print it anymore but publish it on-line only.

In most cases, support providers drove by car to clients. Because of this, a remote support system was introduced in 2006.

This eliminates the need to go to clients in person and saves time and money.



This cuts the transportation costs of our entire Partner Network and reduces carbon dioxide emissions. The Service Desk for Hosting will also be based on this proved technology, allowing problems to be solved remotely.

Datalab recycles paper and plastic packaging. Toners and waste electronic equipment are also properly disposed of.

Employees are encouraged not to waste paper and energy. Costs of heating and power have been lower than in the previous year (see chart below), proving that environmental consciousness is not detrimental to business.

4.13.1 Participation in Organizations

Datalab actively participates in various Slovenian and international organizations and standards bodies.

Andrej Mertelj, Executive Director of Datalab Tehnologije, d. d.:

- is the chairman of the Information and Communication Technologies Association at the Chamber of Commerce and Industry;
- is the president of KODA.SI, which is the association of software developers at the Chamber of Commerce and Industry; Datalab is the organization's co-founder;

- Datalab is a founding member of the Technology Platform for Software and Services with NESSI's (Networked European Software & Services Initiative) Slovenia branch; Datalab is the organization's co-founder.

Foundation of an expert group for B2G issues regarding data submission to the Tax Administration came to a halt due to lack of interest shown by the Association (GZS-ZIT).

We successfully completed the project and set out new areas for future development as a test partner chosen by the Ministry of Public Administration in the project for further automation of the electronic submission of employee forms.

Datalab has got a seat in the ICT section of the Slovenian Standardization Institute.

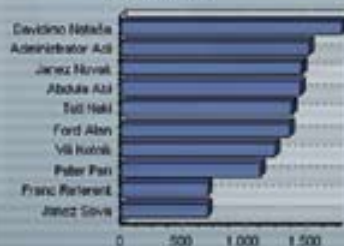
The e-business standardization body, first at the Chamber of Commerce and Industry and later with GS1, aims to standardize and popularize e-business among companies and government institutions.

Novi Pregled proizvodnje

Privatna Podružje

1.1.2017 - 31.12.2017

Top 10 delavcev



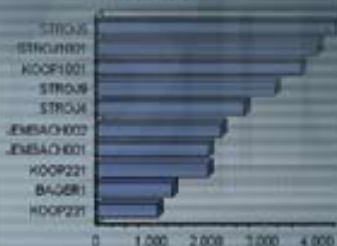
Top 10 delavcev po opravljenih urah v zadnjem letu.

Statistika nezaključenih DI



Stanje nezaključenih dobrih nalogov po statusih.

Top 10 (100%) DI



Top 10 resursov po opravljenih urah v zadnjem letu.

Proizvodnja posameznih izdelkov vrednostno

Člen	Ime	Vrednost
ART001	Artikal prvi	800.215,00
ART002	Artikal drug	652.144,00
COOLX001	Zabitek 04.01	56.575,95
COOLX01	Zabitek 01	41.554,20
COOLEX002	Zabitek MP 04.02	41.042,80
COOLX04	Zabitek 04	2.977,95
COOLEX001	Zabitek MP 04.01	2.900,07
COOLEX003	Zabitek MP 02	2.676,77
COOLEX004	Zabitek MP 01	1.738,64
COOLEX005	Zabitek MP 03	1.579,97
COOLEX006	Zabitek MP 04	1.030,00

Poraba posameznih materialov vrednostno

Člen	Ime	Vrednost
MATERIALPF002	Material PF 02.02	203.501,05
POLIZOLEK001	Polizolek 01.01	202.989,60
MATERIAL02	Material 02	192.801,02
MATERIALPF01	Material PF 01	181.526,10
SEST01	Sestavni del 01	151.108,89
MATERIAL03	Material 03	9.804,20
MATERIAL05	Material 05	9.757,88
POLIZOLEK001	Polizolek MP 01	9.590,91
MATERIAL04	Material 04	8.454,73
MATERIALPF001	Material PF 01.01	7.305,15
MATERIALPF02	Material PF 02	5.277,00

5

Financial Statements of the Datalab Group

Statement of the Executive Board of the Controlling Company

The Executive Board of Datalab Tehnologije, d. d. is responsible for drawing up annual report of the controlling company and Datalab group and financial statements which give a true and honest picture of property balance and consolidated profit and loss account to the interested public for year 2011. The controlling company's Executive Board declares:

- that the consolidated financial statement have been prepared under the assumption that Datalab Tehnologije, d. d., and its subsidiaries will continue their business in the future;
- that chosen accounting policies were adhered to; and any changes made to the accounting policies used have been disclosed accordingly;
- that accounting estimates have been prepared in a fair and well-considered manner and in accordance with the principles of precaution and sound governance;
- that consolidated financial statements for the Datalab group of companies and the notes to them have been prepared according to applicable laws and IFRS;
- that the annual financial report includes honest summary data about the group's development and profit and loss statement as well as its financial position. It contains chapters detailing types of risk to which are subject the controlling company and its subsidiaries which are being consolidated.

The company Executive Board is also responsible for proper accounting, adoption of appropriate measures for protection of property and prevention and detection of frauds, and other irregularities or illegal activity.

With this statement the controlling company's Executive Board approves consolidated financial statements for year 2011 for publication.

Ljubljana, 3 November 2011

Executive Director
Andrej Mertelj

5.1 CONSOLIDATED COMPREHENSIVE INCOME OF THE DATALAB GROUP OF COMPANIES FOR THE PERIOD FROM 1 JULY 2010 TO 30 JUNE 2011

Item	Note	2011	2010
Sales	7	3.662.567	3.425.648
Other operating revenue	7	1.486.121	1.571.179
Gross operating income		5.148.688	4.996.827
Cost of materials, goods and services	8	1.593.259	1.732.489
Labor costs	9	1.928.688	1.816.410
Depreciation		855.433	784.550
Revalued operating expenses associated with intangible and fixed assets		59.907	299
Revalued operating expenses associated with current assets		71.312	74.192
Other operating expenses		82.018	63.591
Operating profit/loss		558.071	525.296
Financial revenue	10	103.996	147.880
Financial expenses	11	135.771	207.692
Net financial profit/loss	12	-31.775	-59.812
Other revenue		5.355	22.161
Other expenses		4.032	4.002
Tax on income	13	24.887	28.627
Deferred taxes	14	19.395	2.963
Net operating profit/loss for the fiscal year		522.127	457.979
Net operating profit/loss from continuing operations		522.127	457.979
Net operating profit/loss from discontinued operations			
Change in surplus arising from revaluation of intangible and fixed assets			
Change in surplus arising from revaluation of financial assets held for sale			
Profit and loss arising from conversion of financial statements of foreign companies		-127	
Actuarial gains and losses of defined benefit plans			
Other components of comprehensive income			
Total comprehensive income for the period		522.000	457.979
Total comprehensive income for the period attributed to majority owner		504.401	447.070
Total comprehensive income for the period attributed to minority owners		17.599	10.909
Weighted average number of shares		1.621.327	106.497
Basic net profit/loss per share		0,32	4,30
Extended net profit/loss per share		0,32	4,30
Continuing operations			
Basic net profit/loss per share		0,32	4,30
Extended net profit/loss per share		0,32	4,30
Discontinued operations			
Basic net profit/loss per share		0	0
Extended net profit/loss per share		0	0

5.2 CONSOLIDATED BALANCE SHEET OF THE DATALAB GROUP OF COMPANIES AS OF 30 JUNE 2011

Item	Note	FL 11	FL 10
ASSETS			
Property, plant and equipment	15	258.819	60.545
Intangible assets	16	4.369.572	3.913.623
Long-term financial investments	17	1.249	1.249
Long-term operating receivables	18	257.232	353.078
Long-term deferred costs and accrued revenue	19	42.393	26.088
Deferred tax assets	20	68.224	48.830
Fixed (non-current) assets total		4.997.489	4.403.413
Inventories	21	8.150	7.304
Short-term financial investments	22	139.921	126.394
Short-term operating receivables	23	1.070.683	1.436.517
Cash and cash equivalents	24	102.721	149.417
Short-term deferred costs and accrued revenue	25	113.293	100.112
Assets held for sale			
Current assets total		1.434.768	1.819.744
Assets total		6.432.257	6.223.157
EQUITY			
	26		
Share capital		1.965.441	444.493
Capital surplus		258.722	2.686
Translation reserve		357	484
Profit reserves		196.545	44.450
Retained net profit/loss		447.431	1.837.378
Net operating profit/loss for the fiscal year		504.528	447.070
Equity of minority owners		87.430	70.660
Total equity		3.460.454	2.847.221
LIABILITIES			
Long-term financial liabilities	27	938.429	39
Long-term operating liabilities	28	2.185	
Allocations	29	14.622	12.496
Long-term accrued costs and deferred revenue	30	559.217	759.197
Long-term liabilities total		1.514.453	771.732
Short-term financial liabilities	31	580.357	1.488.240
Short-term operating liabilities	32	692.600	915.530
Accrued costs and deferred revenue	33	184.393	200.434
Liabilities held for sale			
Short-term liabilities and accrued costs and deferred revenue total		1.457.350	2.604.204
Liabilities and accrued costs and deferred revenue total		2.971.803	3.375.936
Equity and liabilities total		6.432.257	6.223.157

5.3 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE DATALAB GROUP OF COMPANIES FOR THE PERIOD FROM 1 JULY TO 30 JUNE 2011

	Share capital	Capital surplus	Legal reserves	Reserves for own shares	Own shares and interests (as deduction item)	Other profit reserves	Retained net profit	Net profit for the fiscal year	Equity of minority owners	Total
A. Initial balance for the period	444.493	2.686	44.450	429	-429	484	1.837.378	447.070	70.660	2.847.221
B. Changes in equity – transactions with owners	20.948	256.036	0	0	-60.922	0	-124.000	0	-829	91.233
a) Subscription of called-up share capital	20.948	235.825								256.773
b) Disposal or withdrawal of own shares and own interests		20.211								20.211
c) Purchase of own shares and interests					-60.922					-60.922
č) Dividend payout							-124.000			-124.000
d) Other changes in equity									-829	-829
C. Total comprehensive income for the period	0	0	0	0	0	-127	0	504.528	17.599	522.000
a) Net profit/loss for the period								504.528	17.599	522.127
b) Other components of comprehensive income for the period						-127				-127
Č. Movements within equity	1.500.000	0	152.095	60.922	0	0	-1.265.947	-447.070	0	0
a) Allocation of net profit to additional reserves, based on a resolution of the meeting of shareholders							447.070	-447.070		0
b) Allocation of part of the net profit for the period to other components of equity by decision of bodies of management and control	1.500.000		152.095				-1.652.095			0
c) Establishment of reserves for own shares and interests from other components of equity				60.922			-60.922			
D. Closing balance for the period	1.965.441	258.722	196.545	61.351	-61.351	357	447.431	504.528	87.430	3.460.454

5.4 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE DATALAB GROUP OF COMPANIES FOR THE PERIOD FROM 1 JULY TO 30 JUNE 2010

in euros	Share capital	Capital surplus	Legal reserves	Reserves for own shares	Own shares and interests (as deduction item)	Other profit reserves	Retained net profit	Net profit for the fiscal year	Equity of minority owners	Total
A. Initial balance for the period	444.493	2.686	41.763	429	-429	533	1.572.418	202.211	46.841	2.310.945
B. Changes in equity – transactions with owners	0	0	0	0	0	0	65.436	0	12.910	78.346
b) Other increases in components of equity							65.436		12.910	78.346
C. Total comprehensive income for the period	0	0	0	0	0	-49	0	447.070	10.909	457.930
a) Net profit/loss for the period								447.070	10.909	457.979
b) Other decreases in components of equity						-49				-49
Č. Movements within equity	0	0	2.687	0	0	0	199.524	-202.211	0	0
a) Allocation of net profit as a component of equity, based on a decision of the management and the supervisory board			2.687				-2.687			0
b) Allocation of net profit to additional reserves, based on a resolution of the meeting of shareholders							202.211	-202.211		0
D. Closing balance for the period	444.493	2.686	44.450	429	-429	484	1.837.378	447.070	70.660	2.847.221

5.5 CONSOLIDATED CASH FLOW STATEMENT FOR THE DATALAB GROUP OF COMPANIES FOR THE PERIOD FROM 1 JULY TO 30 JUNE 2011

in euros	FY 2011	FY 2010
Cash flow from operations		
Net profit/loss	522.127	457.979
Adjustments for:		
Revalued operating revenue and expense	138.043	60.839
Depreciation of property, plant and equipment	35.468	78.346
Depreciation of intangible assets	819.965	706.204
Net financial profit/loss	86.927	59.812
	1.602.530	1.363.180
Change in operating receivables, deferred costs and accrued revenue	375.494	-50.063
Change in inventories	-846	1.500
Change in short-term operating liabilities, accrued costs and deferred revenue	-372.485	-84.435
Change in provisions	0	0
Change in deferred tax assets	-19.395	-2.963
	1.585.298	1.227.219
Interest received	1.581	138.670
Interest paid	-88.508	-123.387
Paid tax on profit	-29.700	0
Net cash flow from operating activities	1.468.671	1.242.502
Cash flow from investing activities		
Cash disbursements for acquiring intangible assets	-1.336.257	-1.413.594
Cash disbursements for acquiring property, plant and equipment	-233.620	-25.781
Cash disbursements for acquiring investments	-180.283	-19.745
Cash receipts from investments	0	9.210
Cash receipts from loans	107.448	18.330
Cash receipts from disposal of intangible assets	0	57.973
Cash receipts from disposal of fixed assets	0	-6.872
Net cash flow from investing activities	-1.642.712	-1.380.479
Cash flow from financing activities		
Cash receipts from issuing equity	0	0
Expenses for repayment of capital	-60.922	0
Expenses for dividend payouts and other profit shares	-99.013	0
Cash receipts from long-term financial liabilities	330.330	0
Cash repayments of long-term financial liabilities	-71.940	-250.066
Cash receipts from short-term financial liabilities	520.656	757.520
Cash repayments of short-term financial liabilities	-491.766	-305.690
Net cash flow from financing activities	127.345	201.764
Net change in cash and cash equivalents	-46.696	63.787
Cash and cash equivalents at the beginning of the year	149.417	85.630
Cash and cash equivalents at the end of the year	102.721	149.417



Sistem kazalnikov Model Zrjavnega

Kazalniki Zrjavnega posamajna

Kazalnik	vrednost
Zrjavnost X1 - neto dobitki / celotna sredstva	0,30
Zrjavnost X2 - celotni dolg / celotna sredstva	3,51
Zrjavnost X3 - leazler. sred. / osetna sred.	0,00

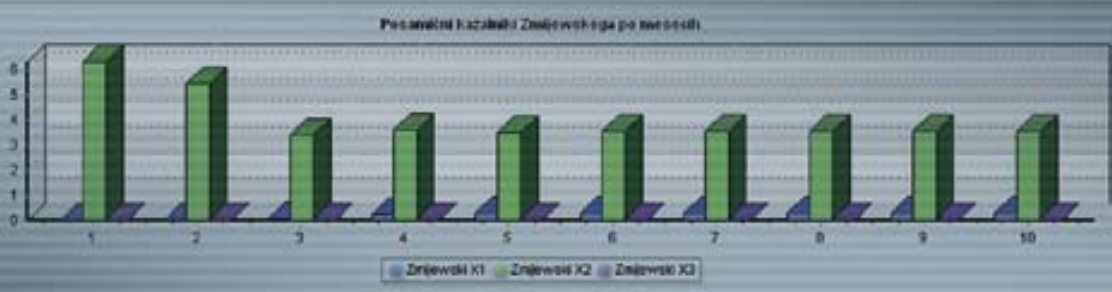
Kazalniki Zrjavnega

Kazalnik	vrednost
Zrjavnost	0,30

Web poslovanje: Denar

3000

Iskanje



Če želite videti vrednosti kazalnikov v skupini let, se jih pravi izbrati. Če je kazalnik negativni ali enak 0,0, se podatki umirita v skupini letih, ki jih stožici ne gon.

6

Notes To The Financial Statements

6.1 REPORTING COMPANY

Datalab Tehnologije, d. d., Ljubljana, is a Slovenia-based publicly-traded company. It is listed at the Ljubljana Stock Exchange. Consolidated financial statements for the fiscal year ending 30 June 2011 include the company and its subsidiaries (hereinafter referred to as the Group).

The main objective of the Group is developing of a powerful and reliable ERP system for micro, small and midsize businesses, selling and implementing in international markets, and managing the partner network.

The Group's principal business activity is 58.290 – Other software publishing.

As of 30 June 2011, the Group had 84 employees.

The financial statements of the Group for the fiscal year ending June 30, 2011 have been approved by the executive board on 3 November 2011.

6.2 BASIS FOR DRAWING UP THE STATEMENTS

6.2.1 Conformance Statement

The financial statements have been drawn up in accordance with IFRS, as adopted by the European Community, and interpretations of IFRIC, as adopted by the International Accounting Standards Board (IASB).

6.2.2 Basis for Measurement

The consolidated financial statements have been drawn up considering the original value, except in the following cases, where a fair value has been considered:

- financial derivatives,
- financial instruments at fair value through the operating results,
- financial assets available for sale,
- investment property,
- liabilities for payments in shares settled with cash.

The methods used to measure fair value are described in note number 3.44

6.2.3 Functional and Presentational Currency

All financial statements in this annual report are in whole euros. There might be slight discrepancies with totals because of rounding.

6.2.4 Estimates and Assessments

When preparing financial statements in conformity with IFRS, the management is required to make estimates, assessments and assumptions that affect the use of accounting policies and the presented value of assets, liabilities, revenues and expenses. Actual figures may vary.

Estimates and assumptions have to constantly reviewed. Corrections to accounting estimates are acknowledged for the period for which the estimates are being corrected and all future years that are affected by the correction.

Uncertainty evaluations and decisive assessments prepared by the management in line with the accounting policy that most significantly affect figures in the financial statements are:

- note no. 19 – mergers;
- note no. 11 – measuring obligations for certain earnings;
- note no. 29 – provisions;
- note no. 37 – valuation of financial instruments and their impairment.

6.2.5 Fiscal Year

The Group's fiscal year starts on July 1 and ends on June 30 in the following year.

6.3 ACCOUNTING POLICIES

The accounting policies described below have been consistently applied for all periods that are presented in the financial statements herein.

Some comparative amounts have been reallocated to ensure coherence with the current year. The comparative profit/loss statement is repeated so that it seems like operations have been interrupted during the year. The comparative profit/loss statement is shown separately for each period to give a better overview.

6.3.1 Basis for Consolidation

6.3.1.1 Subsidiaries

Subsidiaries are companies controlled by the Group. Controlling means that the Group is able to decide on financial and operational matters of a company to obtain benefits from its operation. Any voting rights that can be exercised or traded are taken into account when assessing the extent of control. Subsidiaries' financial statements are included in consolidated financial statements from the day the control starts to the day it ends. Subsidiaries' accounting policies have been adapted to the Group's accounting policies where required.

6.3.1.2 Operations not Included in Consolidation

Balances and unrealized profit and loss from operations within the Group are not included in consolidated financial statements. Unrealized profit from operations with jointly controlled companies are excluded to the extent of the Group's stake in those companies. Unrealized loss is excluded in the same way, provided no proof of impairment exists.

6.3.2 Foreign Currency

6.3.2.1 Foreign Currency Transactions

Foreign currency transactions are converted to the appropriate functional currency of the companies in the Group at the rate on the day of the transaction. Cash and liabilities expressed in foreign currency on the balance sheet date are converted to the functional currency at the going rate. Positive and negative exchange differences are differences between the amortized cost in the functional currency at the beginning of the period, adjusted for effective interest, and payments during the period and the amortized cost in foreign currency, converted at the rate at the end of the period. Non-monetary assets and liabilities expressed in foreign currency and measured at fair value are converted to the functional currency at the rate on the day when the fair value has been measured. Exchange differences are recognized in the operating results, but not differences from converting equity instruments held for sale, non-financial liabilities for insurance against risks, or cash flow insurance against risks that are recognized directly in equity.

6.3.2.2 Foreign Companies

Assets and liabilities of foreign companies, including goodwill and adjustment to fair value at acquisition, are converted to euros at the rate on the balance sheet date. Income and expense of foreign companies, except companies in hyperinflation economies, are converted to euros at the rate on the day of the conversion.

