

*No.174 dated 20.07.2018*

**To the Management of Subsidiary of the State Company  
«Ukrspецexport» - State Self-Supporting  
Foreign Trade and Investment Firm «Ukrinmash»**

**Users of financial reports of Subsidiary of the State Company  
«Ukrspецexport» - State Self-Supporting  
Foreign Trade and Investment Firm «Ukrinmash»**

**EXTERNAL AUDITOR REPORT ON FINANCIAL REPORTING OF THE STATE COMPANY  
«UKRSPECEXPORT» - STATE SELF-SUPPORTING  
FOREIGN TRADE AND INVESTMENT FIRM «UKRINMASH»  
as of 31.12.2017**

Kyiv 2018

## **EXTERNAL AUDITOR REPORT**

**To the Management of Subsidiary of the State Company  
«Ukrspецexport» - State Self-Supporting  
Foreign Trade and Investment Firm «Ukrinmash»**

**Users of financial reports of Subsidiary of the State Company  
«Ukrspецexport» - State Self-Supporting  
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### **Proviso clause**

We have audited the financial reports of Subsidiary of the State Company «Ukrspецexport» - State Self-Supporting Foreign Trade and Investment Firm «Ukrinmash» *hereinafter—SE SSFTIF «Ukrinmash» or the Enterprise*) for 2017 which consists of the **Balance (Report of Financial state) as of 31.12.2017 and the Report on Financial Results (report on total revenue), Report on changes in own capital, Annual fund circulation report which is finished by the set out date, and remarks regarding the financial reporting including the concise exposé of the main record policies.**

As to us, except the impact of the issue set out in Chapter «Proviso clause basis» of our report, the added financial report truly reflects in all important aspects the financial report of the Enterprise as of 31.12.2017 and its financial results and funds flow for the said year, according to National Accounting Standards of the Law of Ukraine «On accounting and financial reporting in Ukraine».

### **Proviso Clause Basis**

The Enterprise at its subaccount 374 «Settlements of claim» at the date of 31.12.2017 records the accounts receivable of the banks which are in the stage of dissolution at the amount of 32 691,0 UAH., which was not in the doubtful debt reserve.

According to Article 52 of Ukrainian Law «Physical persons deposits guarantee» the funds received after dissolution and sale of property (assets) of the bank will be proceeded by the Foundation to satisfy the legal entities which are the clients of the bank and which are not the seventh line bank insiders. The demands against the bank, not responded by the lack of property will be considered as settled ones.

That is to say, these receivables are doubtful ones because of the risk lack of the bank property which constitutes the financial asset to settle the claims of all creditors.

Close 7 P(S) BO sets out that current receivables constitute a financial asset (excluding purchased receivables and receivables subjected to sale) will be included to the balance sheet total under net final disposal price. To calculate the net disposal price at the balance sheet date the doubtful debts reserve is calculated.

The Enterprise included up to line 1155 «Other current receivables» of the balance sheet (Financial State report) at 31.12.2017 the receivables of the banks that are in dissolution state without counting the doubtful receivables reserve in the total amount of 32 691,0 UAH. Failure to calculate the doubtful receivables reserve at the above said amount will make the assets cost increased and the expenses decreased.

We have carried out the audit according to IAS requirements. Our responsibility is set out in Section «Responsibility of the Auditor for financial reports audits» of our report. According to the Code of Ethics of professional accountants and the regulations for financial audit applied in Ukraine we are independent in our relations to SE SSFTIF «Ukrinmash». We have also kept to other obligations in accordance to the said requirements. We consider that the audit evidence we have received is a sufficient one and acceptable to be used as the basis of our Proviso Clause.

### **Key points of audit**

The key point of audit – is what we think has been significant during our audit of financial reports for current period. These points were considered in the context of our financial audit as the whole and with that being so, we do not express our individual thoughts regarding separate issues. Except the issue set out in section « **Proviso Clause Basis**», we have stated that there are no key audit issues which should be stated in our audit.

### **Responsibility of administrative staff and those having key powers for financial reporting**

The administrative staff is responsible for preparation and authentic presentation of financial reporting according to the Law of Ukraine «On accounting and financial reporting in Ukraine», Provisions (Standards) of accounting, Decree on Records policy of Enterprise dated 03.03.2016 No.44-1 and for such internal control system which the administrative staff will consider as needed one to draw up financial reporting which is free from material mistakes due to errors or cheating.

While preparing financial reports the administrative staff will be responsible for assessing a company capacities to continuously carry out its activities disclosing where appropriate its continuous activities and, assuming this continuity as basis for accounting, except cases when administrative staff intends to dissolve the company or does not have any alternatives to solve the issue.

Those who have the highest authorizations are responsible for supervising the process of financial report of a company.

### **Responsibilities of the auditor for the finance reporting audits.**

Our aim is to receive well-grounded assurance that the financial report is free from material mistakes due to errors or cheating, and to include this remark into the auditor report. The well-grounded assurance is a high level assurance (certainty) but it will not guarantee that the audit which was conducted according to IAS requirements will always detect a serious mistake if available. The mistakes can be a result of error or cheating and they are considered as serious (material) ones if individually or taken together they can influence the decisions made by users based on these financial reports.

Conducting the audit according to the ISA requirements we use professional judgment and professional skepticism in course of the whole audit mission.

Apart of that:

- we identify and assess the risks of material errors of financial reports due to mistakes or cheating, we develop and perform auditing procedures to respond to these risks and we receive the audit evidence sufficient and acceptable for justifying our judgments. The risk of failure in detection of material error as a consequence of cheating is higher than risk of mistake because cheating can assume plot, falsification, intended omission, incorrect statements, or negligence in internal control procedures;

- we understand the steps of internal control concerning audit to develop respective procedures which would address the specific matters, but not judgments on internal control effectiveness;

- we assess expediency of record policies applied, and justification of record evaluations and respective information disclosed by the administrative staff;

- we come to conclusion on expediency of assumptions made by the administrative staff on continuity of company activities as basis for accounting and based on the received evidence we make a conclusion on uncertainty regarding events or conditions which would considerably question capabilities of SE SSFTIF «Ukrinmash» to continue its activities.

