

Pursuant to Article 67 of the Law on market of securities and other financial instruments (Official Gazette of RS No. 47/2006)) and Article 4 the Rule on content and manner of reporting of public companies and notifying on possession of voting shares (Official Gazette of RS No 100/2006)

AKCIONARSKO DRUSTVO AERODROM "NIKOLA TESLA"
Announces

ANNUAL BUSINESS REPORT FOR 2010

I GENERAL DATA

1) Name, registered office, ID no., and tax identification number;	AKCIONARSKO DRUŠTVO AERODROM „NIKOLA TESLA“ BEOGRAD, 11180 Beograd 59; ID No: 07036540, TIN: 10000539												
2) web site and e-mail address;	www.beg.aero ; milos.ignjatovic@beg.aero												
3) Number and date of the Decision on register with the competent authority;	Register number: BD 68460/2010 Date of registration: June 22 2010 Note: The subject is registered with the Registry Agency as (closed joint stock company) AD Aerodrom "Nikola Tesla" Beograd Register number: BD 7651/2011 Date of registration: January 24 2011 Note: The subject is registered with the Registry Agency as (open joint stock company) AD Aerodrom "Nikola Tesla" Beograd												
4) Activity (code and description);	5223-Air-traffic services												
5) Number of employees;	419 (on December 31 2010)												
6) Number of shareholders;	1 (on December 31 2010)												
7) Ten biggest shareholders (first name of the legal person with the number of shares and portion in core capital);	<table border="1"> <thead> <tr> <th><u>NO.</u></th> <th><u>NAME OF SHAREHOLDER</u></th> <th><u>NUMBER OF SHARES</u></th> <th><u>% PARTICIPATION</u></th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>REPUBLIC OF SERBIA</td> <td>34.289.350</td> <td>100</td> </tr> <tr> <td>2.</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	<u>NO.</u>	<u>NAME OF SHAREHOLDER</u>	<u>NUMBER OF SHARES</u>	<u>% PARTICIPATION</u>	1.	REPUBLIC OF SERBIA	34.289.350	100	2.			
<u>NO.</u>	<u>NAME OF SHAREHOLDER</u>	<u>NUMBER OF SHARES</u>	<u>% PARTICIPATION</u>										
1.	REPUBLIC OF SERBIA	34.289.350	100										
2.													
8) Core capital value;	RSD 20,573,610,000 (on December 31 2010)												
9) Number of issued shares (ordinary and priority, with ISIN number and CFI code);	Number of ordinary shares: 34,289,350 (on December 31 2010) CFI code: ESVUFR ISIN No: RSANTBE11090												
10) Data on dependent companies (up to the five most significant consolidation subjects) – name, head office and business address;													
11) Name, head office and business address of the auditor who has carried out the audit of the last financial report;	Deloitte d.o.o. No. 8 Terazije St. 11000 Belgrade Serbia												
12) Name of the organized market where the shares are exchanged.	Beogradska berza ad Beograd- Belgrade Exchange, Omladinskih brigada 1, 11070 Novi Beograd												

II MANAGEMENT DATA

1. Members of the Board of Directors	President of the BoD	Member of the BoD	Member of the BoD	Member of the BoD	Member of the BoD	Member of the BoD	Member of the BoD	Member of the BoD
Firs name, family name and residence,	Mile Novačkikić, Belgrade	Denijal Kozličić, Belgrade	Nebojša Andrić, Belgrade	Borisav Kovačević, Belgrade	Dejan Miľovanović Prokuplje	Ksenija Kavedžić, Belgrade	Slobodan Jovanović, Belgrade	Ljupko Đekić, Belgrade
Education,	BEC	BEC	Lawyer	BPhilol	BEng	BEng-traffic engineering	Primary school	Fire protection engineer
Current employment (company name and position),	National Employment service, Deputy of the Affiliate Director Belgrade	„AUDAX“ Commercial Manager	Democratic party, Clerk	Pensioner	Marketing and Sale Manager, Telekom Srbija a.d.	AD Aerodrom „Nikola Tesla“ Belgrade, Manager of the sector of passenger handling	AD Aerodrom „Nikola Tesla“ Belgrade, worker	AD Aerodrom „Nikola Tesla“ Belgrade, Chief of maintenance service
Membership in Supervisory and Boards of Directors of other companies,	-	-	-	-	-	-	-	-
Paid up net amount of compensations - total for the president and members of BoD	RSD 3,431,080.78							
Number and percentage of owned shares in the company;*	-	-	-	-	-	-	-	-