Income and expense of foreign companies in hyperinflation economies are converted to euros at the rate on balance sheet date. Prior to converting financial statements of foreign companies in hyperinflation economies, financial statements are converted and thus changes in general purchasing power of the local currency are taken into account. The conversion is based on price indexes as of the balance sheet date.

Exchange differences from the conversion are directly recognized in equity. From the day of the transition to IFRS, these differences are recognized in foreign currency translation reserve (FCTR). If a foreign company is disposed (partially or completely), the amount in the foreign currency translation reserve is transferred into the profit/loss statement.

Foreign currency profit and loss, based on monetary items in the form of receivables from or liabilities to a foreign company and the payment of which is not planned or intended in the near future, is treated like a part of net financial investments into a foreign business unit and is recognized directly in equity and translation reserve.

6.3.3 Financial Instruments

The Group classifies its investments into the following categories: financial assets held for sale, financial assets at fair value through the operating results, and loans and receivables. The classification depends on the purpose for which the investment was acquired. In 2011, the Group did not have any financial assets for sale and financial assets at fair value through the operating results.

6.3.4 Non-Derivative Financial Instruments

Non-derivative financial instruments include investments in capital and debt securities, operational and other receivables, cash and cash equivalents, received and given loans, and operational and other liabilities.

Non-derivative financial instruments are initially recognized at fair value, increased by (instruments that are not recognized at fair value through the operating results) cost that is directly related to a transaction. After the initial recognition, non-derivative financial instruments are measured as described below.

Cash and cash equivalents consist of cash on hand and deposits on demand. Bank account overdrafts that can be settled on demand and are part of cash management in the Group are in the cash flow statement included in cash and cash equivalents.

Accounting of financial income and expense is described in 10. and 11.

6.3.5 Equity Capital

6.3.5.1 Called-Up Capital

Called-up capital of Datalab Tehnologije, d. d., appears as equity capital that is nominally specified in the company's articles of association, registered at court, and paid in by its owners. Dividends for common stock are recognized in equity in the period for which they were approved by the shareholder assembly.

6.3.5.2 Reserves for Own Shares

If the parent company or its subsidiaries acquire a stake in the parent company, the paid amount including transaction fees without taxes is subtracted from equity as own shares, until those shares are withdrawn, re-issued or sold. If own shares are later sold or re-issued, all received payments excluding transaction fees and related taxes are included in equity.

6.3.6 Fixed Assets

Fixed assets (property, plant and equipment) are kept at their original cost, decreased by cumulative depreciation and cumulative loss due to impairment, except for land, which is presented at original cost, decreased by any impairments. Original cost includes all costs that can be directly attributed to the acquisition of a fixed asset. Maintenance and repairs as well as replacement and improvement of minor significance are recognized as expenses in the period they occur. Larger amounts are depreciated over the remaining useful life of a fixed asset or to the day of the next major renovations, whichever is sooner. The residual value and useful life of each fixed asset is checked annually and adjusted if necessary. The book value of a fixed asset is immediately partly written off to the recoverable amount, if the book value is greater than the estimated recoverable amount, and is recognized in the operating results.

Depreciation is calculated using straight-line depreciation, taking into account useful life as follows:

Asset	Depreciation rate in % since 1 July 2010	Depreciation rate in % before June 30, 2010
Buildings	2,5	-
Computers	50	50
Furniture and chairs	20	20
Vehicle equipment	20	20
Other equipment	10-25	10-25

Depreciation calculation starts when a fixed asset is ready for use; unfinished constructions are not depreciated.

Profit and loss from sale or deactivation of a fixed asset is determined by comparing sales revenue with book value. It is included in the operating results.

Fixed assets acquired through tenders are recognized as assets, but the amount of the subsidy is counted towards accrued costs and deferred revenue, which is then monthly decreased by the depreciation amount.

6.3.7 Intangible Assets

6.3.7.1 Goodwill

Goodwill (or negative goodwill) is generated through acquisition of subsidiaries, affiliated companies and joint ventures.

6.3.7.2 Acquisitions from the Day of the Transition to IFRS Onwards (including)

With acquisitions since January 1, 2006, goodwill pertains to the surplus or difference between the purchase cost and the Group's stake in the net fair value of determined assets, liabilities and contingent liabilities of the acquired company. If the surplus is negative (negative goodwill), it is directly recognized in the profit/loss statement.

Intangible assets are initially measured at their original value.

6.3.7.3 Other Intangible Assets

Intangible assets acquired through tenders are recognized as assets, but the amount of the subsidy is counted towards accrued costs and deferred revenue – government grants, which is then monthly decreased by the depreciation amount. The depreciation rate for such assets is the same as for assets that the Group purchases with own funds.

6.3.7.4 Subsequent Cost

Subsequent expenses related to intangible assets are capitalized only when they increase future economic benefits which are derived from the asset to which the expenses pertain. All other costs, including trademarks and goodwill generated within the Group, are recognized in the operating results as expenses as soon as they occur.

6.3.7.5 Depreciation

Depreciation is calculated using straight-line depreciation, taking into account useful life of intangible assets (except goodwill) and beginning when the asset is ready for use. Estimated useful life for the current year and a comparable year:

Asset	Depreciation rate in % since 1 July 2010	Depreciation rate in % before June 30, 2010
Intangible asset – PANTHEON	10	10
Intangible asset – FENIKS	25	25
Material rights and copyrights	50	50

6.3.8 Leased Assets

Leases where the Group assumes are major forms of risks and benefits related to asset ownership are regarded as financial leases. After initial recognition, a leased asset is presented in an amount equivalent to the fair value, or if it is less than that, the current value of the lowest total

of lease payments. After initial recognition, assets are measured in accordance with accounting policies for such assets.

Other leases are treated as operating leases and, with the exception of investment property, leased assets are not recognized in the Group's balance sheet. Investment property under operating lease is presented in the Group's balance sheet at fair value.

6.3.9 Inventories

Inventories of goods are initially valued at their original cost, composed of purchase price, import duties and direct procurement costs. The purchase price is decreased by any discounts. Direct procurement costs are transport costs, handling costs, transport insurance, goods tracking, intermediation costs and similar costs to the first warehouse if borne by the customer, and non-refundable duties. Purchase price discounts include those specified in invoices as well as those granted subsequently that pertain to a certain delivery.

Inventories consist only of advertising materials from the PANTHEON Online Shop and are not subject to revaluation or impairment.

Decrease in value of inventories in materials and small tools is charged to the cost of materials, while the decrease in value of goods is charged to the relevant operating expenses. Consumption of goods is accounted on the basis of the average cost method.

The cost of inventories includes the purchase price, customs and other duties (excluding those that are subsequently refunded by tax authorities), transport cost, handling and other costs, that can be attributed directly to the acquired goods, materials or services. Trade discounts, rebates and other similar items are deducted in determining the cost of purchase.

Consumption of materials is accounted on the basis of the method of average cost in the period.

The net realizable value is the estimated sale price achieved in normal operation, minus estimated cost of finishing and estimated cost of selling.

6.3.10 Impairment of Assets

6.3.10.1 Financial Assets

The Group assesses the value of financial assets on the reporting date to determine if an objective sign of asset impairment exists. A financial asset is impaired if objective proof exists that one or more events led to a decrease in expected future cash flows from that asset.

Loss due to impairment related to a financial asset, presented at amortized cost, is calculated as the difference between the asset's carrying value and expected future cash flows, discounted at the original interest rate.

Trade receivables are presented at nominal value, decreased by proper adjustments for estimated unrecoverable amounts.

Receivables that are assumed not to be settled on time or in full, are regarded as doubtful; if legal action has been initiated they are regarded as disputed.

Receivables are adjusted if the need arises, which is considered based on individual estimates of recoverability.

Loss due to impairment of financial assets held for sale is calculated according to an asset's current fair value.

For key financial assets, the estimation of impairment is performed individually. The impairment estimation of other financial assets is performed in groups according to common properties in risk exposure.

All impairment losses are presented in the profit/loss statement for the period. Any accrued

loss related to financial assets held for sale that was recognized directly in equity is transferred to the operating results.

The loss due to impairment is derecognized if it can be objectively attributed to an event that occurred after the impairment has been recognized. For financial assets presented at amortized cost and financial assets held for sale, which are debt instruments, the derecognition of loss due to impairment is presented in operating results. Derecognition of financial assets held for sale that are equities are presented directly in equity by the Group.

6.3.10.2 Non-Financial Assets

On each reporting date, the Group checks the remaining carrying value of non-financial assets of the group, except biological assets, investment property, inventories and deferred tax assets, to determine any signs of impairment. If such signs exist, the asset's recoverable value is estimated. An estimate of the impairment of goodwill and intangible assets with an unspecified useful life that are not yet ready for use is performed on every reporting date.

The recoverable value of an asset or a cash-generating unit is its value in use or its fair value minus cost of selling, whichever is higher. When determining an asset's value in use, expected future cash flows are discounted to their current value at pre-tax rates, that reflect current market assessments of the time value of money and the risks specific to the asset. To test for impairment, assets are grouped into the smallest possible groups that generate cash flow from permanent use, largely independent from those from other assets or asset groups (cash-generating units). To test for impairment, goodwill obtained from mergers is distributed to cash-generating units that are expected to benefit from the synergy of merging.

Impairment of assets or cash-generating units is recognized if their book value is greater than their recoverable value. The impairment is presented in operating results. Loss that is recognized for cash-generating units due to impairment is allocated in such a way that first the book value of goodwill allocated to a cash-generating unit is decreased, and then to other assets of the unit (group of units) in proportion to the book value of each asset in the unit.

Loss due to impairment of goodwill is not derecognized. For other assets, the Group assesses loss due to impairment in previous periods on the balance sheet date and thus determines if the loss has decreased or is not present at all. Loss due to impairment is derecognized if the assessments have changed based on which the Group determines an asset's recoverable value. Loss due to impairment is derecognized to the amount up to which the increased book value of an asset does not exceed the book value that would have been determined after subtracting depreciation, if no loss due to impairment had been recognized in previous years.

6.3.11 Employee Benefits

6.3.11.1 Other Long-Term Employee Benefits – Allocations for Severance Pays and Long Service Rewards

The Group's net liability for long-term employee benefits is the sum of future benefits that employees have acquired for their services performed in the current and past periods. That amount of benefits is then discounted to determine its current value, and the decreased by the fair value of all related assets. The discount rate is the reported return of AA rated bonds the maturity of which is roughly the same as the maturity of the Group's obligations. The calculation uses the projected unit credit method. Any actuarial gains and losses are recognized in the operating results of the period of their occurrence.

6.3.11.2 Short-Term Employee Benefits

Liabilities for short-term employee benefits are not discounted and are presented as expenses

after an employee's work related to a given short-term benefit is complete.

Liabilities are presented in the amount for which payment is expected in the form of a premium, payable within twelve months of finishing work, or a profit sharing scheme if the Group has a current legal or indirect commitment for such payments due to past work of an employee and the liability can reliably be measured.

6.3.12 Allocations

Allocations are recognized when the Group has a current legal or indirect commitment due to past events, if it is likely that settlement will require fund outflow and that the amount can reliably be estimated.

6.3.12.1 Post-Employment Benefits

Employees are entitled to severance pay when they retire, which is recognized when they conclude their employment in accordance with the Employment Act. For severance pay upon retirement, the projected unit credit method (the method of imputing benefits in proportion to the performed work) is applied, and therefore the Group establishes provisions appropriate to the achieved length of service of employees. Actuarial valuation is performed on 30 June and is properly presented in operating results.

Severance pay upon retirement when due reduces the established provisions.

6.3.12.2 Other Long-Term Benefits

Employees are entitled to long-term service rewards that are recognized when an employee reached a certain length of service. For severance pay upon retirement, the projected unit credit method (the method of imputing benefits in proportion to the performed work) is applied, and therefore the Group establishes provisions appropriate to the achieved length of service of employees. Actuarial valuation is performed on 30 June and is properly presented in operating results. Long service rewards when due reduce the established provisions.

6.3.13 Revenue

6.3.13.1 Sales of Products

Sales of products are recognized at fair value of the received payment or liability, decreased by refunds, rebates and quantity discounts. Revenue is presented when a customer assumes all major forms of risks and benefits related to asset ownership, when there is certainty about the ability to pay compensation and the related expenses or about the option for returning products, when the Group ceases to decide on sold products, and when the revenue amount can reliably be measured.

Transferring risks and benefits depends on the terms of the purchase contract. For goods sales, the transfer is generally made after the goods have arrived at the customer's warehouse, but for some international deliveries the transfer is made when the goods are loaded for transport.

6.3.13.2 Sales of Services

Sales of services are recognized in operating results based on the service's stage of completion on the reporting date. The state of completion is assessed with a review of the completed tasks.

A majority of the Group's revenue is from sales of licenses and upgrade agreements. Apart from regular purchasing licenses outright, customers can also pay with a 5-year installment plan, or lease it for six years (hereinafter referred to as RLGS Agreements). Revenue from RLGS Agreements is composed of license fees, upgrades and financing.

Income from tenders, subsidies or grants is recorded by the Group at the signing of the contract and in the moment when their occurrence becomes certain.

Uncertainty evaluations and decisive assessments prepared by the management in line with the accounting policy that most significantly affect figures in the financial statements are:

- explanation on allocations and contingent liabilities;
- valuation of assets.

6.3.13.3 Revenue from Rents

Revenue from rents and investment property is recognized in revenue on a straight line basis over the term of the rent. Any given rent-related incentives are recognized as a part of total revenue from rents.

6.3.14 Government Grants

Government grants are initially recognized in accounting statements as deferred revenue, if there is reasonable assurance that the Group will receive said grants and will fulfill the necessary requirements. Government grants received for covering costs are recognized strictly as revenue in the periods when said costs occur, that the grants should be covering. Grants related to assets are recognized in operating results strictly as other operating revenue in the useful life of an asset.

6.3.15 Financial Leases

Payments from financial leases are recognized as revenues on a straight line basis over the lease term. Any received lease-related incentives are recognized as a part of total expenses for leases.

The minimum lease payments due are distributed among financial expenses and decrease of outstanding debt. Financial expenses are distributed among periods over the lease term to get a fixed interest rate for the outstanding debt balance for each period. The Group presents contingent payments from financial leases in the amount that, when the lease is changed, the minimum lease payment for the remaining term is re-assessed.

Contingent payments from financial lease are presented when the contingent liability no longer exists and when the change in the financial lease's value is known, namely in the amount determined by reassessing the minimum lease payment in the remaining term of the lease.

6.3.16 Financial Revenue and Financial Expenses

Financial revenue consists of interest from investment (including financial assets held for sale), dividend revenue, revenue from disposal of financial assets held for sale, changes in fair value of financial assets at fair value through operating results, and gains from instruments for insurance against risks, which are recognized in operating results. Revenue from interest is recognized in operating results upon its occurrence using the effective interest rate method. Dividend revenue is recognized in operating results on the day the shareholder's right to payment is exercised, which is for listed companies generally the date when the right to current dividends ceases to be related to the share.

Financial expenses consist of borrowing costs, differences from recalculating allocation discounts, dividends from preferred shares presented among liabilities, changes in fair value of finan-

cial assets at fair value through operating results, loss due to impairment of financial assets, and loss from instruments for insurance against risks, which is recognized in operating results. Borrowing costs are recognized in operating results using the effective interest rate method.

Profit and loss from exchange differences are presented in net amounts.

6.3.17 Tax on Profit

The tax on profit or loss in the fiscal year consists of current tax and deferred tax. The tax on profit is presented in operating results, except for the part pertaining to items that are presented directly in equity and is therefore presented in equity.

Current tax is the tax expected to be paid from taxable profits for the fiscal year, using the tax rates that have been enacted or substantively enacted by the reporting date, and any adjustments to tax liabilities related to past fiscal years.

Deferred tax is presented using the balance sheet liabilities method, whereby temporary differences between asset and liability book value for financial statements and amounts for tax reporting are taken into account. The following temporary differences are not included: initial recognition of assets or liabilities in transactions other than mergers that have no effect on accounting profits or taxable profits, and differences related to investments in subsidiaries and jointly-controlled companies in the amount that is likely not to be derecognized in the foreseeable future. Furthermore, the deferred tax is not presented if there are taxable temporary differences at the initial recognition of goodwill. Deferred tax is presented in the amount that is expected to be payable upon derecognition of temporary differences based on laws enacted or substantively enacted by the reporting date. The Group sets off deferred tax assets liabilities, if it has a legally enforceable right to set off recognized current tax assets and liabilities and if they pertain to the tax on profit levied by the same taxation authority in connection with the same taxable unit; or different taxable units that either intend to settle current tax liabilities and tax assets with a difference, or simultaneously recover assets and settle liabilities.

Deferred tax assets are recognized in the amount for which it is likely that a future taxable profit will be available that might be used to cover the deferred asset. Deferred tax assets are reduced by the amount for which it is not likely that asset-related tax reliefs can be claimed.

6.3.18 Earnings per Share

For regular shares, the Group presents basic earnings per share and adjusted earnings per share. Basic earnings per share are calculated by dividing profit or loss belonging to common shareholders with the weighted average number of shares in the fiscal year. Adjusted earnings per share are calculated by adjusting profit or loss belonging to common shareholders and the weighted average number of shares in the fiscal year for the effect of all dilutive potential common stock, which represents convertible bonds and employee stock options.

6.3.19 Reporting by Segments

A segment is a distinct part of the Group that deals with products and services (industry segment) or products and services in a given environment (geographical segment) and is subject to risks and yield different from other segments. Information by segments is presented by the Group's industry and geographical segments. The Group's report by segments is based on industry segments. The Group's industry segments are based on the Group's management and its internal reporting structure.

The prices of inter-segment transfers on an arm's-length basis.

Operating results, assets and liabilities by segments contain items that can directly be attributed to a segment, and also those that can justifiably be allocated to a segment. Unallocated items

mostly pertain to: investments (except investment property) and all related revenue, received and given loans and their related expenses, common assets (primarily company headquarters) and expenses of the headquarters, and profit tax assets and liabilities.

A segment's investments in long-term assets consist of the total costs in the current fiscal year from the acquisition of fixed assets and intangible assets, excluding goodwill.

6.4 DETERMINING FAIR VALUE

Considering the Group's accounting policies and breakdowns, many times a fair value of financial and non-financial assets and liabilities must be determined. The fair values of single asset groups for the purpose of measuring or reporting are determined herein. Additional explanations regarding assumptions for determining fair value are given along individual breakdowns of the Group's assets or liabilities.

6.4.1 Fixed Assets

The fair value of fixed assets from business combinations is equal to their market value. The market value of immovable property is equal to the estimated value at which the property could be sold by a willing seller to a willing buyer at arm's length on the day of the valuation and after appropriate marketing. The market value of plant, equipment, furniture and fixtures is based on the offered market price of similar objects.

6.4.2 Intangible Assets

The fair value of patents and trademarks acquired through business combinations is based on the estimated discounted future value of royalties, which will not need to be paid because the patent or trademark is already owned. The fair value of other intangible assets is determined by taking the current value of estimated future cash flows that are expected from their use or potential sale.

6.4.2.1 Operating and Other Receivables

The fair value of operating and other receivables is calculated as the current value of future cash flows, discounted at market interest rates on the reporting date.

6.4.2.2 Non-Derivative Financial Liabilities

The fair value is for reporting purposes calculated based on the current value of future payouts of the principal and interest, discounted at the market interest rate on the reporting date. In connection with the portion of liabilities from convertible bonds, the market interest rate is determined by comparing with similar liabilities that cannot be converted to equity. For financial leases, the market interest rate is determined by comparing with similar lease contracts.

6.5 FINANCIAL RISK MANAGEMENT

The company does not use financial instruments. The company assesses financial risks within the following groups:

- credit risk,
- reduced liquidity,
- market risk.

This chapter discusses the company's exposure to said risks, its goals, policies and procedures for measuring and managing risks, and its handling of capital. Other quantitative disclosures can be found in the continuation of the Notes to the financial statements.

The management is fully responsible for establishing the company's framework for risk management. The finance and accounting department deals with risk measurement and management. The person responsible for finance and accounting reports to the executive director about activities in this field.

Risk management policies are designed to define and analyze risks that threaten the company, based on which proper restrictions and controls are set up, risks monitored and restrictions respected. Risk management policies and systems are regularly checked to reflect changes in market conditions and the company's activities. With training as well as standards and procedure for risk management, the company endeavors to develop a disciplined and constructive environment where all employees are aware of their roles and responsibilities.