Our conclusions are substantiated by the audit evidence received before the date of our auditor's report.

We notify those, who have the highest authorizations on the planned scope and time for auditing, and significant audit results, including any significant deficiencies of the internal control system we have detected during the audit. We We also inform that we kept to respective requirements regarding independence and we inform on all relations and issues which, as we think have influence on our independence and on respective security measures (if applicable).

From the list of all issues the information of which was submitted to respective persons assigned with high authorizations we identified those which are the most significant during the financial report of audit period, that ois to say the key issues. We describe such issues in our report except cases which cannot be disclosed due to existing regulations and we expressively state that such issue must not be disclosed in our report because negative aftermath of such disclosure can influence the interests of the public.

**Audit mission partner** \_\_\_\_\_ **Y.M. Burdym**  
(Auditor Certificate No. 006855  
Issued by the Audit Chamber of Ukraine  
22.12.2011, valid till 22.12.2021)

**Acting CEO** \_\_\_\_\_ **V.P. Ivaschenko**  
(Auditor Certificate Series A No. 002480,  
Issued by the Audit Chamber of Ukraine  
29.06.1995, valid till 29.06.2019)

10, office 11, Malopidvalna Street, city of Kyiv 01001, Ukraine

The date of audit report: 20.07.2018.

Auditor's address: 01001, 10, office 11, Malopidvalna Street, city of Kyiv 01001, Ukraine

*The Report of independent Auditor has been drawn up in 3 (three) copies.  
To the Report the financial reports of Subsidiary of the State Company «Ukrspецexport» - State Self-Supporting Foreign Trade and Investment Firm «Ukrinmash» up to 31.12.2017*

Codes
14281072
8039100000
160
46.18

Enterprise SE SSFTIF "Ukrinmash"

Territory city of Kyiv

Legal and organization type Subsidiary

Economic activity activity with intermediaries specializing in goods trade

Average staff number 1 159

Address Telephones 36 Dehtyarivska str. KYIV, 04119

4893862

EDRPOU

KOATUU

KOPFG

KWED

Unit of measure: thousand UAH without decimal digit. made (insert 'V' in respective square): according to provisions (standards) of accounting and international financial standards

Balance sheet (financial status)

on 31 грудня 2017

ASSETS	Line code	Beginning of reporting period	End of reporting period
1	2	3	4
I. Non current assets			
Soft assets	1000	113	305
Initial cost	1001	343	576
Accumulated amortization	1002	230	271
Uncompleted capital investment	1005	360	161
Fixed assets	1010	16 567	16 345
Initial cost	1011	29 676	31 192
Wear	1012	13 109	14 847
Investment estate	1015	-	-
Investment estate initial cost	1016	-	-
Investment estate wear	1017	-	-
Long lived assets	1020	-	-
Initial cost of long lived assets	1021	-	-
Accumulated depreciation of long lived assets	1022	-	-
Long-term financial investments recorded by their participation in capital of other enterprises	1030	-	-
Other investments	1035	-	-
Long term receivables	1040	23	-
Deferred tax asset	1045	-	-
Goodwill	1050	-	-
Deferred acquisition expenses	1060	-	-
Remained balance in insurance reserve funds	1065	-	-
Other non-current assets	1090	-	-
Total for section I	1095	17 063	16811
II. Current assets			
Stock	1100	43 960	125 115
inventories	1101	1 484	2 315
Uncomplete manufacture	1102	33	1 379
Ready products	1103	10 913	11 935
Goods	1104	31 530	109 486
Current lived assets	1110	-	-
Reinsurance deposits	1115	-	-
Exchange bills received	1120	-	-
Receivables for products, goods, works, services	1125	65 612	193 276
Receivables for calculations for advance payments given	1130	492 132	587 942
With budget	1135	51 006	31
Including profit tax	1136	5 244	-
Receivables for income accounted	1140	208	792
Receivables for internal settlements	1145	-	7 000
Other current receivables	1155	289 461	317 951
Current investment	1160	-	-
Money and the equivalent	1165	80 866	194 182
Cash	1166	6	4
Accounts in banks	1167	74 51 4	192 855
Prepaid expenses	1170	219	164
Counter insurance part in insurance reserves	1180	-	-
incl: long term liabilities reserves	1181	-	-
Reserve losses of reserves of deferred payments	1182	-	-
Unearned premium reserves	1183	-	-
Other insurance reserve	1184	-	-
Other current assets	1190	1 269	35 357
Total section II	1195	1 024 733	1 461 810
III. Non current assets, retained for sale and disposal group	1200	-	-
Balance	1300	1 041 796	1 478 621