2. Members of the Supervisory (Executive) Board	President of Supervisory Board	Member of the Supervisory Board	Member of the Supervisory Board
Firs name, family name and residence,	Branko Popović	Kasim Zoranić	Žarko Suvačarov
Education,	Engineer	Economist	Vocational engineer of traffic
Current employment (company name and position),	„Ister shipping“ Director	Ministry of work and social politics. coordinator	AD Aerodrom „Nikola Tesla“ Belgrade, Sector Manager
Membership in Supervisory and Boards of Directors of other companies,	-	-	-
Paid up net amounts of compensations- total for the president and members of the Supervisory Board	RSD 690,346.10		
Number and percentage of owned shares in the company;	-	-	-

*Data on number and percentage of shares owned by the members of management are contained in the book of shareholders, as the official document and are available at the web site of the Central depository and clearing house: www.crhov.rs

3. State if the company management has adopted, written Code of conduct and web page where it is published.	No
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III DATA ON COMPANY'S OPERATIONS

1	Management's report on realisation of adopted business policy, with cases and reasons of departures and other principle items referring to operation management	There have been no departures from the business policy of the company.				
2	Analysis of achieved revenues, expenditures and business results, revenues per departments, description of basic products and services, with observation of solvency, liquidity, economy, profitability of the company and its market value as well as the effects of conversion (changes of legal status)					
	Analysis (in RSD thousands)					
2.1	Revenue analysis					
	Description	2009	2010	Participation		Index (2010/2009)
	Revenue:			2009	2010	
1a	Air services	1,511,131	1,902,644	27.92	29.55	125.91
2a	Passenger services	1,894,045	2,134,675	34.99	33.15	112.70
3a	CCW services	155,183	157,571	2.87	2.45	101.54
4a	Other services	452,264	524,190	8.36	8.14	115.90
5a	Revenue from sale of kerosene and goods	221,084	339,645	4.08	5.27	153.63
6a	Revenue from sale (1a to 5a)	4,233,707	5,058,725	78.21	78.56	119.49
7a	Revenue from business lease	351,851	410,187	6.50	6.37	116.58
A	Business revenues (6a+7a)	4,585,558	5,468,912	84.71	84.93	119.26
1b	Interest	217,956	161,998	4.03	2.52	74.33
2b	Exchange rate differences – realised	106,035	256,437	1.96	3.98	241.84
3b	Exchange rate differences – non-realised	35,760	8,039	0.66	0.12	22.48
B	Financial revenue (1b+2b+3b)	359,751	426,474	6.65	6.62	118.55
C	Other revenue	467,744	543,643	8.64	8.44	116.23
	TOTAL REVENUE (A+B+C)	5,413,053	6,439,029	100.00	100.00	118.95
2.2	Expenditure analyses					
	Description	2009	2010	2009	2010	Index (2010/2009)
	Expenditure					
1	Purchaser value of sold goods	190,274	305,012	5.63	7.48	160.30
2	Costs of materials	303,785	367,873	8.98	9.02	121.10
3	Salaries, compensations	678,548	715,895	20.06	17.56	105.50
4	Costs of production services	596,872	682,248	17.65	16.74	114.30
5	Costs of amortization and reserving	715,373	777,371	21.15	19.07	108.67
6	Intangible expenditures	322,961	414,773	9.55	10.18	128.43
7	Financial expenditures	297,779	317,296	8.80	7.78	106.55
8	Other expenditures	41,648	28,634	1.23	0.70	68.75
9	Expenditure from property securing	235,225	467,237	6.95	11.46	198.63
	TOTAL EXPENDITURE (1 to 9)	3,382,465	4,076,339	100.00	100.00	120.51
2.3	Business result analysis					
	Description	2009	2010			Index (2010/2009)
	Business results					
1	Business profit	1,777,745	2,205,740			124.08
2	Financial profit	61,972	109,178			176.17
3	Other profit	190,871	47,772			25.03
4	Pre-taxing profit (1+2+3)	2,030,588	2,362,690			116.35
5	Income tax	121,025	145,194			119.97
6	Deferred period tax revenue	8,209	19,827			241.53
7	Paid-up personal receivings to employer (Interim dividend)	0	300,000			
8	Net profit (4-5+6-7)	1,917,772	1,937,323			101.02
2.4	Operation indicator analysis					
	Description	2009	2010			Index