The Executive Board ensures that risk management policies and procedures are respected, and assesses the suitability of the risk management framework for the risks that the company faces.

6.5.1 Credit Risk

Credit risk is the risk that the Group will suffer financial loss if a client or a contracting party in a financial instrument agreement fails to fulfill its contractual obligations. Credit risk arises primarily from the Group's receivables from clients and investment securities.

6.5.2 Operating and Other Receivables

The Group's exposure to credit risk depends largely on the characteristics of individual clients. Client demographics and risk of non-payment with regard to the industry or country of a client do not have a significant effect on credit risk. Geographically speaking, there is no concentrated credit risk.

The finance and accounting department assesses each new client's creditworthiness before it is given standard terms of payment and delivery. The assessment factors in external ratings if they exist, and in some cases also bank references. The credit limit is set in the form of a maximum outstanding amount that need not be approved and is client-specific; credit limits are checked every four months. Clients that do not meet the Group's standard creditworthiness are required to make payments in advance.

The Group makes adjustments for impairments that represent estimated losses from operating and other receivables and investments. The main elements of adjustments are the special part of the loss, which pertains to single major risks, and the common part of loss, which is for groups of similar assets due to losses that have occurred but have not yet been identified. The adjustment for total loss is determined by factoring in historical data that pertains to statistics of payments for similar financial assets.

6.5.3 Guarantee

In line with its policies and financial capacity, the Group issues financial guarantees only to wholly-owned subsidiaries.

6.5.4 Reduced Liquidity

Liquidity risk is the risk that the Group might not be able to settle its financial obligations when due. The Group maintains maximum liquidity by having sufficient liquid assets to settle obligations in time, both in normal and troubled circumstances, without incurring unacceptable loss or reputation damage.

The Group has several credit lines for ensuring liquidity where it can draw from if the need arises.

6.5.5 Market Risk

Market risk is the risk that fluctuations in market factors, such as interest rates, exchange rate and equity instruments, will affect the Group's revenue or value of financial instruments. The objective of market risk management is the control over exposure to market risks to a reasonable degree, while optimizing profits.

6.5.6 Currency Risk

The Group is exposed to currency risk when buying, selling, lending and borrowing, specifically when making transactions in currencies other than the functional currency. The Group operates mostly with euros.

The significance of the key currency pair has changed since the introduction of the euro, because no currency pair fits into this category, but due to unbalanced foreign currency positions, some of the more important currency pairs have been identified that are geographically related to the Group's subsidiaries: euro/Croatian kuna, euro/Macedonian denar and euro/Serbian dinar. The company attempts to reduce currency risks by factoring them into markups, by balancing purchases and sales, with well-timed foreign currency coverage of inflows with outflows, and by taking out loans in the local currency.

6.5.7 Interest Rate Risk

Interest rate risk is the risk that a financial instrument's value will fluctuate due to variable interest rates. The majority of the Group's debt instruments is bound to a fixed interest rate, therefore operations are not exposed to interest rate risk. Interest rate risk is reduced by adapting interest rates for assets to interest rates for liabilities; furthermore, simulations are performed on the balance sheet in regard to absorption of financing in relation to interest rate fluctuation.

6.5.8 Equity Risk

The Executive Board decided to keep equity large in order to build the trust of investors, creditors and the market, and to facilitate the Group's sustainable growth. The Executive Board monitors the capital gains that the Group defined as net operating revenue, divided by the total shareholder's equity, excluding non-redeemable preferred shares and minority stakes. Also monitored is the dividend amount paid to common shareholders.

The Group endeavors to keep a balance between high yields supported by large loans and the benefits and security of a strong equity position.

The Group occasionally buys own shares, depending on the current market price of the share. In general, such shares are intended for profit sharing schemes. The decision for buying and selling shares is made by the risk management committee separately for each transaction. The Group does not have a special plan for buying own shares.

The Group did not change its equity management policies in this fiscal year.

Neither the parent company nor its subsidiaries are subject to equity requirements set by external entities.

6.6 REPORTING BY SEGMENTS

The Group considers that risks and returns from various activities in selling the ERP system PANTHEON are alike in their principal characteristics, that is why there is only one industry segment and two geographical segments. The primary reporting segment of the Group is the geographical segment. The two geographical segments are the Slovenian market and other foreign markets.

	Slovenia		Other markets		Consolidated	
	FY 11	FY 10	FY 11	FY 10	FY 11	FY 10
Revenue	3.245.808	3.274.594	2.012.231	1.892.274	5.258.039	5.166.868
Assets of the segment	5.469.320	5.497.645	962.937	725.512	6.432.257	6.223.157
Cost of fixed assets	8.146.099	6.872.318	431.952	200.685	8.578.051	7.073.003

Details about key business performance items by companies in the Group:

in euros	Datalab d. d.	Datalab SI	Datalab HR	Datalab SR	Datalab MK	Datalab BA	Datalab MN
Revenue	3.542.852	1.456.750	549.373	607.326	258.376	578.809	155.044
Depreciation	831.416	0	9.864	9.217	2.491	2.313	132
Net profit/loss	436.145	14.663	5.678	33.375	-990	14.399	15.839
% of net profit or loss/revenue	12,31	1,01	1,03	5,50	-0,38	2,49	10,22

Details about the stakes of the parent company in companies in the group (by companies and equity held):

in euros	Stake	Investment value of Datalab, d. d., as of 30 June 2011	Capital of the individual company as of 30 June 2011
Investment into Datalab Tehnologije, d.o.o. - Croatia	51 %	123.000	72.237
Investment into Datalab BA, d.o.o. - Bosnia and Herzegovina	51 %	524	86.883
Investment into Datalab MK, d.o.o., - Macedonia	100 %	38.832	39.829
Investment into Datalab SR, d.o.o. - Serbia	100 %	5.000	119.968
Investment into Datalab MN, d.o.o. - Montenegro	51 %	0	19.309
Investment into Datalab SI, d.o.o. - Slovenia	100 %	7.500	22.162
Subsidiaries total		174.856	360.388
Investment into Datalab Automotive, d.o.o. - Serbia	24,99 %	1.249	
Other companies total		1.249	

Datalab Automotive, d.o.o. – Serbia was not included into consolidated statements due to the insignificance of its data.

6.7 OPERATING REVENUE

in euros	FY 2011	FY 2010
Sales	3.662.567	3.425.648

Sales consist largely of sales of licenses and software upgrades. A minor part of sales include sales of implementations, training, certification, promotional services and membership fees.

in euros	FY 2011	FY 2011
Other operating revenue	1.486.121	1.571.179

The majority of other operating revenue are capitalized own products and services in the amount of 1,325,172 euros, which represents the development of PANTHEON.

Subsidies, grants, allowances, compensations and other revenue associated with products and services include the subsidy of the Slovenian Ministry of Higher Education and Technology for developing an ecosystem for e-business in SMEs (project Feniks). This income was financed in the amount of 95,118 euros, which is proportional with the cost of depreciation of the Feniks project. For the remainder of the approved subsidy, long-term allocations in the amount of 250,112 euros have been established to cover the proportional part of depreciation costs in the next four years.

Other operating revenue in the 2011 fiscal year is composed of revalued revenue from the impairment derecognition of operating receivables in the amount of 2,676 euros, write-off of liabilities from the previous calendar year for voluntary supplementary pension insurance in the amount of 14,690 euros, and derecognition of other liabilities and other operating revenue in the amount of 48,465 euros.

6.8 COST OF MATERIALS, GOODS AND SERVICES

The cost of materials is the quantity of direct materials consumed. Costs of materials are not revalued to account for a change in the purchasing power of the relevant currency. Costs of services are costs that do not count as costs of materials, depreciation or labor, but costs of transportation services, production stages performed by others, utility and telecommunication services, rentals, payment services, and similar. Costs of services include work contracts costs, author's contract costs and costs associated with other legal relations, except employment relationships with private individuals.

The total costs of materials, goods and services is composed as follows.

in euros	FY 2011	FY 2010
Cost of materials, goods and services	1.593.259	1.732.489
Cost of goods sold		385
Cost of materials	74.436	456.456
Cost of services	1.518.823	1.275.648

6.9 LABOR COSTS

Labor costs are composed as follows:

in euros	FY 2011	FY 2010
Labor costs	1.928.688	1.816.410
Cost of wages and salaries	1.373.560	1.332.746
Cost of social insurance	307.829	284.650
Other labor costs	247.299	199.014

6.10 FINANCIAL REVENUE

in euros	FY 2011	FY 2010
Financial revenue	103.996	147.880
Financial revenue from loans given to others	1.581	9.210
Financial revenue from operating receivables	102.415	138.670

Financial revenue arising from given short-term loans (up to 12 months) bears interest with an annual interest rate of 7 to 8%. Such revenue is generated only by Datalab Tehnologije, d. d.

Most of the financial revenue from operating receivables has been made from the crediting of lease and subscription (RLGS) agreements. In the fiscal year 2011, this amounted to 98,936 euros. Other revenue consists of exchange differences, interest on deposits, and default interest from clients' late payments.

6.11 FINANCIAL EXPENSES

in euros	FY 2011	FY 2010
Financial expenses	135.771	207.692
Financial expenses due to impairment and write-offs of investments	0	41.952
Financial expenses for loans received from banks	88.508	42.353
Financial expenses for operating liabilities to others	47.263	123.387

In the fiscal year 2011, the parent company took out long-term loans with the banks NLB, d. d., and Banka Celje, d. d. Due to those loans that the company needed to finance further development, expenses for interest to banks have increased by 108% over the last year. Consequently, the company was not paying default interest for late payments of operating liabilities, which have decreased by 62% over the last year. Financial expenses for operating liabilities to others consist of interest and default interest to the state, suppliers and lessors.

6.12 FINANČNI IZID

in euros	FY 2011	FY 2010
Financial revenue	103.996	147.880
Financial expenses	135.771	207.692
Net financial profit/loss	-31.775	-59.812

6.13 TAX ON INCOME

The corporate income tax is accounted based on the income and expense that are included into the operating statement according to the applicable tax rate in each country of the Group and legislation of each respective country.

The tax liability of companies in the Group amounts to 24,887 euros.

in euros	FY 2011	FY 2010
Gross operating profit or loss before taxes	527.619	483.643
Tax on profit	-24.887	-28.627
Deferred taxes	19.395	2.963
Net profit/loss of the Group	522.127	457.979

Taxes by companies in the Group:

in euros	Datalab d. d.	Datalab SI	Datalab HR	Datalab SR	Datalab MK	Datalab BA	Datalab MN
Operating profit/ loss before taxes	426.842	19.254	8.180	37.083	967	16.435	15.839
Tax on profit	10.092	4.591	2.502	3.708	1.957	2.036	
Deferred taxes	19.395						
Net operating profit/loss for the period	436.145	14.663	5.678	33.375	-990	14.399	15.839

6.14 REVENUE FROM DEFERRED TAXES

Revenue from deferred taxes represents and increase in deferred tax assets in the amount of 19,395 euros as the difference between write-offs and impairments not recognized for tax purposes in this fiscal year, and write-offs and impairments recognized for tax purposes in future years pertaining to profit sharing under the Financial Participation Act.

6.15 PROPERTY, PLANT AND EQUIPMENT

The subsidiary Datalab SR has acquired a real property in this fiscal year. Computers and computer equipment represent the majority of other fixed assets.

Property, plant and equipment for the period from 1 July 2010 to 30 June 2011

in euros	Real property	Other plant and equipment	Total
COST			
Balance as of 1 July 2010		394.360	394.360
Acquisition, activation	194.210	39.410	233.620
Disposal, write-off		1.477	1.477
Upward revaluation of fixed assets		-131	-131
Balance as of 30 June 2011	194.210	432.162	626.372
VALUE ADJUSTMENT			
Balance as of 1 July 2010		333.814	333.814
Disposal, write-off		1.477	1.477
Depreciation	3.238	32.230	35.468
Upward revaluation of fixed assets		-252	-252
Balance as of 30 June 2011	3.238	364.315	367.553
CARRYING VALUE			
Balance as of 1 July 2010		60.545	60.545
Balance as of 30 June 2011	190.972	67.847	258.819

6.16 INTANGIBLE ASSETS

An intangible asset is an asset is used for long-term production or supply of goods or services, for rental to others, or for administrative purposes, but without physical substance. The Group presents material rights and copyrights at their carrying value, being the difference between the cost and the value adjustment.

Intangible assets in the value of 4,369,572 euros represent the value of purchased components and other copyrights pertaining to PANTHEON, and various licenses that allow normal work of the PANTHEON development team. The largest part of intangible assets is the capitalization of the software PANTHEON (4,194,143 euros).

The Group present goodwill of Datalab HR in the amount of 120,241 euros among intangible assets. The management estimates that there are no indications of goodwill impairment.

The Group has no significant fully depreciated intangible assets.

Intangible assets for the fiscal year 2011:

in euros	Long-term property rights	Total
COST		
Balance as of 1 July 2010	6.678.643	6.678.643
Acquisition, activation	1.336.258	1.336.258
Disposal, write-off	62.785	62.785
Upward revaluation of fixed assets	-437	-437
Balance as of 30 June 2011	7.951.679	7.951.679
VALUE ADJUSTMENT		
Balance as of 1 July 2010	2.765.020	2.765.020
Disposal, write-off	2.878	2.878
Depreciation	819.965	819.965
Upward revaluation of fixed assets		0
Balance as of 30 June 2011	3.582.107	3.582.107
CARRYING VALUE		
Balance as of 1 July 2010	3.913.623	3.913.623
Balance as of 30 June 2011	4.369.572	4.369.572

6.17 LONG-TERM FINANCIAL INVESTMENTS AND BUSINESS COMBINATIONS

Long-term financial investments are part of long-term financial instruments and represent an item with maturity over one year.

in euros	30 June 2011	30 June 2010
Long-term financial investments	1.249	1.249
Other long-term financial investments	1.249	1.249

The company presents the following long-term financial investments:

in euros	Stake	30 June 2011	30 June 2010
Investment into Datalab Tehnologije, d.o.o. – Croatia	51 %	123.000	123.000
Investment into Datalab BA, d.o.o. – Bosnia and Herzegovina	51 %	524	524
Investment into Datalab MK, d.o.o., – Macedonia	100 %	38.832	38.832
Investment into Datalab SR, d.o.o. – Serbia	100 %	5.000	5.000
Investment into Datalab MN, d.o.o. – Montenegro	51 %	0	0
Investment into Datalab SI, d.o.o. - Slovenia	100 %	7.500	0
Subsidiaries total		174.856	167.356
Investment into Datalab Automotive, d.o.o. – Serbia	24,99 %	1.249	1.249
Other companies total		1.249	1.249
Other companies total		1.249	1.249

Long-term financial investments are valued using the cost method. In the fiscal year 2011, specifically in July 2010, Datalab Tehnologije, d. d., founded a new company, Datalab SI, d.o.o., which started operating in August 2010 and sells its services in the Slovenian market.

Long-term financial investments in subsidiaries and affiliated companies

Acquisition of ownership stakes in subsidiaries

Company	Date of purchase	Company's equity on the day of purchase	Acquired stake	Purchased part of equity	Payment for acquired stake	Goodwill at acquisition
Datalab Automotive d.o.o	8. 9. 2008	5.000	24,99%	1.249	1.249	0

6.18 LONG-TERM OPERATING RECEIVABLES

Long-term operating receivables are receivables arising from property and other legal relationships to claim the settlement of a debt or the payment for deliveries or rendered services in a period that is longer than 12 months. Long-term operating receivables are mostly receivables from the sales of lease and subscription agreements. Below is a breakdown of long-term operating receivables by the type of agreement.

in euros	30 June 2011	30 June 2010
LONG-TERM OPERATING RECEIVABLES	257.232	353.078
Other long-term receivables	48.811	
Long-term receivables from confirmed compulsory liquidations	5.928	
Long-term oper. rec. from leases (L20 and L30)	99.218	155.523
Long-term oper. rec. from lease upgrades (L20 and L30)	40.884	63.916
Long-term oper. rec. from subscriptions (S30)	42.839	92.426
Long-term oper. rec. from subscription upgrades (S30)	19.552	41.213

6.19 LONG-TERM DEFERRED COSTS AND ACCRUED REVENUE

in euros	30 June 2011	30 June 2010
Long-term deferred costs and accrued revenue	42.393	26.088

Long-term deferred costs and accrued revenue include long-term deferred costs for financing and collecting RLGS agreements by the company Diners Club SLO, d. o. o., in the amount of 12,393 euros, and the purchase of the program Firma2000 in the amount of 30,000 euros. Users of the program Firma2000 will migrate to PANTHEON 5.5 over the following years because Firma2000 is outdated. The cost of purchasing Firma2000 will go into the expenses of Datalab Tehnologije, d. d., over the following years.

6.20 DEFERRED TAX ASSETS

in euros	30 June 2011	30 June 2010
Deferred tax assets	68.224	48.830
- from establishing provisions	1.203	
- from unused tax reliefs	24.800	11.856
- from value adjustments of assets and investments	42.221	36.974

Deferred tax assets are amounts of the tax on profit that will be returned to the taxpayer in future tax periods with lower tax amounts in the future, when the assets can be claimed.

Deferred tax assets in the Group are receivables from the state for value adjustments of receivables and investments in the amount of 42,221 euros, receivables from unused tax reliefs due to employee profit sharing under the Financial Participation Act in the amount of 24,800 euros, and established provisions for severance pays and long service awards in the amount of 1,203 euros.

6.21 INVENTORIES

in euros	30 June 2011	30 June 2010
Inventories	8.150	7.304
Materials	3.142	
Goods	3.496	7.304
Advances for inventories	1.512	

Inventories on 30 June 2011 amounted to a value of 8,150 euros and represent advertising materials (caps, t-shirts, ties, etc.) sold in the Group's own online shop. Inventories increase by 11.6% over the last year.

6.22 SHORT-TERM FINANCIAL INVESTMENTS

in euros	30 June 2011	30 June 2010
Short-term financial investments	139.921	126.394
Other short-term financial investments	74.574	
Other short-term loans	65.347	67.086
Short-term receivables for unpaid capital		59.308

Short-term financial investments in 2011 consisted of short-term loans in the amount of 65,347 euros and other short-term financial investments in the amount of 74,574 euros. Short-term loans bear interest at an annual interest rate of 7 to 8%.

6.23 SHORT-TERM OPERATING RECEIVABLES

Short-term operating receivables are receivables arising from property and other legal relationships to claim the settlement of a debt or the payment for deliveries or rendered services. They represent short-term operating receivables and paid advances. Breakdown of operating receivables:

in euros	30 June 2011	30 June 2010
Short-term operating receivables	1.070.683	1.436.517
Short-term operating receivables from customers	988.956	1.200.900
Short-term operating receivables from others	81.727	235.617

Trade receivables are presented at nominal value, decreased by proper adjustments for estimated unrecoverable amounts. Receivables are revalued due to impairment if their book value exceeds their fair value, that is their realizable value.

Short-term receivables are collectible. Services to problematic customers are rendered only against an advance payment. Short-term receivables to foreign customers are converted at the rate of the Bank of Slovenia as of 30 June 2011. The effects of changes in exchange rates on the balance sheet date increase ordinary financial revenue or expenses as exchange differences.

Short-term operating receivables from others include receivables for paid advances to suppliers, receivables for paid collaterals to executors, receivables for input VAT, receivables for overpaid corporate income tax.

It is estimated that short-term receivables are collectible, except for receivables whose value has been adjusted.

Receivables by maturity

Receivables	Gross value on 30 June 2011	Value adjustment on 30 June 2011	Net value on 30 June 2011	Gross value on 30 June 2010	Value adjustment on 30 June 2010	Net value on 30 June 2010
Total	1.162.899	92.216	1.070.683	1.526.160	89.643	1.436.517
Not overdue	723.938	0	723.938	884.996	0	884.996
Overdue 0 to 30 days	150.241	0	150.241	178.603	0	178.603
Overdue 31 to 180 days	149.133	11.054	138.079	156.039	0	156.039
Overdue 181 to 365 days	56.643	32.034	24.609	133.918	37.495	96.423
Overdue over one year	82.944	49.128	33.816	172.604	52.148	120.456

Item	FY 2011	FY 2010
Balance as of 1 July 2010	89.643	449.550
Value adjustments within the year	2.573	-359.907
Balance as of 30 June 2011	92.216	89.643

6.24 CASH

in euros	30 June 2011	30 June 2010
Cash	102.721	149.417
Cash on hand	51	158
Cash in bank accounts	102.670	149.259

6.25 SHORT-TERM DEFERRED COSTS AND ACCRUED REVENUE

in euros	30 June 2011	30 June 2010
Short-term deferred costs and accrued revenue	113.293	100.112

Short-term deferred costs and accrued revenue include deferred costs for partner commissions for RLGS agreements, annual leave bonuses, and other short-term deferred costs and short-term accrued revenue.