LIABILITIES	Line code	Beginning of the report period	The end of the report period
1	2	3	4
I. Property asset			
Registered capital (share) capital	1400	9 923	9 923
Contributions to nonregistered legal capital	1401	-	-
Revaluation capital	1405	-	-
Extra capital	1410	129 952	153 127
Paid in capital	1411	-	-
Accumulated capital rate differences	1412	-	-
Reserve capital	1415	216	216
Non distributed profit (uncovered loss)	1420	16 925	12 890
Non paid capital	1425	( )	( )
Seized capital	1430	( )	( )
Other reserves	1435	-	-
Total section I	1495	157 116	176 156
II. Lon term liabilities			
Postpones tax liabilities	1500	164	9
Retirement liability	1505	-	-
Long term bank loans	1510	-	-
Other long-term liabilities	1515	-	*
Long term securities	1520	2 176	3 603
Long term security of expenses for personnel	1521	2 176	3 603
Target financing	1525	-	-
Charity	1526	-	-
Insurance reserves	1530	-	-
including:	1531	-	-
long-term liabilities reserves			
Reserve of losses of payments due	1532	-	-
Unearned premium reserves	1533	-	-
Other reserves	1534	-	-
Investment contract	1535	-	-
Prize pool	1540	-	-
Jackpot reserve	1545	-	-
Total section II	1595	2 340	3 612
III. Current liabilities			
Short term bank loans	1600	-	-
Exchange bills	1605	-	-
Accounts payable due to long term liabilities:			
	1610	-	-
Goods, works services	1615	84 685	206 562
Budget settlements	1620	5 620	41 600
Including income tax	1621	-	1 823
Insurance settlements	1625	-	1
Pay sheet	1630	1 494	-
Accounts payable due to advance payments	1635	576 262	721 717
accounts payable/due to suppliers and contractors	1640	-	-
Accounts payable for internal settlements	1645	-	-
Insurance liabilities	1650	-	-
Current liabilities	1660	-	-
Future period income	1665	-	-
Deferred commissions for insurance	1670	-	-
Other current liabilities	1690	214 379	328 973
Total for section III	1695	882 440	1 298 853
IV. Liabilities due to non-current assets retained for sale and disposal groups,	1700		
V cost of assets of non public retirement fund	1800	-	-
Balance	1900	1 041 796	1 478 621

Set out by the procedure established by the central statistic authority  
Sergii Sliusarenko  
CEO

Ludmyla Ptuh  
Financial Economic Department  
Head  
/Signed, Stamp/

## 1. FINANCE RESULT REPORT 2017 (total revenue)

Form N2 DKUD code

Article	Line code	Report period	Previous year same period
1	2	3	4
Net sales income (goods, works, services)	2000	454 436	934 933
Net insurance premium	2010	-	-
Signed premium, total amount	2011	-	-
Reinsurance premium	2012	-	-
Change in unearned premium reserve reinsurers	2013	-	-
Change in unearned premium reserve reinsurers	2014	-	-
Cost of sold products (goods, works, services)	2050	( 67 990 )	( 774 455 )
Net losses by insurance expenses	2070	-	-
<b>Total income:</b>	2090	386 446	160 478
losses	2095	( - )	( - )
Income (expenses) from changes in long term liabilities	2105	-	-
Income (expenses) from changes of other insurance reserves	2110	-	-
Changes in other incomes, total amount	2111	-	-
Changes in reinsurer part, other insurance reserves	2112	-	-
Other operation incomes	2120	122 172	213 551
Income from assets costs, assessed by fair cost value	2121	-	-
Lived assets and agricultural product initial recognition	2122	-	-
Income from use of the funds, tax free	2123	-	-
Administrative expenses	2130	( 80 725 )	( 48 405 )
Costs to sell	2150	( 134 927 )	( 63 678 )
Other operation costs	2180	( 244 575 )	( 226 409 )
Expenses due change of assets costs, fair value	2181	-	-
Lived assets and agricultural product initial recognition costs	2182	-	-
<b>Financial result on operating activity:</b>			
income	2190	48 391	35 537
losses	2195	( - )	( - )
Income of participation in capital	2200	-	-
Other financial income	2220	6 025	10 644
Other incomes	2240	770	365
Charity income	2241	-	-
Financial expenses	2250	( - )	( - )
Costs of participation in capital	2255	( - )	( - )
Other expenses	2270	( - )	( - )
Income (losses) from inflation impact on monetary provisions	2275	-	-



<b>Financial result before taxing:</b>			
profit	2290	55 186	46 546
losses	2295	( - )	( - )

## Annex 2 continued

costs (income) profit tax	2300	(22 037)	(9 875)
Profit (losses) from altering the activities after taxes	2305	-	-
<b>Net financial result: profit</b>	2350	33 149	36 671
losses	2355	( - )	( - )

**II. Total income**

Article	Line code	Report period	Previous year same period
1	2	3	4
Value increase (depreciation) of non-current assets	2400	-	-
Value increase (depreciation) of financial tools	2405	-	-
Accumulated rate differences	2410	-	-
	2415		"
Part of other total income associated and joint ventures			
Other total income	2445	-	-
<b>Other total income before tax</b>	<b>2450</b>	-	-
Income tax due to other total income	2455	-	-
<b>Other total income after tax</b>	<b>2460</b>	-	-
<b>Total income (sum of lines 2350, 2355 and 2460)</b>	<b>2465</b>	33 149	36 671

**III. ELEMENTS OF OPERATION EXPENSES**

Article	Line code	Report period	Previous year same period
1	2	3	4
Tangible costs	2500	4 544	3 500
Labor costs	2505	99 190	62 139
Social events costs	2510	14 540	11 032
Depreciation	2515	2 090	1 789
Other expenses	2520	337 572	257 705
<b>Total</b>	<b>2550</b>	457 936	336 165

**IV. SHARES PROFIT VALUE CALCULATION**

Article	Line code	Report period	Previous year same period
1	2	3	4
Annual average number of ordinary shares	2600	-	-
Annual average number of ordinary shares (corrected)	2605	-	-
Net profit (losses) for one ordinary share	2610	-	-
Net profit (losses) for one ordinary share (corrected)			
Dividends for one ordinary share	2650	-	-

Set out by the procedure established by the central statistic authority  
Sergii Shiusarenko  
CEO