					(2010/2009)
1	Profit to total capital (AOP219/AOP101)	0,0924	0,1050	113.65	
2	Property profit (AOP213/AOP022)	0,0727	0,0894	122.98	
3	Net profit to own capital (AOP229/AOP101)	0,0872	0,0861	98.67	
4	Indebtedness rate (AOP 111/AOP124)	0,0883	0,0759	85.99	
5	I Liquidity rate (AOP019/AOP116)	0,1981	0,6386	322.38	
6	II Liquidity rate (AOP015/AOP116)	5,5719	9,4301	169.24	
7	Net turnover capital in RSD thousands	2.913.446	3.538.501	121.45	
8	Profit per share in RSD	55,93	56,50	101.02	
3	Information on company's realisation per segments (created on the basis of production and geography) in line with requirements of IAS14 as follows	The company operates in a single business segment			
	Revenues from sale to external buyers	RSD 5,468,912 thousand in 2010			
	Revenues from sale to other segments within the same company	-			
	Results of each segment	-			
	Property and liabilities of segments	-			
	Purchasers participating in total revenue with more than 10%	Jat Airways ad , Deutsche Lufthansa, Montenegro Airlines			
	Suppliers participating in total company's liabilities toward suppliers with more than 10%	Okta Crude Oil Refinery - Skopje, O.Z.B. Komerc d.o.o Beograd			
	Manner of creation of transfer prices				
4	Indicate and explain each change higher than 10% in comparison to the previous year in:				
	Changes of balance values				
	Balance position-description of incurred changes	2009	2010	Index (2010/2009)	Decrease/Increase
1	Long-term financial investments – Decrease by 15.35% in comparison to the balance of the previous period, results from charging of due invested financial resources and there were no new financial investments 2010.	130,895	110,797	84.65	Decrease by 15.35%
2	Short-term receivables, investments and cash are increased by 12.30% in comparison to the balance of the previous period, due to increase of: receivables from domestic and foreign buyers and balance on current accounts.	3,408,223	3,827,359	112.30	Increase by 12.30%
3	Long-term reserving and liabilities are 13.24% lower in comparison to the balance of the previous period, due to the fact that the Company regularly settles its obligations and there were no new long-term borrowings in 2010.	2,160,348	1,874,364	86.76	Decrease by 13.24%
4	Short-term liabilities are 33.75% lower in comparison to the balance of the previous period, due to the regular obligation settlement of the Company.	611,683	405,868	66.35	Decrease by 33.75%
5	Off-balance record is 112.84% higher than in the balance of the previous period, due to new foreign currency guarantees, receives from: foreign buyers as security instrument for receivable charging and from foreign suppliers as performance bond.	62,169	132,322	212.84	Decrease by 112.84%
5	The cases where there is uncertainty of revenue charging or possible costs that can significantly affect financial position of the company	-			
6	Information on balance (no, %), acquiring, sale or cancellation of own shares	-			

7	Investment in research and development of the basic activity, information technologies and human resources	
8	Amount, manner of creating and usage of reserves in the previous two years	In the procedure of conversion of Public Company Aerodrom Nikola Tesla into joint stock company in 2010, by the Decision of BoD of PC Belgrade "Nikola Tesla" Airport, No. 04-100/1 dated on May 31 2010 and the Decision of the Government of RS, No. 023-4175/2010 dated on June 04 2010, totally created reserves from the profit of previous years in the amount of RSD 234,940,870.68, are converted in core capital and it was registered in accounting books through corrections of initial balance on January 01 2010. By Decision of the Assembly of the Company No.21-18/1 dated on July 29 2011, on profit distribution for 2010, RSD 761,354,971.23 was appropriated for the reserves of the Company.
9	Important business occurrences, which happened from the balance date until the date of the report submission	*On June 30 2011 the Annual Meeting of the General Shareholder Assembly was held, where on the Reports of the Board of Directors for 2010, the Annual financial reports for 2010 and the Auditor's Opinion for 2010 were adopted; *On July 26 2011 the meeting of the Board of Directors of the Company was held, where on the dividend day was established (December 31 2010); *On July 29 2011 the Extraordinary meeting of the Shareholder Assembly was held, where on the Decision on profit distribution for 2010 and the Decision on modification of the pricelist of airport services, by which the landing fees charged by AD Aerodrom "Nikola Tesla" Beograd to air-carriers are reduced.
10	Explain other data changes from the prospectus, not previously mentioned	

IV OTHER

If certain questions are not included in the previous item, but are relevant for understanding of legal, financial and productive status of the joint stock company as well as for evaluation of the value of its securities, they can be specified and explained here.

On June 17 2010 the Government of Republic of Serbia passed the Decision no. 023-4432/2010-1, on change of legal status (conversion) of the JP Aerodrom "Nikola Tesla" Beograd from a public company into closed joint stock company.

On June 22 2010, the Registers Agency passed the Decision no. BD 68460/2010 on adoption of the request for change of data on legal status o JP Aerodrom "Nikola Tesla" Beograd, whereas the subject is registered as closed joint stock company Aerodrom "Nikola Tesla" Beograd.

On the meeting held on January 21 2011, the Shareholder Assembly of AD Aerodrom "Nikola Tesla" Beograd passed the Decision (no. 21-2/1) on conversion of the company from closed into open joint stock company.

On January 24 2011, open (joint stock company) AD Aerodrom "Nikola Tesla" Beograd was registered with the Registers Agency by the Decision no BD 7651/2011.

The Company is accountable for accuracy and veracity of the data stated in the Report in the same manner as for accuracy and veracity of the data stated in the Prospectus.

In Belgrade, August 2011

Prevela: Marija Jakovljević

M. Jakovljević



General Director

Velimir Radosavljević