6.26 EQUITY

6.26.1 Share Capital

The shareholder meeting on 5 May 2003 decided to issue 6,150 shares with a total nominal value of 6,150,000 tolar (25,663 euros). Another 225 shares were issued on 5 April 2005 with a total nominal value of 225,000 tolar (938.9 euros). The nominal value per share for the first two issues was 1,000 tolar (4.17 euros) and they were for cash. 95,050 no-par value shares were issued on 17 August 2007; the issue was carried out from carried over profits and overpaid share capital. On February 15, 2008, another 5,094 no-par value issues were issued for cash. The last shares were registered at the central securities register on 29 December 2010, specifically 5,020 no-par value shares in a total nominal value of 20,947.97 euros. The total number of issued shares is therefore 111,539. After that, the company's share capital amounted to 465,441.28 euros.

All shares are common, registered and issued in non-material form. All shares had been paid in full by the shareholders before the shares were entered in the company register.

On 28 February, the shareholder assembly passed the decision to increase the company's share capital in the amount of 1,500,000.00 euros from the company's assets by transforming retained profits. The company's share capital was thus increased without issuing new shares. This was entered into the court register on 15 March 2011.

On the shareholder meeting on 28 February, shareholders of Datalab Tehnologije, d. d. passed the decision to split shares in a 1:15 ratio; one existing common registered non-materials share was split into 15 shares, therefore the company's share capital of 1,965,441.28 euros was split into 1,673,085 common registered non-material shares.

Datalab received on 28 March 2011 from the Central Securities Registry (Klirinško depotna družba; KDD) a resolution, under which 1,561,546 additional shares are registered at the central registry of non-material securities, based on the decision on increase of share capital from assets without issuing new shares and the decision on stock split, according to which each share is split into 15 shares. The shares are designated DATR in the registry, ISIN code SI0031114513. The new shares will be assigned to holders who have on 29 March 2011 (cut-off date) been

registered in the registry as holders of DATR shares; for each share held, an additional 14 will be assigned. The transaction at the registry will take place on 30 March 2011.

6.26.2 Weighted Average Number of Shares

	FY 11	FY 10
Initial number on July 1	106.519	106.519
Minus own shares	22	22
Adjusted initial number	106.497	106.497
New issue	5.020	
Split	1.561.546	0
Acquisition of own shares	55.273	
Sales of own shares – allocation to employees	27.716	0
Adjusted final number on June 30	1.645.198	106.497
Weighted average number	1.621.327	106.497

6.26.3 Own Shares

As of 30 June 2011, the company owned 27,887 own shares. Their cost is presented in the amount of 61,351 euros. Provisions in the same amount are formed for purchasing own shares. The company did not transfer 6,981 of its own shares to employees (according to decisions of the assembly meetings on 1 September 2010 and 28 February 2011 about profit sharing), because employees have not yet informed the company about their trading accounts. The fair value of own shares on 30 June 2011 was 40,157 euros.

6.26.4 Capital Surplus

Capital surplus consists of capital increase payments above the share's par value and amounts to 258,722 euros.

6.26.5 Ownership Structure of Datalab Tehnologije, d. d., as of 30 June 2011

Category	First name	Last name	Stake	No. of shares
10 largest			82,53 %	
	Andrej	Mertelj	41,64 %	696.630
	EGLATH VENTURES		23,51 %	393.390
	Zvone	Jagodić	4,09 %	68.461
	Tomaž	Teyrovsky	3,39 %	56.754
	Moreno	Rodman	1,93 %	32.220
	ADVAL d.o.o.		1,83 %	30.540
	Vanja	Varl	1,77 %	29.655
	Lastne delnice		1,67 %	27.887
	Valerija	Ažman	1,43 %	23.865
	Zvonko	Arzenšek	1,27 %	21.315
Others			17,47 %	
	Members of the management*		0 %	0
	Executive Board		1,03 %	17.175
	Other employees		3,09 %	51.774
	Former employees		3,74 %	62.620
	Partner companies		2,03 %	34.020
	Other shareholders		7,58 %	126.779
Total			100,00 %	1.673.085
* excluding Andrej Mertelj				

6.27 LONG-TERM FINANCIAL LIABILITIES

On 15 December 2010, the company signed a loan contract with Nova Ljubljanska banka, d. d., for a 5-year loan of 860,000.00 euros (800,000 euros as of 30 June 2011). The loan was taken out under the Republic of Slovenia Guarantee Scheme and is in its entirety meant for the repayment of short-term loans. The loan is additionally collateralized with some of the company's long-term and short-term receivables from RLGS agreements.

On 31 May 2011, the company signed a loan contract with Banka Celje, d. d., for a loan of 500,000.00 euros (164,746 euros as of 30 June 2011) from the funds of the European Investment Banks; the loan is in its entirety intended for funding the development of the company's software suite PANTHEON. The loan is additionally collateralized with the trade mark Datalab. The company started drawing funds from the loan in July 2011.

In the fiscal year 2011, the subsidiary Datalab SR, d.o.o., has taken out two loans with Banca Intesa, Belgrade, in a total amount of 150,000 euros for purchasing real property.

in euros	30 June 2011	30 June 2010
Long-term financial liabilities	938.429	39
Long-term loans from domestic banks	773.683	-
Long-term loans from domestic banks – being used	164.746	-

Interest rates are tied to 6 month and 3 month Euribor and have an additional fixed interest rate between 3% and 6% per year. The repayment term is up to 7 years.

6.28 LONG-TERM OPERATING LIABILITIES

The Group has 2,185 euros of long-term operating liabilities that is has not had the year before.

6.29 LONG-TERM PROVISIONS

Long-term provisions are mostly provisions for long service rewards and severance pays upon retirement in accordance with IAS 19 in the amount of 12,035 euros. In 2011, the company established no additional allocations for long service awards and severance pays.

in euros	30 June 2011	30 June 2010
Long-term provisions	14.622	12.496
Long-term provisions for long service rewards and severance pays	12.035	12.496
Other long-term provisions	2.587	0

6.30 LONG-TERM ACCRUED COSTS AND DEFERRED REVENUE

Long-term accrued costs and deferred revenue in the amount of 559,217 euros consists of allocations for partner commissions from leases and subscription in the amount of 44,508 euros and of long-term deferred revenue from leases and subscriptions in the amount of 58,750 euros. Long-term accrued costs and deferred revenue in the amount of 205,847 euros are for potentially lost lawsuits.

In the fiscal year 2011, long-term accrued costs and deferred revenue have been established for the subsidy received for the Feniks project for an additional amount of 29,884 euros, from which it withdrew 95,118 euros, which the proportional part of depreciation of that project.

in euros	30 June 2011	30 June 2010
Long-term accrued costs and deferred revenue	559.217	759.197
- allocations for partner commissions for RLGS agreements	44.508	73.207
- for deferred revenue from RLGS agreements	58.750	106.965
- for potentially lost lawsuits	205.847	263.679
- received subsidies for the Feniks project	250.112	315.346

6.31 SHORT-TERM FINANCIAL LIABILITIES

Short-term liabilities are recognized obligations associated with the financing of own assets with the settlement expected sooner than in one year. They are divided into short-term financial liabilities and short-term operating liabilities.

in euros	30 June 2011	30 June 2010
Short-term financial liabilities	580.357	1.488.240
Short-term financial liabilities to banks	567.488	1.226.505
Other short-term financial liabilities	12.869	261.735

Received short-term loans of the Group from banks by currencies and interest rates:

Item	Amount in original currency	Amount in euros	Minimum interest rate	Maximum interest rate
Euro	567.488	567.488	EURIBOR +3 %	7,1 %

As of 30 June 2011, the Group has short-term liabilities to banks in the amount of 567,488 euros. Short-term loans are taken out with Raiffeisen banka. The same item also includes that part of annuity of the long-term loan for Nova Ljubljanska Banka that is repayable within one year of the end of the fiscal year 2011. Loans are collateralized with blank bills of exchange and personal surety.

44% of the loan received from Nova Ljubljanska banka is collateralized with the guarantee of the Republic of Slovenia and short-term receivables the company has from RLGS agreements.

The loan taken out by the parent company at the Raiffeisen bank in the amount of 335,000 euros (as of 30 June 2011, the outstanding amount is 172,487 euros) is additionally collateralized with receivables of Datalab Tehnologije, d. d., from the company Diners Club in the amount of 138,907 euros (as of 30 June 2011).

Other short-term financial liabilities in the amount of 12,869 euros are liabilities for received advances.

6.32 SHORT-TERM OPERATING LIABILITIES

in euros	30 June 2011	30 June 2010
Short-term operating liabilities	692.600	915.530
Other short term liabilities to suppliers	268.076	236.892
Other short-term operating liabilities	424.524	678.638

Short-term operating liabilities to suppliers consist of obligations for rendered services (rent, administrative costs, costs of advertising and promotion, commissions), purchased materials (office supplies) and fixed assets.

Other short-term operating liabilities consist of obligations to the state from employee and employer contributions and taxes, VAT obligations, obligations to employees for wages and salaries, received collaterals, and other liabilities.

6.32.1 Liabilities by Maturity

Liabilities	Gross value on 30 June 2011
Total	692.600
Not overdue	520.170
Overdue 0 to 30 days	112.406
Overdue 31 to 180 days	38.410
Overdue 181 to 365 days	3.297
Overdue over one year	18.317

6.33 ACCRUED COSTS AND DEFERRED REVENUE

in euros	30 June 2011	30 June 2010
Short-term accrued costs and deferred revenue	184.393	200.434

Accrued costs and deferred revenue are costs accrued or revenue deferred for a short-term of up to 12 months, and are presented separately.

Accruals and deferrals occur in accounting because of the need to evenly distribute costs that are expected, but have not occurred yet. Short-term deferred revenue accrues when services have already been invoiced or paid, but not rendered yet. The total value of accruals and deferrals as of 30 June 2011 was 184,393 euros.

A part of accrued costs and deferred revenue consists of deferred revenue from lease and subscription agreements in a total value of 49,831 euros, short-term accrued costs for partner commissions in the amount of 48,605 euros, and other deferred revenue in the amount of 56,056 euros.

Another part of accrued costs and deferred revenue in the amount of 29,901 euros consists of accrued expenses for auditing, for partner commissions, etc.

6.34 INVESTMENT INTO RESEARCH AND DEVELOPMENT

Datalab Tehnologije, d. d., is extremely development-oriented; most of its expenses consist of development costs of the ERP system PANTHEON.

Development costs

Type of cost	FY 11	FY 10
Internal R&D activities	1.041.481	1.244.303
Purchased R&D services	283.691	124.357
Total	1.325.172	1.368.660

Type of cost	FY 11	FY 10
Labor costs	828.908	937.826
Purchase of R&D equipment	35.538	155.646
Cost of material	188.097	150.831
Cost of R&D services and cost of external specialists and researchers	272.629	124.357
Total	1.325.172	1.368.660

6.35 TRANSACTIONS WITH RELATED PARTIES

Shown below are transactions between related parties in the Group for the last two years. There were no other transactions than the ones shown below.

Other affiliated companies

Sales to related companies (receivables) in euros	FY 2011	FY 2010
Datalab Automotive	181	56
Purchases (payables) in euros		
Datalab Automotive	1.000	0
Outstanding receivables in euros		
Datalab Automotive	181	56
Outstanding payables in euros		
Datalab Automotive	0	0

The listed transactions were in line with market prices, or the prices charged for assets or services to related parties are compared to prices charged for assets or services to non-related parties in comparable circumstances.

6.35.1 Exclusions from Consolidated Statements

Exclusions are taken into account for the following items in the consolidated statements for the fiscal year 2011:

Item in Comprehensive Income	FY 2011
Sales	1.870.422
Other operating revenue	1307
Cost of materials, goods and services	1.869.683
Financial revenue	18.763
Financial expenses	23.826

Item in Balance Sheet	FY 2011
ASSETS	
Long-term financial investments	3.502
Long-term operating receivables	13.667
Short-term operating receivables	363.796
Short-term deferred costs and accrued revenue	55.231
Assets total	436.196
EQUITY	
Retained net profit/loss	0
Net operating profit/loss for the fiscal year	0
LIABILITIES	
Long-term accrued costs and deferred revenue	6.078
Long-term operating liabilities	7.589
Short-term financial liabilities	6.509
Short-term operating liabilities	360.789
Short-term accrued costs and deferred revenue	55.231
Equity and liabilities total	436.196

For given loans, the interest rate is used that is higher than the recognized interest rate for loans between related parties, as prescribed by the minister of finance.

in euros	FY 2011	FY 2010
Loans to related parties	42.558	18.479
Datalab MK	4.275	
Datalab MN	3.303	
Andrej Mertelj	34.980	18.479

6.35.2 Earnings of the Management

The figures in the tables below include labor costs and compensations borne by the employer, other labor costs (annual leave bonuses, other remuneration, net reimbursements, benefits), and reimbursement of work-related expenses for the fiscal year 2011.

Attendance fees for the Executive Board include cost of attendance fees and reimbursements for internal and external members of the executive board. Members of supervisory boards of the company's subsidiaries are not receiving any payment for their supervisory functions, therefore the amounts pertain to the parent company only.

	Fixed earnings	Other bonuses	Reimbursements	Other additional payments	Total earnings in Datalab Tehnologije, d. d.
Lojze Zajc	28.667	10.000			38.667
Andrej Mertelj	59.161	22.000	6.688	26.145	113.994
Tone Černe	4.800	8.000			12.800

6.36 OFF-BALANCE-SHEET ITEMS

Given guarantees pertain to the loan received by Datalab BA in the amount of 31,500 euros (31,500 euros as of 30 June 2011).

Summary of off-balance-sheet items

Guarantee for Datalab BA, d.o.o.	- 31.500 EUR
Total	-31.500 EUR

6.37 FINANCIAL INSTRUMENTS

6.37.1 Financial Assets

Item (in euros)	Book value on 30 June 2011	Fair value on 30 June 2011	Book value on 30 June 2010	Fair value on 30 June 2010
Long-term financial investments	1.249	1.249	1.249	1.249
Long-term operating receivables	257.232	257.232	353.078	353.078
Short-term financial investments	139.921	139.921	126.394	126.394
Short-term operating receivables	1.070.683	1.070.683	1.436.517	1.436.517
Cash and cash equivalents	102.721	102.721	149.417	149.417
Total	1.571.806	1.571.806	2.066.655	2.066.655

6.37.2 Financial Liabilities

Item (in euros)	Book value on 30 June 2011	Fair value on 30 June 2011	Book value on 30 June 2011	Fair value on 30 June 2011
Long-term financial liabilities	938.429	938.429	39	39
Long-term operating liabilities	2.185	2.185	0	0
Short-term financial liabilities	580.357	580.357	1.488.240	1.488.240
Short-term operating liabilities	692.600	692.600	915.530	915.530
Total	2.213.571	2.213.571	2.403.809	2.403.809

6.37.3 Bank Guarantees

On 30 June 2011, there is an active guarantee for Datalab BA in the amount of 31,500 euros (31,500 euros in 2010).

6.38 AUDIT COSTS

The cost of auditing financial statements and the annual report for the fiscal year 2011 for Datalab by the audit firm UHY, d.o.o., amounted to 15,000 euros. The same audit firm performed the audit of assets in kind for the capital increase and charged 450 euros for that.

6.39 POTENTIAL LIABILITIES FROM LAWSUITS

Potential liabilities from lawsuits

6.39.1 Datalab Tehnologije, d. d., as Defendant

Plaintiff	Value in euros	Reference number, court	Status
METRO d. o. o., Celje	24.616,22	VI Pg 509/2008, District court in Celje	In progress – first level
E-POS GROUP d. o. o.	707.422,00	5 Pg 139/2007, District court in Ljubljana	In progress – first level
NEZAVISNA EKSPERTSKA GRUPA d. o. o. Beograd,	139.921	139.921	126.394

I. Case VI Pg 509/2008, METRO d.o.o., Celje against Datalab, d. d., valued at 24,616 euros

The plaintiff demands compensation for the incorrect functioning of the program, specifically customs warehousing.

According to the lawsuit and related documentation, Datalab Tehnologije, d. d., considers itself not responsible for the damages, which is also its official answer. The Customs Administration has approved that the program worked correctly at that company. The plaintiff will most likely not succeed with its claim for compensation.

No first-level verdict has been returned yet.

In September 2011 (after the fiscal year 2011 has ended), a court settlement has been concluded, in which the plaintiff withdrew its lawsuit without any compensation.

II. Case V Pg 139/2007 E-POS Group, d.o.o., against Datalab, d. d., valued at 707,422 euros

The former partner of Datalab, d. d., E-POS Group, d.o.o., with which the former ceased to cooperate because of failure to fulfill contractual obligations of the partnership agreement (allowing use and selling illegal licenses, improper attitude towards users), filed a lawsuit for damages incurred due to the terminated cooperation.

According to the lawsuit and related documentation, Datalab Tehnologije, d. d., considers itself not responsible for the damages, which is also its official answer. The plaintiff's claim will most likely be rejected in full – but certainly for the major part.

No first-level verdict has been returned yet.

III. Case XXXIX-P-5524/07 Nezavisna Ekspertska Grupa, d. o. o., Beograd and Datalab Tehnologije d. o. o., Beograd, against Datalab Tehnologije, d. d., valued at 194.906 euros

The lawsuit was filed because of the defendant's failure to fulfill its contractual obligations. Datalab Tehnologije, d. d., filed a counterclaim through the law firm Dražić, Beatović and Partners against Nezavisna ekspertska grupa, d.o.o., demanding the exclusion of Nezavisna ekspertska

grupa, d.o.o., as a partner from the company Datalab Tehnologije, d.o.o., Belgrade. Currently, it is not possible to anticipate the outcome, therefore the provisions are reasonable.

205,847 euros are allocated for potential compensations from lawsuits.

6.39.2 Debt Execution by Court against Datalab Tehnologije, d. d.

Plaintiff – creditor	Value in euros	Reference number, court	Status
LAVA d.o.o., Ljubljana	4.717,88	VL 59672/2009, Local court in Ljubljana, Central Office for Debt Execution on the Basis of Authentic Documents	After the creditor's appeal, the litigation continues at a high court
KPMG Slovenija	16.672,92	VL 20939/2010, Local court in Ljubljana, Central Office for Debt Execution on the Basis of Authentic Documents	After appealing, the litigation continues

Comment:

The claims of the listed debt executions have justifiable grounds, but not in the full value. The company has the executed claims posted (provisions are formed) and presented in financial statements in the recognized amount

6.39.3 Datalab, d. d., as Plaintiff

Defendant	Value in euros	Reference number, court	Status
E-POS GROUP d. o. o., Ljubljana	111.620,93	Pg 2522/2007, District court in Ljubljana	In progress – first level

I. Case Pg 2522/2007 Datalab, d. d., against E-POS Group, d.o.o., valued at 111,620 euros

Datalab Tehnologije, d. d., terminated cooperation with its former partner E-POS Group, d.o.o. because of failure to fulfill contractual obligations of the partnership agreement (allowing use and selling illegal licenses, improper attitude towards users), and has filed a lawsuit for payment of debt for license fees, software upgrades, subscription charges, membership fees, and a penalty.

It is estimated that the lawsuit will be granted for most of its value.

No first-level verdict has been returned yet.

6.39.3.1 AUDITOR'S REPORT FOR THE DATALAB GROUP OF COMPANIES



**Delničarjem družbe
DATALAB Tehnologije d.d.
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POROČILO NEODVISNEGA REVIZORJA

Revidirali smo priložene konsolidirane računovodske izkaze gospodarske družbe DATALAB Tehnologije d.d., Ljubljana in njenih odvisnih družb, ki vključujejo konsolidiran izkaz finančnega položaja na dan 30. junija 2011, konsolidiran izkaz celotnega vseobsegajočega donosa, konsolidiran izkaz sprememb lastniškega kapitala in konsolidiran izkaz denarnih tokov za tedaj končano leto ter povzetek bistvenih računovodskih usmeritev in druge pojasnjevalne informacije. Pregledali smo tudi poslovno poročilo.