Ludmyla Ptuh  
Financial Economic Department  
Head  
/Signed, Stamp/

Flow of Funds report (direct method) for 2017

FORM No.3 DKUD code 1801004

Article	Line code	Report period	Previous year same period
1	2	3	4
<b>I. Operating activity fund flow</b>			
Inflow of:			
Product sales (goods, works, services)	3000	679 361	347 569
Tax and duties return	3005	33 746	60 000
Including the VAT	3006	33 746	60 000
Target financing	3010	1 212	825
Inflows from subsidies and dotations	3011	-	-
Inflows from advance payments of purchasers and customers	3015	1 235 884	896 750
Inflows from downpayment returns	3020	57 917	60 510
Inflows from interests of account balances	3025	3 429	4917
Inflows from forfeit debtors (fines, penalties)	3035	2 665	871
Inflows from operating rent	3040	-	-
Inflows from royalty, copyright	3045	-	-
Inflows fro insurance	3050	-	-
Inflows from loan returns	3055	-	-
Other Inflows	3095	62 030	20 881
Costs for payment:			
Goods (works, services)	3100	( 1 348 030 )	( 1215 591 )
Labor	3105	( 85 618 )	( 50 162 )
Social events	3110	( 14 053 )	( 11502 )
Tax and duties liabilities	3115	( 86 157 )	( 70 537 )
Expenses for payment of profit tax liabilities	3116	( 15 125 )	( 15 294 )
Expenses for VAT liabilities	3117	( 38 009 )	( 27 948 )
Expenses for liabilities of other taxes and duties	3118	( 33 023 )	( 27 295 )
Expenses for advance payment	3135	( 332 898 )	( 285 352 )
Expenses for advance return payment	3140	( 6 150 )	( 59 584 )
Expenses for target contribution payment	3145	( 1 212 )	( 793 )
Expenses for insurance contribution liabilities	3150	( - )	( - )
Expenses for payments of financial institutions due to contributions	3155	( - )	( - )
Other expenses	3190	( 97 865 )	( 49 225 )
<b>Net fund flow due to operating activity</b>	<b>3195</b>	<b>104 261</b>	<b>-350 423</b>
<b>II. Рух коштів у результаті інвестиційної діяльності</b>			
Inflows від реалізації: фінансових інвестицій	3200		
необоротних активів	3205	228	-
Inflows of interests	3215		
dividends	3220	-	-
Inflows from derivatives	3225	-	-
Inflows from loan repaid	3230	-	-
Inflows from subsidiary disposal and disposal of other economic entity	3235		
Other Inflows	3250	<b>I</b>	<b>I</b>

Expenses for purchase of financial investments	3255	( - )	( - )
Non-current assets	3260	( 2 139 )	( 2 136 )
Derivative payments	3270	( - )	( - )
Expenses for loans	3275	( - )	( - )
Expenses for purchase of subsidiary and other economic entity	3280	( )	( )
Other payments	3290	( - )	( - )
<b>Net cash flow due to investment</b>	<b>3295</b>	<b>-1 911</b>	<b>-2 136</b>
<b>111. Cash flow due to financial activity</b>			
Inflows from Owner's equity	3300		
Loan reception	3305	-	-
Inflows from sale of a part in subsidiary	3310	-	-
Other Inflows	3340	5 823	10 564
Expenses for share buyback	3345	( - )	( * )
Loan repaid	3350	-	-
Dividends	3355	( - )	( - )
Expenses for payment of interests	3360	( - )	( - )
Expenses for financial rent debts	3365	( - )	( - )
Expenses for purchase of a part in subsidiary	3370	( )	( )
Expenses for payments to non-controlled parts in subsidiaries	3375	( )	( )
Other payments	3390	( - )	( - )
<b>Net cash flow due to financial activities</b>	<b>3395</b>	<b>5 823</b>	<b>10 564</b>
<b>Net cash flow due for the reporting period</b>	<b>3400</b>	<b>108 173</b>	<b>-341 995</b>
Year beginning balance	3405	80 866	413 067
Impact of currency rate changes to the balance	3410	5 143	9 794
Year end balance	3415	194 182	80 866

Set out by the procedure established by the central statistic authority  
Sergii Sliusarenko  
CEO

Ludmyla Ptuh  
Financial Economic Department  
Head  
/Signed, Stamp



Cancelling of payback shares (parts)	4270	-	-	-	-	-	-	-	-
Seizure of a part in capital	4275	-	-	-	-	-	-	-	-
Decrease of nominal share value	4280	-	-	-	-	-	-	-	-
Other changes in the equity (caital)	4290	-	-	-	-	(4 064)	'		(4 064)
Purchase (sale) of uncontrolled part in a subsidiary	4291				/				-
Changes in total	4295		-	23 175 .	/ :	(4 035)	'		19 140
Year end balance	4300	9 923	-		1 - Т Г . . " - - i . *	^ N412 890 A-----	-	-	176 156

Set out by the procedure established by the central statistic authority  
Sergii Sliusarenko  
CEO

Ludmyla Ptuh  
Financial Economic Department  
Head  
/Signed, Stamp

APPROVED

Decree of the Ministry of Finance of Ukraine

29.11.2000 No. 302 (version of Decree of the Ministry of Finance of Ukraine dated 28.10.2003 No.602)

<b>Enterprise Territory</b> State Authority <b>Economic activity form</b> Type of economic activity  <b>Unit of measurement:</b>	<b>SE SSFTIF "Ukrinmash"</b> <b>City of Kyiv</b> State Concern "Ukroboronprom"***** Subsidiary Intermediary , specializing in the goods trade  <b>Th UAH</b>	<b>CODES</b> <b>Date (year, month, number)</b> <b>EDRPOU</b> <b>KOATUU</b> <b>SPDODU</b> <b>KONFG</b> <b>KVED</b>	2018 01 01 14281072 8039100000 96545 160 46.18
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**NOTES FOR ANNUAL FINANCIAL REPORTS for 2017**

Form No. 5

DKUD Code 1801008

**I. Intangible assets**

Intangible asset groups	Line code	Year beginning balance		Annual inflow	Revaluation (increase +, decrease-)		Annual outflow		Annual accumulated depreciation	Losses due to utility decrease	Other changes		Year end balance	
		initial (reevaluated) value	Accumulated depreciation		initial (reevaluated) value	Accumulated depreciation	initial (reevaluated) value	Accumulated depreciation			initial (reevaluated) value	Accumulated depreciation	initial (reevaluated) value	Accumulated depreciation
		3	4	5	6	7	8	9	10	11	12	13	14	15
Right for using natural resources	010							*	-	-	-	-	-	-
Property use rights	020								-	-	-	-	-	-
Right to use the trade name	030								-	-	-	-	-	-
Industrial property rights	040								-	-	-	-	-	-
Copyright and associated rights	050								-	-	-	-	-	-
	060	-	-	-	-	-	-	-	-	-	-	-	-	-
Other intangible assets	070	343	230	233	-	-	-	-	41	-	-	-	576	271
Total	080	343	230	233	-	-	-	-	41	-	-	-	576	271
Goodwill	090	-	-	*	-	-	-	-	-	-	-	-	-	-