Odgovornost posloводства za računovodske izkaze

Posloводство je odgovorno za pripravo in pošteno predstavitev teh računovodskih izkazov v skladu z mednarodnimi standardi računovodskega poročanja in za tako notranje kontroliranje, kot je v skladu z odločitvijo posloводства potrebno, da omogoči pripravo računovodskih izkazov, ki ne vsebujejo pomembno napačne navedbe zaradi prevare ali napake.

Revizorjeva odgovornost

Naša odgovornost je izraziti mnenje o teh računovodskih izkazih na podlagi naše revizije. Revizijo smo opravili v skladu z Mednarodnimi standardi revidiranja. Ti standardi zahtevajo od nas izpolnjevanje etičnih zahtev ter načrtovanje in izvedbo revizije za pridobitev sprejemljivega zagotovila, da računovodski izkazi ne vsebujejo pomembno napačne navedbe.

Revizija vključuje izvajanje postopkov za pridobitev revizijskih dokazov o zneskih in razkritjih v računovodskih izkazih. Izbrani postopki so odvisni od revizorjeve presoje in vključujejo tudi ocenjevanje tveganj pomembno napačne navedbe v računovodskih izkazih zaradi prevare ali napake. Pri ocenjevanju teh tveganj prouči revizor notranje kontroliranje, povezano s pripravljanim in poštenim predstavljanjem računovodskih izkazov družbe, da bi določil okoliščinam ustrezne revizijske postopke, ne pa, da bi izrazil mnenje o uspešnosti notranjega kontroliranja družbe. Revizija vključuje tudi ovrednotenje ustreznosti uporabljenih računovodskih usmeritev in utemeljenosti računovodskih ocen posloводства kot tudi ovrednotenje celotne predstavitve računovodskih izkazov.

Verjamemo, da so pridobljeni revizijski dokazi zadostni in ustrezni kot osnova za naše revizijsko mnenje.

Mnenje

Po našem mnenju so konsolidirani računovodski izkazi v vseh pomembnih pogledih resnični in pošten prikaz finančnega položaja družbe DATALAB Tehnologije d.d., Ljubljana in njenih odvisnih družb na dan 30. junija 2011 ter njenega celotnega vseobsegajočega donosa in denarnih tokov za tedaj končano leto v skladu z mednarodnimi standardi računovodskega poročanja, kot jih je sprejela EU.

Poslovno poročilo je skladno z revidiranimi računovodskimi izkazi.

Ljubljana, 9.11.2011

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ID za DDV / VAT No: S42703670
SI transakcijskega računa / Bank account: Abanka Vipva d.d., 05100-8011974836
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UHY Revizija in svetovanje d.o.o.

Franci Žgajnar
pooblaščen revizor

Dolga zapadla izri, po določilih in razredih zap.

Ime	90 - 120 dni	121 - 180 dni	nad 180 dni	Skupaj
Buyer Ltd.	0,00	0,00	200.110,00	200.110,00
Partner x	15.000,00	11.800,00	1.700,00	28.500,00
Company Bg	0,00	0,00	30.000,00	30.000,00
Leit d.o.o.	0,00	0,00	25.140,00	25.140,00
Kupec d.o.o.	2.320,00	0,00	0,00	2.320,00
Peter Novak	1.550,00	0,00	0,00	1.550,00
Podjetje d.o.o.	0,00	1.800,00	0,00	1.800,00
Podjetje za vzdrževanje	0,00	1.800,00	0,00	1.800,00
Kupec EU d.o.o.	900,00	0,00	0,00	900,00
Kupec Ltd.	0,00	0,00	500,00	500,00
d.o.o.	0,00	0,00	500,00	500,00
ITBARELLO SPA	0,00	490,00	0,00	490,00
Doe	0,00	0,00	450,00	450,00

Terjatve do kupcev

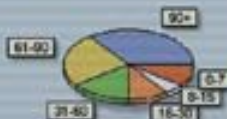
Subjekt	Zapadla	Odprta
Buyer Ltd.	200.110,00	200.110,00
Partner x	36.500,00	36.500,00
Company Bg	30.000,00	30.000,00
Leit d.o.o.	25.140,00	25.140,00
Kupec d.o.o.	2.320,00	7.946,87
Peter Novak	1.550,00	1.550,00
Podjetje d.o.o.	1.800,00	8.400,00

Seznam dolžnikov po velikosti zapadlih terjatev do posameznega subjekta. V priložni vrednosti.

Stanje terjatev skupaj

	Vrednost
Zapadla	302.303,00
Odprta	431.957,45

Struktura terjatev

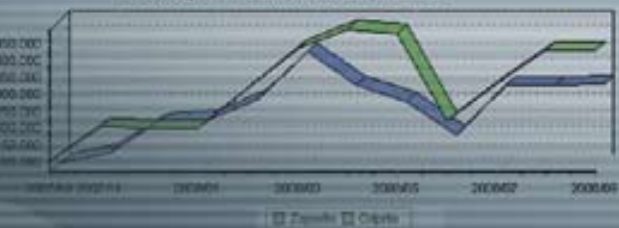


Skupno stanje odprtih terjatev do kupcev

Struktura zapadlih terjatev do kupcev po razredih zapadlosti. V dnevih.

Dolga zapadla izri, po določilih in razredih zapadlosti.

Stanje odprtih in rap. terjatev za zadnjih 12 mes.



Kazalniki obratovanja in drevni vezave terjatev

Kazalnik	Vrednost
Dnevni vezave terjatev I	250,81
Dnevni vezave terjatev II	250,83
Obratovanje terjatev I	1,46
Obratovanje terjatev II	1,46

7

Financial Statements Of Datalab Tehnologije, d. d.

Statement of the Management of the Controlling Company

The management of Datalab Tehnologije, d. d., is responsible for drawing up the annual report of the controlling company as well as preparing financial statements in a manner that gives interested parties a true and fair view of the financial standing and operating results of Datalab Tehnologije, d. d., and its subsidiaries in 2011.

The management hereby states:

- that the consolidated financial statement have been prepared under the assumption that Datalab Tehnologije, d. d., will continue its business in the future;
- that the chosen accounting policies have been applied consistently and that any accounting policy errors have been disclosed;
- that accounting estimates have been prepared in a fair and well-considered manner and in accordance with the principles of precaution and sound governance;
- that financial statements for Datalab, d. d., and the Datalab group of companies, and the notes to them have been prepared according to applicable laws and IFRS;
- that the business report contains a fair view of the development and results the company's operations and its financial standing, including a description of the risks that the company is exposed to as a whole.

The management of the company is also responsible for proper accounting, adopting measures for preserving property and preventing and detecting fraud and other irregular or illegal activities.

The management hereby approves the financial statements to be published.

Ljubljana, 23 September 2011
Chairman of the Executive Board
Lojze Zajc

7.1 COMPREHENSIVE INCOME OF DATALAB TEHNOLOGIJE, D. D., FOR THE PERIOD FROM 1 JULY 2011 TO 30 JUNE 2011

Item	Note	2011	2010
Sales	6	1.970.507	2.152.873
Other operating revenue	7	1.462.370	1.532.325
Gross operating income		3.432.877	3.685.198
Cost of materials, goods and services	8	881.538	1.013.984
Labor costs	9	1.153.551	1.333.434
Depreciation of fixed assets		19.282	59.129
Depreciation of intangible assets		812.134	706.205
Other operating expenses	10	135.883	66.908
Operating profit/loss		430.489	505.538
Financial revenue	11	109.975	160.987
Financial expenses	12	113.622	250.608
Net financial profit/loss		-3.647	-89.621
Operating profit/loss before taxes		426.842	415.917
Tax on income	13	10.092	18.862
Deferred taxes	14	19.395	2.963
Net operating profit/loss for the fiscal year		436.145	400.018
Change in surplus arising from revaluation of intangible and fixed assets			
Change in surplus arising from revaluation of financial assets held for sale			
Profit and loss arising from conversion of financial statements of foreign companies			
Actuarial gains and losses of defined benefit plans			
Other components of comprehensive income			
Total comprehensive income for the period		436.145	400.018

7.2 BALANCE SHEET OF DATALAB TEHNOLOGIJE, D. D., AS OF 30 JUNE 2011

Item	Note	FY 10	FY 09
ASSETS			
Property, plant and equipment	15	30.930	45.615
Intangible assets	16	4.236.735	3.776.031
Long-term financial investments	17	176.105	168.605
Long-term loans	18	3.502	3.502
Long-term operating receivables	19	209.432	358.316
Long-term deferred costs and accrued revenue	20	42.393	20.113
Deferred tax assets	21	68.224	48.830
Fixed (non-current) assets total		4.767.321	4.421.012
Inventories	22	3.178	4.369
Short-term financial investments	23	52.209	112.967
Short-term operating receivables	24	664.747	1.109.418
Cash and cash equivalents	25	25.759	76.659
Short-term deferred costs and accrued revenue	26	67.702	78.311
Current assets total		813.595	1.381.724
Assets total		5.580.916	5.802.736
EQUITY			
	27		
Share capital		1.965.441	444.493
Capital surplus		258.722	2.686
Profit reserves		196.545	44.450
Retained net profit/loss		727.318	2.128.191
Total equity		3.148.026	2.619.820
LIABILITIES			
Long-term financial liabilities	28	784.746	0
Long-term operating liabilities		0	0
Long-term provisions	29	12.036	12.496
Long-term accrued costs and deferred revenue	30	564.849	769.184
Long-term liabilities total		1.361.631	781.680
Short-term financial liabilities	31	567.488	1.470.345
Short-term operating liabilities	32	366.949	760.827
Accrued costs and deferred revenue	33	136.822	170.064
Short-term liabilities total		1.071.259	2.401.236
Liabilities total		2.432.890	3.182.916
Equity and liabilities total		5.580.916	5.802.736

**7.3 STATEMENT OF CHANGES IN EQUITY FOR DATALAB
TEHNOLOGIJE, D. D., FOR THE PERIOD FROM 1 JULY 2010 TO 30
JUNE 2011**

	Share Capital	Capital surplus	Legal reserves	Reserves for own shares	Own shares and interests (as deduction item)	Retained net profit	Net profit for the fiscal year	Total
A. Initial balance for the period	444.493	2.686	44.450	429	-429	1.728.172	400.018	2.619.819
B. Changes in equity – transactions with owners	20.948	256.036	0	0	-60.922	-124.000	0	92.062
a) Subscription of called-up share capital	20.948	235.825						256.773
b) Disposal or withdrawal of own shares and own interests		20.211						20.211
c) Dividend payout						-124.000		-124.000
č) Purchase of own shares and interests					-60.922			-60.922
C. Total comprehensive income for the period	0	0	0	0	0	0	436.145	436.145
a) Net profit/loss for the period							436.145	436.145
Č. Movements within equity	1.500.000	0	152.095	60.922	0	-1.312.999	-400.018	0
a) Allocation of part of the net profit for the period to other components of equity by decision of bodies of management and control	1.500.000		152.095			-1.652.095		0
b) Allocation of net profit to additional reserves, based on a resolution of the meeting of shareholders						400.018	-400.018	0
c) Establishment of reserves for own shares from other components of equity				60.922		-60.922		0
D. Closing balance for the period	1.965.441	258.722	196.545	61.351	-61.351	291.173	436.145	3.148.026
Distributable profit						291.173	436.145	727.318

**7.4 STATEMENT OF CHANGES IN EQUITY FOR DATALAB
TEHNOLOGIJE, D. D., FOR THE PERIOD FROM 1 JULY 2009 TO 30
JUNE 2010**

in euros	Share Capital	Capital surplus	Legal reserves	Reserves for own shares	Own shares and interests (as deduction item)	Retained net profit	Net profit for the fiscal year	Total
A. Initial balance for the period	444.493	2.686	41.763	429	-429	1.547.404	183.456	2.219.802
B. Changes in equity – transactions with owners	0	0	0	0	0	0	0	0
C. Total comprehensive income for the period	0	0	0	0	0	0	400.018	400.018
d) Net profit/loss for the period							400.018	400.018
Č. Movements within equity	0	0	2.687	0	0	180.769	-183.456	0
a) Allocation of part of the net profit for the period to other components of equity by decision of bodies of management and control			2.687			-2.687		0
b) Allocation of net profit to additional reserves, based on a resolution of the meeting of shareholders						183.456	-183.456	0
D. Closing balance for the period	444.493	2.686	44.450	429	-429	1.728.173	400.018	2.619.820
Distributable profit						1.728.173	400.018	2.128.191

7.5 CASH FLOW STATEMENT FOR DATALAB TEHNOLOGIJE, D. D., FOR THE PERIOD FROM 1 JULY 2010 TO 30 JUNE 2011

in euros	FY 11	FY 10
Cash flow from operations		
Net profit/loss	436.145	400.018
Adjustments for:		
Revalued operating revenue and expense	95.955	18.369
Depreciation of property, plant and equipment	19.282	59.129
Depreciation of intangible assets	812.134	706.205
Net financial profit/loss	76.957	89.621
	1.440.473	1.273.342
Change in operating receivables, deferred costs and accrued revenue	383.015	67.855
Change in inventories	1.191	2.257
Change in short-term operating liabilities, accrued costs and deferred revenue	-587.667	-104.518
Change in provisions		
Change in deferred tax assets	-19.395	-2.963
	1.217.617	1.235.973
Interest received	6.115	148.582
Interest paid	-90.143	-118.649
Paid tax on profit	-16.862	0
Net cash flow from operating activities	1.116.727	1.265.906
Cash flow from investing activities		
Cash disbursements for acquiring intangible assets	-1.332.746	-1.403.446
Cash disbursements for acquiring property, plant and equipment	-4.597	-16.515
Cash disbursements for acquiring investments	-113.209	-19.745
Cash receipts from investments	0	0
Cash receipts from loans	279.220	29.592
Cash receipts from disposal of intangible assets	0	87
Cash receipts from disposal of fixed assets	0	672
Net cash flow from investing activities	-1.171.332	-1.409.355
Cash flow from financing activities		
Paying-up of capital		0
Capital repayments	-60.922	0
Expenses for dividend payouts and other profit shares	-99.013	0
Cash receipts from long-term financial liabilities	164.746	0
Cash receipts from short-term financial liabilities	1.554.940	739.624
Cash repayments of long-term financial liabilities	-60.000	-249.853
Cash repayments of short-term financial liabilities	-1.496.046	-305.690
Net cash flow from financing activities	3.705	184.081
Net change in cash and cash equivalents	-50.900	40.632
Cash and cash equivalents at the beginning of the year	76.659	36.027
Cash and cash equivalents at the end of the year	25.759	76.659

Dolga zapadla izri, po dolžnosti in razredih zap.

Ime	90 - 120 dni	121 - 180 dni	nad 180 dni	Skupaj
Buyer Ltd.	0,00	0,00	200.110,00	200.110,00
Partner x	15.000,00	11.800,00	1.700,00	28.500,00
Company Bg	0,00	0,00	30.000,00	30.000,00
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Kupec d.o.o.	2.320,00	0,00	0,00	2.320,00
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Kupec EU d.o.o.	900,00	0,00	0,00	900,00
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Terjatve do kupcev

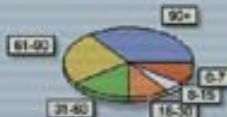
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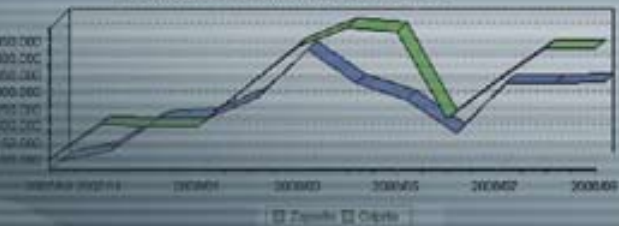


Skupno stanje odprtih terjatev do kupcev

Struktura zapadlih terjatev do kupcev po razredih zapadlosti. V dnevih.

Dolga zapadla izri, po dolžnosti in razredih zapadlosti.

Stanje odprtih in zap. terjatev za zadnjih 12 mes.



Kazalniki obratovanja in drevni vezave terjatev

Kazalnik	Vrednost
Dnevni vezave terjatev I	250,81
Dnevni vezave terjatev II	250,83
Obratovanje terjatev I	1,46
Obratovanje terjatev II	1,46

8

Notes To The Financial Statements

1. REPORTING COMPANY

Datalab Tehnologije, d. d., Ljubljana, is a Slovenia-based publicly-traded company. It is listed at the Ljubljana Stock Exchange.

The main objective of the company is developing a powerful and reliable ERP system for micro, small and midsize businesses.

The company's principal business activity is 58.290 – Other software publishing.

As of 30 June 2010, the company had 27 employees.

The financial statements of the company for the fiscal year ending 30 June 2011 have been approved by the Executive Board on 3 November 2011.

2. BASIS FOR DRAWING UP THE STATEMENTS

a) Conformance Statement

The financial statements have been drawn up in accordance with IFRS, as adopted by the European Community, and interpretations of IFRIC, as adopted by the International Accounting Standards Board (IASB).

b) Basis for Measurement

The financial statements have been drawn up considering the original value, except in the following cases, where a fair value has been considered:

- financial derivatives,
- financial instruments at fair value through the operating results,
- financial assets available for sale,
- investment property,
- liabilities for payments in shares settled with cash.

The methods used to measure fair value are described in note number 4.

c) Functional and Presentational Currency

Slovenia introduced the euro (EUR) as its functional currency on January 1, 2007. In accordance with IFRS 21.37, all assets, liabilities and equity in Slovenian economic subjects have been converted to euros at a SIT:EUR rate of 239.64:1, and revenue and expenses for 2007 were all already expressed in euros. All financial statements in this annual report are in whole euros. There might be slight discrepancies with totals because of rounding.

d) Estimates and Assessments

When preparing financial statements in conformity with IFRS, the management is required to make estimates, assessments and assumptions that affect the use of accounting policies and the presented value of assets, liabilities, revenues and expenses. Actual figures may vary.

Estimates and assumptions have to constantly reviewed. Corrections to accounting estimates are acknowledged for the period for which the estimates are being corrected and all future years that are affected by the correction.

Uncertainty evaluations and decisive assessments prepared by the management in line with the accounting policy that most significantly affect figures in the financial statements are:

- note no. 17 – long-term financial investments;
- note no. 9 – measuring obligations for certain earnings;
- note no. 29 – provisions;
- note no. 37 – valuation of financial instruments and their impairment.

e) Fiscal Year

Datalab's fiscal year starts on July 1 and ends on June 30 in the following year.

3. ACCOUNTING POLICIES

The accounting policies described below have been consistently applied for all periods that are presented in the financial statements herein.

a) Foreign Currency

Foreign currency transactions are converted to the appropriate functional currency of the companies in the Group at the rate on the day of the transaction. Cash and liabilities expressed in foreign currency on the balance sheet date are converted to the functional currency at the going rate. Positive and negative exchange differences are differences between the amortized cost in the functional currency at the beginning of the period, adjusted for effective interest, and payments during the period and the amortized cost in foreign currency, converted at the rate at the end of the period. Non-monetary assets and liabilities expressed in foreign currency and measured at fair value are converted to the functional currency at the rate on the day when the fair value has been measured. Exchange differences are recognized in the operating results, but not differences from converting equity instruments held for sale, non-financial liabilities for insurance against risks, or cash flow insurance against risks that are recognized directly in equity.

b) Financial Instruments

Datalab Tehnologije, d. d., classifies its investments into the following categories: financial assets held for sale, financial assets at fair value through the operating results, and loans and receivables. The classification depends on the purpose for which the investment was acquired. In 2011, the company did not have any financial assets for sale and financial assets at fair value through the operating results.

Non-Derivative Financial Instruments

Non-derivative financial instruments include investments in capital and debt securities, operational and other receivables, cash and cash equivalents, received and given loans, and operational and other liabilities.

Non-derivative financial instruments are initially recognized at fair value, increased by (instruments that are not recognized at fair value through the operating results) cost that is directly related to a transaction. After the initial recognition, non-derivative financial instruments are measured as described below.

Cash and cash equivalents consist of cash on hand and deposits on demand. Bank account overdrafts that can be settled on demand and are part of cash management in the Group are in the cash flow statement included in cash and cash equivalents.

Accounting of financial income and expense in described in 11. and 12.

c) Equity Capital

i) Called-Up Capital

Called-up capital of Datalab, d. d., appears as equity capital that is nominally specified in the company's articles of association, registered at court, and paid in by its owners. Dividends for common stock are recognized in equity in the period for which they were approved by the shareholder assembly.

ii) Reserves for Own Shares

If the company acquires a stake in the parent company, the paid amount including transaction fees without taxes is subtracted from equity as own shares, until those shares are withdrawn, re-issued or sold. If own shares are later sold or re-issued, all received payments excluding transaction fees and related taxes are included in equity.

d) Fixed Assets

Fixed assets (property, plant and equipment) are kept at their original cost, decreased by cumulative depreciation and cumulative loss due to impairment, except for land, which is presented at original cost, decreased by any impairments. Original cost includes all costs that can be directly attributes to the acquisition of a fixed asset. Maintenance and repairs as well as replacement and improvement of minor significance are recognized as expenses in the period they occur. Larger amounts are depreciated over the remaining useful life of a fixed asset or to the day of the next major renovations, whichever is sooner. The residual value and useful life of each fixed asset is checked annually and adjusted if necessary. The book value of a fixed asset is immediately partly written off to the recoverable amount, if the book value is greater than the estimated recoverable amount, and is recognized in the operating results.

Depreciation is calculated using straight-line depreciation, taking into account useful life as follows:

Asset	Depreciation rate in % since 1 July 2010	Depreciation rate in % before 30 June 2010
Computers	50	50
Furniture and chairs	20, 25	20, 25
Vehicle equipment	12,5	12,5
Other equipment	20, 25	20, 25

Depreciation calculation starts when a fixed asset is ready for use; unfinished constructions are not depreciated.

Profit and loss from sale or deactivation of a fixed asset is determined by comparing sales revenue with book value. It is included in the operating results.

Fixed assets acquired through tenders are recognized as assets, but the amount of the subsidy is counted towards accrued costs and deferred revenue, which is then monthly decreased by the depreciation amount.

e) Intangible Assets

Intangible assets are initially measured at their original value.

i) Other Intangible Assets

Intangible assets acquired through tenders are recognized as assets, but the amount of the subsidy is counted towards accrued costs and deferred revenue – government grants, which is then monthly decreased by the depreciation amount. The depreciation rate for such assets is the same as for assets that the company purchases with own funds, except for the Feniks project, where a 25% rate is used because it is a new project and as such exposed to changes.

ii) Subsequent Cost

Subsequent expenses related to intangible assets are capitalized only when they increase future economic benefits which are derived from the asset to which the expenses pertain. All other costs, including trademarks and goodwill generated within the company, are recognized in the operating results as expenses as soon as they occur.

iii) Depreciation

Depreciation is calculated using straight-line depreciation, taking into account useful life of intangible assets (except goodwill) and beginning when the asset is ready for use. Estimated useful life for the current year and a comparable year:

Asset	Depreciation rate in % since 1 July 2010	Depreciation rate in % before June 30, 2010
Intangible asset – PANTHEON	10	10
Intangible asset – FENIKS	25	25
Material rights and copyrights	10, 50	50

f) Leased Assets

Leases for which the company assumes are major forms of risks and benefits related to asset ownership are regarded as financial leases. After initial recognition, a leased asset is presented in an amount equivalent to the fair value, or if it is less than that, the current value of the lowest total of lease payments. After initial recognition, assets are measured in accordance with accounting policies for such assets.

Other leases are treated as operating leases and, with the exception of investment property, leased assets are not recognized in the company's balance sheet. Investment property under operating lease is presented in the company's balance sheet at fair value.

g) Inventories

Inventories of goods are initially valued at their original cost, composed of purchase price, import duties and direct procurement costs. The purchase price is decreased by any discounts. Direct procurement costs are transport costs, handling costs, transport insurance, goods tracking, intermediation costs and similar costs to the first warehouse if borne by the customer, and non-refundable duties. Purchase price discounts include those specified in invoices as well as those granted subsequently that pertain to a certain delivery.

Inventories consist only of advertising materials from the PANTHEON Online Shop and are not subject to revaluation or impairment.

Decrease in value of inventories in materials and small tools is charged to the cost of materials, while the decrease in value of goods is charged to the relevant operating expenses. Consumption of goods is accounted on the basis of the average cost method.

The cost of inventories includes the purchase price, customs and other duties (excluding those that are subsequently refunded by tax authorities), transport cost, handling and other costs, that can be attributed directly to the acquired goods, materials or services. Trade discounts, rebates and other similar items are deducted in determining the cost of purchase.

Consumption of materials is accounted on the basis of the method of average cost in the period.

The net realizable value is the estimated sale price achieved in normal operation, minus estimated cost of finishing and estimated cost of selling.

h) Impairment of Assets

i) Financial Assets

The company assesses the value of financial assets on the reporting date to determine if an objective sign of asset impairment exists. A financial asset is impaired if objective proof exists that one or more events led to a decrease in expected future cash flows from that asset.

Loss due to impairment related to a financial asset, presented at amortized cost, is calculated as the difference between the asset's carrying value and expected future cash flows, discounted at the original interest rate.

Trade receivables are presented at nominal value, decreased by proper adjustments for estimated unrecoverable amounts.

Receivables that are assumed not be settled on time or in full, are regarded as doubtful; if legal action has been initiated they are regarded as disputed.

Receivables are adjusted if the need arises, which is considered based on individual estimates of recoverability.

Investments in subsidiaries are valued at their original cost.

Loss due to impairment of financial assets held for sale is calculated according to an asset's current fair value.

For key financial assets, the estimation of impairment is performed individually. The impairment estimation of other financial assets is performed in groups according to common properties in risk exposure.

All impairment losses are presented in the profit/loss statement for the period. Any accrued loss related to financial assets held for sale that was recognized directly in equity is transferred to the operating results.

The loss due to impairment is derecognized if it can be objectively attributed to an event that occurred after the impairment has been recognized. For financial assets presented at amortized cost and financial assets held for sale, which are debt instruments, the derecognition of loss due to impairment is presented in operating results. Derecognition of financial assets held for sale that are equities are presented directly in equity by the company.

ii) Nefinančna sredstva

On each reporting date, the company checks the remaining carrying value of non-financial assets of the company, except biological assets, investment property, inventories and deferred tax assets, to determine any signs of impairment. If such signs exist, the asset's recoverable value is estimated. An estimate of the impairment of goodwill and intangible assets with an unspecified useful life that are not yet ready for use is performed on every reporting date.

The recoverable value of an asset or a cash-generating unit is its value in use or its fair value minus cost of selling, whichever is higher. When determining an asset's value in use, expected

future cash flows are discounted to their current value at pre-tax rates, that reflect current market assessments of the time value of money and the risks specific to the asset. To test for impairment, assets are grouped into the smallest possible groups that generate cash flow from permanent use, largely independent from those from other assets or asset groups (cash-generating units). To test for impairment, goodwill obtained from mergers is distributed to cash-generating units that are expected to benefit from the synergy of merging.

Impairment of assets or cash-generating units is recognized if their book value is greater than their recoverable value. The impairment is presented in operating results. Loss that is recognized for cash-generating units due to impairment is allocated in such a way that first the book value of goodwill allocated to a cash-generating unit is decreased, and then to other assets of the unit (group of units) in proportion to the book value of each asset in the unit.

Loss due to impairment of goodwill is not derecognized. For other assets, the company assesses loss due to impairment in previous periods on the balance sheet date and thus determines if the loss has decreased or is not present at all. Loss due to impairment is derecognized if the assessments have changed based on which the company determines an asset's recoverable value. Loss due to impairment is derecognized to the amount up to which the increased book value of an asset does not exceed the book value that would have been determined after subtracting depreciation, if no loss due to impairment had been recognized in previous years.

i) Employee Benefits

i) Other Long-Term Employee Benefits – Allocations for Severance Pays and Long Service Rewards

The company's net liability for long-term employee benefits is the sum of future benefits that employees have acquired for their services performed in the current and past periods. That amount of benefits is then discounted to determine its current value, and the decreased by the fair value of all related assets. The discount rate is the reported return of AA rated bonds the maturity of which is roughly the same as the maturity of the company's obligations. The calculation uses the projected unit credit method. Any actuarial gains and losses are recognized in the operating results of the period of their occurrence.

ii) Short-Term Employee Benefits

Liabilities for short-term employee benefits are not discounted and are presented as expenses after an employee's work related to a given short-term benefit is complete.

Liabilities are presented in the amount for which payment is expected in the form of a premium, payable within twelve months of finishing work, or a profit sharing scheme if the company has a current legal or indirect commitment for such payments due to past work of an employee and the liability can reliably be measured.

j) Allocations

Allocations are recognized when the company has a current legal or indirect commitment due to past events, if it is likely that settlement will require fund outflow and that the amount can reliably be estimated.

i) Post-Employment Benefits

Employees are entitled to severance pay when they retire, which is recognized when they conclude their employment in accordance with the Employment Act. For severance pay upon retirement, the projected unit credit method (the method of imputing benefits in proportion to the performed work) is applied, and therefore the Group establishes provisions appropriate to the achieved length of service of employees. Actuarial valuation is performed on 30 June and is properly presented in operating results.

Severance pay upon retirement when due reduces the established provisions.

ii) Other Long-Term Benefits

Employees are entitled to long-term service rewards that are recognized when an employee reached a certain length of service. For severance pay upon retirement, the projected unit credit method (the method of imputing benefits in proportion to the performed work) is applied, and therefore the Group establishes provisions appropriate to the achieved length of service of employees. Actuarial valuation is performed on 30 June and is properly presented in operating results. Long service rewards when due reduce the established provisions.

k) Revenue

i) Sales of Products

Sales of products are recognized at fair value of the received payment or liability, decreased by refunds, rebates and quantity discounts. Revenue is presented when a customer assumes all major forms of risks and benefits related to asset ownership, when there is certainty about the ability to pay compensation and the related expenses or about the option for returning products, when the company ceases to decide on sold products, and when the revenue amount can reliably be measured.

Transferring risks and benefits depends on the terms of the purchase contract. For goods sales, the transfer is generally made after the goods have arrived at the customer's warehouse, but for some international deliveries the transfer is made when the goods are loaded for transport.

ii) Sales of Services

Sales of services are recognized in operating results based on the service's stage of completion on the reporting date. The state of completion is assessed with a review of the completed tasks.

A majority of the company's revenue is from sales of licenses and upgrade agreements. Apart from regular purchasing licenses outright, customers can also pay with a 5-year installment plan, or lease it for six years (hereinafter referred to as RLGS Agreements). Revenue from RLGS Agreements is composed of license fees, upgrades and financing.

Income from tenders, subsidies or grants is financed by the company at the signing of the contract and in the moment when their occurrence becomes certain. In cases where the company is granted funds through tenders for the development of intangible assets, such funds are counted towards the item accrued costs and deferred revenue – government grants, which is then monthly depreciated by the proportional amount.

Uncertainty evaluations and decisive assessments prepared by the management in line with the accounting policy that most significantly affect figures in the financial statements are:

- explanation on allocations and contingent liabilities;
- valuation of assets.

iii) Revenue from Rents

Revenue from rents and investment property is recognized in revenue on a straight line basis over the term of the rent. Any given rent-related incentives are recognized as a part of total revenue from rents.

l) Government Grants

Government grants are initially recognized in accounting statements as deferred revenue, if there is reasonable assurance that the company will receive said grants and will fulfill the necessary requirements. Government grants received for covering costs are recognized strictly as revenue in the periods when said costs occur, that the grants should be covering. Grants related to assets are recognized in operating results strictly as other operating revenue in the useful life of an asset.

m) Financial Leases

Payments from financial leases are recognized as revenues on a straight line basis over the lease term. Any received lease-related incentives are recognized as a part of total expenses for leases.

The minimum lease payments due are distributed among financial expenses and decrease of outstanding debt. Financial expenses are distributed among periods over the lease term to get a fixed interest rate for the outstanding debt balance for each period. The company presents contingent payments from financial leases in the amount that, when the lease is changed, the minimum lease payment for the remaining term is re-assessed.

Contingent payments from financial lease are presented when the contingent liability no longer exists and when the change in the financial lease's value is known, namely in the amount determined by reassessing the minimum lease payment in the remaining term of the lease.

n) Financial Revenue and Financial Expenses

Financial revenue consists of interest from investment (including financial assets held for sale), dividend revenue, revenue from disposal of financial assets held for sale, changes in fair value of financial assets at fair value through operating results, and gains from instruments for insurance against risks, which are recognized in operating results. Revenue from interest is recognized in operating results upon its occurrence using the effective interest rate method. Dividend revenue is recognized in comprehensive income on the day the shareholder's right to payment is exercised, which is for listed companies generally the date when the right to current dividends ceases to be related to the share.

Financial expenses consist of borrowing costs, differences from recalculating allocation discounts, dividends from preferred shares presented among liabilities, changes in fair value of financial assets at fair value through operating results, loss due to impairment of financial assets, and loss from instruments for insurance against risks, which is recognized in comprehensive income. Borrowing costs are recognized in comprehensive income using the effective interest rate method.

Profit and loss from exchange differences are presented in net amounts.

o) Tax on Profit

The tax on profit or loss in the fiscal year consists of current tax and deferred tax. The tax on profit is presented in comprehensive income, except for the part pertaining to items that are presented directly in equity and is therefore presented in equity.

Current tax is the tax expected to be paid from taxable profits for the fiscal year, using the tax rates that have been enacted or substantively enacted by the reporting date, and any adjustments to tax liabilities related to past fiscal years.

Deferred tax is presented using the balance sheet liabilities method, whereby temporary differences between asset and liability book value for financial statements and amounts for tax reporting are taken into account. The following temporary differences are not included: initial recognition of assets or liabilities in transactions other than mergers that have no effect on accounting profits

or taxable profits, and differences related to investments in subsidiaries and jointly-controlled companies in the amount that is likely not to be derecognized in the foreseeable future. Furthermore, the deferred tax is not presented if there are taxable temporary differences at the initial recognition of goodwill. Deferred tax is presented in the amount that is expected to be payable upon derecognition of temporary differences based on laws enacted or substantively enacted by the reporting date. The company sets off deferred tax assets liabilities, if it has a legally enforceable right to set off recognized current tax assets and liabilities and if they pertain to the tax on profit levied by the same taxation authority in connection with the same taxable unit; or different taxable units that either intend to settle current tax liabilities and tax assets with a difference, or simultaneously recover assets and settle liabilities.

Deferred tax assets are recognized in the amount for which it is likely that a future taxable profit will be available that might be used to cover the deferred asset. Deferred tax assets are reduced by the amount for which it is not likely that asset-related tax reliefs can be claimed.

4. DETERMINING FAIR VALUE

Considering the company's accounting policies and breakdowns, many times a fair value of financial and non-financial assets and liabilities must be determined. The fair values of single asset groups for the purpose of measuring or reporting are determined herein. Additional explanations regarding assumptions for determining fair value are given along individual breakdowns of the company's assets or liabilities.

i) Fixed Assets

The fair value of fixed assets from business combinations is equal to their market value. The market value of immovable property is equal to the estimated value at which the property could be sold by a willing seller to a willing buyer at arm's length on the day of the valuation and after appropriate marketing. The market value of plant, equipment, furniture and fixtures is based on the offered market price of similar objects.

ii) Intangible Assets

The fair value of patents and trademarks acquired through business combinations is based on the estimated discounted future value of royalties, which will not need to be paid because the patent or trademark is already owned. The fair value of other intangible assets is determined by taking the current value of estimated future cash flows that are expected from their use or potential sale.

iii) Operating and Other Receivables

The fair value of operating and other receivables is calculated as the current value of future cash flows, discounted at market interest rates on the reporting date.

iv) Non-Derivative Financial Liabilities

The fair value is for reporting purposes calculated based on the current value of future payouts of the principal and interest, discounted at the market interest rate on the reporting date. In connection with the portion of liabilities from convertible bonds, the market interest rate is determined by comparing with similar liabilities that cannot be converted to equity. For financial leases, the market interest rate is determined by comparing with similar lease contracts.

5. FINANCIAL RISK MANAGEMENT

The company does not use financial instruments. The company assesses financial risks within the following groups:

- credit risk,
- reduced liquidity,
- market risk.

This chapter discusses the company's exposure to said risks, its goals, policies and procedures for measuring and managing risks, and its handling of capital. Other quantitative disclosures can be found in the continuation of the Notes to the financial statements.

The management is fully responsible for establishing the company's framework for risk management. The finance and accounting department deals with risk measurement and management. The person responsible for finance and accounting reports to the executive director about activities in this field.

Risk management policies are designed to define and analyze risks that threaten the company, based on which proper restrictions and controls are set up, risks monitored and restrictions respected. Risk management policies and systems are regularly checked to reflect changes in market conditions and the company's activities. With training as well as standards and procedure for risk management, the company endeavors to develop a disciplined and constructive environment where all employees are aware of their roles and responsibilities.

The Executive Board ensures that risk management policies and procedures are respected, and assesses the suitability of the risk management framework for the risks that the company faces.

Credit Risk

Credit risk is the risk the the company will suffer financial loss if a client or a contracting party in a financial instrument agreement fails to fulfill its contractual obligations. Credit risk arises primarily from the company's receivables from clients and investment securities.

Operating and Other Receivables

The company's exposure to credit risk depends largely on the characteristics of individual clients. Client demographics and risk of non-payment with regard to the industry or country of a client do not have a significant effect on credit risk. Geographically speaking, there is no concentrated credit risk.

The finance and accounting department assesses each new client's creditworthiness before it is given standard terms of payment and delivery. The assessment factors in external ratings if they exist, and in some cases also bank references. The credit limit is set in the form of a maximum outstanding amount that need not be approved and is client-specific; credit limits are checked every four months. Clients that do not meet the company's standard creditworthiness are required to make payments in advance.

The company makes adjustments for impairments that represent estimated losses from operating and other receivables and investments. The main elements of adjustments are the special part of the loss, which pertains to single major risks, and the common part of loss, which is for groups of similar assets due to losses that have occurred but have not yet been identified. The adjustment for total loss is determined by factoring in historical data that pertains to statistics of payments for similar financial assets.

Guarantee

In line with its policies, the company issues financial guarantees only to wholly-owned subsidiaries.

Reduced Liquidity

Liquidity risk is the risk that the company might not be able to settle its financial obligations when due. The company maintains maximum liquidity by having sufficient liquid assets to settle obligations in time, both in normal and troubled circumstances, without incurring unacceptable loss or reputation damage.

The company has several credit lines for ensuring liquidity where it can draw from if the need arises.

Market Risk

Market risk is the risk that fluctuations in market factors, such as interest rates, exchange rate and equity instruments, will affect the company's revenue or value of financial instruments. The objective of market risk management is the control over exposure to market risks to a reasonable degree, while optimizing profits.

Currency Risk

The company is exposed to currency risk when buying, selling, lending and borrowing, specifically when making transactions in currencies other than the functional currency. The company operates mostly with euros.

The significance of the key currency pair has changed since the introduction of the euro, because no currency pair fits into this category, but due to unbalanced foreign currency positions, some of the more important currency pairs have been identified that are geographically related to the company's subsidiaries: euro/Croatian kuna, euro/Macedonian denar and euro/Serbian dinar. The company attempts to reduce currency risks by factoring them into markups, by balancing purchases and sales, with well-timed foreign currency coverage of inflows with outflows, and by taking out loans in the local currency.

Interest Rate Risk

Interest rate risk is the risk that a financial instrument's value will fluctuate due to variable interest rates. The majority of the company's debt instruments is bound to a fixed interest rate, therefore operations are not exposed to interest rate risk. Interest rate risk is reduced by adapting interest rates for assets to interest rates for liabilities; furthermore, simulations are performed on the balance sheet in regard to absorption of financing in relation to interest rate fluctuation.

Equity Risk

The Executive Board decided to keep equity large in order to build the trust of investors, creditors and the market, and to facilitate the company's sustainable growth. The Executive Board monitors the capital gains that the company defined as net operating revenue, divided by the total shareholder's equity, excluding non-redeemable preferred shares and minority stakes. Also monitored is the dividend amount paid to common shareholders.

The company endeavors to keep a balance between high yields supported by large loans and the benefits and security of a strong equity position.