From line 080 column 14	Cost of intangible assets, limited in terms of property rights	(081)	-
	Cost of the mortgaged intangible assets	(082)	-
From line 080 column 5	Cost of intangible assets created by the enterprise	(083)	-
	Cost of intangible assets, received due to target allotments	(084)	-

From line 080 column 15	Accumulated depreciation of intangible assets limited in terms of property rights	(085)	-
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II. Fixed assets

Fixed asset groups	Line code	Year end balance		Annual inflow	Revaluation (increase +, decrease-)		Annual outflow		Annual accumulated depreciation	Losses due to utility decrease	Other changes in the year		Year end balance		including			
		Initial (reevaluated) value	Wear		Initial (reevaluated) value	Wear	Initial (reevaluated) value	Wear			Initial (reevaluated) value	Wear	Initial (reevaluated) value	Wear	Received due to financial rent	Transferd to operating rent	Initial (reevaluated) value	Wear
		3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Ground plots	100		-					-						-				
	105																	
Investment estate																		
Capital expenditures for land amelioration	110																	
Houses buildings and transmitting devices	120	15306	2349						774				15306	3123				
Machinery and equipment	130	3545	2607	358	-	-			331	-	-		3903	2938				
Vehicles	140	8731	6310	1331			311	311	720				9751	6719				
Tools, devices, furniture	150	1011	760	18					104				1029	864				
Animals	160		-	-	-	-	-	-	-	-			-	-				
Perennial planting	170	-	-	-	-	-	-	-	-		*		-	-				
Other fixed assets	180	-	-	-	-	-	-	-	-				-	-		*		
Library funds	190	2	2	16	-	-	-	-	16	-	-		18	18				
Low value non current assets	200	1081	1081	104					104				1185	1185				
Temporary buildings	210																	
Natural resources	220			-														
Reusable container	230		-	-	-	-	-	-						-			*	
Hired facilities	240			-	-	-	-	-						-				
Other non current assets	250																	
Total	260	29676	13109	1827			311	311	2049	-			31192	14847				

from line 260 column 14 cost of the fixed assets which by the law are limited as per property rights

(261)

cost of the mortgaged fixe assets

(262)

balance costs of the fixed assets that are not temporarily in use (reconstruction, preservation, ets)

(263)

initial (increased ) cost of completely depreciated fixed assets

(264)

8531

fixed assets of the rented property systems

(2641)

from line 260 column 8 cost of the fixed assets to be sold

(265)

balance cost of the fixed assets, lost in course of emergency

(2651)

from line 260 column 5 cost of the fixed assets, purchased as target financing

(266)

Cost of the fixed assets, rented for operation

(267)

from line 260 column 15 wear of the fixed assets, which by the law are limited as per property rights

(268)

from line105 column 14 cost of investment estate evaluated in fair value

(269)

(341)



## Capital investments

Description of value	Line code	Year	Year end
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
Fixed asset construction	280	-	-
Purchase (manufacture) of fixed assets	290	1677	30
Purchase (manufacture) of other intangible assets	300	122	24
Purchase (creation of) intangible assets	310	32	105
Purchase (growing) of long term biological assets	320	-	-
Other	330	29	2
<b>Total</b>	<b>340</b>	<b>1860</b>	<b>161</b>

From line 340 column 3 capital investment in investment estate financial expenses are included in capital investment

(342)

### IV. Financial investment

Description of value	Line	Year	Year end	
			Long term	current
<b>I</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>A. Financial investment as participation of capital in:</b>				
Associate enterprise subsidiaries	350	-	-	-
Joint activities	360	-	-	-
	370	-	-	-
<b>B. Other financial investment in:</b>				
Shares in the equity capital	380	-	-	-
shares	390	-	-	-
bonds	400	-	-	-
other	410	-	-	-
<b>Together (sep.A + sep.B)</b>	<b>420</b>	<b>-</b>	<b>-</b>	<b>-</b>

From line 045 col. 4 of the balance

Other long term financial investments are provided:

by the cost (421)

by fair value (422)

by depreciated cost (423)

from line 220 col. 4 of the balance

Current financial investment are provided:

by the cost (424)

by fair value (425)

by depreciated cost

(426)

## V. Incomes and expenses

Description of value	Line code	Incomes	Expences
1	2	3	4
<b>A. Other operating incomes and expenses</b>			
Operating lease of the assets	440	-	-
Operating rate difference	450	98211	154727
Selling other current assets	460	190	-
Fines, penalties, liquidated damage	470	6291	8132
	480	“	“
Maintenance of housing and public cultural facilities			
Other operating incomes and expenses	490	17480	81716
including: contributions to doubtful debts reserves	491	X	55340
Non-productive expenses and losses	492	X	-
<b>B. Incomes and expenses from participation of the equity in investments in:</b>			
Associate enterprises	500	-	-
Subsidiaries	510	-	-
Joint activities	520	-	-
<b>B. Other financial incomes and expenses</b>			
Dividends	530	-	X
Interests	540	X	-
Operating lease of the assets	550	-	-
Other financial expenses and losses	560	6025	-
<b>G. Other incomes and expenses</b>			
Sales of investments	570	-	-
Merger income	580	-	-
Utility evaluation result	590	-	-
Non-operating rate differences	600	-	-
Assets received free off charge	610	-	X
Discarding non current assets	620	X	-
Other incomes and expenses	630	770	-

Counter purchase (barter) operations with products (goods, works, services) (631)

Частка доходу від реалізації продукції (goods, works, services ) under Counter purchase (barter) contracts of respective parties з пов'язаними сторонами

(632) - %

From lines 540-560 column 4 financial expenses, included to the cost of the main activity products

(633)

**VI. Funds**

Description of value	Year end	
	Line code	
<b>1</b>	<b>2</b>	<b>3</b>
Cash	640	4
Current bank account	650	133878
Other bank accounts (LCs, Check books)	660	58977
On the go funds	670	1323
Fund equivalents	680	-
<b>Total</b>	<b>690</b>	<b>194182</b>

From line 070 col. 4 of the balance the funds of limited use

(691)

**VII. Securities and reserves**

Securities and reserve types	Line code	Year end balance	Report increase, year		Used in the reporting year	Cancellation of the non-used amount in the reporting year	Expected reimbursement amount of losses by the other party considered while assessing the securities	End year balance
			counted (created)	Additional contributions				
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>
Employees vacation coverage	710	2176	5465	-	4038	-		3603
Additional retirement coverage	720							
Consecutive expenses coverage for paying warranty obligations	730							
Restructure coverage	740	"	-	-	-	-	-	-
Consecutive expenses coverage for obligations concerning onerous contracts	750							
	760	-	-	-	-	-	-	-
	770	-	-	-	-	-	-	-
Doubtful debts reserves	775	8306	55340	-	-	-	-	63646
<b>Total</b>	<b>780</b>	<b>10482</b>	<b>60805</b>		<b>4038</b>	<b>-</b>		<b>67249</b>

**VIII.Inventory stocks**

I Description of values	Line code	Year end balance cost	Revaluation per year	
			Net cost sale increase *	decrease
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Materials and raw	800	-	-	-
Half processed material and components	810	1474		
Fuel	820	98	-	-
Containers and associate material	830	-	-	-
Construction material	840	-	-	-
Spare parts	850	488	-	-
Agricultural material	860			
Current lived assets	870	-	-	-
Small priced and rapid wear products	880	255	-	-
Incomplete construction	890	1379	-	-
Ready made products	900	11935	-	-
Goods	910	109486	-	-
<b>Total</b>	<b>920</b>	<b>125115</b>	-	-

From line 920 column 3 Balance cost of inventory stocks:

by net sales cost	(921)	
- processed	(922)	
-mortgaged	(923)	
-commissioned	(924)	
assets on custody(off-balance account 02)	(925)	184067
From line 275 column 4 of the Balance the stocks for sales	(926)	
Identified under para. 28 of Provisions (standards) of accounting 9 "Inventory Stocks"		

## IX Accounts receivables

Description of value	Line code	End year total	Incl. Delinquency periods		
			Up to 12 months	from 12 to 18 months	from 18 to 36 months
1	2	3	4	5	6
Accounts receivable for works, goods, services	940	193276	"	"	-
Other current accounts receivable	950	317951	"	"	~

Written off in the report period as uncollectible

(951) 12459

From lines 940 and 950 column 3 accounts receivable with involved parties

(952) 86302

### X. Shortage and losses due to property damage

Description of value	Line code	Amount
1	2	3
Detected (written-off) losses and shortage for a year	960	-
Considered as accounts receivable of the liable persons in the reporting year	970	-
Amount of shortage and losses, final decision regarding the liable persons not taken (off balance account 072)	980	"

### XI. Construction contracts

Description of value	Line code	Amount
1	2	3
Income under construction contracts for reporting year	1110	-
Accounts receivable for the end of the reporting year: total from customers	1120	-
Total to customers	1130	-
From advance payments received	1140	-
Amount of funds delayed for the year end	1150	-
Cost of works carried out by contractors under non-completed construction contracts	1160	-

**XII. Profit tax**

<b>Description of value</b>	<b>Line code</b>	<b>Amount</b>
<b>1</b>	<b>2</b>	<b>3</b>
Current profit tax	1210	22192
Deferred income tax assets: for the beginning of the reporting period	1220	-
	1225	-
Deferred tax liabilities: for the beginning of the reporting period	1230	164
for the end of the reporting period	1235	9
Included in the report on financial results – in total	1240	22037
including:		
current profit tax	1241	22192
decrease (increase) of deferred income tax assets	1242	-
increase (decrease) of deferred tax liabilities	1243	-155
Set out in the owner's equity – in total	1250	-
including:		
current profit tax	1251	-
decrease (increase) of deferred income tax assets	1252	-
increase (decrease) of deferred tax liabilities	1253	-

**XIII. Use of depreciation costs**

<b>Description of values</b>	<b>Line code</b>	<b>Amount</b>
<b>1</b>	<b>2</b>	<b>3</b>
Calculated for reporting period	1300	2090
Used for the year – in total	1310	-
including: facilities construction		
	1311	-
Purchase (manufacture) and improvement of the fixed assets	1312	-
Among them vehicles and equipment	1313	-
purchase (creation) of tangible assets	1314	-
Settlement of capital investment debts	1315	-
	1316	-
	1317	-

**XIV. Lived assets**

Lived assets groups	Line code	Accounted by initial cost										Accounted by fair value				
		Year beginning balance		Annual inflow	Annual outflow		Annual depreciation counted	Utility decrease costs	Utility restoration benefits	Year end balance		Year end balance	Annual inflow	Cost changes in the year	Annual outflow	Year end balance
		Initial cost	Accumulated depreciation		Initial cost	Accumulated depreciation				Initial cost	Accumulated depreciation					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Long term lived assets including -:																
Work stock	1410	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Productive live stock	1412	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Perennial planting	1413	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1414	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other long term lived assets	1415	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Current lived assets</b> include:																
Fattened animals	1420	-	x	-	-	x	x	-	-	-	x	-	-	-	-	-
Lived assets in a state of bio transformation (except fattened ones)																
	1422	-	x	-	-	x	x	-	-	-	x	-	-	-	-	-
	1423	-	x	-	-	x	x	-	-	-	x	-	-	-	-	-
Other current lived assets	1424	-	x	-	-	x	x	-	-	-	x	-	-	-	-	-
<b>Total</b>	1430	-	x	-	-	x	x	-	-	-	x	-	-	-	-	-