The company occasionally buys own shares, depending on the current market price of the share. In general, such shares are intended for profit sharing schemes. The decision for buying and selling shares is made by the risk management committee separately for each transaction. The company does not have a special plan for buying own shares.

The company did not change its equity management policies in this fiscal year.

Neither the parent company nor its subsidiaries are subject to equity requirements set by external entities.

6. SALES

in euros	FY 2011	FY 2010
SALES	1.970.507	2.152.873
Sales in the domestic market	1.279.425	1.573.828
Sales of products and services, excluding leases	1.267.064	1.550.880
Revenue from leases, subscriptions	12.061	22.548
Sales of goods and materials	300	400
Sales in the EU	7.684	7.454
Sales of products and services in the EU	7.684	7.454
Sales outside the EU	683.398	571.591
Sales of products and services	683.398	571.591

Datalab licenses its software suite PANTHEON also with leases and subscriptions. Since 1 July 2009, when such a licensing agreement is entered into, the company immediately records the value of the license, and revenue from software upgrades and financing is recorded monthly until the agreement expires.

7. OTHER OPERATING REVENUE

The majority of other operating revenue are capitalized own products and services in the amount of 1,325,172 euros, which represents the development of PANTHEON.

Subsidies, grants, allowances, compensations and other revenue associated with products and services include the subsidy of the Slovenian Ministry of Higher Education and Technology for developing an ecosystem for e-business in SMEs (project Feniks). This income was financed in the amount of 95,118 euros, which is proportional with the cost of depreciation of the Feniks project. For the remainder of the approved subsidy, long-term allocations in the amount of 250,112 euros have been established to cover the proportional part of depreciation costs in the next four years.

Other operating revenue in the 2011 fiscal year is composed of revalued revenue from the impairment derecognition of operating receivables in the amount of 2,676 euros, write-off of liabilities from the previous calendar year for voluntary supplementary pension insurance in the amount of 14,690 euros, derecognition of other liabilities in the amount of 19,520 euros, and other revenue in the amount of 5,194 euros.

8. COST OF MATERIALS, GOODS AND SERVICES

The cost of materials is the quantity of direct materials consumed. Costs of services are costs that do not count as costs of materials, depreciation or labor, but costs of transportation services, production stages performed by others, utility and telecommunication services, rentals, payment

services, cost of partner commissions, and similar. Costs of services include work contracts costs, author's contract costs and costs associated with other legal relations, except employment relationships with private individuals.

The total costs of materials, goods and services is composed as follows.

v EUR	PL 2011	PL 2010
Cost of materials, goods and services	881.538	1.013.984
Cost of goods sold	0	385
Cost of materials	46	37.913
Cost of energy	12.846	14.015
Other costs of materials	16.065	3.839
Cost of services for making products and rendering services	27.223	62.858
Transport services	18.454	14.430
Cost of services related to maintenance of fixed assets	5.181	3.656
Rents	134.013	147.013
Reimbursement to employees for work-related expenses	13.714	10.921
Cost of payment services, banking services and insurance premiums	19.196	18.522
Cost of intellectual and personal services	245.952	158.218
Cost of exhibitions, advertising, promotion and entertainment	77.501	29.895
Cost of services of private individuals	77.871	50.892
Cost of other services	233.476	461.427

Other costs of materials consist mostly of office supplies and reference books. Other services are mostly the services of external contractors related to creating, updating and further developing the software suite PANTHEON 5.5. The cost of other services is roughly half of that of the previous year, because in July 2010 Datalab Tehnologije, d. d., founded Datalab SI, d.o.o., which has been selling services in the Slovenian market from August 2010 onwards. Because of that the cost of other services of Datalab Tehnologije, d. d., no longer includes a large part of partner commissions. Furthermore, development costs are invoiced by Datalab SI, d.o.o., to the parent company, therefore the cost of intellectual and personal services has increased in comparison with the fiscal year 2010. The economic crisis made selling more difficult, therefore marketing activities had to be increased (advertising, promotion).

Costs by functional group	in euros	Share
Production costs (development and support)	1.996.912	69,28 %
Cost of selling (marketing and sales)	197.729	6,86 %
Cost of administration (management)	687.750	23,86 %
Total	2.882.391	100

Production costs include the cost of the development and support teams; selling costs include the cost of the marketing and sales teams. Cost of administration include common company activities (accounting, administration, Academy, training, HR, etc.).

9. LABOR COSTS

Labor costs and reimbursements to employees are accounted in accordance with applicable laws, collective agreements, internal company regulations, or employment contracts. Accounted labor costs correspond to related short-term liabilities until settled. Liabilities for salaries and wages are represented as liabilities to individual employees in their net amounts and as withheld obligations for taxes, included in their gross salaries. Also presented are obligations and taxes that are accounted on the basis of gross payments and which are not part of them. Voluntary supplementary pension insurance for employees is otherwise arranged with a collective pension insurance at a pension plan operator that is certified for voluntary supplementary pension and disability insurance, but is currently suspended.

Labor costs are composed as follows:

in euros	FY 2011	FY 2010
Labor costs	1.153.551	1.333.434
Cost of wages and salaries	865.667	966.970
Cost of pension insurance	76.645	124.286
Cost of other social insurances	62.786	71.504
Other labor costs	148.453	170.674

Earnings of the Management

The figures in the tables below include labor costs and compensations borne by the employer, other labor costs (annual leave bonuses, other remuneration, net reimbursements, benefits), and reimbursement of work-related expenses. The figures are for the fiscal year 2011.

Attendance fees for the Executive Board include cost of attendance fees and reimbursements for internal and external members of the executive board.

Members of supervisory boards of the company's subsidiaries are not receiving any payment for their supervisory functions, therefore the amounts pertain to the parent company only.

	Fixed earnings	Other bonuses	Reimbursements	Other additional payments	Total earnings in Datalab Tehnologije, d. d.
Lojze Zajc	28.667	10.000			38.667
Andrej Mertelj	59.161	22.000	6.688	26.145	113.994
Tone Černe	4.800	8.000			12.800

10. OTHER OPERATING EXPENSES

in euros	FY 2011	FY 2010
Other operating expenses	135.883	66.908
Other costs	19.904	14.036
Revalued operating expenses for intangible and fixed assets	59.907	298
Revalued operating expenses associated with current assets	56.072	52.574

Other operating expenses in the fiscal year 2011 include expenses for contributions for promoting employment of people with disabilities in the amount of 6,225 euros, court fees in the amount of 5,570 euros, rounding differences and expenses not recognized for tax purposes in the amount of 4,090 euros, and other expenses in the amount of 4,019 euros.

Revalued operating expenses consist of value adjustments related to short-term operating receivables in the amount of 56,072 euros and the exclusion/impairment of the PANTHEON program module for VAT in the amount of 59,907 euros.

11. FINANCIAL REVENUE

in euros	FY 2011	FY 2010
Financial revenue	109.975	160.987
Financial revenue from loans given to others	1.581	9.210
Financial revenue from loans given within the group	4.534	3.194
Financial revenue from operating receivables from others	100.007	127.739
Financial revenue from loans given within the group	3.853	20.844

Financial Revenue from Given Loans

In 2011, the company generated financial revenue from loans given to companies and other entities in Slovenia in the amount of 1,581 euros and to foreign subsidiaries in the amount of 4,534 euros. Financial revenue arises from given short-term loans (up to 12 months) with an annual interest rate of 7 to 8%.

Financial Revenue from Operating Receivables

In 2011, the company generated most of its financial revenue from operating receivables from leases and subscriptions. This amounted to 98,936 euros in 2011 and to 127,650 euros in 2010. Other revenue consists of exchange differences, interest on deposits, and default interest from clients' late payments.

12. FINANCIAL EXPENSES

in euros	FY 2011	FY 2010
Financial expenses	113.622	250.608
Financial expenses for loans received from companies in the group	1.878	
Financial expenses for loans received from banks	81.194	42.353
Financial expenses for operating liabilities to companies in the group	505	
Financial expenses for operating liabilities to suppliers	3.737	8.434
Financial expenses for other operating liabilities	26.308	110.215
Impairment of investments		89.606

In the fiscal year 2011, the company took out long-term loans with the banks NLB, d. d., and Banka Celje, d. d. Due to those loans that the company needed to finance further development, expenses for interest to banks have increased by 92% over the last year. Consequently, the company was not paying default interest for late payments of operating liabilities, which have decreased by 76% over the last year.

Net cash flow

in euros	FY 2011	FY 2010
Financial revenue	109.975	160.987
Financial expenses	113.622	250.608
NET CASH FLOW	-3.647	-89.621

13. TAX ON INCOME

The corporate income tax is accounted based on the income and expense that are included into the profit/loss statement according to applicable law. The corporate income tax in 2011 amounted to 10,092 euros.

Item	FY 2011	FY 2010
Accounted income tax – tax liability	10.092	18.862
Deferred tax assets	19.395	2.963
Total tax expense in operating results	-9.303	15.899

Effective rate of the income tax for Datalab Tehnologije, d. d.:

Item	FY 2011	FY 2010
Gross operating profit or loss before taxes	426.842	415.917
Applicable tax rate	20,00%	20,50%
Tax amount at applicable rate before changes to tax basis	85.368	85.263
Expenses not recognized for tax purposes	95.622	207.141
Difference in recognition of income and expenses	-7.218	-49.491
Reliefts	-464.788	-474.559
Effective tax rate	2,36%	3,82%
Current and deferred tax	10.092	15.899
Reliefts	-474.559	-306.151
Druge stalne razlike		
Effective tax rate	3,82%	0,00%
Current and deferred tax	15.899	0

14. REVENUE FROM DEFERRED TAXES

Revenue from deferred taxes represents and increase in deferred tax assets in the amount of 19,395 euros as the difference between write-offs and impairments not recognized for tax purposes in this fiscal year, and write-offs and impairments recognized for tax purposes in future years pertaining to profit sharing under the Financial Participation Act.

15. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment in the amount of 30,930 euros consists of computers and computer equipment. Property, plant and equipment in the amount of 4,597 euros was acquired with own funds.

Movement of fixed assets from 1 July 2010 to 30 June 2011

COST	Other plant and equipment	Total
Balance as of 1 July 2010	337.683	337.683
Acquisition, activation	4.597	4.597
Disposal, write-off	1.477	1.477
Upward revaluation of fixed assets	0	0
Balance as of 30 June 2011	340.803	340.803
VALUE ADJUSTMENT		
Balance as of 1 July 2010	292.068	292.068
Disposal, write-off	1.477	1.477
Depreciation	19.282	19.282
Upward revaluation of fixed assets	0	0
Balance as of 30 June 2011	309.873	309.873
CARRYING VALUE		
Balance as of 1 July 2010	45.615	45.615
Balance as of 30 June 2011	30.930	30.930

16. INTANGIBLE ASSETS

An intangible asset is an asset is used for long-term production or supply of goods or services, for rental to others, or for administrative purposes, but without physical substance. Datalab Tehnologije, d. d., presents material rights and copyrights at their carrying value, being the difference between the cost and the value adjustment.

Intangible assets in the value of 4,236,735 euros represent the value of purchased components and other copyrights pertaining to PANTHEON, and various licenses that allow normal work of the PANTHEON development team. The largest part of intangible assets is the capitalization of the software PANTHEON.

The company has no significant fully depreciated intangible assets

Intangible assets for the fiscal year 2011

	Long-term property rights	Total
COST		
Balance as of 1 July 2010	6.534.635	6.534.635
Acquisition, activation	1.332.746	1.332.746
Disposal, write-off	62.785	62.785
Upward revaluation of fixed assets	0	0
Balance as of 30 June 2011	7.804.596	7.804.596
VALUE ADJUSTMENT		
Balance as of 1 July 2010	2.758.604	2.758.604
Disposal, write-off	2.878	2.878
Depreciation	812.135	812.135
Upward revaluation of fixed assets	0	0
Balance as of 30 June 2011	3.567.861	3.567.861
CARRYING VALUE		
Balance as of 1 July 2010	3.776.031	3.776.031
Balance as of 30 June 2011	4.236.735	4.236.735

17. LONG-TERM FINANCIAL INVESTMENTS

Long-term financial investments are part of long-term financial instruments and represent an item with maturity over one year.

in euros	30 June 2011	30 June 2010
Long-term financial investments	176,105	168,605
Shares and stakes in companies in the group	174,856	167,356
Other long-term financial investments	1,249	1,249

The company presents the following long-term financial investments:

in euros	Stake	30 June 2011	30 June 2010
Investment into Datalab Tehnologije, d.o.o. – Croatia	51 %	123.000	123.000
Investment into Datalab BA, d.o.o. – Bosnia and Herzegovina	51 %	524	524
Investment into Datalab MK, d.o.o., – Macedonia	100 %	38.832	38.832
Investment into Datalab SR, d.o.o. – Serbia	100 %	5.000	5.000
Investment into Datalab MN, d.o.o. – Montenegro	51 %	0	0
Investment into Datalab SI, d.o.o. – Slovenia	100 %	7.500	0
Subsidiaries total		174.856	167.356
Investment into Datalab Automotive, d.o.o. – Serbia	24,99 %	1.249	1.249
Other companies total		1.249	1.249

Long-term financial investments are valued using the cost method.

Long-term financial investments in subsidiaries and affiliated companies

In the fiscal year 2011, specifically in July 2010, Datalab Tehnologije, d. d., founded a new company, Datalab SI, d.o.o., which started operating in August 2010 and sells its services in the Slovenian market.

18. LONG-TERM LOANS

Long-term loans to companies in the group in the amount of €3,502 pertain to the loan given to Datalab MN for selling licenses with a 24-month installment plan, financed by Datalab Tehnologije, d. d., by taking out a long-term loan with Raiffeisen banka.

19. LONG-TERM OPERATING RECEIVABLES

Long-term operating receivables are receivables arising from property and other legal relationships to claim the settlement of a debt or the payment for deliveries or rendered services in a period that is longer than 12 months. Long-term operating receivables are mostly receivables from sales of lease and subscription agreements. Below is a breakdown of long-term operating receivables by the type of agreement and type of receivable.

in euros	30 June 2011	30 June 2010
LONG-TERM OPERATING RECEIVABLES	209.432	358.316
Other long-term receivables	1.011	
Long-term receivables from confirmed compulsory liquidations	5.928	
Long-term oper. rec. from leases (L20 and L30)	99.218	159.235
Long-term oper. rec. from lease upgrades (L20 and L30)	40.884	65.442
Long-term oper. rec. from subscriptions (S30)	42.839	92.426
Long-term oper. rec. from subscription upgrades (S30)	19.552	41.213

20. LONG-TERM DEFERRED COSTS AND ACCRUED REVENUE

Long-term deferred costs and accrued revenue include long-term deferred costs for financing and collecting RLGS agreements by the company Diners Club SLO, d. o. o., in the amount of 12,393 euros, and the purchase of the program Firma2000 in the amount of 30,000 euros. Users of the program Firma2000 will migrate to PANTHEON 5.5 over the following years because Firma2000 is outdated. The cost of purchasing Firma2000 will go into the expenses of Datalab Tehnologije, d. d., over the following years.d.

21. ODLOŽENE TERJATVE ZA DAVEK

in euros	30 June 2011	30 June 2010
Deferred tax assets	68.224	48.830
- from establishing provisions	1.203	
- from unused tax reliefs	24.800	11.856
- from value adjustments of assets and investments	42.221	36.974

Deferred tax assets are amounts of the tax on profit that will be returned to the taxpayer in future tax periods with lower tax amounts in the future, when the assets can be claimed.

Deferred tax assets in Datalab Tehnologije, d. d., are receivables from the state for value adjustments of receivables and investments in the amount of 42,221 euros, receivables from unused tax reliefs due to employee profit sharing under the Financial Participation Act in the amount of 24,800 euros, and established provisions for severance pays and long service awards in the amount of 1,203 euros.

22. INVENTORIES

Inventories on 30 June 2011 amounted to 3,178 euros (4,369 euros on 30 June 2010) represent advertising materials (merchandising: t-shirts, computer accessories, caps, ties, etc.) sold in Datalab's own online shop or used for own promotional activities.

23. SHORT-TERM FINANCIAL INVESTMENTS

in euros	30 June 2011	30 June 2010
Short-term financial investments	52.209	112.967
Short-term loans to companies in the group	7.579	
Other short-term loans	44.630	53.659
Short-term receivables for unpaid capital	0	59.308

Short-term financial investments in 2011 consisted of short-term loans in the amount of 52,209 euros (112,967 euros on 30 June 2010). Interest charged to affiliates is higher than the interest rates for crediting affiliates as prescribed by the minister of finance. Short-term loans bear interest at an annual interest rate of 7 to 8%.

24. SHORT-TERM OPERATING RECEIVABLES

Short-term operating receivables are receivables arising from property and other legal relationships to claim the settlement of a debt or the payment for deliveries or rendered services. They represent short-term operating receivables and paid advances. Breakdown of operating receivables:

in euros	30 June 2011	30 June 2010
Short-term operating receivables	664.747	1.109.418
Short-term operating receivables from companies in the group	348.609	245.419
Short-term operating receivables from customers	298.894	632.614
Short-term operating receivables from others	17.244	231.385

Trade receivables are presented at nominal value, decreased by proper adjustments for estimated unrecoverable amounts. Receivables are revalued due to impairment if their book value exceeds their fair value, that is their realizable value.

Short-term receivables are collectible. Services to problematic customers are rendered only against an advance payment. Short-term receivables to foreign customers are converted at the rate of the Bank of Slovenia as of 30 June 2011. The effects of changes in exchange rates on the balance sheet date increase ordinary financial revenue or expenses as exchange differences.

Short-term operating receivables from others include receivables for paid collaterals to executors in the amount of 1,339 euros, receivables for input VAT in the amount of 5,478 euros, receivables for overpaid corporate tax in the amount of 6,777 euros, and other receivables in the amount of 3,650 euros.

It is estimated that short-term receivables are collectible, except for receivables whose value has been adjusted.

Receivables by maturity

Receivables	Gross value on 30 June 2011	Value adjustment on 30 June 2011	Net value on 30 June 2011	Gross value on 30 June 2010	Value adjustment on 30 June 2010	Net value on 30 June 2010
Total	803.578	138.831	664.747	1.198.293	88.875	1.109.418
Not overdue	544.631	0	544.631	714.963	0	714.963
Overdue 0 to 30 days	56.820	0	56.820	138.357	0	138.357
Overdue 31 to 180 days	48.492	5.289	43.203	116.582	0	116.582
Overdue 181 to 365 days	40.242	29.548	10.694	112.012	37.495	74.517
Overdue over one year	113.393	103.994	9.399	116.379	51.380	64.999

Value adjustment of receivables

Item	FY 2011	FY 2010
Balance as of 1 July 2010	88.875	89.471
Value adjustments within the year	49.956	-596
Balance as of 30 June 2011	138.831	88.875

25. CASH

in euros	30 June 2011	30 June 2010
Cash	25.759	76.659
Cash on hand	3	158
Cash in bank accounts	25.756	76.501

26. SHORT-TERM DEFERRED COSTS AND ACCRUED REVENUE

Short-term deferred costs and accrued revenue in the amount of 67,702 euros consists of deferred costs for partner commissions for RLGS agreements in the amount of 15,682 euros, annual leave bonuses in the amount of 14,447 euros, deferred costs in the amount of 1,809 euros, and short-term accrued revenue in the amount of 35,764 euros.

27. EQUITY

Share Capital

The shareholder meeting on 5 May 2003 decided to issue 6,150 shares with a total nominal value of 6,150,000 tolar (25,663 euros). Another 225 shares were issued on 5 April 2005 with a total nominal value of 225,000 tolar (938.9 euros). The nominal value per share for the first two issues was 1,000 tolar (4.17 euros) and they were for cash. 95,050 no-par value shares were issued on 17 August 2007; the issue was carried out from carried over profits and overpaid share capital. On February 15, 2008, another 5,094 no-par value issues were issued for cash. The last shares were registered at the central securities register on 29 December 2010, specifically 5,020 no-par value shares in a total nominal value of 20,947.97 euros. The total number of issued shares is therefore 111,539. After that, the company's share capital amounted to 465,441.28 euros.

All shares are common, registered and issued in non-material form. All shares had been paid in full by the shareholders before the shares were entered in the company register.

On 28 February, the shareholder assembly passed the decision to increase the company's share capital in the amount of 1,500,000.00 euros from the company's assets by transforming retained profits. The company's share capital was thus increased without issuing new shares. This was entered into the court register on 15 March 2011.

On the shareholder meeting on 28 February, shareholders of Datalab Tehnologije, d. d. passed the decision to split shares in a 1:15 ratio; one existing common registered non-materials share was split into 15 shares, therefore the company's share capital of 1,965,441.28 euros was split into 1,673,085 common registered non-material shares.

Datalab received on 28 March 2011 from the Central Securities Registry (Klirinško depotna družba; KDD) a resolution, under which 1,561,546 additional shares are registered at the central registry of non-material securities, based on the decision on increase of share capital from assets without issuing new shares and the decision on stock split, according to which each share is split into 15 shares. The shares are designated DATR in the registry, ISIN code SI0031114513. The new shares will be assigned to holders who have on 29 March 2011 (cut-off date) been registered in the registry as holders of DATR shares; for each share held, an additional 14 will be assigned. The transaction at the registry will take place on 30 March 2011.

Own Shares

As of 30 June 2011, the company owned 27,887 own shares. Their cost is presented in the amount of 61,351 euros. Provisions in the same amount are formed for purchasing own shares. The company did not transfer 6,981 of its own shares to employees (according to decisions of the assembly meetings on 1 September 2010 and 28 February 2011 about profit sharing), because employees have not yet informed the company about their trading accounts. The fair value of own shares on 30 June 2011 was 40,157 euros.

Capital Surplus

Capital reserves consist of capital increase payments above the share's par value in the amount of 238,511 euros and effects from the disposal of own shares in the amount of 20,211 euros.

Ownership Structure of Datalab Tehnologije, d. d., as of 30 June 2011

Category	First name	Last name	Stake	No. of shares
10 largest			82,53 %	
	Andrej	Mertelj	41,64 %	696.630
	EGLATH VENTURES		23,51 %	393.390
	Zvone	Jagodica	4,09 %	68.461
	Tomaž	Teyrovsky	3,39 %	56.754
	Moreno	Rodman	1,93 %	32.220
	ADVAL d. o. o.		1,83 %	30.540
	Vanja	Varl	1,77 %	29.655
	Lastne delnice		1,67 %	27.887
	Valerija	Ažman	1,43 %	23.865
	Zvonko	Arzenšek	1,27 %	21.315
Others			17,47 %	
	Člani uprave*		0 %	0
	Upravni odbor		1,03 %	17.175

Drugi zaposleni	3,09 %	51.774
Bivši zaposleni	3,74 %	62.620
Partnerske družbe	2,03 %	34.020
Drugi delničarji	7,58 %	126.779
Total	100,00 %	1.673.085

* excluding Andrej Mertelj

28. LONG-TERM FINANCIAL LIABILITIES

On 15 December 2010, the company signed a loan contract with Nova Ljubljanska banka, d. d., for a 5-year loan of 860,000.00 euros (800,000 euros as of 30 June 2011). The loan was taken out under the Republic of Slovenia Guarantee Scheme and is in its entirety meant for the repayment of short-term loans. The loan is additionally collateralized with some of the company's long-term and short-term receivables (665,087 euros) from RLGS agreements.

On 31 May 2011, the company signed a loan contract with Banka Celje, d. d., for a loan of 500,000.00 euros (164,746 euros as of 30 June 2011) from the funds of the European Investment Banks; the loan is in its entirety intended for funding the development of the company's software suite PANTHEON. The loan is additionally collateralized with the trade mark Datalab. The company started drawing funds from the loan in July 2011.

in euros	30 June 2011	30 June 2010
Long-term financial liabilities	784.746	0
Long-term loans from domestic banks	620.000	0
Long-term loans from domestic banks – being used	164.746	0

Interest rates are tied to 6 month and 3 month Euribor and have an additional fixed interest rate between 3% and 6% per year.

29. LONG-TERM PROVISIONS

Long-term provisions are provisions for long service rewards and severance pays upon retirement in accordance with IAS 19 in the amount of 12,036 euros. In 2011, the company established no additional allocations for long service awards and severance pays.

30. LONG-TERM ACCRUED COSTS AND DEFERRED REVENUE

Long-term accrued costs and deferred revenue in the amount of 564,849 euros consists of allocations for partner commissions from leases and subscription in the amount of 48,219 euros and of long-term deferred revenue from leases and subscriptions in the amount of 60,671 euros.

Long-term accrued costs and deferred revenue in the amount of 205,847 euros are for potentially lost lawsuits.

In the fiscal year 2011, long-term accrued costs and deferred revenue have been established

for the subsidy received for the Feniks project for an additional amount of 29,884 euros, from which it withdrew 95,118 euros, which the proportional part of depreciation of that project.

in euros	30 June 2011	30 June 2010
Long-term accrued costs and deferred revenue	564.849	769.183
- allocations for partner commissions for RLGS agreements	48.219	83.193
- for deferred revenue from RLGS agreements	60.671	106.965
- for potentially lost lawsuits	205.847	263.679
- received subsidies for the Feniks project	250.112	315.346

31. SHORT-TERM FINANCIAL LIABILITIES

in euros	30 June 2011	30 June 2010
Short-term financial liabilities	567.488	1.470.345
Short-term financial liabilities to banks	567.488	1.208.610
Other short-term financial liabilities	0	261.735

Received short-term loans of the company from banks by currencies and interest rates:

Item	Amount in original currency	Amount in euros	Minimum interest rate	Maximum interest rate
EURO	567.488	567.488	EURIBOR +3 %	EURIBOR +6 %

As of 30 June 2011, the company has short-term liabilities to banks in the amount of 567,488 euros. Short-term loans are taken out with Raiffeisen banka. This item also includes the part of the long-term loan with Nova Ljubljanska banka, d. d., that is repayable within one year. Loans are collateralized with blank bills of exchange and personal surety.

44% of the loan received from Nova Ljubljanska banka is collateralized with the guarantee of the Republic of Slovenia and short-term receivables the company has from RLGS agreements.

The loan taken out by the parent company at the Raiffeisen bank in the amount of 335,000 euros (as of 30 June 2011, the outstanding amount is 172,487.99 euros) is additionally collateralized with receivables of Datalab Tehnologije, d. d., from the company Diners Club in the amount of 138,907.80 euros (as of 30 June 2011).

32. SHORT-TERM OPERATING LIABILITIES

in euros	30 June 2011	30 June 2010
Short-term operating liabilities	366.949	760.827
Short-term operating liabilities to companies in the group	7.608	11.512
Other short term liabilities to suppliers	109.257	178.135
Other short-term operating liabilities	250.084	571.180

Short-term operating liabilities to companies in the group consist of obligations for rendered services (agency and intermediation costs).

Short-term operating liabilities to suppliers consist of obligations for rendered services (rent, administrative costs, costs of advertising and promotion, commissions), purchased materials (office supplies) and fixed assets.

Other short-term operating liabilities consist of obligations to the state from employee and employer contributions and taxes, VAT obligations, obligations to employees for wages and salaries, received collaterals, compensations, and other liabilities.

Liabilities by Maturity

Liabilities	Gross value on 30 June 2011	Gross value on 30 June 2010
Total	366.949	760.827
Not overdue	311.649	577.956
Overdue 0 to 30 days	13.499	53.727
Overdue 31 to 180 days	18.146	74.941
Overdue 181 to 365 days	4.043	4.957
Overdue over one year	19.612	49.246

33. ACCRUED COSTS AND DEFERRED REVENUE

Accrued costs and deferred revenue are costs accrued or revenue deferred for a short-term of up to 12 months, and are presented separately.

Accruals and deferrals occur in accounting because of the need to evenly distribute costs that are expected, but have not occurred yet. Short-term deferred revenue occurs when services have already been invoiced or paid, but not rendered yet. The total value of accruals and deferrals as of 30 June 2011 was 136,822 euros.

A part of accrued costs and deferred revenue consists of deferred revenue from lease and subscription agreements in a total value of 49,831 euros, and short-term accrued costs for partner commissions in the amount of 48,605 euros.

Another part of accrued costs and deferred revenue in the amount of 38,386 euros consists of accrued expenses for auditing, recording video instructions for the software suite PANTHEON, and for partner commissions.

34. INVESTMENT INTO RESEARCH AND DEVELOPMENT

Datalab Tehnologije, d. d., is extremely development-oriented; most of its expenses consist of development costs of the ERP system PANTHEON.

Development costs

Type of cost	FY 2011	FY 2010
Internal R&D activities	1.041.481	1.244.303
Purchased R&D services	283.691	124.357
Total	1.325.172	1.368.660

Type of cost	FY 2011	FY 2010
Labor costs	828.908	937.826
Purchase of R&D equipment	35.538	155.646
Cost of material	188.097	150.831
Cost of R&D services and cost of external specialists and researchers	272.629	124.357
Total	1.325.172	1.368.660

35. TRANSACTIONS WITH RELATED PARTIES

Sales (receivables) in euros	FY 2011	FY 2010
Datalab SI	1.311.246	0
Datalab BA	227.495	129.214
Datalab SR	208.442	187.062
Datalab MN	37.908	31.989
Datalab MK	59.866	74.592
Datalab tehnologije HR	167.648	191.219
Total	2.012.605	614.076

Purchases (payables) in euros	FY 2011	FY 2010
Datalab SI	91.456	0
Datalab BA	6.913	225
Datalab SR	24.022	0
Datalab MN	0	0
Datalab MK	51.639	82.175
Datalab tehnologije HR	40.254	44.498
Total	214.284	126.898

Outstanding receivables in euros	30 June 2011	30 June 2010
Datalab SI	169.561	0
Datalab BA	3.912	11.382
Datalab SR	76.320	53.163
Datalab MN	8.752	50.352
Datalab MK	34.107	77.212
Datalab tehnologije HR	64.946	64.987
Total	357.598	257.096

Outstanding payables in euros	30 June 2011	30 June 2010
Datalab SI	464	
Datalab BA	1.537	623
Datalab SR	5.217	0
Datalab MN		10.889
Datalab MK	391	0
Datalab tehnologije HR	0	0
Total	7.609	11.512

The listed transactions were in line with market prices, or the prices charged for assets or services to related parties are compared to prices charged for assets or services to non-related parties in comparable circumstances. The majority of transactions are sales of licenses, software upgrades and memberships in accordance with the general terms applicable to subsidiaries and foreign representatives.

in euros	FY 2011	FY 2010
Loans to related parties	46.060	18.479
Datalab MK	4.275	
Datalab MN	6.805	
Andrej Mertelj	34.980	18.479

For given loans, the interest rate is used that is higher than the recognized interest rate for loans between related parties, as prescribed by the minister of finance.

Other affiliated companies

Sales to related companies (receivables) in euros	FY 2011	FY 2010
Datalab Automotive	181	56
Purchases (payables) in euros		
Datalab Automotive	1.000	0
Outstanding receivables in euros		
Datalab Automotive	181	56
Outstanding payables in euros		
Datalab Automotive	0	0

The listed transactions were in line with market prices, or the prices charged for assets or services to related parties are compared to prices charged for assets or services to non-related parties in comparable circumstances.

36. OFF-BALANCE-SHEET ITEMS

Given guarantees pertain to the loan received by Datalab BA in the amount of 31,500 euros (31,500 euros as of 30 June 2011).

Summary of off-balance-sheet items

Guarantee for Datalab BA, d.o.o.	- 31.500 EUR
Total	-31.500 EUR

37. FINANCIAL INSTRUMENTS

Finančna sredstva

Item (in euros)	Book value on 30 June 2011	Fair value on 30 June 2011	Book value on 30 June 2010	Fair value on 30 June 2010
Long-term financial investments	176.105	176.105	168.605	168.605
Long-term loans	3.502	3.502	3.502	3.502
Long-term operating receivables	209.432	209.432	358.316	358.316
Short-term financial investments	52.209	52.209	112.967	112.967
Short-term operating receivables	664.747	664.747	1.109.418	1.109.418
Cash and cash equivalents	25.759	25.759	76.659	76.659
Total	1.131.754	1.131.754	1.829.467	1.829.467

Financial liabilities

Item (in euros)	Book value on 30 June 2011	Fair value on 30 June 2011	Book value on 30 June 2010	Fair value on 30 June 2010
Long-term financial liabilities	784.746	784.746	0	0
Long-term operating liabilities	0	0	0	0
Short-term financial liabilities	567.488	567.488	1.470.345	1.470.345
Short-term operating liabilities	366.949	366.949	760.827	760.827
Total	1.719.183	1.719.183	2.231.172	2.231.172

Datalab Tehnologije, d. d., received blank bills of exchange from users for financial assets pertaining to lease and subscription agreement. There is no active market for financial instruments with the above listed financial instruments. The total value of financial assets is also the maximum credit risk.

Bank Guarantees

On 30 June 2011, there is an active guarantee for Datalab BA in the amount of 31,500 euros (31,500 euros in 2010).

38. AUDITING COSTS

The cost of auditing financial statements and the annual report for the fiscal year 2011 for Datalab by the audit firm UHY, d.o.o., amounted to 15,000 euros. The same audit firm performed the audit of assets in kind for the capital increase and charged 450 euros for that.

39. POTENTIAL LIABILITIES FROM LAWSUITS

Potential liabilities from lawsuits

Datalab Tehnologije, d. d., as Defendant

Plaintiff	Value in euros	Reference number, court	Status
METRO d. o. o., Celje	24.616,22	VI Pg 509/2008, Okrožno sodišče v Celju	In progress – first level
E-POS GROUP d. o. o.	707.422,00	5 Pg 139/2007, Okrožno sodišče v Ljubljani	In progress – first level
NEZAVISNA EKSPERTSKA GRUPA d. o. o. Beograd,	567.488	567.488	In progress – first level
DATALAB TEHNOLOGIJE d. o. o. Beograd	194.906,00	XXXIX-P-5524/07, Trgovinsko sodišče v Beogradu	Postopek v teku – prva stopnja

I. Case VI Pg 509/2008, METRO d.o.o., Celje against Datalab, d. d., valued at 24,616 euros

The plaintiff demands compensation for the incorrect functioning of the program, specifically customs warehousing.

According to the lawsuit and related documentation, Datalab Tehnologije, d. d., considers itself not responsible for the damages, which is also its official answer. The Customs Administration has approved that the program worked correctly at that company. The plaintiff will most likely not succeed with its claim for compensation.

No first-level verdict has been returned yet.

In September 2011 (after the fiscal year 2011 has ended), a court settlement has been concluded, in which the plaintiff withdrew its lawsuit without any compensation.

II. Case V Pg 139/2007 E-POS Group, d.o.o., against Datalab, d. d., valued at 707,422 euros

The former partner E-POS Group, d.o.o., with which Datalab Tehnologije, d. d., ceased to cooperate because of failure to fulfill contractual obligations of the partnership contract (above all selling and allowing to use illegal licenses and improper attitude towards users), filed a lawsuit for damages incurred due to the terminated cooperation for an amount equal to lost profits and damages paid due to contract termination, as this prevented it from finishing started projects.

According to the lawsuit and related documentation, Datalab Tehnologije, d. d., considers itself not responsible for the damages, which is also its official answer. Currently, it is not possible to anticipate the outcome, therefore the provisions are reasonable.

No first-level verdict has been returned yet.

III. Case XXXIX-P-5524/07 Nezavisna Ekspertska Grupa, d. o. o., Beograd and Datalab Tehnologije d. o. o., Beograd, against Datalab Tehnologije, d. d., valued at 194.906 euros

The lawsuit was filed because of the defendant's failure to fulfill its contractual obligations. Datalab Tehnologije, d. d., filed a counterclaim through the law firm Dražić, Beatović and Partners against Nezavisna ekspertska grupa, d.o.o., demanding the exclusion of Nezavisna ekspertska grupa, d.o.o., as a partner from the company Datalab Tehnologije, d.o.o., Belgrade. Currently, it is not possible to anticipate the outcome, therefore the provisions are reasonable.

205,847 euros are allocated for potential compensations from lawsuits.

Debt Execution by Court against Datalab Tehnologije, d. d.

Plaintiff – creditor	Value in euros	Reference number, court	Status
LAVA d. o. o., Ljubljana	4.717,88	VL 59672/2009, OKRAJNO SODIŠČE V LJUBLJANI, Centralni oddelek za verodostojno listino	After the creditor's appeal, the litigation continues at a high court
KPMG Slovenija	16.672,92	VL 20939/2010, OKRAJNO SODIŠČE V LJUBLJANI, Centralni oddelek za verodostojno listino	After appealing, the litigation continues

Comment:

The claims of the listed debt executions have justifiable grounds, but not in the full value. The company has the executed claims posted (provisions are formed) and presented in financial statements in the recognized amount.

Datalab, d. d., as Plaintiff

Defendant	Value in euros	Reference number, court	Status
E-POS GROUP d. o. o., Ljubljana	111.620,93	Pg 2522/2007, Okrožno sodišče v Ljubljani	In progress – first level

I. Case Pg 2522/2007 Datalab, d. d., against E-POS Group, d.o.o., valued at 111,620 euros

Datalab Tehnologije, d. d., terminated cooperation with its former partner E-POS Group, d.o.o. because of failure to fulfill contractual obligations of the partnership agreement (allowing use and selling illegal licenses, improper attitude towards users), and has filed a lawsuit for payment of debt for license fees, software upgrades, subscription charges, membership fees, and a penalty.

It is estimated that the lawsuit will be granted for most of its value.

No first-level verdict has been returned yet.

REVIZORJEVO POROČILO DATALAB TEHNOLOGIJE, D. D.



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POROČILO NEODVISNEGA REVIZORJA

Revidirali smo priložene računovodske izkaze gospodarske družbe DATALAB Tehnologije d.d., Ljubljana, ki vključujejo izkaz finančnega položaja na dan 30. junija 2011, izkaz celotnega vseobsegajočega donosa, izkaz sprememb lastniškega kapitala in izkaz denarnih tokov za tedaj končano leto ter povzetek bistvenih računovodskih usmeritev in druge pojasnjevalne informacije. Pregledali smo tudi poslovno poročilo.

Odgovornost poslovodstva za računovodske izkaze

Poslovodstvo je odgovorno za pripravo in pošteno predstavitev teh računovodskih izkazov v skladu z mednarodnimi standardi računovodskega poročanja in za tako notranje kontroliranje, kot je v skladu z odločitvijo poslovodstva potrebno, da omogoči pripravo računovodskih izkazov, ki ne vsebujejo pomembno napačne navedbe zaradi prevare ali napake.

Revizorjeva odgovornost

Naša odgovornost je izraziti mnenje o teh računovodskih izkazih na podlagi naše revizije. Revizijo smo opravili v skladu z Mednarodnimi standardi revidiranja. Ti standardi zahtevajo od nas izpolnjevanje etičnih zahtev ter načrtovanje in izvedbo revizije za pridobitev sprejemljivega zagotovila, da računovodski izkazi ne vsebujejo pomembno napačne navedbe.

Revizija vključuje izvajanje postopkov za pridobitev revizijskih dokazov o zneskih in razkritjih v računovodskih izkazih. Izbrani postopki so odvisni od revizorjeve presoje in vključujejo tudi ocenjevanje tveganj pomembno napačne navedbe v računovodskih izkazih zaradi prevare ali napake. Pri ocenjevanju teh tveganj prouči revizor notranje kontroliranje, povezano s pripravljanjem in poštenim predstavljanjem računovodskih izkazov družbe, da bi določil okolščinam ustrezne revizijske postopke, ne pa, da bi izrazil mnenje o uspešnosti notranjega kontroliranja družbe. Revizija vključuje tudi ovrednotenje ustreznosti uporabljenih računovodskih usmeritev in utemeljenosti računovodskih ocen poslovodstva kot tudi ovrednotenje celotne predstavitve računovodskih izkazov.

Verjamemo, da so pridobljeni revizijski dokazi zadostni in ustrezni kot osnova za naše revizijsko mnenje.

Mnenje

Po našem mnenju so računovodski izkazi v vseh pomembnih pogledih resničen in pošten prikaz finančnega položaja družbe DATALAB Tehnologije d.d., Ljubljana na dan 30. junija 2011 ter njenega celotnega vseobsegajočega donosa in denarnih tokov za tedaj končano leto v skladu z mednarodnimi standardi računovodskega poročanja, kot jih je sprejela EU.

Poslovno poročilo je skladno z revidiranimi računovodskimi izkazi.

Ljubljana, 9.11.2011

UHY Revizija in svetovanje d.o.o.

Franci Žgajnar
 pooblaščen revizor



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