From line 1430 column 5 and column 14	Lived asset costs, purchased using target financing	<b>(1431)</b>
From line 1430 column 6 and column 16	Balance cost of long term lived assets, initial cost of current lived assets and fair value of the lived assets lost because of emergencies.	<b>(1432)</b>
From line 1430 column 11 and column 17	Balance cost of long term assets, which are limited by the Law in terms of property rights	<b>(1433)</b>

**XV. Financial results from initial recognition and sale of agricultural products and additional lived assets**

Description of value	Line code	Initial recognition cost	Costs due to biologic transformation	Initial recognition results		Devaluation	Sales revenue	Sales cost	Financial result (profit+, loss -) from	
				Income	Costs				sales	Initial recognition and sales
1	2	3	4	5	6	7	8	9	10	и
<b>Products and additional lived assets of plants</b>										
<b>- in total</b>	1500	-	-	-	( - )	-	-	-	-	-
including:										
Grain and pulses	1510	-	( - >	-	< - )	-	-	( - )	-	-
of which:										
wheat	1511	-	( - >	-	< - )	-	-	( - )	-	-
soya	1512	-	( - >	-	< - )	-	-	( - )	-	-
sunflower	1513	-	( - )	-	( - )	-	-	( - )	-	-
colza	1514	-	( - )	-	( - )	-	-	( - )	-	-
beetroot (factory)	1515	-	( - )	-	( - )	-	-	( - )	-	-
potatoes	1516	-	( - )	-	( - )	-	-	( - )	-	-
fruits (grain, pit)	1517	-	( - )	-	( - )	-	-	( - )	-	-
Other products	1518	-	( - )	-	( - )	-	-	( - )	-	-
Additional plant lived products	1519	-	( - )	-	< - )	-	-	( - )	-	-
<b>Products and additional animal lived products</b>										
<b>In total</b>	1520	-	( - )	-	( - )	*	-	( - )	-	-
including:										
Live weight gain in total	1530	-	( - )	-	( - )	-	-	( - )	-	-
Of which:										
Bovine cattle	1531	-	( - )	-	( - )	-	-	( - )	-	-
pork	1532	-	( - )	-	( - >	-	-	( - )	-	-
milk	1533	-	( - )	-	( - >	-	-	( - )	-	-
wool	1534	-	( - )	-	( - >	-	-	( - )	-	-
eggs	1535	-	( - )	-	( - )	-	-	( - )	-	-
Other livestock product	1536	-	( - >	-	( - )	-	-	( - )	-	-
Additional livestock product	1537	-	( - >	-	( - )	-	-	( - )	-	-
Fish products	1538	-	( - )	-	( - )	-	-	( - )	-	-
	1539	-	( - )	-	( - )	-	-	( - )	-	-
<b>agricultural products and additional lived assets in total</b>										

Sergii Sliusarenko  
CEO

Ludmyla Ptuh  
Financial Economic Department  
Head  
/Signed, Stamp/



Annex I  
To Provision (standard) of accounting 29 "Segmental financial report"

<b>Enterprise Territory</b> State Authority <b>Economic activity form</b> Type of economic activity  <b>Unit of measurement:</b>	<b>SE SSFTIF "Ukrinmash"</b> <b>City of Kyiv</b> State Concern "Ukroboronprob"***** Subsidiary Intermediary , specializing in the goods trade  <b>Th UAH</b>		<b>CODES</b>
		<b>Date (year, month, number)</b>	<b>2018 01 01</b>
		<b>EDRPOU</b>	<b>14281072</b>
		<b>KOATUU</b>	<b>8039100000</b>
		<b>SPDODU</b>	<b>96545</b>
		<b>KONFG</b>	<b>160</b>
		<b>KVED</b>	<b>46.18</b>

ANNEX TO THE NOTES OF ANNUAL FINANCE REPORTING

"Segmental information" for 2017

Форма № 6 DKUD Code 1801009

I. Indicators of priority reporting \_\_\_\_\_ segments  
(economic, geographic manufacturing, geographic marketing)

Description of the value	Line code	Description of the reporting segment												Нерозподілені статті		Усього	
		Reporting year	Last year	Reporting year	Last year	Reporting year	Last year	Reporting year	Last year	Звітний рік	Last year	Reporting year	Last year	Reporting year	Last year	Reporting year	Last year
i	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
<b>I. Reporting segments income:</b>																	
Incomes of operating activities of reporting segments	010	576608	1148484													576608	1148484
Of which:	011	454436	934933													454436	934933
Incomes of the product sales (goods, works, services): to external buyers																	
Other reporting segments	012	-	-	-	-												
Other operating incomes	013	122172	213551						-					-		122172	213551
Financial доходи звітних сегментів	020	6025	10644													6025	10644
Of which:																	
Incomes in participation in the capital directly impacting the segment	021																
Other financial income	022	6025	10644	-	-							-				6025	10644
Othe incomes	030	770	365		-											770	365

I	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Total income or reporting segments	040	583403	1159493	-	-	-	-	-	-	-	-	-	-	-	-	583403	1159493
Non-distributed incomes	050	X	X	X	X	X	X	X	X	X	X	X	X	-	-	-	-
Of which:																	
Operating activities incomes	051	X	X	X	X	X	X	X	X	X	X	X	X	-	-	-	-
Financial income	052	X	X	X	X	X	X	X	X	X	X	X	X	-	-	-	-
Deduction of sales income (goods, works, services) to other reporting segments	060																
Total enterprise incomes (p. 040 + p. 050 - p. 060)	070	583403	1159493	-	-	-	-	-	-	-	-	-	-	-	-	583403	1159493
2. Reporting segments expenses:	080	67990	774455	-	-	-	-	-	-	-	-	-	-	-	-	67990	774455
Of which:																	
Cost of sold products (goods, works, services):																	
External customers	081	67990	774455													67990	774455
Other reporting segments	082		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Administrative costs	090	80725	48405	-	-	-	-	-	-	-	-	-	-	-	-	80725	48405
Market expenses	100	134927	63678	-	-	-	-	-	-	-	-	-	-	-	-	134927	63678
Other операційні expenses	110	244575	226409	-	-	-	-	-	-	-	-	-	-	-	-	244575	226409
Financial expenses of reporting segmentsзвітних сегментів	120			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which:																	
Losses from participation in capital which can relate to reporting segment	121																
	122	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	130	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total reporting segments losses	140	528217	1112947													528217	1112947
Non distributed expenses	150	X	X	X	X	X	X	X	X	X	X	X	X	22037	9875	22037	9875
Of which:																	
Administrative market and Other expenses of operating activities, non distributed for reporting segments	151	X	X	X	X	X	X	X	X	X	X	X	X				
Financial expenses	152	X	X	X	X	X	X	X	X	X	X	X	X	-	-	-	-
Profit tax	154	X	X	X	X	X	X	X	X	X	X	X	X	22037	9875	22037	9875

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Deduction of cost of sold products (goods, works, services) to other reporting segments	160																
<b>Total expenses of the enterprise</b> (p. 140 + p. 150 - p. 160)	170	528217	1112947	-	-	-	-	-	-	-	-	-	-	22037	9875	550254	1122822
<b>3. financial result of the segment activities</b> (p. 040-p. 140)	180	55186	46546													55186	46546
<b>4. Financial result of the enterprise activities</b> (p. 070-p. 170)	190	55186	46546											-22037	-9875	33149	36671
<b>5. Reporting segment assets</b>	200	1478457	1041577	-	-	-	-	-	-	-	-	-	-	-	-	1478457	1041577
of which:																	
	201	16811	17063	-	-	-	-	-	-	-	-	-	-	-	-	16811	17063
	202	1461646	1024514	-	-	-	-	-	-	-	-	-	-	-	-	1461646	1024514
	203			-	-	-	-	-	-	-	-	-	-	-	*		
	204	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	205	-	*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Нерозподілені активи</b>	220	X	X	X	X	X	X	X	X	X	X	X	X	164	219	164	219
of which:	221	X	X	X	X	X	X	X	X	X	X	X	X	-	-	-	-
	222	X	X	X	X	X	X	X	X	X	X	X	X	164	219	164	219
	223	X	X	X	X	X	X	X	X	X	X	X	X	-	-	-	-
	224	X	X	X	X	X	X	X	X	X	X	X	X	-	-	-	-
<b>Total enterprise assets</b>	230	1478457	1041577	-	-	-	-	-	-	-	-	-	-	164	219	1478621	1041796
<b>6. reporting segments assets</b>	240	1302456	884616	-	-	-	-	-	-	-	-	-	-	-	-	1302456	884616
Of which:																	
	241	206562	84685	-	-	-	-	-	-	-	-	-	-	-	-	206562	84685
	242	370574	221493	-	-	-	-	-	-	-	-	-	-	-	-	370574	221493
	243	721717	576262	-	-	-	-	-	-	-	-	-	-	-	-	721717	576262
	244	3603	2176	-	-	-	-	-	-	-	-	-	-	-	-	3603	2176
<b>Non distributed liabilities</b>	260	X	X	X	X	X	X	X	X	X	X	X	X	9	164	9	164
of which:	261	X	X	X	X	X	X	X	X	X	X	X	X	9	164	9	164
	262	X	X	X	X	X	X	X	X	X	X	X	X	-	-	-	-
	263	X	X	X	X	X	X	X	X	X	X	X	X	-	-	-	-
	264	X	X	X	X	X	X	X	X	X	X	X	X	-	-	-	-
<b>Total liabilities of enterprise</b> (p. 240 +- p. 260)	270	1302456	884616	-	-	-	-	-	-	-	-	-	-	9	164	1302465	884780
<b>7. Capital investments</b>	280	2094	2361											-	-	2094	2361
<b>8. Depreciation of non-current assets</b>	290	2090	1789													2090	1789

**II. Values under auxiliary reporting** \_\_\_\_\_ **segments**

(economic, geographic manufacturing, geographic marketing)

Description of values	Line code	Description of reporting segments												Non distributed paragraphs		Total		
		Reporting year		Last year		Reporting year		Last year		Reporting year		Last year		Reporting year	Last year	Reporting year	Last year	
		3	4	5	6	7	8	9	10	11	12	13	14					15
Incomes of sales of products (goods, works, services to external buyers)	300	454436	934933														454436	934933
Balance cost of reporting segments assets	310	1478457	1041577	-	-	-	-	-	-	-	-	-	-	164	219	1478621	1041796	
Capital investments	320	2094	2361	-	-	-	-	-	-	-	-	-	-	-	-	2094	2361	
	330	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	340	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

**III. Values under auxiliary (manufacture, market) segment**

Description of value	Line code	Description of reporting segments												Non distributed paragraphs		Total		
		Reporting year		Last year		Reporting year		Last year		Reporting year		Last year		Reporting year	Last year	Reporting year	Last year	
		3	4	5	6	7	8	9	10	11	12	13	14					15
Incomes of selling the products (goods, works, services) to external buyers	350	454436	934933														454436	934933
Balance cost of reporting segment assets	360	1478457	1041577	-	-	-	-	-	-	-	-	-	-	164	219	1478621	1041796	
Capital investment	370	2094	2361	-	-	-/?	-	-	-	-	-	-	-	-	-	2094	2361	
	380	-	-	-	-	//.	-	-	-	-	-	-	-	-	-	-	-	
	390						-											

Sergii Sliusarenko

CEO

Ludmyla Ptuh

Financial Economic Department

Head

/Signed, Stamp/